



# A G E N D A

## Meeting of the Scotts Valley City Council

**Date: June 3, 2015**

**Time: 6:00 p.m.**

|                                                                                                   |                                                                                                     |                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CITY OF SCOTTS VALLEY</b><br>1 Civic Center Drive<br>Scotts Valley, CA 95066<br>(831) 440-5602 | <b>MEETING LOCATION</b><br>City Council Chambers<br>1 Civic Center Drive<br>Scotts Valley, CA 95066 | <b>POSTING:</b> The agenda was posted<br>5-29-15 at City Hall, SV Senior Center,<br>SV Library and on the Internet at<br><a href="http://www.scottsvalley.org">www.scottsvalley.org</a> . |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                |                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Elected Officials</b><br>Dene Bustichi, Mayor<br>Donna Lind, Vice Mayor<br>Stephany E. Aguilar, Council Member<br>Randy Johnson, Council Member<br>Jim Reed, Council Member | <b>City Staff Members</b><br>Steve Ando, City Manager<br>Kirsten Powell, City Attorney<br>Corrie Kates, Community Dev Dir/Deputy City Mgr<br>Scott Hamby, Public Works Director<br>John Weiss, Chief of Police<br>Tracy Ferrara, City Clerk |
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### **Notice regarding City Council Meetings:**

The City Council meets regularly on the 1<sup>st</sup> and 3<sup>rd</sup> 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](http://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](http://www.scottsvalley.org).

### **Televised Meetings:**

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

**CALL TO ORDER** 6:00 p.m.

**PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE**

**ROLL CALL**

### COMMITTEE REPORTS

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

#### Interjurisdictional Committees:

|   |                                                       |                 |
|---|-------------------------------------------------------|-----------------|
| ✓ | Criminal Justice Council                              | (Lind/Johnson)  |
| ✓ | Transportation Commission                             | (Johnson/Lind)  |
| ✓ | Metro Transit District Board                          | (Bustichi)      |
| ✓ | County Integrated Waste Mgmt Local Task Force         | (Lind/Hamby)    |
| ✓ | City/School District Joint Committee                  | (Reed/Johnson)  |
| ✓ | AMBAG                                                 | (Aguilar/Lind)  |
| ✓ | LAFCO                                                 | (Lind)          |
| ✓ | City Selection Committee                              | (Mayor)         |
| ✓ | League of California Cities Delegate Program          | (Aguilar)       |
| ✓ | Hazardous Materials Advisory Commission               | (Ron Whittle)   |
| ✓ | Cultural Council                                      | (Lind)          |
| ✓ | Seniors Advisory Council                              | (Lind)          |
| ✓ | Santa Margarita Ground Water Basin Advisory Committee | (Lind /Aguilar) |
| ✓ | Library Financing Authority/Joint Powers Boards       | (Reed/Johnson)  |

#### Standing Local Committees:

|   |                                            |                    |
|---|--------------------------------------------|--------------------|
| ✓ | Traffic Safety Committee                   | (Lind/Aguilar)     |
| ✓ | Economic Development                       | (Johnson/Bustichi) |
| ✓ | Affordable Housing                         | (Aguilar/Bustichi) |
| ✓ | Water Subcommittee                         | (Bustichi/Lind)    |
| ✓ | Budget Subcommittee                        | (Mayor/Vice Mayor) |
| ✓ | Sign Subcommittee                          | (Aguilar/Lind)     |
| ✓ | Green Building Permit Process Subcommittee | (Lind/Reed)        |
| ✓ | ADA Accessibility Subcommittee             | (Aguilar)          |

#### Project Specific Committees:

|   |                                   |                    |
|---|-----------------------------------|--------------------|
| ✓ | Skypark Subcommittee              | (Johnson/Bustichi) |
| ✓ | Gateway South Commercial          | (Reed/Johnson)     |
| ✓ | Library Construction Subcommittee | (Bustichi/Reed)    |
| ✓ | Glenwood Trails Subcommittee      | (Aguilar/Reed)     |

### CITY MANAGER REPORT

#### PUBLIC COMMENT TIME

(This is the opportunity for individuals to make and/or submit written or oral comments to the Council on any items within the purview of the Council, which are **NOT** part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda.)

### ALTERATIONS TO CONSENT AGENDA

(Council can remove or add items to the Consent Agenda.)

### CONSENT AGENDA

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

- A. Approve City Council meeting minutes of 5-20-15
- B. Approve check register – 5-20-15
- C. Approve Resolution No. 1851.5 temporarily closing a portion of Scotts Valley Drive for the parade on July 4, 2015

### **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. Presentation of Scotts Valley Arts Commission Poetry Contest Winners  
(Oral Presentation)
- 2. Wastewater and recycling budget hearing  
(CityManager/Ando)
- 3. Recreation, Senior Center, and Community Center budget hearing  
(CityManager/Ando)
- 4. Future Council agenda items  
(This portion of the Regular Agenda allows the Council to determine items to be placed on a future agenda and to choose a date, if so desired.)

### **CONVENE TO CLOSED SESSION**

#### **CLOSED SESSION**

##### **SUBJECT:**

- (1) Conference with labor negotiator re employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association  
Legal Authority: Govt Code section 54957.6  
Name of Case: N/A  
Staff Present: City Manager, City Attorney, Community Development Director/Deputy City Manager, Police Chief
- (2) Conference with legal counsel regarding existing litigation.  
Legal Authority: Govt Code Section 54956.9a  
Name of Case: City of Scotts Valley vs. County of Santa Cruz, et al  
Case No. CIV467230 San Mateo County Superior Court and  
Case No. A126357 Court of Appeal, First District  
Staff Present: City Manager, City Attorney, Community Development Director/Deputy City Manager

**RECONVENE TO OPEN SESSION**

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

**ADJOURNMENT**

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The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5602 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

## **PROCEDURAL INFORMATION FOR THE PUBLIC**

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

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

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

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

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

Unless otherwise determined by the presiding officer of the meeting:

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



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# MINUTES

## Meeting of the Scotts Valley City Council

**Date: May 20, 2015**

**POSTING:**

The agenda was posted on 5-15-15  
at City Hall, the SV Senior Center, and  
the SV Library, by the City Clerk.

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**CALL TO ORDER**                      6:00 p.m.

**PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE**

**ROLL CALL**

Present:

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

City Manager Ando  
City Attorney Powell  
Comm Dev Dir/Deputy City Mgr Kates  
Public Wks Director Hamby  
Police Chief Weiss  
City Clerk Ferrara

Arrived at 6:32 pm

**COMMITTEE REPORTS**

VM Lind reported that the Criminal Justice Council has been working with the Youth Violence Prevention Task Force over the last three years to complete a strategic plan, and the community launch was last held on May 18, 2015. There were over 200 participants involving community, education, health, government, and justice who looked at our community and how to reduce youth violence.

VM Lind reported that the Santa Margarita Groundwater Basin Advisory Committee met and the EPA reports have come back on the former Watkins-Johnson/AVIZA property. She stated that they have about nine months left to complete the work that was necessary, and they will be removed from the Superfund category.

VM Lind reported that the Water Subcommittee met and the Scotts Valley Water District is working on a rebate program with homeowners and landscapers to reduce water usage. The Water District also received word that the grant application for the Hanson Quarry recharge area has been accepted and approved.

VM Lind reported that she attended the Seniors Council Area Agency on Aging meeting. She reported that the Seniors Council is conducting a short survey to hear from seniors about their needs. The surveys will help the Seniors Council plan for services for seniors and to advocate funding for senior programs. The survey is available online at [www.seniorscouncil.org](http://www.seniorscouncil.org).

CM Aguilar reported that the League of California Cities is sending out bulletins on two issues. The League is opposing AB 718, which would prohibit local agencies from enforcing laws and ordinances related to people sleeping or resting in a lawfully parked motor vehicles, and asking local agencies to send in letters of opposition regarding AB 718.

CM Johnson reported that he and Mayor Bustichi attended the International Conference of Shopping Centers (ICSC) in order to promote economic development in Scotts Valley and specifically the Scotts Valley Town Center.

Mayor Bustichi reported that he and CM Johnson met with the Town Center developers at ICSC, and with the sale of PDC to Terramar, they were able to meet with one of the Senior Executives of Terramar and hear what their thoughts are on Scotts Valley. Terramar is still evaluating Scotts Valley's project, along with twenty-six projects they have in various stages.

Mayor Bustichi reported that the Water Subcommittee met and discussed issues surrounding the potential sale of recycled water to Pasatiempo Golf Course.

### **CITY MANAGER REPORT**

- PC Weiss introduced Scotts Valley Police Officer Paul Meyer, who has recently completed training at the Police Department.
- City staff participated in an emergency disaster exercise where the emergency operations center (Council Chambers) was set up, roles of the participants were reviewed, and a mock disaster was simulated. Lieutenant Wilson and Paul Horvat with County emergency services coordinated the event.
- We are planning to have a public works auction in late June or the first part of July. The City has at least six vehicles and possibly one or two dump trucks to auction off, and unlike previous auctions, they all run! New emission requirements limit the older diesel powered dump trucks to no more than 1,000 miles per year.
- City crews gave the kitchen at the senior center a much needed paint job this week.
- Crews are also doing some road maintenance repairs on Whispering Pines Drive. The repairs include the removal and replacement of asphalt that has been damaged by tree roots.
- Movie in the Park, Despicable Me, was held last Friday. Due to the cold weather and wind, it was not as well attended as the first movie last October. Still there were about 250 people who attended this event.
- The shade structure has been installed next to the skate park. This was approved by Council at your February 4 meeting and used impact fees for the funding.

### **PUBLIC COMMENT**

Bruce McPherson (5<sup>th</sup> District Supervisor) and John Leopold (1<sup>st</sup> District Supervisor), Santa Cruz County Board of Supervisors, gave an update on the new flight pattern that planes flying from Los Angeles to San Francisco International Airport have implemented, its impacts, and what they are attempting to do regarding the concerns that have been raised by residents in Santa Cruz. Additional information is available regarding this issue on the following Facebook page: <https://www.facebook.com/SaveOurSkiesSantaCruz>.

Piret Harmon, General Manager at the Scotts Valley Water District (SVWD), presented the 2015 Drought Emergency Regulations Program adopted by the SVWD Board of Directors, which was established in order to attain a 20% reduction in water use from 2013. Mandatory watering days were also required to be implemented statewide and the SVWD has additional information available in their offices at 2 Civic Center Drive and on their website at [www.svwd.org](http://www.svwd.org). In addition, new rebate programs will be implemented July 1, 2015.

Ellen Buckingham, expressed concerns about the current restructuring of the ADA Subcommittee.

Chuck Molnar, representing the Seniors Council Advisory Committee, stated that he is also a member of the Santa Cruz County Seniors Commission, Domestic Violence Commission, and the Assembly Member in the California Senior Legislature for the counties of Santa Cruz and San Benito. He thanked the Council for their support to the Seniors Council, who run programs for seniors such Meals on Wheels and Project Scout. He stated that in California, 1,000 people a day are turning 65 years of age and older, and the age group between 65 and 74, is growing at 26% of the population. He stated that seniors in Santa Cruz, 65 plus, do not have enough income to meet their basic needs, and stated that it is critical that we help seniors in any way we can. He stated that funding for senior programs at the State level has been cut over the last several years, causing a reduction in services for senior needs, while the need has continued to grow.

