A G E N D A

Meeting of the
Scotts Valley City Council

Date: December 4, 2019
Time: 6:00 pm

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted 11-27-19 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

ELECTED OFFICIALS	CITY STAFF MEMBERS
Jack Dilles, Mayor Randy Johnson, Vice Mayor Donna Lind, Council Member Jim Reed, Council Member Derek Timm, Council Member	Tina Friend, City Manager Kirsten Powell, City Attorney Steve Walpole, Chief of Police Taylor Bateman, Community Development Director Tony McFarlane, Administrative Services Director Daryl Jordan, Public Works Director Tracy Ferrara, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

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

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 PM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

SPECIAL SET MATTER

(1) Introduction of new employees: Amanda Long, Accountant I and Terra Andrade, Human Resources/Payroll Analyst

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 minutes of 11-20-19

B. Approve check registers dated 11-22-19, 11-27-19

C. Approve Resolution No. 1955.6 establishing the job classification and salary range for the Job Classification of Management Analyst/Senior Management Analyst in the City of Scotts Valley personnel complement with no new corresponding budgeted position or budget appropriation

D. Approve the Lot Line Adjustment between APN 023-061-17 (7200 Highway 17) and APN 023-051-04 (114 Sawyer Court)

E. Approve the Operation & Maintenance Agreements for Tract 1603 Dunslee residential/commercial projects

F. Approve the Operation & Maintenance Agreement for the Pinnacle View project, APN’s 021-281-01, -02, -05, and -06

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. Consider designating City Council Members and potential consultant support for a retail replacement and economic development strategy (City Manager Friend)

2. Consider declaring a fiscal emergency in the City of Scotts Valley and placing a Transactions and Use (Sales) Tax Measure on the March 2020 Presidential Primary Election (City Manager Friend)

3. 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(S)

(1) Conference with legal counsel regarding potential litigation.

Legal Authority:	Government Code Section 54956.9(b)
Name of Case:	1 case
Staff Present:	City Manager, City Attorney, Administrative Services Director

RECONVENE TO OPEN SESSION

REPORT ON ACTION TAKE DURING CLOSED SESSION

ADJOURNMENT

ADA NOTICE

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5602 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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AGENDA ITEM A
DATE: 12-04-2019

M I N U T E S

Meeting of the
Scotts Valley City Council

Date: November 20, 2019
Time: 6:00 pm

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted 11-15-19 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

CALL TO ORDER 6:00 PM

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

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Jack Dilles, Mayor Randy Johnson, Vice Mayor Donna Lind, Council Member Jim Reed, Council Member Derek Timm, Council Member	Tina Friend, City Manager Kirsten Powell, City Attorney Taylor Bateman, Community Development Director Tony McFarlane, Administrative Services Director Daryl Jordan, Public Works Director/City Engineer Mike Dean, Police Captain Tracy Ferrara, City Clerk

SPECIAL SET MATTERS

(1) **Legislative Update by Assembly Member Mark Stone**

Assembly Member Stone provided a legislative update and responded to questions from the City Council.

COMMITTEE REPORTS

CM Timm reported that the AMBAG Board met and they are working on a new central coast highway resiliency study as Highway 1 in Moss Landing is predicted to be underwater by 2060.

VM Johnson reported that the Santa Cruz County Regional Transportation Commission met and discussed various items related to the rail and trail component to the transportation system and highway widening.

CM Lind reported that the Santa Cruz Metropolitan Transit District Finance Committee met to discuss budget related to unfunded liabilities and discretionary payments.

CM Lind reported that the Santa Cruz Metropolitan Transit District Board met and discussed ridership and incentives to improve ridership. She reported that they are also working to increase their reserves and improve services. They are also working on their zero emission bus program.

CM Lind reported that the Criminal Justice Council met and received a presentation from the FBI on white supremacist gangs and domestic terrorism.

Mayor Dilles reported that the City Select Committee met and discussed housing throughout the County, the remote action network connection for fingerprinting, and the upcoming Santa Cruz Civic Summit being held at Cabrillo College.

CITY MANAGER REPORT

Siltanen Mural: Some weeks ago, the Siltanen mural was vandalized with graffiti. After reaching out the original muralists, a volunteer group organized to repaint and fix the mural. This Saturday from 11:00 a.m. to 2:00 p.m., volunteers will be out repainting and restoring the mural and applying an anti-graffiti coating.

Proposition 68: Another opportunity for feedback on the use of Prop 68 monies, $200,000 in parks' improvements, will be at the Parks and Recreation Commission this Thursday, November 21st at 6:00 pm at the Parks and Recreation Office in Skypark Park.

Pickle Ball Courts: The Pickle Ball Courts are completely finished and the group still averages 45 to 50 players on Saturdays. On Tuesdays and Thursdays there are approximately 6 to 8 courts going with 55 players.

Light Up the Night: Join the Scotts Valley Advocates for the Light Up the Night event on Saturday, December 7th from 5:30 to 7:30 p.m. at the Scotts Valley Community Center.

PUBLIC COMMENT TIME

CM Lind announced that the Scotts Valley Police Officers Association will be holding a toy drive on Friday and Saturday of Thanksgiving weekend at K-Mart to support Valley Churches United.

CM Lind announced that she attended the Salvation Army Kettle Kickoff breakfast and thanked Scott Hamby for his work with Salvation Army.

CM Lind announced that she attended the Boys & Girls Club breakfast where they reviewed their facility improvements.

CM Lind announced that the Fallen Officer Foundation has a First Responder Calendar available for purchase - $20! Proceeds support Fallen Officer Foundation. Calendar's are available at Leo's U-Save Liquors, Scotts Valley PD, Scotts Valley Fire, SV Chamber of Commerce, Central Fire, and Santa Cruz Fire.

Ilo Nilson, Scotts Valley resident, expressed concerns regarding the condition of Bluebonnet Lane and the potential traffic impacts that she believes will be caused by the Aviza project, and asked that the Council require the developer use Kings Village Road North.

Tom Gaspar, Scotts Valley resident, spoke regarding the Santa Margarita Aquifer and expressed concerns regarding potential environmental impacts to the aquifer based on the Super Fund site and trichloroethylene contamination.

Mongai Koman, Scotts Valley resident, expressed concerns regarding potential traffic and noise impacts that he believes may be caused by the Aviza project. He asked that the Council require the developer to use Kings Village Road North and close Bluebonnet Lane to all through traffic as part of the development agreement.

Betty Johansen, Scotts Valley resident, expressed concerns regarding potential traffic and noise impacts that she believes will be caused by the Aviza project, and asked that the Council require the developer use Kings Village Road North as part of the development agreement.

Mayor Dilles spoke regarding PG&E public safety power shutoffs.

Mayor Dilles spoke regarding needle disposal and exchange in Santa Cruz County.

ALTERATIONS TO CONSENT AGENDA

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

CONSENT AGENDA

A. Approve City Council minutes of 11-6-19

B. Approve check registers dated 11-1-19, 11-8-19, 11-15-19

C. Accept the 2018/2019 Annual AB1600 Development Impact Fee Report

D. Approve second reading and adoption of Ordinance No. 102.15 amending Title 15 of the Scotts Valley Municipal Code and adopting the California Code of Regulations Title 24, 2019 Building Standards Codes, subject to the specified deletions, amendments, exceptions and additions, and other codes and standards to establish minimum requirements to safeguard public health, safety and general welfare

E. Approve Resolution No. 1971 directing staff to submit an application to the State of California SB 2 Planning Grant Program for $160,000 in SB2 grant funds

ALTERATIONS TO REGULAR AGENDA

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

REGULAR AGENDA

1. **Future Council agenda items**

Council requested a future agenda item regarding vaping.

Mayor Dilles requested a future agenda item to discuss the proposed PG&E reorganization.

Mayor Dilles requested a future agenda item to discuss the HARM Reduction Coalition application.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 7:22 p.m. to discuss the following items:

(1) Pursuant to Government Code Section 54956.8, the City Council met in closed session to confer with their legal counsel regarding real property negotiations, 251 Kings Village Road, Scotts Valley, CA.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 9:50 p.m.

REPORT ON ACTION TAKE DURING CLOSED SESSION

Mayor Dilles announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 9:50 p.m.

