

**City of Carpinteria**  
**City Council Regular Meeting Agenda**  
**Monday, January 24, 2022**  
Council Chamber, 5775 Carpinteria Avenue

4:30 p.m. Closed Session - 5:30 p.m. Regular Meeting  
In-Person and Virtual Participation Options

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**IN RESPONSE TO THE GOVERNOR'S ISSUANCE OF EXECUTIVE ORDER N-07-21, WHICH FORMALLY RESCINDED CALIFORNIA'S STAY-AT-HOME ORDER ISSUED LAST IN MARCH 2020, EXECUTIVE ORDER N-08-21, AND SANTA BARBARA COUNTY HEALTH OFFICER ORDER 2021-10.3, THE CITY OF CARPINTERIA HAS MADE THE DECISION TO PROVIDE BOTH IN-PERSON AND VIRTUAL ATTENDANCE AND PARTICIPATION OPTIONS AVAILABLE FOR THIS MEETING.**

To minimize the potential spread of the COVID-19 virus, the County of Santa Barbara is requiring all individuals to wear face coverings while inside City Council Chambers, regardless of vaccination status.

**Attendance/Viewing Options:**

- Attend the in-person meeting in City Council Chambers at City Hall (5775 Carpinteria Ave.) Please note that, per Health Officer Order 2021-10.3, the County of Santa Barbara requires all individuals to wear face coverings while indoors, regardless of vaccination status.
- View the meeting live through the City's website (<https://carpinteria.ca.us/city-hall/agendas-meetings>) on your computer, tablet or smartphone.
- View the meeting on Government Access Television Channel 21 (broadcast live and rebroadcast on the Wednesday and the Saturday following the meeting at 8:00 p.m. and 5:00 p.m., respectively).
- Call 669-900-9128 (and enter Webinar ID 889 0390 2262) to listen to the meeting on your phone.
- Join the City's Zoom webinar from your computer, tablet, or smartphone by [CLICKING HERE](#). Alternatively, you can join the Zoom webinar by logging on to [www.zoom.us](http://www.zoom.us), downloading the application, selecting "Join Meeting", and entering Webinar ID 889 0390 2262.

**Public Comments**

- Provide a live public comment during the in-person meeting in City Council Chambers at City Hall (5775 Carpinteria Ave.). Please note the City has the discretion to limit both the overall and individual speaker time for any meeting or

agenda matter. Typically, the Council's practice has been to limit each speaker to three minutes.

- Coordinate with the City Clerk to provide a live public comment (as either a general public comment or on a specific agenda item) by phone by sending an email to [PublicComment@ci.carpinteria.ca.us](mailto:PublicComment@ci.carpinteria.ca.us) by **12:00 P.M. on the day of the meeting** and including the following information in your email: (1) the meeting date and agenda item (number and title) on which you wish to speak, (2) your full name, (3) your call back number and area code. During public comment on the agenda item specified in your email, City staff will make every effort to contact you via your provided telephone number so that you can provide public comment telephonically. Please note the City has the discretion to limit the speaker's time for any meeting or agenda matter. Typically, the practice has been 3 minutes per speaker on each item.
- Provide a live comment through the City's Zoom webinar platform (through the link provided above). To make public comments through this platform please use the "raise your hand" feature to notify staff that you would like to make a public comment during designated public comment times. Once it is your turn to provide a public comment, staff will unmute your microphone and you will be given a designated amount of time to provide your comment (typically, the practice has been up to 3 minutes per speaker on each item). At the end of your comment, staff will once again mute your microphone.
- Submit a written comment (as either a general public comment or on a specific agenda item) to be distributed to Council Members by **12:00 P.M. on the day of the meeting** by either submitting your comment via (1) email to [PublicComment@ci.carpinteria.ca.us](mailto:PublicComment@ci.carpinteria.ca.us), or (2) the **eComment** link on the City's agenda website (<https://carpinteria.ca.us/city-hall/agendas-meetings>). Please reference the agenda item to which your comment pertains. Note that written comments will not be read into the record during the meeting.

Please note that the City will make every effort to make the meeting accessible virtually; however, if one of the above virtual attendance/viewing or public comment options is unavailable due to technological issues, you are invited to take advantage of one of the other participation options outlined above (including attending and providing public comment in-person in the City Council Chambers). Additional options may be made available at the meeting.

Additionally, as the situation with COVID-19 continues to evolve, the City will provide updates on any changes to this policy as soon as possible. The public is referred to the City's website at [www.carpinteria.ca.us](http://www.carpinteria.ca.us) for the latest COVID-19 policies and information. The City of Carpinteria thanks you in advance for taking all precautions to prevent spreading the COVID-19 virus.

Also, please note that Spanish interpretation will be available at the in-person meeting (but will not be available through the City's Zoom webinar).

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT ON CLOSED SESSION MATTERS**

**CLOSED SESSION**

1. CONFERENCE WITH LABOR NEGOTIATOR(S)  
Government Code Section 54957.6; City Negotiator(s): Laura Hernandez, Human Resources Administrator and Dave Durflinger, City Manager;  
Employee Organization: Service Employees International Union (SEIU) Local 620

**TEMPORARY ADJOURNMENT TO CLOSED SESSION**

**CALL TO ORDER**

**ROLL CALL**

**CLOSED SESSION REPORT**

**PLEDGE OF ALLEGIANCE**

**INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS**

2. Proclamation Designating the Month of February 2022 as "Black History Month".

**PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS**

This may include updates on law enforcement activity within the City from a Sheriff's Office representative.

**CITY MANAGER'S REPORT**

The City Manager will report to the City Council regarding various City and/or community events and/or matters of interest. There will be no City Council discussion except to ask questions or refer matters to staff; and no action will be taken unless listed on a subsequent agenda.

**PRESENTATIONS BY CITIZENS / PUBLIC COMMENT**

This is a time for public comments on matters not otherwise on the agenda but within the subject matter jurisdiction of the City Council. The Public Comment period is limited to 15 minutes and divided among those persons desiring to speak. No person shall speak longer

than three minutes; however, the Mayor may establish shorter periods based on the time available and/or the number of persons waiting to speak. Persons wishing to speak on a specific item will be recognized at the time the agenda item is considered. The audio-visual system in the Council Chamber is not available for speaker use during the general Public Comment period.

Please be aware that items on the consent calendar are considered to be routine and are normally enacted by one unanimous vote of the Council. If you wish to speak on a consent calendar item, or on a matter scheduled for consideration in a closed session at the end of the agenda, please do so during the Presentations by Citizens/Public Comment portion of the meeting.

***The City and the City Council are not responsible for the content of statements made during the public comment period, or the factual accuracy of any such statements.***

**AGENDA MODIFICATIONS:** The City Council may modify the regular agenda by tabling items, adding urgency items to the agenda, or changing the order in which items are considered. Changes to the Consent Calendar are considered at the time the Consent Calendar is considered.

**CONSENT CALENDAR:**

3. Approve the minutes of the regular City Council meeting of January 10, 2022.
4. Receive and file the Expenditures for the period beginning January 1, 2022 and ending January 14, 2022.
5. Receive and file the Contracts executed by the City Manager on behalf of the City for the period of November 16, 2021 through January 17, 2022.
6. Receive and file the Monthly City Treasurer's Report on Compliance with Statement of Safekeeping and Investment of Public Funds.
7. Receive and file the Quarterly Review of Pension Stabilization Trust.

**ADMINISTRATIVE MATTERS:**

8. Authorization for the City Manager to sign and submit a notice of dispute ("Notice of Dispute") to the County of Santa Barbara ("County") Sheriff's Office ("Sheriff's Office") disputing the Sheriff's Office's recomputation of compensation for fiscal year ("FY") 2022-23.

Recommendation: Authorize the City Manager to sign and submit a Notice of Dispute to the County Sheriff's Office.

Staff Presenter: Dave Durflinger, City Manager

- a. Staff Report
- b. Public Comment
- c. City Council Determination

9. Authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. for consulting project management services for the Carpinteria Avenue Bridge Replacement Project.

Recommendation: Authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. for consulting project management services for the Carpinteria Avenue Bridge Replacement Project in a not-to-exceed amount of \$21,360, thereby extending the term and increasing the maximum Agreement amount to \$156,060. *(This motion requires a roll call vote.)*

Staff Presenter: John L. Ilasin, Public Works Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

10. Resolution No. 6097, approving applications for the Land and Water Conservation Fund (LWCF) to the California Department of Parks and Recreation Office of Grants and Local Services. *(This motion requires a roll call vote.)*

Recommendation: Adopt Resolution No. 6097, approving applications for the Land and Water Conservation Fund.

Staff Presenter: Matt Roberts, Parks, Recreation & Public Facilities Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

## **PUBLIC HEARING:**

11. City Council District Maps review, including presentation on three draft plans created by Redistricting Partners for Council review and feedback.

Recommendation: Receive the staff presentation, open the public hearing and receive public comment, close the public hearing, deliberate and provide direction to staff and consultant as determined appropriate, and schedule the next meeting.

Staff Presenter: Dave Durflinger, City Manager

- a. Staff Report
- b. Public Comment
- c. City Council Determination

**OTHER BUSINESS:**

12. Appointments to the Harbor Seal Advisory Committee.

Recommendation: Make appointments to the Harbor Seal Advisory Committee.

Staff Presenter: Matt Roberts, Parks, Recreation & Public Facilities Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

13. General Fiscal Outlook and General Fund Reserve Policy report related to the City's update of its Long-Term Financial Plan.

Recommendation: (1) Receive and file the Fiscal Outlook report and (2) Receive the General Fund Reserve Policy report and direct staff, based on the report, to prepare and return with an updated policy for City Council consideration.

Staff Presenter: Licette Maldonado, Administrative Services Director

- a. Staff Report
- b. Public Comment
- c. City Council Determination

**LEGISLATIVE UPDATE:** The City Council will discuss local, state and/or federal legislation under consideration and decide whether to direct staff to place a matter(s) on a future City Council agenda for consideration.

**COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS PRESENTED BY COUNCILMEMBERS**

Informational reports from Councilmember representatives on the committees, commissions and organizations listed below. This is also an opportunity for Councilmembers to request information from staff or seek support from fellow Councilmembers for future agenda items.

1. Representatives to Regional Agencies and Committees

- a. Beach Erosion Authority for Clean Oceans and Nourishment (BEACON) (Clark/Alt. Carty)
- b. California Joint Powers Insurance Authority (CJPIA) (Clark/Alt. Carty)
- c. Channel Counties Division, League of California Cities (Nomura/Alt. Lee)
- d. Santa Barbara County Association of Governments (SBCAG)(Clark/Alt. Nomura)
- e. Santa Barbara County Air Pollution Control District (APCD)(Clark/Alt. Nomura)
- f. Santa Barbara Joint Affordable Housing Task Group (Carty & Alarcon)
- g. Santa Barbara County Elected Leaders Forum to Address Homelessness (Clark/Alt. Alarcon)
- h. Home for Good of Santa Barbara County (Clark/Alt. Alarcon)
- i. South Coast Youth Safety Partnership (Lee & Alarcon)
- J. Central Coast Community Energy (3CE) (Nomura/Alt. Goleta)
- k. Multijurisdictional Solid Waste Task Group (Lee/Alt. Alarcon)

2. Joint and Standing Committees

- a. City Council/Economic Vitality Committee (Carty & Lee)
- b. City Council/Public Safety Committee (Clark & Nomura)
- c. City Council/School Board Committee (Lee & Alarcon)
- d. City Council/Utilities Committee (Lee & Nomura)
- e. City Council/First District Supervisor Committee (Lee & Carty)
- f. City Council Finance/Budget Committee (Carty & Clark)
- g. Transportation Committee (Lee & Clark)
- h. Development Review Committee (Joint Committee membership from City Council, Planning Commission and Architectural Review Board) (CC: Clark & Nomura/Alt. Carty) (PC: Benefield and Callender) (ARB: Reginato and Stein)
- i. General Plan and Coastal Plan Update Committee (Joint Committee membership from City Council and Planning Commission) (Clark & Lee) (PC: Allen/Callender)
- j. Public Facility Site Acquisition/Development Committee (Carty & Nomura)

3. Ad Hoc Committees

- a. Library Committee (Lee & Alarcon/Alt. Carty)
- b. District Elections Committee (Alarcon & Clark)
- c. COVID-19 Communications Committee (Clark & Nomura)
- d. COVID-19 Recovery Committee (Carty & Lee)
- e. Racial Equity and Social Justice Program Planning Committee (Nomura & Alarcon)
- f. Harbor Seal Advisory Committee (Clark & Lee)

4. City Representatives on other Committees

- a. Community Media Access Center (Gary Dobbins)
- b. Santa Barbara Mosquito and Vector Management District (Joe Franken)
- c. Santa Barbara Metropolitan Transit District (Chuck McQuary)
- d. County Library Advisory Committee (Gail Marshall)

## **ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS**

## **ADJOURNMENT**

The next regular meeting of the City Council will be held February 14, 2022 at 5:30 p.m.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the City Clerk's Office at 755-4403 or the California Relay Service at (866) 735-2929. Notification two business days prior to the meeting will enable the City to make reasonable arrangements for accessibility to this meeting.

Materials related to an agenda item submitted to the City Council after distribution of the agenda packet are available for public review at the City Clerk's Office.

This agenda was posted on Wednesday, January 19, 2022, in the City Clerk's Office, on the City Hall Public Notices Window, and on the Internet.



## PROCLAMATION

### A PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF CARPINTERIA DESIGNATING THE MONTH OF FEBRUARY 2022 AS "BLACK HISTORY MONTH"

**WHEREAS**, the 2022 Santa Barbara County Theme is "Black Joy & Legacy Through Family Health & Safety;" and

**WHEREAS**, when Dr. Carter G. Woodson established Negro History Week in 1926, he "lobbied extensively to establish Black History as a nationwide institution" and to encourage "the study of African American history". Due to his efforts in 1976, Negro History Week expanded to Black History Month. The goal of bringing to the public's attention front and center, the noteworthy and important contributions made by African Americans/Black community members that merit emphasis; and

**WHEREAS**, the 2022 theme reflect changes in how people a part of the African diaspora in the United States and Santa Barbara County, in particular, have viewed themselves, the influence of social movements on racial ideologies, and the aspirations of the Black community; and

**WHEREAS**, the Black family offers a rich tapestry of images for exploring the African American past and present. The Black family knows no single location since family reunions and genetic ancestry searches attest to the spread of family members across states, nations, and continents. As family historians dive into archives, online newspapers, and census reports to stretch the traditional boundaries of history, they discover amazing life stories of their ancestors—ordinary people who did extraordinary things. These stories inspire new generations and destroy old stereotypes; and

**WHEREAS**, "Black Joy & Legacy Through Family Health & Safety" has been at the cornerstone of survival for the Black community— it is with the Black family that has prioritized the health and safety of our Black community. Without such health and safety, contributions through the legacy of storytelling, history, literature, the visual arts, film studies, sociology, sciences, anthropology, and social policy, could not be known or educated upon; and

**WHEREAS**, Black History is not just about the struggles Black families have been through, but rather it is a time of rejoicing, celebrating the accomplishments, integrity, leadership, and determination, and showing true character. We honor the history and celebrate the progress that we have made. We are resilient and resolute in creating new opportunities for future generations.

**NOW, THEREFORE, I, Wade T. Nomura**, on behalf of the Carpinteria City Council, by virtue of the authority vested in me as Mayor, do hereby proclaim **February 2022** as "**BLACK HISTORY MONTH**" in our **CITY OF CARPINTERIA**, and call on all residents to acknowledge and celebrate with appropriate ceremonies and activities..

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Official Seal of the City of Carpinteria, California, to be affixed this 24th day of January, 2022.

ATTEST:

\_\_\_\_\_  
Brian C. Barrett, Acting City Clerk  
City of Carpinteria



\_\_\_\_\_  
Wade T. Nomura, Mayor  
City of Carpinteria

**City of Carpinteria  
City Council Minutes  
Regular Meeting  
Monday, January 10, 2022**

**In-Person and Virtual**

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Acting City Clerk Brian C. Barrett noted for the record that in response to the Governor's Executive Orders N-07-21 and N-08-21, the City of Carpinteria has made the decision to provide both in-person and virtual attendance and participation options available to the public for this meeting and additionally noted the protocols by which the public could participate and should one of the virtual attendance/viewing or public comment options be unavailable due to technological issues, the public is invited to take advantage of one of the other participation options available.

**CALL TO ORDER**

Mayor Nomura called the meeting to order at 5:30 pm.

**ROLL CALL**

Councilmembers present:

Councilmember Natalia Alarcon  
Councilmember Gregg A. Carty  
Councilmember Roy Lee  
Vice Mayor Al Clark  
Mayor Wade T. Nomura

Staff members present:

Dave Durflinger, City Manager  
Jena Shoaf Acos, on behalf of Brownstein Hyatt Farber  
Schreck, LLP acting as City Attorney of the City  
of Carpinteria  
Brian C. Barrett, Acting City Clerk  
Matt Roberts, Parks, Recreation & Public Facilities  
Director  
John L. Ilasin, Public Works Director  
Steve Goggia, Community Development Director

**PLEDGE OF ALLEGIANCE**

Mayor Nomura led those present in the salute to the flag.

**INTRODUCTIONS, PROCLAMATIONS AND PRESENTATIONS**

1. Proclamation Recognizing 2021 Outgoing Santa Barbara Association of Realtors President Brian Johnson.

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Alarcon, to approve the Proclamation Recognizing 2021 Outgoing Santa Barbara Association of Realtors President Brian Johnson. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

Mr. Johnson was not present to accept the proclamation.

2. Proclamation Designating January 2022 as "Human Trafficking Awareness Month".

Speakers in-person: Landon Ranck with Santa Barbara Alliance for Community Transformation

Motion by Vice Mayor Clark, seconded by Councilmember Alarcon, to approve the Proclamation Designating January 2022 as "Human Trafficking Awareness Month." The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

Mayor Nomura and the City Council presented the proclamation to representatives of Santa Barbara Alliance for Community Transformation.

3. Proclamation Designating January 2022 as Carpinteria Business Month.

Speakers via Zoom: Kirsten Miller and Karen Graf with the Santa Barbara County South Coast Chamber of Commerce

Motion by Councilmember Lee, seconded by Councilmember Alarcon, to approve the Proclamation Designating January 2022 as Carpinteria Business Month. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

Mayor Nomura and the City Council virtually presented the proclamation to Ms. Miller and Ms. Graf.

## **PUBLIC INFORMATION REPORTS AND ANNOUNCEMENTS**

Lieutenant Butch Arnoldi with the Santa Barbara County Sheriff's Department provided an update on crime in the City.

## **CITY MANAGER'S REPORT**

City Manager Durflinger reported on the following:

- Public Works staff is currently filing potholes around the City.
- If you have a pothole on your street, call City Hall or fill out an online service request.
- Pavement work occurring on Calle Ocho, tomorrow pavement work will begin on portions of Eighth Street, Elm Avenue, and Holly Avenue, and on Wednesday will begin on Third Street and Fourth Street. Later this year there will be a slurry seal pavement project followed by a full street rehabilitation project.
- Draft Dune and Shoreline Management Plan is published on City website. Virtual Workshop on Thursday, January 13<sup>th</sup> at 5:30 pm to introduce the draft plan and receive public comment through the end of January 31<sup>st</sup> by 5 pm.
- Special City Council meeting to review Annual Work Plan on Saturday, January 22<sup>nd</sup> beginning at 8 am in the Council Chambers.

Mayor Nomura asked for an update on how the City is dealing with the surge in COVID cases. City Manager Durflinger responded that the City has measures in place now such as social distancing in the Council Chambers and encouraging folks to participate in public meetings virtually. The County of Santa Barbara and State Department of Public Health have issued guidelines if you are exposed or received a positive test in terms of quarantining and isolation. Staff will provide an update on how things are going with COVID cases at the January 24<sup>th</sup> Council meeting.

## **PRESENTATIONS BY CITIZENS / PUBLIC COMMENT**

Emails distributed: Russell Ruiz

Speakers in-person: Susan Mailheau

Speakers via Zoom: Karl Cameron

Councilmember Alarcon asked for an update on the Ad Hoc Harbor Seal Advisory Committee. City Manager Durflinger replied that the nominations from the two Committee members on the Council have come in and the Council will consider appointment of community members to the Committee on January 24<sup>th</sup>.

**AGENDA MODIFICATIONS: NONE**

**CONSENT CALENDAR:**

Motion by Councilmember Lee, seconded by Councilmember Alarcon, to approve the Consent Calendar Item Nos. 4 through 9. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

4. Approve the minutes of the regular City Council meeting of December 13, 2021.
5. Receive and file the Expenditures for the period beginning December 4, 2021 and ending December 31, 2021.
6. Receive and file the Monthly City Treasurer's Report on Compliance with Statement of Safekeeping and Investment of Public Funds.
7. Second Reading and adoption of Ordinance No. 750, adding Article V (Specific Regulations for Organics Waste Disposal, Reduction, Recycling, and Solid Waste Collection) to Chapter 8.08 (Integrated Waste Management) of the Carpinteria Municipal Code.
8. Adoption of the attached Resolution No. 6080, authorizing a change of signature on City bank accounts.
9. Approve Declaration of City-owned Property/Equipment as Surplus Assets.

**ADMINISTRATIVE MATTERS:**

10. Advance purchase of a prefabricated restroom building for installation at the future Carpinteria Skate Park located at City Hall, 5775 Carpinteria Avenue.

Recommendation: Authorize the City Manager to issue a purchase order for a restroom building for installation at the future Carpinteria Skate Park located at City Hall, 5775 Carpinteria Avenue. *(This motion requires a roll call vote.)*

Parks, Recreation and Public Facilities Director Roberts presented the staff report.

Emails distributed: Peter Bonning

Speakers via Zoom: Julia Mayer

Motion by Councilmember Alarcon, seconded by Vice Mayor Clark, to authorize the City Manager to issue a purchase order to CXT Precast Concrete Products in the not-to-exceed amount of \$66,000. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

11. Resolution No. 6086, Authorizing the Execution of a Freeway Maintenance Agreement with the State of California Department of Transportation for the Highway 101 Carpinteria to Santa Barbara Project – Phase 4A.

Recommendation: Adopt Resolution No. 6086, authorizing the execution of a Freeway Maintenance Agreement with the State of California Department of Transportation for the Highway 101 Carpinteria to Santa Barbara Project – Phase 4A. *(This motion requires a roll call vote.)*

Public Works Director Ilasin presented the staff report.

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Carty, to approve and adopt Resolution No. 6086, authorizing the execution of a Freeway Maintenance Agreement with the State of California Department of Transportation for the Highway 101 Carpinteria to Santa Barbara Project – Phase 4A. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura

NOES: None

ABSENT: None

ABSTAIN: None

The motion carried unanimously.

12. Adoption of Resolution No. 6079, concerning authorization to submit the Local Coastal Program Planning Grant Round 7 Application to the California Coastal Commission (Coastal Commission) and execute necessary agreements for updating the City of Carpinteria Coastal Land Use Plan/General Plan and Zoning Ordinance.

Recommendation: Adopt Resolution No. 6079, authorizing the Community Development Director to submit a planning grant application to the California Coastal Commission for support of the Carpinteria Coastal Land Use Plan (CLUP)/General Plan and Zoning Ordinance updates, and to update related consultant services agreements. *(This motion requires a roll call vote.)*

Community Development Director Goggia presented the staff report.

There was no public comment.

Motion by Vice Mayor Clark, seconded by Councilmember Lee, to approve and adopt Resolution No. 6079.

Community Development Director Goggia asked that the motion be amended to include Resolution No. 6079 as read by title only.

Vice Mayor Clark amended the motion and Councilmember Lee seconded the amended motion to approve and adopt Resolution No. 6079, as read by title only. The roll call vote on the amended motion was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura

NOES: None

ABSENT: None

ABSTAIN: None

The motion carried unanimously.

**PUBLIC HEARING: NONE**

**OTHER BUSINESS:**

13. Certification of Sufficiency of the initiative petition titled “An Initiative Measure to Change and/or Readopt the City of Carpinteria’s General Plan Designation and Zoning Designation for Two Parcels of City-Owned Property (APN 004-105-011 and APN 004-105-026) Located Adjacent to the Railroad Tracks to the West of Linden Avenue and to Amend the Definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land Use Element” (“Initiative”).

Recommendation: Adopt Resolution No. 6081, accepting the City Clerk’s Certificate of Sufficiency of the Initiative Petition.

Acting City Clerk Barrett presented the staff report.

There was no public comment.

Motion by Councilmember Lee, seconded by Councilmember Carty, to adopt Resolution No. 6081, as read by title only, thereby accepting the City Clerk’s Certificate of Sufficiency of the Initiative Petition. The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

14. Consideration of actions in response to the City Clerk’s certification of the results of the examination of the petition for the initiative measure titled “An Initiative Measure to Change and/or Readopt the City of Carpinteria’s General Plan Designation and Zoning Designation for Two Parcels of City-Owned Property (APN 004-105-011 and APN 004-105-026) Located Adjacent to the Railroad Tracks to the West of Linden Avenue and to Amend the Definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land Use Element” (“Initiative”), including (1) adoption of the Initiative by ordinance or (2) calling an election and submitting the Initiative to the voters by either (a) placing the Initiative on the ballot for the City of Carpinteria’s (“City”) next regular election or (b) calling a special election.

Recommendation: Either (1) adopt the Initiative by adopting Ordinance No. 751 (see Attachment A) and adopting Resolution No. 6096 (see Attachment B) or (2) submit the Initiative to voters by (a) placing the Initiative on the ballot for the City’s next regular election or (b) calling a special election. If the Council votes to submit the Initiative to voters, it must take the necessary actions to place the Initiative on the ballot for the City’s next regular election scheduled for November 8, 2022 or call a special election for April 12, 2022 or April 19, 2022.

Acting City Clerk Barrett presented the staff report in conjunction with City Manager Durflinger and Jena Shoaf Acos, on behalf of Brownstein Hyatt Farber Schreck, LLP acting as City Attorney of the City of Carpinteria

Emails distributed: Christine Frontado, Sandra Moreno, Heather Slade, Lorraine McIntire, Barry Fadem with Fadem & Associates, LLC, Mike Modugno, Michael Sipiora, and Benjamin Anderson

Speakers in-person: Susan Allen and Amrita Salm

Speakers via Zoom: Teda Pilcher, Whitt Hollis, and Lorraine McIntire

Mayor Nomura asked if any Councilmember wanted to consider Option 1: Adopt the Initiative, unchanged, by adopting Ordinance No. 751 (see Attachment A) and adopting Resolution No. 6096 (see Attachment B). The Council did not consider Option No. 1.

Mayor Nomura asked if any Councilmember wanted to consider Option 3: Submit the Initiative to voters by calling a special election for April 12, 2022 or April 19, 2022 through adoption of the following resolutions (as read by title only):

- Resolution No. 6088, calling and giving notice of a Special Municipal Election to be held on Tuesday, April \_\_\_, 2022, for the submission of an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land use Element (see Attachment D);
- Resolution No. 6089, requesting the Board of Supervisors of the County of Santa Barbara to render specified services to the City of Carpinteria relating to the conduct of a Special Stand-Alone Municipal Election to be held on Tuesday, April \_\_\_, 2022 (see Attachment D);
- Resolution No. 6090, setting priorities for filing written arguments regarding an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land use Element, directing the City Attorney to prepare an impartial analysis (see Attachment D);
- Resolution No. 6091, providing for the filing of rebuttal arguments for an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation

(OSR) Land Use Category of the General Plan Land use Element (see Attachment D).

The Council did not consider Option No. 3.

Motion by Councilmember Lee, seconded by Vice Mayor Clark, to pursue Option 2: Submit the Initiative to voters by placing it on the City's next regular election scheduled for November 8, 2022 through adoption of the following resolutions (as read by title only):

- Resolution No. 6092, calling and giving notice of a Regular Municipal Election to be held on Tuesday, November 8, 2022, for the submission of an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land use Element (see Attachment C);
- Resolution No. 6093, requesting the Board of Supervisors of the County of Santa Barbara to consolidate the City of Carpinteria's Regular General Municipal Election to be held on November 8, 2022, with the Statewide General Election to be held on the same date pursuant to § 10403 of the Elections Code (see Attachment C);
- Resolution No. 6094, setting priorities for filing written arguments regarding an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land use Element, directing the City Attorney to prepare an impartial analysis (see Attachment C);
- Resolution No. 6095, providing for the filing of rebuttal arguments for an Initiative Measure to change and/or readopt the City of Carpinteria's General Plan Designation and Zoning Designation for two parcels of City-owned property (APN 004-105-011 and APN 004-105-026) located adjacent to the railroad tracks to the west of Linden Avenue and to amend the definition of the Open Space/Recreation (OSR) Land Use Category of the General Plan Land use Element (see Attachment C).

Ms. Acos reminded the Council that in selecting Option No. 2, the Council still had to decide if it wanted to prepare a written argument against the Initiative via adoption of Resolution No. 6094 and, if so, which Councilmember(s) would be authorized to prepare the argument against the Initiative as well as if the Council wanted to authorize rebuttal arguments via adoption of Resolution No. 6095.

Councilmember Lee modified the motion and Vice Mayor Clark seconded the modified motion to authorize the following Councilmembers to file written argument(s) against the Initiative Measure:

Councilmember Natalia Alarcon  
Councilmember Gregg A. Carty  
Councilmember Roy Lee  
Councilmember Wade T. Nomura

The roll call vote was as follows:

AYES: Councilmember Alarcon, Councilmember Carty, Councilmember Lee, Vice Mayor Clark, and Mayor Nomura  
NOES: None  
ABSENT: None  
ABSTAIN: None

The motion carried unanimously.

### **LEGISLATIVE UPDATE**

City Manager Durflinger presented the usual attachments from the League of California Cities.

### **TEMPORARY ADJOURNMENT FOR THE PURPOSE OF HOLDING THE MONTHLY MEETING OF THE CARPINTERIA LIBRARY BOARD OF TRUSTEES**

Mayor Nomura temporarily adjourned the meeting at 7:20 pm.

### **RECONVENE THE REGULAR MEETING OF THE CITY COUNCIL**

Mayor Nomura reconvened the meeting at 7:22 pm.

### **COMMITTEE REPORTS, INQUIRIES AND OTHER MATTERS PRESENTED BY COUNCILMEMBERS**

There were no committee reports.

### **ATTENDANCE OF COUNCILMEMBERS FOR FUTURE MEETINGS**

Councilmember Carty asked City Manager Durflinger to reiterate the Council's upcoming special meeting. City Manager Durflinger stated that the Council will hold a special meeting to discuss the Annual Work Plan on Saturday, January 22<sup>nd</sup> at 8 am in the Council Chambers.

All Councilmembers are expected to be in attendance at the special City Council meeting of January 22nd.

### **ADJOURNMENT**

Mayor Nomura adjourned the meeting at 7:24 p.m.

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Wade T. Nomura, Mayor

ATTEST:

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Brian C. Barrett, Acting City Clerk



# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT January 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

Expenditures for the period beginning January 1, 2022 and ending January 14, 2022.

### **STAFF RECOMMENDATION**

That the City Council accept this report concerning the current list of warrants pursuant to Carpinteria Municipal Code 2.08.150(F).

### **DISCUSSION**

As part of each regular City Council agenda, a list of all checks (attached) dispersed since the last reporting period is presented to the City Council pursuant to C.M.C. 2.08.150(F). The report is provided for City Council and public information and serves as Staff's verification that the expenditures have been reviewed and are within budgeted appropriations.

### **FINANCIAL CONSIDERATIONS**

The warrant register included as an attachment is designed to communicate fiscal activity since the prior reporting period. No action is requested as part of this report.

### **ATTACHMENTS**

Attachment A: Warrant Register for the period beginning January 1, 2022 and ending January 14, 2022 .

Staff contact: Alexiss Martinez, Accounting Tech.  
(805) 755-4422, [AlexissM@ci.carpinteria.ca.us](mailto:AlexissM@ci.carpinteria.ca.us)

  
\_\_\_\_\_  
Signature

Staff contact: Licette Maldonado, Admin Services Dir.  
(805) 755-4448, [LicetteM@ci.carpinteria.ca.us](mailto:LicetteM@ci.carpinteria.ca.us)

  
\_\_\_\_\_  
Signature

Reviewed by: Dave Durflinger, City Manager  
(805) 755-4400, [DaveD@ci.carpinteria.ca.us](mailto:DaveD@ci.carpinteria.ca.us)

  
\_\_\_\_\_  
Signature



# Warrant Register

Carpinteria, CA

Date Range: 01/01/2022 - 01/14/2022

| Vendor Number                                                                                                  | Vendor Name                                              | Payment Date                           | Payment Type                                                                                                      | Payment Amount       | Number |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------|--------|
| Payable #                                                                                                      | Payable Type                                             | Post Date                              | Payable Description                                                                                               |                      |        |
| Bank Code: AP Bank-AP Bank                                                                                     |                                                          |                                        |                                                                                                                   |                      |        |
| <a href="#">INV0003216</a>                                                                                     | JAYNE DIAZ<br>Invoice                                    | 01/01/2022                             | 01/06/2022<br>MEDICAL REIMBURSEMENT                                                                               | EFT<br>593.70        | 680    |
| <a href="#">INV0003214</a>                                                                                     | LARRY DRIGGERS<br>Invoice                                | 01/01/2022                             | 01/06/2022<br>MEDICAL REIMBURSEMENT                                                                               | EFT<br>593.70        | 681    |
| <a href="#">INV0003215</a>                                                                                     | MARY ANN COLSON<br>Invoice                               | 01/01/2022                             | 01/06/2022<br>MEDICAL REIMBURSEMENT                                                                               | EFT<br>593.70        | 682    |
| <a href="#">132210</a>                                                                                         | ADVANTAGE TELECOM<br>Invoice                             | 01/06/2022                             | 01/06/2022<br>JAN21 EMERGENCY PHONE LINE SERVICES                                                                 | Regular<br>73.34     | 100580 |
| <a href="#">01/04/22</a>                                                                                       | ALICE WISSING<br>Invoice                                 | 01/06/2022                             | 01/06/2022<br>MINUTES FOR PLANNING COMMISSION MEETING ON 12/06                                                    | Regular<br>260.00    | 100581 |
| <a href="#">28264</a>                                                                                          | ALL LANGUAGES INTERPRETING & TRANSLATING INC.<br>Invoice | 01/06/2022                             | 01/06/2022<br>2 SPANISH INTERPRETERS FOR COUNCIL MEETING 12/13/2                                                  | Regular<br>700.00    | 100582 |
| <a href="#">IN2240129</a>                                                                                      | BASIC<br>Invoice                                         | 01/06/2022                             | 01/06/2022<br>DEC21 MONTHLY FSA ADMIN FEE                                                                         | Regular<br>95.00     | 100583 |
| <a href="#">4679</a>                                                                                           | BENGAL ENGINEERING<br>Invoice                            | 01/06/2022                             | 01/06/2022<br>DESIGN SERVICES FOR RINCON TRAIL THROUGH 11/30/21                                                   | Regular<br>26,281.33 | 100584 |
| <a href="#">21122302</a>                                                                                       | CALIFORNIA MUNICIPAL STATISTICS INC<br>Invoice           | 01/06/2022                             | 01/06/2022<br>CAFR DIRECT & OVERLAPPING DEBT STATEMENT FY21-22                                                    | Regular<br>500.00    | 100585 |
| <a href="#">IN120404</a>                                                                                       | CHARGEPOINT<br>Invoice                                   | 01/06/2022                             | 01/06/2022<br>ELECTRIC VEHICLE CHARGING STATIONS                                                                  | Regular<br>1,062.76  | 100586 |
| <a href="#">57862</a><br><a href="#">57865</a>                                                                 | COASTAL VIEW NEWS<br>Invoice<br>Invoice                  | 01/06/2022<br>01/06/2022               | 01/06/2022<br>SHORELINE MANAGEMENT DISPLAY ADVERTISING 12/16/21<br>SUMMARY OF PROPOSED ORDINANCE NO. 750-12/16/21 | Regular<br>740.00    | 100587 |
| <a href="#">JAN22 001 3011 028030701</a>                                                                       | COX BUSINESS<br>Invoice                                  | 01/06/2022                             | 01/06/2022<br>JAN22-POOL & GARDEN INTERNET & PHONE                                                                | Regular<br>314.53    | 100588 |
| <a href="#">3028</a>                                                                                           | EVERYWHERE RIGHT NOW<br>Invoice                          | 01/06/2022                             | 01/06/2022<br>DEC21 WEBSITE DEVELOPMENT FOR CITY WEBSITE                                                          | Regular<br>864.00    | 100589 |
| <a href="#">380-0006477</a>                                                                                    | GHD INC.<br>Invoice                                      | 01/06/2022                             | 01/06/2022<br>DEC21 LOCAL ROAD SAFETY PLAN                                                                        | Regular<br>2,846.00  | 100590 |
| <a href="#">SIN012357</a>                                                                                      | HDL SOFTWARE, LLC<br>Invoice                             | 01/06/2022                             | 01/06/2022<br>NEW ACCOUNTS PROCESSED, RENEWALS MAILED                                                             | Regular<br>1,245.00  | 100591 |
| <a href="#">010322</a>                                                                                         | LARRY NIMMER<br>Invoice                                  | 01/06/2022                             | 01/06/2022<br>VIDEO PRODUCTION FOR HOLIDAY PARADE, CAR SHOW                                                       | Regular<br>882.50    | 100592 |
| <a href="#">00765869</a>                                                                                       | MOFFATT & NICHOL<br>Invoice                              | 01/06/2022                             | 01/06/2022<br>NOV21 PROJECT MANAGEMENT FOR DUNE & SHORELINE PROJ                                                  | Regular<br>6,975.54  | 100593 |
| <a href="#">148392</a>                                                                                         | NATIONAL BAND & TAG COMPANY<br>Invoice                   | 01/06/2022                             | 01/06/2022<br>LARGE BONE SHIPMENT                                                                                 | Regular<br>287.85    | 100594 |
| <a href="#">1477</a>                                                                                           | ROY HARTHORN<br>Invoice                                  | 01/06/2022                             | 01/06/2022<br>NOV21 PLAN CHECK SERVICES                                                                           | Regular<br>10,278.43 | 100595 |
| <a href="#">INV0003220</a>                                                                                     | SESAC<br>Invoice                                         | 01/06/2022                             | 01/06/2022<br>MUSIC PERFORMANCE LICENSE THROUGH 12/31/2022                                                        | Regular<br>513.00    | 100596 |
| <a href="#">INV0003221</a>                                                                                     | SILVIA GOMEZ<br>Invoice                                  | 01/06/2022                             | 01/06/2022<br>VETS HALL DEPOSIT RESERVATION REFUND                                                                | Regular<br>100.00    | 100597 |
| <a href="#">DEC21 700247140684</a><br><a href="#">DEC21 700291369452</a><br><a href="#">DEC21 700465507084</a> | SO CA EDISON<br>Invoice<br>Invoice<br>Invoice            | 01/06/2022<br>01/06/2022<br>01/06/2022 | 01/06/2022<br>ELECTRICITY-1 CARPINTERIA TC1<br>ELECTRICITY-MULTIPLE LOCATIONS<br>ELECTRICITY-4950 9TH ST BT HM    | Regular<br>4,967.63  | 100598 |

|                                    |                                                  |                                                    |         |           |        |
|------------------------------------|--------------------------------------------------|----------------------------------------------------|---------|-----------|--------|
| <u>3495165992</u>                  | STAPLES ADVANTAGE                                | 01/06/2022                                         | Regular | 98.57     | 100599 |
| <u>3495165993</u>                  | Invoice 01/06/2022                               | 2022 PLANNER                                       |         |           |        |
| <u>3495165994</u>                  | Invoice 01/06/2022                               | 2022 PLANNER                                       |         |           |        |
|                                    | Invoice 01/06/2022                               | PLANNER & GREEN PAPER                              |         |           |        |
| <u>60093</u>                       | THE STORAGE PLACE                                | 01/06/2022                                         | Regular | 390.00    | 100600 |
|                                    | Invoice 01/06/2022                               | UNIT 0905 RENT 01/23/21 - 2/22/21                  |         |           |        |
| <u>844767285</u>                   | THOMSON REUTERS                                  | 01/06/2022                                         | Regular | 840.40    | 100601 |
| <u>844931767</u>                   | Invoice 01/06/2022                               | JUL21 WEST INFORMATION CHARGES                     |         |           |        |
| <u>845093911</u>                   | Invoice 01/06/2022                               | AUG21 WEST INFORMATION CHARGES                     |         |           |        |
| <u>845260343</u>                   | Invoice 01/06/2022                               | SEP21 WEST INFORMATION CHARGES                     |         |           |        |
| <u>845428790</u>                   | Invoice 01/06/2022                               | OCT21 WEST INFORMATION CHARGES                     |         |           |        |
|                                    | Invoice 01/06/2022                               | NOV21 WEST INFORMATION CHARGES                     |         |           |        |
| <u>2504437384</u>                  | TRANSAMERICA EMPLOYEE BENEFITS                   | 01/06/2022                                         | Regular | 720.77    | 100602 |
|                                    | Invoice 01/06/2022                               | DECEMBER 2021 EMPLOYEE PREMIUMS                    |         |           |        |
| <u>68029</u>                       | TYLER BUSINESS FORMS                             | 01/06/2022                                         | Regular | 303.53    | 100603 |
|                                    | Invoice 01/06/2022                               | BLANK BACKER SHEETS 50 COUNT                       |         |           |        |
| <u>1120210151</u>                  | UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA | 01/06/2022                                         | Regular | 190.53    | 100604 |
| <u>DSB20205836</u>                 | Invoice 01/06/2022                               | DEC21 NEW TICKET CHARGES & DATABASE MAINTENANCE    |         |           |        |
|                                    | Invoice 01/06/2022                               | DEC21 CA STATE FEE FOR REGULATORY COSTS            |         |           |        |
| <u>77343095</u>                    | WEX BANK (76)                                    | 01/06/2022                                         | Regular | 411.68    | 100605 |
|                                    | Invoice 01/06/2022                               | DEC21 FUEL CHARGES                                 |         |           |        |
| <u>76890699</u>                    | WEX BANK (CHEVRON)                               | 01/06/2022                                         | Regular | 1,271.10  | 100606 |
|                                    | Invoice 01/06/2022                               | DEC21 FUEL CHARGES                                 |         |           |        |
| <u>S58583004</u>                   | WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTION       | 01/06/2022                                         | Regular | 195.00    | 100607 |
|                                    | Invoice 01/06/2022                               | LOCAL HAZARD MITIGATION PLAN THROUGH 11/26/2021    |         |           |        |
| <u>21928</u>                       | AG ENT INC                                       | 01/13/2022                                         | Regular | 295.00    | 100608 |
| <u>21929</u>                       | Invoice 01/13/2022                               | BACKFLOW AT CASITAS PASS MEDIAN-BF 12/16/21        |         |           |        |
|                                    | Invoice 01/13/2022                               | BACKFLOW TEST AT 5775 CARPINTERIA AVE 12/17/21     |         |           |        |
| <u>302356</u>                      | ANIMAL MEDICAL CLINIC                            | 01/13/2022                                         | Regular | 1,306.81  | 100609 |
| <u>302357</u>                      | Invoice 01/13/2022                               | NOV21 DOG LICENSING ISSUANCE                       |         |           |        |
|                                    | Invoice 01/13/2022                               | NOV21 CONTRACTED VET SERVICES                      |         |           |        |
| <u>16645</u>                       | BOBS BACKHOE & TRUCKING                          | 01/13/2022                                         | Regular | 10,000.00 | 100610 |
|                                    | Invoice 01/13/2022                               | CONSTRUCTION OF SAND BERM                          |         |           |        |
| <u>466531</u>                      | CARPINTERIA VALLEY LUMBER CO                     | 01/13/2022                                         | Regular | 156.06    | 100611 |
| <u>467133</u>                      | Invoice 01/13/2022                               | LATEX PRIMER PAINT                                 |         |           |        |
| <u>467180</u>                      | Invoice 01/13/2022                               | RAKE FOR TRUCK                                     |         |           |        |
| <u>467988</u>                      | Invoice 01/13/2022                               | BLANK PLATE , BLUE FLAPPER FOR VETS HALL           |         |           |        |
|                                    | Invoice 01/13/2022                               | GLOVES                                             |         |           |        |
| <u>CARP CITY DEC21 SERVICE</u>     | CARPINTERIA VALLEY WATER DISTRICT                | 01/13/2022                                         | Regular | 10,961.91 | 100612 |
|                                    | Invoice 01/13/2022                               | WATER SERVICE-MULTIPLE LOCATIONS                   |         |           |        |
| <u>745490</u>                      | COAST AUTO PARTS, INC.                           | 01/13/2022                                         | Regular | 28.14     | 100613 |
|                                    | Invoice 01/13/2022                               | BRUSH HEAD FOR PW FLEET, FUEL SYST CLEANER TRK 420 |         |           |        |
| <u>INV0003222</u>                  | DALE REDFIELD                                    | 01/13/2022                                         | Regular | 481.25    | 100614 |
|                                    | Invoice 01/13/2022                               | LIBRARY CONSULTANT SERVICES 12/20/21 - 12/30/21    |         |           |        |
| <u>131885</u>                      | DATA TICKET INC                                  | 01/13/2022                                         | Regular | 200.00    | 100615 |
|                                    | Invoice 01/13/2022                               | NOVEMBER 2021-ONLINE ACCESS TO CITATION PROCESSING |         |           |        |
| <u>830267</u>                      | EARTH SYSTEMS                                    | 01/13/2022                                         | Regular | 635.00    | 100616 |
|                                    | Invoice 01/13/2022                               | NOV21 INSPECTION SERVICES FOR CARP PAVE REHAB PROJ |         |           |        |
| <u>9784</u>                        | EVERSHADE EXTERIOR CLEANING SOLUTIONS            | 01/13/2022                                         | Regular | 750.00    | 100617 |
|                                    | Invoice 01/13/2022                               | DEC21 CLEANING OF TRASH CANS ON CARP & LINDEN AVE  |         |           |        |
| <u>JAN22 0503</u>                  | FIRST NATIONAL BANK OF OMAHA                     | 01/13/2022                                         | Regular | 6,918.50  | 100618 |
| <u>JAN22 0983</u>                  | Invoice 01/13/2022                               | CREDIT CARD-MR                                     |         |           |        |
| <u>JAN22 3696</u>                  | Invoice 01/13/2022                               | CREDIT CARD PAYMENT-OUM                            |         |           |        |
| <u>JAN22 6160</u>                  | Invoice 01/13/2022                               | CREDIT CARD PAYMENT-LM                             |         |           |        |
| <u>JAN22 9003</u>                  | Invoice 01/13/2022                               | CREDIT CARD PAYMENT-JI                             |         |           |        |
|                                    | Invoice 01/13/2022                               | CREDIT CARD PAYMENT-LH                             |         |           |        |
| <u>JAN22 209-188-2500-061589-5</u> | FRONTIER COMMUNICATIONS                          | 01/13/2022                                         | Regular | 148.00    | 100619 |
|                                    | Invoice 01/13/2022                               | PHONE & INTERNET SERVICES FOR LG TOWER & BOATHOUSE |         |           |        |
|                                    | GRAINGER                                         | 01/13/2022                                         | Regular | 162.98    | 100620 |

|                             |                                         |            |                                                    |          |        |
|-----------------------------|-----------------------------------------|------------|----------------------------------------------------|----------|--------|
| <u>9105686134</u>           | Invoice                                 | 01/13/2022 | FUSES FOR POOL                                     |          |        |
| <u>9106073217</u>           | Invoice                                 | 01/13/2022 | O-RINGS                                            |          |        |
| <u>9106339410</u>           | Invoice                                 | 01/13/2022 | O-RINGS SILICONE FOR POOL                          |          |        |
| <u>9125741364</u>           | Invoice                                 | 01/13/2022 | COMBO CARTRIDGE/FILTER                             |          |        |
|                             | IMPULSE ADVANCE COMMUNICATIONS          | 01/13/2022 | Regular                                            | 1,590.95 | 100621 |
| <u>80637</u>                | Invoice                                 | 01/13/2022 | JANUARY 2022 PHONE SERVICES STATEMENT              |          |        |
|                             | LAWSON PRODUCTS INC                     | 01/13/2022 | Regular                                            | 91.17    | 100622 |
| <u>9309096952</u>           | Invoice                                 | 01/13/2022 | CURVE WIPER BLADE                                  |          |        |
|                             | LOWE'S                                  | 01/13/2022 | Regular                                            | 304.50   | 100623 |
| <u>909067</u>               | Invoice                                 | 01/13/2022 | MICROFIBER, MASKS, RESERVE EGG, TAPE               |          |        |
| <u>995464</u>               | Invoice                                 | 01/13/2022 | 40" PICK UP TOOL                                   |          |        |
|                             | MISSION UNIFORM SERVICE                 | 01/13/2022 | Regular                                            | 270.64   | 100624 |
| <u>516090208</u>            | Invoice                                 | 01/13/2022 | MAT REPLACEMENT, UNIFORM CLEANING SERVICE 12/13/21 |          |        |
| <u>516090209</u>            | Invoice                                 | 01/13/2022 | MAT & TOWEL REPLACEMENT                            |          |        |
| <u>516134971</u>            | Invoice                                 | 01/13/2022 | MAT REPLACEMENT, UNIFORM CLEANING SERVICE 12/20/21 |          |        |
| <u>516134972</u>            | Invoice                                 | 01/13/2022 | MAT AND TOWEL REPLACEMENT AT CITY HALL 12/20       |          |        |
|                             | MNS ENGINEERS INC                       | 01/13/2022 | Regular                                            | 2,520.00 | 100625 |
| <u>79426</u>                | Invoice                                 | 01/13/2022 | NOV21 PROJ OVERSIGHT SERVICES FOR HWY 101 PHASE 4  |          |        |
|                             | PACIFIC SWEEP                           | 01/13/2022 | Regular                                            | 4,855.94 | 100626 |
| <u>13757</u>                | Invoice                                 | 01/13/2022 | NOVEMBER 21 CONTRACTED STREET SWEEPING             |          |        |
|                             | SAN CLEMENTE AQUATICS TEAM              | 01/13/2022 | Regular                                            | 188.00   | 100627 |
| <u>INV0003255</u>           | Invoice                                 | 01/13/2022 | SWIM MEET DUES                                     |          |        |
|                             | SANTA BARBARA COUNTY CLERK OF THE BOARD | 01/13/2022 | Regular                                            | 50.00    | 100628 |
| <u>CEQA FILING 2074</u>     | Invoice                                 | 01/13/2022 | NOTICE OF EXEMPTION FILING FEE                     |          |        |
|                             | SITEONE LANDSCAPE SUPPLY (ALL AROUND)   | 01/13/2022 | Regular                                            | 208.60   | 100629 |
| <u>115289473-001</u>        | Invoice                                 | 01/13/2022 | HOSE ADAPTER, RECUEER BUSHING FOR COMMUNITY GARDEN |          |        |
| <u>115291757-001</u>        | Invoice                                 | 01/13/2022 | PVC PIPES FOR DOWNTOWN T BANNER POLE REPAIR        |          |        |
|                             | SMART & FINAL                           | 01/13/2022 | Regular                                            | 48.30    | 100630 |
| <u>66031000029901</u>       | Invoice                                 | 01/13/2022 | CANDY FOR POOL SALE                                |          |        |
| <u>6603100005902</u>        | Invoice                                 | 01/13/2022 | AQUAFINA WATER AND BATTERIES                       |          |        |
|                             | SO CA EDISON                            | 01/13/2022 | Regular                                            | 9,026.74 | 100631 |
| <u>DEC21 700201069122</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-101 ASH AVE                            |          |        |
| <u>DEC21 700230547624</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-5103 CARPINTERIA AVE                   |          |        |
| <u>DEC21 700255596559</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-100 LINDEN                             |          |        |
| <u>DEC21 700264659490</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-1115 LINDEN B PED                      |          |        |
| <u>DEC21 700274833982</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-901 CACTUS LN EV EV                    |          |        |
| <u>DEC21 700405192484</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-MULTIPLE LOCATIONS                     |          |        |
| <u>DEC21 700477662295</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-901 CACTUS LN LGHT                     |          |        |
| <u>DEC21 700525378417</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-931 WALNUT AVE & 4851 5TH ST           |          |        |
| <u>DEC21 700604790697</u>   | Invoice                                 | 01/13/2022 | ELECTRICITY-CAPP AV/CSTS PAS 609                   |          |        |
|                             | SO CAL GAS                              | 01/13/2022 | Regular                                            | 7,072.49 | 100632 |
| <u>DEC21 006 514 2700 7</u> | Invoice                                 | 01/13/2022 | NATURAL GAS-5305 CARPINTERIA AVE APT B (POOL)      |          |        |
| <u>DEC21 014 914 3239 7</u> | Invoice                                 | 01/13/2022 | NATURAL GAS-5103 CARPINTERIA AVE (FRIENDS OF LIBR) |          |        |
| <u>DEC21 016 913 9500 6</u> | Invoice                                 | 01/13/2022 | NATURAL GAS-5775 CARPINTERIA AVE (CITY HALL)       |          |        |
| <u>JAN22 140 914 3084 4</u> | Invoice                                 | 01/13/2022 | NATURAL GAS-941 WALNUT AVE(VETS HALL)              |          |        |
|                             | STANTEC CONSULTING SERVICES INC         | 01/13/2022 | Regular                                            | 5,100.00 | 100633 |
| <u>1870740</u>              | Invoice                                 | 01/13/2022 | PROFESSIONAL SERV THRU OCT21 FOR LINDEN AVE IMPROV |          |        |
| <u>1870742</u>              | Invoice                                 | 01/13/2022 | PROFESSIONAL SERV THRU NOV21 FOR LINDEN AVE IMPROV |          |        |
|                             | STATEWIDE SAFETY & SIGNS INC            | 01/13/2022 | Regular                                            | 4,800.00 | 100634 |
| <u>03019872</u>             | Invoice                                 | 01/13/2022 | NOV21 COVID-19 CHANGEABLE MESSAGE SIGN RENTAL      |          |        |
| <u>03019928</u>             | Invoice                                 | 01/13/2022 | DEC21 COVID-19 CHANGEABLE MESSAGE SIGN RENTAL      |          |        |
|                             | SUN COAST RENTALS                       | 01/13/2022 | Regular                                            | 550.00   | 100635 |
| <u>52409</u>                | Invoice                                 | 01/13/2022 | FORK LIFT RENTAL                                   |          |        |
|                             | THE FLAG FACTORY                        | 01/13/2022 | Regular                                            | 1,530.36 | 100636 |
| <u>30051</u>                | Invoice                                 | 01/13/2022 | A-FRAME SIGNS AROUND TOWN FOR COVID                |          |        |
|                             | TOTAL BARRICADE SERVICE, INC            | 01/13/2022 | Regular                                            | 380.00   | 100637 |
| <u>54514</u>                | Invoice                                 | 01/13/2022 | WATER FILLED KRAIL WITH PINS FOR HOLIDAY PARADE    |          |        |
|                             | TREESCAPES                              | 01/13/2022 | Regular                                            | 990.00   | 100638 |
| <u>38829467</u>             | Invoice                                 | 01/13/2022 | OAK TREE INJECTIONS 5290 OGAN RD 12/17/21          |          |        |
|                             | TRI-CO REPROGRAPHICS                    | 01/13/2022 | Regular                                            | 399.68   | 100639 |
| <u>150804</u>               | Invoice                                 | 01/13/2022 | 24X36 PRINT, EDGEBIND FOR SKATEPARK PROJ           |          |        |

|                   |                                       |            |                                                    |           |        |
|-------------------|---------------------------------------|------------|----------------------------------------------------|-----------|--------|
| <u>151560</u>     | Invoice                               | 01/13/2022 | COLOR SCANNING, FILE RENAME, MIN INVOICE CHARGE    |           |        |
| <u>151572</u>     | Invoice                               | 01/13/2022 | 24X36 PRINT, COLOR A, EDGE BIND FOR SKATEPARK CIP  |           |        |
|                   | WAXIE SANITARY SUPPLY                 | 01/13/2022 | Regular                                            | 733.10    | 100640 |
| <u>80506082</u>   | Invoice                               | 01/13/2022 | WASTE BAGS, HAND GEL, 2-PLY PAPER, STAINLESS STEEL |           |        |
|                   | WESTAIRE HEATING & CONDITIONING, INC. | 01/13/2022 | Regular                                            | 13,692.45 | 100641 |
| <u>18179</u>      | Invoice                               | 01/13/2021 | EOC CITY HALL H-VAC REPAIRS/INSTALLATION           |           |        |
| <u>18180</u>      | Invoice                               | 01/13/2021 | CITY HALL INTERIOR REPAIRS                         |           |        |
|                   | WESTERN EXTERMINATOR COMPANY          | 01/13/2022 | Regular                                            | 65.40     | 100642 |
| <u>2984048</u>    | Invoice                               | 01/13/2022 | DECEMBER 2021 PEST CONTROL AT VETS HALL            |           |        |
|                   | SEIU LOCAL 620                        | 01/13/2022 | Regular                                            | 245.61    | 100643 |
| <u>INV0003247</u> | Invoice                               | 01/13/2022 | Employee Union Dues Contribution                   |           |        |
|                   | UNITED WAY OF SANTA BARBARA COUNTY    | 01/13/2022 | Regular                                            | 24.00     | 100644 |
| <u>INV0003249</u> | Invoice                               | 01/13/2022 | Employee United Way Contribution                   |           |        |
|                   | VANTAGEPOINT TRANSFER AGENTS - 457    | 01/13/2022 | Regular                                            | 4,498.08  | 100645 |
| <u>INV0003238</u> | Invoice                               | 01/13/2022 | ICMA Employee Contributions                        |           |        |
| <u>INV0003239</u> | Invoice                               | 01/13/2022 | ICMA Employee Contributions                        |           |        |
| <u>INV0003240</u> | Invoice                               | 01/13/2022 | Deferred Compensation Contribution                 |           |        |



# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT January 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

Contracts Executed by the City Manager on behalf of the City for the Period of November 16, 2021, through January 17, 2022.

