AMENDED PACKET

AGENDA

Tuesday, June 7, 2022

5:00 P.M. Closed Session
6:30 P.M. Open Session

REGULAR MEETING
CITY COUNCIL, AIRPORT COMMISSION, MARINA ABRAMS B NON-PROFIT CORPORATION, PRESTON PARK SUSTAINABLE COMMUNITY NON-PROFIT CORPORATION, SUCCESSOR AGENCY OF THE FORMER MARINA REDEVELOPMENT AGENCY AND MARINA GROUNDWATER SUSTAINABILITY AGENCY

Council Chambers
211 Hillcrest Avenue
Marina, California

Zoom Meeting URL: https://zoom.us/j/730251556
Zoom Meeting Telephone Only Participation: 1-669-900-9128 - Webinar ID: 730 251 556

In accordance with California Government Code §54953(e)(1)(A) and (C) and the Proclamation of a State of Emergency issued by Governor Newsom on March 4, 2020, under the provisions of Government Code §8625 related to the COVID-19 (coronavirus) pandemic, consistent with recommendations by State and local health officials regarding social distancing and in order to prevent an imminent risk to the health and safety of attendees as determined in Resolution 2022-54, public participation in City of Marina City Council public meetings shall be electronic only and without a physical location for public participation until the earlier of May 31, 2022, or such time as the City Council may adopt a resolution in accordance with Government Code §54953(e)(3). This meeting is being broadcast "live" on Access Media Productions (AMP) Community Television Cable 25 and on the City of Marina Channel and on the internet at https://accessmediaproductions.org/

PARTICIPATION

You may participate in the City Council meeting in real-time by calling Zoom Meeting via the weblink and phone number provided at the top of this agenda. Instructions on how to access, view and participate in remote meetings are provided by visiting the City's home page at https://cityofmarina.org/. Attendees can make oral comments during the meeting by using the "Raise Your Hand" feature in the webinar or by pressing *9 on your telephone keypad if joining by phone only. If you are unable to participate in real-time, you may email to marina@cityofmarina.org with the subject line "Public Comment Item#__ " (insert the item number relevant to your comment) or "Public Comment – Non Agenda Item." Comments will be reviewed and distributed before the meeting if received by 5:00 p.m. on the day of the meeting. All comments received will become part of the record. Council will have the option to modify their action on items based on comments received.

AGENDA MATERIALS

Agenda materials, staff reports and background information related to regular agenda items are available on the City of Marina's website www.cityofmarina.org. Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet will be made available on the City of Marina website www.cityofmarina.org subject to City staff's ability to post the documents before the meeting

VISION STATEMENT

Marina will grow and mature from a small town bedroom community to a small city which is diversified, vibrant and through positive relationships with regional agencies, self-sufficient. The City will develop in a way that insulates it from the negative impacts of urban sprawl to become a desirable residential and business community in a natural setting. **(Resolution No. 2006-112 - May 2, 2006)**

MISSION STATEMENT

The City Council will provide the leadership in protecting Marina's natural setting while developing the City in a way that provides a balance of housing, jobs and business opportunities that will result in a community characterized by a desirable quality of life, including recreation and cultural opportunities, a safe environment and an economic viability that supports a high level of municipal services and infrastructure. **(Resolution No. 2006-112 - May 2, 2006)**

1. CALL TO ORDER 

2. ROLL CALL & ESTABLISHMENT OF QUORUM: (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, Preston Park Sustainable Communities Nonprofit Corporation, Successor Agency of the Former Redevelopment Agency Members and Marina Groundwater Sustainability Agency)

   Cristina Medina Dirksen, David Burnett, Lisa Berkley, Mayor Pro-Tem/Vice Chair Kathy Biala, Mayor/Chair Bruce C. Delgado

3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, Preston Park Sustainable Communities Nonprofit Corporation, Successor Agency of the Former Redevelopment Agency Members and Marina Groundwater Sustainability Agency) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*

   a. Public Employment Appointment (Govt. Code Section 54957(b)(1):
      Position: City Attorney

6:30 PM - RECONVENE OPEN SESSION AND REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

5. SPECIAL PRESENTATIONS:

   a Sarah Hudson

   b LGBTQ+ Pride Month Proclamation

   c Monterey Bay Economic Power Video

6. SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR**:** *Any member of the Public or the City Council may make an announcement of special events or meetings of interest as information to Council and Public. Any member of the public may comment on any matter within the City Council's jurisdiction which is not on the agenda. Please state your name for the record. Action will not be taken on an item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on a future agenda. City Council members or City staff may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of four (4) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the City Council.*

7. CONSENT AGENDA FOR THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Background information has been provided to the Successor Agency of the former Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda for Successor Agency to the former Marina Redevelopment Agency and placed at the end of Other Action Items Successor Agency to the former Marina Redevelopment Agency.*

8. CONSENT AGENDA: *Background information has been provided to the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda and placed at the end of Other Action Items.*

   a. ACCOUNTS PAYABLE:

      (1) Accounts Payable Check Numbers 99973-100085, totaling $886,066.51
      Accounts Payable for Successor Agency Check Numbers 88, totaling $1,675.00

   b. MINUTES:

      (1) May 3, 2022, Regular City Council Meeting

   c. CLAIMS AGAINST THE CITY: None

   d. AWARD OF BID: None

   e. CALL FOR BIDS: None

   f. ADOPTION OF RESOLUTIONS:

      (1) City Council consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Cypress Cove II Landscape Maintenance Assessment District for FY 2022-2023.

      (2) City Council consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Seabreeze Landscape Maintenance Assessment District for FY 2022-2023.

      (3) City Council consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for Monterey Bay Estates Landscape Maintenance Assessment District for FY 2022-2023.

      (4) City Council consider adopting Resolution No. 2022-, confirming levy of a special tax for the City of Marina Community Facilities District No. 2007-2 (Locke Paddon) for Fiscal Year 2022-2023 as authorized by Ordinance No. 2007-09, and; consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to levying of special taxes for the City of Marina Community Facilities District No. 2007-2 for Fiscal Year 2022-2023 as authorized by Ordinance No. 2007-09.

(5) City Council consider adopting Resolution No. 2022-, adopting an updated list of projects for fiscal year 2022-23 funded by SB1: the Road Repair and Accountability Act of 2017.

(6) City Council consider adopting Resolution No. 2022-, establishing appropriations limit for FY 2022-23**.**

g. APPROVAL OF AGREEMENTS:

(1) City Council consider adopting Resolution No. 2022-, approving the Pavement Management Program Update 2022 Reimbursement Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program; and authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

(2) City Council consider adopting Resolution No. 2022-, approving the Wayfinding Regional Funding Agreement with the Transportation Agency for Monterey County (TAMC); and authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

(3) City Council consider adopting Resolution No. 2022-, approving a Lease Agreement between the City of Marina and Uninsured Skydive Monterey Bay, Inc. dba Skydive Monterey Bay. for a portion of 721 Neeson Road (Building 533) at the Marina Municipal Airport; and authorizing City Manager to execute the Lease Agreement, on behalf of the City, subject to final review and approval by City Attorney.

(4) City Council consider adopting Resolution No. 2022-, authorizing staff to submit a grant application to the California Coastal Commission and authorize the City Manager to execute the applications, contacts, agreements, and amendments necessary to implement the grant application package.

h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None

i. MAPS: None

j. REPORTS: (RECEIVE AND FILE):

(1) City Council consider adopting Resolution No. 2022-, receive and file the City's Annual Audit for the period ending June 30, 2021; and receive and file the City of Marina Auditor Governance Letter (SAS 114) and Management Letter (SAS 115) for the fiscal year ending June 30, 2021.

k. FUNDING & BUDGET MATTERS: None

l. APPROVE ORDINANCES (WAIVE SECOND READING): None

m. APPROVE APPOINTMENTS: None

9. PUBLIC HEARINGS: None

10. OTHER ACTIONS ITEMS OF THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Action listed for each Agenda item is that which is requested by staff. The Successor Agency may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

11. OTHER ACTION ITEMS: *Action listed for each Agenda item is that which is requested by staff. The City Council may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

Note: No additional major projects or programs should be undertaken without review of the impacts on existing priorities (Resolution No. 2006-79 – April 4, 2006).

a. City Council consider adopting Resolution No. 2022-, amending the rate adjustment calculation of the franchise agreement with Green Waste Recovery utilizing a sector specific uniform percentage adjustment and approving maximum rates to be charged by Green Waste Recovery effective July 1, 2022, for collection of franchised solid waste, recycling, and organics. ***Continued from May 17, 2022***

b. City Council consider adopting Resolution No. 2022-, approving consulting services agreement between HF&H Consultants, LLC (HF&H) and the City of Marina to perform an analysis of an equitable method of crediting surplus solid waste collection fees back to rate payers for a fee not to exceed $29,910, and; authorizing the City Manager to execute the agreement on behalf of the City subject to final review and approval by the City Attorney, and; authorizing the Finance Director to make the necessary budgetary and accounting entries. ***Pulled by Mayor Pro Tem Biala, was agenda item 8g(2). Continued from May 17, 2022***

c. City Council consider adopting Resolution No. 2022-, authorizing pursuit of a lease agreement with the Transportation Agency of Monterey County (TAMC) to lease a portion of the Monterey Branch Line to be used for recreational purposes; and selecting an operator for the Monterey Branch Line and determining the term of lease for the operator.

d. City Council receive presentation on the long-term vision and fiscal sustainability, hangar and infrastructure needs and solutions, and potential financial support from the Military Assistance Program for the Marina Municipal Airport.

12. COUNCIL & STAFF INFORMATIONAL REPORTS:

a. Monterey County Mayor's Association [Mayor Bruce Delgado]

b. Council and staff opportunity to ask a question for clarification or make a brief report on his or her own activities as permitted by Government Code Section 54954.2.

13. ADJOURNMENT:

CERTIFICATION

I, Anita Sharp, Deputy City Clerk, of the City of Marina, do hereby certify that a copy of the foregoing agenda was posted at City Hall and Council Chambers Bulletin Board at 211 Hillcrest Avenue, Monterey County Library Marina Branch at 190 Seaside Circle, City Bulletin Board at the corner of Reservation Road and Del Monte Boulevard on or before 6:30 p.m., Friday, June 3, 2022.

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ANITA SHARP, DEPUTY CITY CLERK

City Council, Airport Commission and Redevelopment Agency meetings are recorded on tape and available for public review and listening at the Office of the City Clerk and kept for a period of 90 days after the formal approval of MINUTES.

City Council meetings may be viewed live on the meeting night and at 12:30 p.m. and 3:00 p.m. on Cable Channel 25 on the Sunday following the Regular City Council meeting date. In addition, Council meetings can be viewed at 6:30 p.m. every Monday, Tuesday and Wednesday. For more information about viewing the Council Meetings on Channel 25, you may contact Access Monterey Peninsula directly at 831-333-1267.

Agenda items and staff reports are public record and are available for public review on the City's website (www.ciytofmarina.org), at the Monterey County Marina Library Branch at 190 Seaside Circle and at the Office of the City Clerk at 211 Hillcrest Avenue, Marina between the hours of 10:00 a.m. 5:00 p.m., on the Monday preceding the meeting.

Supplemental materials received after the close of the final agenda and through noon on the day of the scheduled meeting will be available for public review at the City Clerk's Office during regular office hours and in a 'Supplemental Binder' at the meeting.

Members of the public may receive the City Council, Airport Commission and Successor Agency of the Former Redevelopment Agency Agenda at a cost of $55 per year or by providing a self-addressed, stamped envelope to the City Clerk. The Agenda is also available at no cost via email by notifying the City Clerk at marina@cityofmarina.org

*ALL MEETINGS ARE OPEN TO THE PUBLIC. THE CITY OF MARINA DOES NOT DISCRIMINATE AGAINST PERSONS WITH DISABILITIES. Council Chambers are wheelchair accessible. meetings are broadcast on cable channel 25 and recordings of meetings can be provided upon request. to request assistive listening devices, sign language interpreters, readers, large print agendas or other accommodations, please call (831) 884-1278 or e-mail: marina@cityofmarina.org. requests must be made at least **48 hours** in advance of the meeting.*

Upcoming 2022 Meetings of the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, Preston Park Sustainable Community Nonprofit Corporation, Successor Agency of the Former Redevelopment Agency and Marina Groundwater Sustainability Agency
Regular Meetings: 5:00 p.m. Closed Session;
6:30 p.m. Regular Open Sessions

Tuesday, June 21, 2022

***Wednesday, July 6, 2022**

Tuesday, August 2, 2022
Tuesday, August 16, 2022

****Thursday, October 6, 2022**
Tuesday, October 18, 2022

Tuesday, November 1, 2022
Tuesday, November 15, 2022

Tuesday, December 6, 2022
Tuesday, December 20, 2022

* Regular Meeting rescheduled due to Monday Holiday

** Regular Meeting rescheduled due to Religious Holiday

NOTE: Regular Meeting dates may be rescheduled by City Council only.

CITY HALL 2022 HOLIDAYS
(City Hall Closed)

Independence Day (City Offices Closed) ----------Monday, July 4, 2022
Labor Day----------Monday, September 5, 2022

Veterans Day ----------Friday, November 11, 2022
Thanksgiving Day ---------- Thursday, November 24, 2022
Thanksgiving Break ----------Friday, November 25, 2022
Winter Break ----------Friday, December 23, 2022-Friday, December 30, 2022

2022 COMMISSION DATES

Upcoming 2022 Meetings of Design Review Board
3rd Wednesday of every month. Meetings are held at the Council Chambers at 6:30 P.M.
** = Change in location due to conflict with Council meeting

	July 20, 2022	October 19, 2022
June 15, 2022	August 17, 2022	November 16, 2022
	September 21, 2022	December 21, 2022

Upcoming 2022 Meetings of Economic Development Commission
3rd Thursday of every month. Meetings are held at the Council Chambers at 4:00 P.M.

	July 21, 2022	October 20, 2022
June 16, 2022	August 18, 2022	November 17, 2022
	September 15, 2022	December 15, 2022 (Cancelled)

Upcoming 2022 Meetings of Planning Commission
2nd and 4th Thursday of every month. Meetings are held at the Council Chambers at 6:30 P.M.

June 9, 2022	August 8, 2022	October 13, 2022
June 23, 2022	August 22, 2022	October 27, 2022
July14, 2022	September 8, 2022	November 10, 2022
July 28, 2022	September 22, 2022	December 18, 2022

Upcoming 2022 Meetings of Public Works Commission
3rd Thursday of every month. Meetings are held at the Council Chambers at 6:30 P.M.

June 16, 2022	August 18, 2022	October 20, 2022
July 21, 2022	September 15, 2022	November 17, 2022
		December 15, 2022

Upcoming 2022 Meetings of Recreation & Cultural Services Commission
1st Wednesday of every quarter month. Meetings are held at the Council Chambers at 6:30 P.M.

September 1, 2022 December 1, 2022

Upcoming 2022 Meetings of Marina Tree Committee
2nd Wednesday of every quarter month as needed. Meetings are held at the Council Chambers at 6:30 P.M.

July 13, 2022 October 12, 2022

Proclamation

Sarah Hudson

WHEREAS, Sarah Hudson has committed her career to service and children in the Monterey Peninsula Unified School District, first serving as an elementary school teacher from 2005 to 2008 before moving to Sacramento for a short period to serve as an academic coach for Twin Rivers Unified School District. She returned to Los Arboles Middle School as a special education teacher and after nearly three years she was quickly promoted to Assistant Principal of Los Arboles Middle School and served there for three years before becoming principal at JC Crumpton Elementary School and has served proudly for nearly 8 years; and

WHEREAS, Sarah's community support includes Marina Kiwanis; Friends of Marina Library; Marina Youth Arts; bringing Girls Inc to JC Crumpton; Lyceum of Monterey County where she volunteers and through which she brought History Day to our elementary school level; and

WHEREAS, Sarah has successfully led a demographically diverse Title 1 school to being one of the most innovative elementary schools in the MPUSD district: and

WHEREAS, Sarah has the courage to take risks in her leadership knowing that students life trajectories are impacted by the environment she creates at JC Crumpton Elementary School; and

WHEREAS, Sarah, as a mentor for new principals, she has served as an inspiration to leaders who are eager to dream big and dare greatly, striving ahead with innovative strategies to lead students to success; and

WHEREAS, Sarah's was President of ACSA Region 1 Monterey Charter 2015-16; Vice Legislative President of Committee ACSA Region 1, Chair/Representative Monterey Charter 2012-13, 2014-15; Legislative Committee Chair/Representative 2012-13, 2013-14; and

WHEREAS, Sarah won awards in Positive Behavior Interventions and Supports - selected PBIS Administrator of the Year - May 2017 by the county and

NOW THEREFORE, I Mayor Bruce Delgado and our entire Marina City Council do hereby acknowledge Sarah Hudson as a one-of-a-kind mom, friend, teacher, principal, and community leader who lifts everyone up around her, and we wish her continued fulfillment as she prepares to tackle her next life chapter with the same flying colors she has succeeded in all she has accomplished to date.