Approved: ______________________________
Jack Dilles, Mayor

Attest: ____________________________
Tracy A. Ferrara, City Clerk

AGENDA ITEM B
DATE: 12-04-2019

Report Selection:

RUN GROUP... 112219 COMMENT... 11/22/2019 A/P

DATA-JE-ID	DATA COMMENT
W-11222019-146	11/22/2019 A/P

Run Instructions:

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BANK	VENDOR	CHECK#	DATE	AMOUNT
BA	GENERAL CHECKING ACCOUNT			
003566	ABA BUILDING SERVICES	117678	11/22/19	150.00
003342	ACCENT CLEAN & SWEEP INC	117679	11/22/19	2,123.00
002059	ALCOPRO, INC	117680	11/22/19	160.00
000097	AT&T	117681	11/22/19	124.88
001822	BC LABORATORIES INC.	117682	11/22/19	110.00
.15412	BETTY JOHANSEN	117683	11/22/19	33.79
003899	BIGLER CONSTRUCTION	117684	11/22/19	128,700.00
000437	BRASS KEY LOCKSMITH	117685	11/22/19	26.39
001566	BUSINESS WITH PLEASURE	117686	11/22/19	183.12
003521	CARD SERVICE CENTER	117687	11/22/19	3,374.93
003521	CARD SERVICE CENTER	117688	11/22/19	7,237.67
001553	CARD SHARK INC/THE	117689	11/22/19	250.70
003887	CHEUNG/ATHENA	117690	11/22/19	201.83
000235	CIVIL CONSULTANTS GROUP	117691	11/22/19	6,345.00
002091	COMCAST	117692	11/22/19	167.57
001546	CRAIG/ROBERT J	117693	11/22/19	375.00
000037	CRYSTAL SPRINGS WATER CO	117694	11/22/19	45.80
000389	DASSEL'S PETROLEUM INC	117695	11/22/19	5,615.74
001537	DYNAMIC PRESS	117696	11/22/19	671.44
000202	FEDERAL EXPRESS	117697	11/22/19	584.60
003154	FLANNERY/MARLENE	117698	11/22/19	355.34
003502	FREITAS & FREITAS	117699	11/22/19	18,125.00
001828	GONZALES/GABE	117700	11/22/19	1,133.31
000895	GRANITE CONSTRUCTION CO	117701	11/22/19	169.47
000262	GRANITE ROCK COMPANY	117702	11/22/19	1,348.06
000615	HOHMANN/PATRICK J.	117703	11/22/19	1,136.00
001841	IDEXX LABORATORIES, INC.	117704	11/22/19	4,618.15
003906	JOANNE PURDY GUZMAN	117705	11/22/19	1,029.00
001308	JOHNSON DDS/BRETT	117706	11/22/19	104.00
003701	JORDAN/DARYL	117707	11/22/19	165.12
002032	KT MECHANICAL INC	117708	11/22/19	3,050.00
000078	LLOYD'S TIRE SERVICE INC	117709	11/22/19	20.11
003403	MAR-KEN INTERNATIONAL PO	117710	11/22/19	520.00
000050	MELROSE/TAMERA	117711	11/22/19	24.00
000218	MID VALLEY SUPPLY	117712	11/22/19	73.07
001418	MONTEREY REGIONAL	117713	11/22/19	4,936.05
001779	MUSICAL ME, INC	117714	11/22/19	1,920.00
003895	NASSETTA/NICHOLAS	117715	11/22/19	455.00
000101	PACIFIC GAS & ELECTRIC C	117716	11/22/19	32.41
003503	PURETEC INDUSTRIAL WATER	117717	11/22/19	219.35
003907	ROSS ROOFING	117718	11/22/19	862.50
001894	S.V. WATER DISTRICT - BU	117719	11/22/19	7.22
001883	S.W.R.C.B.	117720	11/22/19	2,625.00
001883	S.W.R.C.B.	117721	11/22/19	9,394.00
003658	SANTA CRUZ OCCUPATIONAL	117722	11/22/19	170.00
000319	SCOTTS VALLEY CAR WASH	117723	11/22/19	57.92
000405	SILVERSTEIN/THOMAS	117724	11/22/19	2,970.00
003748	SILVIA/DONNA	117725	11/22/19	67.88

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT				
000143	SUMMIT UNIFORMS	117726	11/22/19	442.46	
003590	VARGAS ACADEMY OF GYMNAS	117727	11/22/19	2,336.60	
003145	WAGE WORKS	117728	11/22/19	127.00	
000154	WINCHESTER AUTO STORES	117729	11/22/19	9.77	
003390	YARY PHOTOGRAPHY	117730	11/22/19	20.00	
002021	ZOOM	117731	11/22/19	581.95	
	GENERAL CHECKING ACCOUNT			215,587.20	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				215,587.20

RECORDS PRINTED - 000083

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	30,667.58
002	RECYCLING/ENVIRONMENTAL	2,123.00
004	RECREATION	10,127.63
010	WASTEWATER OPERATIONS	18,133.91
011	TERTIARY TREATMENT PLANT	4,618.15
019	AFFORDABLE HOUSING	18,125.00
028	SENIOR CENTER	989.43
088	LIBRARY FACILITIES-MEAS "S"	862.50
112	DENTAL INS INTERNAL SERV	1,240.00
150	GENERAL CAPITAL IMPROVEMENTS	128,700.00
TOTAL ALL FUNDS		215,587.20

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	215,587.20
TOTAL ALL BANKS		215,587.20

Report Selection:

RUN GROUP... 112719   COMMENT... 11/27/2019 A/P

DATA-JE-ID	DATA COMMENT
W-11272019-170	11/27/2019 A/P

Run Instructions:

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

BANK	VENDOR	CHECK#	DATE	AMOUNT	
BA	GENERAL CHECKING ACCOUNT				
000041	ACC BUSINESS	117732	11/27/19	1,219.38	
003149	AQUATIC BIOASSAY &	117733	11/27/19	4,330.00	
001009	ARD/KRISTIN	117734	11/27/19	93.33	
001670	AT &T	117735	11/27/19	520.90	
000097	AT&T	117736	11/27/19	33.03	
003643	AUNT LALI'S	117737	11/27/19	199.75	
001051	COASTAL EVERGREEN CORP	117738	11/27/19	1,025.00	
003564	CREATIVE SECURITY COMPAN	117739	11/27/19	3,667.02	
000207	DEPARTMENT OF JUSTICE	117740	11/27/19	244.00	
001362	DUNCAN AUTO TECH	117741	11/27/19	1,991.56	
000426	ENTENMANN-ROVIN CO	117742	11/27/19	70.13	
001828	GONZALES/GABE	117743	11/27/19	173.93	
003790	JOHNSON/JARED	117744	11/27/19	143.86	
.15413	KAREN FAZIO WALGREN	117745	11/27/19	136.50	
003292	KIMLEY-HORN & ASSOCIATES	117746	11/27/19	430.50	
003565	MANAGEMENT PARTNERS	117747	11/27/19	6,575.00	
003171	MICHALAK/GENE	117748	11/27/19	125.00	
001926	MICROTECH SCIENTIFIC	117749	11/27/19	115.92	
003685	MONTEREY BAY ANALYTICAL	117750	11/27/19	420.00	
000323	NBS GOVERNMENT FINANCE G	117751	11/27/19	1,521.36	
001872	NORTH CENTRAL LABORATORI	117752	11/27/19	160.68	
001615	OLIN CORP-CHLOR ALKALI	117753	11/27/19	2,143.94	
000446	SANTA CRUZ ORAL & MAX SU	117754	11/27/19	112.00	
000127	SANTA CRUZ SENTINEL	117755	11/27/19	1,423.15	
000122	SANTA CRUZ/CITY OF	117756	11/27/19	8,483.97	
003085	SHRED-IT USA	117757	11/27/19	226.46	
003674	SLOAN SAKAI YEUNG & WONG	117758	11/27/19	126.00	
002065	SOTO/ART	117759	11/27/19	90.60	
002053	STEPFORD	117760	11/27/19	10,937.14	
001366	U.S. BANCORP OFFICE	117761	11/27/19	374.27	
003590	VARGAS ACADEMY OF GYMNAS	117762	11/27/19	1,617.00	
000952	WILSON/JOHN	117763	11/27/19	1,130.22	
001625	YOSHIDA DDS/NOREEN	117764	11/27/19	315.50	
	GENERAL CHECKING ACCOUNT			50,177.10	***

BANK	VENDOR	CHECK#	DATE	AMOUNT
REPORT TOTALS:				50,177.10

RECORDS PRINTED - 000037

GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
001	GENERAL	30,082.62
004	RECREATION	2,400.51
010	WASTEWATER OPERATIONS	13,090.57
011	TERTIARY TREATMENT PLANT	2,563.94
090	SV DRIVE A REDEMPTION	1,521.36
112	DENTAL INS INTERNAL SERV	518.10
TOTAL ALL FUNDS		50,177.10

BANK RECAP:

BANK	NAME	DISBURSEMENTS
BA	GENERAL CHECKING ACCOUNT	50,177.10
TOTAL ALL BANKS		50,177.10

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Tina Friend, City Manager

SUBJECT: **ESTABLISHING THE JOB CLASSIFICATION OF MANAGEMENT ANALYST / SENIOR MANAGEMENT ANALYST IN THE CITY OF SCOTTS VALLEY PERSONNEL COMPLEMENT WITH NO NEW CORRESPONDING BUDGETED POSITION OR BUDGET APPROPRIATION**

SUMMARY OF ISSUE

The City of Scotts Valley's personnel complement includes 60.5 budgeted full-time equivalent (FTE) positions. Twenty-eight (28) FTE are housed in the Police Department, and the remaining 32.5 FTE are assigned to the remainder of City operations. This includes staffing to support a 24/7 operational Wastewater Treatment Plant, public works for streets, parks and public infrastructure maintenance, engineering, recreation services and programs, planning and building services, and city administration such as finance, human resources, risk management, information technology, and general administration. The City's compact workforce is responsible for the breadth of community services that ensure Scotts Valley is a safe and thriving city for its residents, businesses and visitors.