### **STAFF RECOMMENDATION**

Receive and file Report of Contracts Executed by the City Manager for the Period of November 16, 2021, through January 17, 2022.

### **DISCUSSION**

The City Manager is delegated authority by the Carpinteria Municipal Code (CMC), §2.08.150B, to execute contracts on behalf of the City in the amount of \$30,000 or less. Pursuant to CMC §2.08.150C, a list of all contracts executed by the City Manager is provided for City Council information and appended to this Staff Report as Attachment A. Attachment A lists all contracts entered into on behalf of the City for goods, construction and services for the Period of November 16, 2021, through January 17, 2022.

### **FINANCIAL CONSIDERATIONS**

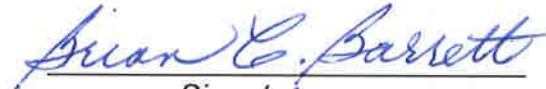
All contracts entered into are within the appropriated budgeted amounts.

### **ATTACHMENTS**

- A. Report of Contracts Executed by the City Manager

Staff contact:

Brian C. Barrett, Acting City Clerk  
(805) 755-4446, [brianb@ci.carpinteria.ca.us](mailto:brianb@ci.carpinteria.ca.us)



Signature

Reviewed by: Dave Durflinger, City Manager



Signature

## ATTACHMENT A

### Report of Contracts Executed by the City Manager Period of November 16, 2021, through January 17, 2022.

| VENDOR                               | PURPOSE                                                         | AMOUNT   |
|--------------------------------------|-----------------------------------------------------------------|----------|
| Pavement Engineering, Inc.           | 2021 Update to Pavement Management System                       | \$25,455 |
| County of Santa Barbara              | Supplemental Funding for Mental Health Mobile Crisis Services   | \$7,707  |
| Cannon Corporation                   | Engineering Plan Check & Inspection Staff Augmentation Services | \$30,000 |
| Gladwell Governmental Services, Inc. | Elections Management Services for Any Election in 2022          | \$19,900 |
|                                      |                                                                 |          |
|                                      |                                                                 |          |
|                                      |                                                                 |          |
|                                      |                                                                 |          |
|                                      |                                                                 |          |





# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT January 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

Monthly City Treasurer's Report on Compliance with Statement of Safekeeping and Investment of Public Funds.

### **STAFF RECOMMENDATION**

Receive and file the report

Sample Motion: None required

### **BACKGROUND / DISCUSSION**

The City Council is the City of Carpinteria trustees and authorized to make investment decisions concerning public funds that are subject to the prudent investment standard. The Prudent Investor Standard of the California Government Code Section 53600.3 states, "when investing, reinvesting, purchasing, acquiring, exchanging, selling or managing public funds, a trustee shall act with care, skill, prudence and diligence under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated need of the City, that a prudent person in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City." The standard or prudence to be used by investment officials shall be applied in the context of managing the overall portfolio.

Trustees are those persons authorized to make investment decisions on behalf of a local agency. Trustees or City Investment officials, acting in accordance with investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk changes or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

The purpose of this agenda matter is to provide the City Council with the required monthly Treasurer's Report.

## **POLICY CONSISTENCY**

The City is in compliance with the adopted Statement of Safekeeping and Investment of Public Funds.

## **FINANCIAL CONSIDERATIONS**

**Cash Statement:** At December 31, 2021, the City held cash and cash investments as shown in the table below.

Table I

| <b><u>CASH ACTIVITY FOR THE MONTH:</u></b> |                  |
|--------------------------------------------|------------------|
| Cash and Investment Beginning of the Month | \$ 16,376,609.89 |
| Cash Receipts                              | 7,057,893.82     |
| Cash Disbursements                         | (6,131,375.25)   |
| Cash and Investment End of the Month       | \$ 17,303,128.46 |

### **Investments:**

Changes in the market value of treasury securities are inversely proportional to changes in interest rates demanded in the open market, i.e., when rates rise market values fall, when rates fall market values rise. The sensitivity of a portfolio's market value to these changes in market rates is a function of its days to maturity and its coupon rate. Securities with longer maturities and/or lower coupon rates are more sensitive to changes in market interest rates. As a security matures, changes in its value become less sensitive to market rate changes.

At December 31<sup>st</sup> the portfolio's average days to maturity was 1.57 years, the average coupon rate was 1.98%, the average yield to maturity was 0.56%, the par value was \$5,009,000 and Market Value was \$4,988,971.67.

The City does not intend to sell nor does it have any foreseeable need to sell any securities. The intention of the City's investment policy is to hold all securities to maturity; and securities so held are redeemed at par value resulting in no net market gain or loss.

Attached for City Council review is the Treasurer's Report that details a listing of all the investments and cash activity during the month.

The City of Carpinteria will be able to meet all expenditure obligations that might reasonably be anticipated for the next six-month period July 1, 2022.

## **LEGAL**

This report has been prepared in compliance with California Government Code Sections 53600 and 53646.

## **PRINCIPAL PARTIES EXPECTED AT MEETING**

Unknown

## **ATTACHMENTS**

City of Carpinteria Treasurer's Report

Staff contact: Licette Maldonado,  
Administrative Services Director  
(805) 755-4448, [licettem@ci.carpinteria.ca.us](mailto:licettem@ci.carpinteria.ca.us)



*Signature*

Reviewed by: Dave Durflinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)



*Signature*

## City Treasurer's Report

**CITY OF CARPINTERIA TREASURER'S REPORT**  
**For the Month Ended December 2021**

**CASH ACTIVITY FOR THE MONTH:**

|                                            |                                |
|--------------------------------------------|--------------------------------|
| Cash and Investment Beginning of the Month | \$ 16,376,609.89               |
| Cash Receipts                              | 7,057,893.82                   |
| Cash Disbursements                         | <u>(6,131,375.25)</u>          |
| Cash and Investment End of the Month       | <u><u>\$ 17,303,128.46</u></u> |

**CASH AND INVESTMENT PORTFOLIO:**

| <u>Type of Investment/Coupon/CUSIP #</u>     | <u>Institution/Issuer</u> | <u>Yield to Maturity</u> | <u>Maturity Date</u> | <u># Days to Maturity</u> | <u>Par Value</u>            | <u>Market Value (1)</u>     | <u>Book Value (2)</u>       |
|----------------------------------------------|---------------------------|--------------------------|----------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
| Demand Deposit - General Checking            | Montecito Bank            | N/A                      | N/A                  | N/A                       | 446,860.39                  | 446,860.39                  | 446,860.39                  |
| Demand Deposit - Premier Public Money Market | Montecito Bank            | N/A                      | 1/1/2022             | 1                         | 5,346,733.51                | 5,346,733.51                | 5,346,733.51                |
| Demand Deposit - Section 125 Checking        | Montecito Bank            | N/A                      | N/A                  | N/A                       | 13,757.65                   | 13,757.65                   | 13,757.65                   |
| Demand Deposit - Payroll Checking            | Montecito Bank            | N/A                      | N/A                  | N/A                       | 1,655.40                    | 1,655.40                    | 1,655.40                    |
| Demand Deposit - Money Market                | Charles Schwab            | N/A                      | 1/1/2022             | 1                         | 113,111.10                  | 113,111.10                  | 113,111.10                  |
| Local Agency Investment Fund                 | State of California       | 0.22%                    | 1/1/2022             | 1                         | 6,392,038.74                | 6,392,038.74                | 6,392,038.74                |
| Treasury Note, 1.875%, (912828V72)           | U.S. Government           | 1.98%                    | 1/31/2022            | 31                        | 130,000.00                  | 130,162.50                  | 129,304.11                  |
| Treasury Note, 1.875%, (912828W55)           | U.S. Government           | 1.94%                    | 2/28/2022            | 59                        | 138,000.00                  | 138,366.56                  | 137,594.13                  |
| Treasury Note, 1.875%, (912828W89)           | U.S. Government           | 1.95%                    | 3/31/2022            | 90                        | 132,000.00                  | 132,556.87                  | 131,530.54                  |
| Treasury Note, 1.875%, (912828X47)           | U.S. Government           | 1.87%                    | 4/30/2022            | 120                       | 167,000.00                  | 167,939.38                  | 166,999.92                  |
| Treasury Note, 1.75%, (912828XR6)            | U.S. Government           | 1.83%                    | 5/31/2022            | 151                       | 179,000.00                  | 180,146.71                  | 178,310.26                  |
| Treasury Note, 1.75%, (912828XW5)            | U.S. Government           | 0.07%                    | 6/30/2022            | 181                       | 177,000.00                  | 178,327.50                  | 176,343.17                  |
| Treasury Note, 1.875%, (9128282P4)           | U.S. Government           | 1.88%                    | 7/31/2022            | 212                       | 177,000.00                  | 178,659.38                  | 176,924.33                  |
| Treasury Note, 1.625%, (9128282S8)           | U.S. Government           | 1.74%                    | 8/31/2022            | 243                       | 168,000.00                  | 169,496.24                  | 167,062.69                  |
| Treasury Note, 1.875%, (9128282W9)           | U.S. Government           | 1.91%                    | 9/30/2022            | 273                       | 165,000.00                  | 166,907.81                  | 164,718.17                  |
| Treasury Note, 2.0%, (9128283C2)             | U.S. Government           | 2.05%                    | 10/31/2022           | 304                       | 179,000.00                  | 181,405.31                  | 178,509.11                  |
| Treasury Note, 2.0%, (912828M80)             | U.S. Government           | 2.06%                    | 11/30/2022           | 334                       | 175,000.00                  | 177,542.96                  | 174,454.00                  |
| Treasury Note, 2.125%, (912828N30)           | U.S. Government           | 2.24%                    | 12/31/2022           | 365                       | 161,000.00                  | 163,691.71                  | 160,091.79                  |
| Treasury Note, 2.375%, (9128283U2)           | U.S. Government           | 2.50%                    | 1/31/2023            | 396                       | 169,000.00                  | 172,485.63                  | 168,003.85                  |
| Treasury Note, 2.625%, (9128284A5)           | U.S. Government           | 2.60%                    | 2/28/2023            | 424                       | 171,000.00                  | 175,221.56                  | 171,184.09                  |
| Treasury Note, 2.5%, (9128284D9)             | U.S. Government           | 0.08%                    | 3/31/2023            | 455                       | 171,000.00                  | 175,194.84                  | 170,243.30                  |
| Treasury Note, 2.625%, (9128284U1)           | U.S. Government           | 2.84%                    | 6/30/2023            | 546                       | 100,000.00                  | 103,031.25                  | 99,563.57                   |
| Treasury Note, 2.75%, (912828Y61)            | U.S. Government           | 0.06%                    | 7/31/2023            | 577                       | 400,000.00                  | 413,375.00                  | 398,795.22                  |
| Treasury Note, 2.75%, (9128284X5)            | U.S. Government           | 0.01%                    | 8/31/2023            | 608                       | 400,000.00                  | 413,750.00                  | 399,721.60                  |
| Treasury Note, 2.875%, (9128285D8)           | U.S. Government           | 0.67%                    | 9/30/2023            | 638                       | 250,000.00                  | 259,531.25                  | 249,335.00                  |
| Treasury Note, 0.75%, (91282CDR9)            | U.S. Government           | 0.73%                    | 12/31/2023           | 730                       | 250,000.00                  | 250,078.13                  | 249,993.47                  |
| Treasury Note, 2.5%, (9128285Z9)             | U.S. Government           | 0.06%                    | 1/31/2024            | 761                       | 200,000.00                  | 207,156.24                  | 199,388.94                  |
| Treasury Note, 2.375%, (9128286G0)           | U.S. Government           | 0.78%                    | 2/29/2024            | 790                       | 200,000.00                  | 206,812.50                  | 199,264.00                  |
| Treasury Note, 1.00%, (91282CDN8)            | U.S. Government           | 0.98%                    | 12/15/2024           | 1080                      | 250,000.00                  | 250,234.38                  | 250,079.39                  |
| Treasury Note, 0.375%, (91282CBC4)           | U.S. Government           | 1.20%                    | 12/31/2025           | 1461                      | 250,000.00                  | 242,265.63                  | 241,955.00                  |
| Treasury Note, 1.25%, (91282CDK4)            | U.S. Government           | 1.28%                    | 11/30/2026           | 1795                      | 250,000.00                  | 249,882.80                  | 249,602.02                  |
|                                              |                           |                          |                      |                           | <b><u>17,323,156.79</u></b> | <b><u>17,398,378.93</u></b> | <b><u>17,303,128.46</u></b> |

**CITY OF CARPINTERIA TREASURER'S REPORT  
For the Month Ended December 2021**

**REPORT ON COMPLIANCE WITH STATEMENT OF SAFEKEEPING AND INVESTMENT OF PUBLIC FUNDS**

The City is in compliance with the adopted Statement of Safekeeping and Investment of Public Funds.

**REPORT OF ABILITY TO MEET REQUIRED EXPENDITURES FOR THE NEXT SIX MONTHS**

Based upon currently budgeted revenues and expenditures, the City currently has sufficient liquid financial resources to meet anticipated expenditures during the period 1/01/22 through 7/01/22.

**WEIGHTED AVERAGE MATURITY OF PORTFOLIO**

As of December 31, 2021 the weighted average days to maturity of the City's investment portfolio is 1.57 years.

**FOOTNOTES TO REPORT/DEFINITION OF TERMS:**

- (1) The market value of U.S. Government Securities was provided by the custodial agent, Charles Schwab.  
For the Local Agency Investment Fund the market value represents the contract value.

For all other investments, the market value is equal to book value.

- (2) Book value of demand deposits equals the bank balance minus outstanding checks plus deposits-in-transit.

Yield to Maturity (YTM): The percentage rate of return for the note assuming that the City holds the asset until its maturity date. It is the sum of all its remaining coupon payments.

Par Value: Equals face value of security (value of the security when it reaches maturity).

Market Value: The last price for which a security was bought or sold. In this case, the value as of the last day of the month of this report.

Book Value: The amount at which the security is carried in the City's accounting records (adjusted at year-end for GASB 40 reporting purposes).



# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT JANUARY 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

Quarterly Review of Pension Stabilization Trust.

### **STAFF RECOMMENDATION**

Receive and file the report

Sample Motion: None required

### **BACKGROUND/DISCUSSION**

The purpose of the Pension Stabilization Trust is to accumulate, hold, and distribute pension plan assets for the exclusive benefit of retiree pensions within the meaning of IRS Code Section 115. Plan assets are irrevocable and may not be used for any purpose other than the purpose of the Trust. Withdrawal of plan assets is not permitted except to transfer to another trust or to reimburse the City for pension costs paid.

The City's primary objective in establishing the Pension Trust is to control long term costs and volatility on the annual operating budget. The trust provides more flexibility for the City to both level out contributions and mitigate year-to-year contribution volatility.

Plan contributions transfer assets to the Trust, and accordingly, plan assets are not carried on the City's books and are not subject to the City's investments policy. Discretionary Trustee Benefit Trust Company (BTC), with the advice of Morgan Stanley Wealth Management Consulting Group, actively manage plan assets consistent with the Investment Policy Statement. The City's individual trust account is part of a larger Multiple Employer Trust administered by Keenan Financial Services and BTC, referred to as the California Public Entity Pension Stabilization Trust. BTC also provides the City with monthly, quarterly (attached), and annual statements-of-activity of the City's account. The Pension Stabilization Trust utilizes a Board of Authority that provides management and oversight of the Trust with participation by one individual per public agency. The fees are

asset-based, paid monthly, deducted directly from the Trust account, and total 30 bps<sup>1</sup> annually. This is competitive with other comparable plans.

### **POLICY CONSISTENCY**

This matter concerns actions aimed at improving the City's long-term financial position and is consistent with the City's fiduciary responsibilities and goal to deliver services that meet community needs in an efficient and effective manner.

The purpose of this quarterly review is to report the portfolio summary of the City of Carpinteria Pension Stabilization Trust account.

### **FINANCIAL CONSIDERATIONS**

#### **Portfolio Summary:**

At December 31, 2021, the City held investments as shown in the table below.

Table 1

|                            |                        | <b>Year to Date (YTD)</b> |                         |
|----------------------------|------------------------|---------------------------|-------------------------|
| <b>Beginning Value</b>     |                        | <b>\$1,387,017.95</b>     |                         |
|                            | Net Withdrawals        | (92,697.00)               |                         |
|                            | Interest               | 0.00                      |                         |
|                            | Dividends              | 65,527.55                 |                         |
|                            | Change in Market Value | 2,329.26                  |                         |
|                            | Management Fees        | (4,214.10)                |                         |
| <b>Ending Value</b>        |                        | <b>\$1,357,963.66</b>     |                         |
|                            |                        |                           |                         |
| <b>Market Value</b>        |                        |                           | <b>Asset Allocation</b> |
|                            | Fixed Income           | 901,432.91                | 66.4%                   |
|                            | Equities               | 395,264.49                | 29.1%                   |
|                            | Alternatives           | 61,266.27                 | 4.5%                    |
| <b>Total Account</b>       |                        | <b>\$1,357,963.66</b>     | <b>100.0%</b>           |
|                            |                        |                           |                         |
| Inception date: 6/30/18    |                        |                           |                         |
| YTD: 1/1/2021 - 12/31/2021 |                        |                           |                         |

#### **Investments:**

At December 31<sup>st</sup> the portfolio's estimated market value was \$1,357,963.66 quarter to date (net of fees) of 1.31%, year to date (net of fees) of 4.65%, last 12 months (net of

<sup>1</sup> Basis points pertain to interest rates. One basis point is equal to one one-hundredth of one percentage point (0.01%). Therefore, 100 basis points would be equivalent to 1%.

fees) 4.65%, and inception to date (net of fees) of 7.71%. Attached for City Council review is the statement from Benefit Trust as of December 31, 2021.

An initial deposit of \$1 million dollars was invested June 30, 2018. A second deposit of \$52,900 was made September 18, 2018 and the third budgeted deposit of \$76,850 was made on January 15, 2020. There was a disbursement of \$64,031 for FY 2021 and \$28,666 for FY 2022 on October 13, 2021.

### **LEGAL AND RISK MANAGEMENT CONSIDERATIONS**

The establishment of the Pension Stabilization Trust Fund is being developed consistent with Section 115 of the Internal Revenue Code. Establishment of the Irrevocable Pension Stabilization Trust Fund mitigates financial risk associated with expected increases in the CalPERS pension rates over the next decade.

### **ATTACHMENTS**

A. December 31, 2021 Performance Report

Staff contact: Licette Maldonado,  
Administrative Services Director  
(805) 755-4448, [licettem@ci.carpinteria.ca.us](mailto:licettem@ci.carpinteria.ca.us)

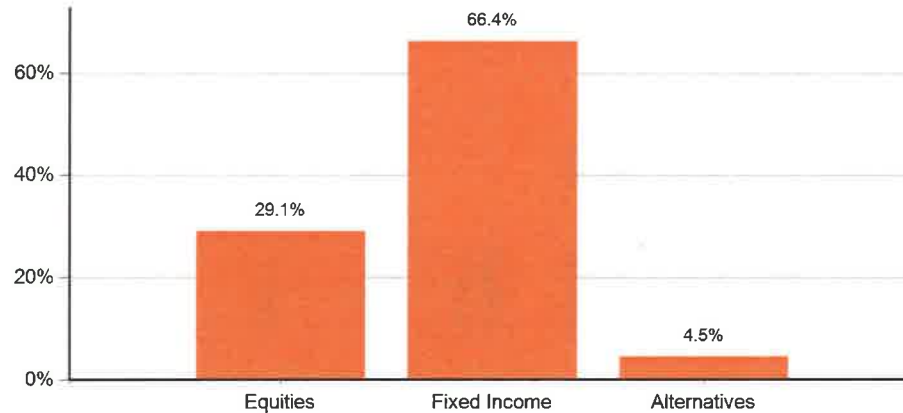
  
Signature

Reviewed by: Dave Durflinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)

  
Signature

**ATTACHMENT A**  
**CITY OF CARPINTERIA CA-MUNI-PST**  
**BENEFIT TRUST ACCOUNT**

## Asset Allocation



## Portfolio Summary

|                        | Year to Date           |
|------------------------|------------------------|
| Beginning Value        | \$ 1,387,017.95        |
| Net Withdrawals        | (92,697.00)            |
| Interest               | -                      |
| Dividends              | 65,527.55              |
| Change in Market Value | 2,329.26               |
| Management Fees        | (4,214.10)             |
| Ending Value           | <u>\$ 1,357,963.66</u> |

## Performance

|                                 | Market Value        | Current Yield | Month to Date | Quarter to Date | Year to Date | Last 12 Months | Last 3 Years | Inception* to Date |
|---------------------------------|---------------------|---------------|---------------|-----------------|--------------|----------------|--------------|--------------------|
| Fixed Income                    | 901,432.91          | 2.7           | 0.11          | 0.02            | -1.17        | -1.17          | 5.94         | 5.33               |
| Equities                        | 395,264.49          | 0.8           | 1.74          | 2.81            | 14.59        | 14.59          | 22.36        | 14.55              |
| Alternatives                    | 61,266.26           | 2.0           | 8.78          | 14.61           | 38.84        | 38.84          | 13.84        | 11.37              |
| Total Account                   | <b>1,357,963.66</b> | <b>2.1</b>    | <b>0.91</b>   | <b>1.38</b>     | <b>4.97</b>  | <b>4.97</b>    | <b>10.69</b> | <b>8.03</b>        |
| Total Account (Net of Fees)     |                     | <b>2.1</b>    | <b>0.88</b>   | <b>1.31</b>     | <b>4.65</b>  | <b>4.65</b>    | <b>10.36</b> | <b>7.71</b>        |
| S&P 500 TR                      |                     |               | 4.48          | 11.03           | 28.72        | 28.72          | 26.07        | 19.49              |
| MSCI EAFE                       |                     |               | 5.12          | 2.70            | 11.37        | 11.37          | 13.58        | 7.75               |
| MSCI ACWI Ex US Net             |                     |               | 4.13          | 1.82            | 7.82         | 7.82           | 13.18        | 7.61               |
| BBG Agg (US)                    |                     |               | -0.26         | 0.01            | -1.55        | -1.55          | 4.79         | 4.58               |
| BBG Global Agg                  |                     |               | -0.14         | -0.67           | -4.71        | -4.71          | 3.59         | 3.14               |
| 50% MSCI ACWI/ 50% Barclays Agg |                     |               | 1.87          | 3.35            | 8.18         | 8.18           | 12.75        | 9.65               |

\* Inception date: 6/30/2018

Performance for periods greater than one year are annualized.

**PORTFOLIO APPRAISAL**  
**CITY OF CARPINTERIA CA-MUNI-PST**  
**BENEFIT TRUST ACCOUNT 7440**  
*December 31, 2021*

| Quantity                            | Security                                       | Security Symbol | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Cur. Yield |
|-------------------------------------|------------------------------------------------|-----------------|-----------|------------|-------|--------------|-------------|------------|
| <b>FIXED INC MUTUAL FUNDS</b>       |                                                |                 |           |            |       |              |             |            |
| TAXABLE BOND FUND                   |                                                |                 |           |            |       |              |             |            |
| 15,235.674                          | BLACKROCK TOTAL RETURN FD BD FD BLK RK CL      | MPHQ.X          | 11.53     | 175,674.21 | 11.84 | 180,390.38   | 13.3        | 2.1        |
| 9,173.358                           | GUGGENHEIM FDS TR INVT GD BD INSTL             | GIUS.X          | 18.67     | 171,223.35 | 19.65 | 180,256.48   | 13.3        | 2.3        |
| 3,329.153                           | GUGGENHEIM FDS TR MACRO OPPTY R6               | GIOS.X          | 26.37     | 87,785.20  | 27.11 | 90,253.34    | 6.6         | 3.8        |
| 12,455.630                          | PRUDENTIAL TOTAL RETURN BD FD                  | PTRQ.X          | 14.28     | 177,864.43 | 14.49 | 180,482.08   | 13.3        | 2.8        |
| 13,490.740                          | PRUDNTIAL GBL TOTL RTRN FD INC PGIM GBL TTL R6 | PGTQ.X          | 7.03      | 94,822.60  | 6.68  | 90,118.14    | 6.6         | 3.3        |
| 15,095.007                          | WESTERN ASSET FDS INC                          | WAPS.X          | 11.58     | 174,743.31 | 11.92 | 179,932.48   | 13.3        | 2.5        |
|                                     |                                                |                 |           | 882,113.11 |       | 901,432.91   | 66.4        | 2.7        |
|                                     |                                                |                 |           | 882,113.11 |       | 901,432.91   | 66.4        | 2.7        |
| <b>DOMESTIC EQUITY MUTUAL FUNDS</b> |                                                |                 |           |            |       |              |             |            |
| LARGE CAP FUND                      |                                                |                 |           |            |       |              |             |            |
| 1,074.533                           | ALGER FUNDS CAP APP FOCY Y                     | ALGY.X          | 40.28     | 43,283.54  | 58.58 | 62,946.14    | 4.6         | 0.0        |
| 1,553.126                           | COLUMBIA FDS SER TR I                          | COFY.X          | 28.04     | 43,552.75  | 34.07 | 52,915.00    | 3.9         | 0.6        |
| 611.452                             | LEGG MASON PARTNERS EQUITY TR CLR BRID SL IS   | LCSS.X          | 41.28     | 25,241.24  | 55.76 | 34,094.56    | 2.5         | 0.0        |
|                                     |                                                |                 |           | 112,077.53 |       | 149,955.71   | 11.0        | 0.2        |
| MID CAP FUND                        |                                                |                 |           |            |       |              |             |            |
| 980.232                             | ALGER FDS MD CP FOCUS Z                        | AFOZ.X          | 14.89     | 14,593.47  | 18.65 | 18,281.33    | 1.3         | 0.0        |
| SMALL CAP FUNDS                     |                                                |                 |           |            |       |              |             |            |
| 1,206.341                           | ALGER FDS SMALL CP FOCUS Z                     | AGOZ.X          | 20.85     | 25,158.23  | 26.56 | 32,040.42    | 2.4         | 0.0        |
| 275.263                             | UNDISCOVERED MANAGERS FDS BEHAVR VAL R6        | UBVF.X          | 61.15     | 16,831.15  | 83.47 | 22,976.20    | 1.7         | 1.1        |
|                                     |                                                |                 |           | 41,989.39  |       | 55,016.62    | 4.1         | 0.5        |
|                                     |                                                |                 |           | 168,660.39 |       | 223,253.66   | 16.4        | 0.3        |
| <b>INTERNATIONAL MUTUAL FUNDS</b>   |                                                |                 |           |            |       |              |             |            |
| INTERNATIONAL EMERGING MARKET FUND  |                                                |                 |           |            |       |              |             |            |
| 157.696                             | AMERICAN FUNDS NEW WORLD F-2                   | NFFF.X          | 67.76     | 10,685.73  | 85.74 | 13,520.86    | 1.0         | 0.7        |
| INTERNATIONAL FUND                  |                                                |                 |           |            |       |              |             |            |
| 458.040                             | AMERICAN FUNDS NEW PERSPECTIVE F2              | ANWF.X          | 47.85     | 21,916.76  | 66.12 | 30,285.60    | 2.2         | 0.5        |

"#carp-pst."

**PORTFOLIO APPRAISAL**  
**CITY OF CARPINTERIA CA-MUNI-PST**  
**BENEFIT TRUST ACCOUNT 7440**

*December 31, 2021*

| Quantity                            | Security                               | Security Symbol | Unit Cost | Total Cost          | Price | Market Value        | Pct. Assets  | Cur. Yield |
|-------------------------------------|----------------------------------------|-----------------|-----------|---------------------|-------|---------------------|--------------|------------|
| 1,469.575                           | GOLDMAN SACHS TR II GQG PARTNRS R6     | GSIX.X          | 15.11     | 22,211.82           | 19.59 | 28,788.97           | 2.1          | 2.3        |
| 807.687                             | HARTFORD INTERNATIONAL VALUE Y         | HILY.X          | 16.87     | 13,625.73           | 16.32 | 13,181.45           | 1.0          | 3.2        |
| 842.664                             | JOHN HANCOCK FDS III INTL GROWTH R6    | JIGT.X          | 29.83     | 25,136.99           | 34.88 | 29,392.12           | 2.2          | 0.9        |
| 474.710                             | OAKMARK INTERNATIONAL INVESTOR         | OANLX           | 24.36     | 11,565.45           | 28.04 | 13,310.87           | 1.0          | 1.5        |
| 632.738                             | PRUDENTIAL WORLD FD INC JENNISON GBL Q | PRJQ.X          | 31.39     | 19,860.01           | 46.19 | 29,226.17           | 2.2          | 0.0        |
| 583.869                             | THORNBURG INVESTMENT INCOME BUILDER    | TIBO.X          | 21.30     | 12,437.32           | 24.50 | 14,304.79           | 1.1          | 5.1        |
|                                     |                                        |                 |           | 126,754.08          |       | 158,489.98          | 11.7         | 1.5        |
|                                     |                                        |                 |           | 137,439.81          |       | 172,010.83          | 12.7         | 1.5        |
| <b>ALTERNATIVE INVESTMENT FUNDS</b> |                                        |                 |           |                     |       |                     |              |            |
| <b>ALTERNATIVE FUND</b>             |                                        |                 |           |                     |       |                     |              |            |
| 2,100.297                           | COHEN & STEERS RLTY INCM NEW SHS CL Z  | CSZLX           | 16.07     | 33,750.46           | 22.07 | 46,353.55           | 3.4          | 1.7        |
| 605.715                             | PRUDENTIAL GLOBAL REAL ESTATE          | PGRQ.X          | 23.46     | 14,208.10           | 24.62 | 14,912.70           | 1.1          | 3.1        |
|                                     |                                        |                 |           | 47,958.56           |       | 61,266.26           | 4.5          | 2.0        |
|                                     |                                        |                 |           | 47,958.56           |       | 61,266.26           | 4.5          | 2.0        |
| <b>TOTAL PORTFOLIO</b>              |                                        |                 |           | <b>1,236,171.87</b> |       | <b>1,357,963.66</b> | <b>100.0</b> | <b>2.1</b> |

"#carp-pst."





# City of Carpinteria

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## COUNCIL AGENDA STAFF REPORT January 24, 2022

### **ITEM FOR COUNCIL CONSIDERATION**

Authorization for the City Manager to sign and submit a notice of dispute ("Notice of Dispute") to the County of Santa Barbara ("County") Sheriff's Office ("Sheriff's Office") disputing the Sheriff's Office's recomputation of compensation for fiscal year ("FY") 2022-23.

### **STAFF RECOMMENDATION**

Authorize the City Manager to sign and submit a Notice of Dispute to the County Sheriff's Office.

Sample Motion: I move to authorize the City Manager to sign and submit a Notice of Dispute to the County Sheriff's Office.

### **BACKGROUND**

The City contracts with the County Sheriff's Office for law enforcement services pursuant to the Agreement to Provide Law Enforcement Services between the City of Carpinteria and County ("Agreement") (**Attachment A**). The City also provides office space at City Hall at no cost to the Sheriff's Office for the operation of the South Coast Substation, which provides patrol services to the City of Carpinteria as well as the unincorporated areas of Montecito, Summerland and the Carpinteria Valley.

In addition to the City of Carpinteria, the cities of Buellton, Solvang and Goleta ("Contract Cities") also contract with the County for law enforcement services.

The Agreement includes provisions for making an annual adjustment in how much the City compensates the County for the quantity of law enforcement services being purchased. These provisions also specify, based on the annual recomputation, that the County will provide the City an estimated compensation amount on or before November 1st of each year and a final recomputation on or before January 15th of the fiscal year. The term of the Agreement runs from July 1, 2019 to June 30, 2023.

### Dispute Over FY 2021-22 Law Enforcement Costs

In the current 2021-22 fiscal year, the City will pay a base amount of \$4,582,326, for law enforcement services which is an approximately 18% increase over the prior 2020-21 fiscal year compensation. This increase is the outcome of a negotiated amendment to the Agreement resulting from the Notice of Dispute (and ensuing dispute resolution process) initiated by the Contract Cities around this time last year in response to proposed annual compensation increases stemming from the Sheriff's Office's implementation of a revised cost methodology ("Revised Cost Methodology"). Proposed increases for each Contract City were initially in the 35-40% range. In the Notice of Dispute for FY 2021-22 contract costs, the City alleged, among things, that the revised methodology is inconsistent with the provisions of the Agreement.

### Proposed FY 2022-23 Law Enforcement Costs

The Sheriff's Office recently presented the proposed final recomputation of compensation for the coming 2022-23 fiscal year in the amount of \$5,277,977, an increase of \$696,651 or approximately 15%. The proposed increase would result in a two year increase of nearly \$1.2 million, or approximately 30% increase.

The City Council Public Safety Committee considered this matter at a special meeting on January 17, 2022, and is recommending that the City Council, pursuant to the provisions of the Agreement, submit a letter to the County disputing the annual recomputation of compensation.

The purpose of this matter is to allow the City Council to consider and authorize sending a Notice of Dispute to the County.

### DISCUSSION

On January 11, 2022, the Sheriff's Office provided contract cities with the annual compensation amount for FY 2022-23. As noted above, the proposed increase would result in an increase of \$696,651, or approximately 15%, over the City's current FY law enforcement 2021-22 costs.

This final annual recomputation (**Attachment B**) is based on the same Revised Cost Methodology that led to the Contract Cities submitting Notices of Dispute in response to proposed FY 2021-22 contract costs. Consistent with its position last year, the City believes that this Revised Cost Methodology is inconsistent with the provisions of the Agreement.

Under the terms of the Agreement, the attached Notice of Dispute serves as an official notice of a contract dispute pursuant to Section 26 of the Agreement which, if the City and Sheriff's Office are unable to amicably resolve, will allow the City to initiate dispute resolution procedures.

## **POLICY**

Ensuring that contract charges to the City are accurate and consistent with terms of the applicable Agreement is an important part of the City's fiduciary responsibility.

Historically, law enforcement services have helped to maintain a very low crime rate in the City of Carpinteria and the City and Sheriff's Office have enjoyed a successful collaborative and cooperative working relationship since 1991. However, the size of the contract proportional to the City's budget means that rising law enforcement contract cost significantly influences the City's ability to deliver other projects, programs and services that are necessary to meet the needs of the Carpinteria community.

## **FINANCIAL CONSIDERATIONS**

In FY 2019-2020 and FY 2021-22 the City paid the County \$3,884,808 and \$4,582,326, respectively, for law enforcement services under the Agreement. The Sheriff's Office's proposed cost for FY 2022-23 is \$5,277,977.

The FY 2019-2020 final cost recomputation represents an increase of upwards of 15% over current contract law enforcement services costs, and an approximately 30% increase in costs over the past two years. The City operates on a July 1 to June 30 fiscal years so the proposed amount would become effective July 1, 2022, and require consideration in the preparation of the City's annual budget.

Law enforcement contract service costs represent the City's largest single expenditure in both the General Fund and Measure X Fund. It is expected that service level cuts would be a part of the necessary considerations in response the final contract amount, should it remain anywhere close to the amount proposed by the Sheriff's Office.

## **LEGAL AND RISK MANAGEMENT**

The Agreement includes provisions that aim to protect the City from certain liabilities associated with the delivery of law enforcement services, including costs, and provide mutual indemnification for the Parties.

The Agreement also sets forth a dispute resolution process, which requires the County or the City to submit a written notice "stating the basis of the dispute, including the amount disputed, if any" to the other party before commencing any legal proceeding relating to the Agreement, its enforcement, or interpretation. The Agreement requires that this notice be submitted to the other party within thirty (30) days of the event giving rise to the dispute. (Agreement, § 26.)

Submission of a notice of dispute by either party triggers a non-binding mediation process. Pursuant to this process, for the thirty (30) days following receipt of the notice of dispute, the parties are required to engage in good faith efforts to resolve the dispute. If the dispute remains unresolved after this period of time, the dispute will be referred to

a neutral mediator who will hear from both parties and issue a written decision. The costs of this process are to be split equally between the parties. (Agreement, § 26.)

### **OPTIONS**

1. Authorize the City Manager to sign the Notice of Dispute and direct it be transmitted to the County Sheriff's Office (staff recommendation)
2. Decline to dispute the annual recomputation.

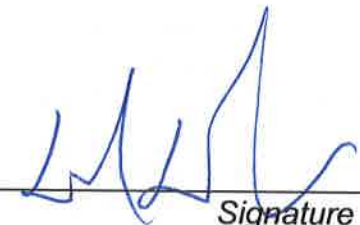
### **ATTACHMENTS**

- A. Agreement to Provide Law Enforcement Services
- B. Final Recomputation

Reviewed by:  
City Attorney's Office

  
Signature

Staff contact: Dave Durflinger, City Manager  
(805 755-4400, daved@ci.carpinteria.ca.us)

  
Signature

## ATTACHMENT A

**AMENDMENT NO. 1  
TO THE CONTRACT LAW ENFORCEMENT SERVICES AGREEMENT  
BETWEEN THE CITY OF CARPINTERIA  
AND  
THE COUNTY OF SANTA BARBARA**

This Amendment No. 1 ("First Amendment") to the Contract Law Enforcement Services Agreement ("Agreement") is effective as of this 1st day of July 2021, ("Effective Date") by and between the City of CARPINTERIA ("CITY") and the County of Santa Barbara ("COUNTY"). CITY and COUNTY are sometimes individually referred to as "Party" and collectively as "Parties."

**RECITALS**

- A.** The Agreement sets forth the terms and conditions under which COUNTY would provide law enforcement services to the CITY. The term of the Agreement is from July 1, 2019 through June 30, 2023, and only includes costs accrued and invoiced within this period.
- B.** CITY submitted a notice of dispute ("Notice of Dispute") on February 8, 2021, attached hereto as Exhibit 1, initiating the dispute resolution process under Section 26 of the Agreement to resolve a dispute between the Parties regarding the (i) calculation and amount of the annual cost computation ("Contract Costs") for fiscal year ("FY") 2021-2022 ("FY 21/22 Contract Costs"), and (ii) "true-up" costs ("True-Up Costs") assessed in excess of the CITY'S base contract hours, as set forth in Exhibit A-1 to the Agreement, ("Base Contract Hours") for FY 2020-2021 Contract Costs ("FY 20/21 Contract Costs").
- C.** With the exception of Section II.3 of this First Amendment (titled "Improved Data Reporting"), this First Amendment solely applies to FY 21/22 Contract Costs, FY 20/21 Contract Costs, and FY 19/20 True-Up Costs. This First Amendment has no bearing, effect, or impact, and does not reflect any agreement among the Parties, on FY 22/23 Contract Costs, the calculation or existence of FY 20/21 True-Up Costs, or on the negotiation of any future contract law enforcement services agreement between the Parties.
- D.** Neither the CITY'S agreement to pay a portion of FY 19/20 True-Up Costs, nor anything else in this First Amendment, shall be interpreted to mean that the CITY agrees with the imposition, methodology, calculation, or amount of any previous or future True-Up Costs. Neither the COUNTY'S agreement to reduce a portion of the FY 19/20 True-Up Costs, agreement to the \$210.65 FY 21/22 hourly rate, nor anything else in this First Amendment, shall be interpreted to mean that the COUNTY agrees with use of such methodology, calculation, or amount when calculating or determining any future True-Up Costs or hourly rate.
- E.** After several extended negotiation sessions, the Parties have come to an agreement on the following terms, which are set forth in more detail in the terms of this First Amendment.

- FY 21/22 Contract Costs. The Parties have come to an agreement as to the total amount of the FY 21/22 Contract Costs, which total \$4,582,326.00. This amount includes agreement on a 50% reduction in true-up costs for FY 19/20 ("FY 19/20 True-Up Costs"), an hourly rate of \$210.65, and two years of inflation at 3% per year and is further detailed in Exhibit E-3 attached hereto.
  - Refund of Payment for Portion of FY 20/21 Contract Costs. The COUNTY agrees to withdraw its request for payment of FY 20/21 Contract Costs in excess of the CITY'S Base Contract Hours, which were invoiced in FY 20/21, and to credit the CITY in the amount of \$205,881.04.
- F. The Parties desire to amend the Agreement to reflect the Parties' agreement as to the terms set forth in Recital E above.
- G. The Parties also intend to enter into good faith discussions beginning in August regarding negotiation of a new contract law enforcement services agreement for FY 23/24 and beyond and intend to begin negotiations no later than November 2021 for FY 22/23 Contract Costs.

**NOW, THEREFORE,** the Parties hereby amend the Agreement as follows:

- I. **Incorporation of Recitals.** The Parties agree the foregoing recitals are true and correct and are hereby incorporated by reference.
- II. **Terms.** The Parties agree to the following amendments to the Agreement:
1. **Section 6.** Section 6 of the Agreement, titled "COMPENSATION OF COUNTY," is hereby amended in full to read as follows:
 

6. **COMPENSATION OF COUNTY.** COUNTY shall be paid for performance under this Agreement in accordance with the terms of **Exhibit B and C** attached hereto and incorporated herein by reference. Notwithstanding the foregoing, the Parties have agreed that the CITY'S total FY 21/22 Contract Costs will be \$4,582,326.00. The CITY'S agreed-upon FY 21/22 Contract Costs are further detailed in Exhibit E-3 "Annual Cost Computation Fiscal Year 2021-22."
  2. **Exhibit C.** "Exhibit C: Cost Model" of the Agreement is hereby replaced, superseded, and amended in full to read as attached hereto in Exhibit 2.
  3. **Improved Data Reporting.** Beginning in FY 21/22, the COUNTY agrees to provide CITY with more detailed compliance data depicting use of law enforcement services within its jurisdiction. In addition to the compliance data, upon request by CITY, COUNTY shall provide narrative descriptions of call for service data and a chance for the CITY to meet to discuss the data and what it represents so that the CITY has a full understanding of the services being provided and charged to the CITY.

4. Exhibit E-3. "Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22," attached hereto, is hereby added to and made a part of the Agreement. This Exhibit E-3 shall replace and supersede any preceding Exhibit E-3 to the Agreement.
5. No Precedent. Nothing herein shall be construed as precedent for applying or interpreting the provisions of Exhibit C on the negotiation of FY 22/23 Contract Costs or on any future contract law enforcement services agreement between the Parties. This First Amendment has no bearing, effect, or impact, and does not reflect any agreement among the Parties, on FY 22/23 Contract Costs, the calculation or existence of FY 20/21 True-Up Costs, or on the negotiation of any future contract law enforcement services agreement between the Parties.

### **III. General Provisions.**

1. Authority to Bind. Each Party warrants that the individuals who have signed this First Amendment have the legal power, right and authority to agree to this First Amendment and bind each respective Party.
2. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
3. Entire Agreement. This First Amendment represents the entire understanding of the Parties with respect to the FY 21/22 Contract Costs, the FY 20/21 Contract Costs, the FY 19/20 True-Up Costs, and the "Improved Data Reporting" described in Section II.3 of this First Amendment. This First Amendment supersedes and cancels any prior oral or written understanding, promises or representatives with respect to those matters covered in this First Amendment, and it shall not be amended, altered or changed except by a written agreement signed by the Parties hereto.
4. Full Force and Effect. Except as amended by this First Amendment, all other provisions of the Agreement not in conflict with the terms of this First Amendment shall remain in full force and effect.
5. Severability. If any provision of this First Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this First Amendment unless elimination of such provision materially alters the rights and obligations set forth herein.
6. Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this First Amendment.
7. Mutual Waiver, Release, and Covenant Not to Sue. CITY, on its own behalf, and on behalf of its agents, servants, employees, officers, directors, administrators,

representatives, elected officials, attorneys, departments, divisions, and agencies, waives, releases, and covenants not to commence, maintain, join, or authorize any Claim or Legal Action (as defined in the following sentence) against the Santa Barbara Sheriff's Office, the COUNTY, and/or the COUNTY'S agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies. Claim or Legal Action as used herein refers to any cause of action, dispute, breach or grievance pertaining to the FY 21/22 Contract Costs, FY 20/21 Contract Costs, and FY 19/20 True-Up Costs, including but not limited any claim encompassed by the CITY'S February 8, 2021 Notice of Dispute ("Claim or Legal Action"). CITY understands that it may later discover facts different from, or in addition to, those it presently knows, believes, or suspects to be true concerning the subjects or consequences of this First Amendment, and further understands that, despite any such discoveries, it will remain bound by this First Amendment.

COUNTY, on its own behalf, and on behalf of its agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies, waives, releases, and covenants not to commence, maintain, join, or authorize any Claim or Legal Action (as defined in the preceding paragraph) against the CITY and/or the CITY'S agents, servants, employees, officers, directors, administrators, representatives, elected officials, attorneys, departments, divisions, and agencies. COUNTY understands that it may later discover facts different from, or in addition to, those it presently knows, believes, or suspects to be true concerning the subjects or consequences of this First Amendment, and further understands that, despite any such discoveries, it will remain bound by this First Amendment.

With respect to the Claims and Legal Actions that are the subject of the mutual releases set forth in this First Amendment, the Parties expressly waive all rights under Civil Code section 1542, which provides as follows:

**"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."**

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the last date written below.

CITY OF CARPINTERIA

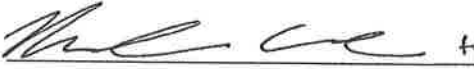
By:   
WADE NOMURA  
MAYOR OF CARPINTERIA

Date: August 10, 2021

ATTEST:  
BRIAN BARRETT  
ACTING CITY CLERK

By: 

APPROVED AS TO FORM:  
JENA ACOS, ON BEHALF OF  
BROWNSTEIN HYATT FARBER SCHRECK  
ACTING AS CITY ATTORNEY

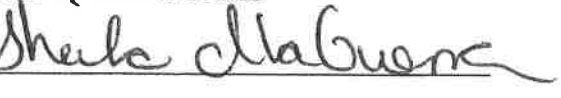
By: 

COUNTY OF SANTA BARBARA

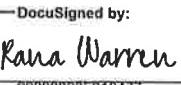
By:   
BOB NELSON  
CHAIR, BOARD OF SUPERVISORS

Date: 8.31.2021

ATTEST:  
MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By: 

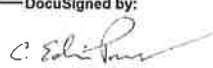
APPROVED AS TO FORM:  
RACHEL VAN MULLEM  
COUNTY COUNSEL

By:   
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APPROVED AS TO FORM:  
RAY AROMATORIO  
RISK MANAGER

By:   
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APPROVED AS TO FORM:  
BETSY M. SCHAFER  
AUDITOR-CONTROLLER

By:   
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APPROVED AS TO FORM:  
SHERIFF BILL BROWN  
SANTA BARBARA SHERIFF'S OFFICE

By:  8/18/21

Exhibit 2  
to First Amendment

“EXHIBIT C: COST MODEL”

## Exhibit C: Cost Model

**I. Overview of Cost Model.** Except as provided for in Sections II through IV of this Exhibit C, which terms supersede the terms set forth in this Section I, the Cost Model determines the cost of a Deputy Sheriff Service Unit based on the actual hourly cost of a Sheriff Deputy, which includes both direct and indirect costs of providing one hour of law enforcement services. This actual hourly cost is then multiplied by 8,760 hours in order to equate to the annual cost of one Deputy Sheriff Service Unit, as described in Exhibit A-1. The annual cost of one Deputy Sheriff Service Unit is then multiplied by the quantity of Deputy Sheriff Service Units purchased by CITY to determine the total annual cost for general law enforcement services to be included in the total Contract Costs for the applicable FY. The direct and indirect costs of providing one hour of law enforcement services are determined as follows:

**1. Direct cost of a Sheriff Deputy.** This is the average actual hourly cost of salary and benefits paid to the Sheriff Deputy employee classification for law enforcement services. The direct cost of a Sheriff Deputy excludes all costs of Sheriff functions which are made available to all portions of the County, such as custody and coroner, as well as all law enforcement programs and projects that are reimbursable from other sources.

**2. Direct cost of support to a Sheriff Deputy.** This is the average actual hourly cost of salary and benefits paid to the employee classifications that provide direct support to a Sheriff Deputy for one hour of work. This includes the chain of command supervising and managing a Sheriff Deputy (Sergeants, Lieutenants, Commanders, Chief) as well as other direct support staff. The direct cost of support to a Sheriff Deputy also excludes the functions, programs and projects excluded from the direct cost of a Sheriff Deputy.

**3. Anticipated salary and benefits increases.** The direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy are estimated for the next fiscal year based on the prior fiscal year's actual average costs. In order for these estimated costs for the next fiscal year to more closely match the actual average costs for the next fiscal year, the prior year actual average costs are adjusted for anticipated salary and benefit increases, such as negotiated cost of living increases and projected employer pension contribution changes. These adjustments help reduce the amount of any true-up required, as explained in 7. below, in order to match estimated costs billed to actual costs incurred.

**4. Direct services and supplies and other charges.** This is the actual hourly cost per a Sheriff Deputy of direct services and supplies and other charges incurred for law enforcement. This includes equipment maintenance, vehicle fuel, training, motor pool charges, liability insurance, and various other law enforcement expenditures. This also excludes any expenditures for functions, programs and projects that are excluded from the direct cost of a Sheriff Deputy.