Dated this 27th day of May 2022

CITY OF MARINA INCORPORATED NOVEMBER 13, 1975 CALIFORNIA

Bruce C. Delgado, Mayor

Proclamation

LGBTQ+ Pride Month

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WHEREAS, the City of Marina has a diverse Lesbian, Gay, Bisexual, Transgender, Queer and Plus (LGBTQ+) community and is committed to celebrating and supporting visibility, dignity and equity for all people in the community;

WHEREAS, many of the residents within the City of Marina that contribute to the enrichment of our City are a part of the lesbian, gay, bisexual, and transgender community; and

WHEREAS, The City of Marina has a long and proud history of inclusion and civil rights;

WHEREAS, the City of Marina commends the bravery and courage of all those in the LGBTQ+ community that face adversity and various forms of violence;

WHEREAS, The Supreme Court decision guaranteeing marriage equality in all 50 States was a historic victory for the LGBTQ+ community, our country still has far to go with respect to the equitable treatment of the LGBTQ+ community;

WHEREAS, continued opposition and oppression against LGBTQ+ peoples makes it important for cities to stand up and show solidarity and support for our LGBTQ residents and the community at large;

WHEREAS, cities across the United States recognize and celebrate June as LGBTQ+ Pride Month, June has become a symbolic month in which the LGBTQ+ community and allies come together in various celebrations of pride; and

NOW THEREFORE, the City Council of the City of Marina does hereby declare the month of June as Lesbian, Gay, Bisexual, Transgender and Queer Pride month, symbolizing the City's celebration of diversity and support for the Lesbian, Gay, Bisexual, Transgender, Queer and Plus community.

Dated this 7th day of June 2022

CITY OF MARINA INCORPORATED NOVEMBER 13, 1975 CALIFORNIA

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Bruce C. Delgado, Mayor

Marina, CA LIVE

AP Check Register 05-20-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/20/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 905 - Chase - Checking					
Check	05/20/2022	99973 Accounts Payable	American Supply Co.		662.49
	Invoice	Date	Description		Amount
	2966984	05/12/2022	Towels for Airport		662.49
Check	05/20/2022	99974 Accounts Payable	Applied Best Practices		2,600.00
	Invoice	Date	Description		Amount
	26976	03/09/2022	AB18165b		600.00
	27094	04/07/2022	AB18165a		1,500.00
	27095	04/07/2022	FORA Dissemination Services		500.00
Check	05/20/2022	99975 Accounts Payable	Bear Electrical Solutions, Inc.		1,820.00
	Invoice	Date	Description		Amount
	15508	04/28/2022	Traffic Signal Maintenance-Response		1,820.00
Check	05/20/2022	99976 Accounts Payable	California Building Standards Commission		1,675.35
	Invoice	Date	Description		Amount
	Q1 Jan-Mar 2022	05/10/2022	Q1 Jan-Mar 2022 Green Building		1,675.35
Check	05/20/2022	99977 Accounts Payable	California Department of Conservation		8,175.95
	Invoice	Date	Description		Amount
	Q1 Jan-Mar 2022	05/10/2022	Q1 Jan-Mar 2022 Strong Motion		8,175.95
Check	05/20/2022	99978 Accounts Payable	Carmel Fire Protection Associates		5,500.00
	Invoice	Date	Description		Amount
	2022-I	05/07/2022	Apartment Inspections (12)		900.00
	122165	05/03/2022	Plan registration and inspection - 3017 Pinnacles Way		200.00
	122166	05/03/2022	Plan Registration and inspection at 3015 Pinnacles Way		200.00
	122167	05/03/2022	Plan Registration and inspection at 3013 Pinnacles Way		200.00
	122168	05/03/2022	Plan Registration and inspection at 3011 Pinnacles Way		200.00
	122169	05/03/2022	Plan Registration and inspection at 3009 Pinnacles Way		200.00
	122170	05/03/2022	Plan Registration and inspection at 3005 Pinnacles Way		200.00
	122171	05/04/2022	Plan Registration and inspection at 2995 Pinnacles Way		200.00
	122172	05/04/2022	Plan Registration and inspection at 479 Russell Way		200.00
	122173	05/04/2022	Plan Registration and inspection at 477 Russell Way		200.00
	122174	05/04/2022	Plan Registration and inspection at 475 Russell Way		200.00

AP Check Register 05-20-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/20/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	122175	05/04/2022	Plan Registration and inspection at 473 Russell Way		200.00
	122176	05/04/2022	Plan Registration and inspection at 471 Russell Way		200.00
	122177	05/06/2022	Plan Registration and inspection at 469 Russell Way		200.00
	122178	05/06/2022	Plan Registration and inspection at 465 Russell Way		200.00
	122181	05/06/2022	Plan review and inspection at Joby Int Testing Line, 761 Neeson		200.00
	122182	05/06/2022	Plan review and inspection at Desai Project, 445 Reservation Rd		200.00
	122183	05/06/2022	Plan review and inspection at Hampton Inn, 120 Reservation Road		200.00
	122184	05/06/2022	Plan review and inspection at 3100 Del Monte Blvd		200.00
	122185	05/06/2022	Plan Registration and inspection at 2999 Pinnacles Way		200.00
	122186	05/08/2022	Plan review and inspection at Quick Quack, 160 Beach Road		200.00
	122194	05/12/2022	Plan Review and inspection at Target 72 TI, 133 General Stillwel		200.00
	122192	05/12/2022	Plan review and inspection at Lightfighter Village, 229 Hayes		200.00
	122193	05/12/2022	Plan review and inspection at Jag Bldg, 407 Reservation Road		200.00
Check	05/20/2022	99979 Accounts Payable	Carolina Romero Lopez		250.00
	Invoice	Date	Description		Amount
	04-24-22 vd	04/24/2022	Vince DiMaggio Refund		250.00
Check	05/20/2022	99980 Accounts Payable	Cintas Corporation		69.30
	Invoice	Date	Description		Amount
	4119398085	05/13/2022	Mat Service-Police/Fire 05/13/22		69.30
Check	05/20/2022	99981 Accounts Payable	Petty Cash		1,878.47
	Invoice	Date	Description		Amount
	05-10-22	05/10/2022	Replenish Petty Cash		1,878.47
Check	05/20/2022	99982 Accounts Payable	Custom Marine Covers		1,691.74
	Invoice	Date	Description		Amount
	6279	05/10/2022	Various straps for new engine, SCBA, Hydrant Bag, Hose Bundles		1,691.74
Check	05/20/2022	99983 Accounts Payable	Employment Development Department		97.00
	Invoice	Date	Description		Amount
	L0647366416	05/02/2022	Employment Development Department		97.00
Check	05/20/2022	99984 Accounts Payable	Formation Environmental, LLC		2,475.00
	Invoice	Date	Description		Amount

AP Check Register 05-20-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/20/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	6982	04/24/2022	Groundwater Sustainability Plan		2,475.00
Check	05/20/2022	99985 Accounts Payable	Juan Arturo Hernandez		250.00
	Invoice	Date	Description		Amount
	04-30-22 vd	04/30/2022	Vince DiMaggio Refund		250.00
Check	05/20/2022	99986 Accounts Payable	Kimley-Horn & Associates		9,314.50
	Invoice	Date	Description		Amount
	21381634	04/30/2022	Marina LRSP		6,087.00
	21345915	04/30/2022	2021 Dev Impact Fee		1,145.50
	21345918	04/30/2022	Dunes 2nd Ave		2,082.00
Check	05/20/2022	99987 Accounts Payable	LaSheena Harris		250.00
	Invoice	Date	Description		Amount
	05-07-22 vd	05/07/2022	Vince DiMaggio Refund		250.00
Check	05/20/2022	99988 Accounts Payable	Liebert Cassidy Whitmore		6,488.00
	Invoice	Date	Description		Amount
	215953	03/31/2022	LCW - Professional Services		203.00
	215952	03/31/2022	LCW - Professional Services		870.00
	215955	03/31/2022	LCW - Professional Services		464.00
	215954	03/31/2022	LCW - Professional Services		62.00
	215957	03/31/2022	LCW - Professional Services		2,955.00
	215951	03/31/2022	LCW - Professional Services		1,934.00
Check	05/20/2022	99989 Accounts Payable	M3 Environmental Consulting, LLC		5,837.50
	Invoice	Date	Description		Amount
	2134104	04/29/2022	Blight Removal Project		5,837.50
Check	05/20/2022	99990 Accounts Payable	Marina Coast Water District		3,458.60
	Invoice	Date	Description		Amount
	000056041 033122	03/31/2022	Water usage at station 2 - 3260 Imjin Road		281.62
	000056049 042822	04/28/2022	Imjin Rd (Irrigation/Backflow Accts)		189.90
	000057000 042822	04/28/2022	3220 Imjin Road/Airport		155.54
	000056043 042822	04/28/2022	761 Neeson Road/Airport		400.20
	000056044 042822	04/28/2022	781 Neeson Road/Airport		155.54

AP Check Register 05-20-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/20/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	000056051 042822		04/28/2022	721 Neeson Road/Airport		243.97
	000056092 042822		04/28/2022	741 Neeson Road/Airport		1,165.89
	000056096 042822		04/28/2022	3271 Imjin Road/Airport		112.60
	000056097 042822		04/28/2022	3200 Imjin Road/Airport		476.44
	000056041 042822		04/28/2022	Water usage at station 2 - 3260 Imjin Road		276.90
Check	05/20/2022	99991	Accounts Payable	Monterey County Department of Health		2,074.00
	Invoice		Date	Description		Amount
	IN1025997		05/02/2022	food service health permit		1,037.00
	IN1023642		05/02/2022	food service health permit		1,037.00
Check	05/20/2022	99992	Accounts Payable	New Image Landscape Co.		1,420.00
	Invoice		Date	Description		Amount
	416683		04/30/2022	Removal of Tree at Monterey Bay Estates		480.00
	416684		04/30/2022	Installed New Tree Branch Library		940.00
Check	05/20/2022	99993	Accounts Payable	Office Depot		144.14
	Invoice		Date	Description		Amount
	240303989001		04/25/2022	Office Supplies-Finance		61.16
	240305128001		04/22/2022	Office Supplies-Finance		82.98
Check	05/20/2022	99994	Accounts Payable	Pacific Gas & Electric		2,656.34
	Invoice		Date	Description		Amount
	202-3.MAY22		05/11/2022	PG&E - 6594070202-3		110.05
	720-0.MAY22		05/11/2022	PG&E - 0167505720-0		827.11
	085-2.MAY22		05/11/2022	PG&E - 5434906085-2		99.85
	353-7.MAY22		05/10/2022	PG&E - 9930567353-7		45.91
	582-7.MAY22		05/10/2022	PG&E - 8161432582-7		127.72
	943-2.MAY22		05/10/2022	PG&E - 6150212943-2		71.50
	148-6.MAY22		05/10/2022	PG&E - 5593414148-6		187.50
	562-0.MAY22		05/11/2022	PG&E - 4758891562-0		1,029.49
	210-0.MAY22		05/12/2022	PG&E - 3242976210-0		157.21
Check	05/20/2022	99995	Accounts Payable	Pinnacle Healthcare		504.00
	Invoice		Date	Description		Amount
	356620		05/09/2022	Pinnacle Healthcare - Pre Emp Px		50.00

Marina, CA LIVE

AP Check Register 05-20-22

Bank Account: 905 - Chase - Checking

Batch Date: 05/20/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	355900		05/05/2022	Pinnacle Healthcare - Pre Emp Px		50.00
	355080		05/03/2022	Pinnacle Healthcare - Pre Emp Px		404.00
Check	05/20/2022	99996	Accounts Payable	Regional Government Services		110.25
	Invoice		Date	Description		Amount
	13374		03/31/2022	RGS-March 2022		110.25
Check	05/20/2022	99997	Accounts Payable	Rincon Consultants, Inc.		16,828.25
	Invoice		Date	Description		Amount
	39141		05/11/2022	DVSP		16,828.25
Check	05/20/2022	99998	Accounts Payable	Sierra Springs & Alhambra		59.42
	Invoice		Date	Description		Amount
	9696351 050722		05/07/2022	2660 5th Ave Corp Yard		59.42
Check	05/20/2022	99999	Accounts Payable	USDA Rural Development		7,599.99
	Invoice		Date	Description		Amount
	04-20-22		05/13/2022	Case #04-027-0942321991		7,599.99
Check	05/20/2022	100000	Accounts Payable	Valley Saw & Garden Equipment		282.96
	Invoice		Date	Description		Amount
	302838		05/11/2022	Equipment for Airport		282.96
Check	05/20/2022	100001	Accounts Payable	Wallace Group, Inc.		15,278.79
	Invoice		Date	Description		Amount
	56061		05/10/2022	Glorya Jean Tate Park Pump, Track & Restroom Improvements		2,342.96
	56087		05/10/2022	MLK Sculpture		5,589.51
	56088		05/10/2022	MLK Sculpture CDs		1,283.75
	56086		05/10/2022	Sea Haven City Park		702.00
	56141		05/10/2022	Airport Project Management		2,289.50
	56062		05/10/2022	Airport B533 Exterior		3,071.07
905 Chase - Checking Totals:				Transactions: 29		$99,452.04
	Checks:	29	$99,452.04			

Marina, CA LIVE

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking

Batch Date: 05/27/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 905 - Chase - Checking					
Check	05/27/2022	100002 Accounts Payable	Ace Hardware		201.71

Invoice	Date	Description	Amount
081964	05/11/2022	Spray Paint Pro	8.73
081986	05/13/2022	Gorilla Clr Repr	8.73
082020	05/17/2022	Decora Wallplate	4.35
082060	05/20/2022	Screwdriver, Drill Bit, Paint	179.90

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100003 Accounts Payable	AT & T		225.08

Invoice	Date	Description	Amount
05-13-22	05/13/2022	AT&T 831-582-9957	225.08

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100004 Accounts Payable	AT & T		635.92

Invoice	Date	Description	Amount
000018207943	05/15/2022	CALNET3-9391023490 (884-9568)	41.50
000018207938	05/15/2022	CALNET3-9391023485 (884-2573)	23.60
000018207967	05/15/2022	CALNET3-9391023435 (237-267-6922)	184.16
000018207936	05/15/2022	CALNET3-9391023482 (884-0985)	22.43
000018207944	05/15/2022	CALNET3-9391023491 (884-9654)	83.43
000018198845	05/13/2022	CALNET3-9391023436 (239-461-6578)	70.54
00018207932	05/15/2022	3478	43.18
000018198882	05/13/2022	3434	167.08

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100005 Accounts Payable	Branch's Janitorial		5,121.35

Invoice	Date	Description	Amount
228403	05/23/2022	Custodial Service for May 2022	2,886.35
228401	05/23/2022	Janitorial Service - Police/Fire/Airport May 2022	2,235.00

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100006 Accounts Payable	Bureau Veritas North America, Inc.		1,106.66

Invoice	Date	Description	Amount
RI 22020635	03/22/2022	741 Neeson Road Press Shed	717.50
RI 22025716	04/12/2022	741 Neeson Road Relocate Feeder	389.16

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100007 Accounts Payable	California Department of Justice		256.00