Compounding the significant workload demand to maintain services day-to-day is the City's staff vacancy rate. Currently, the City is 10 positions down from the approved, budgeted list of positions. The City has difficultly recruiting positions given the labor market and higher salaries offered at other regional local governments. Therefore, systemically, and with the current 83% effective staffing rate, the City is challenged to maintain an effective and high-achieving organization to deliver responsive, quality services to the public. Work on projects, programs, initiatives, policies and continuous improvement is often delayed and deferred as the available staffing simply cannot meet demands. Further, the community and City Council reasonably wish to do more—especially in the areas of housing and economic development with the Town Center and other business development activities—but those efforts are slow to launch as staff are stretched to capacity.

Ordinarily, these demands would be met with adding new positions; however, the City is in a position of fiscal emergency and cannot add new full-time staff. As important work must be completed, the recommended course of action is to use temporary staffing.

Hiring temporary employees as extra help to deliver stalled projects and limited-term demands provides the City the flexibility to accomplish valuable objectives without full-time staff costs. This approach is used throughout municipalities, including Scotts Valley.

The range of delayed and deferred projects includes citywide policy and procedures revisions, procurement process improvements, economic development and Town Center Exploratory Committee support, grant writing and management, and policy research and writing. They would be best achieved with extra help in a generalist management analyst classification. This is a multi-faceted professional classification that encompasses research, writing, analysis, policy and recommendation development, project management and similar responsibilities to help with the administration of City services. It is a flexible position that can fit any department or body of work.

Currently, the City's personnel complement lacks this classification. The action before the City Council is to establish the job classification of Management Analyst / Senior Management Analyst. This flexibly-staffed position allows for a variety of work and degrees of independence and responsibility. The proposed job classification was based upon similar classifications at the cities of Los Gatos, Monterey, Santa Cruz and Watsonville. It will reside in the City of Scotts Valley Mid-Management Association and that association was notified and consulted on this proposed addition.

Creating this functional path to hire temporary extra help staff is all that is recommended. There is no new position or new budget appropriation requested.

FISCAL IMPACT

There is no new fiscal impact associated with creating this position. No new budgeted position or budget appropriation is requested. Rather, if approved, temporary staff would be hired into his classification, as needed, and funded by salary savings accrued from the vacancies this fiscal year. Should there be a need for a specific budget allocation to support temporary staffing in the future, an agenda item would be brought forward for Council consideration at that time.

STAFF RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 1955.6 establishing the classification of Management Analyst / Senior Management Analyst and include it in the City's personnel complement.

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B. Resolution No. 1955.6 6

CITY OF SCOTTS VALLEY
CLASS SPECIFICATION

MANAGEMENT ANALYST / SENIOR MANAGEMENT ANALYST

JOB PURPOSE

Under general supervision, performs a variety of mid/management level duties in support of general administration, coordination, and monitoring of departmental and citywide operations, programs and projects; conducts complex research and analysis and prepares reports and presentations; manages initiatives, programs and special projects; manages or assists in the development of annual budgets; develops and implements procedures and special programs, liaises with the community, external agencies and committees/commissions; and performs related work as required.

This classification can be flexibly staffed. The Management Analyst requires a working knowledge of management principles, public administration and analytical practices. Incumbents exercise independent responsibility and judgment in conducting responsible research, analysis and project management. The Senior Management Analyst functions with a higher complexity and scope of duties as well as a greater degree of independence, sensitivity, and responsibility in making high-level decisions and developing and implementing programs and policies.

EXAMPLES OF DUTIES

Essential Duties:

Duties may include, but are not limited, to the following:

- Develops reports and studies; may conduct research on relevant subject matter and/or by maintaining, compiling, analyzing, and projecting statistical data; coordinates materials from various sources; and writes and edits narratives.
- Prepares City Council agenda reports and various other commission, committee and staff reports, resolutions, ordinances, and correspondence regarding assigned activities.
- Develops grant proposals; tracks funding and writes associated reports.
- Provides research, analysis, and monitoring of administrative or operational issues and programs by gathering information and data; conducts feasibility studies; prepares reports and makes recommendations.
- May coordinate public relations efforts as assigned by preparing press releases, public information material, and newsletters; meets with citizens and community groups and responds to questions, comments and complaints.
- Monitors and controls spending by reviewing requisitions and invoices for proper accounting, fund balance and appropriation.
- Administers procurement processes and professional services contracts for departmental or citywide programs and services.

- Manages or assists with the development of annual budgets including estimating costs and revenues for a program or department, enters and verifies the accuracy of budget data, and prepares reports.
- Implements and manages projects such as Capital Improvement Projects, by drafting requests for proposals/qualifications, coordinating contractor selections, negotiating and administering agreements, and monitoring and reporting on project progress.
- Serves as staff to Council-appointed commissions and committees as assigned; provides administrative and logistical support by preparing minutes and agendas and drafting related reports and correspondence; coordinates with other City staff and the public.
- Assist in the coordination of department or citywide activities.
- Reviews procedures, rules, standards, and regulations; makes recommendations and implements improvements as needed.
- Assists with or manages work measurement projects, prepares detailed analysis of operations, develops job standards and workload indicators.
- Acts as liaison and City representative with external agencies and commissions.
- Support the relationship between the City of Scotts Valley and the general public by demonstrating courteous and cooperative behavior when interacting with citizens, visitors, external customers, and City staff.
- Reviews and analyzes recent and pending legislation affecting City programs or operations.
- Responds to general correspondence, requests for information and questionnaires.
- May develop, implement, maintain and report on special programs within the department or division.
- May coordinate the departmental personnel functions, including recruitment and safety training.
- May supervise, provide lead direction and train staff.
- Performs other related duties as assigned.

Marginal Duties:
- Performs related duties similar to the above in scope and function as required.

EMPLOYMENT STANDARDS

Education and Experience: Any combination of education, training and experience which would provide the required knowledge and abilities is qualifying. A typical way to obtain the required qualifications is to possess the equivalent of the following:

- Bachelor's degree or equivalent from an accredited college or university with major coursework in business, public administration or a related field; and
- Two years of responsible project or program coordination or management experience and some research and analytic work; or
- Equivalent combination of education and experience.

- For the Senior Management Analyst, project management, government background and a Master's degree in public administration or related field is preferred, but not required.

Licensing and Certification Requirements:
- A valid California State Driver's License is required.

Ability to:
- Accurately analyze, interpret, and evaluate department, administrative, programmatic, and/or technical issues and make appropriate recommendations for actions;
- learn more complex principles, practices, techniques, and regulations pertaining to assigned duties;
- research, locate, and compile appropriate data, information and material;
- establish and maintain effective working relationships with the public, department, citywide staff, regulatory agency staff and City advisory bodies;
- effectively organize assigned tasks and meet established deadlines;
- prepare and deliver oral and visual presentations at public, city staff and City Council meetings; perform statistical and budget analysis;
- interpret, explain, and apply applicable laws, codes, rules and regulations;
- competently use MS Office including Word, Excel, PowerPoint and other computer programs and applications as required;
- communicate clearly and concisely both verbally and in writing; and,
- working independently, maintaining composure and confidentiality.

Knowledge of:
- Principles and practices of program or project development, administration, and evaluation; principles of public administration and management;
- basic principles of budget development and management;
- methods and techniques for research, analysis, data/information presentation, and report preparation; and
- standard office practices and procedures.

Physical Demands and Working Environment:
- Work is performed in a standard office environment.

CITY COUNCIL APPROVAL DATE:

RESOLUTION NO. 1955.6

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY ESTABLISHING THE JOB CLASSIFICATION AND SALARY RANGE FOR MANAGEMENT ANALYST / SENIOR MANAGEMENT ANALYST

WHEREAS, the City of Scotts Valley personnel complement was reviewed and found to lack a generalist, professional analytical, project and program management job classification; and

WHEREAS, the City's current and projected workload demands would be supported by the creation of a Management Analyst / Senior Management Analyst; and

WHEREAS, City Council approval is needed to establish the job classification and associated salary range.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Scotts Valley that the job classification and description for Management Analyst / Senior Management Analyst is hereby established, as attached; and a salary range set for FY 2019/2020 as follows:

Position Classification	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**
Management Analyst / Senior Management Analyst	5,992	6,291	6,606	6,936	7,283	7,647	8,029

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 4th day of December, 2019 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: ______________________________
Jack Dilles, Mayor

Attest: ______________________________
Tracy A. Ferrara, City Clerk

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Kimarie Jones, Engineering Associate

REVIEWED: Daryl Jordan, Public Works Director/City Engineer

APPROVED: Tina Friend, City Manager

SUBJECT: **LOT LINE ADJUSTMENT BETWEEN APN 023-061-17 (7200 Highway 17) AND APN 023-051-04 (114 Sawyer Court)**

SUMMARY OF ISSUE

A Lot Line Adjustment application was submitted for APN 023-061-17 (7200 Highway 17) and APN 023-051-04 (114 Sawyer Court). The lot line adjustment will shift 8,866 square feet from APN 023-061-17 to APN 023-051-04, resulting in APN 023-061-17 being 332,537.04 square feet and APN 023-051-04 being 56,584.44 square feet. The lot line adjustment will enable the applicant to increase their property line and have a larger buffer.