Olivia Martinez, Lead Internal Organizer for SEIU Local 521 representative, asked the Council to consider the sacrifices made by City employees represented by SEIU to date including furloughs, unfilled positions, and no cost of living increases. She expressed concerns regarding the latest proposal and the negotiating process to date.

Wendy Brannan, SV resident, expressed concerns regarding ADA and repairs she feels are needed at Siltanen Park.

VM Lind announced that on May 28 the Scotts Valley Chamber of Commerce will be hosting a Scotts Valley Police Department appreciation mixer at MacDorsa Park from 5:30 to 7:00 pm and the community and public are invited.

## **ALTERATIONS TO CONSENT AGENDA**

***M/S: Aguilar/Lind***

***To approve the Consent Agenda.***

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

## **Consent Agenda:**

- A. Approve City Council meeting minutes of 5-6-15
- B. Approve check register – 5-4-15
- C. Approve new job classification and recommended salary range of \$5,654 - \$7,578 for the position of Wastewater Division Manager
- D. Approve agreement for professional services between the City of Scotts Valley and Mark Cattera to assist in managing the City's wastewater treatment plant operations

## **ALTERATIONS TO REGULAR AGENDA**

***M/S: Lind/Johnson***

***To approve the Regular Agenda.***

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

## **REGULAR AGENDA**

### **1. Review of 2015-2016 General Fund revenue budget**

CM Ando presented the written staff report and a PowerPoint presentation on the general fund revenue budget, and responded to questions from Council. He stated that this item is for discussion purposes only at this time.

Wendy Brannan, SV resident, expressed concerns regarding future needs for Scotts Valley parks.

Mayor Bustichi announced that the City will be holding a series of budget workshops over the next few months to look at ways to meet the City's structural deficit.

### **2. Review of 2015-2016 General Fund expenditure budget**

CM Ando presented the written staff report and a PowerPoint presentation on the general fund expenditure budget, and responded to questions from Council. He stated that this item is for discussion purposes only at this time.

Wendy Brannan, SV resident, stated that she feels there are unbudgeted maintenance costs that will impact the City.

### **3. Future Council agenda items**

CM Aguilar requested a future agenda item to receive an update on the Lennar Funds and the list of priorities put together by the Parks & Recreation Commission put together regarding maintenance of the parks.

## **CONVENE TO CLOSED SESSION**

The City Council convened to closed session at 7:50 p.m. to discuss the following items:

- (1) Pursuant to Government Code Section 54957.6, the City Council met in closed session to confer with their labor negotiator re employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.
- (2) Pursuant to Government Code Section 54956.8, the City Council met in closed session to confer with their legal counsel regarding real property negotiations, APN 022-481-18 and southeast portion of 022-481-19.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 8:25 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Bustichi announced that there was nothing to report.

**ADJOURNMENT**            The meeting adjourned at 8:25 p.m.

Approved: \_\_\_\_\_  
Dene Bustichi, Mayor

Attest: \_\_\_\_\_  
Tracy A. Ferrara, City Clerk

# MINUTES

## Special Closed Session Meeting of the Scotts Valley City Council

**Date: May 20, 2015**

**POSTING:**

The agenda was posted on 5-19-15  
at City Hall, the SV Senior Center, and  
the SV Library, by the City Clerk.

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**CALL TO ORDER**                      8:26 p.m.

**ROLL CALL**

Present:

Dene Bustichi, Mayor  
Donna Lind, Vice Mayor  
Stephany E. Aguilar, City Council Member  
Randy Johnson, City Council Member  
Jim Reed, City Council Member  
Steve Ando, City Manager  
Corrie Kates, Comm Dev Dir/Deputy City Manager  
Kirsten Powell, City Attorney

**CONVENE TO CLOSED SESSION**

The City Council convened to closed session at 8:28 p.m. to discuss the following item:

- (1) Pursuant to Government Code Section 54956.9b, the City Council met in closed session to confer with their legal counsel regarding potential litigation, 1 case.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 8:45 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Bustichi announced that there was nothing to report.

**ADJOURNMENT**    The meeting adjourned at 8:45 p.m.

Approved: \_\_\_\_\_

Dene Bustichi, Mayor

Attest: \_\_\_\_\_

Tracy A. Ferrara, City Clerk

| BANK   | VENDOR                   | CHECK# | DATE     | AMOUNT    |
|--------|--------------------------|--------|----------|-----------|
| BA     | GENERAL CHECKING ACCOUNT |        |          |           |
| 003429 | ACHESON/AMBER            | 104276 | 05/20/15 | 10.50     |
| 000881 | ALVAREZ INDUSTRIES INC.  | 104277 | 05/20/15 | 2,994.00  |
| 001528 | AMERICAN MESSAGING       | 104278 | 05/20/15 | 69.18     |
| 000563 | APPI                     | 104279 | 05/20/15 | 1,048.55  |
| 003319 | ARMSTRONG/KILEY          | 104280 | 05/20/15 | 542.28    |
| 003424 | ARMSTRONG/ROWAN          | 104281 | 05/20/15 | 60.00     |
| 002031 | ASTRO EVENTS OF SAN JOSE | 104282 | 05/20/15 | 275.00    |
| 000205 | BACK TO EDEN INC         | 104283 | 05/20/15 | 950.00    |
| .14887 | BAILEY/FANTASIA          | 104284 | 05/20/15 | 125.00    |
| 000614 | BATTERIES PLUS           | 104285 | 05/20/15 | 108.74    |
| 003423 | BATTEY/RYAN              | 104286 | 05/20/15 | 60.00     |
| 001822 | BC LABORATORIES INC.     | 104287 | 05/20/15 | 398.00    |
| 001066 | BEHAVIORAL HEALTH CARE I | 104288 | 05/20/15 | 128.00    |
| 003260 | BILES DDS MA/DAVID       | 104289 | 05/20/15 | 307.91    |
| 003054 | BIRLEY/MICHAEL           | 104290 | 05/20/15 | 507.00    |
| 000437 | BRASS KEY LOCKSMITH      | 104291 | 05/20/15 | 24.98     |
| 001566 | BUSINESS WITH PLEASURE   | 104292 | 05/20/15 | 1,011.38  |
| 001216 | C & N TRACTORS           | 104293 | 05/20/15 | 570.24    |
| 000772 | CABRILLO COLLEGE STROKE  | 104294 | 05/20/15 | 1,379.50  |
| .14888 | CALLAS/MARIA             | 104295 | 05/20/15 | 200.00    |
| 003174 | CAPITAL ONE COMMERCIAL   | 104296 | 05/20/15 | 1,811.59  |
| 000481 | CASEY PRINTING           | 104297 | 05/20/15 | 3,908.05  |
| 000756 | CENTRAL HOME SUPPLY      | 104298 | 05/20/15 | 228.30    |
| .14885 | COLLINS/TOM              | 104299 | 05/20/15 | 200.00    |
| 001860 | CONTRERAS/EFRIAM         | 104300 | 05/20/15 | 129.77    |
| 003427 | CP ENTERPRISES           | 104301 | 05/20/15 | 323.34    |
| 003043 | CSG CONSULTING INC       | 104302 | 05/20/15 | 8,802.50  |
| 001773 | CVS PHARMACY             | 104303 | 05/20/15 | 15.42     |
| 000389 | DASSEL'S PETROLEUM INC   | 104304 | 05/20/15 | 4,312.07  |
| 000318 | DEPT OF TRANSPORTATION   | 104305 | 05/20/15 | 1,330.95  |
| 000488 | DIENTES COMMUNITY DENTAL | 104306 | 05/20/15 | 323.75    |
| 003160 | DIXON & SON TIRE         | 104307 | 05/20/15 | 109.00    |
| 001362 | DUNCAN AUTO TECH         | 104308 | 05/20/15 | 53.20     |
| 003354 | ELITE MARTIAL ARTS, INC  | 104309 | 05/20/15 | 42.00     |
| 000191 | EMPLOYMENT DEV. DEPT.    | 104310 | 05/20/15 | 1,461.00  |
| 003181 | ESRI                     | 104311 | 05/20/15 | 743.75    |
| 000054 | EWING IRRIGATION PRODUCT | 104312 | 05/20/15 | 108.33    |
| 003253 | FIRST ALARM              | 104313 | 05/20/15 | 125.82    |
| 003154 | FLANNERY/MARLENE         | 104314 | 05/20/15 | 77.56     |
| 001316 | FODGE/MICHELLE           | 104315 | 05/20/15 | 49.07     |
| 003083 | FONG/MICHAEL             | 104316 | 05/20/15 | 120.00    |
| 001392 | FONG/MICHAEL DDS         | 104317 | 05/20/15 | 184.25    |
| 001572 | HAAS/ROGER               | 104318 | 05/20/15 | 60.00     |
| 001516 | HERNANDEZ/JAIME          | 104319 | 05/20/15 | 60.00     |
| 000615 | HOHMANN/PATRICK J.       | 104320 | 05/20/15 | 295.51    |
| .14889 | HOVERSTEN/STEVE          | 104321 | 05/20/15 | 161.00    |
| 001856 | HUB INTERNATIONAL        | 104322 | 05/20/15 | 768.24    |
| 003292 | KIMLEY-HORN & ASSOCIATES | 104323 | 05/20/15 | 15,928.00 |