Invoice	Date	Description	Amount
577153	05/04/2022	Livescans 05/04/2022	256.00

Marina, CA LIVE

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking

Batch Date: 05/27/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100008 Accounts Payable	Carmel Fire Protection Associates		200.00
	Invoice	Date	Description		Amount
	122206	05/20/2022	Plan review and inspection at Joby Paint Booth		200.00
Check	05/27/2022	100009 Accounts Payable	Certified Folder Display Service, Inc.		331.07
	Invoice	Date	Description		Amount
	593559	05/01/2022	Marina Restaurant Guide Distribution		331.07
Check	05/27/2022	100010 Accounts Payable	Cheryl Kent		960.00
	Invoice	Date	Description		Amount
	2022-55	05/12/2022	Code Enforcement Investigations		480.00
	2022-60	05/19/2022	Code Enforcement Investigations		480.00
Check	05/27/2022	100011 Accounts Payable	Coast Counties Peterbilt		1,326.61
	Invoice	Date	Description		Amount
	0251317S	05/18/2022	1998 Fire Truck Service Unit 98-01		1,326.61
Check	05/27/2022	100012 Accounts Payable	Community Hospital of the Monterey Peninsula		54.00
	Invoice	Date	Description		Amount
	401253119	05/08/2022	Blood Draw		54.00
Check	05/27/2022	100013 Accounts Payable	Jeff Crechriou		1,406.19
	Invoice	Date	Description		Amount
	05-09-22	05/09/2022	Mileage Reimbursement		1,406.19
Check	05/27/2022	100014 Accounts Payable	CSG Consultants		109,144.00
	Invoice	Date	Description		Amount
	43887	05/13/2022	Seabreeze Services		577.50
	43888	05/13/2022	Locke Paddon CFD		1,000.50
	43889	05/13/2022	Monterey Bay Estates		1,036.50
	43890	05/13/2022	Cypress Cove II		1,119.00
	43891	05/13/2022	Annual Street Resurfacing		15,117.00
	43898	05/13/2022	Permits/Development		15,514.50
	43911	05/13/2022	Sea Haven Phase 4 Map/Plan Review		11,725.00
	43892	05/13/2022	Imjin Widening (#401)		1,237.50

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	43893	05/13/2022	ADM-CIP Admin (#100)		412.50
	43894	05/13/2022	2nd Ave Extension (#713)		330.00
	43895	05/13/2022	Local Roadway Safety Plan		1,155.00
	43896	05/13/2022	Duplex Housing Renovation		825.00
	43897	05/13/2022	PFIF Update		165.00
	43899	05/13/2022	Staff Augmentation		3,300.00
	43900	05/13/2022	RWQCB		588.00
	43901	05/13/2022	MST		165.00
	43902	05/13/2022	TAMC		3,017.50
	43903	05/13/2022	Sea Haven Phase 3 Map/Plan Review		6,270.00
	43904	05/13/2022	Sea Haven Phase 3A Inspection		3,418.50
	43905	05/13/2022	Sea Haven Phase 5A Inpsection		129.00
	43906	05/13/2022	Dunes Phase 2 East		7,009.50
	43907	05/13/2022	Dunes Phase 2 West		1,212.00
	43908	05/13/2022	Dunes Op Site 1A		660.00
	43909	05/13/2022	Dunes Phase 3 West		6,100.00
	43910	05/13/2022	Sea Haven Inspection Phase 3B		2,322.00
	43912	05/13/2022	Seacrest Apartments 3108 Seacrest Ave		681.00
	43913	05/13/2022	Dunes Phase 1B Promenade		1,485.00
	43914	05/13/2022	Via Del Mar Subdivision 3320 Abdy Way		2,580.00
	43915	05/13/2022	Sea Haven Phase 4 Rough Grading		7,159.50
	43916	05/13/2022	Home2 Suites By Hilton		7,002.00
	43917	05/13/2022	Via Del Mar		1,935.00
	43679	05/13/2022	Fire Inspection by CSG: Eric Rodewald & Jim Diaz		3,895.00
Check	05/27/2022	100015 Accounts Payable	Dave's Repair Service		175.00
	Invoice	Date	Description		Amount
	33794DG	05/02/2022	CM Data Download 4/6 and 5/2		85.00
	33837DG	05/02/2022	Monthly Site Inspections as Designated Operator		90.00
Check	05/27/2022	100016 Accounts Payable	Della Mora Heating, Inc.		189.00
	Invoice	Date	Description		Amount
	14908	05/13/2022	781 Neeson Rd		189.00
Check	05/27/2022	100017 Accounts Payable	Desert Tech, LLC		4,274.00
	Invoice	Date	Description		Amount

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	1615	03/28/2022	Sniper Rifle		4,274.00
Check	05/27/2022	100018 Accounts Payable	Emergency Vehicle Specialists		220.00
	Invoice	Date	Description		Amount
	13729	04/08/2022	Removed Push Bumper from Durango for service		220.00
Check	05/27/2022	100019 Accounts Payable	First Alarm		440.37
	Invoice	Date	Description		Amount
	683434	05/15/2022	Alarm Monitoring - 3200 Del Monte Blvd - VDP		156.09
	681022	05/15/2022	Alarm Monitoring - Council Chambers Audio Room		97.20
	683436	05/15/2022	211 HIllcrest		187.08
Check	05/27/2022	100020 Accounts Payable	Goldfarb & Lipman		4,320.00
	Invoice	Date	Description		Amount
	145097	05/11/2022	General File - April 2022		1,216.00
	145098	05/11/2022	Marina Heights - April 2022		800.00
	145099	05/11/2022	The Dunes - April 2022		2,304.00
Check	05/27/2022	100021 Accounts Payable	Goodwin Consulting Group		868.75
	Invoice	Date	Description		Amount
	11838	04/27/2022	Annual CFD Tax Administration		868.75
Check	05/27/2022	100022 Accounts Payable	J.P. Cooke Company		98.80
	Invoice	Date	Description		Amount
	726655	05/11/2022	Dog Tags		98.80
Check	05/27/2022	100023 Accounts Payable	Keyser Marston Associates		1,400.00
	Invoice	Date	Description		Amount
	0035845	07/08/2021	Marina Station Fiscal Impact Analysis		1,400.00
Check	05/27/2022	100024 Accounts Payable	L.N. Curtis & Sons		4,080.49
	Invoice	Date	Description		Amount
	PINV699421	05/20/2022	Set of turnouts for Chief C. Vega		4,080.49
Check	05/27/2022	100025 Accounts Payable	La Sirenita Tree Service		1,300.00
	Invoice	Date	Description		Amount
	04-28-22	04/28/2022	Reindollar Ave & Parson Cir		1,300.00

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100026	Accounts Payable	LC Action		2,699.87
	Invoice		Date	Description		Amount
	438855		05/17/2022	Safety Equiptment		2,699.87
Check	05/27/2022	100027	Accounts Payable	Lexis Nexis Risk Solutions		150.00
	Invoice		Date	Description		Amount
	1308841-20220430		04/30/2022	April 202 Minimum Commitment		150.00
Check	05/27/2022	100028	Accounts Payable	M3 Environmental Consulting, LLC		33,971.98
	Invoice		Date	Description		Amount
	2134105		05/13/2022	Barracks Blight Project		33,971.98
Check	05/27/2022	100029	Accounts Payable	Magdalena Vazquez		250.00
	Invoice		Date	Description		Amount
	05-14-22 vd		05/14/2022	Rental Refund - Vince DiMaggio		250.00
Check	05/27/2022	100030	Accounts Payable	Mandell Municipal Counseling		174.00
	Invoice		Date	Description		Amount
	05-02-22		05/02/2022	Revenue Services - Cannabis Tax		174.00
Check	05/27/2022	100031	Accounts Payable	Marina Backflow Co.		1,105.00
	Invoice		Date	Description		Amount
	2130		05/15/2022	Test on Backflow Devices Imjin, Reservation, Neeson, Hillcrest		1,105.00
Check	05/27/2022	100032	Accounts Payable	Marina Coast Water District		4,004.71
	Invoice		Date	Description		Amount
	000056098 050622		05/06/2022	3254 Abdy Way (Tate Park Building)		50.60
	000056085 050622		05/06/2022	Crescent/Whitney Irrigation		27.26
	000056086 050622		05/06/2022	Crescent Ave/Sirena Del Mar Irrigation		27.26
	000056084 050622		05/06/2022	Crescent/Shuler/Irrigation		27.26
	000056087 050622		05/06/2022	Crescent Ave/Costa Del Mar Irrigation		27.26
	000056011 050622		05/06/2022	3254 Abdy Way (Tate Park Irrigation)		1,612.71
	000056034 050622		05/06/2022	3240 De Forest Road		353.24
	000056008 050622		05/06/2022	Reservation & Del Monte		27.26
	000056030 050622		05/06/2022	Crescent Ave/Reser Rd/Ramada Inn		36.77
	000056015 050622		05/06/2022	Corner of Cardoza & Dolphin Circle		60.52

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	000056014 050622		05/06/2022	3200 Del Monte Blvd		1,329.22
	000056032 050622		05/06/2022	Crescent Ave/Costa Del Mar East Side		60.52
	000056025 051222		05/12/2022	327 Reindollar Ave		69.16
	000056007 051222		05/12/2022	Calif Ave/North of 3rd		89.02
	000056027 051222		05/12/2022	Calif Ave at Reindollar		36.77
	000056005 051222		05/12/2022	Calif & North Patton Parkway		89.02
	000056017 051222		05/12/2022	208 Palm Ave		80.86
Check	05/27/2022	100033	Accounts Payable	Microsoft		1,736.42
	Invoice		Date	Description		Amount
	E0700IST7Z		05/11/2022	Citywide MS Office 365 - May 2022		1.00
	E0700ISWLY		05/11/2022	Citywide MS Office 365 - May 2022		48.00
	E0700ISILO		05/11/2022	Citywide MS Office 365 - May 2022		312.00
	E0700ISWNF		05/11/2022	Citywide MS Office 365 - May 2022		1,255.42
	E0700ISILN		05/11/2022	Citywide MS Office 365 - May 2022		72.00
	E0700ISGWF		05/11/2022	Citywide MS Office 365 - May 2022		48.00
Check	05/27/2022	100034	Accounts Payable	Monterey Bay Office Products		380.20
	Invoice		Date	Description		Amount
	471620377		05/03/2022	City Hall Copier Lease - May 2022		380.20
Check	05/27/2022	100035	Accounts Payable	Monterey County Petroleum-Sturdy Oil Co.		6,011.23
	Invoice		Date	Description		Amount
	27977A-IN		05/10/2022	Fuel Ethanol/Diesel		6,011.23
Check	05/27/2022	100036	Accounts Payable	Office Depot		296.84
	Invoice		Date	Description		Amount
	242592803001		05/05/2022	Office Depot-Planning supplies		115.94
	243185434001		05/09/2022	Office Depot Planning Supplies		41.89
	243193268001		05/13/2022	Office Depot Planning supplies		50.01
	244471462001		05/17/2022	Office Depot Planning Supplies		89.00
Check	05/27/2022	100037	Accounts Payable	Office Depot		101.53
	Invoice		Date	Description		Amount
	240169529001		05/03/2022	Office Supplies		101.53
Check	05/27/2022	100038	Accounts Payable	Pacific Gas & Electric		22,973.60

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice	Date	Description			Amount
	347-0.MAY22	05/10/2022	3263 Imjin Rd Bldg 519			537.46
	694-1.MAY22	05/11/2022	721 Neeson Rd Bldg 533			1,512.15
	098-7.MAY22	05/11/2022	761 Neeson Rd Bldg 524			6,482.77
	103-6.MAY22	05/12/2022	3200 Imjin Road			10,795.13
	608-2.MAY22	05/11/2022	Gas & Electric at Station 2			862.18
	535-3.MAY22	05/13/2022	PG&E - 6161832535-3			221.86
	827-8.MAY22	05/13/2022	PG&E - 0423929827-8			121.23
	851-0.MAY22	05/16/2022	PG&E - 3440977851-0			177.99
	683-2.MAY22	05/18/2022	PG&E 6217294683-2			1,276.82
	272-1.MAY22	05/18/2022	PG&E - 2862559272-1			35.07
	362-9.MAY22	05/19/2022	PG&E - 5996678362-9			123.68
	172-2.MAY22	05/19/2022	PG&E - 5618207172-2			725.83
	533-8.MAY22	05/18/2022	PG&E - 2253666533-8			101.43
Check	05/27/2022	100039	Accounts Payable	Pinnacle Healthcare		202.00
	Invoice	Date	Description			Amount
	357050	05/10/2022	Pinnacle Healthcare - Pre Emp Px			202.00
Check	05/27/2022	100040	Accounts Payable	Quill Corporation		121.64
	Invoice	Date	Description			Amount
	24899217	05/03/2022	Records			6.00
	24992046	05/06/2022	Records			104.07
	24970457	05/06/2022	Records			11.57
Check	05/27/2022	100041	Accounts Payable	Regional Government Services		28,953.75
	Invoice	Date	Description			Amount
	13376	03/31/2022	RGS-Marina Dunes-March 2022			11,886.00
	13499	04/30/2022	RGS-Dunes April 2022			16,026.75
	13498	04/30/2022	Joby Aviation - April 2022			306.00
	13500	04/30/2022	Qucik Quack - April 2022			735.00
Check	05/27/2022	100042	Accounts Payable	Rincon Consultants, Inc.		723.75
	Invoice	Date	Description			Amount
	39184	05/12/2022	DVSP			723.75

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100043 Accounts Payable	S&P Global Ratings		21,750.00
	Invoice	Date	Description		Amount
	11436313	05/19/2022	Analytical Services Rendered		21,750.00
Check	05/27/2022	100044 Accounts Payable	Salinas Valley Ford		1,171.46
	Invoice	Date	Description		Amount
	89817	05/13/2022	Ford Ranger Used ABS Sensor No Warranty		1,171.46
Check	05/27/2022	100045 Accounts Payable	Sara Steck Myers		5,760.00
	Invoice	Date	Description		Amount
	05-01-22	05/01/2022	Professional Services - MPWSP - April 2022		5,760.00
Check	05/27/2022	100046 Accounts Payable	Sentry Alarm Systems of America, Inc.		285.00
	Invoice	Date	Description		Amount
	2190642	05/15/2022	Alarm Monitoring - Sports Center 2800 2nd Ave - Jun-Aug		285.00
Check	05/27/2022	100047 Accounts Payable	Shartsis Friese LLP		353,750.46
	Invoice	Date	Description		Amount
	5453542	03/22/2022	Professional Services - MPWSP - February 2022		139,002.25
	5455061	04/22/2022	Professional Services - MPWSP - March 2022		112,974.36
	5456563	05/20/2022	Professional Services - MPWSP - April 2022		101,773.85
Check	05/27/2022	100048 Accounts Payable	Sierra Springs & Alhambra		80.85
	Invoice	Date	Description		Amount
	7266038 051322	05/13/2022	Water Cooler Rental and Replacement Water		80.85
Check	05/27/2022	100049 Accounts Payable	Signs by Van Inc.		1,093.00
	Invoice	Date	Description		Amount
	12345	05/18/2022	Signs by Van Refund		1,093.00
Check	05/27/2022	100050 Accounts Payable	Stordok		65.00
	Invoice	Date	Description		Amount
	53546229	05/17/2022	Document Shredding Services - City Hall		65.00
Check	05/27/2022	100051 Accounts Payable	SWCA Envrionmental Consultants		12,446.51
	Invoice	Date	Description		Amount
	144621	04/29/2022	Vernal Pond Monitoring Equipment Install		12,446.51

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Check	05/27/2022	100052 Accounts Payable	U.S. Bank Equipment Finance		216.32
	Invoice	Date	Description		Amount
	471198242	04/28/2022	CDD Copier Lease - May 2022		216.32
Check	05/27/2022	100053 Accounts Payable	United Parcel Service		32.78
	Invoice	Date	Description		Amount
	00008Y4481202	05/14/2022	Shipping charges		32.78
Check	05/27/2022	100054 Accounts Payable	United Site Services		1,517.41
	Invoice	Date	Description		Amount
	114-13112337	05/20/2022	Windyhill Park ADA 05/20/22		260.13
	114-12591234	11/12/2021	Trailer Kit, Weekly Service		771.10
	114-12561477	11/05/2021	ADA Wheelchair Accessible and Service		243.09
	114-11881248	04/23/2021	Windyhill Park Beach Rd & Deforest Rd		243.09
Check	05/27/2022	100055 Accounts Payable	Verizon Wireless		732.21
	Invoice	Date	Description		Amount
	9906135898	05/10/2022	Monthly Verizon Bill-308174766		732.21
Check	05/27/2022	100056 Accounts Payable	Wallace Group, Inc.		39,923.78
	Invoice	Date	Description		Amount
	56140	05/10/2022	Program Management		39,923.78
Check	05/27/2022	100057 Accounts Payable	Marina Employees Association		140.00
	Invoice	Date	Description		Amount
	05-13-22	05/13/2022	24 - MEA Dues		140.00
Check	05/27/2022	100058 Accounts Payable	Marina Professional Fire Fighters Association		300.00
	Invoice	Date	Description		Amount
	05-13-22	05/13/2022	35 - MPFFA Dues		300.00
EFT	05/27/2022	2300 Accounts Payable	Richard B. Standridge	121042882 / 8312012522	3,942.50
	Invoice	Date	Description		Amount
	22-10	05/20/2022	Services 05-07/05-19-22		3,942.50
EFT	05/27/2022	2301 Accounts Payable	Marina Police Association-MPOA	322271627 / 901587928	260.00