**5. Indirect Cost of Support and Administration.** This is determined using the indirect cost rate calculated for the Sheriff's Support and Administration Division, including Cost Allocation Plan charges applied to Sheriff Law Enforcement. This rate is applied to the direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy in order to determine the indirect costs applicable to law enforcement services. The rate is calculated annually by the Sheriff's Office in accordance with federal cost principles and reviewed by the Auditor-Controller. The rate used for

determining indirect costs billable to cities excludes any costs that are general overhead costs of operation of the County government.

**6. Public safety dispatch costs.** This is the CITY'S proportionate share of the Sheriff's public safety dispatch costs allocated to law enforcement. The CITY'S share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

**7. True-up to actual cost.** Because the cost model estimates the costs for next year based on the prior year actual costs, a comparison of what was estimated and billed for next year and what the costs actually are will be performed after the close of next year. The difference, whether positive (due to actual costs exceeding estimated costs) or negative (due to estimated costs exceeding actual costs), is then included in the costs estimated for two years later in order to true-up the estimated costs billed next year to the actual costs incurred.

**8. Sheriff's Law Enforcement Contract Services Bureau.** This is the CITY'S proportionate share of the Sheriff's Contract Law Enforcement Unit costs. The CITY'S share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

**II. FY 21/22 Contract Costs.** Notwithstanding Section I of this Exhibit C, the Parties have agreed that the CITY'S total FY 21/22 Contract Costs will be \$4,582,326.00. This agreed-upon amount reflects an hourly Deputy Sheriff Service Unit rate of \$210.65, two years of inflation at 3% per year, and is inclusive of a 50% (fifty percent) reduction in FY 19/20 True-Up Cost as discussed in Section III of this Exhibit C. The CITY'S agreed-upon FY 21/22 Contract Costs are further detailed in "Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22".

**III. Calculation of FY 19/20 True-Up Costs.** The Parties agree that calculation of FY 19/20 True-Up Costs shall be calculated based on a \$210.65 hourly Deputy Sheriff Service Unit rate. The Parties further agree that the CITY shall only be charged 50% (fifty percent) of the FY 19/20 True-Up Costs, which comes to a total of \$147,858.00.

**IV. Calculation of FY 20/21 Contract Costs.** The calculation of FY 20/21 Contract Costs shall be based on the CITY'S Base Contract Hours (17,520 hours) as set forth in Appendix A-1. Pursuant to the First Amendment, the COUNTY hereby withdraws its request for payment of FY 20/21 Contract Costs in excess of the CITY'S Base Contract Hours, which were invoiced in FY 20/21. The COUNTY further agrees to credit the CITY in the amount of \$205,881.04 for payments made by the CITY for hours in excess of the CITY'S Base Contract Hours. This credit is reflected on the CITY'S June invoice for FY 20/21 Contract Costs.

Exhibit 3  
to First Amendment

“Exhibit E-3 Annual Cost Computation Fiscal Year 2021-22”

Amended Exhibit E-3  
Annual Cost Computation Fiscal Year 2021-22

**Carpinteria**

**DSU Summary - Contract Cost** Hours Purchased 17,520

| Patrol Costs                         | Hourly Rate   | Total Contract Cost |
|--------------------------------------|---------------|---------------------|
| <i>Deputy Costs</i>                  |               |                     |
| Deputy S&B Cost                      | 92.13         | 1,614,118           |
| Indirect Rate @ 8.59%                | 7.91          | 138,583             |
| True-Up Cost                         | -             | -                   |
| Cost Inflation @ 0%                  | -             | -                   |
| <i>Deputy S&amp;B Cost</i>           | <i>100.04</i> | <i>1,752,701</i>    |
| <i>Patrol Support</i>                |               |                     |
| ADMN OFFICE PRO I                    | 0.12          | 2,102               |
| ADMN OFFICE PRO II                   | 3.62          | 63,422              |
| ADMN OFFICE PRO II - EXH             | -             | -                   |
| ADMN OFFICE PRO SR                   | 1.87          | 32,762              |
| CUSTODIAN - EXH                      | -             | -                   |
| SHERIFFS COMMANDER                   | 3.93          | 68,854              |
| SHERIFFS LIEUTENANT                  | 5.01          | 87,775              |
| SHERIFFS SERGEANT                    | 25.81         | 452,191             |
| SHERIFF'S SERVICE TECHNICIAN         | 1.03          | 18,046              |
| Indirect Rate @ 8.59%                | 3.56          | 62,371              |
| True-Up Cost                         | -             | -                   |
| Cost Inflation @ 0%                  | -             | -                   |
| <i>Patrol Support S&amp;B</i>        | <i>44.95</i>  | <i>787,524</i>      |
| <i>Direct Patrol S&amp;S</i>         | <i>16.16</i>  | <i>283,123</i>      |
| <i>Direct Patrol S&amp;S True-up</i> | <i>-</i>      | <i>-</i>            |
| <b>Total Patrol Cost</b>             | <b>161.15</b> | <b>2,823,348</b>    |

**Law Enforcement Support Costs (includes S&B, Indirect, and S&S Costs)**

|                                      |              |                |
|--------------------------------------|--------------|----------------|
| <i>Investigations</i>                |              |                |
| General Investigations               | 30.09        | 527,177        |
| SOD, Narcotics                       | 5.44         | 95,309         |
| SOD, Intelligence                    | 2.49         | 43,625         |
| SOD, High Tech Crime Unit            | 2.46         | 43,099         |
| <i>Total Investigations</i>          | <i>40.48</i> | <i>709,210</i> |
| Forensics                            | 4.50         | 78,840         |
| Crime Analysis Unit                  | 1.11         | 19,447         |
| Property & Evidence                  | 3.41         | 59,743         |
| True-Up Cost                         | -            | -              |
| <b>Total Law Enforcement Support</b> | <b>49.50</b> | <b>867,240</b> |

|                             |               |                  |
|-----------------------------|---------------|------------------|
| <b>Hourly Contract Rate</b> | <b>210.65</b> | <b>3,690,588</b> |
| <b>True Up</b>              |               | <b>147,858</b>   |
| Menu Items                  |               | 266,245          |
| Dispatch                    |               | 198,635          |
| DSU Admin                   |               | 24,443           |
| Inflation                   |               | 254,557          |
| <b>Total Contract</b>       |               | <b>4,582,326</b> |

Carpinteria - Menu Items Detail FY 19-20 (actuals)

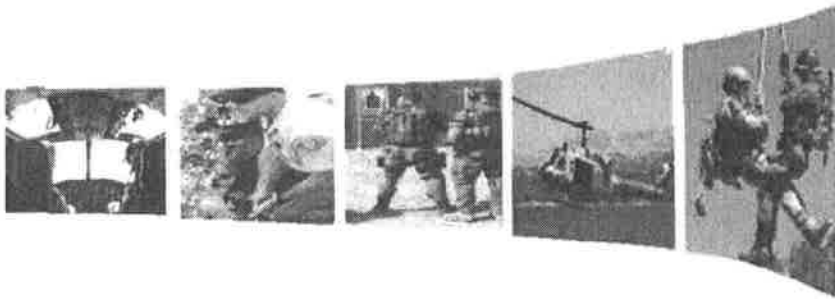
| Position                     | Reimbursable Cost | Basis Hours  | Full Cost      | Unreimbursable Cost |
|------------------------------|-------------------|--------------|----------------|---------------------|
| Community Resource Deputy    | 177,033           | 1,571        | 177,033        | -                   |
| <b>Total S&amp;B</b>         | <b>177,033</b>    | <b>1,571</b> | <b>177,033</b> | -                   |
| <b>Patrol Support</b>        |                   |              |                |                     |
| ADMN OFFICE PRO I            | 196.46            |              | -              |                     |
| ADMN OFFICE PRO II           | 5,732.48          |              | -              |                     |
| ADMN OFFICE PRO II - EXH     | 1.38              |              | -              |                     |
| ADMN OFFICE PRO SR           | 2,969.61          |              | -              |                     |
| CUSTODIAN - EXH              | 2.58              |              | -              |                     |
| SHERIFFS COMMANDER           | 6,236.83          |              | -              |                     |
| SHERIFFS LIEUTENANT          | 7,936.70          |              | -              |                     |
| SHERIFFS SERGEANT            | 40,913.83         |              | -              |                     |
| SHERIFF'S SERVICE TECHNICIAN | 1,637.48          |              | -              |                     |
| S&S Cost                     | 23,585            |              | 23,585         |                     |
| Motor Credit                 |                   |              | -              |                     |
| <b>Total Patrol Support</b>  | <b>89,212</b>     |              | <b>23,585</b>  |                     |
| Total Menu Costs             | <b>266,245</b>    | <b>1,571</b> | <b>224,203</b> | -                   |



2019-20

## Contract Law Enforcement Services

BILL BROWN  
SHERIFF-CORONER



*Keeping The Peace Since 1850*



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## AGREEMENT TO PROVIDE LAW ENFORCEMENT SERVICES

**THIS AGREEMENT** (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and the City of Carpinteria, an incorporated city having its principal place of business at 5775 Carpinteria Avenue, Carpinteria, CA 93013, (hereafter CITY) wherein COUNTY agrees to provide and CITY agrees to accept the services specified herein.

**WHEREAS**, CITY has requested COUNTY, through its Sheriff's Office, to provide law enforcement services pursuant to a contractual agreement; and

**WHEREAS**, the COUNTY, through its Sheriff's Office, has expressed willingness to provide law enforcement services on a cost reimbursement basis, as authorized by California Government Code section 51300 et seq.; and

**WHEREAS**, in recognition that this Agreement represents significant cost to CITY, COUNTY recognizes its responsibility of fiscal stewardship and to that end, is committed to providing law enforcement services in a fiscally responsible manner.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** The currently assigned City of Carpinteria Station Lieutenant at phone number (805) 755-4438 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. The City Manager at phone number (805) 755-4400 is the authorized representative for CITY. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

|            |                                                                                       |
|------------|---------------------------------------------------------------------------------------|
| To COUNTY: | Sheriff Bill Brown, P.O. Box 6427, Santa Barbara, CA 93160                            |
| To CITY:   | City Manager, City of Carpinteria, 5775 Carpinteria Avenue,<br>Carpinteria, CA. 93013 |

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** COUNTY agrees to provide law enforcement services to CITY in accordance with **Exhibits A** through **A-2** and **Exhibit E** attached hereto and incorporated herein by reference.

4. **TERM.**

A. **Basic Term.** The term of this Agreement shall commence July 1, 2019, and continue through June 30, 2023, a four (4) year term, expiring on June 30, 2023, unless sooner terminated pursuant to Paragraph 13, Termination, below, or extended as described in Paragraph 4(B).

B. Extended Term. The terms of this Agreement may be extended for one period of (2) years, if the Sheriff and City Manager determine to so extend the term and written notice of such renewal is given to the other party at least six (6) months prior to expiration. The extended term shall be referred to as the Extended Term of the 2019-20 Agreement.

C. Appropriations Limitation. CITY and COUNTY each acknowledge that annual budgetary appropriations in future years for payment and services hereunder are subject to the approval of their respective legislative bodies.

5. STANDARD OF PERFORMANCE. COUNTY represents that it has the skills and expertise necessary to perform law enforcement services required under this Agreement, as described in **Exhibits A through A-2 and E.**

6. COMPENSATION OF COUNTY. COUNTY shall be paid for performance under this Agreement in accordance with the terms of **Exhibit B and C** attached hereto and incorporated herein by reference.

7. INDEMNIFICATION AND INSURANCE. CITY and COUNTY agree to defend, indemnify and save harmless each other and to procure and maintain insurance in accordance with the provisions of **Exhibit D**, attached hereto and incorporated herein by reference.

8. OWNERSHIP OF EQUIPMENT. COUNTY shall be the owner of all items incidental to the performance of this Agreement. Equipment or supplies purchased by CITY to aid in the performance of law enforcement services shall remain the property of CITY. No transfer of ownership of equipment from COUNTY to CITY shall occur as a result of this Agreement. It is understood that COUNTY shall provide all equipment and supplies necessary to the performance of this Agreement and that any CITY-owned equipment and supplies are provided voluntarily. CITY and COUNTY shall have no obligation to maintain or replace any CITY-owned equipment and supplies. Upon termination of the Agreement or applicable menu items within the agreement, an equipment or supplies purchased by the CITY for COUNTY may, at CITY sole discretion, revert to CITY ownership.

9. INDEPENDENT CONTRACTOR. It is expressly understood between the parties to this Agreement that no employer/employee relationship is intended; the relationship of COUNTY to CITY being that of an independent contractor and CITY and COUNTY retain sole and independent liability for the actions of the employees of each.

10. NONDISCRIMINATION. COUNTY hereby notifies CITY that COUNTY'S Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CITY agrees to comply with said ordinance.

11. NONEXCLUSIVE AGREEMENT. CITY understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with other Santa Barbara County cities and/or other entities to provide the same or similar services.

12. ASSIGNMENT. Neither party shall assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of the other party and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination of this Agreement.

13. **TERMINATION.**

A. **By COUNTY**

1. Termination for Convenience. COUNTY may terminate this Agreement upon Three Hundred Sixty Five (365) days' written notice. Upon the date of termination, COUNTY shall cease work and notify CITY as to the status of its performance.

2. Termination for Cause. Should CITY default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY'S sole option, terminate this Agreement by Ninety (90) days written notice.

B. **By CITY**

1. Termination for Convenience. CITY may terminate this Agreement upon Three Hundred Sixty Five (365) days' written notice.

2. Termination for Cause. Should COUNTY default in the performance of this Agreement or materially breach any of its provisions, including by failing to provide CITY all or any part of the services set forth in Exhibit A, CITY may, at CITY'S sole option, terminate this Agreement by Ninety (90) days written notice.

Notwithstanding any other payment provision of this Agreement, CITY shall pay COUNTY for service performed to the date of termination, including any prorated amount of compensation due hereunder less payments, if any, previously made.

14. **SECTION HEADINGS.** The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

15. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

16. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to the parties is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

17. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

18. **NO WAIVER OF DEFAULT.** No delay or omission of by either party to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be

construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to each party shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of the exercising party.

19. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives its future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver, or estoppel.

20. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

21. **COMPLIANCE WITH LAW.** Both parties shall, at their sole cost and expense, comply with all applicable City, County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement.

22. **CALIFORNIA LAW.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court; or in the federal district court nearest to Santa Barbara County, if in federal court.

23. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

24. **AUTHORITY.** The parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, COUNTY and CITY hereby warrant that each shall not have breached the terms or conditions of any other contract or agreement to which COUNTY or CITY is obligated, which breach would have a material effect hereon.

25. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections. In the event of conflict between the provisions contained in the numbered sections of this Agreement, Exhibits and subsequent contract Amendments, the most current contract Amendment shall prevail over the provisions, Exhibits and/or prior Amendments.

26. **DISPUTE RESOLUTION PROCESS.** Before commencing any legal proceeding in any court of law, any controversy, arising out of or relating to this Agreement, its enforcement, or interpretation, including claims of an alleged breach (but excluding a dispute regarding the level of service subject to procedure set forth in Paragraph 2.B. of Exhibit A) shall be first submitted to non-binding mediation. Written notice stating the basis of the dispute, including the amount disputed, if any, shall be provided to the other party within thirty (30) days of the event giving rise to the dispute. During the next thirty (30) days following

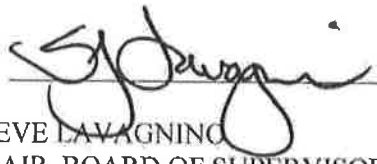
receipt of notice, the parties shall engage in good faith efforts to resolve the dispute through the appropriate internal hierarchy of each agency. If the dispute remains unresolved, the matter shall be referred to a neutral mediator agreed to by both parties. If the parties cannot agree on a mediator, the mediator shall be appointed pursuant to the Commercial Arbitration Rules of the American Arbitration Association, unless the parties mutually agree to choose the mediator in another manner. The mediator shall hear presentations and documentary evidence from the parties. The rules of evidence shall not apply to the mediation. At the conclusion of the mediation, the mediator shall render a written decision. Any costs of retaining the services of the mediator shall be shared equally by the COUNTY and CITY. The parties intend that the dispute resolution procedures provided for hereunder shall be conducted in as expeditious a manner as possible.

27. AGREEMENT NOT CONSTRUED AGAINST DRAFTER. This Agreement has been negotiated and prepared by the parties and their respective counsel, and should any provision of this Agreement require judicial interpretation, the court interpreting or construing the provision shall not apply a rule of construction that a document is to be construed against one party.

//  
//

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective July 1, 2019 after it is fully executed by the appropriate CITY and COUNTY officials.

COUNTY OF SANTA BARBARA

By:   
STEVE LAVAGNINO  
CHAIR, BOARD OF SUPERVISORS

Date: 7-2-19.

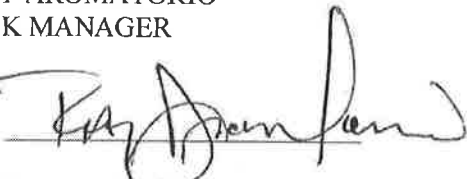
ATTEST:  
MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By: 

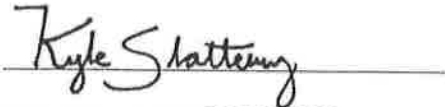
APPROVED AS TO FORM:  
MICHAEL C. GHIZZONI  
COUNTY COUNSEL

By: 

APPROVED AS TO FORM:  
RAY AROMATORIO  
RISK MANAGER

By: 

APPROVED AS TO FORM:  
BETSY M. SCHAFFER  
AUDITOR-CONTROLLER

By: 

APPROVED AS TO CONTENT:  
SHERIFF BILL BROWN  
SANTA BARBARA SHERIFF'S OFFICE

By:  5/30/19

CITY OF CARPINTERIA

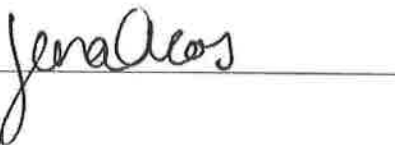
By:   
WADE NOMURA  
MAYOR OF CARPINTERIA

Date: 6/6/19

ATTEST:  
CITY CLERK  
FIDELA GARCIA

By: 

APPROVED AS TO FORM:  
JENA ACOS  
CITY ATTORNEY

By: 

## Exhibit A: Statement of Work

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## Exhibit A: Statement of Work

*The purpose of Exhibit A is to describe and define the type and level of work to be performed.*

### 1. Delivery of Services.

COUNTY, through its Sheriff's Office, shall deliver general law enforcement services within the incorporated limits of the City of Carpinteria according to the terms and conditions set forth herein. It is the goal of the Sheriff's Office to provide a high level of professional excellence; respond to calls for service promptly; protect lives and property to the best of its ability; practice community oriented policing and conduct itself in a manner that promotes trust and legitimacy and is participatory in community matters and events; initiate programs that prevent and deter crime or improve the quality of life; stay abreast of modern policing methods and technology; and apprehend criminal offenders.

### 2. General Law Enforcement Services.

A. COUNTY agrees to provide general law enforcement services for CITY, which include 24/7 police patrol; criminal investigation/detectives; technical services; direct support and administrative functions; emergency Dispatch; general traffic enforcement, accident investigation, and parking control; all services included within a Deputy Sherriff Service Unit, as defined in Exhibit A-1; and all Specialized Law Enforcement Functions, as defined in Paragraph 2.C.

1. Labor and Materials. COUNTY shall supply all necessary labor, supervision, equipment, communication facilities, and supplies necessary to perform all duties and functions to maintain the level of service to be rendered hereunder. Notwithstanding anything contained herein, in all instances where special supplies, stationery, notices, forms and the like must be issued in the name of CITY, the same shall be supplied by CITY at CITY'S cost and expense.

2. Marked Vehicles. The Sheriff's Office may authorize defined areas of patrol vehicles to display CITY insignia indicating they are CITY police vehicles. If CITY elects to display approved CITY insignia the cost of such insignia will be at CITY expense.

3. Prosecution of Offenses. CITY and COUNTY shall continue their existing practice regarding the prosecution of offenses, with CITY responsible for the prosecution of infractions and City Ordinances, and COUNTY, through the District Attorney's Office, responsible for the prosecution of all other offenses. There shall be no cost effect on the parties under this Section.

4. Custody and Coroner Functions. It is generally understood by both parties at this writing that current law requires conventional custody and coroner functions be provided at the COUNTY'S obligation and expense throughout the County of Santa Barbara regardless of incorporated or unincorporated boundaries. CITY, therefore, will not be invoiced for custody or coroner services. This item is also addressed in Exhibit B, Paragraph 1(B).

B. Level of Service.

1. Level of Service Recommendation. The level of service, workplace and/or geographic boundaries for general law enforcement services to CITY will be recommended by COUNTY by November 1 of each year with service level adjustments occurring July 1 of the following year. The level of service refers to the sum of Deputy Sheriff Service Units (as defined in Exhibit A-1) ordered, supervision, contract management, support functions, equipment, capital structures, major assets, services, supplies, and other incidental costs attributable to the provision of general law enforcement services within the then current geographic boundaries of CITY. In consultation with COUNTY, CITY may enhance the level of law enforcement services as defined under Paragraph 3, "Supplemental Law Enforcement Services."

2. Level of Service Adjustment.

a. Adjustment Recommendation by COUNTY. If COUNTY proposes to raise the level of service above the level of service provided in the prior year, COUNTY shall provide CITY, along with its recommendation, data supporting its determination that a higher level of service is necessary to protect public and officer safety along with its recommendation. If requested by CITY, COUNTY will discuss alternative service options.

b. Adjustment Request by CITY. If CITY wishes to reduce the level of service below the level of service provided in the prior year, CITY shall make a written request to COUNTY within 30 days of the date it receives COUNTY'S level of service recommendation. CITY shall provide information supporting its request for a reduction in service level.

c. Consideration of Adjustment. The parties agree to work in good faith to review and consider the adjustment recommendation or request, including providing any supporting information or data that either party may request to support the recommendation or request.

3. Level of Service Review. If the parties do not come to agreement on an adjustment recommendation or request through the process set forth in Paragraph B.2., CITY may request review from the Undersheriff. The Undersheriff shall engage in a face-to-face meeting with the CITY to review the recommendation or request and shall consider the CITY'S position in good faith. The parties shall make all reasonable efforts to complete this process by April 15 of any year in which the process is utilized.

4. Minimum Level of Service. COUNTY is under no obligation to allow a minimum level of service that jeopardizes public or officer safety. If the level of service review, as set forth in Paragraph 2.B.3., is completed and the parties do not come to an agreement regarding the required level of service, the parties agree that the Sheriff shall have final authority to determine minimum level of service for this Agreement.

5. Amendment. If the foregoing process results in an increase or decrease to levels of service, the parties shall prepare and execute a written amendment to this Agreement as to the terms and conditions of the increase or decrease; all other terms set forth in this Agreement shall continue in full force and effect.

C. Specialized Law Enforcement Functions. Specialized law enforcement functions, such as: K-9; Mounted Unit Patrol; Search & Rescue; Hostage Negotiations; Special Enforcement (SWAT) Team; Dive Team, Hazardous Devices Team, Professional Standards Investigations, Reserve Forces; Fugitive/Warrant Detail; and/or Helicopter/fixed wing patrol are included in the cost of a Deputy Service Unit, described in Exhibit A-1, and may also be provided within the City Limits as needed and when deemed appropriate by COUNTY. CITY will not be invoiced separately for these services unless the service is requested by CITY as described in Section 3.

D. Grant Administration. The Administrative function will also include the ability and authority for COUNTY to apply, administer and implement grant opportunities for the benefit of CITY with the expressed written permission of the Designated Representative of CITY.

E. Service Limitations of COUNTY. All references to General Law Enforcement Services contained in this Agreement are references only to services that shall be delivered under the terms of this Agreement.

3. Supplemental Law Enforcement Services.

A. Additional Level(s) of Service.

1. Definition. Additional Level(s) of Service refers to supplemental or specialized law enforcement services not included in, "General Law Enforcement Services," as defined in Section 2, above. CITY may request an additional level of service such as, but not limited to: dedicated traffic enforcement, Community or School Resource Officers, dedicated specialty units (k-9, gang enforcement, etc.) or grant programs that are within the legal authority of COUNTY to provide. Another example is the application, administration and implementation of a supplemental grant program. Other supplemental law enforcement services are set forth in Exhibit A-1. CITY may request this additional level of service in writing to COUNTY'S Station Lieutenant. COUNTY will consider CITY'S requests and, at its option, implement these requests with any additional, actual expense invoiced to CITY.

2. Grant Programs. If the additional level of service is tied to a grant program,

3. CITY will be invoiced for actual, additional costs above the grant award for the applicable time period unless COUNTY and CITY agree otherwise. This assumes that any grant funds are received directly by COUNTY. CITY may request and COUNTY may provide cost estimates prior to the implementation of a grant and/or program. CITY understands that actual, additional costs may vary slightly (high or low) from original estimates. Any supplemental, material expenses related to ongoing programs will be recommended by COUNTY to CITY in advance of purchase. CITY understands and accepts that if a supplemental item related to an ongoing program is not approved by CITY, COUNTY may exercise the option to refrain from further work on the grant or program. COUNTY will apply Departmental and/or County overhead to a grant cost when the provisions of the grant allow for the accounting of overhead expense. CITY understands and accepts that the net cost of grant overhead may become an expense to CITY when other provisions are not agreed upon in writing by both parties in advance of the implementation of the grant. CITY understands and accepts any ongoing fiscal, staffing, and/or programmatic obligations incurred in the acceptance of a grant. An example of such an obligation may include a grant requirement to retain a staffing position for a time period beyond the original grant award period.

B. One-time or Periodic Law Enforcement Services.

1. Definition. One-time or Periodic Law Enforcement Services refers to the provision of periodic or one-time enhancements to the level of general law enforcement services provided, such as, but not limited to: additional security for special events and seasonal staffing. These planned and/or unplanned events usually require additional, short-term law enforcement services. For planned events, upon written request of CITY to COUNTY, COUNTY will review and recommend the appropriate level of service for the event or occurrence and provide CITY with services within the available staffing and legal authority of COUNTY. In the instance of an unplanned event or emergency requiring law enforcement services in order to maintain public safety, COUNTY will immediately respond with an additional level of law enforcement service as determined by COUNTY in accordance with existing mutual aid agreements.

2. City Cost. CITY will be invoiced for actual, additional costs of any and all one time or periodic law enforcement services unless there exists no actual, additional cost (process described in Paragraph 3(B)(4) herein). CITY may request a written cost estimate in advance of a planned event and CITY understands and accepts that actual, additional costs of the event may vary (high or low) from the estimate.

3. Request Process for Planned Events. The request for additional law enforcement services for planned events shall be memorialized in writing, printed or electronic, between the two parties through their respective Designated Representatives. The writing will describe the nature of the event, specific dates, times and addresses and may include a suggested level of service. The CITY will provide COUNTY with as much advance notice as is possible and practical prior to the event, for COUNTY scheduling purposes.

4. Provision of One-time or Periodic Services. COUNTY shall grant such requests if and when it is capable of doing so. This will first be accomplished using existing staff during regularly scheduled work hours if/when the provision of such services would not unreasonably interfere with the Sheriff's provision of general law enforcement services to the unincorporated portion of the County. If the request can be accomplished within the regularly scheduled hours that are already included within this Agreement, there may be no actual, additional expense incurred by CITY. The second staffing priority will be the use of additional personnel through overtime scheduling of the Sheriff's Office staff. The third staffing priority will be provided by means of COUNTY'S request of additional personnel from a neighboring law enforcement agency. COUNTY shall provide notice to CITY prior to providing service under the second or third staffing priority, when feasible. Any additional personnel and/or equipment used in the provision of supplemental law enforcement services will be invoiced above the base agreement amount in a manner described in Exhibit B. The priorities set forth herein are designed to keep CITY'S costs to a minimum and are consistent with current practice.

4. Personnel Management.

A. Hiring, Training and Discipline of Staff. The hiring, training, discipline and/or control of all Sheriff's Office personnel employed under this Agreement shall remain under the appropriate chain-of-command within COUNTY Sheriff's Office. All persons employed in the performance of services and functions for CITY pursuant to this Agreement shall be COUNTY employees.

B. Exclusive Authority. Subject to the terms of this Agreement, the Sheriff shall retain exclusive authority over the activities of his/her personnel. The planning, organization, scheduling, direction, supervision, standards of performance and discipline of Sheriff's personnel, and all other related matters incidental to the delivery of General Law Enforcement Services to CITY shall be as determined by the Sheriff. Nothing herein shall be deemed to limit the Sheriff's authority to move, transfer and/or discipline Sheriff's Office personnel as Sheriff in his/her discretion deems appropriate.

C. City Personnel Consultations and Recommendations. CITY may request to be consulted on the selection or replacement of the station Lieutenant, who will represent the Sheriff as Chief of Police, and any personnel for any position related to supplemental law enforcement services of a specialized nature that the CITY has requested. CITY may request review or transfer of Sheriff's personnel as a consequence of services and functions performed under this Agreement, and such request shall be considered in good faith by Sheriff in determining the appropriate course of action, if any. CITY may make these requests through the Station Lieutenant.

D. Employee Pay Issues. CITY shall not assume any liability for the direct payment of any salaries, wages or other compensation to any COUNTY personnel performing services hereunder for CITY, including liability for workers' compensation claims or injury or illness arising out of COUNTY personnel's performance of this Agreement (aside from costs included within the Deputy Sheriff Service Unit as defined in Exhibit A-1). Except as otherwise provided herein, no person employed by COUNTY hereunder shall have any rights to pension, civil service, or other status or right from CITY by virtue of this Agreement; and

no CITY employee shall have any rights to pension, civil service or other status or right from COUNTY by virtue of this Agreement.

E. Orientation. Personnel assigned to CITY pursuant to the terms of this Agreement shall receive appropriate orientation regarding the special characteristics and needs of CITY. Training shall include familiarization with CITY municipal codes, key CITY staff and CITY departments that will interact with Sheriff personnel.

5. Enforcement of Laws.

Sheriff shall enforce the statutes of the State of California and the municipal police ordinances of CITY. When requested, Sheriff will assist in the enforcement of CITY Code provisions in cooperation with CITY'S staff and Code Enforcement personnel.

6. Mutual Cooperation.

To facilitate the delivery of services under this Agreement, COUNTY shall have full cooperation and assistance from CITY, its officers, agents and employees and CITY shall have full cooperation and assistance from COUNTY, its officers, agents and employees.

7. Maintenance of Records.

COUNTY shall keep reasonably itemized and detailed records and reports as required by law, grants and/or generally accepted accounting principles on behalf of CITY. CITY records shall be maintained by COUNTY pursuant to COUNTY practice and as required by law, and shall be available to CITY for inspection after reasonable prior notice to COUNTY. CITY understands and accepts that various records may be destroyed after specific time periods have passed and thus unavailable for inspection.

8. Monthly and Annual Reports.

Within Fifteen (15) working days after the end of each calendar month, COUNTY via the Sheriff's Law Enforcement Contract Services Bureau, shall provide CITY a monthly report of law enforcement service statistics as set forth in Exhibit A-2 hereto. These monthly reports will also be summarized in a quarterly report. COUNTY further shall provide CITY an annual report if/when applicable. COUNTY and CITY may work together to modify the format and content of the report as needed and when practical.

## Exhibit A-1: Deputy Sheriff Service Unit

Sheriff's services are generally provided in the form of Deputy Sheriff Service Units (DSSU). One DSSU is equivalent to the sworn and support personnel required to staff one patrol position 24 hours a day for 1 year.

One Deputy Sheriff Service Unit equates to:

A sufficient number of Sheriff Deputies to provide for 24-hour coverage, seven days a week for one year, including relief (lost time). This equates to 8,760 hours of service to CITY a year per DSSU ordered. If for any reason the Sheriff falls below 98% compliance in providing this level of service, CITY will not be charged for the shortage. CITY will also be entitled to an explanation for the shortage of service and a proposed resolution.

If CITY compliance rate goes above 112% for each of three consecutive months, CITY and COUNTY will meet and confer. If, subsequent to the meet and confer, the compliance rate remains above 112% for any additional consecutive calendar months but below the threshold for an additional Deputy Sheriff Service Unit, CITY will pay the percentage above 112%, at the Deputy Sheriff Service Unit rate for those consecutive calendar months. If and when CITY compliance rate falls below 112% for a calendar month, CITY will no longer pay the percentage above 112% at the Deputy Sheriff Service Unit rate unless and until the compliance rate once again remains above 112% for each of three consecutive calendar months and CITY and COUNTY meet and confer. This will apply to the current Agreement and any extension to the current Agreement.

Since timekeeping is a critical component of a DSSU, COUNTY is committed to ensuring that COUNTY is appropriately tracking time. COUNTY agrees that it will provide training and updates to its sworn and support personnel and will also audit the timekeeping system periodically. CITY will be provided with monthly reports to demonstrate time compliance reporting as described in Exhibit A-2.

Additionally, all management, supervision, investigative support, administrative support, overtime and supply costs are included. This ensures that there are no unexpected cost increases to the CITY for the annual duration of the contract. The costs for all services and supplies, relief (lost time) factors, overtime, labor, and insurance costs will be calculated each year based on prior year actual costs and provided to CITY prior to the end of the current fiscal year.

The following are Supplemental Law Enforcement Services available for purchase, also referred to as menu items:

### Deputy Sheriff

- Additional deputy to enhance patrol functions or focus on specific interests and needs of CITY.

### School Resource Deputy

- Typical duties involve enforcement of state, local and education code laws.
- Liaison between school officials, City staff and the Sheriff's Office.

- Provide education classes to students, parents and community members impacted by the school.
- Complete School related projects as directed.
- Investigate youth related offenses related to the school on and off campus.

#### Community Resource Deputy

- Typically works as a liaison between CITY staff and Sheriff's personnel.
- Works cooperatively with the City Manager, or designee, and the Station Lieutenant; focuses on interests unique to the city.
- Develops crime prevention programs and provides public education and instruction.
- Typically assists with coordinating CITY sponsored events.

#### Detective

- Investigates general or specific criminal violation cases developed by patrol personnel.

#### Sergeant

- Supplemental supervision for groups of deputies assigned to similar duties or projects.

#### Administrative Office Professional

- Clerical staff assigned to process incident, crime and traffic reports.
- Responsible for records processing and information coordination with the District Attorney and other local state and federal agencies.

#### Sheriff's Service Technician

- Under general supervision performs a variety of non-sworn technical and clerical based administrative duties in the office and the field. Supports sworn law enforcement personnel by performing tasks that do not require a sworn deputy to perform.

Supplemental Law Enforcement Services include overhead costs. They can be provided with or without a relief factor.

Exhibit A-2: Monthly Sheriff's Report  
List of Collected Statistics

Crime Report Statistics

|                         |                      |
|-------------------------|----------------------|
| Criminal Homicide       | Forcible Rape        |
| Robbery                 | All Assaults         |
| Burglary- Residential   | Burglary- Commercial |
| Burglary- Institutional | Burglary- All Others |
| Vehicle Theft           | Vehicles Recovered   |
| Theft                   | Theft- Value         |
| Theft- Recovery Value   |                      |

Traffic Statistics

|                |                   |
|----------------|-------------------|
| Accidents      | Injury Collisions |
| Person Injured | Fatal Collisions  |
| Persons Killed | Citations         |
| DUI Arrests    | AB321 Violations  |
| Towed Vehicles |                   |

Caseload

|                |                     |
|----------------|---------------------|
| Felony Arrests | Misdemeanor Arrests |
|----------------|---------------------|

Potential Homeless/Transient Contacts

|                    |                     |
|--------------------|---------------------|
| Number of Contacts | Time Spent on Calls |
|--------------------|---------------------|

Deputy Sheriff Service Unit Hours

Time spent on calls for service  
Time spent on report writing and administrative duties  
Proactive patrol and Crime Prevention activities

## Exhibit B: Payment Methodology

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## Exhibit B: Payment Methodology

### 1. General Compensation.

A. Reimbursable Expenses. Subject to the terms of this Agreement, CITY shall pay to COUNTY the costs incurred by COUNTY in providing the services contracted for or otherwise authorized under the terms of this Agreement, including:

- Salaries and benefits of all COUNTY officers and employees engaged therein for positions defined in Exhibit A-1: Deputy Sheriff Unit;
- Direct supervision;
- Clerical support;
- Contract Law Enforcement Services Unit;
- Direct services and supplies;
- Department-applied overhead;
- (a percent applied to salaries and benefits expenses only);
- A proportionate share of Law Enforcement Dispatch and Records;
- Management services;
- Any actual, additional costs associated with supplemental law enforcement services (as described in Exhibit A, Paragraph 3); and,
- Any other mutually agreed upon expense that arises during the term of the AGREEMENT. Examples include CITY'S request to participate in a COUNTY bid process, or sharing a purchasing contract for the purpose of quantity discount to the benefit of both parties.

B. COUNTY Obligations. CITY will not be billed for general overhead costs of operation of the County government until or unless authorized by applicable provisions of the then-current Government Code. COUNTY shall not charge CITY for any service or function performed by the COUNTY attributable to services made available to all portions of the County, such as Custody or Coroner services, as referenced in Exhibit A (2)(B).

### 2. Annual Recomputation of Compensation

A. Recomputation of General Law Enforcement Services. Except as otherwise specified hereinafter, the total amount charged for General Law Enforcement Services, as defined in Exhibit A, Paragraph 2, shall be recomputed annually with an estimate provided by COUNTY on or before November 1<sup>st</sup> of each calendar year for the following fiscal year, with the fiscal year defined as July 1<sup>st</sup> through June 30<sup>th</sup>. A final recomputation will be provided by COUNTY for the fiscal year beginning July 1<sup>st</sup> on or before January 15<sup>th</sup> of the same year. The recomputation calculation shall be determined by COUNTY based on actual costs of providing General Law Enforcement Services described in Exhibit A, Paragraph 2, from the previous fiscal year. The recomputation formula will specifically include actual costs for items specified in Exhibit B, Paragraph 1. The total agreement amount for the applicable fiscal year will be effective July 1<sup>st</sup> of that fiscal year, subject to review by CITY as provided in Exhibit A, Paragraph 4, above. Staff representatives

of COUNTY and CITY are advised to meet during the calculation process and prior to any formal presentation before their respective governing bodies. In the event cost increases will have a detrimental impact to the CITY'S budget, Sheriff will meet with CITY, upon its request, and discuss staffing adjustments to mitigate costs, provided service levels do not drop below safe levels as described in Exhibit A, section 2(B)(1).

- I. The annual cost computation will be provided to CITY as Exhibit E-1 and will be referred to as First (1<sup>st</sup>) Annual Cost Computation, Second Annual Cost Computation if this Agreement is extended, and Third (3<sup>rd</sup>) Annual Cost Computation if this Agreement is further extended.

B. Increases to Service Level Requested by City. In the event that CITY desires to increase the then-existing type or level of staffing provided under the terms of this Agreement - in addition to other procedures set forth in this Agreement - CITY will make a written request to COUNTY in December of each year for changes to be applied to the succeeding fiscal year. CITY'S request shall detail the specific type and level of staffing CITY desires, with CITY acknowledging that the costs of such services may impact the total, negotiated agreement for the relevant fiscal year. COUNTY shall review said annual request within thirty (30) days of COUNTY'S receipt thereof and acknowledge acceptance or rejection by letter to CITY'S Designated Representative. Upon notice from COUNTY of acceptance or partial acceptance of said request, and the cost of providing the type or level of staffing therein agreed upon, the parties shall prepare and execute a written amendment to this Agreement as to the terms and conditions set forth in said annual request and acceptance; all other terms set forth in this Agreement shall continue in full force and effect. In the event COUNTY rejects all or any portion of said annual request, the then-existing type and level of staffing shall remain in full force and effect, as modified by the acceptable portions of said annual request, until such time that the parties reach agreement as to the rejected portions of said annual request. An increase in level of service recommended by COUNTY, or decrease requested by CITY, is subject to the procedures set forth in Paragraph 2 of Exhibit A and not this Paragraph.

C. Payment Process. The total estimated cost for the applicable fiscal year will be divided by twelve (12) months and invoiced monthly to CITY for full payment on or before the 25<sup>th</sup> of the applicable month in which services are rendered. For example, law enforcement services provided in the month of July are due July 25<sup>th</sup>. The purpose of this specific due date is to match earned obligations with earned receipts in the same accounting period, which benefits both parties administratively. CITY'S payment shall be made by check or electronic transfer. A check shall be made payable to the order of, "Santa Barbara County Sheriff's Office" and mailed to the COUNTY address specified in Paragraph 1, Designated Representative, unless otherwise directed in writing by COUNTY. If such payment is not delivered to the COUNTY office within thirty days of the respective due date, COUNTY is entitled to recover interest thereon. Said interest shall be assessed using the COUNTY'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the COUNTY office described on said invoice.

D. Revised Exhibit E. A revised Exhibit "E", (to be called Exhibit E-1, E-2, etc., and dated with the effective date of said Exhibit) shall be provided by COUNTY to CITY showing rate adjustments and the consequent adjustment in monthly compensation due COUNTY

whenever there is any recomputation of compensation due COUNTY. Any such revised Exhibit E shall constitute an amendment to this Agreement upon signature by the City Manager, or his designee, and the Sheriff on behalf of the COUNTY. The format of Exhibit E may be revised from time-to-time according to current accounting practices, service changes, CITY-requested changes in format or other unforeseen circumstances at the time of this Agreement.

E. Future Annexation. In the event that CITY annexes any new area near the incorporated City limits, COUNTY will continue or begin to provide law enforcement services to that annexed area under the terms of this Agreement. Additionally, within thirty (30) days of applicable annexation, the compensation due to COUNTY by CITY will be adjusted to serve the newly-annexed area(s).

3. Additional Law Enforcement Services.

A. Annual Agreement. CITY costs for One-time or Periodic Law Enforcement Services, as defined in Exhibit A, Paragraph 3, will not be included in the total Agreement amount.

B. Estimates. CITY may request an estimated cost from COUNTY as described in paragraph 2(A) for budget preparation and planning purposes for the fiscal year or in advance of a planned event. CITY understands and accepts that such an estimate in no way represents any minimum or maximum charge to CITY.

C. Cost Tracking & Invoicing. The actual, costs related to providing additional or special law enforcement services will be tracked through the COUNTY'S Financial System (currently referred to as "FIN") and reviewed prior to preparing a summary invoice. COUNTY will send an invoice to CITY within 90 days of the conclusion of the work performed. A detailed listing of these charges will be kept on file at the COUNTY office and made available to CITY upon written request. These records will be maintained for a period of one year after the date of the original invoice.

D. Payment Process. CITY payment for Additional or Supplemental Law Enforcement Services is due to the COUNTY within thirty (30) days of the date of the invoice. Payment will be made payable to: "Santa Barbara County Sheriff" and mailed to: Santa Barbara County Sheriff Dept., Attention: Business Office, P.O. Box 6427, Santa Barbara, CA 93160-6427. If such payment is not delivered to the COUNTY office within thirty days after the date of the invoice, COUNTY is entitled to recover interest thereon. Said interest shall be assessed using the COUNTY'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the COUNTY office described on said invoice.

4. Miscellaneous

A. Booking Fees. CITY will not be responsible for the payment of booking fees to COUNTY.

B. Third Party Reimbursements. CITY may seek direct reimbursement of Supplemental Law Enforcement Services from a third party when applicable. An example

of an applicable situation occurs when CITY collects a fee or deposit from a film crew, pays COUNTY for services provided, and then charges the film crew for the expense from the deposit.

C. Facilities. COUNTY makes no guarantees regarding the negotiation of gratis "Store Front" facilities within the City for law enforcement use.

D. Capital Improvements. COUNTY makes no guarantees regarding law enforcement-related capital improvements within the City.

E. Other Law Enforcement Agencies. COUNTY makes no guarantees regarding the ability to negotiate services from other law enforcement agencies on behalf of CITY.

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## Exhibit C: Cost Model

The cost model determines the cost of a Deputy Sheriff Service Unit based on the actual hourly cost of a Sheriff Deputy, which includes both direct and indirect costs of providing one hour of law enforcement services. This actual hourly cost is then multiplied by 8,760 hours in order to equate to the annual cost of one Deputy Sheriff Service Unit, as described in Exhibit A-1. The annual cost of one Deputy Service Unit is then multiplied by the quantity of Deputy Sheriff Service Units purchased by CITY to determine the total annual cost for general law enforcement services to be included in the total contract amount for the applicable fiscal year. The direct and indirect costs of providing one hour of law enforcement services are determined as follows:

**1. Direct cost of a Sheriff Deputy.** This is the average actual hourly cost of salary and benefits paid to the Sheriff Deputy employee classification for law enforcement services. The direct cost of a Sheriff Deputy excludes all costs of Sheriff functions which are made available to all portions of the County, such as custody and coroner, as well as all law enforcement programs and projects that are reimbursable from other sources.

**2. Direct cost of support to a Sheriff Deputy.** This is the average actual hourly cost of salary and benefits paid to the employee classifications that provide direct support to a Sheriff Deputy for one hour of work. This includes the chain of command supervising and managing a Sheriff Deputy (Sergeants, Lieutenants, Commanders, Chief) as well as other direct support staff. The direct cost of support to a Sheriff Deputy also excludes the functions, programs and projects excluded from the direct cost of a Sheriff Deputy.

**3. Anticipated salary and benefits increases.** The direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy are estimated for the next fiscal year based on the prior fiscal year's actual average costs. In order for these estimated costs for the next fiscal year to more closely match the actual average costs for the next fiscal year, the prior year actual average costs are adjusted for anticipated salary and benefit increases, such as negotiated cost of living increases and projected employer pension contribution changes. These adjustments help reduce the amount of any true-up required, as explained in 7. below, in order to match estimated costs billed to actual costs incurred.

**4. Direct services and supplies and other charges.** This is the actual hourly cost per a Sheriff Deputy of direct services and supplies and other charges incurred for law enforcement. This includes equipment maintenance, vehicle fuel, training, motor pool charges, liability insurance, and various other law enforcement expenditures. This also excludes any expenditures for functions, programs and projects that are excluded from the direct cost of a Sheriff Deputy.

**5. Indirect Cost of Support and Administration.** This is determined using the indirect cost rate calculated for the Sheriff's Support and Administration Division, including Cost Allocation Plan charges applied to Sheriff Law Enforcement. This rate is applied to the direct cost of a Sheriff Deputy and the direct cost of support to a Sheriff Deputy in order to determine the indirect costs applicable to law enforcement services. The rate is calculated annually by the Sheriff's Office in accordance with federal cost principles and reviewed by the Auditor-Controller. The rate used for determining indirect costs billable to cities excludes any costs that are general overhead costs of operation of the County government.

**6. Public safety dispatch costs.** This is the CITY's proportionate share of the Sheriff's public safety dispatch costs allocated to law enforcement. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours

**7. True-up to actual cost.** Because the cost model estimates the costs for next year based on the prior year actual costs, a comparison of what was estimated and billed for next year and what the costs actually are will be performed after the close of next year. The difference, whether positive (due to actual costs exceeding estimated costs) or negative (due to estimated costs exceeding actual costs), is then included in the costs estimated for two years later in order to true-up the estimated costs billed next year to the actual costs incurred.

**8. Sheriff's Law Enforcement Contract Services Bureau.** This is the CITY's proportionate share of the Sheriff's Contract Law Enforcement Unit costs. The CITY's share of these costs are based on the total hours purchased by the CITY as a percentage of the Sheriff's total law enforcement hours.

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## Exhibit D: Special Indemnification & Insurance Provisions

*The purpose of Exhibit D is to address liability & insurance issues.*

### 1. Indemnification

- A. Indemnification by CITY. CITY shall indemnify, defend and hold COUNTY and COUNTY'S agents, officers, elected officials, employees and volunteers, harmless from and against all claims, damages, losses, causes of action and expenses, including attorney's fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provisions, including those circumstances where COUNTY lawfully enforces municipal ordinances that are later deemed or declared unconstitutional, or other cause which arises out of, relates to or results from the activities or omissions, negligent or otherwise, under this Agreement of CITY, and CITY'S officers, agents, elected officials and employees.
- B. Indemnification by COUNTY. COUNTY shall indemnify, defend and hold CITY, and CITY'S agents, officers, elected officials, and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorney's fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal or state constitutional provisions, or other cause which arises out of, relates to or results from the activities or omissions, negligent or otherwise, under this Agreement of COUNTY, and COUNTY'S officers, agents, elected officials, employees and volunteers, including performing or authorizing the performance of, or in failing to perform or authorize the performance of any work, services or functions provided for, referred to in or in any way connected with any work, services or functions to be performed under this Agreement.
- C. No Agency. Except as otherwise specified herein, for the purposes of this section, CITY shall not be deemed to be COUNTY'S agent and COUNTY shall not be deemed to be CITY'S agent.
- D. Notification. Each party shall give the other prompt notification when it first learns of an incident or occurrence covered, or likely to be covered, under the terms of this section, as well as prompt notification if a claim is made or suit is brought against a party based on an incident or occurrence covered, or likely to be covered, by the terms hereof.
- E. Continuing Obligation. To the extent that COUNTY has agreed to indemnify, defend and hold harmless CITY, its officers, agents and employees under this Agreement, said obligations shall continue to exist during the term of this Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement. To the extent that CITY has agreed to indemnify, defend and hold harmless COUNTY, its officers, agents, elected officials, employees and volunteers under this Agreement, said obligations shall continue to exist during the term of this Agreement and subsequent to this Agreement for those acts or omissions giving rise to liability which occurred during this Agreement.

## 2. Insurance.

Each party shall maintain its own insurance coverage, through commercial insurance, self-insurance or a combination thereof (which may include insurance through a joint powers insurance authority), against any claim, expense, cost, damage, or liability arising out of the performance of its responsibilities pursuant to this Agreement.

Minimum Scope of Insurance for both Parties to the Agreement.

Coverage shall be at least as broad as:

- A. Commercial General Liability (CGL). Insurance on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate. Each party shall name the other party as an additional insured on its policy.
- B. Automobile Liability. Insurance covering any auto with policy limits no less than \$2,000,000 per accident for bodily injury and property damage.
- C. Workers' Compensation. Insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease
- D. Primary Coverage. For any claims related to this Agreement, the indemnitor's insurance coverage shall be primary insurance as respects the indemnitee, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the indemnitor, its officers, officials, employees, agents or volunteers shall be excess of the indemnitee's insurance and shall not contribute with it.

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## Exhibit E: Agreements Specific to the City of Carpinteria

The purpose of Exhibit E is to incorporate into this Agreement certain needs specific to the City of Carpinteria

The Santa Barbara County ("COUNTY") Sheriff's Office drafted an updated law enforcement service agreement that provides for standardized services and associated costs. To address the unique needs of each contract city, the COUNTY and the City of Carpinteria ("CITY") (jointly, "PARTIES") agreed to incorporate certain supplemental provisions into the standard Agreement for Law Enforcement Services in the CITY ("AGREEMENT").

The following provisions will supplement the AGREEMENT and are incorporated into the AGREEMENT by reference. This Exhibit E will serve as: (1) a guide for how law enforcement services are to be conducted within the CITY and (2) the basis for specific public safety projects, programs, and services to be carried out annually in the CITY.

### 1. Establishment and Implementation of Goals and Objectives; Measuring Annual Performance.

Representatives of CITY and COUNTY will meet on an annual basis to review the goals and objectives (as set forth below) and to determine appropriate implementation measures and performance indicators. The CITY and the COUNTY will determine which measures may constitute General Law Enforcement Services and which measures require additional resources, as defined in Section 3(A) of Exhibit A. COUNTY will provide CITY with a cost estimate for carrying out any measures that require additional resources such as an increase in DSUs.

Meetings and other work necessary to reach an agreement on annual implementation measures and performance indicators shall be negotiated and agreed upon before January 1 of each calendar year in order to be incorporated into CITY's Annual Work Program and Budget planning and adoption.

A. **Building Trust and Legitimacy.** Law Enforcement Services in CITY should be conducted in a manner that builds trust and legitimacy of the law enforcement agency and its personnel with all segments of the community. To accomplish this goal, COUNTY will endeavor to:

1. Use procedural justice as a guiding principle for internal and external practices for interactions with community members and visitors to the CITY.
2. Establish and maintain a culture of transparency and accountability.
3. Establish youth/school-based outreach program
4. Establish a program and/or patrol tactics that allow for regular interaction with local business owners and operators.

5. Establish programs for participation in Neighborhood Outreach efforts, in particular, programs that effectively build trust and encourage open communication with immigrants/Spanish language speakers.
6. Establish effective technology-based programs for outreach and communication with CITY residents.

**B. A Safe Community.** Law Enforcement Services in the CITY should be conducted in a manner that reinforces the CITY's reputation as a safe community for residents and supports private investment and property values. To accomplish this goal, the COUNTY will endeavor to:

1. Promote the safety of the community and a feeling of security among those that live, work, and visit the CITY, primarily through the deterrence/prevention of crime and the apprehension of offenders, providing service in a fair, honest, prompt, cooperative, helpful, sensitive and courteous manner.
2. Establish Downtown and Beach Area foot/bicycle patrol.
3. Establish effective Neighborhood and Business Watch programs.