| BANK   | VENDOR                   | CHECK# | DATE     | AMOUNT     |     |
|--------|--------------------------|--------|----------|------------|-----|
| BA     | GENERAL CHECKING ACCOUNT |        |          |            |     |
| 003292 | KIMLEY-HORN & ASSOCIATES | 104324 | 05/20/15 | 8,784.10   |     |
| 003292 | KIMLEY-HORN & ASSOCIATES | 104325 | 05/20/15 | 22,030.60  |     |
| 001660 | KING/KATI                | 104326 | 05/20/15 | 159.99     |     |
| 000066 | KING'S PAINT & PAPER     | 104327 | 05/20/15 | 8.65       |     |
| 001824 | KOENIG/WES               | 104328 | 05/20/15 | 1,140.00   |     |
| 003430 | LAURIE/JERMEL            | 104329 | 05/20/15 | 175.00     |     |
| 003389 | LOCKE/CERINA             | 104330 | 05/20/15 | 46.00      |     |
| 000284 | LOGAN & POWELL, LLP      | 104331 | 05/20/15 | 13,332.00  |     |
| .14892 | MARSHALL/CLAUDIA         | 104332 | 05/20/15 | 139.00     |     |
| 003428 | MEIER/PAUL               | 104333 | 05/20/15 | 10.50      |     |
| .14886 | MONTEREY COAST PREPATORY | 104334 | 05/20/15 | 200.00     |     |
| 001575 | MULLIGAN/MARY            | 104335 | 05/20/15 | 252.00     |     |
| 001779 | MUSICAL ME, INC          | 104336 | 05/20/15 | 1,822.80   |     |
| 000100 | PETTY CASH - R. LIEB     | 104337 | 05/20/15 | 186.59     |     |
| 001876 | POLITO/BRANDON           | 104338 | 05/20/15 | 95.07      |     |
| 001233 | PORTER DDS MS/BRENT J    | 104339 | 05/20/15 | 1,135.00   |     |
| 001503 | PRUDENTIAL INSURANCE CO/ | 104340 | 05/20/15 | 612.85     |     |
| 003303 | RAABE/KAMI               | 104341 | 05/20/15 | 10.50      |     |
| 003012 | ROBBINS/AMANDA           | 104342 | 05/20/15 | 10.50      |     |
| .14891 | RUIZ/JESUS               | 104343 | 05/20/15 | 200.00     |     |
| 000134 | S.V. WATER DISTRICT      | 104344 | 05/20/15 | 7,562.08   |     |
| 001919 | SANTA CRUZ BEACH BOARDWA | 104345 | 05/20/15 | 140.00     |     |
| 001533 | SANTA CRUZ COUNTY BANK   | 104346 | 05/20/15 | 1,065.03   |     |
| 001544 | SANTA CRUZ COUNTY CONFER | 104347 | 05/20/15 | 32,994.72  |     |
| 000122 | SANTA CRUZ/CITY OF       | 104348 | 05/20/15 | 970.00     |     |
| 001431 | SCHWARZ/JERRY            | 104349 | 05/20/15 | 10.50      |     |
| 000129 | SCOTTS VALLEY BANNER     | 104350 | 05/20/15 | 561.00     |     |
| 003077 | SKYHIGH SPORTS           | 104351 | 05/20/15 | 100.00     |     |
| 001361 | STEVENS DDS/JOHN A       | 104352 | 05/20/15 | 49.00      |     |
| .14890 | STORAGE DEPOT II/THE     | 104353 | 05/20/15 | 48.93      |     |
| 003330 | TERRELL/ELLIOTT          | 104354 | 05/20/15 | 10.50      |     |
| 001249 | TORRES, MARCELA A        | 104355 | 05/20/15 | 806.40     |     |
| 001342 | WELCH/JAMES              | 104356 | 05/20/15 | 32.96      |     |
| 003166 | WISDOM/ANGIE             | 104357 | 05/20/15 | 690.00     |     |
| 001287 | YAHYA/IB                 | 104358 | 05/20/15 | 144.00     |     |
| 001625 | YOSHIDA DDS/NOREEN       | 104359 | 05/20/15 | 254.40     |     |
| 003301 | YP                       | 104360 | 05/20/15 | 3,669.13   |     |
|        | GENERAL CHECKING ACCOUNT |        |          | 151,962.53 | *** |

Check Register

| BANK           | VENDOR | CHECK# | DATE | AMOUNT     |
|----------------|--------|--------|------|------------|
| REPORT TOTALS: |        |        |      | 151,962.53 |

RECORDS PRINTED - 000183

GL540R

FUND RECAP:

| FUND            | DESCRIPTION                  | DISBURSEMENTS |
|-----------------|------------------------------|---------------|
| 001             | GENERAL                      | 73,871.92     |
| 004             | RECREATION                   | 13,362.08     |
| 008             | TRAFFIC IMPACT MITIGATION    | 30,382.76     |
| 010             | WASTEWATER OPERATIONS        | 9,294.51      |
| 011             | TERTIARY TREATMENT PLANT     | 288.00        |
| 023             | SVRDA SUCCESSOR AGENCY       | 42.00         |
| 028             | SENIOR CENTER                | 1,516.18      |
| 035             | GREEN BUILDING FUNDING       | 2,337.13      |
| 077             | SKYPARK MAINT ASSESS DIST    | 1,626.78      |
| 112             | DENTAL INS INTERNAL SERV     | 2,736.96      |
| 123             | COMMUNITY FACILITY CENTER    | 2,481.40      |
| 150             | GENERAL CAPITAL IMPROVEMENTS | 14,022.81     |
| TOTAL ALL FUNDS |                              | 151,962.53    |

BANK RECAP:

| BANK            | NAME                     | DISBURSEMENTS |
|-----------------|--------------------------|---------------|
| BA              | GENERAL CHECKING ACCOUNT | 151,962.53    |
| TOTAL ALL BANKS |                          | 151,962.53    |

## City of Scotts Valley INTEROFFICE MEMORANDUM

**DATE:** June 3, 2015  
**TO:** Honorable Mayor and City Council  
**FROM:** John Weiss, Chief of Police  
**SUBJECT:** ROAD CLOSURE FOR CITY'S 4<sup>TH</sup> OF JULY PARADE

### **SUMMARY OF ISSUE**

On July 4, 2015, the City of Scotts Valley will celebrate Independence Day by hosting a parade along Scotts Valley Drive. The proposed parade route will begin just south of Civic Center Drive, travel northbound to El Pueblo Road, and then circle back and return to Civic Center Drive. The roadway will be closed in both directions in order to maximize pedestrian/audience safety, with police officers and volunteers manning various driveways and barricaded sections along the route.

The parade will begin at 3:00 p.m. and be followed by the opening of Skypark for the annual evening fireworks show. Anticipated participants for the parade include antique/classic car enthusiasts, children's groups (such as 4H, cub scouts, etc) dance groups, martial arts clubs, bicyclists, pets, emergency vehicles, service clubs, floats, etc.

Closure of the roadway will require the City Council to adopt a resolution in compliance with California Vehicle Code 21101(e). Appropriate notice letters will be distributed to affected businesses and residences, and the police department will further alert the public via the mobile radar trailer message board prior to the event. A press release will be issued for media coverage and appropriate teletypes sent to affected agencies (such as fire, ambulance, transit, sheriff, CHP, etc).

### **FISCAL IMPACT**

Additional overtime will be necessary for police staff to work this event. Approximately eight police officers (in addition to the three already working patrol July 4th) will be required to work this event from 1:00 p.m. to 5:00 p.m. The cost will be absorbed by the Police Department's overtime budget.

### **STAFF RECOMMENDATION**

The City Council, by resolution, establish a road closure along the above specified route of Scotts Valley Drive in order to host a parade in celebration of Independence Day on July 4, 2015.

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**RESOLUTION NO. 1851.5**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF SCOTTS VALLEY  
TEMPORARILY CLOSING A PORTION OF  
SCOTTS VALLEY DRIVE FOR THE  
CITY'S 4<sup>th</sup> OF JULY PARADE**

**WHEREAS**, in celebration of Independence Day, the City has planned a parade to be held on July 4, 2015; and

**WHEREAS**, the parade route shall be along Scotts Valley Drive from just south of Civic Center Drive to El Pueblo and back to Civic Center Drive; and

**WHEREAS**, participants in the parade and spectators will utilize all lanes of Scotts Valley Drive; and

**WHEREAS**, it is necessary to temporarily close Scotts Valley Drive from Erba Lane to El Pueblo Road and back to Erba Lane for the safety and protection of the participants and spectators of the parade.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Scotts Valley hereby orders the temporary closure of Scotts Valley Drive from El Pueblo Road to Erba Lane from 2:00 p.m. until 5:00 p.m. on July 4, 2015. Such closure shall be posted along the parade route by June 18, 2015.

The above and foregoing resolution was adopted at a duly held regular meeting of the City Council on the 3<sup>rd</sup> day of June 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: \_\_\_\_\_  
Dene Bustichi, Mayor

Attest:

\_\_\_\_\_  
Tracy A. Ferrara, City Clerk

## City of Scotts Valley INTEROFFICE MEMORANDUM

**DATE:** June 3, 2015  
**TO:** Honorable Mayor and City Council  
**FROM:** Steve Ando, City Manager  
**SUBJECT:** Wastewater, and Recycling Budget Meeting

### SUMMARY OF ISSUE

This part of the discussion of the 2015-16 budget will include the Wastewater Treatment Plant (WWTP) and Recycling budgets. The focus will be on budgeted revenues and expenditures and comparison to current year projections. Detail budget sheets are included with this report on pages 6 through 11. Staff will be present at the Council meeting to provide operational highlights and to answer any questions.

### **WASTEWATER FUND**

A recap of the Wastewater Operations is shown below.

|                       | 2014-15<br><u>Budget</u> | 2014-15<br><u>Projected</u> | 2015-16<br><u>Budget</u> |
|-----------------------|--------------------------|-----------------------------|--------------------------|
| Revenues              | <u>\$1,731,800</u>       | <u>\$1,877,000</u>          | <u>\$2,007,600</u>       |
| Salaries/Benefits     | 759,510                  | 811,912                     | 849,206                  |
| Services/Supplies     | 655,404                  | 702,954                     | 699,812                  |
| Fixed Assets          | 35,600                   | 35,600                      | 42,500                   |
| Other                 | 215,000                  | 225,000                     | 230,000                  |
| Pension Bond          | 50,462                   | 50,462                      | 50,479                   |
| Tertiary Treatment    | <u>73,880</u>            | <u>70,640</u>               | <u>76,080</u>            |
| Total Expenditures    | <u>1,789,856</u>         | <u>1,896,568</u>            | <u>1,948,077</u>         |
| Net Surplus (Deficit) | <u><u>(\$58,056)</u></u> | <u><u>(\$19,568)</u></u>    | <u><u>\$59,523</u></u>   |

### 2014-15 Projected:

Revenues are projected to be over budget by \$145,200, or 8.4%. This is due to a combination of factors. This year's budget was based on last year's projected amount. As it turned out, the projected amount was lower than the actual amount; therefore, the budget was based on the lower amount. In addition, this year's budget was calculated with only the scheduled 5% rate increase. There were also new homes that came on line as well. The commercial accounts have also increased, leading to the higher revenue amount.

Expenditures are projected to be \$106,712, or 6%, over budget. The major categories are summarized and explained below.

|                       | Over<br>(Under)<br><u>Budget</u> |
|-----------------------|----------------------------------|
| Salaries / Benefits   | \$52,402                         |
| Services and Supplies | 47,550                           |
| Other                 | 10,000                           |
| Tertiary Treatment    | <u>(3,240)</u>                   |
| Total                 | <u>\$106,712</u>                 |

Salaries and benefits are over budget due to temporary wages (\$30,000) and group insurance (\$22,402). The City needed to hire temporary help to cover for one employee who was out due to an injury. This was not budgeted. The temporary help will continue for the first two months of next fiscal year. Group insurance is projected to be over budget due to the same reasons as discussed with the General Fund budget, rates increasing more than anticipated and a calculation error when developing the budget.

Services and supplies are over budget by \$37,550 as follows:

|                            | Over (Under)<br><u>Budget</u> |
|----------------------------|-------------------------------|
| Special Department Expense | \$30,000                      |
| Other Contract Services    | 17,440                        |
| Miscellaneous              | 13,000                        |
| Utilities                  | (10,000)                      |
| All other accounts         | <u>(2,890)</u>                |
| Total                      | <u>\$47,550</u>               |

Special department expense is over budget due to sludge disposal being over budget. This amount was lowered in the budget in anticipation of lower disposal costs. Costs are lower than before; however, we are not able to dispose of all of the sludge at the City of Santa Cruz treatment plant as anticipated. There is still a need to haul sludge to the landfill in Marina a couple of times each week.

Other contract services are over budget due to a report for delivering recycled water to Pasatiempo and for root abatement in the City's main sewer lines. The funds from Pasatiempo covering the cost of the report were recorded in the previous year. There were still some costs that came through this fiscal year. The offset to those costs were in the previous year. With the drought, there are more problems with invasive roots. This amount was not budgeted in the current year budget. There were also a number of smaller items leading this over budget amount.