AP Check Register 05-27-22

Bank Account: 905 - Chase - Checking
Batch Date: 05/27/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description		Amount
	05-13-22		05/13/2022	23 - MPOA Dues		260.00
EFT	05/27/2022	2302	Accounts Payable	Police Officers Association - POA	322271627 / 901589106	1,359.05
	Invoice		Date	Description		Amount
	05-13-22		05/13/2022	25 - POA Dues		1,359.05
905 Chase - Checking Totals:				Transactions: 60		$687,017.85

Checks:	57	$681,456.30
EFTs:	3	$5,561.55

Marina, CA LIVE

AP Check Register 06-03-22

Bank Account: 905 - Chase - Checking

Batch Date: 06/03/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 905 - Chase - Checking					
Check	06/03/2022	100059 Accounts Payable	Ace Hardware		19.60
	Invoice	Date	Description		Amount
	082076	05/23/2022	Pnt Try Lnr 3 Pk		19.60
Check	06/03/2022	100060 Accounts Payable	Allstar Fire Equipment Inc.		442.50
	Invoice	Date	Description		Amount
	239804	05/16/2022	Fire hose with mount & Trailer hitch		442.50
Check	06/03/2022	100061 Accounts Payable	Applied Real Estate Inspections		1,650.00
	Invoice	Date	Description		Amount
	22-160	05/13/2022	Mold Clearance Inspection		1,650.00
Check	06/03/2022	100062 Accounts Payable	Aramark Uniform Service		202.35
	Invoice	Date	Description		Amount
	5110009062	05/25/2022	Masks, shop towels		70.51
	5110009057	05/25/2022	PW Uniforms		114.03
	5110009055	05/25/2022	Masks, PW Uniforms		17.81
Check	06/03/2022	100063 Accounts Payable	California Department of Transportation		106.00
	Invoice	Date	Description		Amount
	SL221112	05/04/2022	Signals & Lighting		106.00
Check	06/03/2022	100064 Accounts Payable	Cheryl Kent		660.00
	Invoice	Date	Description		Amount
	2022-65	05/26/2022	Code Force Investigations		660.00
Check	06/03/2022	100065 Accounts Payable	Cintas Corporation		120.24
	Invoice	Date	Description		Amount
	4120762282	05/27/2022	Mat Service City Hall		50.94
	4120762178	05/27/2022	Mat Service-Police/Fire 05/27/22		69.30
Check	06/03/2022	100066 Accounts Payable	First Alarm		52.44
	Invoice	Date	Description		Amount
	683594	05/12/2022	Intrusion System Service Call		52.44
Check	06/03/2022	100067 Accounts Payable	Gavilan Pest Control		82.00

AP Check Register 06-03-22

Bank Account: 905 - Chase - Checking
Batch Date: 06/03/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description		Amount
	0145946		05/03/2022	Rodent Abatement		82.00
Check	06/03/2022	100068	Accounts Payable	Harris & Associates		11,797.50
	Invoice		Date	Description		Amount
	51789		03/10/2022	Harris & Associates - March 2022		11,797.50
Check	06/03/2022	100069	Accounts Payable	Home Depot Credit Service		1,125.51
	Invoice		Date	Description		Amount
	05-02-22		05/02/2022	Pliers with Grip		33.80
	05-04-22		05/04/2022	Head LED Flood/Wiring Tool		1,091.71
Check	06/03/2022	100070	Accounts Payable	L.N. Curtis & Sons		1,186.46
	Invoice		Date	Description		Amount
	PINV699038		05/23/2022	(2) Nomex fire tactical pants & (2) wildland coat		1,186.46
Check	06/03/2022	100071	Accounts Payable	Marina Coast Water District		6,918.37
	Invoice		Date	Description		Amount
	000056019 051222		05/12/2022	211 Hillcrest Ave		1,019.33
	000056021 051222		05/12/2022	Reservation Rd/By 290-308 Reservation		36.77
	000056018 051222		05/12/2022	208 Palm Ave		287.05
	000056024 051222		05/12/2022	Del Monte/Palm		89.02
	000056022 051222		05/12/2022	Reser/Marina Auto Stereo/Irrigation		40.42
	000056020 051222		05/12/2022	304 Hillcrest Ave		103.72
	000056016 051222		05/12/2022	Resev Rd & Seacrest Ave-Next to Fire Hyd		36.77
	000056001 051222		05/12/2022	209-13 Cypress Ave		102.85
	000056094 052022		05/20/2022	2660 5th Ave		431.38
	012016000 052022		05/20/2022	199 A Paddon Place		36.77
	000056045 052022		05/20/2022	3100 Preston Drive		4,583.47
	000056046 052022		05/20/2022	3100 Preston Drive		150.82
Check	06/03/2022	100072	Accounts Payable	Monterey County Department of Health		2,727.00
	Invoice		Date	Description		Amount
	IN1022181		05/02/2022	Fueling Yard		1,792.00
	IN1026170		05/02/2022	Corp Yard #2		935.00
Check	06/03/2022	100073	Accounts Payable	Monterey County Petroleum-Sturdy Oil Co.		8,466.68

AP Check Register 06-03-22

Bank Account: 905 - Chase - Checking
Batch Date: 06/03/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	Invoice		Date	Description		Amount
	27996A-IN		05/13/2022	Fuel Ethanol/Diesel		8,466.68
Check	06/03/2022	100074	Accounts Payable	MyFleetCenter - Wisconsin Quick Lube		594.59
	Invoice		Date	Description		Amount
	36760802		05/23/2022	PD Maintentenance		133.53
	36760729		05/22/2022	2015 Chevy PD Fleet & Maintenance		123.35
	36760357		05/16/2022	Ford Expedition Truck 5404 Service		226.80
	36760724		05/22/2022	2020 Chevy Truck 5461		110.91
Check	06/03/2022	100075	Accounts Payable	National Demographics, Inc.		28,500.00
	Invoice		Date	Description		Amount
	1485		05/25/2022	Consulting Services - Marina Redistricting Process		28,500.00
Check	06/03/2022	100076	Accounts Payable	Pacific Gas & Electric		14,125.73
	Invoice		Date	Description		Amount
	795-7.MAY22		05/20/2022	PG&E - 4467294795-7		392.18
	483-6.MAY22		05/31/2022	PG&E - 3982644483-6		13,733.55
Check	06/03/2022	100077	Accounts Payable	Pinnacle Healthcare		202.00
	Invoice		Date	Description		Amount
	358910		05/18/2022	Pinnacle Healthcare - Pre Emp Px		202.00
Check	06/03/2022	100078	Accounts Payable	Safety-Kleen Corp.		241.89
	Invoice		Date	Description		Amount
	88866717		04/21/2022	Parts Washer Solvent		241.89
Check	06/03/2022	100079	Accounts Payable	Suburban Propane		1,000.46
	Invoice		Date	Description		Amount
	1602-105760		05/20/2022	Propane 241.8 Gallons		1,000.46
Check	06/03/2022	100080	Accounts Payable	Verizon Wireless		645.14
	Invoice		Date	Description		Amount
	9906838509		05/18/2022	PW Verizon phone bill 041922-051822		645.14
Check	06/03/2022	100081	Accounts Payable	Wellington & Rathie		8,340.00
	Invoice		Date	Description		Amount

AP Check Register 06-03-22

Bank Account: 905 - Chase - Checking
Batch Date: 06/03/2022

Type	Date	Number Source	Payee Name	EFT Bank/Account	Transaction Amount
	26176	05/20/2022	Abrams Park-Marina Height-Sea Haven - April 2022		360.00
	26174	05/20/2022	Police Personnel Matters - April 2022		460.00
	26173	05/20/2022	MIsc. Personnel Matters - April 2022		120.00
	26172	05/20/2022	Misc Litigation Matters - April 2022		420.00
	26167	05/20/2022	Cannabis Matters - April 2022		40.00
	26175	05/20/2022	Public Records Act Requests - April 2022		800.00
	26171	05/20/2022	Marina Equestrian Center - April 2022		640.00
	26170	05/20/2022	Land Use & Operations - April 2022		740.00
	26168	05/20/2022	General Matters - April 2022		2,360.00
	26166	05/20/2022	Marina Municipal Airport Matters - April 2022		440.00
	26169	05/20/2022	Joby Aero Inc - April 2022		1,960.00
Check	06/03/2022	100082 Accounts Payable	Marina Employees Association		140.00
	Invoice	Date	Description		Amount
	05-27-22	05/27/2022	24 - MEA Dues		140.00
Check	06/03/2022	100083 Accounts Payable	Marina Professional Fire Fighters Association		300.00
	Invoice	Date	Description		Amount
	05-27-22	05/27/2022	35 - MPFFA Dues		300.00
Check	06/03/2022	100084 Accounts Payable	Premier Access Insurance		6,388.50
	Invoice	Date	Description		Amount
	06-01-22	06/01/2022	101 - Dental EE+1*		5,646.38
	06-01-22.	06/01/2022	Dental Claim (06/2022)		742.12
Check	06/03/2022	100085 Accounts Payable	Vision Service Plan		1,961.66
	Invoice	Date	Description		Amount
	06-01-22	06/01/2022	103 - Vision EE*		1,871.24
	06-01-22.	06/01/2022	VSP Adjustment (06/2022)		90.42
EFT	06/03/2022	2310 Accounts Payable	Marina Police Association-MPOA	322271627 / 901587928	250.00
	Invoice	Date	Description		Amount
	05-27-22	05/27/2022	23 - MPOA Dues		250.00
EFT	06/03/2022	2311 Accounts Payable	Police Officers Association - POA	322271627 / 901589106	1,350.00
	Invoice	Date	Description		Amount

Marina, CA LIVE

AP Check Register 06-03-22

Bank Account: 905 - Chase - Checking
Batch Date: 06/03/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
	05-27-22		05/27/2022	25 - POA Dues		1,350.00
905 Chase - Checking Totals:				Transactions: 29		$99,596.62
	Checks:	27	$97,996.62			
	EFTs:	2	$1,600.00			

Marina, CA LIVE

SA Check Register 05-20-22

Bank Account: 921 - Chase - Successor Agency

Batch Date: 05/20/2022

Type	Date	Number	Source	Payee Name	EFT Bank/Account	Transaction Amount
Bank Account: 921 - Chase - Successor Agency						
Check	05/20/2022	88	Accounts Payable	Applied Best Practices		1,675.00

Invoice	Date	Description	Amount
27161	04/14/2022	AB15139b GO	250.00
27093	04/07/2022	AB15139a GO	1,425.00

921 Chase - Successor Agency Totals:			Transactions: 1	$1,675.00
Checks:	1	$1,675.00		

DRAFT

Agenda Item: **8b(1)**
City Council Meeting of
June 7, 2022

MINUTES

Tuesday, May 3, 2022

5:00 P.M. Closed Session
6:30 P.M. Open Session

REGULAR MEETING

CITY COUNCIL, AIRPORT COMMISSION, MARINA ABRAMS B NON-PROFIT CORPORATION, PRESTON PARK SUSTAINABLE COMMUNITY NON-PROFIT CORPORATION, SUCCESSOR AGENCY OF THE FORMER MARINA REDEVELOPMENT AGENCY AND MARINA GROUNDWATER SUSTAINABILITY AGENCY

Council Chambers
211 Hillcrest Avenue
Marina, California

Zoom Meeting URL: https://zoom.us/j/730251556
Zoom Meeting Telephone Only Participation: 1-669-900-9128 - Webinar ID: 730 251 556

In accordance with California Government Code §54953(e)(1)(A) and (C) and the Proclamation of a State of Emergency issued by Governor Newsom on March 4, 2020, under the provisions of Government Code §8625 related to the COVID-19 (coronavirus) pandemic, consistent with recommendations by State and local health officials regarding social distancing and in order to prevent an imminent risk to the health and safety of attendees as determined in Resolution 2022-48, public participation in City of Marina City Council public meetings shall be electronic only and without a physical location for public participation until the earlier of May 31, 2022, or such time as the City Council may adopt a resolution in accordance with Government Code §54953(e)(3). This meeting is being broadcast "live" on Access Media Productions (AMP) Community Television Cable 25 and on the City of Marina Channel and on the internet at https://accessmediaproductions.org/

1. CALL TO ORDER

2. ROLL CALL & ESTABLISHMENT OF QUORUM: (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, Preston Park Sustainable Communities Nonprofit Corporation, Successor Agency of the Former Redevelopment Agency Members and Marina Groundwater Sustainability Agency)

   Cristina Medina Dirksen, David Burnett, Lisa Berkley, Mayor Pro-Tem/Vice Chair Kathy Biala, Mayor/Chair Bruce C. Delgado

3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, Preston Park Sustainable Communities Nonprofit Corporation, Successor Agency of the Former Redevelopment Agency Members and Marina Groundwater Sustainability Agency) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*

   a. Public Employment Appointment (Govt. Code Section 54957(b)(1):
      Position: City Attorney

6:30 PM - RECONVENE OPEN SESSION AND REPORT ON ANY ACTIONS TAKEN IN CLOSED SESSION

4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

5. SPECIAL PRESENTATIONS:
   a Francisco Tapia, 2021 Police Officer of the Year
   b Richard Janicki, 2021 Professional Support Person of the Year
   c Marina Earth Day Presentation

6. SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR**:** *Any member of the Public or the City Council may make an announcement of special events or meetings of interest as information to Council and Public. Any member of the public may comment on any matter within the City Council's jurisdiction which is not on the agenda. Please state your name for the record. Action will not be taken on an item that is not on the agenda. If it requires action, it will be referred to staff and/or placed on a future agenda. City Council members or City staff may briefly respond to statements made or questions posed as permitted by Government Code Section 54954.2. In order that all interested parties have an opportunity to speak, please limit comments to a maximum of four (4) minutes. Any member of the public may comment on any matter listed on this agenda at the time the matter is being considered by the City Council.*

- Mike Owen – Spoke about affordable childcare quality measure. Commented on the Marina Tree Committee's formation and the supportive relationship it had with city staff. Commented on upcoming May 10th study session and Shea Homes and the group trying to save the trees are working on a solution.
- Shawn Adams – Spoke about the 20-30 acres of undeveloped land along Reservation Road across from his home left uncared for, and the homeless population that has moved into this space. It's not a sanitary space to walk or ride your bike through. Commented on the cleanup efforts Mayor Delgado is doing with the volunteers. Spoke about the potential for a Disc Golf Course in that area.
- Nick Kite – Echoed previous speaker. Announced that the Junior Jellies held their 2nd annual Disc Golf Days at Los Arboles over the weekend and thanked CSUMB's Disc Golf team for their help. Spoke about Marina youth Arts Utility Box Project. Announced Habitat for Humanity Monterey Bay has a 2-bedroom, one bath of house coming up available here in the city of Marina for a lucky low-income family.
- Tommy Bolea – Commented on the Habitat for Humanity organization, great place to purchase used items and to donate to. Commented on the homeless camps in the section along Reservation Road and if properly cleaned up would make a nice park. Asked council who owns Marina Beach? Commented on Marina's water supply.
- Greg Furey – Kudos to the Marina Garden Club and their tour on Sunday. Echoed the comments by Shawn on the condition of property along Salians Street and Reservation Road. Commented on the CSUMB formal dinner at Spanish Bay for outgoing President Eduardo Ochoa and the attendance from Council Members.
- Council Member Medina Dirksen – Announced on May 21, 2022, from 11:30am-2:00pm will be the Celebration of Life for Terry Siegrist at Vince DiMaggio Park. Also announced that Dad's Read is happening this weekend at the Marina Library. Shout out to Marina Youth Arts for production of Moana. Commented on attending the CSUMB Innovator Gala Awards Dinner. Commented on Covid and the need to continue to be safe while your out and about.
- Mayor Pro Tem Biala – Announced May as Asian American, Pacific Islander (AAIP) month and on Friday, May 30th from 6:00pm-7:30pm at Tacoa Hall, in Pacific Grove, author, Sandy Liner

who wrote "They came across the Sundown Sea" honoring the Chinese pioneers and their legacy will be in attendance. On next day, Saturday, May 14th is the Walk of Remembrance commemorating the Chinese immigrants that begins at the Pacific Grove Museum, and you walk to the Hopkins Marine Station. Commented on attending the CSUMB Innovator Gala Awards Dinner.