**C. Community Policing.** Law Enforcement Services in the CITY should be conducted in a collaborative manner that effectively supports the systematic use of partnerships and problem-solving techniques to proactively address conditions that give rise to public safety issues. To accomplish this goal, the COUNTY will endeavor to:

1. Engage in multidisciplinary, community team approaches for planning, implementing and responding to crisis situations with complex causal factors.
2. Work with neighborhood residents to co-produce public safety; identifying problems and collaborating on implementing solutions that produce meaningful results for the community.
3. Conduct regular forums and meetings where all community members can interact with police and help influence programs and policy.
4. Establish and lead joint training and engagement with CITY staff and volunteers through citizen academies, ride-alongs, problem solving teams and focus groups.
5. Implement community policing strategies that support CITY's asset-based economic vitality efforts.

6. Participate in programs, in particular those programs that can be cooperatively carried out with the Carpinteria Unified School District, that address the needs of children and youth most at risk for crime or violence and that seek to avoid stigmatizing youth and marginalizing their participation in schools and the community.

## **II. Occupancy and Operation of the Carpinteria Station**

- A. Since 1992 and the establishment of the first Agreement for Law Enforcement Services in the Carpinteria between the CITY and the COUNTY, the COUNTY has leased a portion of City Hall to serve as the station for the Coastal Bureau and City of Carpinteria located at 5775 Carpinteria Ave, Carpinteria, California

("CARPINTERIA STATION") ("LEASE"). The CARPINTERIA STATION serves as the hub for law enforcement services to the City and unincorporated county areas including Montecito, Summerland, and the surrounding Carpinteria Valley.

- B. PARTIES recognize that the operation of the CARPINTERIA STATION benefits both the CITY and the COUNTY and the PARTIES agree to continue operation of the CARPINTERIA STATION for the purposes described above throughout the term of this AGREEMENT.
- C. As a part of the operation of the CARPINTERIA STATION, regular weekday public office hours shall be maintained. COUNTY shall endeavor to establish office hours a minimum of four days a week.
- D. PARTIES also agree to meet during the term of the Agreement to review the existing Lease terms.

## **III. New Station**

- A. PARTIES agree that it is desirable to replace the current CARPINTERIA STATION with a public safety facility designed and built specifically for law enforcement services and the CITY emergency operations center.
- B. PARTIES agree to work together on a plan to fund and develop a new CARPINTERIA STATION on the City Hall campus.

## **IV. Selection of Staff**

- A. In addition to the City Personnel Consultations and Recommendations listed in Exhibit A to this AGREEMENT, the CITY and the COUNTY agree that the selection, hiring, training, supervision, discipline and/or control of all Sheriff's Office personnel performing the services required by this AGREEMENT shall be at all times within the sole and exclusive discretion of the appropriate chain-of command within the Sheriff's Office. The Sheriff's Office may consult with the CITY regarding the selection of personnel to work in the CITY. COUNTY acknowledges that CITY requests tenured and/or reasonably experienced personnel with the requisite skills and knowledge to address the law enforcement needs and

concerns of the CITY in the same professional and efficient manner as they would if they were members of the CITY's own police department. CITY may also provide input on the transfer of Sheriff personnel into and out of CITY assignment.

B. The Sheriff shall, upon consultation with the CITY's Manager and/or Designee, appoint and designate a member of its department holding the rank of Lieutenant or above, as CITY Chief of Police. The CITY may also provide Sheriff with recommended or requested personnel for the Chief of Police position and the Sheriff will make a reasonable effort to accommodate such recommendation or request subject to existing resources and needs of the Sheriff's Office. The CITY may also participate and consult with the Sheriff in the process for the selection of (as applicable) the Community Resource Deputy and/or School Resource Deputy that are assigned to the CITY.

#### V. Significant Cost Recomputations

- A. Sheriff recognizes that the CITY has little input on COUNTY labor negotiations and other costs that are passed on to cities. If the annual cost computations defined in Exhibit B will have a substantial impact on the CITY budget, as determined by the CITY, the Sheriff will assist the CITY with staffing recommendations to limit costs in addition to the staffing recommendations listed in Exhibit A.

#### VI. Asset Seizures

COUNTY and the CITY agree to the following transfer of funds related to asset seizures.

A. Federal and/or State Seizure funds distributed back to the Sheriff's Office stemming from cases arising within the incorporated areas of the CITY shall be shared with the CITY in accordance with applicable State and or Federal laws, and as provided in this AGREEMENT. The CITY is responsible for executing any and all agreements, guidelines, and/or reports required under applicable State and/or Federal laws for the request for and distribution of seized assets; however, COUNTY law enforcement personnel will cooperate with and assist the CITY in preparing all required documentation. The distribution of funds obtained through asset forfeiture cases shall be divided between the CITY and COUNTY based on the following formula:

1. Cases resulting from arrests or activities of any personnel assigned as a DSU to CITY pursuant to this AGREEMENT, including a narcotics detective (menu item): 80% to CITY and 20% to COUNTY (for its administrative costs).
2. Narcotic cases resulting from narcotic investigator activity (except City funded personnel): to CITY and to COUNTY.
3. Other cases involving multiple agencies or task forces, cases originating from a jurisdiction outside the CITY, investigations where Sheriff is

assisting and not the primary agency, or large complex investigations typically requiring extensive investigative resources: Negotiated on a case by-case basis.

4. COUNTY will provide the CITY with an Asset Forfeiture Report involving cases with the CITY in June and December of every year.

**Exhibit E-1**  
**Annual Cost Computation**  
**Fiscal Year 2019-20**

**Carpinteria****DSU Summary - Contract Cost**

Hours Purchased

17,520

| <b>Patrol Costs</b>                | <b>Hourly Rate</b> | <b>Total Contract Cost</b> |
|------------------------------------|--------------------|----------------------------|
| <i>Deputy Costs</i>                |                    |                            |
| Deputy S&B Cost                    | 95.23              | 1,668,430                  |
| Indirect Rate @ 7.51%              | 7.15               | 125,268                    |
| Cost Inflation @ 3%                | 3.07               | 53,786                     |
| <i>Deputy S&amp;B Cost</i>         | <i>105.45</i>      | <i>1,847,484</i>           |
| <i>Patrol Support</i>              |                    |                            |
| SHERIFFS SERGEANT                  | 20.50              | 359,160                    |
| SHERIFFS LIEUTENANT                | 3.36               | 58,867                     |
| ADMN OFFICE PRO II                 | 3.57               | 62,546                     |
| SHERIFFS COMMANDER                 | 3.13               | 54,838                     |
| ADMN OFFICE PRO SR                 | 0.96               | 16,819                     |
| CHIEF DEPUTY SHERIFF               | 0.16               | 2,803                      |
| SHERIFF'S SERVICE TECH-LAW ENFORCE | 0.17               | 2,978                      |
| Indirect Rate @ 7.51%              | 0.02               | 350                        |
| Cost Inflation @ 3%                | 0.01               | 175                        |
| <i>Patrol Support S&amp;B</i>      | <i>31.88</i>       | <i>558,538</i>             |
| <i>Direct Patrol S&amp;S</i>       | <i>10.76</i>       | <i>188,515</i>             |
| <b>Total Patrol Cost</b>           | <b>148.09</b>      | <b>2,594,537</b>           |

**Law Enforcement Support Costs (includes S&B, Indirect, Inflation, and S&S Costs)**

|                             |              |                |
|-----------------------------|--------------|----------------|
| <i>Investigations</i>       |              |                |
| General Investigations      | 22.73        | 398,230        |
| SOD, Narcotics              | 4.10         | 71,832         |
| SOD, Intelligence           | 0.86         | 15,067         |
| Gang Team                   | 0.34         | 5,957          |
| SOD, High Tech Crime Unit   | 1.68         | 29,434         |
| <i>Total Investigations</i> | <i>29.71</i> | <i>520,519</i> |

|                                      |              |                |
|--------------------------------------|--------------|----------------|
| Information Services Bureau          | 6.40         | 112,128        |
| Forensics                            | 5.08         | 89,002         |
| Property & Evidence                  | 2.41         | 42,223         |
| Crime Analysis Unit                  | 0.77         | 13,490         |
| Cal ID Program                       | 0.06         | 1,051          |
| <b>Total Law Enforcement Support</b> | <b>44.43</b> | <b>778,414</b> |

#### Hourly Contract Rate

|                       |                  |
|-----------------------|------------------|
| Menu Items            | 279,354          |
| Dispatch              | 201,031          |
| DSU Admin             | 31,473           |
| <b>Total Contract</b> | <b>3,884,808</b> |

#### Carpinteria - Menu Items Detail FY 19-20

| Position                             | Reimbursable Cost |
|--------------------------------------|-------------------|
| Non-Relief Community Resource Deputy | 184,475           |
| Indirect Costs                       | 13,854            |
| <b>Total S&amp;B</b>                 | <b>198,329</b>    |
| <b>Patrol Support</b>                |                   |
| ADMN OFFICE PRO II                   | 6,949             |
| ADMN OFFICE PRO SR                   | 1,873             |
| CHIEF DEPUTY SHERIFF                 | 314               |
| CRIME SCENE TECHNICIAN I             | 9                 |
| EXTRA HELP SPECIAL                   | 5                 |
| SHERIFFS COMMANDER                   | 6,102             |
| SHERIFFS LIEUTENANT                  | 6,558             |
| SHERIFFS SERGEANT                    | 39,943            |
| SHERIFF'S SERVICE TECH-LAW ENFORCE   | 338               |
| Services and Supplies                | 18,934            |
|                                      | <b>81,025</b>     |
| <b>Total Costs</b>                   | <b>279,354</b>    |

## ATTACHMENT B

Amended Exhibit E-4  
Annual Cost Computation Fiscal Year 2022-23

**Carpinteria**

**DSU Summary - Contract Cost** **Hours Purchased** 17,520

| <b>Patrol Costs</b>                  | <b>Hourly Rate</b> | <b>Total Contract Cost</b> |
|--------------------------------------|--------------------|----------------------------|
| <i>Deputy Costs</i>                  |                    |                            |
| Deputy S&B Cost                      | 102.90             | 1,802,808                  |
| Indirect Rate @ 9.5%                 | 9.78               | 171,346                    |
| True-Up Cost                         | -                  | -                          |
| Cost Inflation @ 0%                  | -                  | -                          |
| <i>Deputy S&amp;B Cost</i>           | <i>112.68</i>      | <i>1,974,154</i>           |
| <i>Patrol Support</i>                |                    |                            |
| ADMN OFFICE PRO I                    | 0.11               | 1,927                      |
| ADMN OFFICE PRO II                   | 4.28               | 74,986                     |
| ADMN OFFICE PRO SR                   | 1.88               | 32,938                     |
| EXTRA HELP                           | 0.02               | 350                        |
| SHERIFFS COMMANDER                   | 3.29               | 57,641                     |
| SHERIFFS LIEUTENANT                  | 7.06               | 123,691                    |
| SHERIFFS SERGEANT                    | 24.79              | 434,321                    |
| SHERIFF'S SERVICE TECHNICIAN         | 1.74               | 30,485                     |
| Indirect Rate @ 9.5%                 | 4.10               | 71,832                     |
| True-Up Cost                         | -                  | -                          |
| Cost Inflation @ 0%                  | -                  | -                          |
| <i>Patrol Support S&amp;B</i>        | <i>47.27</i>       | <i>828,170</i>             |
| <i>Direct Patrol S&amp;S</i>         | <i>15.86</i>       | <i>277,867</i>             |
| <i>Direct Patrol S&amp;S True-up</i> | <i>-</i>           | <i>-</i>                   |
| <b>Total Patrol Cost</b>             | <b>175.81</b>      | <b>3,080,191</b>           |

**Law Enforcement Support Costs (includes S&B, Indirect, and S&S Costs)**

|                                         |               |                  |
|-----------------------------------------|---------------|------------------|
| <i>Investigations</i>                   |               |                  |
| General Investigations                  | 29.26         | 512,635          |
| SOD, Narcotics                          | 4.28          | 74,986           |
| SOD, Intelligence                       | 2.14          | 37,493           |
| SOD, High Tech Crime Unit               | 2.13          | 37,318           |
| <i>Total Investigations</i>             | <i>37.81</i>  | <i>662,431</i>   |
| Forensics                               | 6.35          | 111,252          |
| Crime Analysis Unit                     | 1.16          | 20,323           |
| Property & Evidence                     | 3.01          | 52,735           |
| True-Up Cost                            | -             | -                |
| <b>Total Law Enforcement Support</b>    | <b>48.33</b>  | <b>846,742</b>   |
| <b>Hourly Contract Rate</b>             | <b>224.14</b> | <b>3,926,933</b> |
| Menu Items                              |               | 311,293          |
| Dispatch                                |               | 208,680          |
| DSU Admin                               |               | 35,699           |
| <b>Total Contract FY 20-21 Actuals</b>  |               | <b>4,482,604</b> |
| Inflation - 2 years @                   | 3.0%          | 272,991          |
| Applied True-up for FY 2020-2021        |               | 522,382          |
| <b>Total Contract FY 22-23 Estimate</b> |               | <b>5,277,977</b> |

## Carpinteria - Menu Items Detail FY 20-21 (actuals)

| Position                             | Reimbursable Cost | Basis Hours  | Full Cost      | Unreimbursable Cost |
|--------------------------------------|-------------------|--------------|----------------|---------------------|
| NON-RELIEF COMMUNITY RESOURCE DEPUTY | 203,772           | 1,824        | 203,772        | -                   |
| <b>Total S&amp;B</b>                 | <b>203,772</b>    | <b>1,824</b> | <b>203,772</b> | -                   |
| <b>Patrol Support</b>                |                   |              |                |                     |
| ADMN OFFICE PRO I                    | 213.31            |              |                |                     |
| ADMN OFFICE PRO II                   | 7,973.00          |              |                |                     |
| ADMN OFFICE PRO II - EXH             | 0.82              |              |                |                     |
| ADMN OFFICE PRO SR                   | 3,497.78          |              |                |                     |
| EXTRA HELP                           | 38.72             |              |                |                     |
| SHERIFFS COMMANDER                   | 6,143.19          |              |                |                     |
| SHERIFFS LIEUTENANT                  | 13,169.23         |              |                |                     |
| SHERIFFS SERGEANT                    | 46,220.50         |              |                |                     |
| SHERIFF'S SERVICE TECHNICIAN         | 3,252.27          |              |                |                     |
| S&S Cost                             | 27,011            |              |                |                     |
| <b>Total Patrol Support</b>          | <b>107,520</b>    |              |                |                     |
| Total Menu Costs                     | <b>311,293</b>    | <b>1,824</b> |                | -                   |



# City of Carpinteria

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## COUNCIL AGENDA STAFF REPORT January 24, 2022

### **ITEM FOR COUNCIL CONSIDERATION**

Authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. for consulting project management services for the Carpinteria Avenue Bridge Replacement Project.

### **STAFF RECOMMENDATION**

Authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. for consulting project management services for the Carpinteria Avenue Bridge Replacement Project in a not-to-exceed amount of \$21,360, thereby extending the term and increasing the maximum Agreement amount to \$156,060.

Sample Motion: I move to authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. for consulting project management services for the Carpinteria Avenue Bridge Replacement Project in a not-to-exceed amount of \$21,360, thereby extending the term and increasing the maximum Agreement amount to \$156,060.  
*(Requires a roll call vote.)*

### **BACKGROUND**

In 2010, the City secured federal-aid funding from the Highway Bridge Program (HBP) for the replacement of the Carpinteria Avenue bridge<sup>1</sup>. The HBP is a reimbursement funding program in which 88.53-percent of participating costs are paid for with federal-aid funds and the remaining 11.47-percent is paid for by the local agency (i.e. City).

On December 5, 2011, the City Council authorized entering into an Agreement with COM3 Consulting, Inc. in the amount of \$26,200 for consulting project management services,

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<sup>1</sup> The current Carpinteria Avenue Bridge was built in 1937. In accordance with federal regulations, the California Department of Transportation (Caltrans) conducts inspections for the Carpinteria Avenue Bridge. Caltrans is responsible for inspecting over 12,000 State Highway bridges and approximately 12,200 bridges owned by local agencies. The Carpinteria Avenue Bridge is one of seven vehicular bridges maintained by the City. According to a bridge inspection report prepared by Caltrans in 2012, it is structurally deficient and hydraulically insufficient because it would not allow the 100-year flood, as currently defined, to pass under it.

which included preparing the HBP application materials required for reimbursement under the program.

The purpose of this agenda matter is to authorize the City Manager to execute Amendment No. 7 to the Agreement with COM3 Consulting, Inc. to continue the consulting project management services for the Carpinteria Avenue Bridge Replacement Project in a not-to-exceed amount of \$21,360, thereby extending the term and increasing the maximum Agreement amount to \$156,060.

## **DISCUSSION**

Since entering into the original contract in 2011, six amendments were authorized to COM3 Consulting, Inc. for a current total amount of \$134,700. These amendments served to expand the scope of work due to the City's interest in continuing work on the Project, especially during 2018 when the Public Works Department experienced key staff vacancies. COM3 Consulting, Inc. was hired for staff augmentation services to temporarily perform as Acting Public Works Director/City Engineer, in part, to avoid delays in the Project's right-of-way condemnation proceedings and utility agreement negotiations. For the last amendment (i.e. Amendment No. 6), the scope of work again expanded for the Project to include preparation of the Right of Way Certification in order to complete the ROW phase. The ROW phase is now complete including Caltrans' approval of the Right of Way Certification. The PE phase is also complete.

The next milestone is the CON Phase which includes the relocation of utility facilities as the first order of work. In order to receive authorization to proceed with the relocation of utility facilities, more federal-aid paperwork is required which is similar to the processes of all other paperwork for the PE and ROW phases. COM3 Consulting, Inc. possesses the institutional knowledge of the Project and is best suited to provide continuity in order to deliver the Project to the CON phase of relocating the utility facilities. The scope of work by COM3 Consulting, Inc. for Amendment No. 7 is shown in Attachment A. Amendment No. 7 also provides for extending the Agreement term to December 31, 2022.

## **POLICY CONSISTENCY**

The Project is included in the City's Capital Improvement Program/Development Impact Fee Program and is consistent with following goals and policy statements in the Circulation Element of the General Plan and Local Coastal Plan:

- The City shall strive to improve vehicular and pedestrian over crossings of the freeway and the various creeks while respecting their habitat value and sensitivity. (C-1b).
- Support the preservation of creeks and their corridors as open space, and maintain and restore riparian habitat to protect the community's water quality, wildlife diversity, aesthetic values, and recreation opportunities (OSC-6a).
- Protect and restore degraded creeks on City-owned land where protection and restoration does not interfere with good flood control practices (OSC-6b).

The purpose of the Circulation Element is to designate an efficient system of streets and highways that will provide adequate linkages between land uses. The Circulation Element complements the Land Use Element by contributing to the achievement of the economic, physical, and social goals of the community. Circulation and infrastructure needs are typically granted high priority in municipal capital budgets.

The Project has also previously been found to be consistent with the City's Creeks Preservation Program, including Policy 2.10 and Implementation Measure 2.10.2, which promote the aquatic and riparian habitats of Carpinteria Creek for restoration through both public and private efforts.

### **FINANCIAL CONSIDERATIONS**

Approval of the Amendment No. 7 would increase the Agreement amount by \$21,360, thereby increasing the maximum Agreement amount to \$156,060. Development Impact Fee funds would be used for the additional services and the requisite adjustment included in the Mid-Year Budget review/amendment. As a reminder, this consulting services expense is not eligible for HBP funds because it was procured prior to the HBP funds being obligated to the City. Pursuant to the HBP rules, procurements or expenses made prior to obligation of HBP funds are not eligible for federal-aid reimbursement.

Due to limited HBP funding availability FHWA previously pushed out the HBP funds for the construction phase of the Project to 2024. Staff will be requesting for funding in order to start the utility relocation work next year. HBP funding is under increased demands nationwide; however, the new federal Infrastructure Investment and Jobs Act (IIJA) is anticipated to provide additional funds for the HBP. No details of the IIJA are yet shared from SBCAG or Caltrans that would allow the City to understand whether it could result in an accelerated schedule for the Project.

### **LEGAL AND RISK MANAGEMENT CONSIDERATIONS**

There are no legal or risk management considerations presented with this report.

### **OPTIONS**

1. Approve Amendment No. 7 to the COM3 contract. (Staff recommendation)
2. The City Council could choose not to authorize Amendment No. 7 to the Agreement with COM3 Consulting and provide further direction to staff.

### **PRINCIPAL PARTIES EXPECTED AT MEETING**

None.

## **ATTACHMENTS**

Attachment A: Amendment No. 7 to Agreement with COM3 Consulting, Inc.

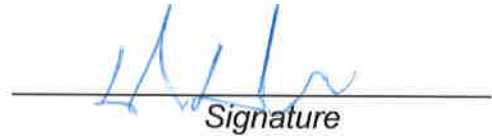
Staff contact:

John L. Ilasin, Public Works Director  
(805) 880-3402; [johnd@ci.carpinteria.ca.us](mailto:johnd@ci.carpinteria.ca.us)



Signature

Reviewed by:  
Dave Durflinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)



Signature

**ATTACHMENT A**

**Amendment No. 7 to Agreement with COM3 Consulting, Inc.**

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**CITY OF CARPINTERIA  
SEVENTH AMENDMENT TO AGREEMENT FOR CONSULTANT SERVICES**

This Seventh Amendment for additional consultant services for project management assistance in the Preliminary Engineering and Right-of-Way Phases of the Carpinteria Avenue Bridge Project, for an amount not to exceed \$21,360.00, is made and effective as of the 14th day of January, 2022 between the City of Carpinteria, a municipal corporation ("City") and COM3 Consulting ("Consultant"). This Amendment is made a part of the original Agreement for Consultant Services for the amount of \$26,200, dated December 5, 2011. The amended total of the Agreement is \$156,060.00. This amendment also extends the term of the original Agreement to December 31, 2022.

Consultant services for project management of the Preliminary Engineering Phase of the Carpinteria Avenue Bridge Project include items as noted in the Scope of Work (Attachment A-7), at the negotiated contract fee as stated in the Payments and Rate Schedule (Attachment B-7); and said attachments are made a part of this Amendment.

**Authority to Execute this Amendment**

The person or persons executing this Amendment on behalf of Consultant warrants and represents that he/she has the authority to execute this Amendment on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

The City Council, on this 24<sup>th</sup> day of January, 2022, approves this Amendment and authorizes the Mayor to execute this Amendment.

**IN WITNESS WHEREOF**, the parties have executed this Agreement at the place and as of the date first written above.

**"CITY"**  
**City of Carpinteria**

By: \_\_\_\_\_  
Wade T. Nomura, Mayor

ATTEST:  
City of Carpinteria

By: \_\_\_\_\_  
Brian C. Barrett, Acting City Clerk

APPROVED AS TO FORM:  
City of Carpinteria

By: \_\_\_\_\_  
Jena Shoaf Acos, on behalf of Brownstein  
Hyatt Farber Schreck, LLP acting as  
City Attorney of the City of Carpinteria

**"CONSULTANT"**  
**COM3 Consulting**

By:  \_\_\_\_\_  
Gerald Comati, President

ATTACHMENT A-7



1943 Grand Avenue  
Santa Barbara, CA 93103  
T: 805 962-0488  
F: 805 962-5209  
E: gerald@com3consulting.com

October 22, 2021

Mr. John Ilasin P.E.  
Public Works Director  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

Subject: Carpinteria Avenue Bridge Project – Project Management Services

Dear Mr. Ilasin:

Attached please find the scope and cost proposal for Amendment No.7 to the current COM3 Consulting project management assistance contract for the Carpinteria Avenue Bridge Project.

The scope for Amendment No.7 is for continued management assistance services related to the completion of PS&E and the bid package, securing CON RFA, continued coordination with Caltrans and continued utility coordination.

If you have any questions, please contact me at 805-895-0255 or by email at gerald@com3consulting.com. Thank You.

Sincerely,

A handwritten signature in dark ink, appearing to read "Gerald Comati", with a stylized flourish at the end.

Gerald Comati, P.E.  
President  
COM3 Consulting Inc.

Mr. John Ilasin P.E.  
October 22, 2021  
Carpinteria Avenue Bridge Project

**ATTACHMENT A-7 – SCOPE OF WORK  
AMENDMENT No.7.**

---

**Introduction**

The City of Carpinteria has secured Highway Bridge Program (HBP) funding for work on the Carpinteria Avenue Bridge and has secured the services of COM3 Consulting to assist in the management of this important project. COM3 Consulting is please to propose the following scope of work:

**Amendment No.7 Scope:**

**PE, Utilities and Construction Phases:**

1. Ongoing coordination with Caltrans Local Assistance programming HBP Funding, RFA for CON, Advertising and Award
2. Ongoing project coordination with City Staff.
3. Preparation of Exhibit 6D for additional R/W Funds and RFA to proceed with utility relocations.
4. Ongoing coordination with Dewberry Engineering re/ completion of Bid Package.
5. Secure/review of proposal from Dewberry for Design Support During Construction.
6. Coordination with Caltrans, resource agencies and consultants re/ NEPA Revalidation.
7. Coordination with City re/ selection of CM Consultant.
8. Ongoing coordination with Utility Companies re/ pre-construction relocations.
9. Assist City with Bidding process, bid opening and award.
10. Assist City with pre-construction tree removal requirements.
11. Ensure HBP compliance.

ATTACHMENT B-7

**ATTACHMENT B-7- COST  
AMENDMENT No.7**

Mr. John Ilasin P.E.  
Public Works Director  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

com3 consulting

October 22, 2021

**Payments Rates and Budget**

**Project: Carpinteria Avenue Bridge Project**

| Labor:      |                                                                                  |                  | Hr<br>Rate | Tot<br>al<br>Hrs | Labor Cost                      |        |                       |        |                       |        |                          |        |                          |        |                          |        |                          |        |                          |          |         |
|-------------|----------------------------------------------------------------------------------|------------------|------------|------------------|---------------------------------|--------|-----------------------|--------|-----------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|----------|---------|
| Task        |                                                                                  | Name             |            |                  | Original<br>contract<br>11/2011 |        | Amend No.1<br>09/2012 |        | Amend No.2<br>10/2014 |        | Amend<br>No.3<br>03/2017 |        | Amend<br>No.4<br>02/2018 |        | Amend<br>No.5<br>08/2019 |        | Amend<br>No.6<br>01/2021 |        | Amend<br>No.7<br>10/2021 |          | Total   |
|             |                                                                                  |                  |            |                  | \$/hr                           | hrs    | hrs                   | \$     | hrs                   | \$     | hrs                      | \$     | hrs                      | \$     | hrs                      | \$     | hrs                      | \$     | hrs                      | \$       | \$      |
| A           | Project<br>Verification/Initial<br>Project<br>Development<br>Activities          | Gerald<br>Comati | 160        | 80               | 80                              | 12,800 |                       |        |                       |        |                          |        |                          |        |                          |        |                          |        |                          | \$12,800 |         |
| B           | Consultant Team<br>Selection                                                     | Gerald<br>Comati | 160        | 80               | 80                              | 12,800 |                       |        |                       |        |                          |        |                          |        |                          |        |                          |        |                          | \$12,800 |         |
| C           | PE Phase, Project<br>Management<br>Assistance                                    | Gerald<br>Comati | 165        | 300              |                                 |        | 150                   | 24,750 | 150                   | 24,750 |                          |        |                          |        |                          |        |                          |        |                          | \$49,500 |         |
| D           | PE + RW Phases<br>PM Assistance +<br>Oversight of RW<br>Certification            | Gerald<br>Comati | 170        | 160              |                                 |        |                       |        |                       | 60     | 10,200                   | 100    | 17,000                   |        |                          |        |                          |        |                          | \$27,200 |         |
| E           | PE + RW +<br>Bidding<br>Assistance                                               | Gerald<br>Comati | 175        | 180              |                                 |        |                       |        |                       |        |                          |        |                          | 120    | 21,000                   | 60     | 10,500                   |        |                          | \$31,500 |         |
| F           | Secure CON<br>Funding + Final<br>Bid Package +<br>Bid Assistance +<br>Util Coord | Gerald<br>Comati | 178        | 120              |                                 |        |                       |        |                       |        |                          |        |                          |        |                          |        |                          | 120    | 21,360                   | \$21,360 |         |
| Total Labor |                                                                                  |                  |            | 620              | 160                             | 25,600 | 150                   | 24,750 | 150                   | 24,750 | 60                       | 10,200 | 100                      | 17,000 | 120                      | 21,000 | 60                       | 10,500 | 120                      | 21,360   | 155,160 |

**Expenses:**

| Description             |                                      | Original<br>contract | Amend No.1 | Amend No.2 | Amend<br>No.3 | Amend<br>No.4 | Amend<br>No.5 | Amend<br>No.6 | Amend<br>No.7 | Total |
|-------------------------|--------------------------------------|----------------------|------------|------------|---------------|---------------|---------------|---------------|---------------|-------|
| 1.                      | Reproduction cost for all copying    | \$200                | \$0        | \$0        | \$0           | \$0           | \$0           | \$0           | \$0           | \$200 |
| 2.                      | Travel Car mileage @ 0.5 \$/mile     | \$200                | \$0        | \$0        | \$0           | \$0           | \$0           | \$0           | \$0           | \$200 |
| 3.                      | Miscellaneous miscellaneous expenses | \$200                | \$0        | \$0        | \$0           | \$0           | \$300         | \$0           | \$0           | \$500 |
| <b>Total - Expenses</b> |                                      | \$600                | \$0        | \$0        | \$0           | \$0           | \$300         | \$0           | \$0           | \$900 |

|                              |                 |                 |                 |                 |                 |                 |                 |                 |                  |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| <b>Total Contract Budget</b> | <b>\$26,200</b> | <b>\$24,750</b> | <b>\$24,750</b> | <b>\$10,200</b> | <b>\$17,000</b> | <b>\$21,300</b> | <b>\$10,500</b> | <b>\$21,360</b> | <b>\$156,060</b> |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|

**Current Consultant Payment Rates**

| Name          | \$/Hr | Title     |
|---------------|-------|-----------|
| Gerald Comati | 178   | Principal |



# City of Carpinteria

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## COUNCIL AGENDA STAFF REPORT January 24, 2022

### **ITEM FOR COUNCIL CONSIDERATION**

Resolution No. 6097, approving applications for the Land and Water Conservation Fund (LWCF) to the California Department of Parks and Recreation Office of Grants and Local Services.

### **STAFF RECOMMENDATION**

Action Item   X  ; Non-Action Item       

Adopt Resolution No. 6097, approving applications for the Land and Water Conservation Fund.

Sample Motion: I move to Adopt Resolution No. 6097, as read by title only.

(Roll Call Vote required)

### **BACKGROUND**

On February 14, 1963, President Kennedy's Administration proposed legislation to establish a "Land and Water Conservation Fund" to assist States in planning, acquisition, and development of recreation lands. With bipartisan support, President Johnson signed it into law on September 3, 1964, as Public Law 88- 578, 16 U.S.C.460/-4.

The National Park Service (NPS) administers the LWCF program at the federal level. Previously, the federal Bureau of Outdoor Recreation administered the LWCF program from 1964 to 1978 and the Heritage Conservation & Recreation Service administered it from 1978 to 1981. Funds allocated to California are administered by the Department under the provisions of the California Outdoor Recreation Resources Plan Act of 1967, (Public Resources Code §5099 et seq.). Outer Continental Shelf mineral receipts, sales of federal surplus real property, federal recreation fees, and federal motorboat fuel taxes all serve as funding sources for the LWCF.

When an LWCF Project is completed, the land within the approved 6(f)(3) boundary map is placed under federal protection to preserve the public's outdoor recreational use of the site in perpetuity for the benefit of our nation's future generations.

This park protection legacy is based on the provision of Section 6(f)(3) of the LWCF Act. Thousands of parks throughout California will remain as perpetual monuments to the foresight of President Kennedy's Administration and the American people.

Under the Land and Water Conservation Fund, funds are available for acquisition projects, and development projects. LWCF funds are intended to increase outdoor recreational opportunities for the health and wellness of Californians. Examples include open space and natural areas, picnic areas, and recreational trails. The maximum Grant request amount is \$6,000,000. Projects require a matching of funds.

### Eligible Projects

LWCF funds are intended to increase outdoor recreational opportunities for the health and wellness of Californians. Eligible projects include new parks created within a half mile of underserved communities.

Eligible projects include:

| RECREATION FEATURE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | MAJOR SUPPORT AMENITY                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• athletic fields (soccer regulation or "futbol rapido", baseball, softball, football, etc.)</li><li>• athletic courts (basketball, tennis, "futsal" etc.)</li><li>• community gardens</li><li>• dog parks</li><li>• open space and natural areas</li><li>• outdoor gyms (aerobic or strength building equipment)</li><li>• outdoor performing arts venues</li><li>• picnic areas</li><li>• play grounds and tot lots</li><li>• recreational trails</li><li>• skate parks and BMX or pump tracks</li><li>• tracks, jogging loops, and par courses</li><li>• outdoor swimming pools and aquatic features</li></ul> | <ul style="list-style-type: none"><li>• Restroom buildings and parking lots</li><li>• Additions that enhance the use and appearance of the PARK including landscaping, public art, and safe public use features such as lighting.</li></ul> |

### Match Requirement

- Match is no less than 50% of the total project cost.
- The proposed project, La Concha Park, is expect to cost \$700,000; therefore, match amount would be \$350,000.
- The full grant amount is reimbursed when the grantee has shown eligible costs paid for by both the LWCF grant amount and the match (total project cost).

In order to apply for the funding, the City of Carpinteria must pass a resolution specified in the Procedure Manual of the grant program.

## **DISCUSSION**

In order to receive funds under Land and Water Conservation Fund, the adoption of Resolution No. 6097 is required.

The Resolution includes provisions requiring the City to further expand efforts in promoting diversity and inclusion in our public park system.

The Land and Water Conservation Fund is a standing grant program that is funded when funds are available, usually when a Statewide Parks Bond Proposition is approved by the voters. This allocation come from Proposition 68 passed in 2018.

Staff believes that the La Concha Park project is eligible for this grant because of its location to an underserved community. The park would include play grounds, outdoor street games, picnic tables, and gardens.

We expect the project's preliminary estimate cost to establish the park is \$700,000, of which \$350,000 would be the responsibility of the City if LWCF funding is provided.

## **POLICY CONSISTENCY**

The City's General Plan and Local Coastal Plan supports providing adequate parks and recreation facilities to meet the needs of the Community.

### **Open Space, Recreation & Conservation Element**

**Objective OSC-14.** *Provide for adequate park and recreation facilities to meet the needs of the community and visitors.*

**Implementation Measure 61.** *Support development of new or expanded park and recreation facilities as demand/need dictates. When latent demand for parks and recreation facilities is identified, adequate parkland and facilities shall be identified and pursued.*

## **FINANCIAL CONSIDERATIONS**

Adoption of the Resolution will allow the City of Carpinteria to apply for the Land and Water Conservancy Fund for parks and recreation with a maximum grant request amount to not exceed 50% of the total project cost. Preliminary estimates that \$350,000 will be the match requirement of the City of Carpinteria.

## **LEGAL AND RISK MANAGEMENT CONSIDERATIONS**

No legal analysis is presented as a part of this report.

## **OPTIONS**

1. Adopt the Resolution No. 6097 to allow for the application for Per Capita grants.

2. Do not adopt Resolution No. 6097 and do not apply for grant funds under this program.

**PRINCIPAL PARTIES EXPECTED AT MEETING**

None.

**ATTACHMENTS**

Resolution No. 6097

Staff contact: Matt Roberts, Parks & Facilities Director  
(805) 755-4449 [mattr@ci.carpinteria.ca.us](mailto:mattr@ci.carpinteria.ca.us)

  
\_\_\_\_\_  
Signature

Reviewed by: Dave Durflinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)

  
\_\_\_\_\_  
Signature

**RESOLUTION NUMBER: 6097**

**RESOLUTION OF THE CITY COUNCIL OF CITY OF CARPINTERIA APPROVING  
THE APPLICATION FOR LAND AND WATER CONSERVATION FUND**

**LA CONCHA PARK**

WHEREAS, the Congress under Public Law 88-578 has authorized the establishment of a federal Land and Water Conservation Fund Grant-In-Aid program, providing Matching funds to the State of California and its political subdivisions for acquiring lands and developing Facilities for public outdoor recreation purposes; and

WHEREAS, the California Department of Parks and Recreation is responsible for administration of the program in the State, setting up necessary rules and procedures governing APPLICATIONS by local agencies under the program; and

WHEREAS, the APPLICANT certifies by resolution the approval of the APPLICATION and the availability of eligible MATCHING funds prior to submission of the APPLICATION to the State; and

NOW, THEREFORE, BE IT RESOLVED that the City of Carpinteria hereby:

1. Approves the filing of an APPLICATION for Land and Water Conservation Fund assistance for the proposed La Concha Park
2. Agrees to abide by SECTION 6(f)(3) of Public Law 88-578 which states "No property acquired or developed with assistance under this section shall, without the approval of the National Secretary of the Interior, be converted to other than public outdoor recreation uses. The Secretary shall approve such conversion only if he finds it to be in accord with the then existing comprehensive statewide outdoor recreation plan and only upon such conditions as he deems necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location."
3. Certifies that said agency has MATCHING funds from eligible source(s) and can finance 100 percent of the Project, which up to half may be reimbursed; and
4. Appoints the City Manager as agent of the City of Carpinteria to conduct all negotiations and execute and submit all documents, including, but not limited to, APPLICATIONS, CONTRACTS, amendments, payment requests, and compliance with all applicable current state and federal laws which may be necessary for the completion of the aforementioned PROJECT.

**PASSED, APPROVED AND ADOPTED** on 24th day of January, 2022, by the following vote:

AYES: COUNCILMEMBER(S): \_\_\_\_\_  
NOES: COUNCILMEMBER(S): \_\_\_\_\_  
ABSENT: COUNCILMEMBER(S): \_\_\_\_\_  
ABSTAIN: COUNCILMEMBER(S): \_\_\_\_\_

\_\_\_\_\_  
Mayor, City of Carpinteria

ATTEST:

\_\_\_\_\_  
Acting City Clerk, City of Carpinteria

I, the undersigned, hereby certify that the foregoing Resolution Number 6097 was duly adopted by the City of Carpinteria following a roll call vote:

\_\_\_\_\_  
Acting City Clerk, City of Carpinteria

APPROVED AS TO FORM:

\_\_\_\_\_  
Jena Acos, on behalf of Brownstein  
Hyatt Farber Schreck, LLP acting as  
City Attorney of the City of Carpinteria



# City of Carpinteria

---

## **COUNCIL AGENDA STAFF REPORT January 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

City Council District Maps review, including presentation on three draft plans created by Redistricting Partners for Council review and feedback.

### **STAFF RECOMMENDATION**

Receive the staff presentation, open the public hearing and receive public comment, close the public hearing, deliberate and provide direction to staff and consultant as determined appropriate, and schedule the next meeting.

Sample Motion: I move to receive and file the presentation and public comments received to date.

### **BACKGROUND**

This is the third of five public meetings required as a part of the City's process for drawing City Council district maps, which will culminate with the scheduled adoption of the Council Districts Map by the City Council in March 2022. The purpose of this third meeting is to review draft maps produced by the City's consultant in response to testimony provided by members of the public to date concerning Communities of Interest, etc., maps submitted by the public, and parameters for map drawing included in the California Voters Rights Act. Pursuant the City's schedule for drawing and adopting district maps for the November 2022 municipal election, this matter will also be considered at regular City Council meetings in February and March.

Information about the Carpinteria City Council Districting process can be accessed through the City website home page here: [www.carpinteriaca.gov](http://www.carpinteriaca.gov) or by contacting the City at (805) 684-5405.

### **Election Systems**

Most public agencies in California conduct elections for their governing board in one of two formats: at-large or district-based. In the at-large election system, the governing board members are elected by vote of the entire populace of the jurisdiction and each voter may cast one vote for each open seat. In the district-based system, the

jurisdiction is divided into separate districts and each voter may cast a vote only for a candidate seeking election to the seat that represents the district he or she resides within. Since its incorporation in 1965, the City of Carpinteria ("City") has utilized an at-large elections system for City Council elections. The five members of the City Council are elected to four-year, overlapping terms; elections are held every even-numbered year. The mayor and vice mayor are selected by their fellow Council members and customarily serve four-year terms.

### **The Notice of Violation**

On July 3, 2017, the City received a Notice of Violation of California Voting Rights Act (the "Notice") from attorney Robert Goodman on behalf of residents Jatzibe Sandoval and Frank Gonzalez ("Prospective Plaintiffs").

At the Council's July 31, 2017 meeting, the Council received a report on the California Voting Rights Act ("CVRA") and the Notice and heard public comment on potentially transitioning to district-based elections. A majority of those commenting spoke in favor of instituting a district-based election system. At its meeting of August 14, 2017, the City Council adopted Resolution No. 5743, declaring its intention to transition from at-large to district-based elections by November of 2022.

On August 14<sup>th</sup> of 2017 the City Council executed a Conditional Settlement Agreement and Release providing that per the adoption of Resolution No. 5743 the Prospective Plaintiffs should not bring suit against the City prior to Nov 9, 2022 for any cause of action related to the City's electoral system.

### **Mapping Process**

In April 2019, the City Council approved by resolution the formation of a District Elections Ad hoc Committee (Committee), on which Councilmembers Alarcon and Clark were assigned. The City subsequently entered into a consultant services agreement in October of 2019 with Redistricting Partners to assist the City with the process of drawing district boundaries. A primary purpose of the Committee's work included developing a plan to gain public input consistent with the CVRA on communities of interest and drawing a map. The Committee concluded its work on October 20, 2021.

To date, the City Council has held meetings on this matter on July 31, 2017; August 14, 2017; April 8, 2019; June 28, 2021; July 26, 2021; November 8, 2021; and December 13, 2021. District Mapping public workshops were held Monday, September 20th at 5:30; Wednesday, September 22 at noon; and Sunday September 26 at 2:00 p.m. The workshops were conducted to allow for both in person and remote testimony via the Zoom virtual meeting platform.

### **DISCUSSION**

The City's consultant has drafted three five-district plans for City Council and public review (Attachments A, B and C). The plans have been drafted based on traditional

districting criteria as established by the Fair Maps Act including that districts are of relatively equal size, contiguous, maintain “communities of interest”, follow city and census designated place boundaries and keep districts compact. These plans also incorporate COI testimony and other testimony received by the City and review of the maps submitted by members of the public.

City Council and the public can provide feedback on any of the plans and themes presented to guide further iteration of the draft plans. These plans have been published on the City website and an ad was placed in the Coastal View to announce that the plans are available to the public online.

The City has made two processes available, digital map drawing via a portal on the City’s District Mapping website and hardcopy maps mailed to each household. To date, 130 district maps have been submitted and 23 Communities of Interest Maps have been submitted. Following this hearing, amended plans are scheduled to be presented at the Plan selection hearing on February 28, 2022

### **POLICY CONSISTENCY**

This hearing is a part of the City Council district mapping process being followed in compliance with Federal and State Voting Rights Act during this transition to district-based council elections.

### **FINANCIAL CONSIDERATIONS**

Cost associated with this work includes a consultant service agreement, which is a part of projected expenses included in the adopted Fiscal Year 2021-22 budget.

### **LEGAL AND RISK MANAGEMENT CONSIDERATIONS**

The City Attorney’s Office is supporting the District Mapping process and will be available to answer questions concerning this matter.

### **ATTACHMENTS**

Attachment A: Carpinteria Draft Plan A, Prepared by Redistricting Partners including Draft Plan, 2020 Census Data, and Citizen Voting Age Population (CVAP)

Attachment B: Carpinteria Draft Plan B, Prepared by Redistricting Partners including Draft Plan, 2020 Census Data, and Citizen Voting Age Population (CVAP)

Attachment C: Carpinteria Draft Plan C, Prepared by Redistricting Partners including Draft Plan, 2020 Census Data, and Citizen Voting Age Population (CVAP)

Staff contact: Olivia Uribe Mutal, Program Manager  
805-755-4450, [OliviaU@ci.carpinteria.ca.us](mailto:OliviaU@ci.carpinteria.ca.us)

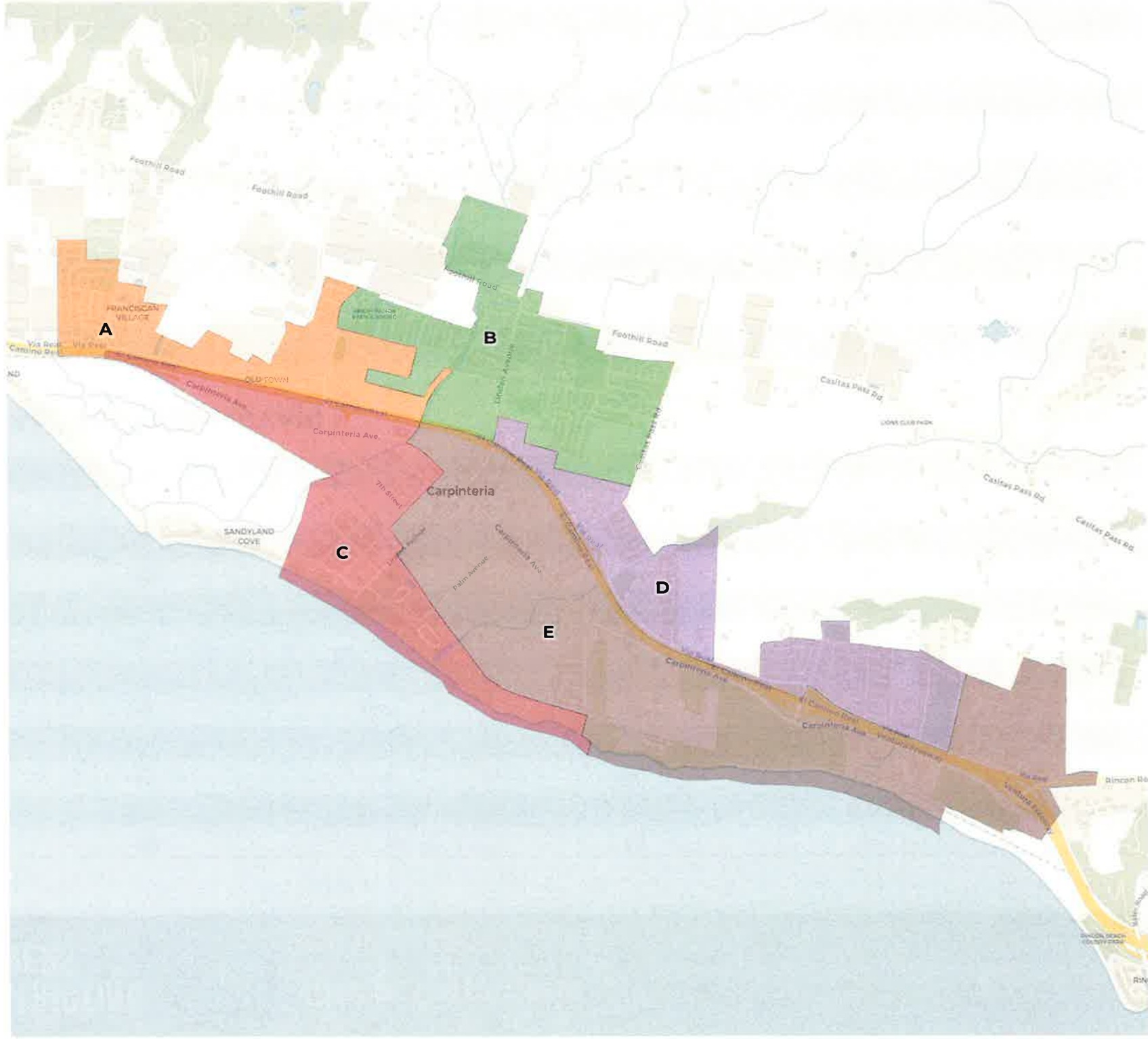
  
Signature

Reviewed by: Dave Durlinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)

  
Signature

## ATTACHMENT A

**City of Carpinteria**  
Draft Plan A



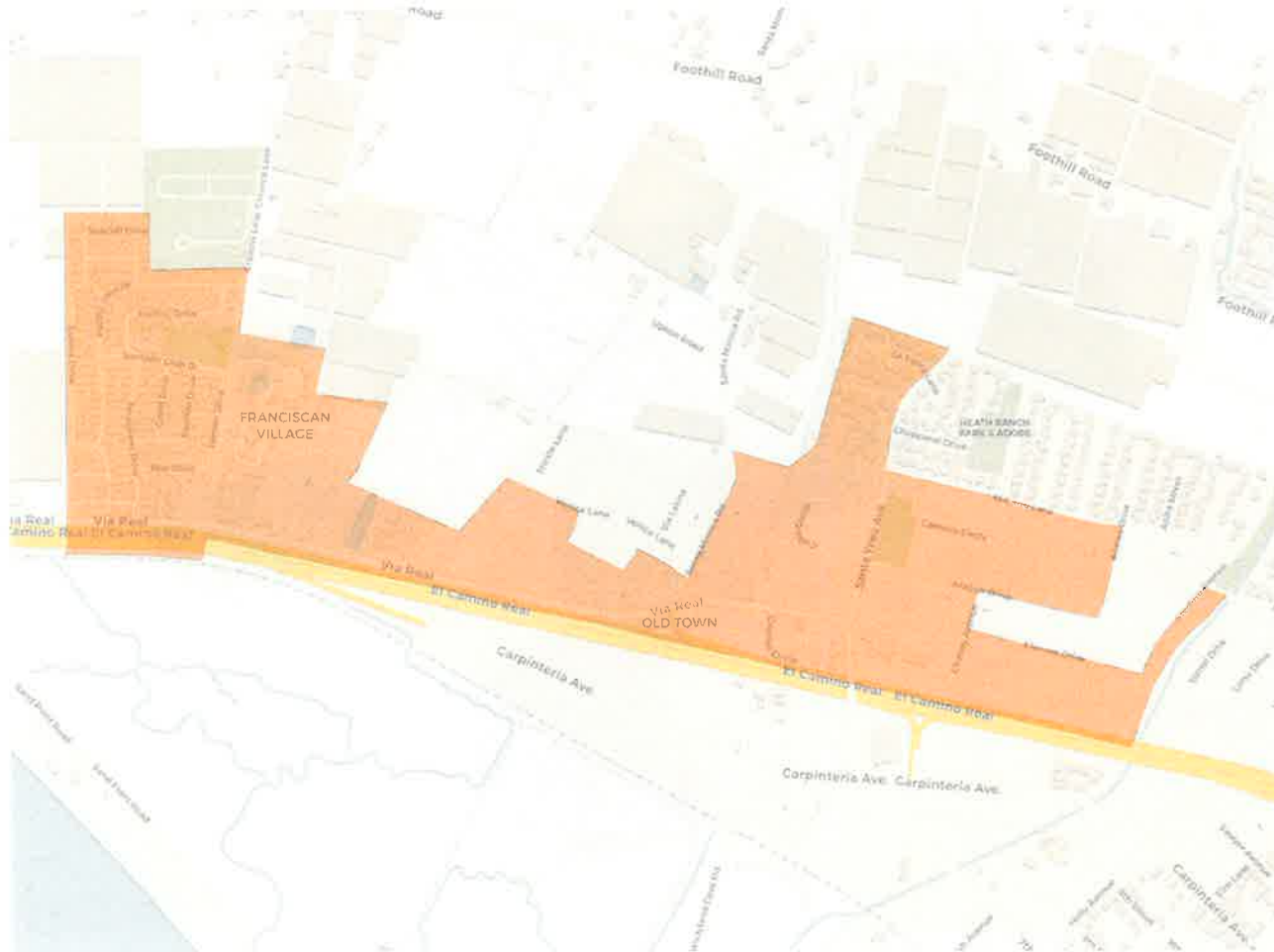
## 2020 Census

|             | A     | B     | C     | D     | E     |
|-------------|-------|-------|-------|-------|-------|
| Population  | 2,679 | 2,643 | 2,619 | 2,785 | 2,567 |
| Deviation   | 20    | -16   | -40   | 126   | -92   |
| Deviation % | 0.8%  | -0.6% | -1.5% | 4.7%  | -3.5% |
| Other       | 1,191 | 1,463 | 1,115 | 1,222 | 1,443 |
| Other %     | 44.5% | 55.4% | 42.6% | 43.9% | 56.2% |
| Latino      | 1,404 | 1,111 | 1,460 | 1,462 | 1,048 |
| Latino %    | 52.4% | 42.0% | 55.7% | 52.5% | 40.8% |
| Asian       | 65    | 59    | 29    | 85    | 61    |
| Asian %     | 2.4%  | 2.2%  | 1.1%  | 3.1%  | 2.4%  |
| Black       | 19    | 10    | 15    | 16    | 15    |
| Black %     | 0.7%  | 0.4%  | 0.6%  | 0.6%  | 0.6%  |