The miscellaneous expense account is used for the match of the rebate program administered by the Scotts Valley Water District. At the annual review of the program last December, Council approved increasing the rebate amount from the budgeted \$12,000 to a total of \$25,000. This was in response to the District's new program where the District would handle the toilet installations which increased the number of residents applying for this program.

Utilities are under budget due to a more efficient air diffuser system at the treatment plant. Previously two air blowers were needed on occasion to provide the necessary oxygen level. Now only one air blower is needed to run at one time.

The Other category includes a cost allocation of administrative costs which are based on expenditures. It is over budget because the other accounts are over budget.

The Tertiary Treatment (TTP) costs are accounted for in a separate fund. The costs of the TTP are funded by the WWTP and the Scotts Valley Water district based on a percentage of the total operating costs of the TTP. Those total operating costs are projected to be under budget; therefore this allocation of cost to the WWTP is under budget.

#### 2015-16 Budget:

The 2014-15 budgeted revenues are \$130,600 higher than the 2014-15 projected revenues. This is a little higher than the 5% rate increase due to additional residential units being added in the City and more commercial activity.

In total, expenditures are being budgeted next fiscal year with a \$158,221 increase from the current fiscal year budget as follows:

|                       | <u>Increase</u>         |
|-----------------------|-------------------------|
| Salaries / Benefits   | \$89,696                |
| Services and Supplies | 44,408                  |
| Fixed Assets          | 6,900                   |
| Other                 | 15,000                  |
| Pension Bond          | 17                      |
| Tertiary Treatment    | <u>2,200</u>            |
| Total                 | <u><u>\$158,221</u></u> |

The budget for salaries and benefits is increasing due to a new mid-management position. When Scott Hamby became the Public Works Director, the City tried to have him still have a significant role in managing the Wastewater Treatment Plant and as well as using existing staff. While Scott continues to oversee all WWTP operations, there is still the need for a full time on-site manager. Because of this, a new mid-management position was created which increased salaries and benefits. Retirement is increasing because of CalPERS increasing rates to cover the unfunded liability that currently exists. Group insurance also increased as discussed above. This was offset by workers compensation decreasing approximately \$12,000 as discussed in the General Fund presentation.

Services and supplies is being budgeted \$44,408 higher next year than the current year. This is made up of the following:

|                            | <u>Increase<br/>(Decrease)</u> |
|----------------------------|--------------------------------|
| Special Department Expense | 25,000                         |
| Miscellaneous              | 13,000                         |
| Contract Services          | 12,440                         |
| Utilities                  | (10,000)                       |
| All other accounts         | <u>3,968</u>                   |
| Total                      | <u><u>\$44,408</u></u>         |

Special Department expense is increasing for the higher sludge disposal costs. As discussed above, the Treatment Plant still needs to dispose at the higher cost landfill in Marina due to the receiving requirements by the City of Santa Cruz for their disposal process.

Miscellaneous expense was increased by Council during the current year to account for the projected higher demand for the water efficient fixture rebate program as discussed above.

Contract services have been over budget for one reason or another the past few years. With the plant getting older, it needs more services. Increasing the budget will cover those items.

Utilities are being budgeted lower to account for the lower costs associated with the more efficient air diffusers.

#### Future Analysis:

The rate increases have almost eliminated the operating deficit as projected this year. With next year's last rate increase, the WWTP is budgeted with a \$59,000 surplus. Revenues will need to be monitored closely after next year. Without any further scheduled rate increases, revenues will only be increasing from more commercial activity and other residential projects. The new hotel on Scotts Valley, the educational facility at the former Bethany University campus, and increased activity at the former Borland Building will add to the commercial revenues. The Polo Ranch project will add to the residential revenues.

Rebate Program: The budget for the match of the Water District's rebate program was kept at the \$25,000 level that Council set during the current year. With that amount, next year is budgeted with only a \$59,000 surplus. This is 3.1% of the budgeted expenditures which does not allow much for accounts to unexpectedly go over budget. The reserve is projected to be \$160,000 at the beginning of next year. There is also \$750,000 in the equipment reserve which could be used for operations if need be. Staff requests direction from the Council regarding the funding level of the rebate program, whether to keep it at \$25,000 maximum or lower it.

## **RECYCLING**

The City's Recycling Fund receives revenue from the County-wide Refuse Disposal County Service Area 9C (CSA 9C). The City must use this money for waste or recycling purposes. As discussed in prior years, there has been a dramatic decrease in revenues.

#### 2015-16 Budget:

For 2015-16, the revenue from CSA 9C is estimated to be \$53,500. This is a little over 6% higher than the \$50,328 received in the current year. This is the first increase since fiscal year 2008-09.

Because of the recent decline in revenues, there are only three services funded with these monies: the Sea Odyssey, street sweeping, and storm water management program (SWMP). The Sea Odyssey program funds nine classes from the Scotts Valley School District area to learn about, among other things, recycling and its benefits to the ocean and reducing waste in

landfills. With the increase in funding staff is recommending increasing the street sweeping budget. This amount does not cover the annual cost of street sweeping. The increase in this budget will help offset the cost covered by the General Fund.

|                      | 2014-15<br><u>Budget</u> | 2015-16<br><u>Budget</u> |
|----------------------|--------------------------|--------------------------|
| Sea Odyssey          | \$22,630                 | \$22,630                 |
| Street Sweeping      | 22,670                   | 25,870                   |
| SWMP                 | <u>5,000</u>             | <u>5,000</u>             |
| Total CSA 9C Revenue | <u>\$50,300</u>          | <u>\$53,500</u>          |

Any changes to the allocation of the CSA 9C monies directed by Council at this meeting can be incorporated in the budget document prior to its approval on June 17.

#### **FISCAL IMPACT**

None at this time. The budget will be adopted at Council's June 17 meeting.

#### **STAFF RECOMMENDATION**

Primarily for discussion purposes only. Staff does request direction from Council regarding the funding level of the matching rebate program with the Water District for water efficient fixtures.

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| Recycling Revenue and Expenditure Budgets.....  | 10                 |

REVENUES

| <u>ACCT#</u>                           | <u>ACCOUNT TITLE</u>              | <u>2013 / 2014<br/>ACTUAL</u> | <u>2014 / 2015<br/>ESTIMATED</u> | <u>2014 / 2015<br/>PROJECTED</u> | <u>2015 / 2016<br/>ESTIMATED</u> |
|----------------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b><u>10-WASTEWATER OPERATIONS</u></b> |                                   |                               |                                  |                                  |                                  |
| <b>CHARGES FOR SERVICES:</b>           |                                   |                               |                                  |                                  |                                  |
| 3670                                   | SEWER SERVICE FEES                | 1,667,855                     | 1,725,000                        | 1,870,000                        | 2,000,000                        |
| 3277                                   | WASTEWATER DISCHARGE PERMITS      | 2,600                         | 2,600                            | 0                                | 2,600                            |
| 3775                                   | PENALTIES FOR DELINQUENCIES       | 3,315                         | 4,000                            | 7,000                            | 5,000                            |
|                                        | <b>TOTAL CHARGES FOR SERVICES</b> | <b>1,673,770</b>              | <b>1,731,600</b>                 | <b>1,877,000</b>                 | <b>2,007,600</b>                 |
| <b>OTHER REVENUE</b>                   |                                   |                               |                                  |                                  |                                  |
| 3550                                   | OTHER STATE GRANTS                | 6,459                         | 0                                | 0                                | 0                                |
| 3890                                   | OTHER REVENUE                     | 436                           | 0                                | 0                                | 0                                |
|                                        | <b>TOTAL OTHER REVENUE</b>        | <b>6,895</b>                  | <b>0</b>                         | <b>0</b>                         | <b>0</b>                         |
| 3410                                   | INVESTMENT EARNINGS               | 0                             | 200                              | 0                                | 0                                |
|                                        | <b>TOTAL FUND 10</b>              | <b>1,680,665</b>              | <b>1,731,800</b>                 | <b>1,877,000</b>                 | <b>2,007,600</b>                 |

**DEPARTMENT 74/FUND 10 - WASTEWATER OPERATIONS**

The Wastewater Operations Division provides for the collection, treatment and disposal of wastewater. This includes maintaining the collection system, lift stations and industrial monitoring, as well as complete secondary treatment of all wastewater.

| <b>EXPENDITURES</b>            | <b>2013 / 2014<br/>ACTUAL</b> | <b>2014/ 2015<br/>BUDGET</b> | <b>2014 / 2015<br/>PROJECTED</b> | <b>2015 / 2016<br/>DEPT<br/>REQUEST</b> | <b>2015 / 2016<br/>CITY<br/>MANAGER<br/>PROPOSED</b> |
|--------------------------------|-------------------------------|------------------------------|----------------------------------|-----------------------------------------|------------------------------------------------------|
| <b>SALARIES &amp; BENEFITS</b> | 873,589                       | 759,510                      | 811,912                          | 849,206                                 | 849,206                                              |
| <b>SERVICES &amp; SUPPLIES</b> | 769,854                       | 655,404                      | 702,954                          | 699,812                                 | 699,812                                              |
| <b>FIXED ASSETS</b>            | 9,806                         | 35,600                       | 35,600                           | 42,500                                  | 42,500                                               |
| <b>OTHER</b>                   | 235,309                       | 215,000                      | 225,000                          | 230,000                                 | 230,000                                              |
| <b>GRAND TOTAL</b>             | <u>1,888,558</u>              | <u>1,665,514</u>             | <u>1,775,466</u>                 | <u>1,821,518</u>                        | <u>1,821,518</u>                                     |

| <b>PERSONNEL DETAIL</b>                                                             | <b>2011 / 2012</b> | <b>2012 / 2013</b> | <b>2013 / 2014</b> | <b>2014 / 2015</b> | <b>2015 / 2016<br/>CITY<br/>MANAGER<br/>PROPOSED</b> |
|-------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------------------------|
| PUBLIC WORKS DIRECTOR/<br>CITY ENGINEER                                             | 0.20               | 0.20               | 0.20               | 0.40               | 0.40                                                 |
| WASTEWATER & ENVIRONMENTAL<br>PROGRAM MANAGER                                       | 1.00               | 1.00               | 1.00               | 1.00               |                                                      |
| WASTEWATER DIVISION MANAGER<br>CHIEF WASTEWATER<br>PLANT OPERATOR                   | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| WASTEWATER PLANT OPERATOR II                                                        | 3.00               | 3.00               | 3.00               | 3.00               | 3.00                                                 |
| WASTEWATER PLANT OPERATOR I<br>SENIOR LAB TECHNICIAN/<br>INDUSTRIAL WASTE INSPECTOR | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| ADMINISTRATIVE SECRETARY II                                                         |                    |                    |                    | 0.50               | 0.50                                                 |
| ACCOUNTING ASSISTANT                                                                | 0.15               | 0.15               | 0.15               | 0.15               | 0.15                                                 |
| <b>TOTAL</b>                                                                        | <u>7.35</u>        | <u>7.35</u>        | <u>7.35</u>        | <u>8.05</u>        | <u>7.05</u>                                          |