- Mayor Delgado – Kudos to the Garden Club and Marina Tree and Garden Club for putting out a great every 2 years Garden club after Covid. Mentioned on May 7th at 7:00pm we have the first ever home game of a professional soccer team called the Monterey Bay Football Club playing at the CSUMB Freeman Stadium against Las Vegas. Commented on attending the CSUMB Innovator Gala Awards Dinner. Announced on Sunday, May eighth from 10 am-Noon we have our next volunteer litter, cleanup community cleanup on Lapis Road.

7. CONSENT AGENDA FOR THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Background information has been provided to the Successor Agency of the former Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda for Successor Agency to the former Marina Redevelopment Agency and placed at the end of Other Action Items Successor Agency to the former Marina Redevelopment Agency.*

8. CONSENT AGENDA: *Background information has been provided to the City Council, Airport Commission, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency on all matters listed under the Consent Agenda, and these items are considered to be routine. All items under the Consent Agenda are normally approved by one motion. Prior to such a motion being made, any member of the public or the City Council may ask a question or make a comment about an agenda item and staff will provide a response. If discussion or a lengthy explanation is required, that item will be removed from the Consent Agenda and placed at the end of Other Action Items.*

   a. ACCOUNTS PAYABLE:

      (1) Accounts Payable Check Numbers 99772-99873, totaling $609,293.99
      Accounts Payable for Successor Agency Check Numbers 84, totaling $334.20

   b. MINUTES:

      (1) April 19, 20222, Regular City Council Meeting

   c. CLAIMS AGAINST THE CITY: None

   d. AWARD OF BID: None

   e. CALL FOR BIDS: None

   f. ADOPTION OF RESOLUTIONS: None

   g. APPROVAL OF AGREEMENTS: None

   h. ACCEPTANCE OF PUBLIC IMPROVEMENTS: None

   i. MAPS: None

   j. REPORTS: (RECEIVE AND FILE):

      (1) City Council receiving Investment Reports for the City of Marina and City of Marina as Successor Agency to the Marina Redevelopment Agency for the quarter ended March 31, 2022.

k. FUNDING & BUDGET MATTERS: None

l. APPROVE ORDINANCES (WAIVE SECOND READING):

m. APPROVE APPOINTMENTS:

DELGADO/BIALA: TO APPROVE THE CONSENT AGENDA. 5-0-0-0 Motion Passes by Roll Call Vote

9. PUBLIC HEARINGS:

a. City Council consider Planning Commission recommendation to open a public hearing, take testimony from the public and consider adopting **Resolution No. 2022-52**, approving tentative subdivision map amendment within Phase 1B of The Dunes on Monterey Bay (formally University Villages) Specific Plan CEQA Determination: environmental impacts analyzed in prior EIR.

Council Questions: Can copies of the planning commission's minutes be provide to council in our packets when items like this come before us? Was the planning commission meeting well attended for this item? For parcel 4 what exactly was added for private streets, open space areas to exist with amended commercial associations, what type of amendments were there and what was adjusted and Does it also speak to those parcels needed parking? For parcel 7, was the right of way. allowing entry way into the town square, were they narrowed where they widen, and is it able to accommodate our public safety vehicles, such as our fire trucks? We talk about the entry is going to be realigned and narrow to promote more friendly pedestrian access, can you show us where the narrowing is? What goes into the linear parks, is it landscaping with trees or something? Will there be benches? The linear park is 50.5 down from 70 feet and it's got live work to the West, and has we work in a retail to the East so the reason for in that stretch, which is north of the South access road. is the reason for that to give more retail and residential space and last park space? On the South access road The park linear part goes up to 60.5 feet so it's down about 9 and a half feet from 70 But there's only residential on both sides so my question there is. Did we decrease the linear park width so that we could increase the residential square footage? Why are we giving up park space? What does the city Get out of it so it's a win, win situation? For the retail, post covid, have you all done any kind of markets study, or anything to determine what type of retail you'll actually have in there? What are the relevant scheduled performance milestones regarding the promenade? Are we on track, or the 2022 milestones? What is the consequence if a milestone is not met? Is the self-service draft beer on tap. Is that moving ahead? Is there any drawback to approving this tonight? Are the lots predetermined to have a bank or medical office or restaurant or is this just whoever comes and they look at the availability of the lots?

Mayor opened the public hearing for public comments:

- Les Martin – Thanked staff and council for having this meeting and showing the plans for this phase, overwhelmed that the shocked, how dense this area is. Asked when this whole development would be completed? Excited to see all the construction taking place. Looking forward to living at the Dunes.
- Denise Turley – Asked if there were going to be any Safe Routes to Schools in Phase 1B, concerned about the safety of the children walking to the school bus stops and to schools. Asked about the narrowing of roadway on Second Avenue and the cement blocks near the apartment complex.
- Liesbeth Visscher – Looking forward to seeing this next phase built. Commented on the narrowing of the linear park and linear parking. Commented on the garbage truck change of schedule change to accommodate a later pick up time for the Dunes residents.

- Brian McCarthy – Glad to see the discussion on the linear park and the history associated with it. confused on what the exact true history is of the linear Park concept is. Commented on seeing other linear parks in the US and Europe cities. Appreciates Council Member Burnett's comments on wanting to hear the concerns from the Planning Commission.
- Tommy Bolea – Commented that this meeting sounds like a Planning Commission meeting and asked what's the difference between this meeting and the planning commission? Spoke about a Trader Joe's coming to the Dunes. Suggested someone contact the owner of Phil's Fish Market and get them over in this area since they are being kicked out of their current location. Commented on the outside beer pub with Marina's weather.
- Fred Watson – Commented that it's good to see the 12-foot trail down the middle of the linear park. likes to check anything that comes up against the specific plan that has a bike circulation and this checks out.

BIALA/BERKLEY: TO ADOPT RESOLUTION NO. 2022-52, APPROVING TENTATIVE SUBDIVISION MAP AMENDMENT WITHIN PHASE 1B OF THE DUNES ON MONTEREY BAY (FORMALLY UNIVERSITY VILLAGES) SPECIFIC PLAN CEQA DETERMINATION: ENVIRONMENTAL IMPACTS ANALYZED IN PRIOR EIR. 5-0-0-0 Motion Passes by Roll Call Vote

10. OTHER ACTIONS ITEMS OF THE SUCCESSOR AGENCY TO THE FORMER MARINA REDEVELOPMENT AGENCY: *Action listed for each Agenda item is that which is requested by staff. The Successor Agency may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

11. OTHER ACTION ITEMS: *Action listed for each Agenda item is that which is requested by staff. The City Council may, at its discretion, take action on any items. The public is invited to approach the podium to provide up to four (4) minutes of public comment.*

Note: No additional major projects or programs should be undertaken without review of the impacts on existing priorities (Resolution No. 2006-79 – April 4, 2006).

a. City Council consider adopting **Resolution No. 2022-53**, approving the mid-cycle budget adjustments as outlined in the staff report, and authorizing the Finance Director to make all necessary accounting and budgetary entries.

Council Questions: The mutual aid for the firefighters of the $517,000, that that goes back into the budget and allocations for fires, is that correct? There was talk about a 1% surplus cushion, what is the normal surplus both from a conservative and less conservative perspective? You're calling it a measure X bond is that because it's been deemed to be called measure x, or is just x a sort of anonymous, or it hasn't been given a name yet? When you're talking about the hotel projections just to clarify, have included the hotels that are planning to come online, meaning the Hampton Inn? Cannabis. You have some figures there for cannabis, but, as we know, the industry has stalled a bit and projections have fallen short at the county level, tell me how you came about at those figures, and if you have any updates? Are your numbers conservative and how they play into the trend? The TOT that we are showing, do you have a breakdown as to what is traditional hotels and what is Airbnb's, and fees that we've collected from home rentals? Do we have an accurate number of units (Airbnb's) in the city? Planning Department Document Scanning, is that equipment purchases or scanning service? Is this a one-time digitization of the current city files? Do you envision that there's going be a local scanner? Are those public documents are they going to be available for public perusal? TOT, is Marina recovering faster than other areas post-covid? Are other places on the same pattern? Cannabis Revenues, is it correct that we generated $100,000 during the last fiscal year? Are our cannabis stores not generating the kind of revenues we expected? Deficit, slide was showing $500,000 for this year,

what does 2022 look like? You say that there's a unallocated fund balance of $3.7 million, what was the expected unallocated fund balance prior? In order to protect services, you're saying we went into a on paper deficit budget but in reality, turned out to be a surplus budget? Did Staff check the priority list before making the list of suggested new expenses today? Are suggested mid-cycle budget adjustments on our priority list? Did staff check our priority list before making this list? Now to mandatory urgent, Was the 15 K Cannabis fees, schedule update, and the $15,000 general fee schedule update are those 2 mandatory urgent budget items in order to increase our revenue? So how do we, as a council, know whether those 2 mandatory, urgent reschedule updates are less important or more important than giving $22,000 to Casa de Noche Buena or buying 2 mowers, etc.? In the priority list there are some general fund projects that are not mandatory, urgent and they include things like $30,000 for high speed. Internet $30,000 for website improvements Aren't those 2 items things we've been talking about for a long time, and they rated very high in our priority list? Might we have an opportunity at some point for new directors to get the lay of the land and figure out some things that will streamline their jobs? Can you directors learn what's already on the priority list in their department think about what else they need and then propose putting those on the priority list, so that we keep the priority list comprehensive?

Public Comments:

- Tommy Bolea – Commented on Cannabis tax, water bills, phone bills and the bills associated with all the litigation.
- Denise Turley – Asked about the new community development director Guido Persicone and finance director, asked if they were ever introduced to the public.

MEDINA DIRKSEN/DELGADO: WE ADOPT RESOLUTION NO. 2022-__ WITH THE MID-CYCLE ADJUSTMENTS BROUGHT BACK FOR DISCUSSION WITH THE ADDITIONAL ASKS; WE AUTHORIZE, GIVE HIM DIRECTION TO MOVE AHEAD MINUS THE 4 ASKS AS WE COME BACK AND TALK ABOUT PROCESSES FOR THE PRIORITIZATION LIST, AND THE NEW ASKS. 4-0-1(Burnett)-0

b. City Council consider adopting Resolution No. 2022-, receiving a report on the Hilltop Park recommendations from the ad-hoc committee and City Council appointed liaisons and providing direction for the final design of the Hilltop Park at The Dunes. ***Continued to May 17, 2022***

12. COUNCIL & STAFF INFORMATIONAL REPORTS:

a. Monterey County Mayor's Association [Mayor Bruce Delgado]

b. Council and staff opportunity to ask a question for clarification or make a brief report on his or her own activities as permitted by Government Code Section 54954.2.

13. ADJOURNMENT: The meeting adjourned at 10:50 pm

Anita Sharp, Deputy City Clerk

ATTEST:

Bruce C. Delgado, Mayor

May 17, 2022 Item No. **8f(1)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, CERTIFYING CITY OF MARINA COMPLIANCE WITH STATE LAW (PROPOSITION 218) WITH RESPECT TO SPECIAL ASSESSMENT FOR THE CYPRESS COVE II LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL YEAR 2022-2023

RECOMMENDATION:

It is requested that the City Council:

1. Consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for the Cypress Cove II Landscape Maintenance Assessment District for FY 2022-2023.

BACKGROUND:

On April 5, 2022, the City Council passed Resolution No. 2022-45, setting FY 2022-2023 special assessment for the Cypress Cove II Landscape Maintenance Assessment District, as recommended in the Engineer's report.

Except for the Constitutionally-limited 1% ad valorem tax, the Monterey County Auditor-Controller will not place taxes, assessments, fees or charges on the rolls unless the City Council certifies by resolution that the City is in compliance with Proposition 218, the 1996 '*Right to Vote on Taxes Act*' with respect to each such tax, assessment, fee and charge. Certification resolution(s) must contain hold harmless and indemnification provisions for administrative expenses of the County associated with collection of the City's taxes, assessments, fees and charges placed on the rolls. These certifications, along with copies of the resolutions setting the tax, assessment fee and/or charge rates and certain other documentation, must be submitted to the County no later than August 1, 2022.

ANALYSIS:

The following special levy, adopted by Resolution No. 2022-45 on April 5, 2022, is for assessment district operations and must be included in the certification adopted by the Council:

Cypress Cove II Landscape Maintenance Assessment District	$ 180.78

FISCAL IMPACT:

Special assessments finance the assessment district's approved maintenance. Total to be credited to the district is as follows:

Cypress Cove II Landscape Maintenance Assessment District	$ 19,885.80

CONCLUSION:
This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____
Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____
Juan Lopez
Finance Director
City of Marina

_____
Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF MARINA CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO LEVYING OF SPECIAL ASSESSMENTS FOR FISCAL YEAR 2022-2023

WHEREAS, The City of Marina requests that the Monterey County Auditor-Controller enter the special assessment identified in Exhibit "A" on the property tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2022-23 (**"EXHIBIT A"**).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina as follows:

1. The City hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes and assessments identified in **EXHIBIT A** regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.

2. The City further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees and agents, the City shall be solely liable and responsible for defending, at its sole expense, cost and risk, each and every action, suit or other proceeding brought against the County of Monterey, its officers, employees and agents for every claim, demand or challenge to the levying or imposition of the general or special taxes and assessments identified in **EXHIBIT A** and that the City shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees, court costs and administrative expenses of the County of Monterey to correct the tax rolls.

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSTAIN: Council Members:
ABSENT: Council Members:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

EXHIBIT A

ATTACHMENT TO RESOLUTION NO. 2022-___ OF THE CITY OF MARINA, COUNTY OF MONTEREY, CALIFORNIA, CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF SPECIAL ASSESSMENTS FOR FISCAL YEAR 2022-2023

PER-PARCEL ASSESSMENTS:

Assessment District – Operations:

- Cypress Cove II Landscape Maintenance Assessment District $180.78

May 17, 2022 Item No. **8f(2)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, CERTIFYING CITY OF MARINA COMPLIANCE WITH STATE LAW (PROPOSITION 218) WITH RESPECT TO SPECIAL ASSESSMENT FOR THE SEABREEZE LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL YEAR 2022-2023

RECOMMENDATION:
It is requested that the City Council:

1. Consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for the Seabreeze Landscape Maintenance Assessment District for FY 2022-2023.

BACKGROUND:
On April 5, 2022, the City Council passed Resolution 2022-46 setting FY 2022/23 special assessment for the Seabreeze Landscape Maintenance Assessment District as recommended in the engineer's report.

Except for the Constitutionally-limited 1% ad valorem tax, the Monterey County Auditor-Controller will not place taxes, assessments, fees or charges on the rolls unless the City Council certifies by resolution that the City is in compliance with Proposition 218, the 1996 '*Right to Vote on Taxes Act*' with respect to each such tax, assessment, fee and charge. Certification resolution(s) must contain hold harmless and indemnification provisions for administrative expenses of the County associated with collection of the City's taxes, assessments, fees and charges placed on the rolls. These certifications, along with copies of the resolutions setting the tax, assessment fee and/or charge rates and certain other documentation, must be submitted to the County no later than August 1, 2022.

ANALYSIS:
The following special levy, adopted by Resolution 2022-46 on April 5, 2022, is for assessment district operations and must be included in the certification adopted by the Council:

Seabreeze Landscape Maintenance Assessment District	$ 182.42 per parcel

FISCAL IMPACT:
Special assessments finance the assessment district's approved maintenance. Total to be credited to the district is as follows:

Seabreeze Landscape Maintenance Assessment District	$ 6,749.54

CONCLUSION:
This request is submitted for City Council consideration and possible action.

May 17, 2022 Item No. **8f(3)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, CERTIFYING CITY OF MARINA COMPLIANCE WITH STATE LAW (PROPOSITION 218) WITH RESPECT TO SPECIAL ASSESSMENT FOR THE MONTEREY BAY ESTATES LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT FOR FISCAL YEAR 2022-2023

RECOMMENDATION:
It is requested that the City Council:

1. Consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to special assessment for the Monterey Bay Estates Landscape Maintenance Assessment District for FY 2022-2023.