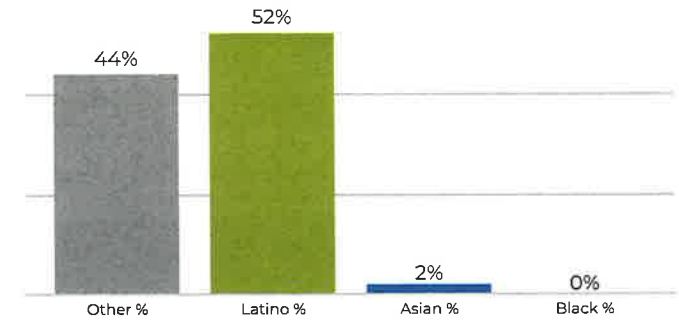
## Citizen Voting Age Population (CVAP)

|               | A     | B     | C     | D     | E     |
|---------------|-------|-------|-------|-------|-------|
| Total CVAP    | 1,792 | 1,868 | 1,514 | 1,674 | 1,935 |
| Other CVAP    | 1,101 | 1,402 | 993   | 1,022 | 1,482 |
| Other CVAP %  | 61.4% | 75.1% | 65.6% | 61.1% | 76.6% |
| Latino CVAP   | 671   | 379   | 517   | 543   | 427   |
| Latino CVAP % | 37.4% | 20.3% | 34.1% | 32.4% | 22.1% |
| Asian CVAP    | 14    | 87    | 4     | 81    | 12    |
| Asian CVAP %  | 0.8%  | 4.7%  | 0.3%  | 4.8%  | 0.6%  |
| Black CVAP    | 6     | 0     | 0     | 28    | 14    |
| Black CVAP %  | 0.3%  | 0.0%  | 0.0%  | 1.7%  | 0.7%  |

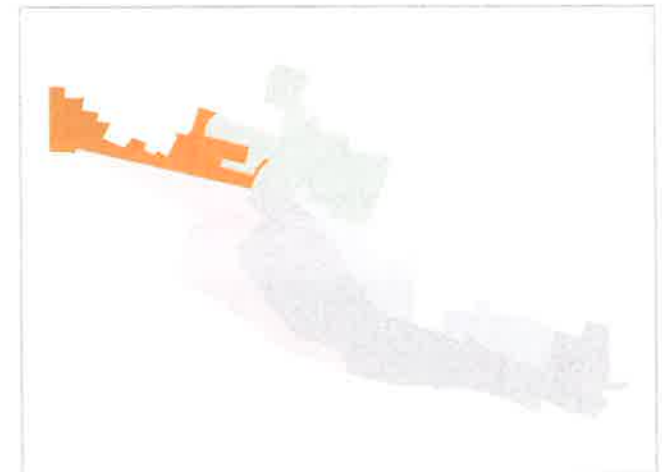
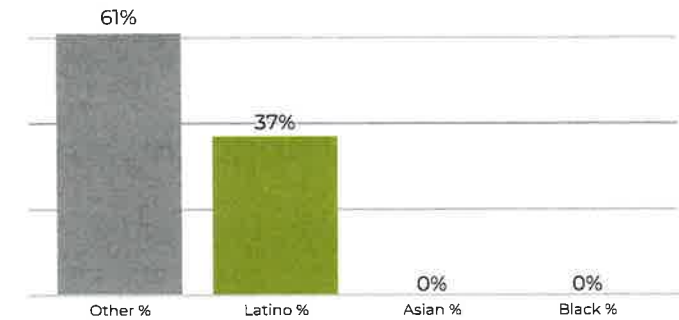
## District A



## 2020 Census



## Citizen Voting Age Population

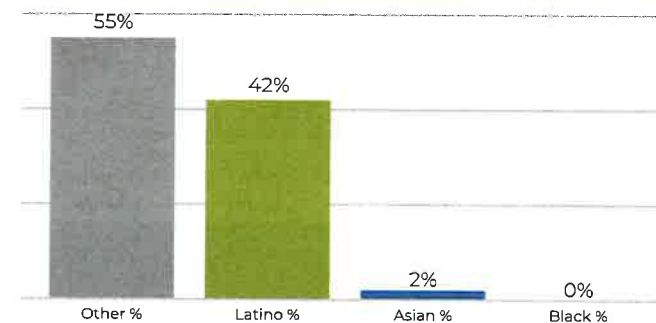


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,679      | 20         | 0.8%         | 1,191       | 44.5%         | 1,404      | 52.4%        | 65         | 2.4%         | 19    | 0.7%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,792      | 1,101      | 61.4%        | 671         | 37.4%         | 14         | 0.8%         | 6          | 0.3%         |       |         |

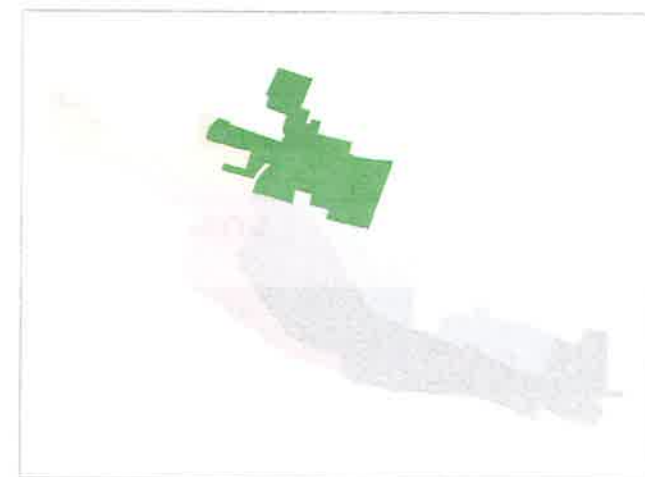
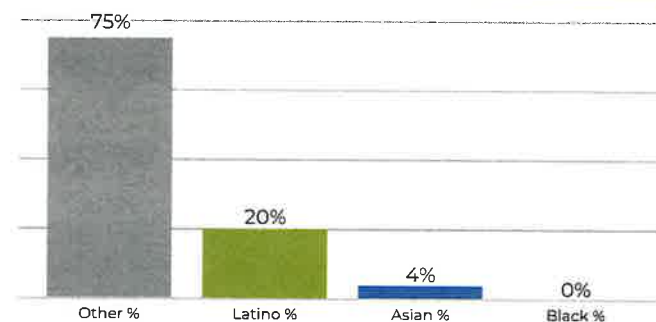
## District B



## 2020 Census

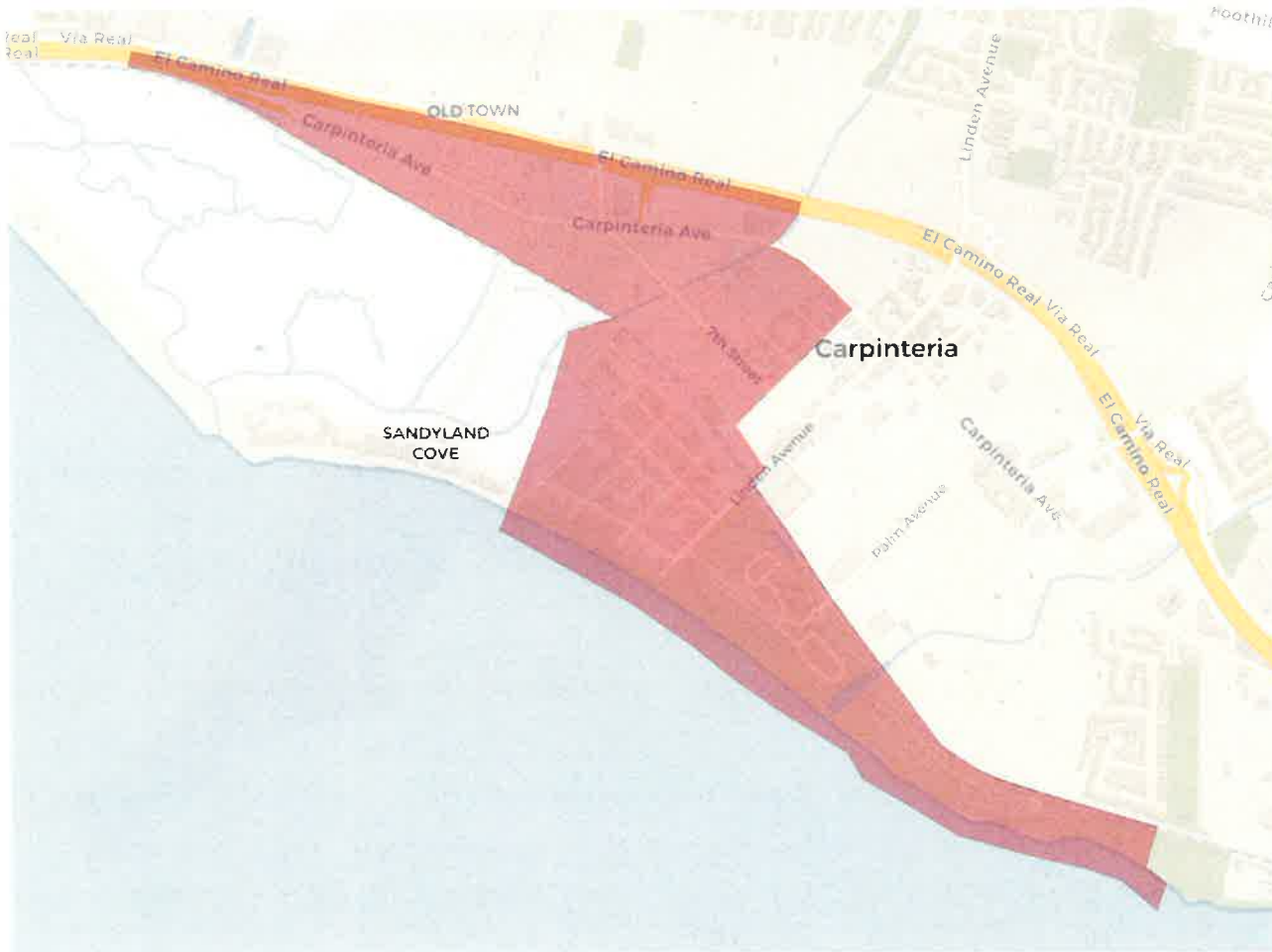


## Citizen Voting Age Population

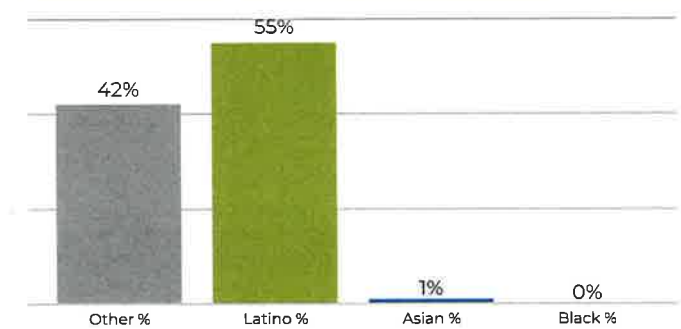


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,643      | -16        | -0.6%        | 1,463       | 55.4%         | 1,111      | 42.0%        | 59         | 2.2%         | 10    | 0.4%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,868      | 1,402      | 75.1%        | 379         | 20.3%         | 87         | 4.7%         | 0          | 0.0%         |       |         |

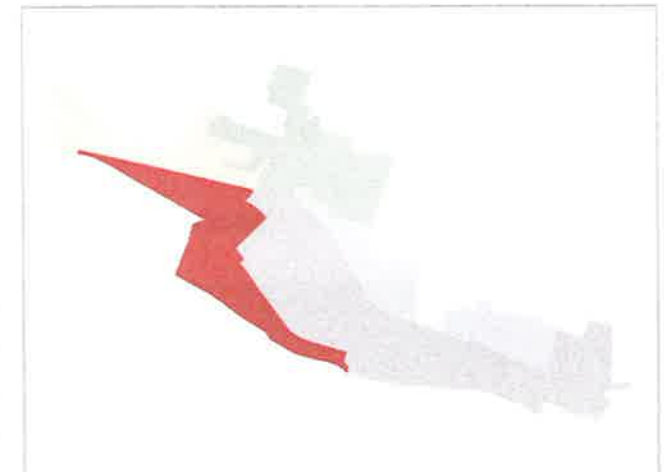
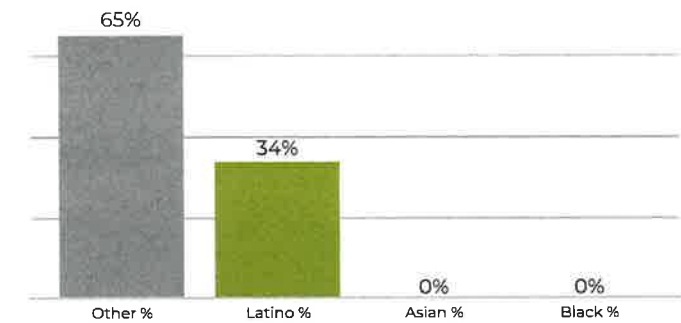
## District C



## 2020 Census

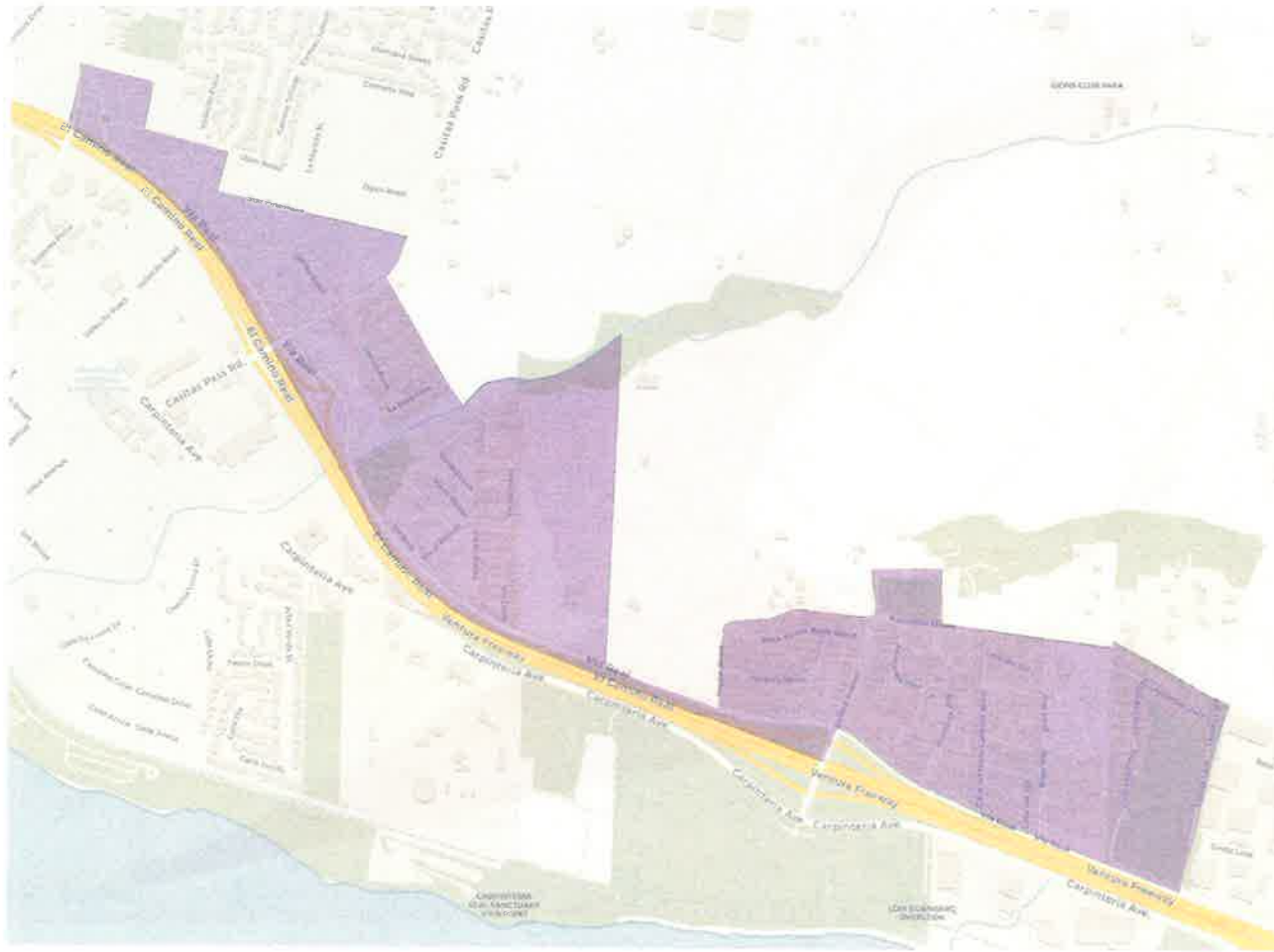


## Citizen Voting Age Population

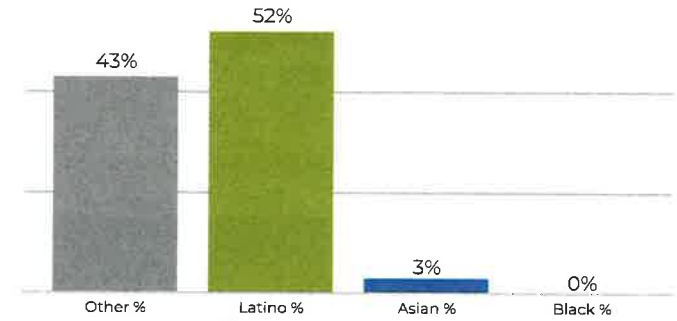


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,619      | -40        | -1.5%        | 1,115       | 42.6%         | 1,460      | 55.7%        | 29         | 1.1%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,514      | 993        | 65.6%        | 517         | 34.1%         | 4          | 0.3%         | 0          | 0.0%         |       |         |

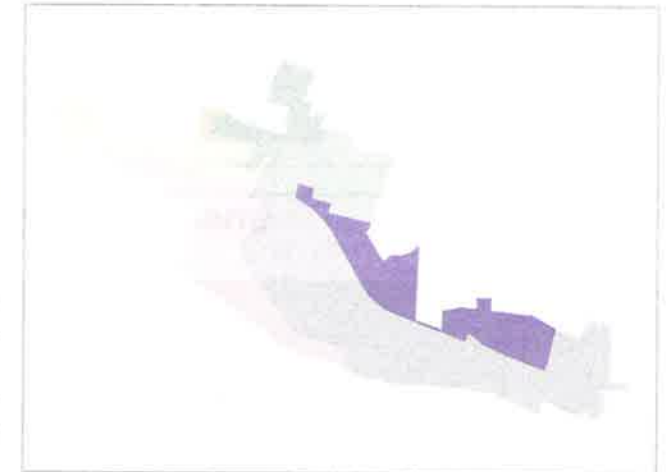
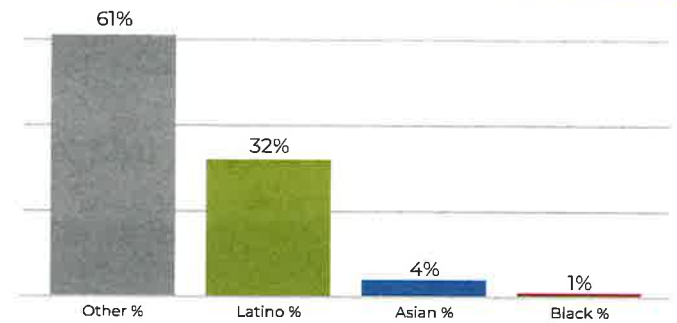
## District D



## 2020 Census



## Citizen Voting Age Population

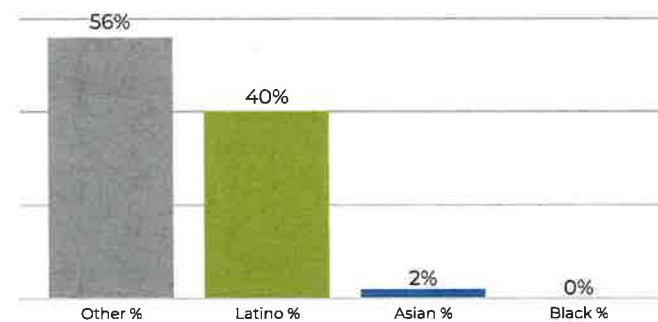


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,785      | 126        | 4.7%         | 1,222       | 43.9%         | 1,462      | 52.5%        | 85         | 3.1%         | 16    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,674      | 1,022      | 61.1%        | 543         | 32.4%         | 81         | 4.8%         | 28         | 1.7%         |       |         |

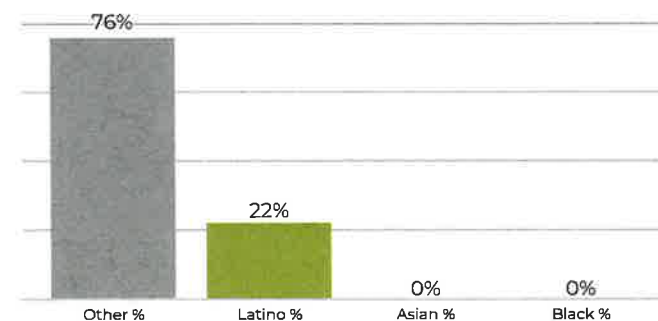
## District E



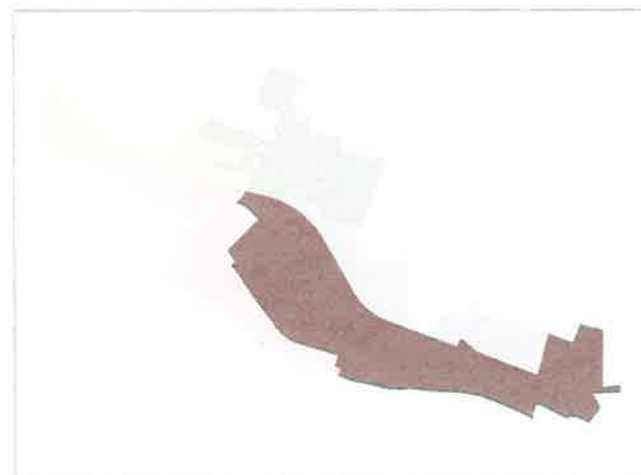
## 2020 Census



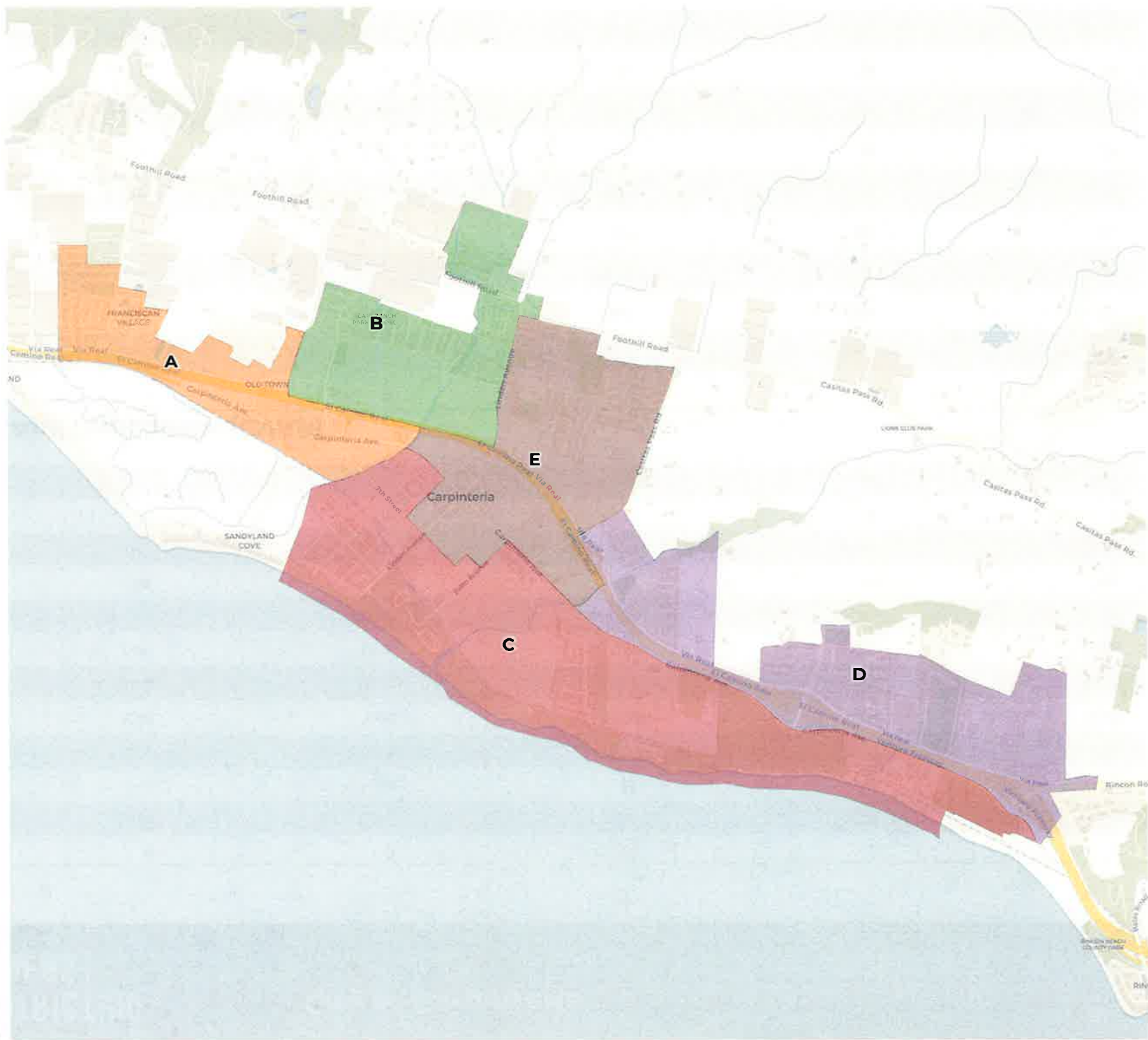
## Citizen Voting Age Population



| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,567      | -92        | -3.5%        | 1,443       | 56.2%         | 1,048      | 40.8%        | 61         | 2.4%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,935      | 1,482      | 76.6%        | 427         | 22.1%         | 12         | 0.6%         | 14         | 0.7%         |       |         |



## ATTACHMENT B



## 2020 Census

|             | A     | B     | C     | D     | E     |
|-------------|-------|-------|-------|-------|-------|
| Population  | 2,657 | 2,599 | 2,721 | 2,579 | 2,737 |
| Deviation   | -2    | -60   | 62    | -80   | 78    |
| Deviation % | -0.1% | -2.3% | 2.3%  | -3.0% | 2.9%  |
| Other       | 1,143 | 1,128 | 1,458 | 1,074 | 1,631 |
| Other %     | 43.0% | 43.4% | 53.6% | 41.6% | 59.6% |
| Latino      | 1,451 | 1,406 | 1,211 | 1,412 | 1,005 |
| Latino %    | 54.6% | 54.1% | 44.5% | 54.7% | 36.7% |
| Asian       | 48    | 50    | 30    | 77    | 94    |
| Asian %     | 1.8%  | 1.9%  | 1.1%  | 3.0%  | 3.4%  |
| Black       | 15    | 15    | 22    | 16    | 7     |
| Black %     | 0.6%  | 0.6%  | 0.8%  | 0.6%  | 0.3%  |

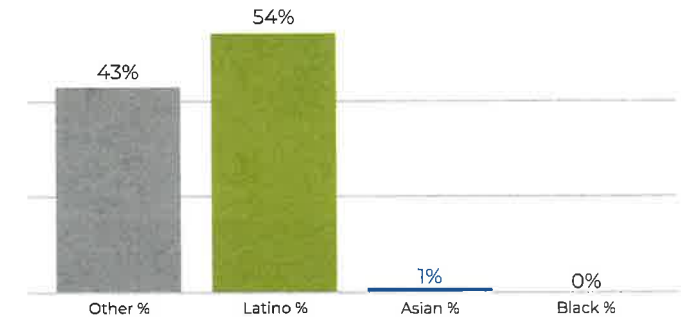
## Citizen Voting Age Population (CVAP)

|               | A     | B     | C     | D     | E     |
|---------------|-------|-------|-------|-------|-------|
| Total CVAP    | 1,494 | 1,416 | 2,129 | 1,495 | 2,249 |
| Other CVAP    | 826   | 928   | 1,605 | 884   | 1,757 |
| Other CVAP %  | 55.3% | 65.5% | 75.4% | 59.1% | 78.1% |
| Latino CVAP   | 664   | 460   | 507   | 527   | 379   |
| Latino CVAP % | 44.4% | 32.5% | 23.8% | 35.3% | 16.9% |
| Asian CVAP    | 4     | 22    | 3     | 56    | 113   |
| Asian CVAP %  | 0.3%  | 1.6%  | 0.1%  | 3.7%  | 5.0%  |
| Black CVAP    | 0     | 6     | 14    | 28    | 0     |
| Black CVAP %  | 0.0%  | 0.4%  | 0.7%  | 1.9%  | 0.0%  |

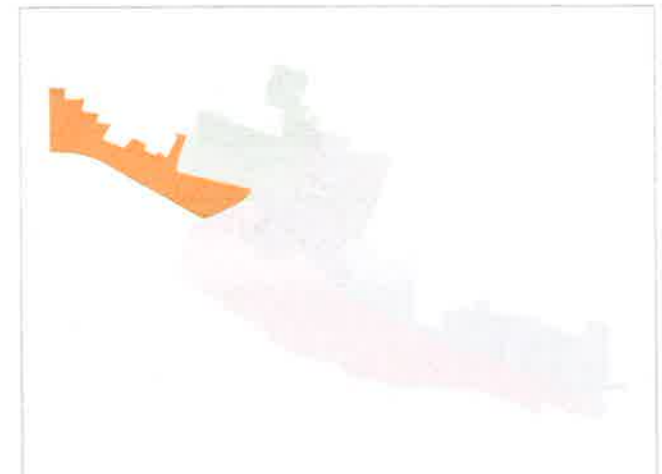
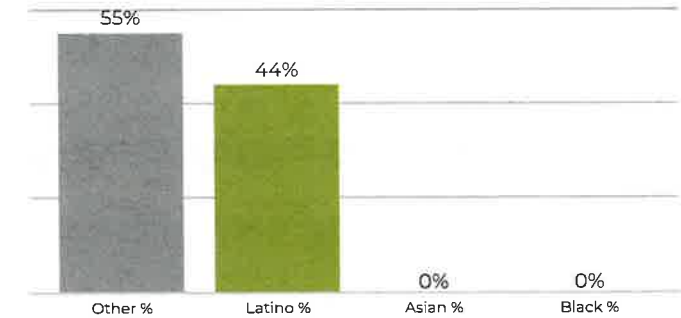
## District A



## 2020 Census

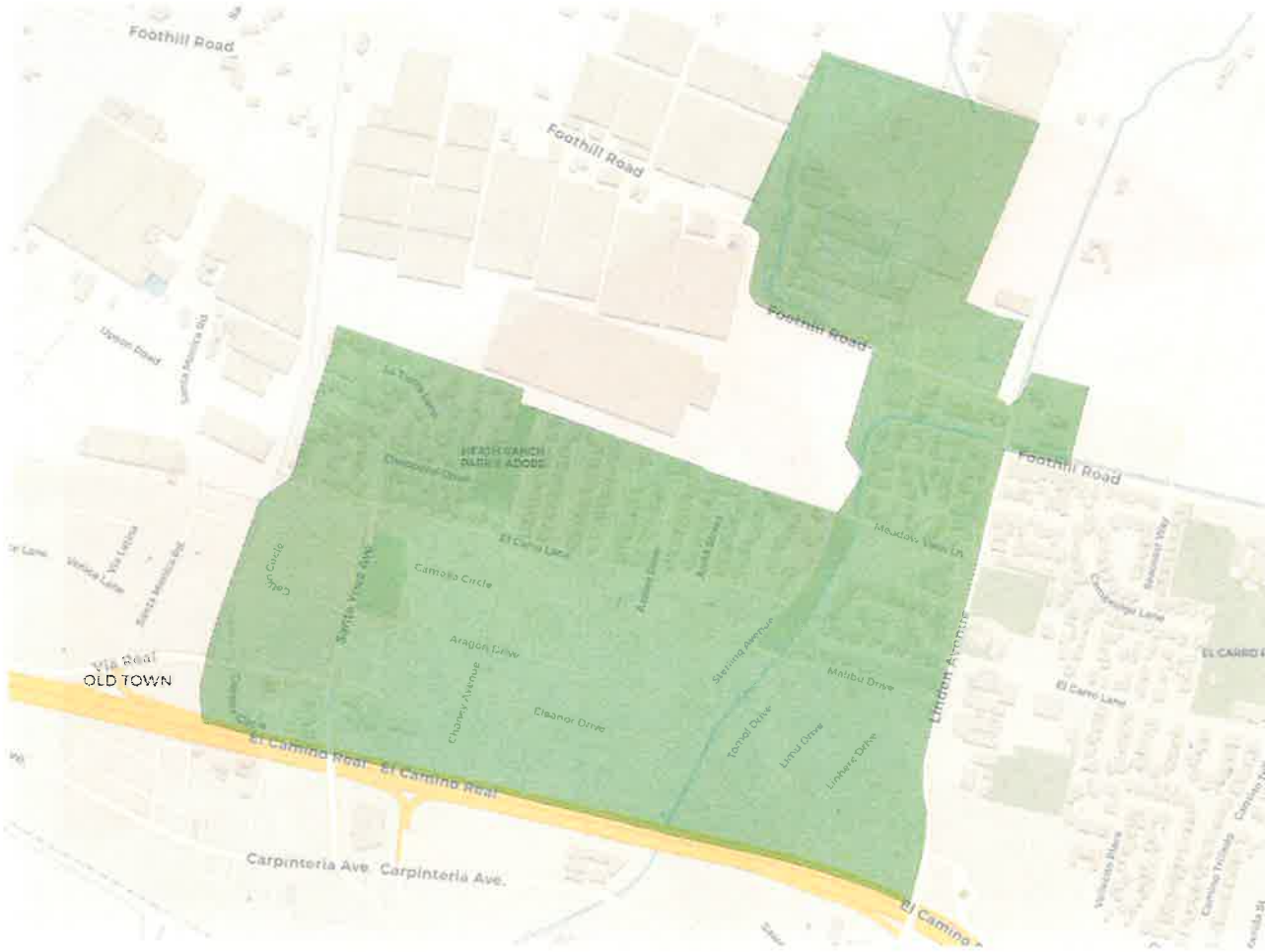


## Citizen Voting Age Population

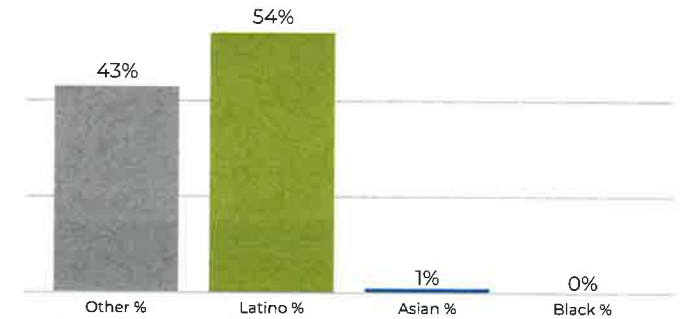


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,657      | -2         | -0.1%        | 1,143       | 43.0%         | 1,451      | 54.6%        | 48         | 1.8%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,494      | 826        | 55.3%        | 664         | 44.4%         | 4          | 0.3%         | 0          | 0.0%         |       |         |

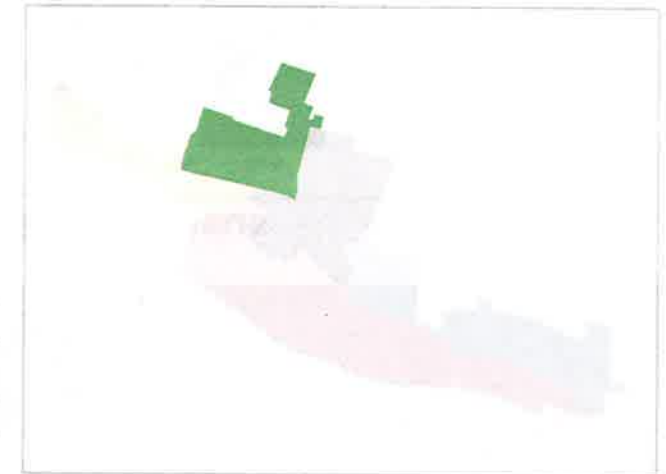
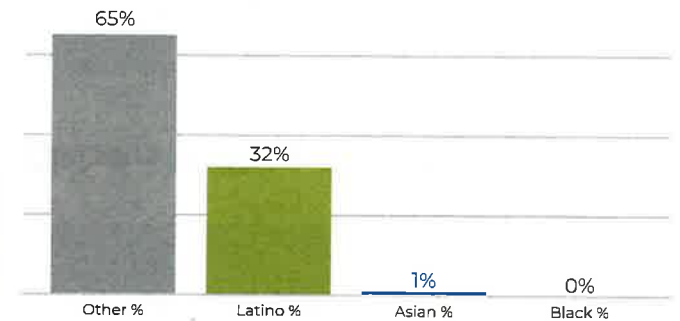
### District B



### 2020 Census



### Citizen Voting Age Population

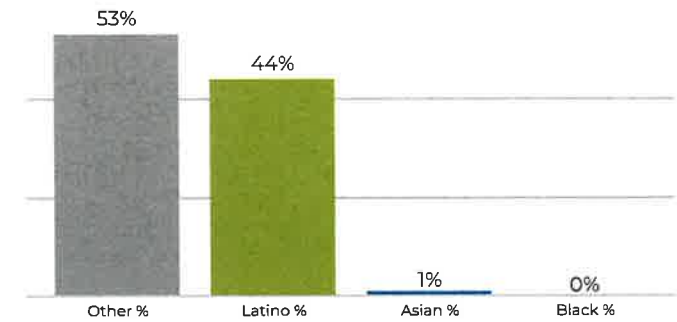


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,599      | -60        | -2.3%        | 1,128       | 43.4%         | 1,406      | 54.1%        | 50         | 1.9%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,416      | 928        | 65.5%        | 460         | 32.5%         | 22         | 1.6%         | 6          | 0.4%         |       |         |

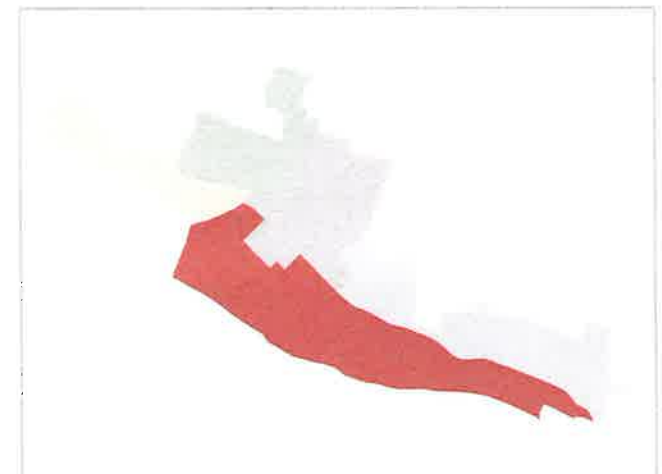
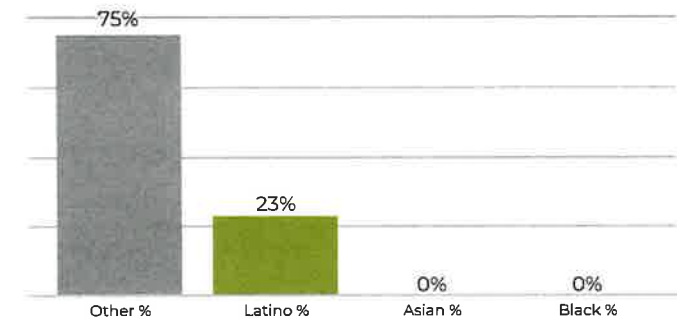
## District C



## 2020 Census



## Citizen Voting Age Population

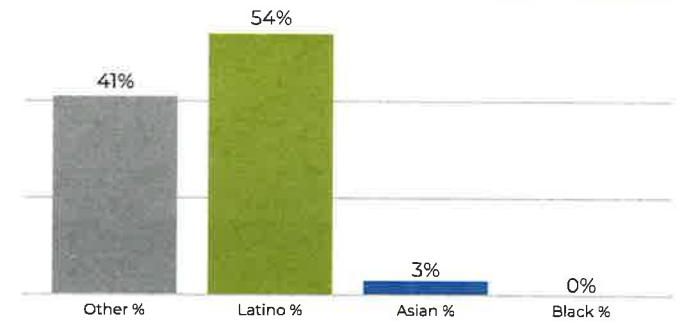


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,721      | 62         | 2.3%         | 1,458       | 53.6%         | 1,211      | 44.5%        | 30         | 1.1%         | 22    | 0.8%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 2,129      | 1,605      | 75.4%        | 507         | 23.8%         | 3          | 0.1%         | 14         | 0.7%         |       |         |

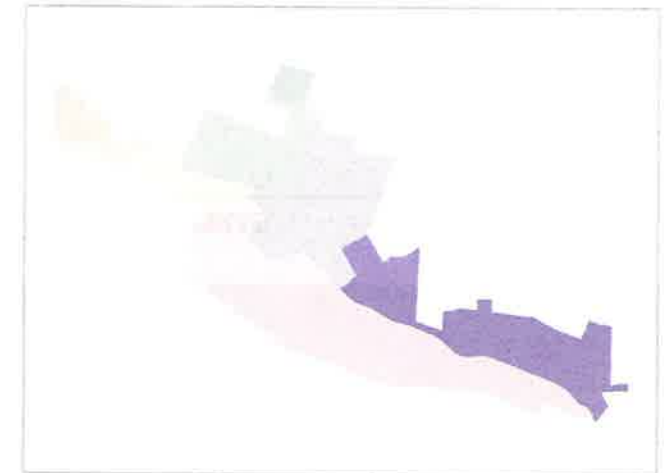
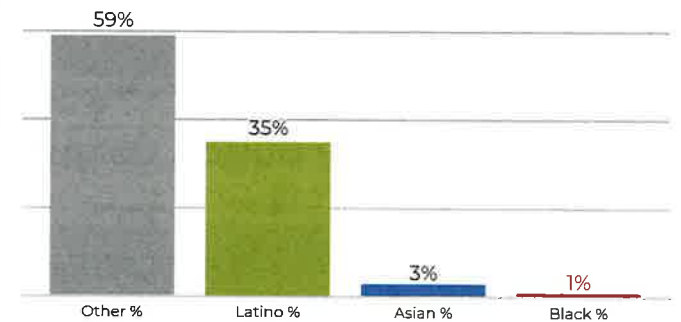
## District D



## 2020 Census

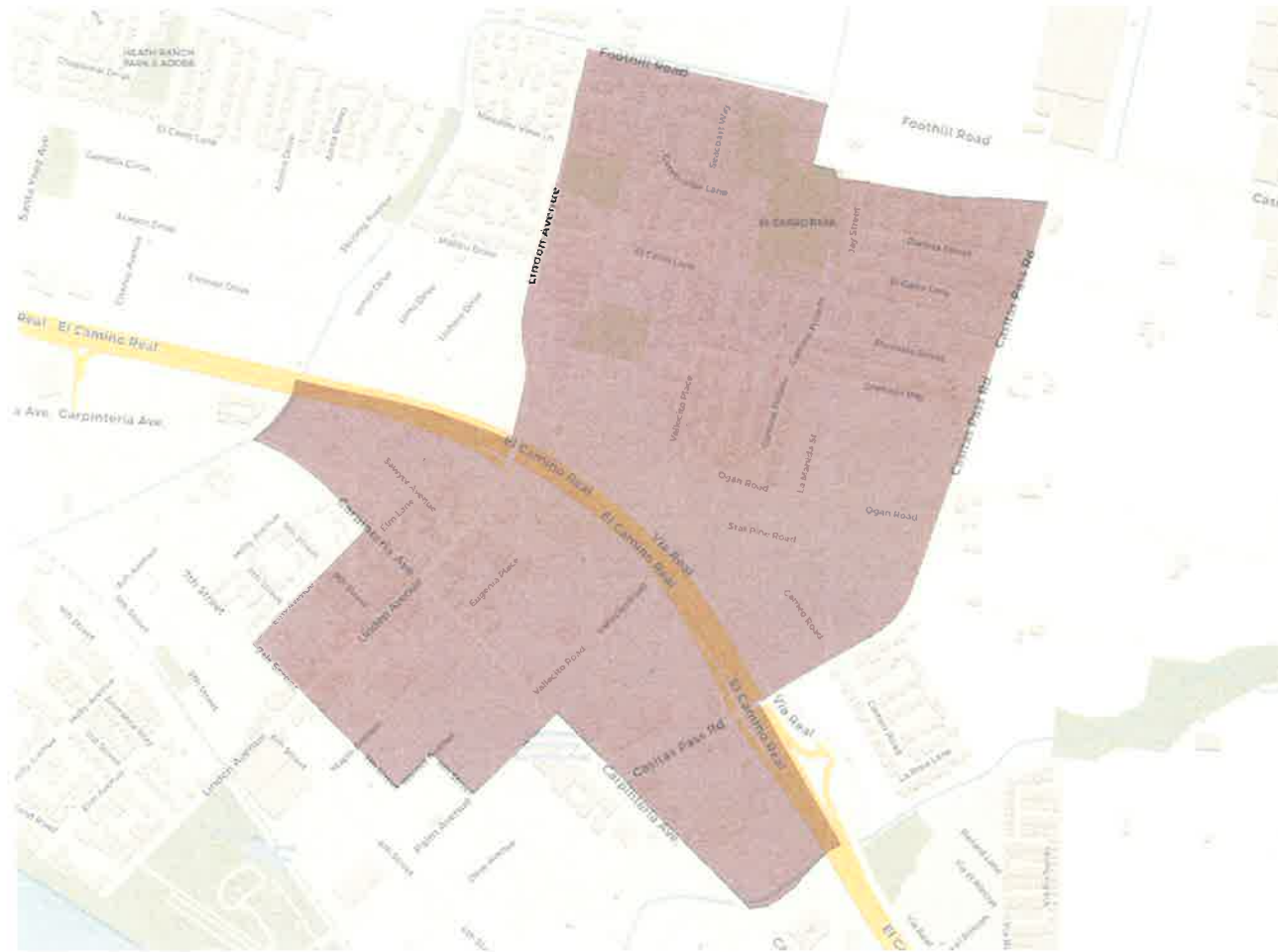


## Citizen Voting Age Population

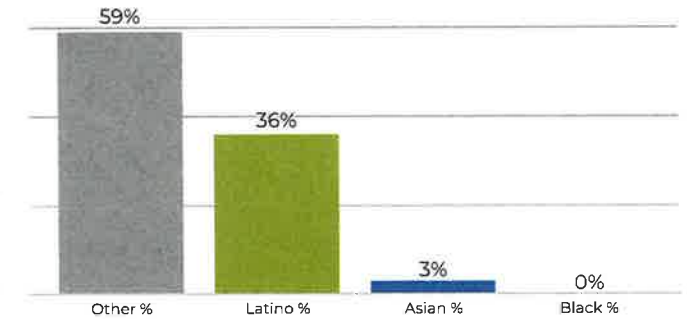


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,579      | -80        | -3.0%        | 1,074       | 41.6%         | 1,412      | 54.7%        | 77         | 3.0%         | 16    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,495      | 884        | 59.1%        | 527         | 35.3%         | 56         | 3.7%         | 28         | 1.9%         |       |         |

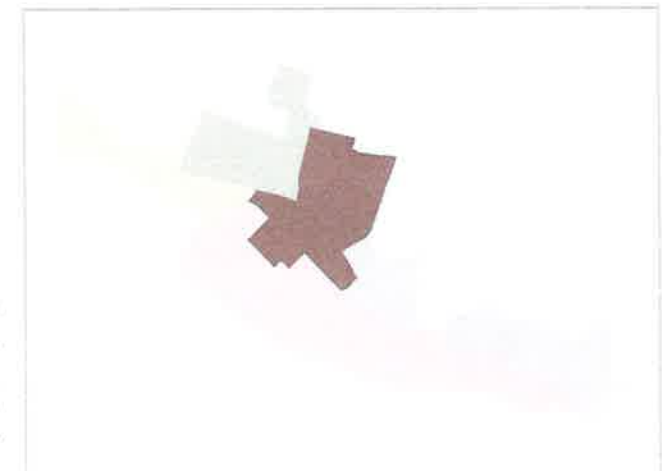
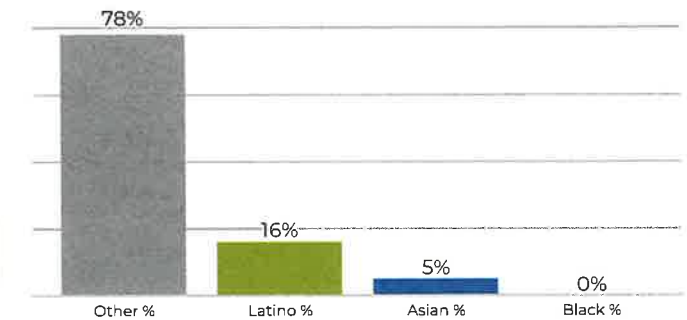
## District E



## 2020 Census



## Citizen Voting Age Population



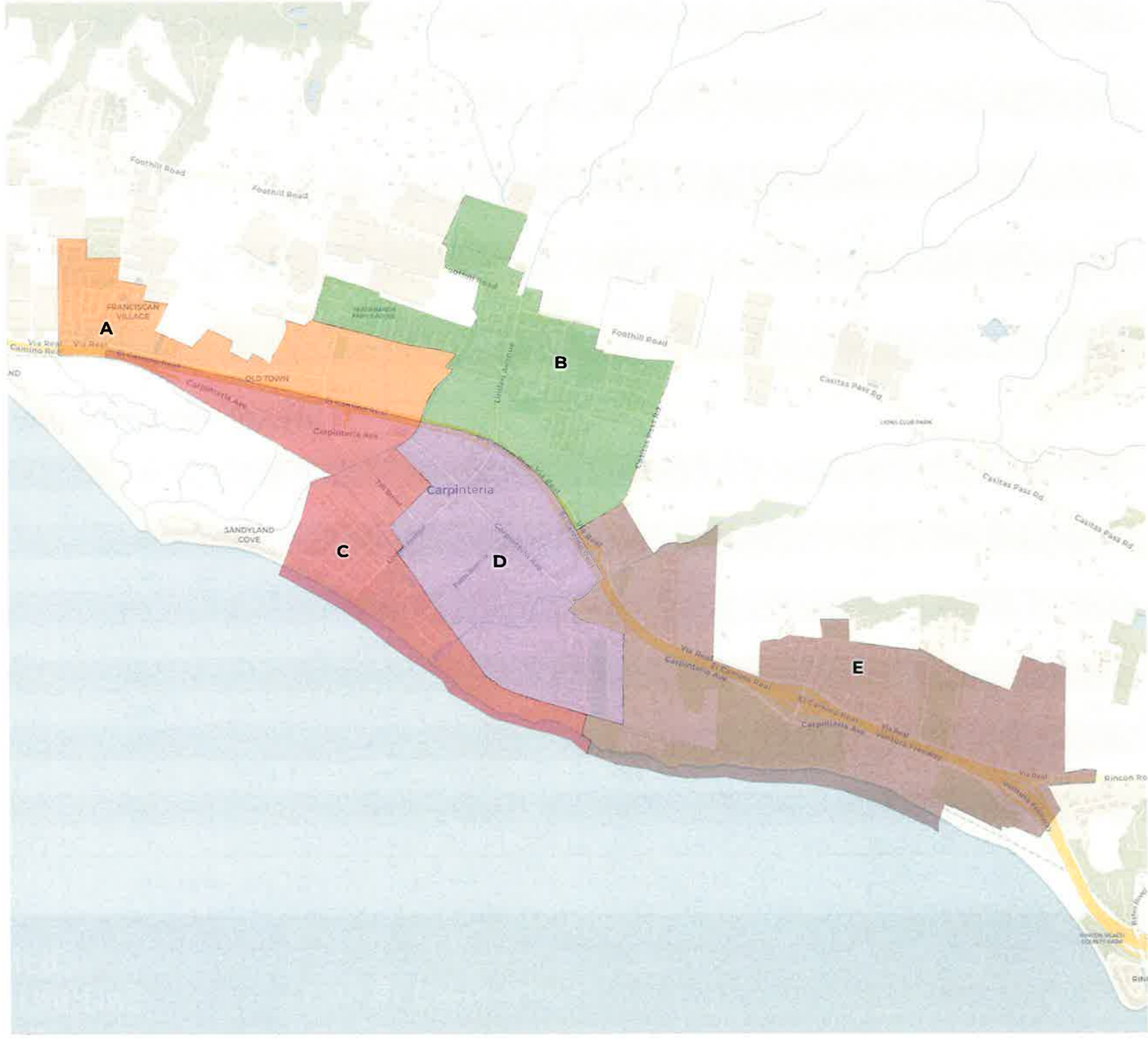
| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,737      | 78         | 2.9%         | 1,631       | 59.6%         | 1,005      | 36.7%        | 94         | 3.4%         | 7     | 0.3%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 2,249      | 1,757      | 78.1%        | 379         | 16.9%         | 113        | 5.0%         | 0          | 0.0%         |       |         |