**DEPARTMENT 74/FUND 10 - WASTEWATER OPERATIONS**

|                                      |                                     | 2013 / 2014    | 2014 / 2015    | 2014 / 2015    | 2015 / 2016    | 2015 / 2016           |
|--------------------------------------|-------------------------------------|----------------|----------------|----------------|----------------|-----------------------|
|                                      |                                     | ACTUAL         | BUDGET         | PROJECTED      | DEPT REQUEST   | CITY MANAGER PROPOSED |
| <b>SALARIES &amp; BENEFITS:</b>      |                                     |                |                |                |                |                       |
| 101                                  | REGULAR WAGES                       | 469,199        | 435,028        | 435,028        | 461,814        | 461,814               |
| 107                                  | TEMPORARY WAGES                     | 15,181         | 0              | 30,000         | 5,000          | 5,000                 |
| 109                                  | OVERTIME WAGES                      | 24,371         | 25,000         | 25,000         | 25,000         | 25,000                |
|                                      | Emergencies & Holidays              |                |                |                |                | 25,000                |
| 203                                  | FICA                                | 37,063         | 34,886         | 34,886         | 36,935         | 36,935                |
| 204                                  | RETIREMENT                          | 107,094        | 102,275        | 102,275        | 135,008        | 135,008               |
| 205                                  | GROUP INSURANCE                     | 172,585        | 109,598        | 132,000        | 144,625        | 144,625               |
| 206                                  | WORKERS' COMPENSATION               | 48,096         | 52,723         | 52,723         | 40,824         | 40,824                |
| <b>TOTAL SALARIES &amp; BENEFITS</b> |                                     | <b>873,589</b> | <b>759,510</b> | <b>811,912</b> | <b>849,206</b> | <b>849,206</b>        |
| <b>SERVICES &amp; SUPPLIES:</b>      |                                     |                |                |                |                |                       |
| 208                                  | UNIFORM EXPENSE                     | 8,025          | 7,000          | 7,000          | 7,000          | 7,000                 |
| 301                                  | OFFICE EXPENSE                      | 1,495          | 2,000          | 3,000          | 2,000          | 2,000                 |
| 302                                  | SPECIAL DEPARTMENT EXPENSE          | 131,365        | 90,000         | 120,000        | 115,000        | 115,000               |
|                                      | Chemicals                           |                |                |                |                | 45,000                |
|                                      | Sludge Disposal                     |                |                |                |                | 45,000                |
|                                      | Permits & Licenses                  |                |                |                |                | 25,000                |
| 303                                  | SMALL TOOLS & SUPPLIES              | 23,673         | 12,000         | 12,000         | 12,000         | 12,000                |
| 306                                  | COMMUNICATIONS                      | 5,970          | 6,000          | 6,000          | 6,000          | 6,000                 |
| 307                                  | UTILITIES                           | 256,026        | 265,000        | 255,000        | 255,000        | 255,000               |
| 308                                  | RENTS & LEASES                      | 0              | 7,000          | 7,000          | 7,000          | 7,000                 |
|                                      | Ocean Outfall                       |                |                |                |                | 7,000                 |
| 313                                  | OTHER CONTRACTUAL SERVICES          | 98,592         | 67,560         | 85,000         | 80,000         | 80,000                |
|                                      | Source Control Contract             |                |                |                |                | 25,000                |
|                                      | Various Equipment Maintenance       |                |                |                |                | 16,950                |
|                                      | Generator Service Agreement         |                |                |                |                | 12,850                |
|                                      | Storm Water Program                 |                |                |                |                | 8,000                 |
|                                      | Blower Annual Maintenance Agreement |                |                |                |                | 7,700                 |
|                                      | Computer Programming                |                |                |                |                | 7,000                 |
|                                      | Corrosion Testing Service           |                |                |                |                | 2,000                 |
|                                      | GIS Software License                |                |                |                |                | 500                   |
| 314                                  | INSURANCE & SURETY BONDS            | 37,239         | 48,244         | 46,654         | 53,212         | 53,212                |
|                                      | Liability Insurance                 |                |                |                |                | 25,119                |
|                                      | Property Insurance                  |                |                |                |                | 23,493                |
|                                      | Deductibles and Self-Insurance      |                |                |                |                | 4,600                 |
| 315                                  | MEMBERSHIPS & DUES                  | 1,978          | 1,600          | 1,600          | 1,600          | 1,600                 |
| 316                                  | TRAVEL/CONFERENCES/MEETINGS         | 761            | 2,000          | 2,000          | 2,000          | 2,000                 |
|                                      | State CWEA Water Reuse Conference   |                |                |                |                | 1,500                 |
|                                      | Local CWEA Training/Meetings        |                |                |                |                | 500                   |
| 320                                  | LABORATORY                          | 43,128         | 26,000         | 22,000         | 25,000         | 25,000                |
| 322                                  | TRAINING & EDUCATION                | 2,907          | 3,000          | 2,700          | 3,000          | 3,000                 |
|                                      | Safety/Maintenance/Process/Exams    |                |                |                |                | 3,000                 |
| 349                                  | MISCELLANEOUS                       | 13,616         | 12,000         | 25,000         | 25,000         | 25,000                |
| 401                                  | MAINT OF BLDGS/STRUCT/GRNDS         | 4,657          | 6,000          | 8,000          | 6,000          | 6,000                 |
| 402                                  | MAINT & OPERATION OF EQMT           | 108,764        | 80,000         | 80,000         | 80,000         | 80,000                |
| 403                                  | MAINT & OPERATION OF VEHICLES       | 31,658         | 20,000         | 20,000         | 20,000         | 20,000                |
| <b>TOTAL SERVICES &amp; SUPPLIES</b> |                                     | <b>769,854</b> | <b>655,404</b> | <b>702,954</b> | <b>699,812</b> | <b>699,812</b>        |

REVENUES

| <u>ACCT#</u>               | <u>ACCOUNT TITLE</u> | <u>2013 / 2014<br/>ACTUAL</u> | <u>2014 / 2015<br/>ESTIMATED</u> | <u>2014 / 2015<br/>PROJECTED</u> | <u>2015 / 2016<br/>ESTIMATED</u> |
|----------------------------|----------------------|-------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b><u>2-RECYCLING</u></b>  |                      |                               |                                  |                                  |                                  |
| 3410                       | INVESTMENT EARNINGS  | 88                            | 0                                | 0                                | 0                                |
| <b>OTHER REVENUE:</b>      |                      |                               |                                  |                                  |                                  |
| 3090                       | CSA 9CA RECYCLING    | 50,006                        | 50,300                           | 50,300                           | 53,500                           |
| 3550                       | OTHER STATE GRANTS   | 5,000                         | 5,000                            | 5,000                            | 5,000                            |
| 3890                       | OTHER REVENUE        | 655                           | 0                                | 0                                | 0                                |
| <b>TOTAL OTHER REVENUE</b> |                      | 55,661                        | 55,300                           | 55,300                           | 58,500                           |
| <b>TOTAL FUND 2</b>        |                      | <b>55,749</b>                 | <b>55,300</b>                    | <b>55,300</b>                    | <b>58,500</b>                    |

**DEPARTMENT 74/FUND 10 - WASTEWATER OPERATIONS (Concluded)**

|                           |                               | <b>2013 / 2014</b> | <b>2014 / 2015</b> | <b>2014 / 2015</b> | <b>2015 / 2016</b> | <b>2015 / 2016</b> |
|---------------------------|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                           |                               | <b>ACTUAL</b>      | <b>BUDGET</b>      | <b>PROJECTED</b>   | <b>DEPT</b>        | <b>CITY</b>        |
|                           |                               |                    |                    |                    | <b>REQUEST</b>     | <b>MANAGER</b>     |
|                           |                               |                    |                    |                    |                    | <b>PROPOSED</b>    |
| <b>FIXED ASSETS:</b>      |                               |                    |                    |                    |                    |                    |
| 904                       | IMPROVEMENTS - OTHER          | 9,806              | 20,000             | 20,000             | 20,000             | 20,000             |
|                           | Miscellaneous Manhole Repairs |                    |                    |                    |                    | 10,000             |
|                           | Facility Painting             |                    |                    |                    |                    | 5,000              |
|                           | Gutter and Other Repairs      |                    |                    |                    |                    | 5,000              |
| 915                       | OTHER EQUIPMENT               |                    | 15,600             | 15,600             | 22,500             | 22,500             |
|                           | Uninterrupted Power Supply    |                    |                    |                    |                    | 20,000             |
|                           | Belt Press Belts              |                    |                    |                    |                    | 2,500              |
| <b>TOTAL FIXED ASSETS</b> |                               | <b>9,806</b>       | <b>35,600</b>      | <b>35,600</b>      | <b>42,500</b>      | <b>42,500</b>      |
| <b>OTHER:</b>             |                               |                    |                    |                    |                    |                    |
| 708                       | COST ALLOCATION               | 235,309            | 215,000            | 225,000            | 230,000            | 230,000            |
| <b>TOTAL OTHER</b>        |                               | <b>235,309</b>     | <b>215,000</b>     | <b>225,000</b>     | <b>230,000</b>     | <b>230,000</b>     |
| <b>GRAND TOTAL</b>        |                               | <b>1,888,558</b>   | <b>1,665,514</b>   | <b>1,775,466</b>   | <b>1,821,518</b>   | <b>1,821,518</b>   |

|                                                                                       |                                         | <u>2013 / 2014</u> | <u>2014 / 2015</u> | <u>2014 / 2015</u> | <u>2015 / 2016</u> | <u>2015 / 2016</u> |
|---------------------------------------------------------------------------------------|-----------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|                                                                                       |                                         | <u>ACTUAL</u>      | <u>BUDGET</u>      | <u>PROJECTED</u>   | <u>DEPT</u>        | <u>CITY</u>        |
| <u>EXPENDITURES</u>                                                                   |                                         |                    |                    |                    | <u>REQUEST</u>     | <u>MANAGER</u>     |
|                                                                                       |                                         |                    |                    |                    |                    | <u>PROPOSED</u>    |
| <b><u>FUND 2 - RECYCLING OPERATIONS</u></b>                                           |                                         |                    |                    |                    |                    |                    |
| This fund accounts for recycling activities carried out by the City of Scotts Valley. |                                         |                    |                    |                    |                    |                    |
| <b>SERVICES &amp; SUPPLIES:</b>                                                       |                                         |                    |                    |                    |                    |                    |
| 313                                                                                   | OTHER CONTRACTUAL SERVICES              | 61,240             | 55,300             | 55,300             | 58,500             | 58,500             |
|                                                                                       | Street Sweeping                         |                    |                    |                    |                    | 25,870             |
|                                                                                       | Sea Odyssey                             |                    |                    |                    |                    | 22,630             |
|                                                                                       | SWMP                                    |                    |                    |                    |                    | 5,000              |
|                                                                                       | Recycling Media Campaign (Grant Funded) |                    |                    |                    |                    | 5,000              |
| <b>TOTAL SERVICES &amp; SUPPLIES</b>                                                  |                                         | <b>61,240</b>      | <b>55,300</b>      | <b>55,300</b>      | <b>58,500</b>      | <b>58,500</b>      |
| <b>TOTAL FUND 2</b>                                                                   |                                         | <b>61,240</b>      | <b>55,300</b>      | <b>55,300</b>      | <b>58,500</b>      | <b>58,500</b>      |

**City of Scotts Valley  
INTEROFFICE MEMORANDUM**

**DATE:** June 3, 2015  
**TO:** Honorable Mayor and City Council  
**FROM:** Steve Ando, City Manager  
**SUBJECT:** Recreation, Senior Center, and Community Center Budget Meeting

**SUMMARY OF ISSUE**

This part of the discussion of the 2015-16 budget will include the Recreation, Senior Center, and Community Center budgets. The focus will be on budgeted revenues and expenditures and comparison to current year projections. Detail budget sheets are included with this report on pages 7 through 13. Staff will be present at the Council meeting to provide operational highlights and to answer any questions.