BACKGROUND:
On April 5, 2022, the City Council passed Resolution No. 2022-47 setting the FY 2022/23 special assessment for the Monterey Bay Estates Landscape Maintenance Assessment District as recommended in the engineer's report.

Except for the Constitutionally-limited 1% ad valorem tax, the Monterey County Auditor-Controller will not place taxes, assessments, fees or charges on the rolls unless the City Council certifies by resolution that the City is in compliance with Proposition 218, the 1996 '*Right to Vote on Taxes Act*' with respect to each such tax, assessment, fee and charge. Certification resolution(s) must contain hold harmless and indemnification provisions for administrative expenses of the County associated with collection of the City's taxes, assessments, fees and charges placed on the rolls. These certifications, along with copies of the resolutions setting the tax, assessment fee and/or charge rates and certain other documentation, must be submitted to the County no later than August 1, 2022.

ANALYSIS:
The following special levy, adopted by Resolution 2022-47 on April 5, 2022, is for assessment district operations and must be included in the certification adopted by the Council:

Monterey Bay Estates Landscape Maintenance Assessment District	$ 77.14 per parcel

FISCAL IMPACT:
Special assessments finance the assessment district's approved maintenance. Total to be credited to the district is as follows:

Monterey Bay Estates Landscape Maintenance Assessment District	$ 12,496.68

CONCLUSION:
This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____
Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____
Juan Lopez
Finance Director
City of Marina

_____
Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF MARINA CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO LEVYING OF SPECIAL ASSESSMENT FOR FISCAL YEAR 2022-2023

WHEREAS, The City of Marina requests that the Monterey County Auditor-Controller enter that special assessment identified in Exhibit "A" on the property tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2022-2023 (**"EXHIBIT A"**).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina as follows:

1. The City hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes and assessments identified in **EXHIBIT A** regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.

2. The City further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees and agents, the City shall be solely liable and responsible for defending, at its sole expense, cost and risk, each and every action, suit or other proceeding brought against the County of Monterey, its officers, employees and agents for every claim, demand or challenge to the levying or imposition of the general or special taxes and assessments identified in **EXHIBIT A** and that the City shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees, court costs and administrative expenses of the County of Monterey to correct the tax rolls.

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSTAIN: Council Members:
ABSENT: Council Members:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

EXHIBIT A

ATTACHMENT TO RESOLUTION NO. 2022-___ OF THE CITY OF MARINA, COUNTY OF MONTEREY, CALIFORNIA, CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF SPECIAL ASSESSMENT FOR FISCAL YEAR 2022-2023

PER-PARCEL ASSESSMENTS:

Assessment District – Operations:

- Monterey Bay Estates Landscape Maintenance Assessment District $77.14

Respectfully submitted,

_____
Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____
Juan Lopez
Finance Director
City of Marina

_____
Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF MARINA CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO LEVYING OF SPECIAL ASSESSMENTS FOR FISCAL YEAR 2022-2023

WHEREAS, The City of Marina requests that the Monterey County Auditor-Controller enter those special assessments identified in Exhibit "A" on the property tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2022-2023 (**"EXHIBIT A"**).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina as follows:

1. The City hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes and assessments identified in **EXHIBIT A** regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statutes, or in the applicable decisional law of the State of California.

2. The City further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees and agents, the City shall be solely liable and responsible for defending, at its sole expense, cost and risk, each and every action, suit or other proceeding brought against the County of Monterey, its officers, employees and agents for every claim, demand or challenge to the levying or imposition of the general or special taxes and assessments identified in **EXHIBIT A** and that the City shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees, court costs and administrative expenses of the County of Monterey to correct the tax rolls.

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: Council Members:
NOES: Council Members:
ABSTAIN: Council Members:
ABSENT: Council Members:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

EXHIBIT A

ATTACHMENT TO RESOLUTION NO. 2022-___ OF THE CITY OF MARINA, COUNTY OF MONTEREY, CALIFORNIA, CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF SPECIAL ASSESSMENTS FOR FISCAL YEAR 2022-2023

PER-PARCEL ASSESSMENTS:

Assessment Districts – Operations:

- Seabreeze Landscape Maintenance Assessment District $182.42

May 25, 2022 Item No. **8f(4)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, CONFIRMING LEVY OF A SPECIAL TAX FOR THE CITY OF MARINA COMMUNITY FACILITIES DISTRICT NO. 2007-2 (LOCKE PADDON) FOR FISCAL YEAR 2022-2023 AS AUTHORIZED BY ORDINANCE NO. 2007-09; AND RESOLUTION NO. 2022-, CERTIFYING CITY OF MARINA COMPLIANCE WITH STATE LAW (PROPOSITION 218) WITH RESPECT TO LEVYING OF SPECIAL TAXS ON BEHALF OF THE CITY OF MARINA COMMUNITY FACILITIES DISTRICT NO. 2007-2 FOR FISCAL YEAR 2022-2023 AS AUTHORIZED BY ORDINANCE NO. 2007-09

RECOMMENDATION:
It is requested that the City Council:

1. Consider adopting Resolution No. 2022-, confirming levy of a special tax for the City of Marina Community Facilities District No. 2007-2 (Locke Paddon) for Fiscal Year 2022-2023 as authorized by Ordinance No. 2007-09, and;

2. Consider adopting Resolution No. 2022-, certifying City of Marina compliance with State law (Proposition 218) with respect to levying of special taxes for the City of Marina Community Facilities District No. 2007-2 for Fiscal Year 2022-2023 as authorized by Ordinance No. 2007-09

BACKGROUND:
Pursuant to a special election held on July 17, 2007, on August 7, 2007, the City Council unanimously passed Ordinance No. 2007-09, forming the City of Marina Community Facilities District No. 2007-2 (commonly referred to as Locke-Paddon CFD, see **"EXHIBIT B"**). Ordinance 2007-09 also authorized an annual special tax levy for the purpose of landscape and park maintenance. The special tax was first levied for fiscal year 2008-09, in the amount of $898.58 for each of the fifteen (15) assessed properties. Each subsequent year, Ordinance 2007-09 requires the special tax to be increased by two percent (2.00%) from the previous approved Maximum Special Tax.

For fiscal years 2013/14, 2014/15 and 2015/16, the special tax was temporarily reduced to zero. The City Council Resolutions affirmed that for future calculations, the full, authorized, maximum rate would continue to increase per Ordinance 2007-09. Accordingly, the special tax for each fiscal year since inception has been as follows (NOTE: Monterey County requires that rates be divisible by 2 for placement on the rolls, so calculations are rounded each year):

Fiscal Year	Max. Per Parcel Tax	Approved Levy	Total Special Tax
FY 08/09	$898.58	$ 898.58	$ 13,478.70
FY 09/10	$916.56	$ 916.56	$ 13,748.40
FY 10/11	$934.90	$ 934.90	$ 14,023.50
FY 11/12	$953.60	$ 953.60	$ 14,304.00
FY 12/13	$972.68	$ 972.68	$ 14,590.20
FY 13/14	$992.14	$ -	$ -
FY 14/15	$1,011.98	$ -	$ -
FY 15/16	$1,032.22	$ -	$ -
FY 16/17	$1,052.86	$ 420.00	$ 6,300.00
FY 17/18	$1,073.92	$ 475.00	$ 7,125.00 [$6,652 actual]
FY 18/19	$1,095.40	$ 450.00	$ 6,750.00 [$6,284 actual]
FY 19/20	$1,117.30	$ 488.00	$ 7,320.00
FY 20/21	$1,139.64	$ 785.00	$ 11,775.00
FY 21/22	$1,162.44	$ 820.00	$ 12,300.00
FY 22/23	$1,209.40	$ 1,100.00	$ 16,500.00

ANALYSIS:

Each year's special tax is collected by the Monterey County Tax Collector, and then distributed to the City. When received by the City, special taxes are credited in the accounting system to Fund 251 - CFD No. 2007-2 Locke Paddon. Likewise, expenditures and costs incurred on behalf of the District are paid out of Fund 251 expenditure. It is estimated that by June 30, 2022, the unexpended fund balance in Fund 251 (cumulative tax revenue in excess of expenditures since inception) is projected to be approximately $4,330. On May 5th, City staff met with residents to discuss requested additional improvements and maintenance including: decorative fencing repair, lighting replacements, dog waste station, root barrier installation, irrigation repairs and other improvements. Expected landscaping, utilities, extraordinary maintenance, and City service expenditures for this coming fiscal year (2022-23) will be approximately $16,610 ("**EXHIBIT C**").

Due to the age of the site improvements at the District, a fund balance of $4,221 will be maintained for replacement costs of site improvements as they reach the end of their life expectancy (e.g. street light fixtures, irrigation system) and for tree removal/replacement as needed.

The cost allocation charges adopted in July 2018 for this District was identified to be $5,234.94. Staff had presented this cost figure to the City Council during the last assessment process for future consideration. These charges are associated with the expenses incurred by the City for administering the special tax assessment. As the District has not paid cost allocation charges in prior years, the additional charges would be a significant burden to the current budget. Staff is recommending a phased appropriation of cost allocation charges over a four-year period as shown in Exhibit C (See Note C).

Section 2 of Ordinance 2007-09 requires the CFD Administrator (the City Manager) "...to determine each year, without further action of this Council, the Special Tax...and, without further action of this Council, to provide all necessary and appropriate information to the Monterey County Auditor...necessary to effect the correct and timely billing and collection of the Special Tax...." Upon evaluation of the anticipated expenditures of the District for the upcoming Fiscal Year 22/23, it is the opinion of the CFD Administrator to assess a special tax of $1,100.00 per parcel to maintain an adequate fund balance for any potential unforeseen extraordinary maintenance projects.

Monterey County will not impose or collect the special tax on the District's behalf unless the City submits, in a form provided by the County, a certification of compliance with State Law (Proposition 218) that includes a hold harmless and indemnification provision for administrative expenses of the County associated with collection of the City's taxes, assessments, fees or charges, other than the Constitutionally authorized 1% ad valorem tax.

Attached is a resolution which, if adopted by the Council will satisfy the County's certification, hold-harmless and indemnification requirements with respect to the City of Marina Community Facilities District No. 2007-2 Special Tax for the 2022-23 fiscal year.

FISCAL IMPACT:

Special assessments finance the CFD's approved landscape maintenance services. Total to be credited to the district is as follows:

Fund 251 Community Facilities District No. 2007-2	$16,500.00

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____

Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____

Juan Lopez
Finance Director
City of Marina

_____

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF MARINA CONFIRMING LEVY OF A SPECIAL TAX FOR THE CITY OF MARINA COMMUNITY FACILITIES DISTRICT NO. 2007-2 (LOCKE PADDON) FOR FISCAL YEAR 2022-2023 AS AUTHORIZED BY ORDINANCE NO. 2007-09

WHEREAS, Ordinance 2007-09 authorized the levy of a special tax for the benefit of the City of Marina Community Facilities District 2007-2 starting in Fiscal Year 2008-2009, and increasing each year by two percent (2%); and

WHEREAS the special tax has been levied each fiscal year as authorized, but was temporarily reduced to zero for Fiscal Years 2013/14, 2014/15 and 2015/16; and

WHEREAS the Administrator has calculated the maximum Fiscal Year 2022-2023 special tax to be $1,209.40, and;

WHEREAS, the CFD administrator having further considered the special tax requirements in accordance with Exhibit A to Ordinance 2007-09, by which Community Facilities District 2007-2 was established and continues, has determined that a special tax for fiscal year 2022-2023 be assessed at $1,100.00 per parcel.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina that:

1. The City does hereby confirm the diagram and assessment as described in the Engineer's Report on file with the City Clerk.
2. The City does hereby order the levy and collection of said assessment, $1,100.00 per parcel for FY 2022-2023 assessment for the Locke Paddon Community Facilities District No. 2007-2.
3. It is the intention of the City of Marina that any monetary advance made by it during any fiscal year to cover a deficit in the improvement fund of Community Facilities District No. 2007-2 shall be repaid from the next annual assessments levied and collected within Community Facilities District No. 2007-2.
4. The City Clerk is hereby authorized and directed to file a certified copy of said diagram and assessment with the Monterey County Auditor prior to August 1, 2022.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY OF MARINA CERTIFYING COMPLIANCE WITH STATE LAW (PROPOSITOIN 218) WITH RESPECT TO LEVYING OF SPECIAL TAXES ON BEHALF OF CITY OF MARINA COMMUNITY FACILITIES DISTRICT NO. 2007-2 FOR FISCAL YEAR 2022-2023 AS AUTHORIZED BY ORDINANCE NO. 2007-09

WHEREAS, the City of Marina "Public Agency" requests that the Monterey County Auditor-Controller enter those general or special taxes, assessments, or property-related Fees or charges identified in Exhibit "A" on the tax roll for collection and distribution by the Monterey County Treasurer-Tax Collector commencing with the property tax bills for fiscal year 2022-2023.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Public Agency hereby certifies that it has, without limitation, complied with all legal procedures and requirements necessary for the levying and imposition of the general or special taxes, assessments, or property-related fees or charges identified in Exhibit "A", regardless of whether those procedures and requirements are set forth in the Constitution of the State of California, in State statues, or in the applicable law of the State of California.

2. The Public Agency further certifies that, except for the sole negligence or misconduct of the County of Monterey, its officers, employees, and agents, with regards to the handling of the Cd or electronic file identified as Exhibit "A", the Public Agency shall be solely liable and responsible for defending, at its sole expense, cost, and risk, each and every action, suit, or other proceeding brought against the County of Monterey, its officers, employees, and agents for every claim, demand, or challenge to the levying or imposition of the general or special taxes, assessments, or property –related fees or charges identified in Exhibit "A" and that it shall pay or satisfy any judgment rendered against the County of Monterey, its officers, employees, and agents on every such action, suit, or other proceeding, including all claims for refunds and interest thereon, legal fees and court costs, and administrative expenses of the County of Monterey to correct the tax rolls.

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Shepherd-Sharp, Deputy City Clerk

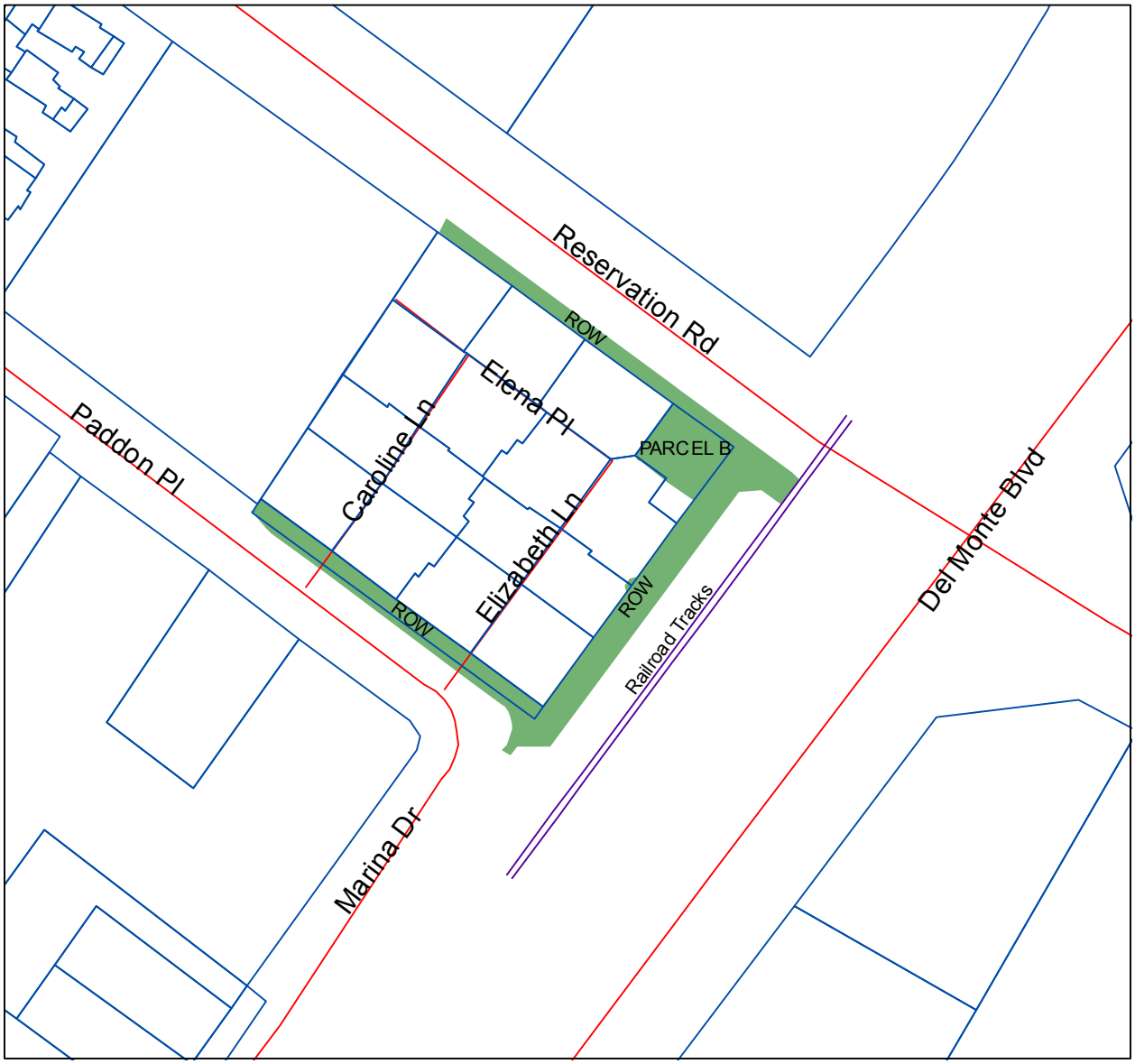
EXHIBIT "A"