## ATTACHMENT C



**City of Carpinteria**  
Draft Plan C

Draft Plan C



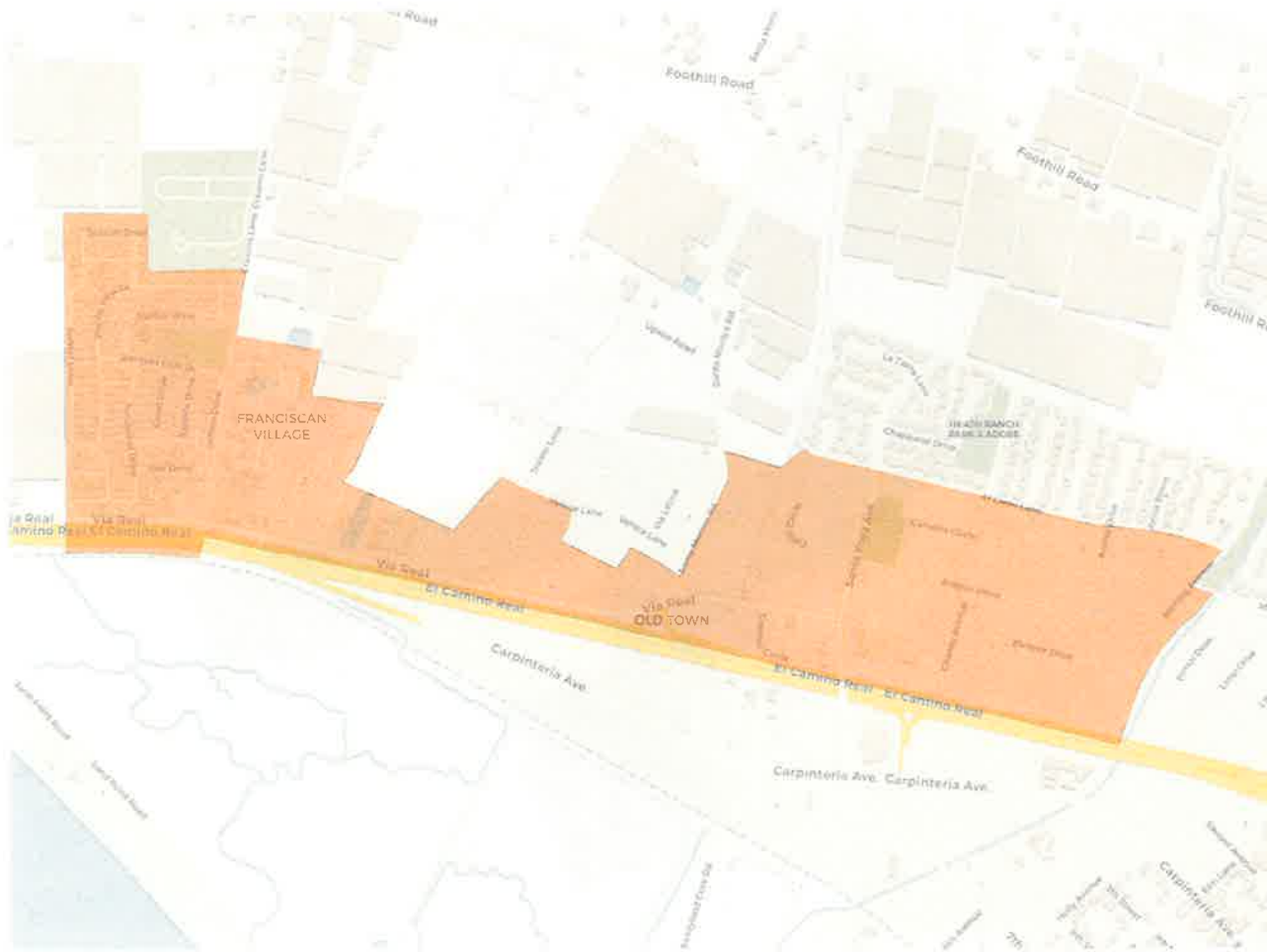
## 2020 Census

|             | A     | B     | C     | D     | E     |
|-------------|-------|-------|-------|-------|-------|
| Population  | 2,780 | 2,789 | 2,572 | 2,573 | 2,579 |
| Deviation   | 121   | 130   | -87   | -86   | -80   |
| Deviation % | 4.6%  | 4.9%  | -3.3% | -3.2% | -3.0% |
| Other       | 1,210 | 1,611 | 1,104 | 1,435 | 1,074 |
| Other %     | 43.5% | 57.8% | 42.9% | 55.8% | 41.6% |
| Latino      | 1,477 | 1,106 | 1,427 | 1,063 | 1,412 |
| Latino %    | 53.1% | 39.7% | 55.5% | 41.3% | 54.7% |
| Asian       | 73    | 63    | 26    | 60    | 77    |
| Asian %     | 2.6%  | 2.3%  | 1.0%  | 2.3%  | 3.0%  |
| Black       | 20    | 9     | 15    | 15    | 16    |
| Black %     | 0.7%  | 0.3%  | 0.6%  | 0.6%  | 0.6%  |

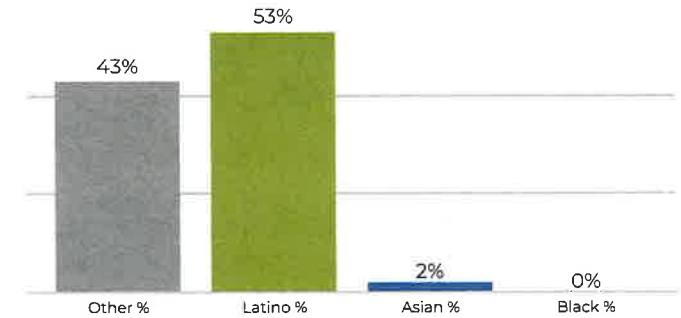
## Citizen Voting Age Population (CVAP)

|               | A     | B     | C     | D     | E     |
|---------------|-------|-------|-------|-------|-------|
| Total CVAP    | 1,841 | 2,025 | 1,476 | 1,946 | 1,495 |
| Other CVAP    | 1,126 | 1,530 | 976   | 1,484 | 884   |
| Other CVAP %  | 61.2% | 75.6% | 66.1% | 76.3% | 59.1% |
| Latino CVAP   | 691   | 383   | 496   | 440   | 527   |
| Latino CVAP % | 37.5% | 18.9% | 33.6% | 22.6% | 35.3% |
| Asian CVAP    | 18    | 112   | 4     | 8     | 56    |
| Asian CVAP %  | 1.0%  | 5.5%  | 0.3%  | 0.4%  | 3.7%  |
| Black CVAP    | 6     | 0     | 0     | 14    | 28    |
| Black CVAP %  | 0.3%  | 0.0%  | 0.0%  | 0.7%  | 1.9%  |

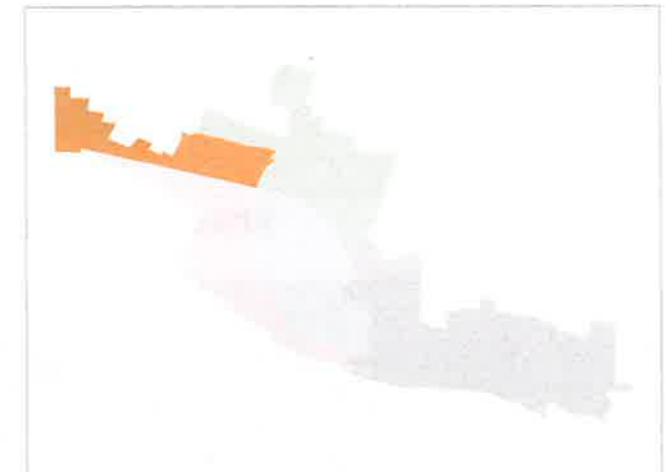
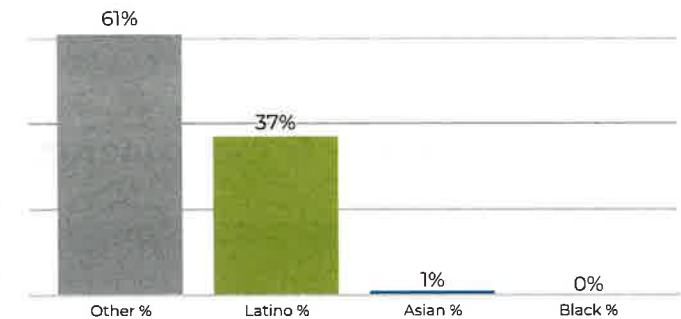
## District A



## 2020 Census



## Citizen Voting Age Population

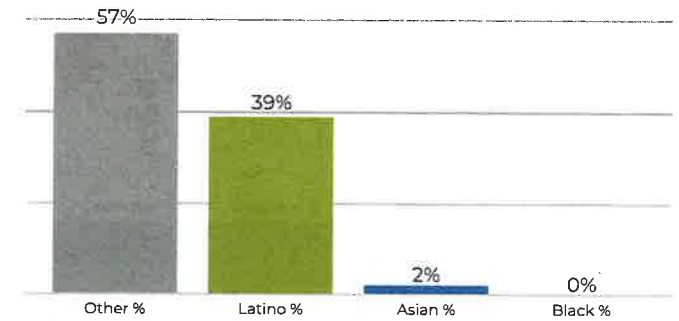


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,780      | 121        | 4.6%         | 1,210       | 43.5%         | 1,477      | 53.1%        | 73         | 2.6%         | 20    | 0.7%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,841      | 1,126      | 61.2%        | 691         | 37.5%         | 18         | 1.0%         | 6          | 0.3%         |       |         |

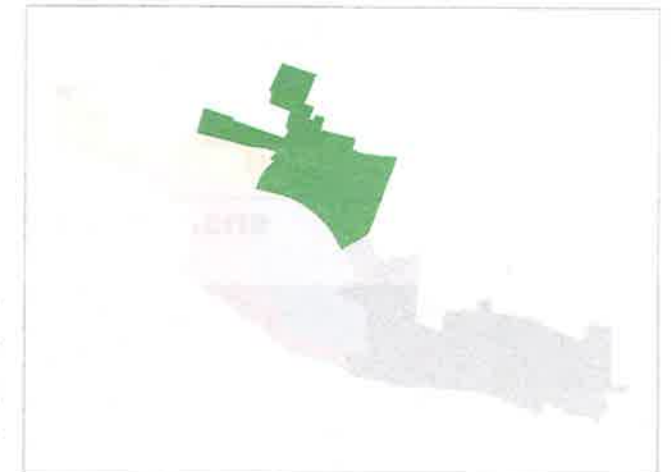
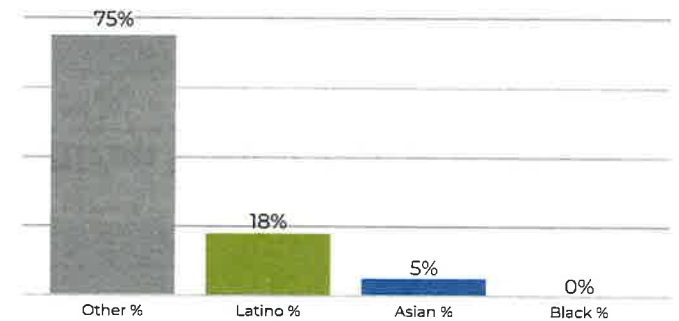
### District B



### 2020 Census

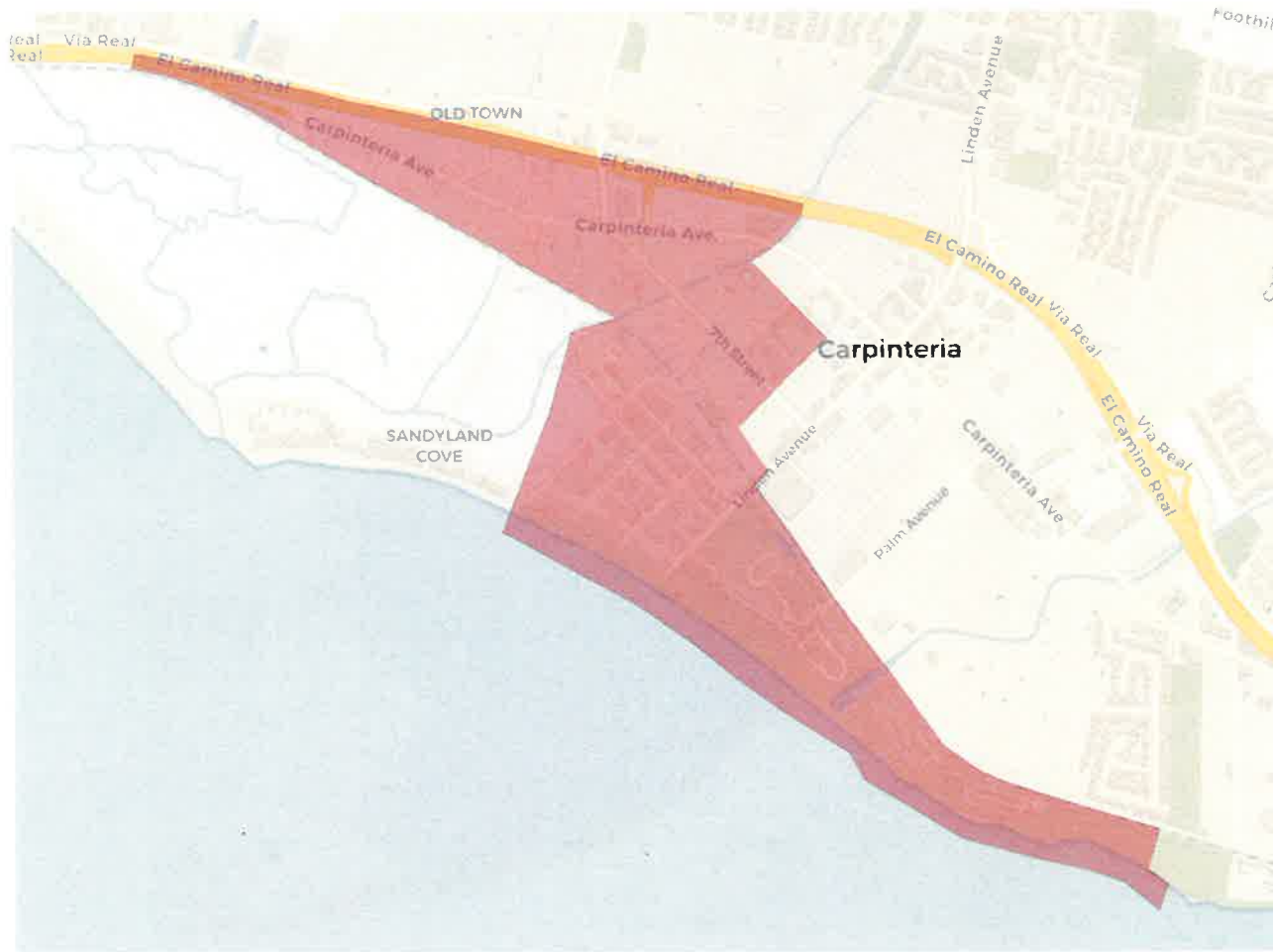


### Citizen Voting Age Population

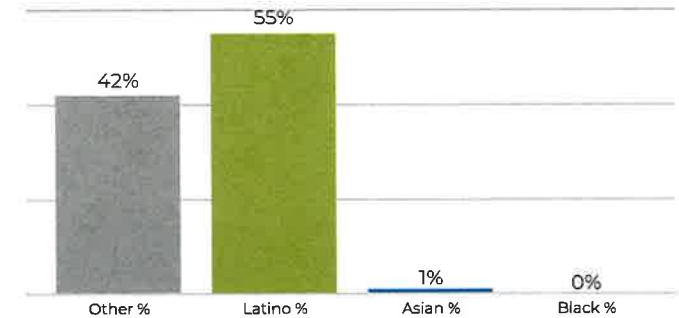


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,789      | 130        | 4.9%         | 1,611       | 57.8%         | 1,106      | 39.7%        | 63         | 2.3%         | 9     | 0.3%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 2,025      | 1,530      | 75.6%        | 383         | 18.9%         | 112        | 5.5%         | 0          | 0.0%         |       |         |

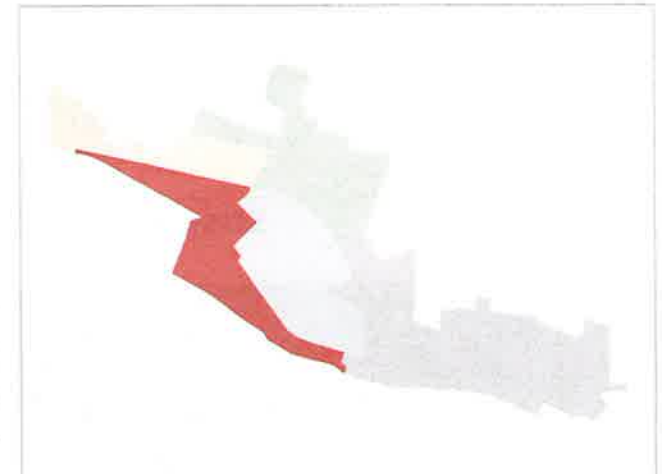
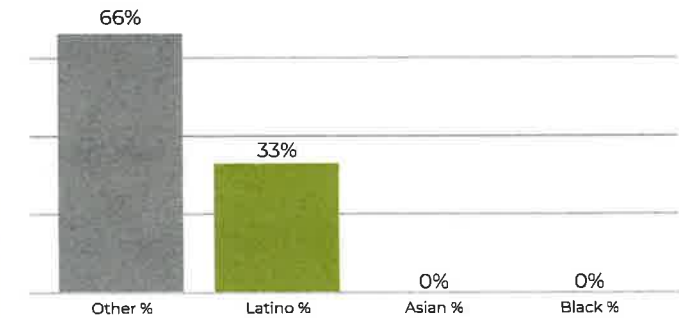
## District C



## 2020 Census



## Citizen Voting Age Population

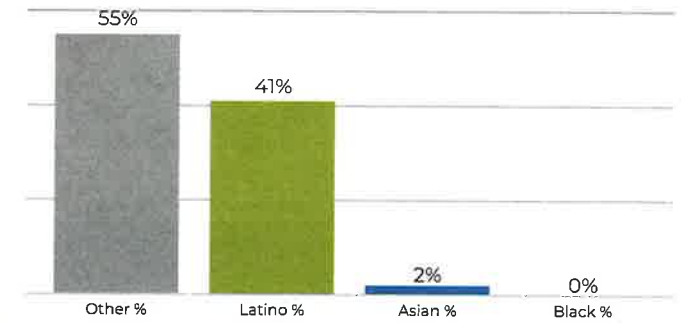


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,572      | -87        | -3.3%        | 1,104       | 42.9%         | 1,427      | 55.5%        | 26         | 1.0%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,476      | 976        | 66.1%        | 496         | 33.6%         | 4          | 0.3%         | 0          | 0.0%         |       |         |

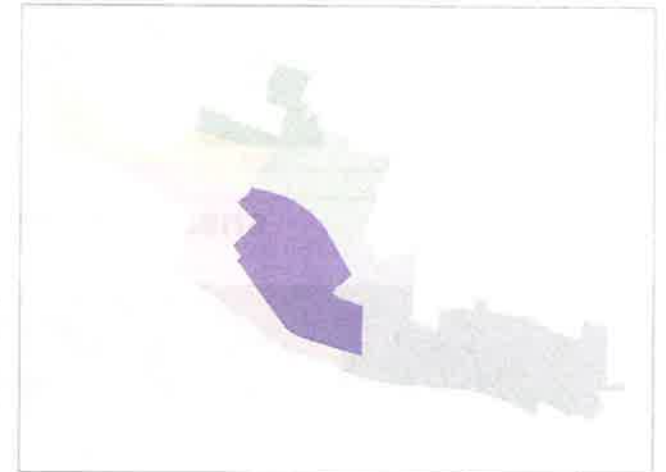
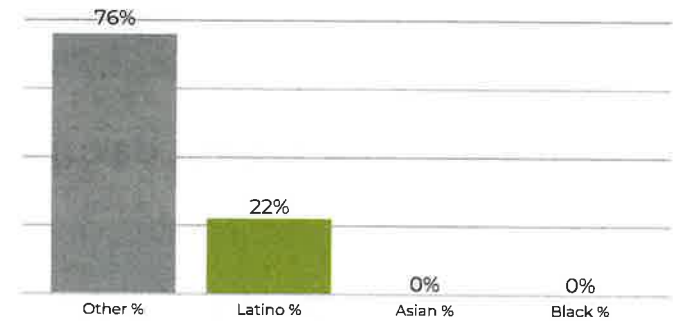
## District D



## 2020 Census



## Citizen Voting Age Population

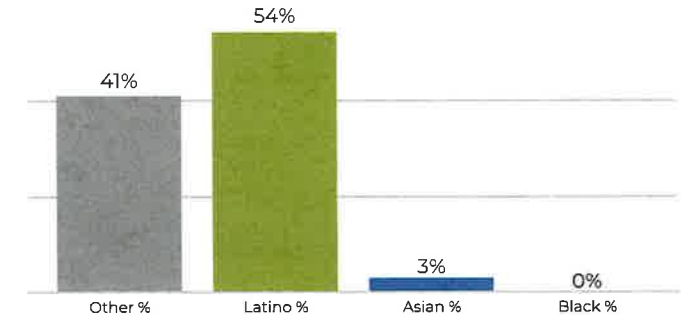


| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,573      | -86        | -3.2%        | 1,435       | 55.8%         | 1,063      | 41.3%        | 60         | 2.3%         | 15    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,946      | 1,484      | 76.3%        | 440         | 22.6%         | 8          | 0.4%         | 14         | 0.7%         |       |         |

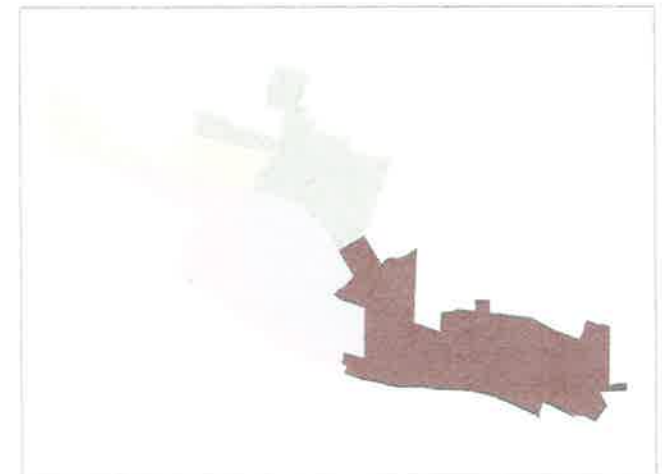
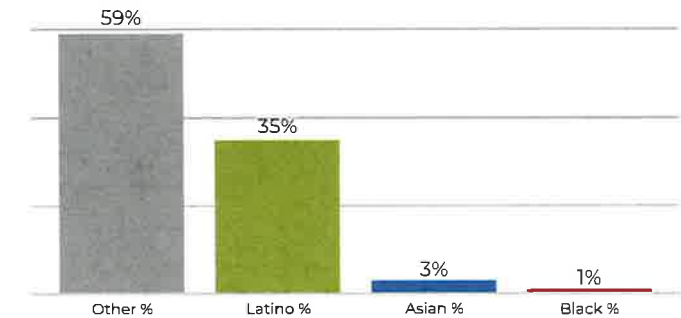
## District E



## 2020 Census



## Citizen Voting Age Population



| Population | Deviation  | Deviation %  | Other       | Other %       | Latino     | Latino %     | Asian      | Asian %      | Black | Black % |
|------------|------------|--------------|-------------|---------------|------------|--------------|------------|--------------|-------|---------|
| 2,579      | -80        | -3.0%        | 1,074       | 41.6%         | 1,412      | 54.7%        | 77         | 3.0%         | 16    | 0.6%    |
| Total CVAP | Other CVAP | Other CVAP % | Latino CVAP | Latino CVAP % | Asian CVAP | Asian CVAP % | Black CVAP | Black CVAP % |       |         |
| 1,495      | 884        | 59.1%        | 527         | 35.3%         | 56         | 3.7%         | 28         | 1.9%         |       |         |



# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT January 24, 2022**

### **ITEM FOR COUNCIL CONSIDERATION**

Appointments to the Harbor Seal Advisory Committee.

### **STAFF RECOMMENDATION**

Make appointments to the Harbor Seal Advisory Committee.

Sample Motion: I move to approve those individuals as nominated by Council Members Clark and Lee; Andrew Brooks, David Allen, and Susan Mailheau and to also appoint two additional members to the Harbor Seal Advisory Committee as follows;

1. \_\_\_\_\_
2. \_\_\_\_\_

### **BACKGROUND**

Over the past 17 years, the Carpinteria Seal Watch, a volunteer group that keeps an eye out for the harbor seals, has documented an apparent decline in the number of seals in the rookery.

The Harbor Seal Advisory Committee has been authorized by the City Council for the purpose of developing an understanding of the local harbor seal population, including causes of recent trends in births and haul-out numbers, and recommending to the City Council specific actions that it finds should be taken to mitigate habitat degradation and seal disturbances in the City.

During the City Council Meeting on July 12, 2021, options for the formation of a committee to study the decline and preservation of harbors seals in the City of Carpinteria were discussed and recommendations were given to the City Council. The Council gave consensus to direct staff to bring back the creation of a committee to understand the decline in numbers of seals and the preservation of seals at the rookery and recommend actions to the Council.

At the August 9, 2021 City Council Meeting, formation of a Harbor Seal Advisory Committee was discussed with the aim to approve the statement of purpose, select one

of the options presented for the creation of a Harbor Seal Advisory Committee, and appoint up to two of its members to serve on the Committee. A motion was carried unanimously that a selection of a Large Committee format that included two Councilmembers (Vice Mayor Clark and Councilmember Lee) and five additional people whom the two Councilmembers could nominate to participate in the Committee.

The committee would also have a working group that would be invited on occasion and not be committee members. The committee is expected to work for a year to make its recommendations to the City Council.

The City Clerk placed an advertisement in the Coastal View Newspaper on November 2, 2021 and received 11 applications.

### **DISCUSSION**

After review of the applications received, Council members Roy Lee and Al Clark have agreed on three applicants to nominate.

Consensus was not achieved on the remaining two positions on the committee. In order to appoint all five available positions on the committee, the City Council may agree and appoint the recommended three nominees and also select two additional candidates to complete the committee.

The names and city of residence of the applicants nominated by both Council members Lee and Clark are as follows:

- ☐ David Allen, Carpinteria
- ☐ Andrew Brooks, Goleta
- ☐ Susan Mailheau, Carpinteria

In order to complete the committee, two additional nominations may be selected from the list of applicants. They are as follows;

- ☐ Betsy Denison, Carpinteria
- ☐ C Kathleen Lord, Carpinteria
- ☐ Kadeine Peterson, Carpinteria
- ☐ Teri Kay Pulliam, La Conchita
- ☐ Mechelle Sinclair, Carpinteria
- ☐ Lynn Springer, Carpinteria
- ☐ Toni Stuart, Carpinteria
- ☐ Danel Trevor, Carpinteria

### **POLICY CONSISTENCY**

The Carpinteria General plan contains references to protection of harbor seals.

- **OSC-1c.** Establish and support preservation and restoration programs for ESHA, including but not limited to Carpinteria Creek, Carpinteria Bluffs, Carpinteria Salt Marsh, seal rookery, Carpinteria reef, Pismo clam beds and the intertidal zones along the shoreline.
- **OSC-5a.** Harbor Seal Hauling Grounds should not be altered or disturbed by recreational, industrial, or any other uses. Emergency maintenance or repair of existing pipelines in the vicinity of the adjacent Carpinteria oil & gas plant pier should be permitted as necessary, as long as disturbances to the harbor seal hauling grounds are minimized. Such repairs should be limited to the period of June 1 to November 30 if possible.
- **OSC-5b.** Permit beach to bluff access at the east and west sides of the seal rookery area to allow beach walkers to bypass the protected area on the bluff top and discourage any violation of the beach closure segment.

### **FINANCIAL CONSIDERATIONS**

No financial analysis is included as a part of this staff report.

### **LEGAL**

No legal issues are presented as a part of this report.

### **OPTIONS**

The City Council could appoint the three nominees and select two additional applicants to appoint thereby filling all of the committee seats.

The City Council could provide additional direction to Staff.

### **PRINCIPAL PARTIES EXPECTED AT MEETING**

None

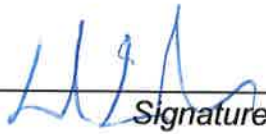
### **ATTACHMENTS**

Eleven applications received

Staff contact: Matthew Roberts, Parks, Recreation and Public Facilities Director  
(805) 755-4449 [Mattr@ci.carpinteria.ca.us](mailto:Mattr@ci.carpinteria.ca.us)

  
Signature

Reviewed by: Dave Durflinger, City Manager

  
Signature



**CITY OF CARPINTERIA  
APPLICATION FOR APPOINTMENT  
TO A CITY BOARD, COMMISSION OR  
COMMITTEE**

Please return to: City Clerk's Office  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

HARBOR SEAL ADVISORY COMMITTEE

**APPLICANT:** DAVID ALLEN  
Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? YES

**EXPERIENCE/ BACKGROUND:**

UCSB BA ANTHRO/BIOLOGY  
Education

U.C. BERKELEY JD

RETIRED

Present Occupation (Please describe any relevant past work experience)

NONE

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

ADDENDUM ATTACHED

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

PLANNING COMMISSION (1990-PRESENT) BLUFFS ADVISORY/CO5MAB

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Signature

Date

## **Harbor Seal Advisory Committee—addendum**

**I have provided education about, and protection of, Carpinteria's harbor seal population for over 30 years. I was among the founders of Carpinteria Sealwatch, and continue as one of the volunteer leaders. I'm the author of the seasonal Coastal View Sealwatch reports. I would like to be appointed to participate in studying the population and protection issues, and to help with committee recommendations.**



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Please return to: City Clerk's Office  
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5775 Carpinteria Avenue  
Carpinteria, CA 93013

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

Carpinteria Harbor Seal Advisory Committee

**APPLICANT:** Andrew Brooks

Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? No (Goleta)

**EXPERIENCE/ BACKGROUND:**

B.A. Marine Biology ('84) Occidental College; M.S. Ecology ('93) and Ph.D. Ecology ('99) UC Santa Barbara

Education

Director, Carpinteria Salt Marsh Reserve Sr. Project Scientist with Marine Science Institute, UCSB

Present Occupation (Please describe any relevant past work experience)

Western Society of Naturalists, American Fisheries Society, Ecological Society of America

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

I have been the Director of the UC Natural Reserve System's Carpinteria Salt Marsh Reserve since 2001. I have almost

40 years of experience working as a marine ecologist specializing in the population and community ecology of marine organisms.

I have worked successfully with commercial and recreational fishers, members of the public and the scientific community.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

None

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THIS APPLICATION MUST BE SIGNED IN INK AND DATED

RECEIVED

NOV 17 2021

CITY OF CARPINTERIA



**CITY OF CARPINTERIA  
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TO A CITY BOARD, COMMISSION OR  
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Please return to: City Clerk's Office  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

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NOV 12 2021

CITY OF CARPINTERIA

BOARD, COMMISSION OR COMMITTEE APPLIED FOR:

HARBOR SEAL ADVISORY COMMITTEE

APPLICANT: BETSY DENISON  
Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? YES

EXPERIENCE/ BACKGROUND: SEE SEPARATE PAGE

Education

Present Occupation (Please describe any relevant past work experience)

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

none

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THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Rev. 12/7/12

Betsy Denison Nov 12, 2021  
Signature Date

**APPLICATION for membership in the Harbor Seal Advisory Committee:**  
**Betsy Denison,**

**EDUCATION:**

**Middlebury College. BA 1959 American Literature and Fine Arts**  
**Several classes at Santa Barbara City College in Marine Biology**

**PRESANT and PAST OCCUPATIONS**

**Current – Retired. But also now serving as head of Outreach Committee for the Brinton Museum, Big Horn WY.**

**Past:**

**Patent Researcher duPont Co.**

**Audio editor for Recording for the Blind**

**PR Director/Vol. Coordinator for the Human Dolphin Foundation at MarineWorld Africa USA**

**Co founder Carapacho – Hi tech Children's outerwear line.**

**Co Founder Caravan - An import business focused on fine textiles and support of indigenous artists. World wide travel**

**10 year Docent at the SB Sea Center.**

**MEMBERSHIPS in ORGANIZATIONS**

**Strong interest and support of environmental non profits as: SB Land Trust, Environmental Defense Council, Channelkeeper, Heal the Ocean, Ocean Conservancy, NRDC, Sea Center/SB Museum of Natural History, Carpinteria Seal Watch.**

**REASONS WHY I BELIEVE I SHOULD BE CONSIDERED FOR THIS COMMITTEE**

- 1. Passion for the ocean and it's inhabitants and their safety. Consider ocean acidification, underwater sea noise, new underwater mining as examples. Particular interest in the local Harbor Seals. This is a critical time to nail down some facts and practices for a safe rookery in the future. Interested in history of other rookeries as well as welfare of all marine mammals internationally.**
- 2. 15 years plus as a Seal Watcher. Learned something new almost everytime. Loved the questions and looking into more answers afterwards.**
- 3. Three international Earthwatch two week research experiences: Hectors Dolphins in New Zealand, Orcas in British Columbia, Bottle Nosed Dolphins in Costa Rica**
- 4. Strong sense of curiosity and wonder. Open mind.**

*Betsy Denison*  
Nov 13 2021



**CITY OF CARPINTERIA  
APPLICATION FOR APPOINTMENT  
TO A CITY BOARD, COMMISSION OR  
COMMITTEE**

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CITY OF CARPINTERIA

NOV 23 2021

FIDELA GARCIA  
CITY CLERK

Please return to: City Clerk's Office  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

BOARD, COMMISSION OR COMMITTEE APPLIED FOR:

HARBOR SEAL ADVISORY COMMITTEE

APPLICANT:

C. KATHLEEN LORD  
Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria?

yes

**EXPERIENCE/ BACKGROUND:**

① BA FINE ARTS MAJOR W/ SOCIOLOGY MINOR  
Education  
RETIRED - RESIDENTIAL DESIGNER  
② POST GRAD STUDY  
UNIVERSITY OF  
GUANAJUATO, GTO. MEXICO

Present Occupation (Please describe any relevant past work experience)

CARPINTERIA ARTS CENTER, CARPINTERIA CREEK COMMITTEE, BLUFFS MONUMENT  
Memberships in Organizations  
CARPINTERIA SEAL WATCH, BELLAS ARTES COMMITTEE

Reasons why you believe you should be appointed (attach additional sheets if necessary):

I HAD THE INTIAL IDEA FOR SEALWATCH & I AM A FOUNDING MEMBER.  
OVER 30 YEARS I'VE BEEN A SEALWATCHER, A CAPTAIN & AN ORGANIZER.  
I'VE WORKED ON EDUCATIONAL OUT REACH, DESIGN OF BROCHURES,  
CURRENT BEACH-END CLOSURE SIGNS, & A NEWLY INSTALLED DISPLAY AT  
CAMPGROUND VISITOR CENTER. I'M CURRENTLY SEALWATCH LIAISON WITH  
CHEVRON & STATE PARK.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

CARP. ARB (1991-93) - VISIONING 2020 (1997-98) - SEAL ORDINANCE  
COMMITTEE (1990)

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

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NOV 23, 2021



Seal Advisory Committee Application  
Susan L. Mailheau, DVM

I am applying for the Harbor Seal Advisory Committee. The purpose of this committee is to understand the local harbor seal population and identify actions to mitigate habitat degradation and incidents of harassments in the seal sanctuary.

Here in Carpinteria we have been entrusted with the mere 1500 feet of sanctuary the harbor seals have called home year-round, delighting both visitors and residents. As is evident from my background, summarized below, I have spent years working to improve the health and well-being of our local harbor seals. I believe that my unique skill set will accelerate the laudable goal of returning the local rookery to a healthy state—enabling people to continue visiting this rare attraction.

**The challenges in committee member selection:**

- The City acknowledges the observed decline in the harbor seal population
- The City recognizes the need for rapid and accurate data and seeks actionable recommendations within a year
- Seal pupping season is rapidly approaching
- Challenges to the seals' survival are mounting and include predation, disease, diminishing food supply in the changing climate, and increasing human interaction

**Why I believe I should be appointed to this committee**

As a Seal Watch and CIMWI volunteer I know first-hand that the seals' welfare is jeopardized on a daily basis.

I believe that arriving at meaningful recommendations requires at least a few members such as myself who are experienced in mammalian physiology, in medicine, in behavior, and, specifically, in the population dynamics of harbor seals.

I bring a unique skill set to the challenges facing this committee. A detailed summary of my credentials is provided below. It reveals that I have formal education in wildlife management, zoology, and a doctorate degree in veterinary medicine. I have trained in mammalian physiology, disease and behavior, and I have a demonstrable commitment to the well-being and stewardship of this seal colony.

**Education**

In my studies at Humboldt State University I earned a Bachelor of Science degree in Wildlife Management and a Bachelor of Arts in Zoology with a minor in Animal Behavior. This training has provided me with knowledge about animals in the wild which has allowed me to understand the survival skills required of the seals. It has also taught me that the stress response impacting wild animals can cause perturbations in the reproductive cycle that can alter population numbers. My veterinary training has provided me with a keen eye for subtle as well as major health threats and the ability to assess potential causes.

**Experience and Training***Scientific Research*

I have several years of experience conducting research at UCLA and Cal Tech. This has allowed me to extract relevant data in the literature. With this data, and my study of harbor seals specifically, I foresee that the recently observed changes in harbor seal counts will soon be a major population decline if this trend continues.

*Seal Watch and Channel Islands Marine and Wildlife Institute (CIMWI)*

Volunteer training and experience has facilitated my intimate knowledge of the life history of harbor seals. Serving as a docent has enhanced the public's understanding of harbor seals while greatly enriching my own appreciation of these fascinating animals. In my work with CIMWI I have spent multiple days 10-20 feet from a marine mammal to assess its condition during which time I learned to correlate subtle changes in sensory perception and behavior unique to that species that are associated with injury or disease.

**Leadership***Past president of the veterinary association of Puget Sound*

I have a track record of both forming and chairing committees serving my profession and the public with proven success. These committees, such as Continuing Education, Disaster Preparedness, and Animal Cruelty Education, required me to reach out to national experts effectively.

**Communication skills**

For four years I was a featured guest veterinarian on Northwest Cable News, making regular live appearances. The challenge of unscripted TV appearances prepared me to speak with the public. Experience has helped me develop diplomacy in dealing with conflicting concerns and wishes. Experiences as a veterinarian, as a disaster preparedness committee chair, and as a volunteer have helped me develop diplomacy in what can be emotionally charged settings. This diplomacy requires lifelong learning skills. Therefore, I feel poised to make real world recommendations that fit with the composition of this town, and that focus on balanced solutions.

**Conclusion**

I moved to Carpinteria 7 years ago with my husband because of its natural setting of which the seals are an intricate part. I go visit the overlook almost daily and I am exceptionally motivated to follow the data and offer cost-effective measures to secure equilibrium to this colony. I believe I can be instrumental to this end because I have developed a workable plan since long before this committee was formed. Until now, I lacked the forum for meaningful discussion.

I believe we can implement means of accomplishing this goal in a cost effective and time sensitive manner.

Susan Mailheau



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Please return to: City Clerk's Office  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

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NOV 10 2021

BOARD, COMMISSION OR COMMITTEE APPLIED FOR:

APPLICANT: Kadeine Peterson

Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? Yes

**EXPERIENCE/ BACKGROUND:**

B.S in Biology; Masters in Genetics, Genomics & Development

Education

Biology Teacher, Field Researcher, Genetics Researcher (mouse model)

Present Occupation

(Please describe any relevant past work experience)

n/a

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

\*see attached

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

n/a

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THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Kadeine Peterson  
Signature

Nov 4, 2021  
Date

Given my background in research sciences combined with my current focus in education as a secondary school biology teacher, I believe that I would be a great addition to the Harbor Seal Advisory Committee. In my years since leaving the research world, I have continued to seek opportunities to bolster my understanding of topics in environmental field research specifically pertaining to the shifting climate and subsequent biological responses of representative species in the plant and animal communities. As a local science educator, I have developed a course on Animal Behaviors, to further educate young people on the importance of learning about non-human species as it pertains to our communities as a whole. I would love the opportunity to play a role in the preservation and understanding of the Harbor Seals, both as a scientist and educator.

Kadéine Peterson, MS



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Carpinteria, CA 93013

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

HARBOR SEAL ADVISORY COMMITTEE

**APPLICANT:** TERI KAY Pulliam

Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? NO, La Conchita

**EXPERIENCE/ BACKGROUND:**

BS in AQUATIC Biology at UCSB

Education

VOLUNTEER

Present Occupation (Please describe any relevant past work experience)

SEAL WATCH PROGRAM

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

PLEASE READ ATTACHED LETTER

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

N/A

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Teri Kay Pulliam 11-11-21  
Signature Date

To:  
City of Carpinteria  
Attn: City Clerk, Brian Barrett  
Attn: Roy Lee  
5775 Carpinteria Avenue  
Carpinteria, California 93013

From:  
Teri Kay Pulliam

I am applying for the position for Harbor Seal Advisory Committee.

Attached is the application however I need more space to fill out a question.

Reason why you believe you should be appointed:

I am a very dedicated person to observe and protect sea life. I achieved my Bachelors of Science degree in Aquatic Biology at the University of California at Santa Barbara. During my studies, I was a volunteer with the Marine Mammal Center in Santa Barbara and volunteer at the Harbor Seal Rookery in Carpinteria. Please read letter of recommendation from Marine Mammal Center.

Since then, I have been an Environmental Scientist with the Water Quality Control Board in Palm Desert, and a Chemist with NuSil Technology in Carpinteria. During COVID have I been an active volunteer at my daughter's school, plus returning to be a part of the Seal Watch Program.

I would love to give back my community of Carpinteria and sea life protection again by being a part of the Harbor Seal Advisory Committee. Thank you for reviewing my application.

Respectfully,

*Teri Kay Pulliam Nov 11, 21*

Teri Kay Pulliam



**Santa Barbara Marine Mammal Center**

389 North Hope Avenue  
Santa Barbara, CA 93110-1572  
Phone: (805) 687-3255

Dec. 3, 1999

To whom it may concern:

I consider it a privilege to write a letter of recommendation for Teri Kay Bartow. She completed our three month volunteer training program in the fall of 1998, and was then an active volunteer for several months. During that time she worked with the rehabilitation of pinnipeds, and acquired some of the following skills:

1. Preliminary check-in of animals
2. avoid cross contamination from food, water, handling gear, etc
3. Prepare fish and formulas for feeding
4. Administer oral medications, vitamin supplements, etc.
5. clean facilities and equipment
6. maintain health charts

Teri Kay was always responsible, punctual and eager to learn. She was also a dedicated weekly volunteer for several months at the local harbor seal rookery.

Sincerely,

Liberta Brown  
Assistant Director



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NOV 12 2021

BOARD, COMMISSION OR COMMITTEE APPLIED FOR:

Harbor Seal Advisory Committee

APPLICANT: Mechelle Sinclair  
Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria?

Yes.

EXPERIENCE/ BACKGROUND:

B.A. Home Economics  
Education

Retired

Present Occupation (Please describe any relevant past work experience)

SealWatch Volunteer, Carpinteria State Park Volunteer

Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

I love our city and coastline and want to give back in some way. I am passionate about nature and want to protect our local creatures and birds.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Mechelle A. Sinclair Nov. 12th  
Signature Date  
2021



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5775 Carpinteria Avenue  
Carpinteria, CA 93013

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

Harbor Seal Advisory Committee

**APPLICANT:** Lynn Springer

Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria?

Yes

**EXPERIENCE/ BACKGROUND:**

UCSB - BA - Political Science - Public Policy ; UCLA - Paralegal  
Education Certificate

Litigation Paralegal

Present Occupation (Please describe any relevant past work experience)

(10 years)

Seal Watch (current) Carp AYSD Regional Board, CUSD Parent  
Memberships in Organizations Advisory Committee, Parents for CHS Board (8 yrs)

Reasons why you believe you should be appointed (attach additional sheets if necessary):

Having done Seal Watch, I see the need for a long term approach/policy change  
with regard to protecting the seals and balancing the interests/needs  
for beach access, business/tourist promotion/etc tourism so that  
everyone benefits as best as possible in a clear policy moving  
forward.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

none

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Signature

Date

Lynn Springer 11/10/21



**CITY OF CARPINTERIA  
APPLICATION FOR APPOINTMENT  
TO A CITY BOARD, COMMISSION OR  
COMMITTEE**

Please return to: City Clerk's Office  
City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

RECEIVED

NOV 10 2021

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

CITY OF CARPINTERIA

Seal Watch Committee

<sup>Rev</sup>  
**APPLICANT:** Toni Stuart  
Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? yes

**EXPERIENCE/ BACKGROUND:**

BA in English, Stanford U. MA in Religious Studies, Episcopal Seminary - Claremont  
Education

retired former Episcopal Priest  
Present Occupation (Please describe any relevant past work experience)

Immaculate Heart Community, Seal Watcher  
Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

I was a seal watcher for about 16 years - the last 8 as Tuesday  
Captain.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Toni Stuart  
Signature

11/7/2021  
Date



**CITY OF CARPINTERIA  
APPLICATION FOR APPOINTMENT  
TO A CITY BOARD, COMMISSION OR  
COMMITTEE**

Please return to: City Clerk's Office

City of Carpinteria  
5775 Carpinteria Avenue  
Carpinteria, CA 93013

RECEIVED

NOV 12 2021

CITY OF CARPINTERIA

**BOARD, COMMISSION OR COMMITTEE APPLIED FOR:**

Harbor Seal Advisory Committee

**APPLICANT:**

Daniel Trevor

Name

Address

Email

Business Address

Phone Number(s)

Are you a resident of the City of Carpinteria? Yes

**EXPERIENCE/ BACKGROUND:**

2 years College. Registered X-Ray Tech (retired)  
Education

Program Director Am Cancer Society (Retired)  
Present Occupation (Please describe any relevant past work experience)

Retired - Carp. Seniors, Host, Mah Jongg  
Memberships in Organizations

Reasons why you believe you should be appointed (attach additional sheets if necessary):

10 yrs. Seal Watch #over 10 years Host, 6 years  
SBCO Museum Whale Corps.  
Stopped Seal Watch because terrain too difficult with  
my bad foot.

Please list City Commission/Committee/Board (including dates) you are currently serving on or have served on:

Carpinteria Mobil Home Rent Board

I, the undersigned, hereby certify that all the statements contained herein above, are true and correct to the best of my knowledge and belief. I understand that false statements in my application will disqualify me from service on any Commission/Committee/Board of the City of Carpinteria. If appointed, I understand I will be responsible for filing an annual Statement of Economic Interests and fulfilling ethics training, and failure to do so in a timely manner may be cause for termination of position. This application is a public document and is available for review.

THIS APPLICATION MUST BE SIGNED IN INK AND DATED

Daniel Trevor 11-10-21



# City of Carpinteria

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## **COUNCIL AGENDA STAFF REPORT** January 24, 2022

### **ITEM FOR COUNCIL CONSIDERATION**

General Fiscal Outlook and General Fund Reserve Policy report related to the City's update of its Long-Term Financial Plan.

### **STAFF RECOMMENDATION**

1. Receive and file the Fiscal Outlook report
2. Receive the General Fund Reserve Policy report and direct staff, based on the report, to prepare and return with an updated policy for City Council consideration.

Sample Motion:

I move to Receive and file the Fiscal Outlook and Reserve Policy reports and direct staff to prepare an updated General Fund Reserve Policy for Council consideration at a future meeting.

### **BACKGROUND**

The City's 2021 Work Plan includes the preparation of a Long-Term Financial Plan that identifies critical areas that have, or are expected to have, an impact on the financial condition of the City over the next five years, and provides the City options for addressing the financial needs of critical projects, programs and services.

Specifically, the objective of this Work Plan item is to update the 2017-22 Long-Term Financial Plan, which has provided an effective framework for actions aiming to improve the City's financial condition and help it better meet service needs and expectations over time. Additionally, the Long-Term Financial Plan can be the context for local economic forecasting and supports the City's strategic planning work, City budget revenue, and expenditure projections.

In the late stages and anticipated aftermath of the global pandemic, it is also timely to review and update the City's General Fund Reserve Policy. The review has been completed using the structured approach for assessing risk and establishing minimum reserve targets developed by the Government Finance Officers Association of the United States and Canada (GFOA).

In August 2021, the City signed an agreement with William C. Statler, to prepare the 2022-27 Long-Term Financial Plan and review General Fund Reserve Policy. On January 11, the City Council Finance Committee (Carty, Clark) received a presentation on the consultant's reports.

The purpose of this agenda matter is for the City Council to receive the consultant's initial reports, i.e., General Fiscal Outlook and General Fund Reserve Policy, as the precursor to the draft Long-Term Financial Plan that is scheduled to be presented in February 2022.

### **DISCUSSION**

The presentation of the General Fiscal Outlook is a part of the preparation of a Long-Term Financial Plan. Based on the current Long-Term Financial Plan and work completed in recent years through the City's budgeting and capital project planning processes, it is expected that the Long-Term Financial Plan will identify a gap between revenues and costs associated with meeting long-term capital maintenance, capital project and other critical service needs of the community. The Long-Term Financial Plan will provide analysis of this gap and options for addressing it.

The presentation of the General Fund Reserve Policy report will provide a review of City's current Policy and make recommendations for change as appropriate.

### **POLICY CONSISTENCY**

This item is consistent with the City's Mission Statement for making judicious use of limited resources and supports the ability of the City to effectively implement a variety of important policies, including but not limited to those of the General Plan/Local Coastal Plan.

### **FINANCIAL AND RISK MANAGEMENT CONSIDERATIONS**

The Long-Term Financial Plan provides a tool for the City Council to use in setting priorities and developing responses to meeting community project, program and service needs in the context of revenue and expenditure trends.

The General Fund Reserve Policy review is likely to result in recommendation to update/amend the reserve policy.

### **LEGAL**

None.

## **OPTIONS**

1. Receive and file the subject reports and direct preparation of an updated General Fund Reserve Policy (staff recommendation)
2. Request additional information and/or modifications to the Report(s).

## **PRINCIPAL PARTIES EXPECTED AT MEETING**

William Statler, Consultant (Fiscal Policy, Financial Planning, Analysis, Training, Organizational Review)

## **ATTACHMENTS**

- A. General Fiscal Outlook, 2022-27
- B. General Fund Reserve Policy Report

Staff contact: Licette Maldonado,  
Administrative Services Director  
(805) 755-4448, [licettem@ci.carpinteria.ca.us](mailto:licettem@ci.carpinteria.ca.us)



Signature

Reviewed by: Dave Durflinger, City Manager  
(805) 755-4400, [daved@ci.carpinteria.ca.us](mailto:daved@ci.carpinteria.ca.us)



Signature

# Attachment A

General Fiscal Outlook: 2022-27

# Attachment A

General Fiscal Outlook: 2022-27





# City of Carpinteria

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## General Fiscal Outlook: 2022-27

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*January 2022*

124 Cerro Romauldo Avenue  
San Luis Obispo, CA 93405  
805.544.5838 ■ Cell: 805.459.6326  
bstatler@pacbell.net  
www.bstatler.com

**William C. Statler**

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review



## General Fiscal Outlook: 2022-27

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## OVERVIEW

On February 28, 2022, the City will receive a long-term fiscal forecast and financial plan that assesses the General Fund's ability over the next five years – on an “order of magnitude” basis – to continue current services in the aftermath of the (still continuing) global pandemic while addressing long-term liabilities and achieving capital improvement plan (CIP) goals; and if the forecast projects a negative gap between revenues and expenditures, to identify realistic options for the City's consideration in closing the gap.

The purpose of this “General Fiscal Outlook” is to preface the forecast with an outline of the key factors that are likely to affect the City's fiscal future, which will ultimately translate into key assumptions that drive forecast results. These include the following eight factors that are likely to shape the City's fiscal outlook over the next five years:

- General economic trends and outlook, including Covid-19 recovery
- State budget situation
- Current financial condition
- Key revenues trends
- Operating cost drivers, including unfunded liabilities for pensions
- General Fund subsidies
- Population growth and development
- Capital improvement plan

Other revenue and expenditure issues that might surface during preparation of the Plan include the fiscal impact of non-residential new development, user fee cost study and compensation plan update.

## The Short Story

While the City has not been immune from adverse economic forces resulting from the global pandemic, it has been more successful than many other communities in California in weathering these fiscal storms. The City has adopted balanced budgets and maintained strong General Fund reserves at policy levels. It currently has no General Fund debt; and compared with many California cities, modest pension and retiree health obligations.

### Updating the Five-Year Financial Plan

The City last prepared a five-year long-term financial plan in May 2017 for the period 2017-22. Since then, the City has implemented two key Plan recommendations: establishment of a Pension Stabilization Fund in mitigating pension costs; and voter approval of a new general purpose revenue source: 1.25% local option sales tax (Measure X).

Accordingly, given the five years since the last Plan was prepared, it is timely to update the Plan as well as address new and continuing challenges, including:

- Continued increases in CalPERS pension costs, including impacts from reducing the discount (investment yield) assumption from 7.0% to 6.8%, which was “triggered” in accordance with its rate stabilization plan resulting from a significant investment yield of 21.3% in 2020-21 compared with actuarial assumptions.
- Health insurance costs for active and retired employees.
- New allocation model for Sheriff contract costs and its potential for significant cost increases.
- Library services operating and capital costs.
- CIP projects.
- Other initiatives in the 2021 Annual Work Program and 2021-22 Budget.

## General Fiscal Outlook

The City has also adopted – and followed – prudent fiscal policies addressing issues such as reserves, user fee cost recovery, investments, use of generally accepted accounting principles (GAAP) in preparing financial statements and budgets, inventories and fixed assets. The City routinely receives “clean” audit opinions; and has received the prestigious *Award for Excellence in Financial Reporting* from the Government Finance Officers Association of the United States and Canada (GFOA) as well as the *Award for Operating Budget Excellence* from the California Society of Municipal Finance Officers (CSMFO).