**RECREATION**

A recap of the Recreation budget is presented below. It presents revenues in detail and expenditures in summary for the following: 2014-15 budget, 2014-15 projected amounts, and 2015-16 budget. Detail of the expenditure lines items is provided on page 9.

|                       | <u>2014-15<br/>Budget</u> | <u>2014-15<br/>Projected</u> | <u>2015-16<br/>Budget</u> |
|-----------------------|---------------------------|------------------------------|---------------------------|
| Revenue:              |                           |                              |                           |
| School Age Rec        | \$570,000                 | \$628,000                    | \$665,000                 |
| Sports                | 80,000                    | 64,000                       | 70,000                    |
| Aquatics              | 55,000                    | 50,000                       | 53,000                    |
| Classes               | 75,000                    | 74,000                       | 78,000                    |
| Facility Rental       | 65,000                    | 64,000                       | 80,000                    |
| Other Revenue         | <u>17,000</u>             | <u>36,000</u>                | <u>20,000</u>             |
| Total Revenue         | <u>862,000</u>            | <u>916,000</u>               | <u>966,000</u>            |
| Expenditures:         |                           |                              |                           |
| Salaries/Benefits     | 663,832                   | 700,747                      | 744,830                   |
| Services/Supplies     | 238,192                   | 260,000                      | 261,150                   |
| Fixed Assets          | -                         | 15,000                       | -                         |
| Pension Bond Transfer | <u>30,072</u>             | <u>30,072</u>                | <u>30,083</u>             |
| Total Expenditures    | <u>932,096</u>            | <u>1,005,819</u>             | <u>1,036,063</u>          |
| Net Deficit           | <u>(\$70,096)</u>         | <u>(\$89,819)</u>            | <u>(\$70,063)</u>         |

### 2014-15 Projected:

Last year I listed a number of changes Recreation Division Manager Kristin Ard instituted during her second year to increase revenues. This year Kristin instituted a number of demonstrations to get kids interested in various programs. Soccer and Ninja Camp demonstrations were set up at the childcare facilities. A Lego Technology demonstration was scheduled before the Movie in the Park last month. Finally, a Tae Kwon Do demonstration was given at the middle school. This class was scheduled for the minimum day Wednesdays to give the kids an activity during that time.

Another improvement this year was the acquisition of a new software program to manage Recreation's class registrations. This program is much more user friendly than the previous program, not only for staff but for the public as well. An online class registration used to come in once a month. Now there are daily online registrations. E-mailing to all registrants or to specific groups (i.e. just swim class registrants, tennis players, or school age recreation families) is much easier. This allows staff to keep everyone or specific groups informed about new classes or other opportunities they may be interested in.

Kristin hired a contractor who has a curriculum for kids in the school age recreation program. Previously Kristin handled this curriculum, but with staff cutbacks, time did not allow her to continue. The contractor has an excellent curriculum, and the parents have enrolled their kids in the program because it. The curriculum includes most of the supplies; therefore, Recreation's special department expense has decreased because the supply cost is included in the contractual services expense.

**Revenues** are projected to be \$83,250, or 10%, higher than last year's actual revenues. This is mainly in the school age recreation revenues. Sports revenues were low due to the City's tennis instructor being out with an injury and unable to give lessons. All of the other revenues except "other revenue" came in close to budget. "Other revenue" is projected to be \$19,000 over budget because it includes \$15,000 of reimbursements from the Lennar funds, the Scotts Valley Advocates, and the Monterey Bay Area Self Insurance Authority (MBASIA) for the purchase of various furniture and equipment.

When there is a public benefit, Council has approved the non-collection of rental fees for certain events (i.e. Relay for Life) in City facilities. It is analogous to the City spending funds to provide a benefit to the public. These individual requests come in throughout the year. This does affect the budget of Recreation; however, the amount is not reflected anywhere. There were eight events for which fees were not collected. The total amount not collected was \$15,561 plus 10% of the entry fee if the event charged one.

**Expenditures** are over budget by approximately \$73,000. This mainly relates to group insurance, contractual services, and fixed assets. As discussed in earlier budget presentations, group insurance was budgeted too low for fiscal year 2014-15. Contractual services are over budget, in part, due to the hiring of a contractor to provide curriculum to the kids in the school age recreation program as discussed above. Fixed assets were purchased with funding from the sources listed in "other revenue" above. Lennar funds were used to purchase a new pool cover. The Advocates helped purchase a new software program for online class registration and other enhancements. MBASIA funded office furniture that was ergonomically correct to help reduce worker compensation claims.

### 2015-16 Budget:

Fiscal year 2015-16 is being budgeted with a \$70,000 deficit. This is a \$20,000 decrease from the projected deficit for the current fiscal year. This is due to higher budgeted revenues (\$50,000) being offset by higher expenses (\$30,000).

Total revenues are being budgeted \$50,000 higher than the 2014-15 projected amounts as follows:

|                       | <u>Increase<br/>(Decrease)</u> |
|-----------------------|--------------------------------|
| School Age Recreation | \$37,000                       |
| Facility Rentals      | 16,000                         |
| Sports                | 6,000                          |
| Classes               | 4,000                          |
| Aquatics              | 3,000                          |
| Other Revenue         | <u>(16,000)</u>                |
| Total                 | <u>\$50,000</u>                |

School age recreation is being budgeted with a \$37,000 increase over the current year projected amount. This is a 5.9% increase. This is compared to the current year projected amount being 15.2% (\$83,000) over last year's actual amount. After such a high increase this year, the \$37,000 increase is being conservative. The childcare program continues to do well with enrollment increasing. We have an increase in younger-age kids who will stay with the program in years to come. Previously, we had a larger older kid group that were not returning in the following year.

Facility rentals continue to do well. Next year's increase includes recording the \$13,000 soccer field rental at Skypark in the Recreation Fund. It has always been recorded in the General Fund, but it is more appropriate to record it in Recreation. With this additional revenue, another \$3,000 is being budgeted for a total increase of \$16,000. The \$3,000 will come from a continued increase in usage and the restructuring of the fee schedule at Council's May 6 meeting.

The increase in sports revenue is due to the projected low revenue amount in the current year. This was due to revenue for tennis being low. As explained earlier, the City's tennis instructor was out with an injury and could not provide lessons for a period of time.

Class revenue and aquatics are being budgeted with smaller increases. Class revenue is estimated with a \$4,000 increase due to more kids in the childcare program which increases the opportunities for taking more classes. City staff take the kids from childcare to their classes thereby freeing up the parents to not worry about transportation. Aquatics is budgeted \$3,000 higher due to more aquatics classes being added for younger kids. With the increase in younger-age kids, staff is projecting more signups for these classes.

As described above, other revenue is decreasing due to the current year projection including reimbursements from Lennar funds, Scotts Valley Advocates, and MBASIA for the purchase of various furniture and equipment.

Expenditures are budgeted in 2015-16 with an increase of \$30,244 from the current year projected amounts as shown below.

|                       | <u>Increase</u> |
|-----------------------|-----------------|
| Salaries and Benefits | \$44,083        |
| Services and Supplies | 1,150           |
| Fixed Assets          | (15,000)        |
| Pension Bond Transfer | <u>11</u>       |
| Total                 | <u>\$30,244</u> |

Salaries and benefits are being budgeted with a \$44,083 increase over the current year projected amount. This is mainly due to two accounts: temporary wages (\$24,000) and retirement (\$15,692). Temporary wages are increasing due to the minimum wage increasing from \$9 per hour to \$10 per hour effective January 1, 2016. Retirement is increasing because of CalPERS increasing rates to cover the unfunded liability that currently exists.

Services and supplies are being held for the most part at the projected amount for 2015. The only difference being insurance increasing by \$1,150.

Fixed assets are decreasing because no items are being budgeted for next year. The items in the current year were purchased with funding from Lennar funds, Scotts Valley Advocates, and MBASIA.

## SENIOR CENTER

A recap of the Senior Center budget is presented below. Revenue and expenditure details are presented on pages 10 and 11.

|                       | <u>2014-15<br/>Budget</u> | <u>2014-15<br/>Projected</u> | <u>2015-16<br/>Budget</u> |
|-----------------------|---------------------------|------------------------------|---------------------------|
| Revenues              | \$76,100                  | \$84,900                     | \$80,200                  |
| Salaries/Benefits     | (44,539)                  | (46,104)                     | (47,241)                  |
| Services/Supplies     | (32,218)                  | (40,925)                     | (37,126)                  |
| Pension Bond Transfer | <u>(622)</u>              | <u>(622)</u>                 | <u>(622)</u>              |
| Net Surplus (Deficit) | <u>(\$1,279)</u>          | <u>(\$2,751)</u>             | <u>(\$4,789)</u>          |

The 2014-15 fiscal year was budgeted with a net deficit of \$1,279; however, it is projected that the Senior Center will end the year with a slightly higher deficit of \$2,751. Next year's budget is budgeted with a \$4,789 deficit.

### 2014-15 Projected:

The Senior Center continues to do well. Revenues are projected to be \$8,800 over budget. Approximately half of that (\$4,000) is in facility rentals. The Senior Center benefited from having Weight Watchers as a once-a-week renter for a good part of the year. Contributions from non-government (\$2,500) and boutique sales (\$2,000) make up the majority of the remaining accounts over budget.

Expenditures are projected to be \$10,272 over budget. Utilities (\$3,000), building maintenance (\$2,500), and equipment maintenance (\$2,500) make up most of this. Utilities and building maintenance are over budget due to the increased use as evidenced by the facility rental income. Equipment maintenance is over budget due to the replacement of two computers.

### 2015-16 Budget:

For the most part, 2015-16 revenues are being budgeted the same as the projected revenues with the exception of facility rental and contributions from non-government. Facility rental is being budgeted \$2,000 less than the current year projected amount due to the loss of Weight Watchers as a renter. Contributions can vary greatly from year to year. They are being 004 budgeted at their normal level of \$1,500. Although the Senior Center has seen great increases

in their revenues over the past few years, to be conservative, staff is budgeting the other accounts the same as the current year projected revenues until further increases materialize.

Expenditures are being budgeted \$2,662 lower than the current year projected amount. The staffing for the Senior Center is only a portion of a half-time position and a temporary position. Therefore, salaries and benefits are increasing only \$1,137. Utilities and building maintenance are both being budgeted \$1,000 less than current year projected due to the projected lower use of the facility. Equipment maintenance is being budgeted \$1,500 less because there will not be any compute purchases next year as there was this year.