TO RESOLUTION NO. 2022- ___OF THE CITY OF MARINA, COUNTY OF MONTEREY, CALIFORNIA, CERTIFYING COMPLIANCE WITH STATE LAW WITH RESPECT TO THE LEVYING OF SPECIAL TAXES FOR FISCAL YEAR 2022-2023

PER-PARCEL SPECIAL TAX:

DIAGRAM & LOT NO.	ASSESSOR'S PARCEL NUMBER	SPECIAL TAX ASSESSMENT
1	033-135-001-000	$ 1,100.00
2	033-135-002-000	$ 1,100.00
3	033-135-003-000	$ 1,100.00
4	033-135-004-000	$ 1,100.00
5	033-135-005-000	$ 1,100.00
6	033-135-006-000	$ 1,100.00
7	033-135-007-000	$ 1,100.00
8	033-135-008-000	$ 1,100.00
9	033-135-009-000	$ 1,100.00
10	033-135-010-000	$ 1,100.00
11	033-135-011-000	$ 1,100.00
12	033-135-012-000	$ 1,100.00
13	033-135-013-000	$ 1,100.00
14	033-135-014-000	$ 1,100.00
15	033-135-015-000	$ 1,100.00

EXHIBIT B
CFD DIAGRAM



Locke Paddon Point Landscape Maintenace District

Area To Maintain
Parcels
Roads
Railroad Tracks

N
W
E
S

0 62.5 125 250 375 500 Feet

EXHIBIT C

LOCKE-PADDON COMMUNITY FACILITIES DISTRICT

BUDGET SUMMARY

Summary	Estimates FY 2021-2022	Estimates FY 2022-2023	Estimates FY 2023-2024	Estimates FY 2024-2025
Beginning Cash Balance, July 1st	**$ 5,552**	**$ 4,330**	**$ 4,221**	**$ 6,043**
[a] Total Special Tax Revenue (15 Parcels)	**$ 12,688**	**$ 16,500**	**$ 13,500**	**$ 13,500**
Expenditures				
Contractor Services				
[b] Landscape Maintenance Contract	$ 2,988	$ 3,078	$ 3,170	$ 3,265
Utilities	$ 1,200	$ 1,236	$ 1,273	$ 1,311
Large Tree Trimming	$ -	$ -	$ -	$ -
Extraordinary Maintenance	$ 5,104	$ 6,370	$ -	$ -
Administrative Services				
Supervision	$ -	$ -	$ -	$ -
[c] Cost Allocation Charges	$ 2,617	$ 3,926	$ 5,235	$ 5,235
Administration (Incl. Engineer's Report)	$ 2,000	$ 2,000	$ 2,000	$ 2,000
Total Expenditures	**$ 13,909**	**$ 16,610**	**$ 11,678**	**$ 11,811**
[d] Net Change in Fund Balance	**$ (1,221)**	**$ (110)**	**$ 1,822**	**$ 1,689**
[e] Ending Fund Balance, June 30th	**$ 4,330**	**$ 4,221**	**$ 6,043**	**$ 7,731**

[a] Maximum Assessment per Rate of Apportionment is $1,185.68 per parcel for FY 22/23. Actual Per Parcel Assessment for FY 22/23 is $1,100.00

[b] Maintenance Costs are shown as increasing per fiscal year by an estimated Consumer Cost Index (CPI) of 3% as allowed by the Contract Specifications.

[c] Cost Allocation Charges adopted in 2018 of $5,234.94 will be incrementally applied over a four-year period: FY 20/21 = $1,308.74, FY 21/22 = $2,617.47, FY 22/23 = $3,926.21, FY 23/24 = $5,234.94

[d] Net Change in Fund Balance equals the Total Expenditures subtracted from Total Special Tax Revenue for that Fiscal Year.

[e] End Fund Balance equals the Net Change in Fund Balance plus the Beginning Cash Balance of that Fiscal Year.

May 10, 2022 Item No. **8f(5)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting of
June 7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, ADOPTING AN UPDATED LIST OF PROJECTS FOR FISCAL YEAR 2022-23 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

RECOMMENDATION:

It is recommended that the City Council consider

(1) Adopting Resolution No. 2022-, adopting an updated list of projects for Fiscal Year 2022-23 funded by SB 1: The Road Repair and Accountability Act of 2017.

BACKGROUND:

On April 28, 2017 the Governor signed Senate Bill 1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation and critical safety needs on both the state highway and local streets and road system, Senate Bill 1 (SB 1): increases per gallon fuel excise taxes; increases diesel fuel sales taxes and vehicle registration fees; and provides for inflationary adjustments to tax rates in future years.

The Road Repair and Accountability Act of 2017 provides $5.2 billion annually and is a significant investment in California's transportation infrastructure. The bill provides $15 billion for local streets and roads over the next ten years. Monterey County's share of the local streets and roads funding is approximately $16.2 million in fiscal year 2022/23.

Beginning November 1, 2017, the State Controller deposits various portions of this new funding into the newly created Road Maintenance and Rehabilitation Account (RMRA). A percentage of this new RMRA funding is apportioned by formula to eligible cities and counties for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, a city or county must submit to the California Transportation Commission a list of projects proposed to be funded with these funds. All projects proposed to receive funding must be adopted by resolution by the applicable city council or county board of supervisors at a regular public meeting. The list of projects must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. This report is due to the California Transportation Commission by July 1st of each year.

In addition to the project list report, for each fiscal year in which RMRA funds are received and expended, cities and counties must submit documentation to the California Transportation Commission that details the expenditure of all RMRA funds, including a description and location of each completed project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement. This report on expenditures is due to the California Transportation Commission by October 1st of each year.

ANALYSIS:

As part of the City's Pavement Management Program's annual street maintenance project budget, the City has developed a fiscal year project list that will utilize the RMRA funds to supplement the financing of project administration and construction. This project list is substantially consistent with funding appropriations previously approved by the Council for Capital Improvement Program (CIP) Annual Street Resurfacing. The City Council can add more streets to the Annual Street Resurfacing street segment list at a later date as a result of the Measure X bond approved at the May 17, 2022 City Council meeting.

The proposed list (**Exhibit A**) is a representation of the City's intent for roadway maintenance projects to the California Transportation Commission to fulfill its annual reporting requirements and can be amended after submission. This action only pertains to the proposed expenditure of RMRA funds for the fiscal year 2022-2023. Once adopted, staff will enter the project list into the State SB1 Programs Project Intake website prior to the July 1st deadline.

FISCAL IMPACT:

Should the City Council approve this request, the entry of the City's proposed project list will allow the City to receive an estimated $499,659 of SB 1 revenue. The submission of the project list is a declaration of intent to the California Transportation Commission that the City will dedicate the RMRA funds towards roadway maintenance.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____

Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2022-23 FUNDED BY SB 1: THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City, will receive an estimated $499,659 in RMRA funding in Fiscal Year 2022-23 from SB 1; and

WHEREAS, this is the sixth year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB 1; and

WHEREAS, the City has presented pavement rehabilitation scenarios at public meetings to ensure public input into our community's project list; and

WHEREAS, the City used a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the communities priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate 20 lane miles throughout the City this year and similar projects into the future; and

WHEREAS, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in an "at-risk" condition and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads into a "good" condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE IT IS HEREBY RESOLVED, ORDERED AND FOUND by the City Council of the City of Marina, State of California, as follows:

1. The foregoing recitals are true and correct.

2. The following list of newly proposed projects will be funded in-part or solely with Fiscal Year 2022-23 Road Maintenance and Rehabilitation Account revenues:

    Project Title: APR1801 Annual Street Resurfacing, Phase 1
    Project Description: Phase 1 – HMA Overlay
    Project Location: Various Locations (See Exhibit A)
    Estimated Project Schedule: Start (04/23)– Completion (07/23) based on the component being funded with RMRA funds
    Estimated Project Useful Life: 15yrs

    Project Title: APR1801 Annual Street Resurfacing, Phase 2
    Project Description: Phase 2 – Microsurfacing
    Project Location: Various Locations (See Exhibit A)
    Estimated Project Schedule: Start (05/23)– Completion (07/23) based on the component being funded with RMRA funds
    Estimated Project Useful Life: 10yrs

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting held on the 7th day of June 2022 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

EXHIBIT A
SB 1 PROJECT LIST FOR CTC

Scenario: FY 22/23
Sections Selected for Treatment

Project Description: The Annual Street Resurfacing Projects will be **constructed in two project phases**, to include:
(1) New Installation & Repairs of ADA Curb Ramps along with HMA Overlay, and (2) Microsurfacing Treatment of existing pavement.

Location: Several locations throughout the City have been identified as in need of these improvements. Segments from Beach Road to Forest Circle, and Barrett Lane to 2nd Avenue are being considered to receive the proposed treatments in the annual projects.

Usefull Life: HMA Overlay, 10 to 15 years; Microsurfacing and Slurry Seal, 5 to 10 years

Completion: Project Phase 1: April through July 2023 Project Phase 2: May through July 2023

RoadName	BegLocation	EndLocation	Treatment	Useful Life (Yrs)	PCI Prior	PCI Treated	TreatmentCost	Cost
BEACH RD	DEL MONTE BLVD	347' E/O MELANIE RD	HMA OVERLAY	15	50	100	40	321,160.00
CRESCENT ST	Patton Parkway	Reindollar Ave	HMA OVERLAY	15	48	100	40	119,386.67
DELTA ST	Echo St	EAST END	HMA OVERLAY	15	50	100	40	59,111.11
EDDY ST	CONCORD CT	SOUTH CDS	HMA OVERLAY	15	48	100	40	32,320.00
EXETER PL	California Ave	END	HMA OVERLAY	15	50	100	40	61,448.89
FEHRING PL	Messinger Dr	END	HMA OVERLAY	15	47	100	40	31,964.44
FOREST CIR	Bayer St	END	HMA OVERLAY	15	50	100	40	65,995.56
GREENBROOK PL	Lakewood Dr	END	HMA OVERLAY	15	48	100	40	34,200.00
KAILUA CR	Ninole Dr	END	HMA OVERLAY	15	47	100	40	42,022.22
LAKEWOOD DR	DREW ST	CARDOZA AVE	HMA OVERLAY	15	45	100	40	109,511.11
LAKEWOOD DR	CARDOZA AVE	ABDY WY	HMA OVERLAY	15	46	100	40	108,088.89
LEWIS PL	Barrett Ln	END	HMA OVERLAY	15	46	100	40	131,577.78
LIBERTY CT	INDEPENDENCE AVE	LIBERTY CT	HMA OVERLAY	15	48	100	40	32,102.22
MAGYAR PL	Messinger Dr	END	HMA OVERLAY	15	46	100	40	51,115.56
MAX CIR	Reindollar Ave	END	HMA OVERLAY	15	45	100	40	76,053.33
REDWOOD DR	Reindollar Ave	Hillcrest Ave	HMA OVERLAY	15	50	100	40	83,680.00
SILVERWOOD PL	Cardoza Ave	END	HMA OVERLAY	15	47	100	40	39,840.00
SUNRISE PL	Sunrise Ave	END	HMA OVERLAY	15	47	100	40	78,933.33
WINDSOR CT	California Ave	END	HMA OVERLAY	15	48	100	40	62,137.78
				Project/Phase 1 - HMA Overlay Total:				**1,540,648.89**
BARRETT LN	Carmel Ave	END	MICROSURFACING	10	68	77	4	5,344.44
ABRAMS DR	IMJIN PARKWAY	DENALI DR	MICROSURFACING	10	89	94	4	18,493.33
ABRAMS DR	DENALI DR	MARINA HEIGHTS DR	MICROSURFACING	10	89	94	4	31,061.33
ABRAMS DR	MARINA HEIGHTS DR	BRADEN WAY	MICROSURFACING	10	85	91	4	22,890.67
ABRAMS DR	BRADEN WAY	MACARTHUR DR	MICROSURFACING	10	85	92	4	35,904.00
BEACH RD	MARINA DR	DEL MONTE BLVD	MICROSURFACING	10	62	72	4	22,272.00
DEL MONTE BLVD	RESERVOIR RD	1811' N/O RESERVOIR RD	MICROSURFACING	10	63	73	4	6,439.11
DEL MONTE BLVD	1811' N/O REINDOLLAR AVE	BEACH RD	MICROSURFACING	10	85	92	4	7,210.67

EXHIBIT A
SB 1 PROJECT LIST FOR CTC

Scenario: FY 22/23
Sections Selected for Treatment

RoadName	BegLocation	EndLocation	Treatment	Useful Life (Yrs)	PCI Prior	PCI Treated	TreatmentCost	Cost
DEL MONTE BLVD	BEACH RD	507' S/O BEACH RD	MICROSURFACING	10	85	92	4	5,408.00
EIGHTH ST	Third Ave	Second Ave	MICROSURFACING	10	85	92	4	14,053.33
HILLCREST AVE	120 E/O OTTO DR	REDWOOD DR	MICROSURFACING	10	67	76	4	7,663.11
IMJIN PARKWAY	SECOND AVE	THIRD AVE	MICROSURFACING	10	86	92	4	17,733.33
IMJIN PARKWAY	THIRD AVE	FOURTH AVE	MICROSURFACING	10	86	92	4	15,906.67
IMJIN PARKWAY	FOURTH AVE	CALIFORNIA AVE	MICROSURFACING	10	86	92	4	15,386.67
IMJIN PARKWAY	CALIFORNIA AVE	ABRAMS DR (W)	MICROSURFACING	10	86	92	4	17,973.33
IMJIN PARKWAY	ABRAMS DR (W)	IMJIN RD	MICROSURFACING	10	86	92	4	13,866.67
IMJIN PARKWAY	IMJIN RD	ABRAMS DR (W)	MICROSURFACING	10	64	74	4	12,942.22
IMJIN PARKWAY	ABRAMS DR (W)	CALIFORNIA AVE	MICROSURFACING	10	86	92	4	17,973.33
IMJIN PARKWAY	CALIFORNIA AVE	FOURTH AVE	MICROSURFACING	10	86	92	4	15,386.67
IMJIN PARKWAY	FOURTH AVE	THIRD AVE	MICROSURFACING	10	86	92	4	15,906.67
IMJIN PARKWAY	THIRD AVE	SECOND AVE	MICROSURFACING	10	86	92	4	17,733.33
IMJIN PARKWAY	SECOND AVE	SR 1	MICROSURFACING	10	86	92	4	16,280.00
LAKE DR	PALM AVE	MESSINGER DR	MICROSURFACING	10	60	71	4	5,015.56
RESERVATON RD	DEL MONTE BLVD	SEACREST AVE	MICROSURFACING	10	64	74	4	19,200.00
RESERVATON RD	SEACREST AVE	CRESCENT AVE	MICROSURFACING	10	86	92	4	27,788.44
RESERVATON RD	CRESCENT AVE	630' E/O CRESCENT AVE	MICROSURFACING	10	86	92	4	9,240.00
RESERVATON RD	Del Monte Blvd	Seacrest Ave	MICROSURFACING	10	64	74	4	19,200.00
RESERVATON RD	630' E/O CRESCENT AVE	CRESCENT AVE	MICROSURFACING	10	86	92	4	10,640.00
RESERVATON RD	CRESCENT AVE	SEACREST AVE	MICROSURFACING	10	86	92	4	25,262.22
SECOND AVE	SOUTH CITY LIMIT	INTER-GARRISON RD	MICROSURFACING	10	85	92	4	9,980.44
SECOND AVE	INTER-GARRISON RD	FIFTH ST (S)	MICROSURFACING	10	85	92	4	8,678.22
SECOND AVE	FIFTH ST (S)	EIGHTH ST	MICROSURFACING	10	85	92	4	18,535.11
SECOND AVE	415 S/O GENERAL STILLWELL DR	TENTH ST	MICROSURFACING	10	85	92	4	2,215.11
SECOND AVE	TENTH ST	EIGHTH ST	MICROSURFACING	10	85	92	4	13,161.78
SECOND AVE	EIGHTH ST	FIFTH ST (S)	MICROSURFACING	10	85	91	4	18,535.11
SECOND AVE	FIFTH ST (S)	INTER-GARRISON RD	MICROSURFACING	10	85	92	4	9,345.78
SECOND AVE	INTER-GARRISON RD	SOUTH CITY LIMIT	MICROSURFACING	10	85	91	4	8,554.67
TENTH ST	Second Ave	Third Ave	MICROSURFACING	10	85	92	4	15,776.00
THIRD AVE	Tenth St	Imjin Parkway	MICROSURFACING	10	65	75	4	18,193.78
UNIVERSITY DR	MBEST DR	RESEARCH DR	MICROSURFACING	10	61	71	4	23,743.56
ALPHA ST	Imjin Rd	END	MICROSURFACING	10	68	78	4	2,786.67

Project/Phase 2 - Microsurfacing Total: 619,681.33

FY 22/23 Program (Phase 1 & 2) Total: 2,160,330.22

June 3, 2022 Item No. **8f(6)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, ESTABLISHING APPROPRIATIONS LIMIT FOR FY 2022-23

REQUEST:
It is requested that the City Council:

1. Consider Adopting Resolution No. 2022-, establishing appropriations limit for FY 2022-23.

BACKGROUND:
Article 13B of the California Constitution states that a local government's annual appropriations shall not exceed the appropriations limit of the prior year, adjusted for the change in the cost of living and the change in population. Cost of living and population changes for all local governments are determined by the California Department of Finance.