As required by State law, the adjusted parcels comply with the applicable zoning regulations.

FISCAL IMPACT

There is no fiscal impact to the General Fund.

STAFF RECOMMENDATION

It is recommended that City Council approve the Lot Line Adjustment between APN 023-061-17 (7200 Highway 17) and APN 023-051-04 (114 Sawyer Court).

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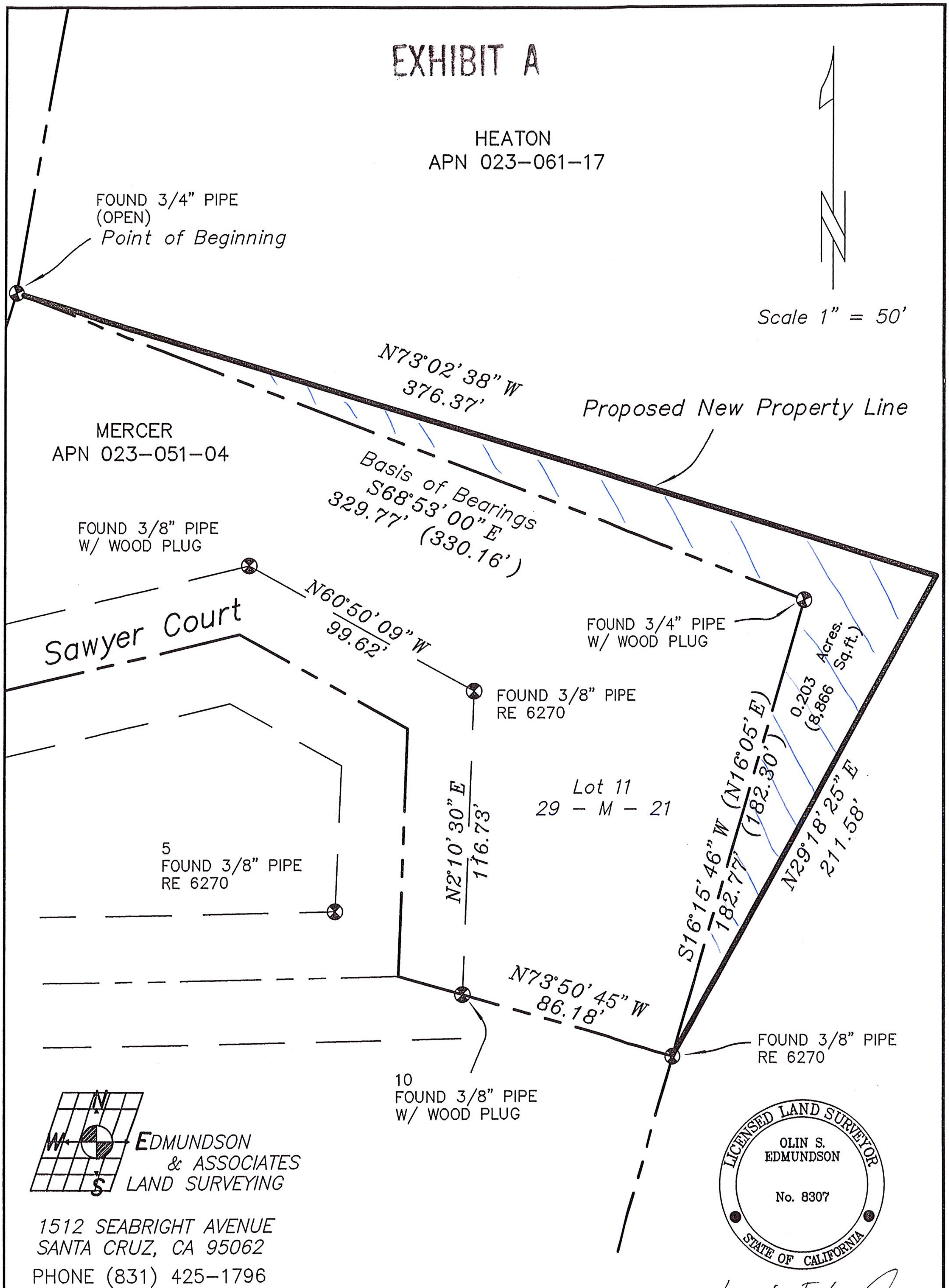
Exhibit A, Lot Line Adjustment Plat Map for APN 023-061-17 and APN 023-051-04 …..2

EXHIBIT A



EDMUNDSON
& ASSOCIATES
LAND SURVEYING

1512 SEABRIGHT AVENUE
SANTA CRUZ, CA 95062
PHONE (831) 425-1796
FAX (831) 425-1795

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Athena Cheung, Engineering Associate

REVIEWED: Daryl Jordan, Public Works Director/City Engineer

APPROVED: Tina Friend, City Manager

SUBJECT: **MAINTENANCE AGREEMENT FOR PRIVATE STORMWATER MANAGEMENT FACILITY TRACT 1603 DUNSLEE RESIDENTIAL AND COMMERCIAL**

SUMMARY OF ISSUE

Post-construction stormwater management requirements for development projects in the Central Coast Region require the permittee (City) to require operation and maintenance (O&M) plans that clearly establish responsibility for all structural water quality treatment, runoff retention, and/or peak management controls on private and public regulated projects. The permittee must also maintain a tracking database to monitor the long-term performance and maintenance of related structural storm control measures.

The new subdivision "Tract 1603 Dunslee," includes both residential and commercial uses. Each portion of the project is considered a Tier 4 Regulated Project, which requires the property owner to have ongoing O&M agreements for each use. The attached agreements comply with the Regional Water Quality Control Board requirements for storm control measures and will be recorded at the Santa Cruz County Recorder's Office.

FISCAL IMPACT

There is no fiscal impact to the General Fund. Approximately $303 will be collected each year and will increase with the yearly CPI to cover City's cost of inspection, oversight, and reporting requirements to the Regional Water Quality Control Board.

STAFF RECOMMENDATION

It is recommended that Council approve the Operation & Maintenance Agreements for Tract 1603 Dunslee residential/commercial projects.

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Exhibit A, Stormwater Maintenance Agreement for Tract 1603 Dunslee, Residential 2
Exhibit B, Stormwater Maintenance Agreement for Tract 1603 Dunslee, Commercial 6

Upon recording return to:

EXHIBIT A

City of Scotts Valley
Public Work Department
One Civic Center Drive
Scotts Valley, CA 95066

(Space above this line for Recorder's use)

City of Scotts Valley
Storm Water
Maintenance Agreement Regarding Maintenance of
Structural or Treatment Control
Best Management Practices (BMPs)

For: Tract 1603 Dunslee (Portion)

I, RYDER SCOTTS VALLEY LLC, being the owner (the "Property Owner") of the real property identified as Lots 1 through 25 and Parcels A through J, more particularly described on the subdivision map entitled "Tract 1603 Dunslee" filed in the records of Santa Cruz County, California, on June 26, 2018, in Book 128 of Maps at pages 3 (the "Map" and, collectively, the "Project"), which is located at Dunslee Way in Scotts Valley, California ("City"), consent and agree to inspect and maintain any and all structural or treatment control Best Management Practices (BMPs) as outlined in the approved Project Storm Water Operation and Maintenance Plan ("O & M Plan") on the subject property dated February, 2018, and as outlined in this Storm Water Maintenance Agreement Regarding Maintenance of Structural or Treatment Control Best Management Practices (BMPs) ("Agreement"). The structural or treatment control BMPs for the Project include(s): See Operation and Maintenance Plan. ***Property Owner agrees to send a letter that provides proof of inspection and maintenance to the City of Scotts Valley Department of Public Works prior to October 15 of each year.*** Proof of inspection and maintenance shall include a log of inspection and maintenance dates for the past year and receipts if conducted by a hired service. The log should also indicate any significant observations or repairs made. ***The proof of inspection and maintenance should be sent to: Storm Water Maintenance, Department of Public Works, City of Scotts Valley, 701 Lundy Lane, Scotts Valley, CA 95066.***

Property Owner is required to pay an annual service charge of $303 to cover the City's cost of inspection, oversight, and reporting requirements to the Regional Water Quality Control Board. The annual service charge is subject to change based on annual inflation adjustments.

As part of this Agreement, Property Owner agrees to allow City staff to enter the Project to inspect the storm water facilities. In the event that Property Owner fails to provide satisfactory inspection and maintenance reporting by October 15th and/or the storm water facilities in the Project are not functioning satisfactorily, Property Owner will be charged for re-inspection.

In the event that the Project or any portion thereof is sold, transferred, or leased, the obligations hereby imposed on the Property Owner shall be assumed by subsequent property owners and/or lessees. To this end, Property Owner, in any deed transferring an ownership interest in all or any portion of the Project, including an individual residential lot, or in any lease agreement for all or any portion of the Project, shall include a term by which the subsequent property owner or lessee acknowledges his or her understanding of the obligations imposed by this Agreement and expressly agrees to accept the assume responsibility for complying with all said obligations imposed by this Agreement, thereby becoming the successor Property Owner.