However, the City is likely to face significant fiscal challenges over the next five years, especially in achieving CIP and major maintenance goals. For example, while transportation maintenance and improvement needs have been partially addressed through special revenue funds such as Gas Tax, Measure A and Local Transportation Funds, limited General Fund revenues have been allocated for facility and infrastructure capital improvements and major maintenance over the past five years. That said, voter approval of Measure X – 1.25% local option sales tax – in November 2018 has significantly improved the City’s ability to fund CIP projects.

The City is currently in the process of updating its five-year CIP, and it is likely that the Draft will be available for preparation of the long-term financial plan. Accordingly, it will be a significant factor in assessing the City’s fiscal future.

### BACKGROUND

Like virtually all other local governments in California, the City has been faced with major fiscal challenges over the past two years in the wake of Covid-19, which continues to impact recovery throughout the nation.

Making good resource decisions in the short term as part of the budget process requires taking into account their impact on the City’s fiscal condition down the road. Developing good solutions requires knowing the size of the problem the City is trying to solve: in short, the City cannot fix a problem it hasn’t defined. And in this economic and fiscal environment, looking only one year ahead has the strong potential to misstate the size and nature of the fiscal challenges ahead of the City, especially when considering CIP goals and long-term liabilities such as pension obligations.

For those local agencies that have prepared longer-term forecasts and follow-on financial plans, this did not magically make their fiscal problems disappear: they still had tough decisions to make. However, it allowed them to better assess their longer-term outlook; more closely define the size and duration of the fiscal challenges facing them; and then make better decisions accordingly for both the short and long run. This will be true for the City as well.

***It is important to stress that the forecast is not the budget.***

Budgets are based on program review, priorities and affordability, whereas the upcoming forecast and financial plan are based on assumptions. Accordingly, it doesn’t make expenditure decisions; it doesn’t make revenue decisions. As noted above, its sole purpose is to provide an “order of magnitude” feel for the General Fund’s ability to continue current service levels and achieve CIP goals.

## General Fiscal Outlook

### *Can the City Afford New Initiatives?*

This is a basic question of priorities, not of financial capacity. But the forecast will help assess how difficult answering this question will be.

Ultimately, the forecast cannot answer the question: “Can the City afford new initiatives and achieve CIP goals?” This is a basic question of priorities, not of financial capacity per se. However, making trade-offs is what the budget process is all about:

determining the highest priority uses of the

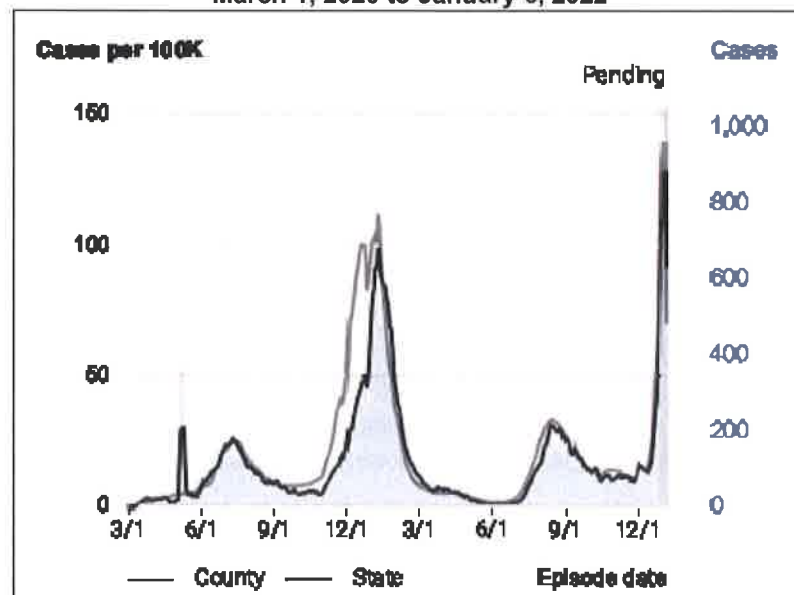
City’s limited resources. And by identifying and analyzing key factors affecting the City’s long-term fiscal health, the forecast can help assess how difficult making these priority decisions will be. Stated simply, the forecast is not the budget. Rather, it sets forth the challenges ahead of the City in taking the actions needed to adopt a balanced budget – next year and beyond, while meeting community needs for essential day-to-day services as well as facility and infrastructure maintenance and improvements.

### ❶ GENERAL ECONOMIC TRENDS AND OUTLOOK

The dominant economic factor over the past two years has been the continuing impact of the global pandemic from Covid-19, and its Delta and Omicron variants. Stated simply, the City’s revenue outlook will not significantly improve until the economy improves; and the economy won’t begin to experience sustained improvement until the public health crisis is over.

***So, when is that?*** The following chart tells the changing Covid-19 story, showing trends in average daily Covid-19 cases since March 2020 for Santa Barbara County (trends for the County and State track closely together).

**Table 1. Average Daily Cases: Santa Barbara County and State  
March 1, 2020 to January 6, 2022**



## General Fiscal Outlook

This chart shows wide swings in peaks and valleys, with continued improvements followed by five surges, with the highest cases in Winter 2020-21 and the second largest most recently in December 2021.

Several recent forecasts project that cases will begin to sharply level-off in mid-to-late January 2022, with the World Health Organization Director-General projecting that the pandemic could end in 2022, but only if “we do it together ... while no country is out of the woods, we have many new tools to prevent and treat Covid -19.” That said, even as experts project the possibility of a lessening of Covid-19 cases and their severity, many still believe the most likely outcome is a lessening to an “epidemic” rather than pandemic, with chronic, seasonal outbreaks like the Flu.

***The Short Story.*** Given past surges, cautious optimism is warranted about the possibility that the pandemic crisis may soon be over.

### Great Recession vs Covid-19

Prior to Covid-19, our most recent experience with an economic downturn was the Great Recession in 2008-12. However, the causes and impact are vastly different:

| Great Recession                                                                                                                                                                                                                      | Covid-19                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• Economic meltdown/financial system failure due to housing bubble and subprime mortgages.</li><li>• Slow recovery (nine years to full recovery).</li><li>• <u>Systemic</u> problem.</li></ul> | <ul style="list-style-type: none"><li>• Strong underlying economy.</li><li>• Public health crisis causes downturn.</li><li>• When public health recovers, economy will recover (but already see strengthening).</li><li>• <u>One-time</u> problem.</li></ul> |

For this reason, virtually all economists believe that the economy will recover strongly and quickly once the public health crisis is over. (Of course, when this will happen is difficult to predict.) Christopher Thornberg with Beacon Economics sums up this view: “The Covid pandemic is a tragic natural disaster, yet history shows that natural disasters have little long-run economic impact. The ‘V’ was the only logical outcome.”

The forecast will reflect this consensus but will nonetheless be cautious in projecting revenues.

**Where We’ve Been.** The shut-down of the economy in the public health response to Covid-19 was immediate and severe, especially impacting employment and the visitor industry. However, even with continued peaks and valleys in cases (and related hospitalization and deaths), the economy has seen significant improvements over the past two years.

## General Fiscal Outlook

Table 2 shows an immediate increase in the U.S. unemployment rate following the Covid-19 outbreak. At its peak (14.8% in April 2020), it exceeded the impact of the Great Recession (10.0% in October 2009). Since then, it has declined to 4.2% by November 2021.

In short, while the increase in unemployment was steep, so was its decline.

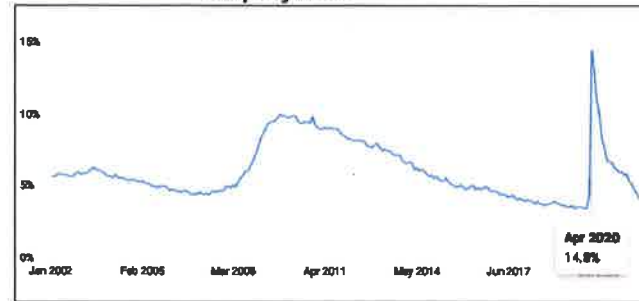
While the California unemployment rate in November 2021 is higher than the nation, its rise and fall tells a similar story.

At its peak (16.0% in April 2020), it also exceeded the impact of the Great Recession (12.6% in January through March 2010). Since then, it has declined to 6.9% by November 2021.

Trends in U.S. retail sales tell a similar story: the sharp drop in retail sales beginning in February 2020 is deeper than the Great Recession; but its recovery is also faster.

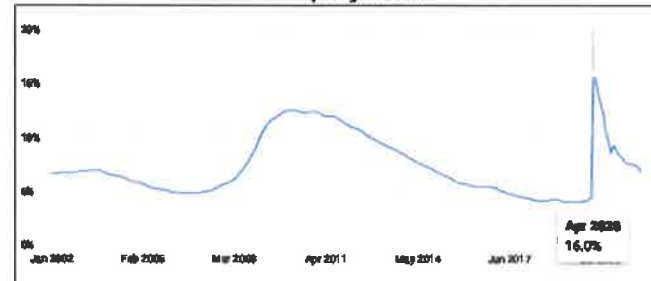
Retail sales in November 2021 are up by 18% compared with November 2020.

**Table 2. U.S. Unemployment Rate**



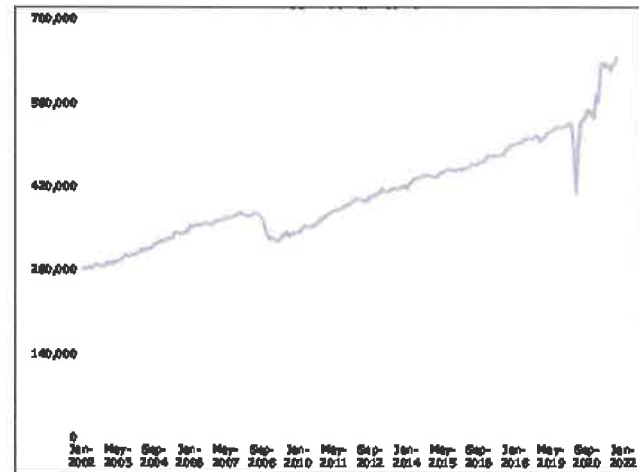
Source: U.S. Bureau of Labor Statistics

**Table 3. California Unemployment Rate**



Source: U.S. Bureau of Labor Statistics

**Table 4. U.S. Retail Sales**



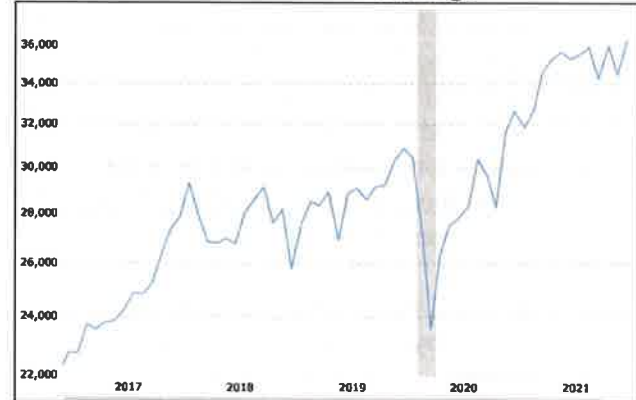
Source: U.S. Census Bureau

## General Fiscal Outlook

As shown in Table 5, the Dow Jones Industrial Average lost about 25% of its value, falling from 30,878 in December 2019 to 23,604 in March 2020.

Since then, it has recovered to historic highs of 36,338 in December 2021. However, note its fluctuations in August and December 2021 in response to the emergence of the Delta and Omicron variants.

**Table 5. Dow Jones Industrial Average**



Source: [www.macrotrends.net](http://www.macrotrends.net)

**Where We Are Today.** Even with the pandemic uncertainties (and those still ahead), the economy is a good shape today by most measures:

- Nationally, the unemployment rate is 4.2% compared with its pandemic peak of 14.8%.
- In California, the unemployment rate is 6.9%, down from its pandemic peak of 16.0%.
- Retail sales have recovered sharply. For example, retail sales in November 2021 are up by 18% compared with November 2020.
- The stock market has rebounded strongly, with the Dow Jones Industrial Average increasing from its pandemic low in March 2020 (23,600) to historic highs in excess of 36,000 in December 2021. And at over 4,700 the S&P 500 index is also at historically high levels.
- Interest rates continue to be low by historic standards.

**Where We're Headed.** I won't pretend to have a better crystal ball or secret sauce than anyone else when it comes to predicting the direction of the national or state economy, especially given Covid-19 uncertainties and its impact on the recovery. That said, most economists foresee continued strengthening of the economy. In fact, Beacon Economics projects that the "economy will remain heated for the next few years: a new roaring 20's."

Other real U.S. Gross Domestic Product (GDP) forecasts include the following annual growth rates.

| Forecast Source        | 2021 | 2022 | 2023 |
|------------------------|------|------|------|
| Conference Board       | 5.7% | 3.8% | 3.0% |
| UCLA Anderson Forecast | 5.6% | 4.1% | 3.1% |
| Goldman Sachs          | 5.6% | 4.0% | 2.2% |
| S&P Global             | 5.7% | 4.1% | 2.5% |
| Economy.com            | 5.8% | 4.3% | 2.3% |

Source: California Economic Forecast, November 2021 Newsletter

## General Fiscal Outlook

However, there is consensus that inflation is a dark cloud on the horizon. As reflected in Table 6, the last ten years have been marked by modest inflation through fiscal year 2021, averaging about 2% annually (with 2021 less than 1%).

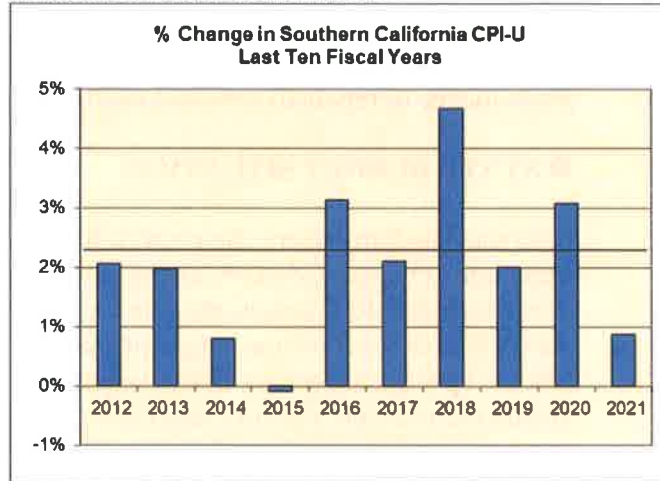
However, as reflected in Table 7, the last twelve months tell a different story. While inflation rose by only 1% in the first four months from the same months last year, it began rising by almost 4% in April; and compared with the same month last year, by 6.0% in November.

**Short-Term Blip or Continuing Trend?** Many economists believe that this rise in prices will be short-lived phenomenon of a surge in demand exacerbated by supply chain bottlenecks. This leads economists like U.S. Treasury Secretary Janet Yellen and Federal Reserve Chair and Federal Reserve Chair Jerome Powell to project that inflation will begin to ease in mid-2022.

As reflected in Table 8, the State Legislative Analyst's Office (LAO) also projects that inflation will begin to abate in 2022, leveling to about 3% in 2023.

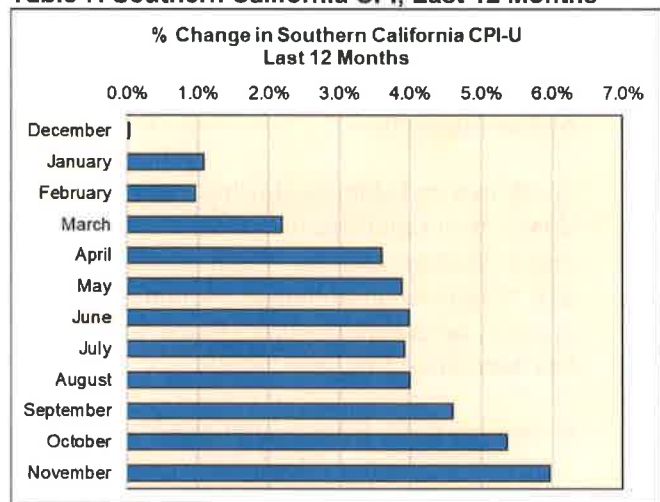
On the other hand, there are highly respected economists who believe that there are systemic reasons for continued higher inflation resulting from increased federal government deficit spending and labor shortages putting pressure on higher wages and resulting higher costs.

**Table 6. Southern California CPI**



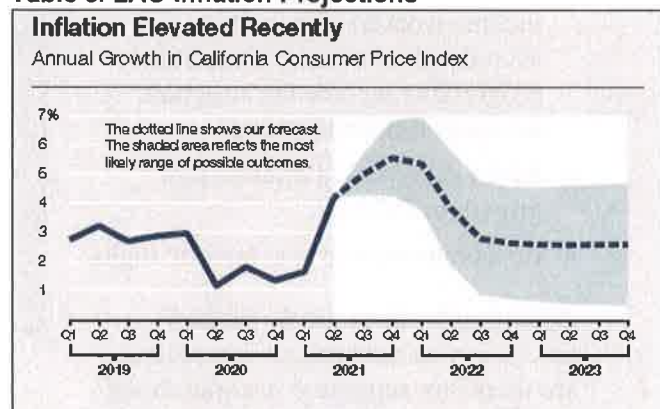
Source: U.S. Bureau of Labor Statistics

**Table 7. Southern California CPI, Last 12 Months**



Source: U.S. Bureau of Labor Statistics

**Table 8. LAO Inflation Projections**



Source: California Fiscal Outlook, November 2021, LAO

## General Fiscal Outlook

At the end of the day, the City's top three General Fund revenues – property tax, sales tax and transient occupancy tax (TOT), which account for about 75% of total revenues, are driven by the performance of the local economy – which in turn is driven by the interrelated performance of regional, state and national economies.

### ② STATE BUDGET SITUATION

Over the past thirty years, the greatest fiscal threat to cities in California has not been economic downturns, dotcom meltdowns or corporate scandals, but rather, State takeaways. These included 20% reductions in property tax revenues in transferring revenues to schools via the Education Revenue Augmentation Fund (which the State used to reduce its funding to schools by a corresponding amount); property tax administration fees; unfunded State mandates; and more recently dissolution of redevelopment agencies. These takeaways were on top of the fiscal challenges facing cities in light of revenue declines and cost pressures.

Fortunately, despite Covid-19 impacts, the State continues to be its best financial condition in many years, with the LAO projecting 2022-23 ending State General Fund balance at \$31.2 billion (Table 9).

As shown in Table 10, this has been driven by a rapid rise in the State's three major revenue sources, which are rising \$10 billion ahead of budget estimates: income, sales and corporate taxes. This has been driven by four factors:

- Income taxes from capital gains (stock prices have doubled from their pandemic low last Spring)
- While lower-income workers were impacted by the pandemic, higher income workers were not; accordingly, because of the State's progressive income tax structure, revenues remained strong
- Retail sales posted double-digit growth in 2021-22.
- Corporate income is at historic highs.

Accordingly, there are no further takeaways on the horizon, but neither are there any suggested restorations of past takeaways. That said, the next five years is a long time for the State to leave cities alone.

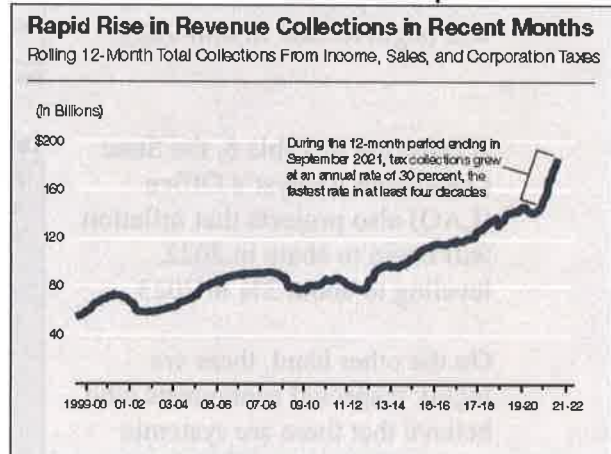
**Table 9. State General Fund Balance**

| <b>General Fund Condition Under Fiscal Outlook</b><br>(In Millions) |                 |                 |                 |
|---------------------------------------------------------------------|-----------------|-----------------|-----------------|
|                                                                     | 2020-21         | 2021-22         | 2022-23         |
| Prior-year fund balance                                             | \$6,666         | \$32,229        | \$29,196        |
| Revenues and transfers                                              | 193,767         | 197,944         | 202,288         |
| Expenditures                                                        | 167,084         | 200,978         | 197,069         |
| Ending fund balance                                                 | 32,229          | 29,196          | 34,424          |
| Encumbrances                                                        | 3,175           | 3,175           | 3,175           |
| <b>SFEU Balance</b>                                                 | <b>\$29,054</b> | <b>\$26,020</b> | <b>\$31,249</b> |
| <b>Reserves</b>                                                     |                 |                 |                 |
| BSA balance                                                         | \$11,967        | \$16,825        | \$20,917        |
| Safety Net Reserve                                                  | 900             | 900             | 900             |
| <b>Total Reserves</b>                                               | <b>\$12,867</b> | <b>\$17,725</b> | <b>\$21,817</b> |

SFEU = Special Fund for Economic Uncertainties and BSA = Budget Stabilization Account.

Source: California Fiscal Outlook, November 2021, LAO

**Table 10. State Collections from Top 3 Revenues**



Source: California Fiscal Outlook, November 2021, LAO

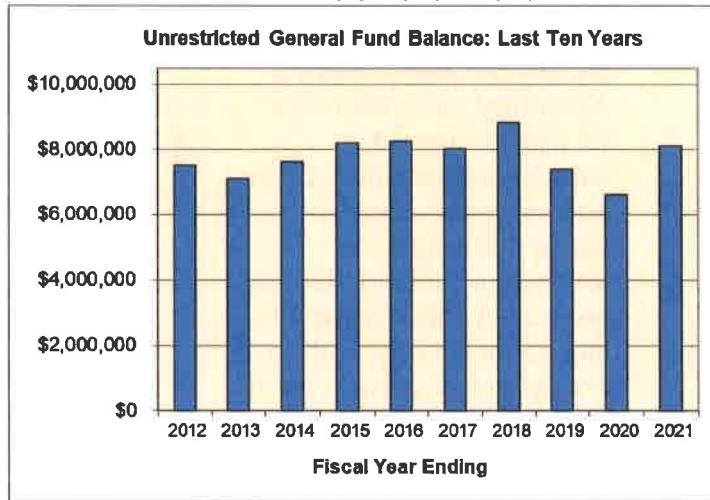
## General Fiscal Outlook

### ③ CURRENT FINANCIAL CONDITION

The City has established clear and prudent General Fund reserve policies, summarized as follows:

- Financial and economic uncertainty reserve equal to a minimum of 40% of annual General Fund expenses.
- General reserve of \$1,000,000.
- Major asset replacement and repair reserve of \$1 million.

**Table 11. Unrestricted General Fund Balance**



As shown in Table 11, the City has a long track record of maintaining General Fund reserves above policy minimums.

Based on interim financial results for 2020-21, unrestricted General Fund reserves at the end of the year are categorized as follows:

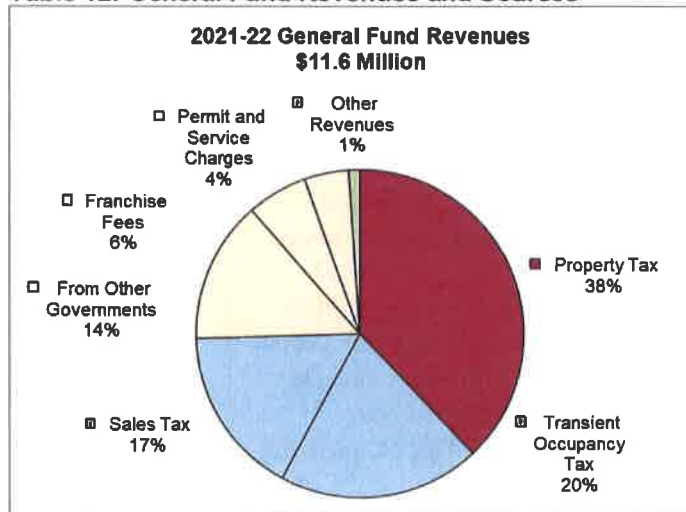
| Unrestricted General Fund Balance: June 30, 2021      | Amount             |
|-------------------------------------------------------|--------------------|
| Financial and economic uncertainty                    | 4,052,200          |
| Capital asset replacement                             | 511,600            |
| Special projects                                      | 1,193,600          |
| Unassigned                                            | 2,351,200          |
| <b>Total Unrestricted Fund Balance: June 30, 2021</b> | <b>\$8,108,600</b> |

### ④ KEY REVENUE TRENDS

**Top Revenues.** As shown in Table 12, three revenues account for about 75% of General Fund revenues and sources (excluding Measure X revenues, which are projected at \$3.2 million for 2021-22).

- Property Tax: \$4.4 million (38%)
- TOT: \$2.3 million (20%)
- Sales Tax: \$1.9 million (17%)

**Table 12: General Fund Revenues and Sources**



## General Fiscal Outlook

**Property Tax Revenues.** The State controls the allocation of general purpose property taxes between cities, counties, schools and special districts. Accordingly, the best metric for understanding the underlying economic basis for property tax revenues is assessed valuation. As reflected in Table 13, this has been a very stable source of income for the City, with an average annual growth rate of 4.5% over the last ten years; and 5.3% in 2020-21.

**TOT Revenues.** Table 14 shows 10-year trends for transient occupancy tax room sales, which includes hotels and short-term vacation rentals. (Note: The tax rate increased from 10% to 12% in 2012-13, and thus room sales are the best economic measure). Room sales were relatively stable from 2014-15 to 2017-18, with an increase of 7% in 2018-19. However, this is followed by a sharp decline in 2019-20 from Covid-19 impacts, with recovery beginning in 2020-21.

**Sales Tax Revenues.** Excluding Measure X revenues (which only began to be received in 2018-19), the last ten years show mixed results in this revenue source, with growth from 2012-13 through 2015-16, but modest declines of the next four years thereafter. However, sales tax revenues appear to have recovered in 2020-21, growing by 5.9%.

**Table 13. Assessed Valuation**

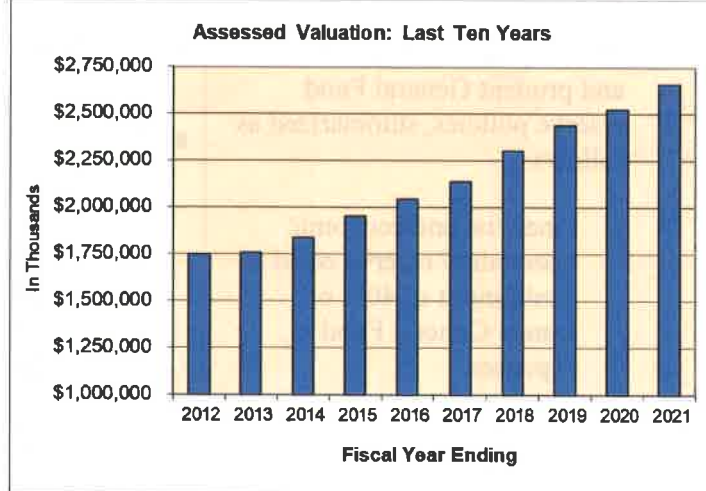


**Table 14. TOT Room Sales**

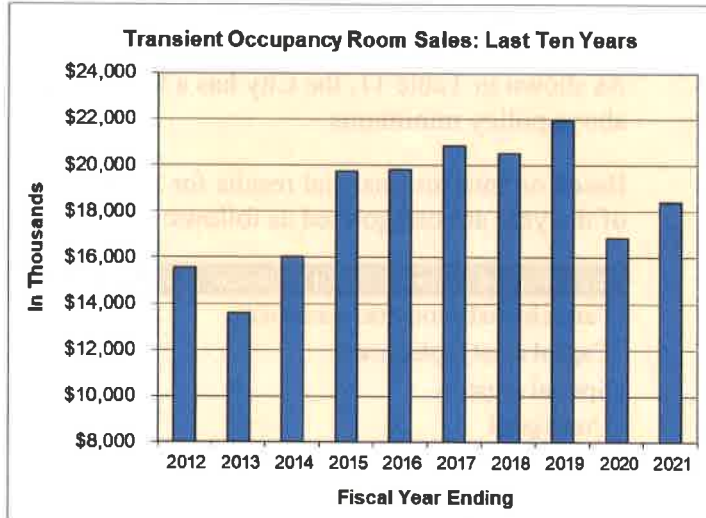
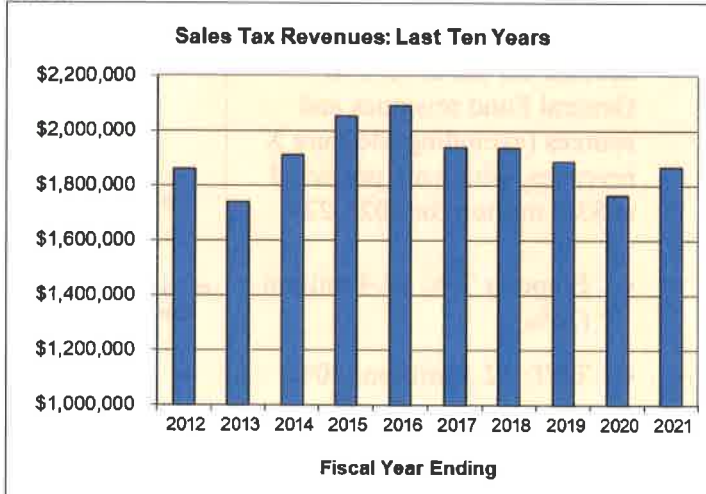


**Table 15. Sales Tax Revenues**



## General Fiscal Outlook

### ⑤ OPERATING COST DRIVERS

There are two operating cost drivers that are likely to affect the City's fiscal outlook over the next five years:

- Sheriff contract costs
- CalPERS pension costs

#### Sheriff Contract Costs

As shown in Table 16, Sheriff contract costs with the County of Santa Barbara are the second largest General Fund expenditure (excluding Measure X), projected at \$4.1 million in the 2021-22 Budget and accounting for 36% of General Fund expenditures and uses.

Table 17 shows Sheriff contract costs for the last ten years, which have been funded by a combination of General Fund and Measure X sources beginning in 2019-20. Cost increases through 2018-19 have been relatively modest. However, while mitigated with Measure X funds, there was a significant increase in 2019-20 (8.7%).

It should be noted that the current five-year contract with the County is ending and subject to negotiation, with a new allocation model under consideration.

#### CalPERS Pension Costs

The City currently provides defined pension benefits to its regular employees through its contract with the California Public Employees Retirement System (CalPERS). Because the

Table 16. General Fund Expenditures and Uses

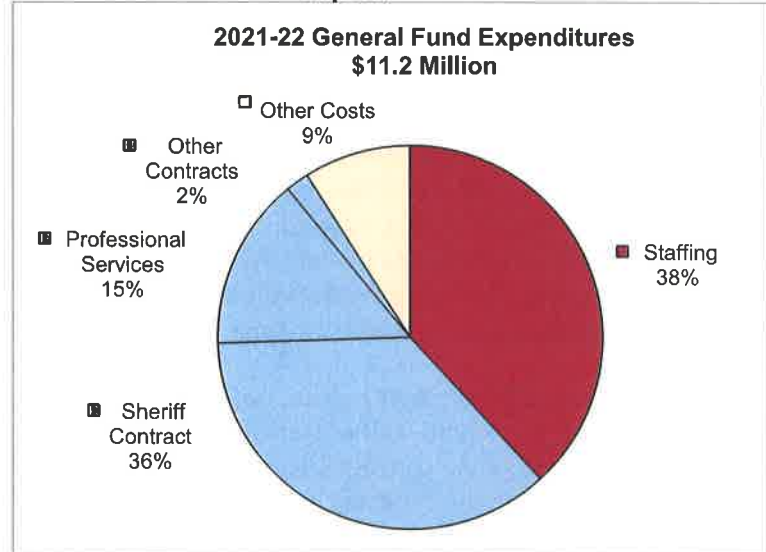
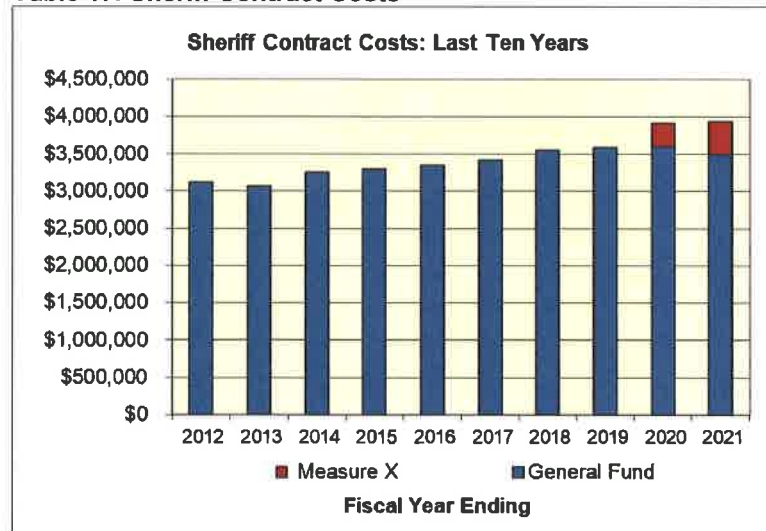


Table 17. Sheriff Contract Costs



## General Fiscal Outlook

City has under 100 non-safety employees covered by its contract with CalPERS, it is pooled with other local agencies with under 100 non-safety employees that offer similar benefits.

The City has a two-tier retirement plan resulting from the Public Employees' Pension Reform Act of 2013 (PEPRA).

- **“New” (PEPRA) Employees: 2% at 62.** Under PEPRA, “new” system employees hired on January 1, 2013 or after are provided with the “2% at 62” plan. This means that retirees will receive 2% of their eligible compensation for each year worked if they retire at age 62. For example, an employee working for 30 years and retiring at 62 would receive 60% of their eligible compensation (in this case, the average earnings or their three highest years, excluding any overtime pay)
- **“Classic” Employees: 2% at 55.** Employees in the system before January 1, 2013 (which CalPERS calls “classic” employees) are provided with the “2% at 55” plan: they receive 2% of their eligible compensation for each year worked if they retire at age 55. Classic employees include those who worked for the City before January 1, 2013. It also includes new employees with the City who established CalPERS membership with another agency before January 1, 2013, with a break in service of six months or less.

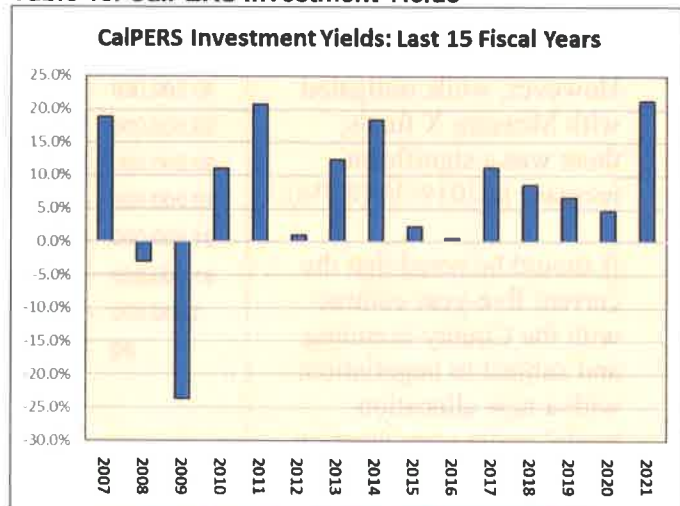
**About CalPERS.** While cities, counties, and special districts are free to create their own retirement systems, 460 of California’s 482 cities are members of CalPERS. Dating back eighty-five years, CalPERS is now the largest pension fund in the United States, providing services to about 2,900 state, city, county and special districts, with over 1.8 million members and managing \$500 billion in assets.

**Funding Pension Benefits.** There are many actuarial factors that determine contribution rates, including inflation and life expectancy assumptions

However, the assumption for the “discount rate” – the projected long-term yield on investments – is one of the most important. For example, only about one-third of CalPERS retirement benefits are funded by employee and employer contributions: the other two-thirds are funded from investment yields.

As of January 1, 2022, CalPERS current discount rate is 6.8%. Even small changes in this rate – up or down – can significantly affect funding.

**Table 18. CalPERS Investment Yields**



Sources: <https://www.calpers.ca.gov/page/newsroom/calpers-news/2021/calpers-strong-preliminary-fiscal-year-investment-return-trigger-discount-rate-reduction>

<https://www.calpers.ca.gov/docs/forms-publications/facts-investment-pension-funding.pdf>

## General Fiscal Outlook

By comparison, CalPERS net yield on returns has averaged 10.3% for the last five years; 8.5% for the last 10 years; 6.9% for the last 20 years; and 8.4% over the past 30 years. As reflected in Table 18, these highly variable results are due to significant swings in investment earnings from year-to-year. (Source: <https://www.calpers.ca.gov/page/newsroom/calpers-news/2021/calpers-strong-preliminary-fiscal-year-investment-return-trigger-discount-rate-reduction>)

**Member and City Contributions.** Along with investment earnings, CalPERS pension benefits are funded by contributions from both employees and employers.

The employer share has two components:

- Normal cost: The rate needed to meet current actuarial obligations.
- Unfunded actuarial liability (UAL): Funding needed to amortize any outstanding unfunded liabilities (typically over 30 years). If there are adverse actuarial results, such as lower investment yields or changes in actuarial assumptions, this will be reflected in the UAL payment.

**Recent Change in Investment Assumptions.** CalPERS recently reduced its yield assumption from 7.0% to 6.8%, effective January 1, 2022. This was triggered by the risk mitigation policy adopted by CalPERS in 2015 and revised in 2017), which called for reductions in the yield assumptions as follows:

| Excess Investment Return                                             | Reduction in Discount Rate                        | Reduction in Expected Investment Return                       |
|----------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------|
| <i>If the actual investment returns exceed the discount rate by:</i> | <i>Then the discount rate will be reduced by:</i> | <i>And the expected investment return will be reduced by:</i> |
| 2.00%                                                                | 0.05%                                             | 0.05%                                                         |
| 7.00%                                                                | 0.10%                                             | 0.10%                                                         |
| 10.00%                                                               | 0.15%                                             | 0.15%                                                         |
| 13.00%                                                               | 0.20%                                             | 0.20%                                                         |
| 17.00%                                                               | 0.25%                                             | 0.25%                                                         |

Source: CalPERS Statement of Policy for Funding Risk Mitigation, Version 2, February 14, 2017

Compared with the prior assumption of 7.0%, the return in 2020-21 of 21.3% exceeded the yield assumption by 14.3% (between 13% and 17%), and accordingly, was reduced by 0.20% under this policy.

On one hand, it seems counter-intuitive that the yield assumption should drop when returns are strong. However, the long-term “strategic objective of the Policy is to reduce the volatility of investment returns, thereby increasing the long-term sustainability of CalPERS pension benefits for members” and contributions by employers. This policy is intended to do so by reducing the yield assumptions when returns are strong and the impact is lessened.

Based on initial models provided by CalPERS, this reduction in yield assumption appears to have a moderate (and perhaps beneficial) impact on employer contributions rates: while future yield assumptions are reduced, this appears to be offset by more fully funded liabilities due to the strong yield in 2020-21 (in short, the liability amortization base is smaller).

## General Fiscal Outlook

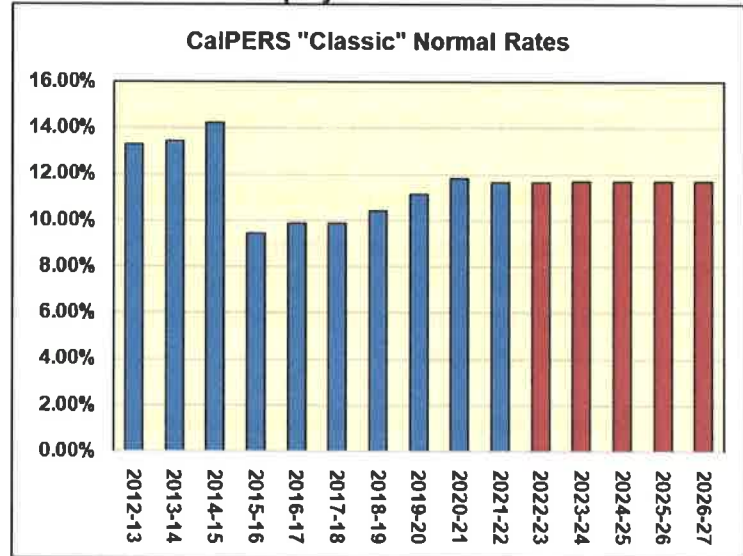
**CalPERS Employer Contribution Rates.** Over the past five years, CalPERS has phased-in increases in both the normal and UAL employer contribution rates due to actual assumption changes. As reflected in Tables 15 and 16, normal cost rates have stabilized but UAL payments continue to rise.

Table 19 shows actual contribution rates for the past ten years (in blue) for the City's "classic" employees along with projected rates for next five years (in red). As discussed above, it shows how normal rates have stabilized.

(Note: Trends are provided for "classic" versus "new" (PEPRA) employees for "normal and UAL costs, since they are a much larger group and better reflect cost trends. However, over time, PEPRA employees will be a larger share of the City's employees, and accordingly, overall costs will come down.)

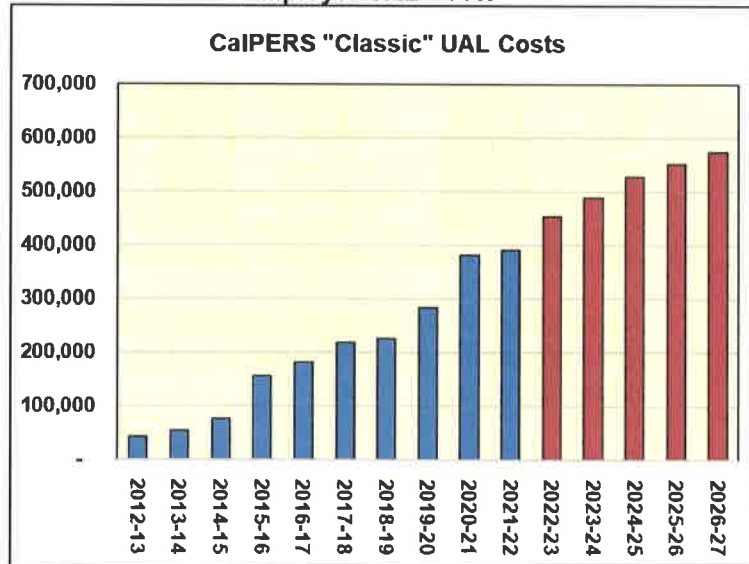
On the other hand, Table 20 shows how UAL costs for "classic" employees have risen significantly, with continued cost increases though 2024-25, where they begin to stabilize (last ten years in blue and projected costs for the next five years in red).

**Table 19. CalPERS Employer "Normal" Contribution Rates**



Source: July 2021, PERS Miscellaneous Plan of the City of Carpinteria, Annual Valuation Report as of June 30, 2020; City of Carpinteria

**Table 20. CalPERS Employer UAL Costs**



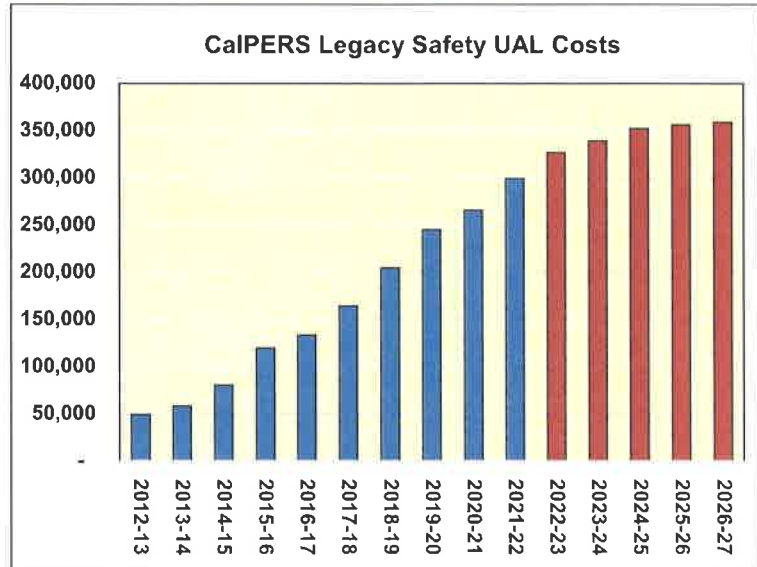
Source: July 2021 CalPERS Miscellaneous Plan of the City of Carpinteria, Annual Valuation Report as of June 30, 2020; City of Carpinteria

## General Fiscal Outlook

**Law Enforcement Side-Pool.** The City disbanded its own Police Department and began contracting for law enforcement services from the County in 1992.

At that time, CalPERS established a separate pool to account for the unfunded liabilities remaining for the previous safety employees. As shown in Table 21, costs for this pool have increased significantly over the past ten years (in blue); and are projected to continue rising until 2024-25, when they stabilize.

**Table 21. Law Enforcement Side Pool UAL Costs**



Source: July 2021 CalPERS Safety Plan of the City of Carpinteria, Annual Valuation Report as of June 30, 2020; City of Carpinteria

### 6 GENERAL FUND SUBSIDIES

As summarized below for 2021-22, the General Fund and Measure X provide significant operating subsidies to three funds:

| 2021-22 General Fund/Measure X Subsidies |              |           |           |
|------------------------------------------|--------------|-----------|-----------|
| Fund                                     | General Fund | Measure X | Total     |
| Park Maintenance                         | 98,750       | 80,000    | 178,750   |
| ROW Assessment                           | 51,300       | 30,000    | 81,300    |
| Recreation Services                      | 356,505      | 50,000    | 406,505   |
| Total                                    | \$506,555    | \$160,000 | \$666,555 |

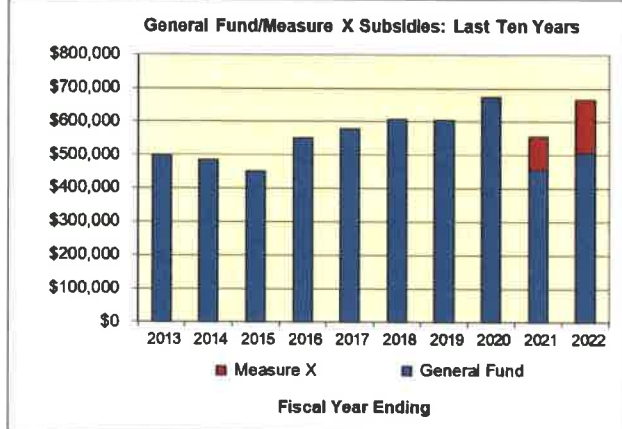
These subsidies are largely due to structural imbalances between revenues – which in the case of assessments are fixed – and increased costs due to aging infrastructure and deferred maintenance.

## General Fiscal Outlook

As reflected in Table 22, this has remained relatively constant over the last ten years (including the 2021-22 Budget).

The 2021-22 Budget notes that subsidies for the Park Maintenance and Right of Way Assessment Funds have been relatively stable for a number of years. However, the subsidy for the Recreation Services Fund has been increasing for many years and reflects significant growth over recent prior years due in part to reduced program income resulting from the COVID-19 pandemic health protection restrictions.

**Table 22. General Fund/Measure X Subsidies**



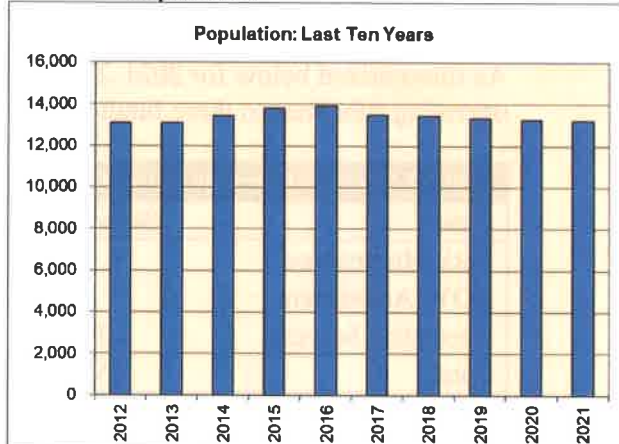
### 7 POPULATION GROWTH AND DEVELOPMENT

Population growth is not likely to play a significant role in the five-year forecast. As reflected in Table 23, the City's population of about 13,000 has remained virtually unchanged over the past ten years.

While there are some new residential developments in the pipeline, they are not likely to cause either significant operating revenue or cost increases over the next five years.

On the other hand, revenues from non-residential development projects that may come on-line in the next five years could favorably affect General Fund revenues.

**Table 23. Population**



Source: State of California, Department of Finance, Demographic Research Unit

### 8 CAPITAL IMPROVEMENT PLAN

As discussed above, while transportation maintenance and improvement needs have been partially addressed through special revenue funds such as Gas Tax, Measure A and Local Transportation Funds, limited General Fund revenues have been allocated for facility and infrastructure capital improvements and major maintenance over the past five years. That said, voter approval of Measure X – 1.25% local option sales tax – in November 2018 has significantly improved the City's ability to fund CIP projects.

## General Fiscal Outlook

The City is currently in the process of updating its five-year CIP, and it is likely that the Draft will be available for preparation of the long-term financial plan. Accordingly, it will be a significant factor in assessing the City's fiscal future.

### SUMMARY

The purpose of this General Fiscal Outlook is to highlight the key factors that are likely to affect the City financially over the next five years. These will be placed in a more "empirical" context in the forecast and financial plan that will be presented to the Council on February 28, 2022.

Based on this initial look, it is likely that the City will continue to see operating budgets that are largely in balance with revenues. However, achieving CIP goals and major maintenance projects is likely to be difficult within existing resources.

That said, regardless of the specific fiscal circumstances, the fundamental policy questions posed by the budget process remain ahead of the City in both good times and bad: of all the things the City wants to do in making the community an even better place to live, work and play, which are the most important? And what are the resource trade-offs the City will have to make to achieve them?



| TAX PAYMENTS QUARTER 4 | AMOUNT PAID: | QUARTERLY<br>REPORTED | AFTER<br>CORRECTIONS | VARIANCE |
|------------------------|--------------|-----------------------|----------------------|----------|
| EDD-SDI TAXES          |              |                       |                      |          |
| 10/7/2021              | 1,456.15     | 1,456.15              | 1,456.15             | -        |
| 10/21/2021             | 1,543.77     | 1,543.77              | 1,543.77             | -        |
| 11/4/2021              | 1,203.56     | 1,203.56              | 1,203.56             | -        |
| 11/18/2021             | 1,115.31     | 1,115.31              | 1,115.31             | -        |
| 12/2/2021              | 1,043.16     | 1,043.16              | 1,043.16             | -        |
| 12/16/2021             | 1,171.39     | 1,171.39              | 1,171.39             | -        |
| 12/30/2021             | 1,194.43     | 1,194.43              | 1,194.43             | -        |
|                        |              |                       |                      |          |
| TOTAL:                 | 8,727.77     | 8,727.77              | 8,727.77             | -        |



# Attachment B

## General Fund Reserve Policy Report





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# **GENERAL FUND RESERVE POLICY REPORT**

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January 2022

**William C. Statler**

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review



# General Fund Reserve Policy Report

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## William C. Statler

Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review



### City of Carpinteria GENERAL FUND RESERVE POLICY REPORT

The purpose of this report is to review the City's current reserve policy for "Financial and Economic Uncertainty" and make recommendations for change as appropriate. Provided in Appendix A is the recommended General Fund reserve policy for this purpose, which covers six key areas:

- Sets the minimum reserve target (retains the current policy of 40% of expenses, with added guidance on the "base" this applies to).
- Identifies when it is appropriate to use reserves below the target amount.
- Provides a strategy for restoring the reserve if it falls below the target minimum.
- Presents guidelines for accounting and financial reporting of the reserve.
- Discusses other areas where the Council may decide to set reserve amounts.
- Compares actual versus target.

As noted above, the current policy is 40% of expenses. Based largely on the structured approach developed by the Government Finance Officers Association of the United States and Canada (GFOA) in assessing risk factors, the proposed policy retains this target, but clarifies the basis as 40% of operating, debt service and subsidy transfers.

#### PROPOSED POLICY OVERVIEW

##### Minimum Reserve Target

The recommended policy retains the target minimum unrestricted General Fund balance for "Financial and Economic Uncertainty" at 40% of operating, debt service and subsidy transfers. This is largely based on the structured assessment methodology for setting reserve levels developed by the GFOA in considering a city's exposure to the following eight fiscal risk factors, which are discussed in greater detail later in this report:

- Vulnerability to extreme events and public safety concerns
- Revenue source stability
- Expenditure volatility
- Leverage, such as unfunded pensions and asset maintenance
- Liquidity (cash flow)

## General Fund Reserve Policy Report

- Dependence of other funds on the General Fund
- Growth: revenue and expenditure imbalance
- Unfunded high priority capital projects

Depending on the results of this assessment, the GFOA methodology provides recommended targets ranging from a minimum of 16.6% of expenditures (60 days cash flow) to circumstances where more than 35% might be warranted. Based on the City's circumstances, the GFOA's structured methodology recommends a target in excess of 35%. Accordingly, in light of the recent pandemic as well as past natural disasters, economic downturns and State takeaways, this report recommends retaining the 40% target with a clarified base and scope (including cash flow and contingencies) as follows.