## COMMUNITY CENTER

A recap of the Community Center budget is presented below. Revenue and expenditure details are presented on pages 12 and 13.

|                       | <u>2014-15<br/>Budget</u> | <u>2014-15<br/>Projected</u> | <u>2015-16<br/>Budget</u> |
|-----------------------|---------------------------|------------------------------|---------------------------|
| Facility Rentals      | \$50,000                  | \$67,000                     | \$70,000                  |
| Other Revenue         | 15,000                    | 14,528                       | -                         |
| Salaries/Benefits     | (24,146)                  | (28,473)                     | (29,623)                  |
| Services/Supplies     | (30,565)                  | (37,565)                     | (38,435)                  |
| Fixed Assets          | (15,000)                  | (14,528)                     | -                         |
| Pension Bond Transfer | <u>(622)</u>              | <u>(622)</u>                 | <u>(622)</u>              |
| Net Surplus (Deficit) | <u><u>\$(5,333)</u></u>   | <u><u>\$340</u></u>          | <u><u>\$1,320</u></u>     |

Bookings at the Community Center continue to be strong. Currently the Community Center is booked for every weekend through November. Jazzercise extended their initial one-year rental agreement for another year.

### 2014-15 Projected:

Facility rental revenues to date are coming in above the same time as last year which ended with \$57,000 for the year. Projecting out the remaining months this year gives a projected revenue for 2014-15 of \$67,000. This reflects the hard work of staff to build up the rentals for the Community Center. Annual rental revenue was only \$28,600 in 2007. This is an average of over 11% increase each year. The latest improvement at the Community Center was the purchase of new tables and chairs which has had a very positive effect on renters.

With higher usage comes higher expenditures. For fiscal year 2014-15 expenditures are projected to be over budget by \$10,855. Salaries and benefits are projected to be over budget by \$4,327. The largest variance in services and supplies is building maintenance (\$5,000). Painting and other maintenance is needed with the wear and tear from high usage.

The projected revenues and expenditures produce a net surplus of only \$340.

**2015-16 Budget:**

Rental revenues are being budgeted with a \$3,000 (4.5%) increase. This may be conservative with the increase in the daily rate approved by Council at your May 6 meeting. Staff recommends this conservative estimate until we see actual results from this change.

Not taking the purchase of tables and chairs into account, expenditures will be budgeted approximately \$2,000 higher than projected expenditures. This preserves the higher expenditure level experienced in the current year.

**FISCAL IMPACT:**

None at this time. The budget will be adopted at Council's June 17 meeting.

**STAFF RECOMMENDATION:**

For discussion purposes only.

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REVENUES

| ACCT#                             | ACCOUNT TITLE         | 2013 / 2014<br>ACTUAL | 2014 / 2015<br>ESTIMATED | 2014 / 2015<br>PROJECTED | 2015 / 2016<br>ESTIMATED |
|-----------------------------------|-----------------------|-----------------------|--------------------------|--------------------------|--------------------------|
| <b><u>4-RECREATION</u></b>        |                       |                       |                          |                          |                          |
| <b>CHARGES FOR SERVICES:</b>      |                       |                       |                          |                          |                          |
| 3874                              | SCHOOL AGE RECREATION | 545,523               | 570,000                  | 628,000                  | 665,000                  |
| 3876                              | SPORTS                | 72,740                | 80,000                   | 64,000                   | 70,000                   |
| 3871                              | AQUATICS              | 56,024                | 55,000                   | 50,000                   | 53,000                   |
| 3872                              | CLASSES               | 75,356                | 75,000                   | 74,000                   | 78,000                   |
| 3873                              | FACILIITES RENTALS    | 59,904                | 65,000                   | 64,000                   | 80,000                   |
| <b>TOTAL CHARGES FOR SERVICES</b> |                       | <b>809,547</b>        | <b>845,000</b>           | <b>880,000</b>           | <b>946,000</b>           |
| 3890                              | <b>OTHER REVENUE</b>  | <b>23,203</b>         | <b>17,000</b>            | <b>36,000</b>            | <b>20,000</b>            |
| <b>TOTAL FUND 4</b>               |                       | <b>832,750</b>        | <b>862,000</b>           | <b>916,000</b>           | <b>966,000</b>           |

**DEPARTMENT 77/FUND 4 - RECREATION**

The Recreation Division is responsible for creating and implementing recreation services for youth through adults, development of the parks and trails master plan, general supervision of the Scotts Valley Senior Center, and the ongoing coordination of community-wide recreational activities and the Parks and Recreation Commission. Services include school-age recreation, youth and adult sports, special-interest classes, facility coordination and rentals, teen programs and special events.

| <b>EXPENDITURES</b>            | <b>2013 / 2014<br/>ACTUAL</b> | <b>2014 / 2015<br/>BUDGET</b> | <b>2014 / 2015<br/>PROJECTED</b> | <b>2015 / 2016<br/>DEPT<br/>REQUEST</b> | <b>2015 / 2016<br/>CITY<br/>MANAGER<br/>PROPOSED</b> |
|--------------------------------|-------------------------------|-------------------------------|----------------------------------|-----------------------------------------|------------------------------------------------------|
| <b>SALARIES &amp; BENEFITS</b> | <b>696,975</b>                | <b>663,832</b>                | <b>700,747</b>                   | <b>744,830</b>                          | <b>744,830</b>                                       |
| <b>SERVICES &amp; SUPPLIES</b> | <b>256,998</b>                | <b>238,192</b>                | <b>260,000</b>                   | <b>261,150</b>                          | <b>261,150</b>                                       |
| <b>GRAND TOTAL</b>             | <b>961,532</b>                | <b>902,024</b>                | <b>975,747</b>                   | <b>1,005,980</b>                        | <b>1,005,980</b>                                     |

| <b>PERSONNEL DETAIL</b>                 | <b>2011 / 2012</b> | <b>2012 / 2013</b> | <b>2013 / 2014</b> | <b>2014 / 2015</b> | <b>2015 / 2016<br/>CITY<br/>MANAGER<br/>PROPOSED</b> |
|-----------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------------------------------------|
| RECREATION DIVISION MANAGER             | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| RECREATION COORDINATOR                  | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| ADMINISTRATIVE SECRETARY II             | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| SENIOR CENTER COORDINATOR               | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| RECREATION SPECIALIST                   |                    |                    |                    |                    |                                                      |
| SENIOR RECREATION SPECIALIST            | 1.00               | 1.00               | 1.00               | 1.00               | 1.00                                                 |
| SENIOR RECREATION LEADER/ SITE DIRECTOR | 2.00               | 2.00               | 2.00               | 2.00               | 2.00                                                 |
| <b>TOTAL</b>                            | <b>7.00</b>        | <b>7.00</b>        | <b>7.00</b>        | <b>7.00</b>        | <b>7.00</b>                                          |

2015-2016 Notes:

\* Included in personnel detail above is a Senior Recreation Specialist position and a Senior Center Coordinator position. These positions are currently frozen. No amounts were budgeted for these positions.

**DEPARTMENT 77/FUND 4 - RECREATION**

|                                      | 2013 / 2014<br>ACTUAL | 2014 / 2015<br>BUDGET | 2014 / 2015<br>PROJECTED | 2015 / 2016<br>DEPT<br>REQUEST | 2015 / 2016<br>CITY<br>MANAGER<br>PROPOSED |
|--------------------------------------|-----------------------|-----------------------|--------------------------|--------------------------------|--------------------------------------------|
| <b>SALARIES &amp; BENEFITS:</b>      |                       |                       |                          |                                |                                            |
| 101 REGULAR WAGES                    | 247,615               | 231,524               | 245,000                  | 247,339                        | 247,339                                    |
| 107 TEMPORARY WAGES                  | 276,829               | 270,000               | 276,000                  | 300,000                        | 300,000                                    |
| 109 OVERTIME WAGES                   | 252                   | 150                   | 80                       | 150                            | 150                                        |
| 203 FICA                             | 23,304                | 21,345                | 22,600                   | 23,424                         | 23,424                                     |
| 204 RETIREMENT                       | 54,145                | 54,271                | 56,600                   | 72,292                         | 72,292                                     |
| 205 GROUP INSURANCE                  | 86,650                | 77,575                | 91,500                   | 94,682                         | 94,682                                     |
| 206 WORKERS' COMPENSATION            | 8,180                 | 8,967                 | 8,967                    | 6,943                          | 6,943                                      |
| <b>TOTAL SALARIES &amp; BENEFITS</b> | <b>696,975</b>        | <b>663,832</b>        | <b>700,747</b>           | <b>744,830</b>                 | <b>744,830</b>                             |
| <b>SERVICES &amp; SUPPLIES:</b>      |                       |                       |                          |                                |                                            |
| 301 OFFICE EXPENSE                   | 7,771                 | 5,500                 | 5,500                    | 5,500                          | 5,500                                      |
| 302 SPECIAL DEPARTMENT EXPENSE       | 95,595                | 85,000                | 80,000                   | 80,000                         | 80,000                                     |
| 303 SMALL TOOLS & SUPPLIES           | 420                   | 400                   | 400                      | 400                            | 400                                        |
| 305 ADVERTISING                      | 7,287                 | 8,000                 | 7,500                    | 7,500                          | 7,500                                      |
| 306 COMMUNICATIONS                   | 2,966                 | 3,400                 | 3,400                    | 3,400                          | 3,400                                      |
| 307 UTILITIES                        | 9,792                 | 9,500                 | 9,500                    | 9,500                          | 9,500                                      |
| 310 RECRUITMENT                      | 200                   | 500                   | 0                        |                                |                                            |
| 313 OTHER CONTRACTUAL SERVICES       | 98,978                | 91,000                | 120,000                  | 120,000                        | 120,000                                    |
| 314 INSURANCE & SURETY BONDS         | 9,312                 | 11,942                | 12,000                   | 13,150                         | 13,150                                     |
| Liability Insurance                  |                       |                       |                          |                                | 11,065                                     |
| Property Insurance                   |                       |                       |                          |                                | 877                                        |
| 315 MEMBERSHIPS & DUES               | 170                   | 200                   | 200                      | 200                            | 200                                        |
| 316 TRAVEL/CONFERENCES/MEETINGS      | 0                     | 0                     | 0                        |                                |                                            |
| 322 TRAINING & EDUCATION             | 0                     | 250                   | 0                        |                                |                                            |
| 401 MAINT OF BLDGS/STRUCT/GRNDS      | 8,885                 | 7,000                 | 8,000                    | 8,000                          | 8,000                                      |
| 402 MAINT & OPERATION OF EQMT        | 11,991                | 12,000                | 10,000                   | 10,000                         | 10,000                                     |
| 403 MAINT & OPERATION OF VEHICLES    | 3,631                 | 3,500                 | 3,500                    | 3,500                          | 3,500                                      |
| <b>TOTAL SERVICES &amp; SUPPLIES</b> | <b>256,998</b>        | <b>238,192</b>        | <b>260,000</b>           | <b>261,150</b>                 | <b>261,150</b>                             |
| <b>FIXED ASSETS:</b>                 |                       |                       |                          |                                |                                            |
| 904 IMPROVEMENTS O/T BLDGS-OTHER     | 4,600                 | 0                     | 0                        | 0                              | 0                                          |
| 910 OFFICE EQUIPMENT & FURNITURE     | 2,959                 | 0                     | 15,000                   | 0                              | 0                                          |
| <b>TOTAL FIXED ASSETS</b>            | <b>7,559</b>          | <b>0</b>              | <b>15,000</b>            | <b>0</b>                       | <b>0</b>                                   |
| <b>GRAND TOTAL</b>                   | <b>961,532</b>        | <b>902,024</b>        | <b>975,747</b>           | <b>1,005,980</b>               | <b>1,005,980</b>                           |