In addition, Property Owner agrees to provide printed information to its successor Property Owner or lessee regarding proper BMP inspection and maintenance frequency and methods. The information shall accompany the first deed transfer. This information shall include the following:

1. a description of any and all storm water structural or treatment control BMPs;
2. a map of the Project indicating the BMP locations; and
3. a description of how inspections and necessary maintenance can be performed.

The transfer of this information shall also be required with any subsequent sale of all or any portion of the Project.

Failure to comply with the provisions of this Agreement may result in enforcement actions, including assessment of civil penalties as allowed by the City's Municipal Code, Chapter 12.14.060 Storm Water Conveyance Systems.

It is contemplated that Property Owner shall convey Parcels A through J, in phases, to a homeowners association that will manage the adjacent residential common interest development located within the Project. Property Owner hereby declares that the Project shall be held, transferred, encumbered, used, conveyed, leased and occupied subject to the covenants, conditions, restrictions, easements and rights set forth in this Agreement for the use and benefit of each of the Lots and Parcels. All of the limitations, easements, uses, obligations, covenants, restrictions and conditions stated herein shall run with the Project and shall be binding upon Property Owner, its successors and assigns, any and all parties having or acquiring any right, title or interest in or to the Project or any part thereof or interest therein and shall inure to the benefit of and be binding upon each successor-in-interest thereto.

Upon transfer of any portion of the Project, the Property Owner shall provide the new owner(s) with the current plan and a copy of this Agreement and shall, in any event, be released from all obligations under this Agreement as of the effective date of the transfer of the Project.

As the current Property Owner, I have read the above agreement and understand it.

This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, and assigns of the Property Owner.

RYDER SCOTTS VALLEY LLC,
a California limited liability company
By: Ryder Homes of California, Inc.
Its: Manager

____
By: N. Jay Ryder
Its: President

Phone: 925-937-4373
Email: jay@ryderhomes.com

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Contra Costa)

On July 22, 2019, before me, Jennifer Blockmon, a Notary Public, personally appeared N. Jay Ryder, who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in his~~/her/their~~ authorized capacity~~(ies)~~, and that by his~~/her/the~~ir signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JENNIFER BLOCKMON
Notary Public - California
Contra Costa County
Commission # 2184054
My Comm. Expires Mar 3, 2021

Signature Jennifer Blockmon

Upon recording return to: EXHIBIT B

City of Scotts Valley
Public Work Department
One Civic Center Drive
Scotts Valley, CA 95066

(Space above this line for Recorder's use)

City of Scotts Valley
Storm Water
Maintenance Agreement Regarding Maintenance of
Structural or Treatment Control
Best Management Practices (BMPs)

For: Tract 1603 Dunslee (Portion)

I, RYDER SCOTTS VALLEY LLC, being the owner (the "Property Owner") of the real property identified as Parcels K and L, more particularly described on the subdivision map entitled "Tract 1603 Dunslee" filed in the records of Santa Cruz County, California, on June 26 2018, in Book 128 of Maps at pages 3 (the "Map" and, collectively, the "Commercial Project"), which is located at Dunslee Way in Scotts Valley, California ("City"), consent and agree to inspect and maintain any and all structural or treatment control Best Management Practices (BMPs) as outlined in the approved Project Storm Water Operation and Maintenance Plan ("O&M Plan") on the subject property dated February, 2018, and as outlined in this Storm Water Maintenance Agreement Regarding Maintenance of Structural or Treatment Control Best Management Practices (BMPs) ("Agreement"). The structural or treatment control BMPs for the Commercial Project include(s): <u>See Storm Water Operation and Maintenance Plan.</u> ***Property Owner agrees to send a letter that provides proof of inspection and maintenance to the City of Scotts Valley Department of Public Works prior to October 15 of each year.*** Proof of inspection and maintenance shall include a log of inspection and maintenance dates for the past year and receipts if conducted by a hired service. The log should also indicate any significant observations or repairs made. ***The proof of inspection and maintenance should be sent to: Storm Water Maintenance, Department of Public Works, City of Scotts Valley, 701 Lundy Lane, Scotts Valley, CA 95066.***

Property Owner is required to pay an annual service charge of $<u>303</u> to cover the City's cost of inspection, oversight, and reporting requirements to the Regional Water Quality Control Board. The annual service charge is subject to change based on annual inflation adjustments.

As part of this Agreement, Property Owner agrees to allow City staff to enter the Commercial Project to inspect the storm water facilities. In the event that Property Owner fails to provide satisfactory inspection and maintenance reporting by October 15th and/or the storm water facilities in the Project are not functioning satisfactorily, Property Owner will be charged for re-inspection.

In the event that the Commercial Project or any portion thereof is sold, transferred, or leased, the obligations hereby imposed on the Property Owner shall be assumed by subsequent property owners and/or lessees. To this end, Property Owner, in any deed transferring an ownership interest in all or any portion of the Commercial Project or in any lease agreement for all or any portion of the Project, shall include a term by which the subsequent property owner or lessee acknowledges his or her understanding of the obligations imposed by this Agreement and expressly agrees to accept the assume responsibility for complying with all said obligations imposed by this Agreement, thereby becoming the successor Property Owner.

In addition, Property Owner agrees to provide printed information to its successor Property Owner or lessee regarding proper BMP inspection and maintenance frequency and methods. The information shall accompany the first deed transfer. This information shall include the following:

1. a description of any and all storm water structural or treatment control BMPs;
2. a map of the Commercial Project indicating the BMP locations; and
3. a description of how inspections and necessary maintenance can be performed.

The transfer of this information shall also be required with any subsequent sale of all or any portion of the Commercial Project.

Failure to comply with the provisions of this Agreement may result in enforcement actions including assessment of civil penalties as allowed by the City's Municipal Code, Chapter 12.14.060 Storm Water Conveyance Systems.

It is contemplated that Property Owner shall convey Parcels K and L to a subsequent buyer. Property Owner hereby declares that the Commercial Project shall be held, transferred, encumbered, used, conveyed, leased and occupied subject to the covenants, conditions, restrictions, easements and rights set forth in this Agreement for the use and benefit of each of the Parcels. All of the limitations, easements, uses, obligations, covenants, restrictions and conditions stated herein shall run with the Commercial Project and shall be binding upon Property Owner, its successors and assigns, any and all parties having or acquiring any right, title or interest in or to the Commercial Project or any part thereof or interest therein and shall inure to the benefit of and be binding upon each successor-in-interest thereto.

Upon transfer of any portion of the Commercial Project, the Property Owner shall provide the new owner(s) with the current plan and a copy of this Agreement and shall, in any event, be released from all obligations under this Agreement as of the effective date of the transfer of the Commercial Project.

As the current Property Owner, I have read the above agreement and understand it.

This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, and assigns of the Property Owner.

RYDER SCOTTS VALLEY LLC,
a California limited liability company
By: Ryder Homes of California, Inc.
Its: Manager

____
By: N. Jay Ryder
Its: President

Phone: 925-937-4373
Email: jay@ryderhomes.com

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Contra Costa)

On July 22, 2019, before me, Jennifer Blockmon, a Notary Public, personally appeared N. Jay Ryder, who proved to me on the basis of satisfactory evidence to be the person(s) whose name~~(s)~~ is~~/are~~ subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in his~~/her/their~~ authorized capacity~~(ies)~~, and that by his~~/her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JENNIFER BLOCKMON
Notary Public – California
Contra Costa County
Commission # 2184054
My Comm. Expires Mar 3, 2021

Signature Jennifer Blockmon

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Athena Cheung, Engineering Associate

REVIEWED: Daryl Jordan, Public Works Director/City Engineer

APPROVED: Tina Friend, City Manager

SUBJECT: **MAINTENANCE AGREEMENT FOR PRIVATE STORMWATER MANAGEMENT FACILITY PINNACLE VIEW APN'S 021-281-01, -02, -05, AND -06**

SUMMARY OF ISSUE

Post-construction stormwater management requirements for development projects in the Central Coast Region require the permittee (City) to require operation and maintenance (O&M) plans that clearly establish responsibility for all structural water quality treatment, runoff retention, and/or peak management controls on private and public regulated projects. The permittee must also maintain a tracking database to monitor the long-term performance and maintenance of related structural storm control measures.

The new subdivision "Pinnacle View" is considered a Tier 4 Regulated Project, which requires the property owner to have an ongoing O&M agreement with the City. The attached agreement complies with the Regional Water Quality Control Board requirements for storm control measures and will be recorded at the Santa Cruz County Recorder's Office.

FISCAL IMPACT

There is no fiscal impact to the General Fund. Approximately $303 will be collected each year and will increase with the yearly CPI to cover City's cost of inspection, oversight, and reporting requirements to the Regional Water Quality Control Board.

STAFF RECOMMENDATION

It is recommended that Council approve the Operation & Maintenance Agreement for the Pinnacle View project, APN's 021-281-01, -02, -05, and -06.