*The City will strive to maintain a minimum General Fund unrestricted balance (less encumbrances and reappropriation carryovers) of at least 40% of operating and debt service expenditures plus subsidy transfers to other funds for fiscal stability, cash flow and contingencies such as economic downturns, catastrophic events and unforeseen operating or capital needs. This target is based on financial management best practices and industry standards, including the risk assessment methodology for setting reserve levels developed by the Government Finance Officers Association of the United States and Canada.*

**Policy Title Change.** To better reflect its scope, this report recommends revising the reserve policy title to: *Reserve for Fiscal Stability, Cash Flow and Contingencies*.

### Accounting for the Reserve

As noted in the sidebar, under generally accepted accounting policies, General Fund balances are classified into the following categories:

- Non-spendable
- Restricted
- Unrestricted
  - Committed
  - Assigned
  - Unassigned

While categorizing fund balance as non-spendable or restricted is generally clear between cities, the classification of the unrestricted fund balance between committed, assigned and unassigned amounts varies between cities based on their budget and fiscal policies.

#### General Fund Balance Classifications

Under generally accepted accounting principles set by the Government Accounting Standards Board (GASB) in Statement No. 54, General Fund balance is classified into five components:

- **Non-Spendable.** Amounts that are not in spendable form, such as prepaid items or inventories.
- **Restricted.** Amounts subject to *externally* enforceable restrictions imposed by outside third parties.
- **Committed.** Amounts whose use is constrained internally by the agency itself for specific purposes set by the governing body.
- **Assigned.** Amounts intended for specific purposes as determined by the governing body or others it has formally designated.
- **Unassigned.** Residual classification of spendable amounts available for other purposes.

## General Fund Reserve Policy Report

The City currently categorizes its reserve for “financial and economic uncertainties” as “committed” in its audited financial statements. Other cities might consider this as “assigned” or “unassigned.” This purpose falls into a category that GASB calls “revenue stabilization, working capital needs, contingencies or emergencies;” and unless they are specifically classified as restricted or committed, GASB 54 states that they “... should be reported as unassigned in the general fund.”

As the City’s current reserve policy (adopted by Resolution 5786 in April 2018) calls for categorizing this reserve as “committed,” it meets the GASB criteria.

### Setting the Base

The City’s current policy sets the “base” for the target as “General Fund expenses.” This report recommends being clear on the base, since “expenses” may be subject to changing interpretations. While the difference in result is likely to be insignificant, for clarity and transparency in calculating the reserve, a minor change in the base is recommended to “operating and debt service expenditures plus subsidy transfers.”

### Current General Fund Reserve Policy

The current policy was adopted by the Council in April 2018 and addresses a wide range of issues related to General Fund reserves. In addition to setting the 40% target for fiscal stability, it also establishes two other reserves, each at \$1 million:

- General Reserve
- Major Asset Replacement and Repair Reserve

As noted above, this report focuses solely on the 40% target: no other changes in the current policy are recommended.

If the Council concurs with the recommended changes, staff will return for Council approval a resolution amending the policy as set forth in Appendix A.

The City’s current policy is on the City’s web site at: [https://carpinteriaca.gov/wp-content/uploads/2020/01/admin-services\\_Reserve-Policy-and-Resolution.pdf](https://carpinteriaca.gov/wp-content/uploads/2020/01/admin-services_Reserve-Policy-and-Resolution.pdf)

### Other Policy Provisions

- **Purpose of reserves.** Reserves exist for a reason. The proposed policy sets forth those purposes in accordance with the risk assessment methodology developed by the GFOA. (These are consistent with the City’s current policy.)
- **Other Assignments/Commitments.** The recommended policy makes it clear that the Council may make other assignments or commitments of General Fund balance in addition to the 40% reserve target, which the Council has done (such as the General and Major Asset Replacement and Repair Reserves). It also is clear that the target is after any assignments or commitments for appropriation carryovers and encumbrances.
- **Guidance on when it is appropriate to go below the minimum target.** The proposed policy sets forth the circumstances where taking reserves below the target minimum balances would be appropriate in accordance with its purpose.
- **Restoring the reserve if it falls below the target minimum.** The proposed policy provides for restoring reserves to policy levels within five years; and as revenues versus

## General Fund Reserve Policy Report

expenditures begin moving in a positive direction, allocating at least 50% to restoring the reserve.

### Including the Reserve Policy in the Budget Document

Having a clearly fiscal policies has its greatest value during the budget preparation, review and adoption process. For this reason, it makes sense to include key fiscal and budget policies in the Budget document. The City currently includes several key significant accounting policies in its budget document. This report recommends including the recommended reserve policy as well. In this case, the policy should be compared with the budgeted ending fund balance.

## DISCUSSION

### The Power of Fiscal Policies

As we know from experience over the past 25 years, with the recessions and recoveries of 1992-94, 2003-05, the Great Recession beginning in 2008 and the economic downturn resulting from Covid-19 protection measures: good times come and go. *But an organization's values shouldn't.* And that's what fiscal policies are all about: articulating your financial management values before they are placed under stress.

Stated simply, clearly articulated policies – and being guided by them – are the best way of ensuring long-term fiscal health. While the strength of the local economy and related General Fund revenues are important, no city is immune from economic downturns. In navigating tough fiscal times, effective financial management is the most critical factor for long-term fiscal success; and clearly articulated policies provide an essential framework and foundation for effective decision-making.

Fiscal policies are important in both good times and bad. The roots of fiscal adversity for most governments take hold in the good times, by making commitments that are not sustainable. They rarely surface in the “bad” times, when most agencies act on the “First Rule of Holes” (when you find yourself in one, stop digging).

They are both preventative and curative:

- Clearly articulated policies – and following them – help prevent problems from arising in the good times.
- And provide more effective responses when the inevitable bad times occur.

They are most powerful when put in place before the need for them arrives, recognizing that not all financial decision-making situations can be reasonably anticipated.

Policies should be set based on where the agency wants to be, which may not be where it is today. However, setting the course for where it wants to be, significantly enhances its ability

## General Fund Reserve Policy Report

to get there. Accordingly, each policy should include a brief “compliance status.” And if it is not there yet, the policy should provide the agency’s plan for getting there.

***Policies Versus Plans.*** Planning is essential for success. However, plans change over time as actual results replace assumptions. But fiscal policies are the “north star” guiding the preparation of plans. They help making tough decisions easier by articulating values before they are put under stress by adverse circumstances. An organization can reasonably do something else, but policies are a powerful starting point for asking: but for “this” unexpected circumstance, what would we have otherwise done?

Lastly, of all the fiscal policies that cities should set, minimum reserve targets are among the most important.

### **Prudent Reserves Reflect Ability to Manage Risk, Not Fiscal Strength Per Se**

Reserves – whether large or small – do not per se reflect on a city’s financial capacity or underlying fiscal strength. There are much better indicators than reserves for this, most notably the ability over time for ongoing revenues to adequately meet day-to-day service needs, capital improvement goals and debt service requirements.

Stated simply, reserves are a risk management tool: how much can things go differently than the organization otherwise thought they would before it must take corrective action? Reserves can also serve as a bridge to the future, providing time to develop and implement thoughtful solutions where projected gaps are systemic.

Typical risks that reserves help mitigate include economic uncertainties, such as downturns in the economy and external revenue hits (like State takeaways); responding to local disasters; contingencies for unforeseen operating or capital needs; strategic opportunities; and cash flow. And more recently, Covid-19 adds pandemics to the mix.

***What’s the Right Amount?*** This depends on each agency’s unique fiscal circumstances and capacity for risk. In answering this question, there are two sources to consider:

- Rating agency recommendations.
- GFOA structured assessment approach.

#### **① Rating Agency Recommendations**

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All three of the major rating agencies – Moodys, Standard and Poors and Fitch – identify reserve policies as one of their most important factors in assessing an agency’s financial management and assigning bond ratings. While they do not provide recommended minimums, they are interested in their basis and the agency’s track record in following them.

#### **② GFOA Structured Assessment Methodology**

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The GFOA has developed a structured assessment methodology for setting reserve levels in considering an agency’s exposure to the following eight fiscal risk factors:

## General Fund Reserve Policy Report

1. ***Vulnerability to Extreme Events and Public Safety Concerns.*** Major extreme events the community could reasonably be subject to and the likelihood and potential magnitude of loss for each event.
2. ***Revenue Source Stability.*** Volatility of each major revenue source based on factors such as past experience and trends with that revenue, characteristics of the tax or rate payers, state or federal revenue takeaways and economic factors.
3. ***Expenditure Volatility.*** Spikes in expenditures, usually arising from special, non-recurring circumstances such as lawsuits; critical special projects without a funding source; or new state or federal spending requirements and unfunded mandates.
4. ***Leverage.*** Common examples include unfunded pensions and unfunded asset, as well as outstanding bonded indebtedness and compensated absences. Is the source of leverage very large? Does it have an off-setting funding source or asset?
5. ***Liquidity (Cash Flow).*** Intra-period cash imbalances, such as property taxes that are only received at two major points during the year (December and June).
6. ***Dependence of Other funds.*** Are there other funds that have a significant dependence on the General Fund?
7. ***Growth.*** Is significant growth a realistic possibility in the next three to five years? This includes assessing likely potential marginal costs associated with serving new growth compared with marginal revenues and resulting gaps.
8. ***Capital Projects.*** Are there high priority projects without a funding source, where reserves may be looked to as a funding source?

As discussed in greater detail in Appendix B, the methodology uses a scale of 5-1 in assessing how important reserves are in mitigating each risk:

- 5: Very important
- 4: Important
- 3: Neutral
- 2: Unimportant
- 1: Very unimportant

Since there are eight mitigation factors, total scores will range from 8 (the least risk) to 40 points (greatest risk). Along with these eight risk factors, the methodology also considers:

- City size (assumes larger cities have more mitigation strategies than smaller ones)
- Other reserve/contingency funds
- Borrowing capacity

Depending on the results of this assessment, the GFOA methodology provides recommended targets ranging from a minimum of 16.6% of expenditures (60 days cash flow) to circumstances where more than 35% might be warranted.

## General Fund Reserve Policy Report

The following summarizes the GFOA's rating scale.

### *GFOA Reserve Rating Scale*

| Rating | Target Minimum General Fund Reserve                                                                                                                              |
|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8 -16  | Minimal risk to retain through reserves. Consider target equal to the GFOA minimum recommended reserve of 16.6% (two months cash flow) of revenues/expenditures. |
| 17-24  | Low to moderate level of risk to retain through reserves. Consider reserve target of 17% to 25%.                                                                 |
| 25-31  | Moderate to high level of risk to retain through reserves. Consider reserve target of 26% to 35%.                                                                |
| 32-40  | High level of risk to retain through reserves. Consider reserve target greater than 35%.                                                                         |

As detailed in Appendix B, the City's rating under this methodology is 32, which indicates that the target minimum should be more than 35%.

Six of the assessment factors were largely responsible for this rating:

- Extreme events
- Liquidity/cash flow (30% needed to cover lowest point during the year)
- Unfunded capital projects
- Revenue stability
- Expenditure volatility
- Dependence of other funds on the General Fund

The other two factors (leverage and new development/growth) were not significant in this rating.

### ALTERNATIVES

#### Setting the Minimum Target Reserve at Lower or Higher Amounts than 40%

Based on the results of the GFOA structured assessment methodology, the risks facing the City support a reserve in excess of 35% compared with the current target of 40%.

#### Mitigating Cash Flow with TRANS

A possible mitigation for cash flow needs (or responding in the short term to other risks) is the use of Tax and Revenue Anticipation Notes (TRANS).

TRANS are short-term borrowings by local government agencies who are not able to meet their cash flow needs during the year. They are typically issued early in the fiscal year and repaid before year-end.

At one time, many TRANS were issued as an investment strategy since the proceeds could be invested at higher yields than their tax-exempt interest rate. However, this favorable variance between interest costs and yields has not been the case since the Great Recession.

Stated simply, while incurring debt to meet cash flow needs is an option, it is preferable to avoid it if possible. Moreover, TRANS are not free: there are financing and interest costs in issuing them.

Appendix C provides a cash flow analysis for the General Fund, which shows the need for 30% to cover the lowest point in the fiscal year (May) before the receipt of the second installment of property tax revenues (the City's most important General Fund revenue source). However, there are four other months with significant cash flow shortages (October, November, March and April) ranging from 21% to 28%.

## General Fund Reserve Policy Report

However, the Council is the ultimate “decider” in balancing risks and reserves. Stated simply, the City’s fiscal resources do not exist to amass large fund balances but rather, to deliver important services that help make Carpinteria a good place to live, work and play. On the other hand, prudent reserves are essential in helping assure stability in the delivery of services.

Accordingly, the Council could reasonably set reserves at levels that are lower or higher than retaining the current target.

**Lower Target than 40%.** Given other reserves established by the City, it might be reasonable to lower the minimum reserve policy to 35%. However, the current pandemic combined with past challenges with floods, economic downturns, unexpected costs and State takeaways, argue for setting the target above 35%, which is reinforced by the GFOA methodology.

**Higher Target than 40%.** Based on surveys provided on the California Society of Municipal Finance Officers’ web site as well as other studies, there are many cities in California that have minimum target reserve policies of 50% or higher, including:

- La Canada Flintridge: 125%
- Millbrae: 89%
- Cupertino: 82%
- Stanton: 75%
- La Palma: 60%
- Burlingame: 65%
- Gilroy: 51%
- Mountain View: 51%
- Brisbane: 50%
- Camarillo: 50%
- Laguna Nigel: 50%
- Lomita: 50%
- Malibu: 50%
- Mission Viejo: 50%
- Moraga: 50%
- Rancho Palos Verdes: 50%
- San Ramon: 50%

Accordingly, given the many uncertainties ahead, and especially in light of the pandemic (which after a number of ups and downs is far from over), a target higher than 40% would also be reasonable.

### Segregating the Reserve into Separate Components

Like the current policy, the recommended policy sets a unified reserve target of 40% to meet the aggregate of the risks it is intended to meet. Some cities segregate this reserve into the separate factors that they are intended to mitigate. However, since not all factors are likely to come into play at the same time, a unified target makes sense: “pooling” serves to lower the overall reserve amount that might otherwise be needed to meet each of the risk factors

## General Fund Reserve Policy Report

individually. Moreover, budgeting and accounting for the reserve is simpler and more straightforward, as is communicating its purpose to the community and organization.

Note: While cash flow also plays an important role in setting the minimum reserve target, if the 40% target and other reserves are maintained, they should also cover cash flow needs. However, this is another reason for setting a unified target rather than segregating it.

### Setting the Base

As noted above, the City's current policy sets the "base" for the target as "General Fund expenses."

However, other "base" options used by California cities include:

- Total expenditures and uses (operating, debt service and capital expenditures, and transfers out).
- Operating expenditures only.
- "Normal" annual expenditures (thus including operating costs, less one-time costs such as special studies and plans; debt service; some "normal" capital costs; and transfers out, less any one-time purposes).
- Other combinations of expenditures and uses.
- Revenues rather than expenditures.

Where the base is narrower (such as just operating expenditures), the same target percentage will result in a smaller reserve; conversely, where the base is broader (including capital, debt service and/or transfers), the same target percentage will result in a larger reserve.

In the case of the City, it makes sense to include operating and debt service costs as well as subsidy transfers as the base.

- **Operating costs** are included in the base in virtually all cities, which makes sense: this is the "core" cost base of city services that is most at risk; and while sensitive to economic changes and community needs (up or down), it is relatively stable from year to year. While it is possible that there may be significant one-time costs included in the operating budget, adjusting for this is not recommended: the difference is likely to be immaterial and, more importantly, transparency in calculating the reserve target will be enhanced by "keeping it simple."
- **Debt service costs** are also ongoing contractual obligations (until the principal balance is paid-off); accordingly, it makes sense to include this in the target base as well. While the City does not currently have any General Fund debt service costs, this could change in the future. Accordingly, to be proactive in accounting for this possibility, it makes sense to include this as part of the base.

## General Fund Reserve Policy Report

- *Subsidy transfers* are also ongoing commitments, and as such, should be included in the target base.

On the other hand, capital projects can vary from year-to-year, and the reserve should be relatively stable. Accordingly, capital outlay expenditures and transfers-out for CIP projects are excluded. And since they are internally determined, other transfers-out are also excluded.

### CONCLUSION

Establishing a reserve policy – and being guided by it – is among the most important of the City's fiscal policies in mitigating financial risks. Based on the results of the GFOA structured assessment methodology, this report recommends that the minimum reserve target continue to be set at 40% (but on a slightly revised base of operating and debt service expenditures plus subsidy transfers).



William C. Statler

*Fiscal Policy ■ Financial Planning ■ Analysis ■ Training ■ Organizational Review*

### APPENDIX

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- A. Proposed Amendment to General Fund Reserve Policy
- B. General Fund Reserve Risk Factors: GFOA Structured Assessment Methodology
- C. Cash Flow Analysis



## Appendix A: Proposed Amendment to General Fund Reserve Policy

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### RESERVES FOR FISCAL STABILITY, CASH FLOW AND CONTINGENCIES

The City will strive to maintain a minimum General Fund unrestricted balance (less encumbrances and reappropriation carryovers) of at least 40% of operating and debt service expenditures plus subsidy transfers to other funds for fiscal stability, cash flow and contingencies such as economic downturns, catastrophic events and unforeseen operating or capital needs. This target is based on financial management best practices and industry standards, including the risk assessment methodology for setting reserve levels developed by the Government Finance Officers Association of the United States and Canada in adequately addressing:

- Economic uncertainties, local disasters, public health crises and other financial hardships or downturns in the local or national economy.
- Contingencies for unseen operating or capital needs, including strategic investment opportunities.
- Unfunded liabilities such as pensions and retiree health obligations.
- Dependency of other funds on the General Fund.
- Institutional changes, such as State budget takeaways and unfunded mandates.
- Cash flow requirements.

Whenever the City's General Fund unrestricted balance falls below this target, the City will strive to restore reserves to this level within five years. As revenues versus expenditures begin moving in a positive direction, the City will allocate at least half to reserve restoration, with the balance available to fund asset replacements, unfunded liabilities, capital improvement projects, service level restorations or new operating programs.

Circumstances where taking reserves below policy levels would be appropriate include responding to the risks that reserves are intended to mitigate, such as:

- Meeting cash flow needs during the fiscal year.
- Closing a projected *short-term* revenue-expenditure gap.
- Responding to unexpected expenditure requirements or revenue shortfalls.
- Making investments in unfunded liability reductions, economic development and revenue base improvements, productivity improvements and similar strategic opportunities that will strengthen City revenues, reduce future costs or achieve "one-time" high-priority City goals.
- Where a forecast shows an ongoing structural gap: providing a strategic bridge to the future by providing time to develop and implement thoughtful solutions.

## **Appendix A: Proposed Amendment to General Fund Reserve Policy**

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On the other hand, the City should avoid using reserves to fund ongoing costs or projected systemic “gaps.” Stated simply, reserves can only be used once, so their use should be restricted to one-time (or short-term) uses.

### **Future Capital Project or Other Long-Term Goal Assignments or Commitments**

The Council may also commit or assign specific General Fund balance levels above the reserve target for fleet, facility, technology and equipment replacements; major repairs; future development of capital projects, unfunded liabilities and similar policy commitments and assignments for future purposes and long-term goals that it determines to be in the best interests of the City.

### **Other Commitments and Assignments**

In addition to the 40% target noted above, unrestricted fund balance levels will be sufficient to meet funding requirements for programs or projects approved in prior years which are carried forward into the new year; debt service reserve requirements; commitments for encumbrances; and other restrictions, commitments or assignments required by contractual obligations, state law or generally accepted accounting principles.

***Status: In Compliance.*** *The 2021-22 Budget projects that the ending reserve for fiscal stability, cash flow and contingencies will be \$4.65 million, which is based on the 40% target.*

## **Appendix B: GFOA Structured Assessment Methodology**

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### ***Analyzing the General Fund Reserve Risk Factors***

The sections below provide guidance on analyzing the risk factors described in Chapter 4 on general fund reserves. Each heading corresponds to a worksheet in the Excel workbook that is available at [www.gfoa.org](http://www.gfoa.org). The blue cells in the sheet are entry cells. There should be no need to type in other cells. Complete the sheets starting with the left-most and continue all the way to the final sheet at the right.

The first eight sheets ask you to analyze each risk factor in the book. First, you identify your basic sources of risk. Then you assess the level of risk you face. Next, you identify other available risk mitigation approaches. The sections below provide more specific guidance on how to accomplish this for each risk factor. Finally, you decide how important it is for your government to retain risk through general fund reserves. The level of importance is indicated by assigning a 1 through 5 score, where 5 indicates the greatest need to retain risk. Each sheet contains guidelines to help you decide the most appropriate score for each risk factor.

The ninth and final sheet helps you to zero in on a final reserve target by summarizing the results of the prior eight sheets and bringing in other drivers of reserve size. Note that this sheet does not provide you with a precise suggested target. Rather it suggests a broad range and strategies for arriving at a final target.

Below is more specific guidance for analyzing the risk factors in the first eight sheets.

#### **Vulnerability to extreme events and public safety concerns Identify**

**Risks.** List out the major extreme events to which the community could reasonably be subjected. This could include both natural and man-made events. Public safety professionals may have a community disaster preparedness plan that could help identify these risks; linking the reserve analysis to such a plan would increase the credibility of the resulting policy.

**Assess Risks.** Consider the potential magnitude of loss for each event. The magnitude of loss should be based on past experiences with similar extreme events or reasonable estimates based on the disaster preparedness plan (note that the estimate is not necessarily a worst-case scenario).

**Identify Other Risk Mitigation Approaches.** If extreme events are a serious risk for the community, also consider risk transfer options. Might more comprehensive insurance coverage be a better option than very high levels of fund balance? If the source of risk is man-made, such as the potential for an accident at a hazardous chemical plant, might the chemical company be able to take greater responsibility for the risk they pose to the community? Also consider how quickly federal assistance can be accessed and the speed with which funds spent responding to a disaster might be reimbursed.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to extreme events.

## **Appendix B: GFOA Structured Assessment Methodology**

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### **Revenue Source Stability**

**Identify Risks.** Start by listing out major revenue sources.

**Assess Risks.** Consider the volatility of each source, based on factors such as past experience and trends with that revenue, characteristics of the tax or rate payers, and economic factors.

**Identify Other Risk Mitigation Approaches.** Think about other approaches that the government has to deal with declining revenues. This might include means to easily reduce variable costs or the ability to access other sources of funding.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to revenue stability.

### **Expenditure Volatility**

**Identify Risks.** Start by listing sources of potential spikes in expenditure (usually arising from special, non-recurring circumstances) that could be expected to occur within the next three to five years. Examples might include lawsuits against the government or critical special projects without a funding source. Typically, recurring sources of expenditure volatility, such as health care benefit costs, would not be included because they should be dealt with in the context of an annual budget process. An exception to this might be highly variable and difficult-to-predict costs, such as energy or fuel (in the case of a fleet).

**Assess Risks.** Enumerate a reasonable estimate of the potential cost of each source (i.e., the magnitude of the risk), taking into account the probability of it occurring (i.e., an unlikely event is less of a risk than a more likely event of similar potential loss).

**Identify Other Risk Mitigation Approaches.** Think about other approaches to dealing with these expenditure spikes. For example, the finance officer may find that some events (like an essential special project) have a very high chance of occurring, but will not occur for a number of years into the future. In this case, the finance officer could suggest a “sinking fund” where the project would be gradually funded over time. This could be made a commitment or assignment within the fund balance to help differentiate it from funds used to manage more uncertain risks. A similar approach could be used for known lawsuits.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to expenditure spikes.

### **Leverage**

**Identify Risks.** Start by listing major sources of leverage. Common examples include pensions, unfunded asset maintenance, and debt.

## Appendix B: GFOA Structured Assessment Methodology

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**Assess Risks.** Then assess each source's implications for the organization's future financial flexibility by consider the size of the obligation. Is the source of leverage very large? Does it have an off-setting funding source or asset?

**Identify Other Risk Mitigation Approaches.** It is often better to use other approaches to risk management on these sources of leverage, rather than retaining the risk through reserves. For example, if unfunded asset maintenance is a problem, then the finance officer might use an asset maintenance plan (or other suitable estimate) to demonstrate the magnitude of the risk and encourage the governing board create a special set-aside to begin funding this liability – and avoid managing this risk with general fund reserves. In another example, if unfunded pension liabilities are an issue, the organization should develop a strategy to pay down those liabilities. In this situation, the finance officer could point out how pension liability constrains the financial flexibility of the organization, thereby decreasing the reserve's ability to manage other types of risk.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to leverage.

### Liquidity

**Identify Risks.** List major sources of intra-period cash imbalances. A good example is property taxes that are only received at one or two points during the year.

**Assess Risks.** Describe the size of the problem created by these sources of imbalance. Does it have the potential to significantly interfere with operations?

**Identify Other Risk Mitigation Approaches.** To what extent can tools like internal borrowing or tax anticipation notes provide a cost-effective alternative to keeping a reserve?

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to liquidity.

### Other Funds' Dependency

**Identify Risks.** Start by listing other funds that have significant dependence on the general fund. Dependence will usually be indicated by regular operating transfers that are an unusually high percentage of the receiving fund's expenditure budget.

**Assess Risks.** Assess the level of reserves in these other funds. Are reserves low? If so, is this fund subject to potential risks that could require a substantial draw on reserves? If so, is the general fund expected to backstop this fund?

**Identify Other Risk Mitigation Approaches.** A major point for the finance officer to explore is whether the general fund should be "back stopping" these other funds in the first place. For example, an under-performing enterprise fund may be receiving operating transfers not because

## Appendix B: GFOA Structured Assessment Methodology

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it is good public policy, but because the political will has not been mobilized to make the enterprise self-sufficient or to divest of it.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to other funds.

### Growth

**Identify Risks.** This factor is only relevant if significant growth is a realistic possibility in the next three to five years. Start by identifying major potential sources of growth.

**Assess Risks.** Estimate the potential marginal costs associated with serving new growth and compare it to marginal revenues (this information should be available from long-term financial plans and forecasts). If there is a gap due to significant timing differences between when revenue is received from growth and when expenditures are made on services for that growth, then reserve targets could be adjusted to account for that gap.

**Identify Other Risk Mitigation Approaches.** Special growth or impact fees could be assessed at the time of construction to avoid this risk. For example, if a new development is expected to generate \$10M annually in new taxes starting three years in the future (but nothing before then), but costs \$7M to service starting in two years, then a reserve (or impact fees) may be needed. If the gap between revenue growth and service expenditures is due to a structural mismatch between costs and revenues (i.e., the growth does not pay for itself), then the government should re-examine its tax-fee structures, service provision methods, and/or land use plans to correct this imbalance.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to growth.

### Capital Projects

**Identify Risks.** Use a capital improvement plan to determine if there are high priority projects without a funding source.

**Assess Risks.** Assess whether decision-makers might consider pay-as-you-go financing, using general fund reserves as at least part of the source.

**Identify Other Risk Mitigation Approaches.** If pay-as-you-go financing is something decision-makers might consider, then the finance officer may wish to broach the possibility of a commitment or assignment for the project so that pay-as-you-go financing does not detract from the general reserve's ability to manage other risks.

**Assess Necessity of Risk Retention.** Assign a score for the importance of risk retention through the use of reserves, when it comes to capital projects.

## Appendix B: GFOA Structured Assessment Methodology

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### Your Target

#### ***Step 1. Determine Your Total Score from the Risk Factors***

Step 1 on this sheet totals your scores from the foregoing sheets.

#### ***Step 2. Preliminary Analysis***

In Step 2, find your score in the ranges presented and consult the analytical guidance. This is preliminary, as the analytical guidance will be refined in the next steps.

#### ***Step 3. Consider the Impact of Government Size, Budget Practices, and Borrowing Capacity***

In Step 3, you consider additional drivers of fund balance: government size, budget practices, and borrowing capacity. In each blue box, enter the indicated number of positive or negative points for each driver (totaling them for each driver, as might be needed).

**Size of Government.** GFOA's analysis of the thousands of governments that participate in GFOA's comprehensive annual financial report presentation award program shows a very weak direct relationship between population size and size of fund balance. In fact, a statistical analysis of the data shows that although there is an inverse relationship between population size and size of fund balance, only about between 10% and 20% of the variation in fund balance size between governments can be explained by population.<sup>i</sup> Hence, the sheet only provides points for the very largest and smallest governments.

**Budget Practices.** The presence of formal or informal contingencies already built into the budget may relieve the need to carry some additional reserves. The finance officer can search directly for the presence of informal contingencies by searching prior years' budget-versus-actual reports for areas with consistent positive variances – this may indicate areas that are consistently over-budgeted. The finance officer can also look indirectly for contingencies by examining the budgeting system for practices that unintentionally encourage informal contingencies. For example, systems that provide little flexibility for managers to transfer budgets between different accounts will encourage managers to build additional slack into their budget since they do not have the ability to move surpluses in one account to counteract a deficit in another.

**Borrowing Capacity.** You can evaluate your borrowing capacity by comparing your current level of debt against your financial policy for debt. If no policy standards are in place, consider the rating agency guidelines below.

#### **Standard and Poor's Debt Ratios and Ranges<sup>ii</sup>**

|                 | <b>Overall Net Debt per Capita</b> | <b>Overall Net Debt as a % of Market Value</b> | <b>Debt Service as a % of Expenditures</b> |
|-----------------|------------------------------------|------------------------------------------------|--------------------------------------------|
| Low             | Below \$1,000                      | Below 3%                                       | Below 8%                                   |
| Moderate        | \$1,000 - \$3,000                  | 3% - 6%                                        | 8% - 15%                                   |
| Moderately High | \$3,000 - \$5,000                  | 6% - 10%                                       | 15% - 20%                                  |
| High            | Above \$5,000                      | Above 10%                                      | Above 25%                                  |

The finance officer should also consider internal borrowing capacity. Inventory reserves in other funds and assess the extent to which these reserves are necessary to deal with the risks

## Appendix B: GFOA Structured Assessment Methodology

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with which these funds are faced. If other funds have sizable reserves compared to the risks they are retaining, they could serve as an alternative to larger general fund reserve targets. However, internal borrowing should not be considered an alternative without a strong internal borrowing policy in place.

### ***Step 4. Consider the Impact of Commitments/Assignments, Outsider Perceptions, and Political Support***

In Step 4, you consider the drivers of Commitments/Assignments, Outsider Perceptions, and Political Support. Put an “X” in the blue cell next to all the statements that apply to you.

**Commitments or Assignments.** Think about all assignments and commitments that impact fund balance. Then assess how constraining those assignment and commitments are and how available that portion of the fund balance might be to retain risk. For instance, a board might “commit” a certain amount to a “rainy day” reserve. This sort of commitment would be very consistent with the purpose of retaining the types of risk defined in this analysis, and so could be considered part of the total amount of general fund balances available for a reserve. Conversely, an assignment or commitment for asset maintenance or a special project is intended to be spent on a particular use, and therefore is not really available for risk retention. These sorts of uses should be subtracted from the definition of fund balance available for a reserve.

**Outsider Perceptions.** Take stock of relevant outsider perceptions. What have rating agencies said in the past about your level of reserves? Could failure to carry a certain level of reserves contribute to a ratings downgrade? Also consider citizen perspectives – could having too high of a reserve provoke a backlash? Take these perceptions into account when settling on a final reserve target.

**Political Support.** A reserve target must be formally adopted by the board in order to do much good. Therefore, consider what might lead to a politically acceptable target level. For instance, governing boards often place great weight on benchmarking studies with similar organizations – a proposed target might garner more support if it is seen as consistent with the practices of comparable governments.

### ***Step 5: Putting It All Together***

The green cell contains a revised risk score, which takes account of your point totals from Step 3. Using this revised score, revisit the ranges and analytical guidance in Step 2.

Also, consider the boxes you checked in Step 4. Add the advice from these statements to your final analytical guidance from Step 2. Using this advice, you can finalize a reserve target and present it to the board.

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<sup>i</sup> The range comes from using different permutations of the data set, such as removing or including certain outliers.

<sup>ii</sup> The ratios are taken from David G Hitchcock, Karl Jacob, and James Wiemken, “Key General Obligation Ratio Credit Ranges – Analysis vs. Reality,” Standard & Poor’s: 2008. However, the ranges have been modified slightly by the authors to provide a more streamlined presentation. Specifically, in the original document, the overall net debt per capita “low” range is \$1,000 to \$2,000 and the “moderate” range is \$2,000 to \$5,000.

## Appendix B: GFOA Structured Assessment Methodology

### Vulnerability to Extreme Events

#### 1. Identify Risks

What extreme events are you at risk for?

|   |            |
|---|------------|
| A | Fire       |
| B | Flood      |
| C | Drought    |
| D | Earthquake |
| E | Pandemic   |

#### 2. Assess Risks

What is your vulnerability to each extreme event, given past experience?

|   |                                                                      |
|---|----------------------------------------------------------------------|
| A | Moderate                                                             |
| B | High                                                                 |
| C | High                                                                 |
| D | Low probability; depending on epicenter, losses could be significant |
| E | Moderate this only happens about every 100 years, but high impact    |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk (i.e., manage it without reserves)

|   |                                                   |
|---|---------------------------------------------------|
| A | FEMA reimbursement                                |
| B | FEMA reimbursement                                |
| C | State drought relief, possible FEMA reimbursement |
| D | FEMA reimbursement                                |
| E | Federal Funds possible, such as CARES, ARPA       |

Note: While significant reimbursements from FEMA are likely, it is also likely that there will be significant lags between when recovery costs are incurred and when payments will be received. Lastly, based on experiences in other cities, even under the best of circumstances, it is unlikely that the City will be reimbursed for all recovery costs. And even where costs are largely recovered, there is no reimbursement for lost revenues - like sales tax and TOT - during the disaster and recovery period. The same is also true for pandemic response and lost revenues.

#### 4. Considering the above, how important for you is it to retain the risks of extreme events through reserves ?

- 4 < Enter your score here
- 5 **Very important.** We are subject to extreme events of severe potential magnitude which would require a quick and decisive response from our government. There are few alternative risk management approaches.
- 4 **Important.** We are subject to extreme events of severe potential magnitude, but our government does not have an important disaster response role and/or we have other risk management alternatives.
- 3 **Neutral.** We do not face an unusually high or low level of risk from extreme events.
- 2 **Unimportant.** We are subject to one or two types of significant extreme events and we have other risk management options.
- 1 **Very unimportant.** We are subject to very few, if any, potential extreme events of significant potential damage

## Appendix B: GFOA Structured Assessment Methodology

### Revenue Source Stability

#### 1. Identify Risks

What are your major revenue sources?

|   |                                   |
|---|-----------------------------------|
| A | Property Tax (38%)                |
| B | TOT (20%)                         |
| C | Sales Tax (17%)                   |
| D | Franchise Fees (6%)               |
| E | Permits/Service Charges (4%)      |
| F | State Takeaways (Always a Threat) |

Note: Top 3 revenues account for about 75% of total

#### 2. Assess Risks

How stable are your revenue sources?

|   |                                                    |
|---|----------------------------------------------------|
| A | Historically stable but subject to State takeaways |
| B | Subject to significant swings with economy         |
| C | Subject to significant swings with economy         |
| D | Fairly stable                                      |
| E | Subject to swings based development activity       |
| F | Significant in the not so distant past             |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk (i.e., manage it without reserves)

Limited in all cases

#### 4. Considering the above, how important for you is it to retain the risks of revenue instability through reserves ?

- 4 < Enter your score here
- 5 **Very important.** We rely on just one or two sources of revenue, and they are unstable
- 4 **Important.** We rely on unstable sources for a significant portion of our revenue and/or have particular unstable payers as part of our tax base (e.g., sales tax from an industry with volatile sales)
- 3 **Neutral.** We do not face an unusually high or low level of risk from revenue instability
- 2 **Unimportant.** While some portion of our revenue base has instability, the majority of revenues are pretty stable.
- 1 **Very unimportant.** Our revenues are very stable and diverse.

## Appendix B: GFOA Structured Assessment Methodology

### Expenditure Volatility

#### 1. Identify Risks

What are sources of potential expenditure spikes?

|   |                                   |
|---|-----------------------------------|
| A | Increased pension costs           |
| B | Unexpected infrastructure repairs |
| C | Sheriff Contract                  |
| D | State/federal mandates            |

#### 2. Assess Risks

What is the potential cost of these spikes?

|   |                                                                                                 |
|---|-------------------------------------------------------------------------------------------------|
| A | Based on volatile CalPERS investment yields and approved funding methodology changes, very high |
| B | Unknown                                                                                         |
| C | Moderate                                                                                        |
| D | Moderate                                                                                        |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of these potential spikes? (i.e., manage it without reserves)

|   |                                     |
|---|-------------------------------------|
| A | Need to address on ongoing basis    |
| B | Unknown                             |
| C | Very Limited: Few Options           |
| D | Very limited (legislative advocacy) |

#### 4. Considering the above, how important for you is it to retain the risks of expenditure spikes through reserves ?

**4** < Enter your score here

- 5 **Very important.** There are expenditure spikes with very high potential to open a significant hole in our budget.
- 4 **Important. We are subject to important potential expenditure spikes, such that we need reserves but we also have other risk mitigation approaches available.**
- 3 **Neutral.** We do not face an unusually high or low level of risk from expenditure spikes
- 2 **Unimportant.** There are one or a few potential spikes but the risk of them occurring is low, the impact not great and/or we have other risk management options.
- 1 **Very unimportant.** We have no important risk from expenditure spikes.

## Appendix B: GFOA Structured Assessment Methodology

### Leverage

#### 1. Identify Risks

What are major sources of leverage you are subject to?

|   |                     |
|---|---------------------|
| A | Pension liabilities |
| B |                     |
| C |                     |
| D |                     |

#### 2. Assess Risks

What are the implications of leverage for the organization's financial flexibility?

|   |                     |
|---|---------------------|
| A | Higher future costs |
| B |                     |
| C |                     |
| D |                     |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of leverage? (i.e., manage it without reserves)

|   |                                                                                                      |
|---|------------------------------------------------------------------------------------------------------|
| A | Need to address these higher cost on an ongoing basis: reserves not an appropriate source of funding |
| B |                                                                                                      |
| C |                                                                                                      |
| D |                                                                                                      |

#### 4. Considering the above, how important for you is it to retain the risks of leverage through reserves ?

- 3** < Enter your score here
- 5 **Very important.** We are subject to significant leverage and have no other risk management approach
- 4 **Important.** We are subject to significant leverage and do not have equally significant offsetting risk management approaches.
- 3 **Neutral.** We do not face an unusually high or low level of risk from leverage
- 2 **Unimportant.** We have one or two sources of leverage, but these are largely addressed with other risk management strategies.
- 1 **Very unimportant.** We have no important sources of leverage that aren't already managed with out reserves.

## Appendix B: GFOA Structured Assessment Methodology

### Liquidity

#### 1. Identify Risks

What are your major sources of potential intra-period cash imbalances?

|   |                                                                                          |
|---|------------------------------------------------------------------------------------------|
| A | Property tax collections in December and June (38% of revenues): see cash flow worksheet |
| B | Gas and electric franchise payments in April                                             |
| C | TOT uneven during year                                                                   |
| D | Continued federal grants at 2021-22 level unlikely                                       |

#### 2. Assess Risks

How likely are these risks to occur and what is their potential magnitude?

|   |                 |
|---|-----------------|
| A | Ongoing for all |
| B |                 |
| C |                 |
| D |                 |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of liquidity? (i.e., manage it without reserves)

|   |                                                                      |
|---|----------------------------------------------------------------------|
| A | Tax/revenue anticipation notes - but results in added interest costs |
| B | Borrow from other funds - but adds "leverage" to them                |
| C |                                                                      |

#### 4. Considering the above, how important for you is it to retain the risks of liquidity spikes through reserves ?

**5** < Enter your score here

- 5 **Very important.** We have very important potential intra-period imbalances with few risk management alternatives.
- 4 **Important.** We have important potential intra-period imbalances, but do have some off-setting risk management alternatives.
- 3 **Neutral.** We do not face an unusually high or low level of risk from intra-period cash imbalances.
- 2 **Unimportant.** We have some minor potential intra-period cash imbalances.
- 1 **Very unimportant.** Our cash flows are very stable.

## Appendix B: GFOA Structured Assessment Methodology

### Other Funds Dependency

#### 1. Identify Risks

What other funds rely on the general fund for an important part of their funding?

|   |                                                                                 |
|---|---------------------------------------------------------------------------------|
| A | CIP, Park Maintenance, Recreation, ROW (506,500 in 2021-22, about 5% of budget) |
| B |                                                                                 |
| C |                                                                                 |

#### 2. Assess Risks

How likely is it that these funds will need the general fund to "backstop" them in an emergency?

|   |      |
|---|------|
| A | High |
| B |      |
| C |      |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of other funds' dependency? (i.e., manage it without reserves)

|   |              |
|---|--------------|
| A | Very limited |
| B |              |
| C |              |

#### 4. Considering the above, how important for you is it to retain the risks of other fund dependency through reserves ?

5 < Enter your score here

5 **Very important.** A number of funds rely on the general fund for backstopping, with few, if any, risk management alternatives.

4 **Important.** We have at least some funds that rely on the general fund and this includes reliance for backstopping.

3 **Neutral.** We do not face an unusually high or low level of risk from other fund dependency.

2 **Unimportant.** There are a small number of funds that rely on the general fund, and the potential for the general fund to need to backstop them is small.

1 **Very unimportant.** No other funds rely on the general fund for backstopping.

## Appendix B: GFOA Structured Assessment Methodology

### Growth

#### 1. Identify Risks

What are potential major sources of growth in the next three to five years?

A Limited new development opportunities

#### 2. Assess Risks

What is the potential for these sources of growth to cause imbalances in the revenue received from the growth and the expenditures needed to serve it?

A Limited

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of growth? (i.e., manage it without reserves)

A Limited, if significant growth does occur

#### 4. Considering the above, how important for you is it to retain the risks of growth through reserves ?

2 < Enter your score here

- 5 **Very important.** We expect significant growth with imbalances in the timing of revenues and expenditures
- 4 **Important.** We have some growth that will cause imbalances in the timing of revenues and expenditures.
- 3 **Neutral.** We do not face an unusually high or low level of risk from growth
- 2 **Unimportant.** We have a small potential for future growth and/or only minor potential imbalances in the timing between revenues and expenditures.
- 1 **Very unimportant.** We expect no growth or growth will fully pay for itself as expenditures are incurred.

#### Population as of January 1: Last Ten Years

|      |        |
|------|--------|
| 2021 | 13,196 |
| 2020 | 13,268 |
| 2019 | 13,314 |
| 2018 | 13,437 |
| 2017 | 13,485 |
| 2016 | 13,928 |
| 2015 | 13,798 |
| 2014 | 13,442 |
| 2013 | 13,099 |
| 2012 | 13,076 |

Source: State of California, Department of Finance, Demographic Research Unit  
<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/>

## Appendix B: GFOA Structured Assessment Methodology

### Capital Projects

#### 1. Identify Risks

What high priority capital projects don't have a funding source?

|   |                                              |
|---|----------------------------------------------|
| A | The City has a significantly underfunded CIP |
| B |                                              |
| C |                                              |

#### 2. Assess Risks

What is the likelihood that reserves will be looked to as a funding source for the project?

|   |        |
|---|--------|
| A | Likely |
| B |        |
| C |        |

#### 3. Identify other risk mitigation approaches

What options do you have to avoid, reduce, or transfer the risk of capital projects using reserves as a funding source? (i.e., manage it without reserves)

|   |                |
|---|----------------|
| A | Not applicable |
| B |                |
| C |                |

4. Considering the above, how important for you is it to retain the risks of unfunded capital projects through reserves ?

5 < Enter your score here

- 5 **Very important.** There are very high profile projects with out a funding source and reserves are likely to be considered as a funding source.
- 4 **Important.** There are at least some high profile projects where reserves may be called upon to provide at least some of the funding.
- 3 **Neutral.** We do not face an unusually high or low level of risk from unfunded high-priority projects
- 2 **Unimportant.** High priority capital projects will probably have funding sources, if they don't already.
- 1 **Very unimportant.** All high priority capital projects have funding sources.

## Appendix B: GFOA Structured Assessment Methodology

### Guiding Your Selection of a Fund Balance Target

#### Step 1. Determine your total score from the risk factors

**32** Your total score from the risk factors (calculated if you entered a score in other sheets)

#### Step 2. Preliminary Analysis

Compare your score from Step 1 to the guidelines below.

##### Your Score

##### Analytical Guidance

8 - 16

You face minimal risk to retain through reserves. Consider a target equal to the GFOA minimum recommended reserve of 16.6% of revenues/expenditures.

17-24

You face a low to moderate level of risk to retain through reserves. Consider adopting a reserve target somewhat higher than the GFOA minimum (e.g. 17-25% of revenues/expenditures). Since risk is low, do not invest excessive analytical effort in determining an exact target amount. Consider a short, informal benchmarking study with peer agencies to provide guidance.

25-31

You face a moderate to high level of risk to retain through reserves. Consider adopting a target amount of reserves significantly higher than the GFOA recommended minimum (e.g., 26 - 35%). Consider a short, informal benchmarking survey as a starting point, but then analyze your most significant risk factors to make sure they are adequately covered by what the survey suggests is reasonable.

32 - 40

You face a high level of risk to retain through reserves. Consider adopting a much higher target than the GFOA minimum (e.g., greater than 35%). Consider performing a more in-depth analysis of the risks you face to arrive at target level of reserved that provides sufficient coverage.

#### Step 3. Consider Impact of Government Size, Budget Practices, & Borrowing Capacity

For each driver pick which description best fits you and enter the appropriate number of points.

**2**

##### Government Size

- +2 We are under 50,000 in population
- 0 We are between 50,000 and 300,000 in population
- 4 We are over 300,000 in population

**0**

##### Budget Practices

- 3 The budget has a formal contingency beyond what is being considered for this reserve.
- 2 The budget has informal contingencies beyond what is being considered for the reserve.
- 0 The budget is lean and has no contingencies in it.

**-2**

##### Borrowing Capacity

- We have excellent external and internal borrowing capacity, including a good rating, little existing debt, and political will to use it.
- 3 We have some external and/or internal borrowing capacity and political will could be mobilized to use it.
- 2

## Appendix B: GFOA Structured Assessment Methodology

0 We have little or no borrowing capacity.

### Step 4. Consider Impact of Commitments/Assignments, Outsider Perceptions & Political Support

Place an "X" next to each statement that applies to you.

#### Commitments and Assignments

|   |
|---|
| X |
|---|

We have commitments or assignments that designate fund balance for uses other than retaining the types of risk described in this analysis. If so, these commitments/assignments should not be included in the total reserve used to reach your target.

#### Outsider Perceptions

|  |
|--|
|  |
|  |

Rating agencies have given us a target level of reserve for getting a good rating. If so, use that target in place of or in addition to a benchmarking survey to provide guidance on starting point for your target.

The public is likely to question reserve levels as too high. If so, be sure to document your analysis findings in the other sheets.

#### Political Support

|  |
|--|
|  |
|  |
|  |

The governing board places great weight on the policies of comparable jurisdictions. If so, conduct a benchmarking survey that includes governments the board perceives as relevant.

The board places great weight on rating agency recommendations. If so, tie the reserve target recommendation to rating agency recommendations or standards.

The board places great weight on GFOA recommendations. If so, use this analysis and GFOA's Best Practices to support your recommendation.

### Step 5. Putting it All Together

#### A. Consider your adjusted risk score and re-consult the analytical guidance.

|    |
|----|
| 32 |
|----|

 < Your adjusted risk score (risk score modified with results from Step 3)

#### B. Review results of Step 4.

Review each item you checked from Step 4 and add the advice to your analytical guidance.

#### C. Proceed with finalizing target

Proceed with setting a final reserve target based on analytical guidance.

### Appendix C. City of Carpinteria General Fund Cash Flow: 2021-22 Budget

|                        | Total      | % Total | July      | Aug         | Sept        | Oct         | Nov         | Dec         | Jan         | Feb         | Mar         | Apr         | May         | June      |
|------------------------|------------|---------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------|
| REVENUES/SOURCES       |            |         |           |             |             |             |             |             |             |             |             |             |             |           |
| Property Tax           | 4,405,300  | 38%     |           |             |             |             |             | 2,202,650   |             |             |             |             |             | 2,202,650 |
| Sales Tax              | 1,935,000  | 17%     | 161,250   | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250     | 161,250   |
| Franchise Fees         | 696,500    | 6%      | 43,750    | 43,750      | 43,750      | 43,750      | 43,750      | 43,750      | 43,750      | 43,750      | 43,750      | 215,250     | 43,750      | 43,750    |
| TOT                    | 2,300,000  | 20%     | 234,604   | 68,893      | 116,494     | 223,226     | 376,488     | 60,613      | 51,584      | 243,703     | 57,107      | 149,623     | 248,447     | 469,209   |
| From Other Governments | 1,627,000  | 14%     | 35,583    | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 35,583      | 1,235,583 |
| Permit/Service Charges | 503,600    | 4%      | 41,967    | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967      | 41,967    |
| Other Revenues         | 124,200    | 1%      | 10,350    | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350      | 10,350    |
| Total Revenues/Sources | 11,591,600 | 100%    | 527,504   | 361,793     | 409,394     | 516,126     | 669,388     | 2,556,163   | 344,484     | 536,603     | 350,007     | 614,023     | 541,347     | 4,164,759 |
| ANNUALCOSTS            |            |         |           |             |             |             |             |             |             |             |             |             |             |           |
| Operating              |            |         |           |             |             |             |             |             |             |             |             |             |             |           |
| Insurance              | 434,700    | 4%      | 434,700   |             |             |             |             |             |             |             |             |             |             |           |
| Other Operating        | 10,721,100 | 88%     | 893,425   | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425   |
| Total Expenditures     | 11,155,800 | 91%     | 1,328,125 | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425     | 893,425   |
| Transfers Out          | 1,096,500  | 9%      | 91,375    | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375      | 91,375    |
| Total Costs            | 12,252,300 | 100%    | 1,419,500 | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800     | 984,800   |
| NET SOURCES            | (660,700)  | -       | (891,996) | (623,007)   | (575,406)   | (468,674)   | (315,412)   | 1,571,363   | (640,316)   | (448,197)   | (634,793)   | (370,777)   | (443,453)   | 3,179,959 |
| Cummulative Net        | (660,700)  |         | (891,996) | (1,515,002) | (2,090,409) | (2,559,083) | (2,874,495) | (1,303,132) | (1,943,448) | (2,391,645) | (3,026,437) | (3,397,214) | (3,840,667) | (660,708) |
| % OF ANNUAL COSTS      |            |         | -7%       | -12%        | -17%        | -21%        | -23%        | -11%        | -16%        | -20%        | -25%        | -28%        | -31%        | -5%       |





# Cal Cities releases 2021 Annual Report

*Jan 19, 2022*

*Explore the year in review of advocacy, educational, and organizational achievements*

The League of California Cities [2021 Annual Report](#) is now available online. The yearly review highlights the organization's legislative, legal, educational, and organizational accomplishments. Holding true to our mission, Cal Cities delivered for cities again in 2021 by advancing key legislative priorities and providing high-caliber educational opportunities.

Working together with our local leaders and partners, Cal Cities helped to secure funding and resources related to each of the priorities included in our 2021 Action Agenda, including historic funding for broadband, more than a billion dollars for affordable housing and infrastructure, billions of dollars to help those experiencing homelessness, and billions more to help California's cities recover from the pandemic and rebuild.

Cal Cities also expanded educational offerings, both virtually and in-person, and continued to move forward our Advancing Equity initiative and supported city leaders with resources, education, and training.

Cal Cities also boosted its membership, with four cities joining as members this past year, bringing the total number of member cities to 479 out of 482, the highest number of member cities since 2009.

The annual report also includes progress on the Cal Cities Strategic Growth Plan, which charts the organization's course for success. This

includes the restructuring of the League Partner program to maximize the value of the program; the implementation of changes to Cal Cities' governance system to enhance membership engagement in leadership opportunities, increase our overall effectiveness in fulfilling our mission and vision as an organization, and ensure that the pathway to leadership is transparent and inclusive; and the transformation of our Cal Cities brand identity, with a new logo and colors that infuse a rejuvenated pride, energy, diversity, and vitality into the mission of strengthening California cities through advocacy and education.

"None of these achievements could have been possible without the tireless efforts of the talented Cal Cities staff, who remain steadfast in carrying out our mission of serving our members," Executive Director and CEO Carolyn Coleman states in the report's opening message. "I would like to thank them, as well as our 2020-21 Cal Cities officers and board members for their leadership and guidance, and our League Partners for their generous and continued support of this organization. Together, with all of you, we are driving policies that support California cities and the residents who call our cities home."

[Read the full report online](#) and check out the video version, [Cal Cities by the Numbers](#), for our 2021 review in under two minutes.



# Upcoming Legislative Hearings

Home / Advocacy / Take Action / Upcoming Legislative Hearings

## Bills of Interest to Cities, Jan. 20-27

Lawmakers are getting closer to wrapping up last year's lingering business. Jan. 21 is the last day for committees to hear and report on any bills introduced in 2021. Lawmakers must also move any [bills from last year](#) still in their house of origin before Jan. 31. After that, the legislative year will begin in earnest, with legislative hearings most likely ramping up in March.

### Thursday, Jan. 20

**Senate Appropriations**, Upon adjournment of session, Room 4203

- [AB 607 \(Arambula\)](#) Sales and use taxes: exemptions: blood screening testing

Cal Cities position: **OPPOSE UNLESS AMEND**