REVENUES

| ACCT#                                     | ACCOUNT TITLE               | 2013 / 2014<br>ACTUAL | 2014 / 2015<br>ESTIMATED | 2014 / 2015<br>PROJECTED | 2015 / 2016<br>ESTIMATED |
|-------------------------------------------|-----------------------------|-----------------------|--------------------------|--------------------------|--------------------------|
| <b><u>28-SENIOR CENTER OPERATIONS</u></b> |                             |                       |                          |                          |                          |
| <b>CHARGES FOR SERVICES:</b>              |                             |                       |                          |                          |                          |
| 3632                                      | BOUTIQUE SALES              | 10,687                | 10,000                   | 12,000                   | 12,000                   |
| 3770                                      | MEMBERSHIP FEES             | 12,270                | 12,000                   | 12,000                   | 12,000                   |
| 3897                                      | SR CENTER VAN INCOME        | 474                   | 500                      | 500                      | 500                      |
| 3898                                      | SR CENTER ACTIVITIES        | 35,934                | 39,000                   | 39,000                   | 39,000                   |
| 3940                                      | FACILITY/BUILDING RENTAL    | 14,178                | 13,000                   | 17,000                   | 15,000                   |
| <b>TOTAL CHARGES FOR SERVICES:</b>        |                             | <b>73,543</b>         | <b>74,500</b>            | <b>80,500</b>            | <b>78,500</b>            |
| 3410                                      | <b>INVESTMENT EARNINGS</b>  | <b>75</b>             | <b>0</b>                 | <b>0</b>                 | <b>0</b>                 |
| <b>OTHER REVENUE:</b>                     |                             |                       |                          |                          |                          |
| 3840                                      | CONTRIBUTIONS FROM NON-GVMT | 2,067                 | 1,500                    | 4,000                    | 1,500                    |
| 3890                                      | OTHER REVENUE               | 307                   | 100                      | 400                      | 200                      |
| <b>TOTAL OTHER REVENUE</b>                |                             | <b>2,374</b>          | <b>1,600</b>             | <b>4,400</b>             | <b>1,700</b>             |
| <b>TOTAL FUND 28</b>                      |                             | <b>75,992</b>         | <b>76,100</b>            | <b>84,900</b>            | <b>80,200</b>            |

|                                                                           |                               | 2013 / 2014   | 2014 / 2015   | 2014 / 2015   | 2015 / 2016     | 2015 / 2016                 |
|---------------------------------------------------------------------------|-------------------------------|---------------|---------------|---------------|-----------------|-----------------------------|
|                                                                           |                               | ACTUAL        | BUDGET        | PROJECTED     | DEPT<br>REQUEST | CITY<br>MANAGER<br>PROPOSED |
| <b><u>EXPENDITURES</u></b>                                                |                               |               |               |               |                 |                             |
| <b><u>FUND 28 - SENIOR CENTER OPERATIONS</u></b>                          |                               |               |               |               |                 |                             |
| This fund accounts for activities related to operating the Senior Center. |                               |               |               |               |                 |                             |
| <b>SALARIES &amp; BENEFITS:</b>                                           |                               |               |               |               |                 |                             |
| 101                                                                       | REGULAR WAGES                 | 6,165         | 14,533        | 14,533        | 14,533          | 14,533                      |
| 107                                                                       | TEMPORARY WAGES               | 17,935        | 17,365        | 17,365        | 17,365          | 17,365                      |
| 203                                                                       | FICA                          | 671           | 1,364         | 1,364         | 1,364           | 1,364                       |
| 204                                                                       | RETIREMENT                    | 1,387         | 3,394         | 3,394         | 4,232           | 4,232                       |
| 205                                                                       | GROUP INSURANCE               | 7,988         | 7,435         | 9,000         | 9,400           | 9,400                       |
| 206                                                                       | WORKER'S COMPENSATION         | 409           | 448           | 448           | 347             | 347                         |
| <b>TOTAL SALARIES &amp; BENEFITS</b>                                      |                               | <b>34,555</b> | <b>44,539</b> | <b>46,104</b> | <b>47,241</b>   | <b>47,241</b>               |
| <b>SERVICES &amp; SUPPLIES:</b>                                           |                               |               |               |               |                 |                             |
| 301                                                                       | OFFICE EXPENSE                | 1,061         | 1,500         | 1,200         | 1,100           | 1,100                       |
| 302                                                                       | SPECIAL DEPARTMENT EXPENSE    | 10,006        | 11,500        | 11,500        | 11,500          | 11,500                      |
| 305                                                                       | ADVERTISING                   | 1,971         | 2,500         | 2,900         | 2,500           | 2,500                       |
| 306                                                                       | COMMUNICATIONS                | 1,858         | 1,700         | 2,400         | 2,400           | 2,400                       |
| 307                                                                       | UTILITIES                     | 8,006         | 7,000         | 10,000        | 9,000           | 9,000                       |
| 308                                                                       | RENTS AND LEASES              | 435           | 0             | 0             | 0               | 0                           |
| 314                                                                       | INSURANCE & SURETY BONDS      | 1,036         | 1,408         | 1,445         | 1,546           | 1,546                       |
| 315                                                                       | MEMBERSHIP DUES               | 110           | 110           | 80            | 80              | 80                          |
| 401                                                                       | MAINT OF BLDGS/STRUCT/GROUNDS | 8,523         | 4,000         | 6,500         | 5,500           | 5,500                       |
| 402                                                                       | MAINT & OPERATION OF EQMT     | 1,988         | 2,000         | 4,500         | 3,000           | 3,000                       |
| 403                                                                       | MAINT & OPERATION OF VEHICLES | 619           | 500           | 400           | 500             | 500                         |
| <b>TOTAL SERVICES &amp; SUPPLIES</b>                                      |                               | <b>35,613</b> | <b>32,218</b> | <b>40,925</b> | <b>37,126</b>   | <b>37,126</b>               |
| <b>TOTAL FUND 28</b>                                                      |                               | <b>70,168</b> | <b>76,757</b> | <b>87,029</b> | <b>84,367</b>   | <b>84,367</b>               |

**REVENUES**

| <b>ACCT#</b>                                | <b>ACCOUNT TITLE</b>              | <b>2013 / 2014<br/>ACTUAL</b> | <b>2014 / 2015<br/>ESTIMATED</b> | <b>2014 / 2015<br/>PROJECTED</b> | <b>2015 / 2016<br/>ESTIMATED</b> |
|---------------------------------------------|-----------------------------------|-------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <b><u>123-COMMUNITY FACILITY CENTER</u></b> |                                   |                               |                                  |                                  |                                  |
| <b>CHARGES FOR SERVICES:</b>                |                                   |                               |                                  |                                  |                                  |
| 3940                                        | FACILITY/BUILDING RENTAL          | 57,051                        | 50,000                           | 67,000                           | 70,000                           |
|                                             | <b>TOTAL CHARGES FOR SERVICES</b> | 57,051                        | 50,000                           | 67,000                           | 70,000                           |
| 3410                                        | <b>INVESTMENT EARNINGS:</b>       | 47                            | 0                                | 0                                | 0                                |
| <b>OTHER REVENUE:</b>                       |                                   |                               |                                  |                                  |                                  |
| 3890                                        | OTHER REVENUE                     | 2,600                         | 15,000                           | 14,528                           | 0                                |
|                                             | <b>TOTAL OTHER REVENUE</b>        | 2,600                         | 15,000                           | 14,528                           | 0                                |
|                                             | <b>TOTAL FUND 123</b>             | <b>59,698</b>                 | <b>65,000</b>                    | <b>81,528</b>                    | <b>70,000</b>                    |

|                                                                              |                               | 2013 / 2014   | 2014 / 2015   | 2014 / 2015   | 2015 / 2016   | 2015 / 2016           |
|------------------------------------------------------------------------------|-------------------------------|---------------|---------------|---------------|---------------|-----------------------|
|                                                                              |                               | ACTUAL        | BUDGET        | PROJECTED     | DEPT REQUEST  | CITY MANAGER PROPOSED |
| <b><u>EXPENDITURES</u></b>                                                   |                               |               |               |               |               |                       |
| <b><u>FUND 123 - COMMUNITY CENTER OPERATIONS</u></b>                         |                               |               |               |               |               |                       |
| This fund accounts for activities related to operating the Community Center. |                               |               |               |               |               |                       |
| <b>SALARIES &amp; BENEFITS:</b>                                              |                               |               |               |               |               |                       |
| 101                                                                          | REGULAR WAGES                 | 6,165         | 12,424        | 14,533        | 14,533        | 14,533                |
| 203                                                                          | FICA                          | 411           | 950           | 1,112         | 1,112         | 1,112                 |
| 204                                                                          | RETIREMENT                    | 1,387         | 2,894         | 3,380         | 4,231         | 4,231                 |
| 205                                                                          | GROUP INSURANCE               | 7,049         | 7,430         | 9,000         | 9,400         | 9,400                 |
| 206                                                                          | WORKERS' COMPENSATION         | 409           | 448           | 448           | 347           | 347                   |
| <b>TOTAL SALARIES &amp; BENEFITS</b>                                         |                               | <b>15,421</b> | <b>24,146</b> | <b>28,473</b> | <b>29,623</b> | <b>29,623</b>         |
| <b>SERVICES &amp; SUPPLIES:</b>                                              |                               |               |               |               |               |                       |
| 301                                                                          | OFFICE EXPENSE                | 30            | 0             | 0             | 0             | 0                     |
| 302                                                                          | SPECIAL DEPARTMENT EXPENSE    | 660           | 965           | 670           | 700           | 700                   |
| 305                                                                          | ADVERTISING                   | 0             | 500           | 0             | 0             | 0                     |
| 306                                                                          | COMMUNICATIONS                | 599           | 500           | 400           | 500           | 500                   |
| 308                                                                          | RENTS & LEASES                | 4,533         | 4,500         | 5,400         | 5,800         | 5,800                 |
| 314                                                                          | INSURANCE & SURETY BONDS      | 2,368         | 2,400         | 2,595         | 2,935         | 2,935                 |
| 327                                                                          | POWER UTILITIES               | 4,132         | 5,700         | 7,000         | 7,000         | 7,000                 |
| 328                                                                          | WATER UTILITIES               | 2,191         | 1,000         | 1,500         | 1,500         | 1,500                 |
| 401                                                                          | MAINT OF BLDGS/STRUCT/GROUNDS | 23,912        | 15,000        | 20,000        | 20,000        | 20,000                |
| <b>TOTAL SERVICES &amp; SUPPLIES</b>                                         |                               | <b>38,425</b> | <b>30,565</b> | <b>37,565</b> | <b>38,435</b> | <b>38,435</b>         |
| <b>FIXED ASSETS:</b>                                                         |                               |               |               |               |               |                       |
| 904                                                                          | IMPROVEMENTS O/T BLDG-OTHER   | 4,576         | 0             | 0             | 0             | 0                     |
| 905                                                                          | MACHINERY & EQUIPMENT         | 0             | 15,000        | 14,528        | 0             | 0                     |
| <b>TOTAL FIXED ASSETS</b>                                                    |                               | <b>4,576</b>  | <b>15,000</b> | <b>14,528</b> | <b>0</b>      | <b>0</b>              |
| <b>TOTAL FUND 123</b>                                                        |                               | <b>58,422</b> | <b>69,711</b> | <b>80,566</b> | <b>68,058</b> | <b>68,058</b>         |