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Exhibit A, Stormwater Maintenance Agreement for Pinnacle View
APN's 021-281-01, -02, -05, and -06 2

NO RECORDING FEE PER GOV. CODE SEC. 2783

Recorded at Request of

& When Recorded, Return to:

City of Scotts Valley

Public Work Department

One Civic Center Drive, Scotts Valley 95066

(Space above this line for Recorder's use)

City of Scotts Valley
Storm Water
Maintenance Agreement Regarding Maintenance of
Structural or Treatment Control
Best Management Practices (BMPs)

For: Address: Tract No. 1597 Pinnacle View

I, William Brooks, Lundy Lane L.L.C., being the owner of the real property, APN No. 021-281-01, -02, -05, & -06, which is located at Lundy Lane, Scotts Valley, California, consent and agree to inspect and maintain any and all structural or treatment control Best Management Practices (BMPs) as outlined in the approved project Storm Water Operation and Maintenance Plan on the subject property dated: 02/03/2017. The structural or treatment control BMPs on the subject property include(s): Filtera units, disconnection of downspouts, vegetated swales, and an underground detention storage system in two locations.

I agree to send a letter that provides proof of inspection and maintenance to the City of Scotts Valley Department of Public Works prior to October 15 of each year. Proof of inspection and maintenance shall include a log of inspection and maintenance dates for the past year, and receipts if conducted by a hired service. The log should also indicate any significant observations or repairs made. ***The proof of inspection and maintenance should be sent to: Storm Water Maintenance, Department of Public Works, City of Scotts Valley, 701 Lundy Lane, Scotts Valley, CA 95066.***

You are required herein to pay an annual service charge of $303.00 to cover the City's cost of inspection, oversight, and reporting requirements to the Regional Water Quality Control Board. The annual service charge is subject to change based on annual inflation adjustments.

As part of this agreement you agree to allow City staff to enter the subject property to inspect the stormwater facility. In the event that you fail to provide satisfactory inspection and maintenance reporting by October 15th and/or the stormwater facility on the subject property is not functioning satisfactorily, you will be charged for re-inspection.

In the event that the property is sold, transferred, or leased, the obligations hereby imposed on the property owner shall be assumed by subsequent property owners and lessees. To this end, property owner, in any deed transferring an ownership interest in the property or in any lease agreement for the property, shall include a term by which the subsequent property owner or lessee acknowledges his or her understanding of the obligations imposed by this agreement and expressly agrees to accept the assume responsibility for complying with all said obligations imposed by this agreement.

In addition, I will provide printed information to the new property owner or lessee regarding proper BMP inspection and maintenance frequency and methods. The information shall accompany the first deed transfer. This information shall include the following:

1. a description of any and all storm water structural or treatment control BMPs;
2. a map of the property indicating the BMP locations; and
3. a description of how inspections and necessary maintenance can be performed.

The transfer of this information shall also be required with any subsequent sale of property.

Failure to comply with the provisions of the Maintenance Agreement may result in enforcement actions including assessment of civil penalties as allowed by the City's Municipal Code, Chapter 12.14.060 Storm Water Conveyance Systems.

I have read the above agreement and understand it.

This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, and assigns of owner.

Owner name: William Brooks managing member Windy Lane L.L.C.
Owner signature William Brooks
Owners address: 400 Highland Ave Santa Cruz Ca 95060
Phone: 831-459-6060
Email: bill@brooksproperties.net

City of Scotts Valley

Tina Friend, City Manager

Signature: ____________________

(Note: All signatures on this form must be notarized.)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Cruz)

On November 18, 2019 before me, Joyce Avila, notary public
(insert name and title of the officer)

personally appeared William Brooks,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JOYCE E. AVILA
COMM. # 2264009
NOTARY PUBLIC • CALIFORNIA
SANTA CRUZ COUNTY
Comm. Exp. NOV. 21, 2022
MGC1 MGC1

Signature J Avila (Seal)

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Tina Friend, City Manager

SUBJECT: **DESIGNATING CITY COUNCIL MEMBERS AND POTENTIAL CONSULTANT SUPPORT FOR A RETAIL REPLACEMENT AND ECONOMIC DEVELOPMENT STRATEGY**

SUMMARY OF ISSUE

Within the past few weeks, the prospective closure of the Scotts Valley Kmart store was announced. Kmart, located in the Scotts Valley Square shopping center off of Mt. Hermon Road, is an important retailer for Scotts Valley. In addition to serving as the local department store offering a variety of general merchandise for the greater Scotts Valley community, Kmart is a major sales tax generator for the City of Scotts Valley. In fact, Kmart is one of the top sales tax producers in the City. The loss of this retailer will not only affect the choice and local availability of goods for the residents of Scotts Valley, but will negatively affect the City's General Fund revenues. The General Fund is the major account for general city services such as police, public works, and parks and recreation.

Immediately upon the closure announcement, community members began inquiring and discussing what would happen with the vacated retail space once Kmart closed. Council Members and City staff, too, began informally discussing the impacts of the closure on the City and what could occur. In these discussions, it is clear that the City has a strong interest in the successful replacement of this retailer, both economically and to preserve and enhance the community's retail amenities.

The City does not have direct control over the Kmart replacement and what ultimately happens to the retail space. The building and the ground lease are privately held and retailer decisions will be private transactions. The City, however, can coordinate with the property/leaseholders to attract quality retailers to Scotts Valley. City support is invaluable in this endeavor to explore, identify, and recruit ideal replacement retailer(s). City engagement shows a galvanized, motivated, and welcoming environment for an incoming retailer.

To best achieve this aim, it is recommended that a Council Member or two be designated by the City Council to work on this special project, along with appropriate staff support. Dedicated Council Member participation shows the high-level commitment by the City for this important economic development activity. In addition, the City Council could consider the possibility of a small-scale consultant contract. Retail recruitment consultants are available for market and trend assessments, local void analyses, specific retailer recruitment strategies and outreach, marketing and branding. A retail consultant partner with experience with select retailers/brands could be worthwhile in augmenting efforts to attract a desired retailer to Scotts Valley.

In conclusion, the successful replacement of Kmart is a priority for the City. Although the City has no direct control over the outcome, it can serve an essential role in bringing leadership, organizational support and resources to help attract a desirable replacement retailer. This is a key opportunity to help Scotts Valley thrive with retail amenities and enhance needed City revenues.

FISCAL IMPACT

Designation of one to two Council Members to support this economic development activity has no fiscal impact. Should the City Council decide to obtain the services of a retail consultant, there would be a one-time fiscal impact, which is dependent on the scope of services desired.

STAFF RECOMMENDATION

It is recommended that the City Council designate one or two Council Members to advance a Kmart retail replacement strategy. The Council may discuss contracting for retail recruitment consultant support, and if supported, should authorize staff to obtain these services with a not-to-exceed amount.

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None.

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: December 4, 2019

TO: Honorable Mayor and City Council

FROM: Tina Friend, City Manager

SUBJECT: **DECLARING A FISCAL EMERGENCY IN THE CITY OF SCOTTS VALLEY AND PLACING A TRANSACTIONS AND USE (SALES) TAX MEASURE ON THE MARCH 2020 PRESIDENTIAL PRIMARY ELECTION**

SUMMARY OF ISSUE

Despite responsible management and extremely lean operations, the City of Scotts Valley is facing crippling projected budget deficits as a result of expenditure obligations outpacing revenues. The past two years, the annual budget was adopted with a sizable negative gap between revenues and expenditures. This fiscal year for example, the City's deficit is $1 million, which is about eight percent of the total General Fund budget of $12.9 million. To make up the difference, the City will draw down reserves from $4.43 million to $3.82 million. While the reserve balance is above the 17% prudent reserve policy, if this deficit trend continues uncorrected, in just three years City reserves will be completely depleted. By Fiscal Year 2023/2024, the City will be in debt by $5.8 million, which is nearly half of the total General Fund. In short, the City is on a fast downward trajectory to financial unsustainability that will result in significant service reductions.

The major drivers of the City's deficit include tax revenue declines as the modern economy continues to shift from tangible goods to untaxable services, state pension investment shortfalls that shifted greater costs to local government, and increases in costs to deliver public services. Scotts Valley has operated with a tight budget and lacks the resilience to weather hard times that a more generous budget would offer. Accordingly, Scotts Valley is very sensitive to any decline in revenues—or the predicted recession—and increasing costs. Unfortunately, Scotts Valley faces pressure from increased costs and reduced revenues, which has pushed the City to financial emergency.

Anticipating budget threats on the horizon, the City took proactive measures to cut costs and enhance revenues. On the cost control side, the City reduced its workforce by 20 percent from 2004 staffing levels, kept salaries flat, and negotiated with employees to pay their share of pension costs. The City contracted out building and planning services, is exploring contracted fleet maintenance, and shares the Chief Building Official with the City of Capitola. The City also refinanced debt this summer, which will result in net savings of over $1 million. Finally, where the City can afford to do so, it makes smart financial management decisions to save money and decrease future obligations. On the revenue side, the City updated its fee schedule to adjust cost recovery to over 80 percent for specific services requested of the City. The City also asked the voters to support a 1 percent hotel tax increase in 2018; this yields about $250,000 annually in new revenues.

Despite the City's cost reductions, revenue enhancements and work to support economic development, our acute budget condition presents a serious threat to the scope and quality of the services that the City can provide and that have marked Scotts Valley as an extremely desirable place to live and work. Accordingly, in order to preserve these valuable services, the City must act with urgency to increase revenues.

Proposed Local Transactions and Use (Sales) Tax

The City extensively reviewed revenue options with the Budget Subcommittee and City Council in preceding years as part of the City's Fiscal Sustainability Planning. Most recently, in light of the necessity to generate new revenues as soon as possible to forestall major operational cuts, consideration focused on the March 2020 ballot. The result of this careful examination is the recommendation to replace the current 0.50% transaction and use tax with a 1.25% transaction and use tax. Sales tax is an important revenue source for the City; currently, it generates about 30 percent of General Fund revenues.

The sales tax rate for the City of Scotts Valley is 9.00% and is made up of the 7.25% state sales tax (of which Scotts Valley receives 1.00%), and 1.75% in countywide and local transactions and use taxes (of which Scotts Valley receives 0.50%).

Summary of Sales Tax Components

3.6875%	State	Goes to State's General Fund
0.25%	State	Goes to State's General Fund
0.50%	State	Goes to Local (Non-City) Public Safety Fund to support local criminal justice activities
0.50%	State	Goes to Local (Non-City) Health and Social Services
1.0625%	State	State for Local (Non-City) Revenue Fund
0.25%	Local	County Transportation Funds
1.00%	**Local (City)**	**City (Scotts Valley) Operations**
7.25%		Total State Base Sales Tax
Local Transactions and Use Taxes (1.75% total)		
0.50%	Countywide	Metropolitan Transit District
0.50%	Countywide	Countywide Transportation
0.50%	**Scotts Valley**	**City of Scotts Valley (Measure U)**
0.25%	Countywide	Santa Cruz Public Libraries
9.00%		Total Sales Tax Rate in Scotts Valley

In total, Scotts Valley receives 1.5 cents for every 9 cents of sales tax collected. Translated into dollars, for every $50 spent in Scotts Valley, the City receives about $0.75.

Given recent changes in California law, Scotts Valley could seek an increase in the local transactions and use tax of up to 0.75%, for a total potential rate of 9.75%. This ¾-cent increase (and continuing the existing 0.50% for a total local rate of 1.25%) would generate an estimated $3.3 million in annual revenues to the City. This level of revenues, about $2 million more than is raised by the current tax rate, would substantially alleviate the financial pressures that threaten City services. It would result in no operational cuts at this time. Also, securing the 0.75% tax capacity ensures the revenues stay local in Scotts Valley.

In order to place the transactions and use tax measure on the March 3, 2020 Primary Presidential Election, the City Council must take several actions:

First, pursuant to Article XIIIC, Section 2(b) of the California Constitution, a general tax election must be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body. Here, Scotts Valley is in a fiscal emergency and must act to increase revenues at its earliest opportunity, which is the March 2020 election. A resolution declaring a fiscal emergency must be adopted by a unanimous Council vote.

Next, the City Council must adopt a Resolution ordering the March 2020 election and placement of the sales tax measure on the ballot, and requesting County Elections to conduct and consolidate the election.

Third, the City Council should introduce for first reading an ordinance for the transactions and use tax change. With a majority vote of the registered voters in Scotts Valley in favor on March 3, 2020, the ordinance would be finally adopted. If the measure fails, the ordinance would not be adopted and the City's tax would remain at the existing rate.

The City Council should endorse the measure and designate authors to draft the argument and ensure it is timely filed. Finally, the City Council should direct the City Attorney to prepare the impartial legal analysis and direct the City Manager to cause the fiscal analysis to be prepared. The deadline for the argument and legal and fiscal analyses is December 13, 2019.

Proposed Ballot Measure Language

The following ballot measure question is proposed for the Council's consideration:

Scotts Valley City Services Protection Measure. To protect Scott Valley's quality of life by avoiding significant cuts to city services, such as local 9-1-1 emergency police response; neighborhood police patrols; crime investigation/prevention; parks maintenance; youth/senior programs; pothole repair; city road maintenance; and other general services, shall a 1.25% sales tax be adopted, replacing the existing 0.50% sales tax and generating approximately $3,300,000 annually for twelve years, with all funds spent locally?

The City Council may consider alternate sales tax rates, such as an increase of 0.50% (plus continuing the existing 0.50%). This would yield a local rate of 9.50% and revenues of about $2.6 million annually. In this scenario, the City would need sizable operational cuts in the future: $750,000 in FY 2022/2023, $500,000 in FY 2023/2024, $525,000 in FY 2024/2025, $640,000 in FY 2025/2026 and $250,000 FY FY 2028/2029.

Given the magnitude of the City's fiscal crisis, the attached Resolutions were prepared with a 0.75% increase but may be modified at the Council meeting. Additionally, based upon prior Council discussion, the measure was prepared with a 12-year sunset but may be modified at the Council meeting.

FISCAL IMPACT

Voter approval of the Scotts Valley City Services Protection Measure replacing the existing 0.50% transaction and use tax with a 1.25% transaction and use tax would result in an estimated $3.3 million for general city services and would substantially stabilize the City's General Fund. No operational cuts would be needed.

If an increase of 1.0% transaction and use tax is passed to replace the existing 0.50% transaction and use tax, $2.6 million would be raised and cuts ranging from $750,000 to $250,000 would be needed for five upcoming fiscal years.

The immediate fiscal impact of placing the measure on the March 2020 election is a one-time cost of approximately $16,402 - $32,804.

STAFF RECOMMENDATION

It is recommended that the City Council take the following actions:

1. Adopt Resolution No. 1972 declaring a fiscal emergency in order to place a general purpose transactions and use tax measure on the March 3, 2020 Primary Presidential Election.

2. Adopt Resolution No. 1972.1 ordering an election and requesting County elections to conduct and consolidate the election.

3. Introduce for publication and conduct the first reading of Ordinance No. 186.1 amending Chapter 3.17 of the Scotts Valley Municipal Code to extend and increase the transactions and use tax administered by the California Department of Tax and Fee Administration.

4. Endorse the measure, authorize the submittal of the argument/rebuttal in favor of the measure, and provide direction regarding the authors.

5. Direct the City Attorney to prepare the impartial legal analysis and direct the City Manager to prepare the fiscal analysis.

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RESOLUTION NO. 1972

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTS VALLEY DECLARING A FISCAL EMERGENCY IN ORDER TO PLACE A GENERAL PURPOSE TRANSACTIONS AND USE (SALES) TAX MEASURE ON THE MARCH 3, 2020 PRIMARY PRESIDENTIAL ELECTION

WHEREAS, Article XIIIC, section 2 of the California Constitution requires the election for a tax measure to be consolidated with a regularly scheduled general election for members of the City Council, except in cases of fiscal emergency declared by unanimous vote of the City Council; and

WHEREAS, the City faces a budget crisis of unprecedented proportions; and

WHEREAS, the City faces an estimated General Fund deficit for Fiscal Year 2019/2020 of $1 million, which is 8 percent of the total General Fund budget of $12.9 million; and

WHEREAS, this deficit forces a drawdown of the City's limited reserves; and

WHEREAS, the trend of significant operating deficits is projected to continue on the order of $1 million to $3 million annually through at least Fiscal Year 2028/2029; and

WHEREAS, by Fiscal Year 2021/2022, the City's General Fund reserves are projected to be completely depleted, with the City growing in debt that compounds to $5.8 million by Fiscal Year 2023/2024 and $23 million by Fiscal Year 2028/2029; and

WHEREAS, in addition to the General Fund operating budget deficit, the City faces significant challenges with aging and decaying public infrastructure, antiquated technology, understaffing, unfunded pension liabilities, increasing costs for healthcare, and inadequate equipment, all of which requires restoration for the City to continue to provide quality services to the community; and

WHEREAS, in November of 2013, the voters of the City of Scotts Valley approved an ordinance to authorize the City to impose a local transactions and use tax for general purposes at a rate of 0.50%, pursuant to California Revenue and Taxation Code Section 7285.9; and

WHEREAS, that tax has generated approximately $1.2 million per year; however, that tax is set to expire in March of 2022; and

WHEREAS, the City has taken other efforts to enhance revenues through economic development projects, updating fees to capture more cost recovery, leveraging grant revenues, and improving cash management practices; and

WHEREAS, the City has also taken efforts to reduce expenditures through such measures as a reduction in the workforce of 20%, employees paying their share of pension costs, refunding of lease bonds to capture greater interest savings, shared building official services with the City of Capitola, contracting out business license administration and fleet management services; and

WHEREAS, the City has exhausted all other means to address the shortfall, and despite these steps to enhance revenues and reduce expenditures to balance the budget, a revenue source is urgently needed to prevent significant service cuts and erosion of the City's long-term financial stability; and

WHEREAS, without an additional revenue source, reductions in critical City services will be required in order to address the magnitude of the budget deficits facing the City in the next fiscal years, and will jeopardize the public's health and safety; and

WHEREAS, the residents of Scotts Valley have expressed their desire to maintain the City's long-term fiscal stability, current service levels for youth and senior residents, City parks, and emergency and crime-preventing police services; and

WHEREAS, the City Council finds and declares that the City's fiscal crisis is of such a magnitude that the City must, at the earliest feasible juncture, propose this revenue enhancement measure to the electorate in order to preserve the governmental services necessary to protect and preserve the health and general welfare of the City's residents, workers, and visitors; and

WHEREAS, the City of Scotts Valley determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 ("CEQA Guidelines"), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines Section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects that may be funded using sales tax revenue received from the referenced special transactions and use tax resulting from this action will be assessed for CEQA applicability. Lastly, CEQA Guidelines Section 15378 (b) (4) specifically states that the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project as 'not a project.'

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY that the foregoing recitals are true and correct and are hereby adopted by the City Council.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY that it hereby unanimously declares a fiscal emergency.

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 4th day of December, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved:______________________________
Jack Dilles, Mayor

Attest: ____________________________
Tracy A. Ferrara, City Clerk

RESOLUTION NO. 1972.1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY ORDERING AN ELECTION, REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION, AND REQUESTING CONSOLIDATION OF THE ELECTION TO INCLUDE A BALLOT MEASURE FOR THE CITY OF SCOTTS VALLEY TO ENACT A TRANSACTIONS AND USE TAX

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the city or district shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on March 3, 2020.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY hereby orders an election be called and consolidated with any and all elections also called to be held on March 3, 2020 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the City of Scotts Valley, and requests the Board of Supervisors of the County of Santa Cruz to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that the City of Scotts Valley hereby requests the Board of Supervisors to permit the Santa Cruz County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services.

BE IT FURTHER RESOLVED AND ORDERED that the Santa Cruz County Elections Department shall conduct the election for the following MEASURE to be voted on at the March 3, 2020 election:

City of Scotts Valley	
Scotts Valley City Services Protection Measure. To protect Scott Valley's quality of life by avoiding significant cuts to city services, such as local 9-1-1 emergency police response; neighborhood police patrols; crime investigation/ prevention; parks maintenance; youth/ senior programs; pothole repair; city road maintenance; and other general services, shall a 1.25% sales tax be adopted, replacing the existing 0.50% sales tax and generating approximately $3,300,000 annually for twelve years, with all funds spent locally?	YES
	NO

BE IT FURTHER RESOLVED AND ORDERED THAT the Santa Cruz County Elections Department is requested to print the attached measure text exactly as filed or indicated on the filed document in the Voter's Information Pamphlet for the March 3, 2020 election. Cost of printing and distribution of the measure text will be paid for by the city/district.

BE IT FURTHER RESOLVED AND ORDERED THAT the City Council hereby approves the proposed tax ordinance, attached to this resolution, to be submitted to the voters. The proposed tax measure is a general tax as defined in Article XIIIX of the California Constitution and shall not take effect unless and until approved by a vote of at least a majority of the voters voting on the question in the election.

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 4th day of December, 2019 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved:______________________________
Jack Dilles, Mayor

Attest: ____________________________
Tracy A. Ferrara, City Clerk

ORDINANCE NO. 186.1

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY AMENDING CHAPTER 3.17 OF TITLE 3 INCREASING AND EXTENDING A TRANSACTIONS AND USE TAX ADMINISTERED BY THE CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

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

SECTION 1. Chapter 3.17 of Title 3 of the Scotts Valley Municipal Code is amended in its entirety to read as follows:

"**Chapter 3.17 Temporary Transactions and Use Tax**

Sections:

3.17.010 Title
3.17.020 Operative Date
3.17.030 Purpose
3.17.040 Contract with State
3.17.050 Transaction Tax Rate
3.17.060 Place of Sale
3.17.070 Use Tax Rate
3.17.080 Adoption of Provisions of State Law
3.17.090 Limitations on Adoption of State Law and Collection of Use Taxes
3.17.100 Permit Not Required
3.17.110 Exemptions and Exclusions
3.17.120 Amendments
3.17.130 Enjoining Collection Prohibited

3.17.010 Title

This ordinance shall be known as the Temporary Transactions and Use Tax Ordinance. The City of Scotts Valley shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3.17.020 Operative Date

"Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being set forth below.

3.17.030 Purpose

This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 1285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the California Department of Tax and Fee Administration in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the California Department of Tax and Fee Administration in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.17.040 Contract with State

Prior to the operative date, the City shall contract with the California Department of Tax and Fee Administration to perform all functions incident to the administration and operation of this transaction and use tax ordinance; provided, that if the City shall not have contracted with the California Department of Tax and Fee Administration prior to the operative date, it shall nevertheless so contract and in such case of the operative date shall be the first day of the first calendar quarter following the execution of such contract.

3.17.050 Transaction Tax Rate

For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the City at the rate of 1.25% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory for twelve (12) years from the operative date of this ordinance.

3.17.060 Place of Sale

For the purposes of this ordinance, all retail sales are consumed at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the state or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the California Department of Tax and Fee Administration.

3.17.070 Use Tax Rate
An excise tax is hereby imposed upon the storage, use, or consumption in the City of tangible personal property purchased from any retailer for twelve (12) years after the operative date of this ordinance for storage, use, or other consumption in said territory at the rate of 1.25% of the sales price of the property.

3.17.080 Adoption of Provisions of State Law
Except as otherwise provided in this ordinance and except insofar as they are consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.17.090 Limitations on Adoption of State Law and Collection of Use Taxes
In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefore. However, the substitution shall not be made when:

    1. The word “State” is used as a part of the title of the State Controller, State Treasurer, State Board of Control, , State Treasury, or the Constitution of the State of California;

    2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the California Department of Tax and Fee Administration, in performing the functions incident to the administration or operation of this Ordinance.

    3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of substitution would be to:

        a. Provide an exemption from this tax with respect to certain sales, storage, use, or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use, or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use, or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof). 6711, 6715, 6737, 6797, or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

C. The phrase 'A retailer engaged in business in the District' shall also include any retailer that, in the preceding calendar year or the current calendar year, has total combined sales of tangible personal property in this State or for delivery in the State by the retailer and all persons related to the retailer that exceeds five hundred thousand dollars ($500,000). For purposes of this section, a person is related to another person if both persons are related to each other pursuant to Section 267(b) of Title 26 of the United States Code and the regulations thereunder.

3.17.100 Permit Not Required

If a Seller's Permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.17.110 Exemptions and Exclusions

A. There shall be excluded from the measure of the transactions tax and the use tax in the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

   a. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

   b. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purpose of this paragraph, delivery to a point outside the City shall be satisfied.

i. With respect to vehicles (other than non-commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels under Chapter 2 of Division 3.5 (commencing with Section 9840) if the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence.

ii. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

c. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

d. A lease of the tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of the ordinance.

e. For the purposes of subsections (c) and (d) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use, or other consumption in this City of tangible personal property:

a. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

b. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of the State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in

Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

c. If the purchase is obligated to purchase the property for a fixed price pursuant to a contract entered into prior the operative date of this ordinance.

d. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

e. For the purposed of subsection (c) and (d) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

f. Except as provided in subparagraph (g), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

g. “A retailer engaged in business in the City” shall also include any retailer of any of the following: vehicles subject to the registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Chapter 2 of Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use, or other consumption of which is subject to the use tax.

3.17.120 Amendments
All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not

consistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

3.17.130 Enjoining Collection Forbidden
No injunction or writ of mandate or other legal or equitable process shall issue any suit, action, or proceeding in any court against the State or the City, or against any officer of the State or City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected."

SECTION 2. SEVERABILITY, If any section, subsection, sentence, clause, phrase, portion of the application thereof, to any person or circumstance of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction such portion shall be deemed a separate, distinct, and independent provision of such ordinance and shall not affect the validity of the remaining portions thereof.

SECTION 3. REPEALS AND CONFLICTING ORDINANCES. All other ordinances of the City of Scotts Valley or provisions of the Scotts Valley Municipal Code which are in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 4. CEQA COMPLIANCE. The City Council finds and determines that the enactment of this Ordinance is not a project as defined by the California Environmental Quality Act (CEQA)(CCR, Title 14, Chapter 3 ("CEQA Guidelines"), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines Section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects that may be funded using sales tax revenue received from the referenced special transactions and use tax resulting from this action will be assessed for CEQA applicability. Lastly, CEQA Guidelines Section 15378 (b) (4) specifically states that the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project as 'not a project.'

SECTION 5. EFFECTIVE DATE. This Ordinance relates to the levying and collecting of the City transactions and use tax and shall take effect pursuant to voter approval on July 1, 2020, the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance.

SECTION 6. TERMINATION DATE. The tax levied by this Ordinance shall continue at the rate of 1.25% from July 1, 2020 until June 30, 2032. The authority to levy the tax imposed by this Ordinance shall expire twelve (12) years from the operative date of this Ordinance.

SECTION 7. CODIFICATION. Upon adoption of this Ordinance pursuant to voter approval referenced in Section 3.17.02, the City Clerk, in consultation with the City Attorney, is hereby authorized and directed to complete the following;

a. Codify this Ordinance in the Scotts Valley Municipal Code.
b. Certify the passage of this Ordinance and forward a copy of the adopted Ordinance to the California Department of Tax and Fee Administration.

This Ordinance was introduced on the 4th day of December, 2019 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: ______________________________
Jack Dilles, Mayor

Attest: ____________________________
Tracy A. Ferrara, City Clerk