The appropriations limit creates a restriction on the amount of revenue that can be appropriated in any fiscal year. Only revenues that are "proceeds of taxes" are subject to the limitation as defined by the law. Interestingly, this includes State subventions, which are "money received by a local agency from the State, the use of which unrestricted by the statute providing the subvention (Government Code Section 7903)."

Government Code Section 7910 requires a local government to establish its appropriations limit by resolution each year, for the following fiscal year, at a regularly scheduled or noticed special meeting. The meeting of June 7, 2022 has been noticed via regular agenda posting locations and City website.

ANALYSIS:
As part of the establishment of its annual appropriations limit, the City must formally adopt the two (2) variables used in the calculation as determined by the Department of Finance:

1. Cost-of-living change factor, and;
2. Population change factor.

In May 2022, the State of California Department of Finance has determined the change in California's per capita personal income factor as 7.55% ("**EXHIBIT A – Attachment A**"), the change in population for the City of Marina as .9% ("**EXHIBIT A – Attachment B**").

These figures combine to produce an appropriations limit calculation factor of 1.0852, which, when applied to the FY 21-22 appropriations limit of $28,804,669, produces a FY 2022-23 appropriations limit of $31,258,237 ("**EXHIBIT B**").

Based upon the above FY 2022-23 appropriation limit of $31,258,237 and City FY 2022-23 estimated total applicable City local proceed of tax sources, State subventions and/or applicable interest income of approximately $25.1 million, the City is approximately $3.7 million (or 13%) below the limit. Therefore, the City is well within the limit and is compliant with this California State law.

Any challenge to the appropriations limit must be brought to the City of Marina's attention within forty-five (45) days of the effective date of this resolution.

FISCAL IMPACT:
None

CONCLUSION:
This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____
Juan Lopez
Finance Director
City of Marina

REVIEWED/CONCUR:

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022 -

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA
ESTABLISHING APPROPRIATIONS LIMIT FOR FY 2022-23

WHEREAS, Article XIIIB of the California Constitution requires a governmental entity to establish an appropriations limit, and;

WHEREAS, California Government Code Section 7910 requires a local government to establish its appropriations limits by resolution each year, for the following fiscal year, at a regularly scheduled or noticed special meeting, and;

WHEREAS, the City discussed its budget at its regularly scheduled June 7, 2022 meeting, and;

WHEREAS, in May 2022, the State of California Department of Finance determined the change in California's per capita personal income factor ("EXHIBIT A - Attachment A"), the change in population for the City of Marina and the change in population for the County of Monterey ("EXHIBIT A - Attachment B"), and;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina establishes appropriations limit for FY 2022-23 at $31,258,237 ("EXHIBIT B").

BE IT FURTHER RESOLVED that any challenge to the appropriations limit must be brought to the City of Marina's attention within forty-five (45) days of the effective date of this resolution.

PASSED AND ADOPTED by the City Council of the City of Marina at regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

Gavin Newsom ▪ Governor
1021 O Street, Suite 3110 ▪ Sacramento CA 95814 ▪ www.dof.ca.gov

May 2022

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2022, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2022-23. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2022-23 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2022**.

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY MARTIN BOSLER
Director
By:

ERIKA LI
Chief Deputy Director

Attachment

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2022-23 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2022-23	7.55

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2022-23 appropriation limit.

2022-23:

Per Capita Cost of Living Change = 7.55 percent
Population Change = -0.30 percent

Per Capita Cost of Living converted to a ratio: $\frac{7.55 + 100}{100} = 1.0755$

Population converted to a ratio: $\frac{-0.30 + 100}{100} = 0.997$

Calculation of factor for FY 2022-23: 1.0755 x 0.997 = 1.0723

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2021 to January 1, 2022 and Total Population, January 1, 2022

County City	Percent Change 2021-2022	--- Population Minus Exclusions --- 1-1-21	 1-1-22	Total Population 1-1-2022
Monterey				
Carmel-By-The-Sea	-1.74	3,095	3,041	3,041
Del Rey Oaks	-1.22	1,558	1,539	1,539
Gonzales	-1.79	8,492	8,340	8,340
Greenfield	4.97	18,705	19,634	19,634
King City	-1.08	13,476	13,331	13,331
Marina	0.87	21,271	21,457	21,457
Monterey	-1.69	24,283	23,872	28,082
Pacific Grove	-1.21	14,942	14,761	14,761
Salinas	-1.14	161,777	159,932	159,932
Sand City	-1.59	378	372	372
Seaside	2.64	26,891	27,600	32,068
Soledad	-1.15	19,226	19,004	26,308
Unincorporated	-1.32	105,741	104,341	104,851
County Total	-0.62	419,835	417,224	433,716

EXHIBIT B

CITY OF MARINA
APPROPRIATION LIMIT FOR FISCAL YEAR 2022-23

The appropriations limit creates a restriction on the amount of revenue which can be appropriated in any fiscal year. Only revenues that are 'proceeds of taxes,' as defined by the State code, are subject to the limitation. The basis for calculating the limit began in fiscal year 1978-79 and is calculated each year based on population changes and inflation.

Annual Adjustment						
Change in Population %	-2.02%					
Converted to Ratio			0.9798			
Change in Per Capita Income %	5.73%					
Converted to Ratio			1.0573			
Combined Factor	0.9798	x	1.0573	=		1.0359
2021/22 Appropriation Limit					**$**	**28,804,669**
2021/22 Adopted Appropriation Limit					**$**	**28,804,669**
Annual Adjustment						
Change in Population %	0.90%					
Converted to Ratio			1.009			
Change in Per Capita Income %	7.55%					
Converted to Ratio			1.0755			
Combined Factor	1.009	x	1.0755	=		1.0852
2022/23 Appropriation Limit					**$**	**31,258,237**
	* **Estimated FY22/23**					
	Taxes				$	24,419,840
	Intergovernmental				$	385,700
	Interest Income				$	330,000
	Total General Fund Revenues Subject to Limit				$	25,135,540
	Amount Below Limit ($)				$	3,669,129
	As a Percent of Total (%)					13%

June 1, 2022 Item No. **8g(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting of
June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING THE PAVEMENT MANAGEMENT PROGRAM UPDATE 2022 REIMBURSEMENT AGREEMENT WITH THE TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC) FOR THE CITY'S PAVEMENT MANAGEMENT PROGRAM, AND; TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY COUNCIL SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

REQUEST:
It is recommended that the City Council:

1. Consider adopting Resolution No. 2022-, approving the Pavement Management Program Update 2022 Reimbursement Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program, and; **("EXHIBIT A")**

2. Authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

BACKGROUND:
At the regular meeting of July 5, 2017, the City Council adopted Resolution No. 2017-66, approving the Master Programs Funding Agreement with the Transportation Agency for Monterey County (TAMC) for local allocation and expenditure of Measure X Transportation and Safety Investment Plan funds.

At the regular meeting of November 21, 2017, the City Council adopted Resolution No. 2017-104, approving the Regional Pavement Management Program Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This agreement funded the initial pavement network analysis and established the City's pavement condition index baseline.

At the regular meeting of April 6, 2021, the City Council adopted Resolution No. 2021-24, approving Amendment No. 1 to the Regional Pavement Management Program Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This amendment provided the discounted license agreement for the use of the Streetsaver Pavement Management Program software.

At the regular meeting of February 15, 2022, the City Council adopted Resolution No. 2022-18, approving the Pavement Management Program Update 2022 Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This agreement provided TAMC the confirmation of the City shows interest in the regional program with the understanding that TAMC would provide final program costs prior to executing the reimbursement agreement.

ANALYSIS:

On April 27, 2022, the TAMC Board of Directors approved a contract with Nichols Consulting Engineers (NCE) to provide Pavement Management consulting services for the regional program. Under the Pavement Management Program (PMP) Reimbursement Agreement, the City agrees to reimburse TAMC for all consultant costs associated with services rendered to the City's PMP. These services include: updating the City's database with new streets, providing inspection assessments of collector and arterial roadways, updating the City's geographic information system (GIS) database, creating presentation and reports for City Council, and providing training opportunities for City staff on the Streetsaver Pavement Management software.

TAMC will be responsible for overseeing the consultant services for the PMP Update. Executing the reimbursement agreement **("EXHIBIT A")** confirms the City's participation in the regional program and will help the City prioritize the pavement network for rehabilitation and resurfacing projects.

FISCAL IMPACT:

The City's cost share of the regional program is $36,366.93. A cost share summary for each City can be found in "**EXHIBIT B**". Should the City Council approve this request, adequate funding is available from the Measure X sales tax funds provided to the City for its Pavement Management Program costs.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

_____

Edrie Delos Santos, P.E.
Senior Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING THE PAVEMENT MANAGEMENT PROGRAM UPDATE 2022 REIMBURSEMENT AGREEMENT WITH THE TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC) FOR THE CITY'S PAVEMENT MANAGEMENT PROGRAM, AND; TO AUTHORIZE THE FINANCE DIRECTOR TO MAKE THE NECESSARY ACCOUNTING AND BUDGETERY ENTRIES, AND; TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY COUNCIL SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, at the regular meeting of July 5, 2017, the City Council adopted Resolution No. 2017-66, approving the Master Programs Funding Agreement with the Transportation Agency for Monterey County (TAMC) for local allocation and expenditure of Measure X Transportation and Safety Investment Plan funds, and;

WHEREAS, at the regular meeting of November 21, 2017, the City Council adopted Resolution No. 2017-104, approving the Regional Pavement Management Program Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This agreement funded the initial pavement network analysis and established the City's pavement condition index baseline, and;

WHEREAS, at the regular meeting of April 6, 2021, the City Council adopted Resolution No. 2021-24, approving Amendment No. 1 to the Regional Pavement Management Program Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This amendment provided the discounted license agreement for the use of the Streetsaver Pavement Management Program software, and;

WHEREAS, at the regular meeting of February 15, 2022, the City Council adopted Resolution No. 2022-18, approving the Pavement Management Program Update 2022 Funding Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program. This agreement provided TAMC the confirmation of the City shows interest in the regional program with the understanding that TAMC would provide final program costs prior to executing the reimbursement agreement, and;

WHEREAS, on April 27, 2022, the TAMC Board of Directors approved a contract with Nichols Consulting Engineers (NCE) to provide Pavement Management consulting services for the regional program. Under the Pavement Management Program (PMP) Reimbursement Agreement, the City agrees to reimburse TAMC for all consultant costs associated with services rendered to the City's PMP. These services include: updating the City's database with new streets, providing inspection assessments of collector and arterial roadways, updating the City's geographic information system (GIS) database, creating presentation and reports for City Council, and providing training opportunities for City staff on the Streetsaver Pavement Management software, and;

WHEREAS, TAMC will be responsible for overseeing the consultant services for the PMP Update. Executing the reimbursement agreement **("Exhibit A")** confirms the City's participation in the regional program and will help the City prioritize the pavement network for rehabilitation and resurfacing projects, and;

WHEREAS, the City's cost share of the regional program is $36,366.93. A cost share summary for each City can be found in Exhibit B. Should the City Council approve this request, adequate funding is available from the Measure X sales tax funds provided to the City for its Pavement Management Program costs.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approving the Pavement Management Program Update 2022 Reimbursement Agreement with the Transportation Agency for Monterey County (TAMC) for the City's Pavement Management Program, and;

2. Authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

SAMPLE REIMBURSEMENT AGREEMENT

WHEREAS, [insert name of City or Monterey County] [choose ("CITY" or "COUNTY")] and the Transportation Agency for Monterey County ("TAMC") entered into a Pavement Management Program Update 2022 Funding Agreement ("PMP Update 2022 Funding Agreement") dated _____; and

WHEREAS, the PMP Update 2022 Funding Agreement provided that TAMC would issue a Request for Proposals for pavement management program update services ("PMP Update 2022 RFP"); and

WHEREAS, the PMP Update 2022 Funding Agreement also provided that [CITY OR COUNTY] would have the discretion to accept or reject the consultant selected by TAMC pursuant to that PMP Update 2022 RFP; and

WHEREAS, the [CITY or COUNTY] has considered the response to the PMP Update 2022 RFP proffered by the consultant selected by TAMC, with respect to [CITY's or COUNTY's] own needs.

NOW, THEREFORE,

1. [CITY or COUNTY] does hereby accept [consultant name] as the provider of services set forth in the PMP Update 2022 RFP on behalf of [CITY or COUNTY].

2. Pursuant to Section I, Paragraph 4, of the PMP Update 2022 Funding Agreement, [CITY or COUNTY] hereby agrees to reimburse TAMC for its share of consultant costs, as delineated in the agreement between TAMC and [consultant name], in an amount not to exceed the amount of _____ Dollars ($ XX.XX).

3. Such reimbursement shall be made within thirty (30) days of TAMC's presentation to [CITY or COUNTY] of an invoice showing approval of and payment for the consultant's services. Prior to TAMC approval of consultant services with respect to [CITY or COUNTY], TAMC shall confer with [CITY or COUNTY].

4. Both [CITY or COUNTY] and TAMC acknowledge that this Reimbursement Agreement is implementing a portion of the full PMP Update 2022 Funding Agreement, and the PMP Update 2022 Funding Agreement is hereby acknowledged and incorporate herein.

[Signatures on next page]

In Witness Whereof, the parties have executed this AGREEMENT by their duly authorized officers as of the date first written below.

Enter Name (CITY or COUNTY)	Transportation Agency for Monterey County (TAMC)
By: _____	By: _____
Name Date Title	Todd A. Muck Date Executive Director
Approved as to Form and Legality:	Approved as to Form and Legality:
By: _____	By: _____
Name Date Title	Katherine Hansen Date TAMC Counsel

Informational Use Only

EXHIBIT A
SCOPE OF WORK AND SCHEDULE

PAVEMENT MANAGEMENT PROGRAM UPDATE 2022

Task 1. Project Management and Meetings

NCE will meet with TAMC staff to kick-off the project by reviewing the technical approach and any administrative matters that may be necessary. Items to be discussed will include the following:

1. Project goals
2. Scope of work, project schedule, budget and invoicing requirements
3. Information needed from TAMC and participating agencies
4. Field work
    A. Scheduling and access requirements for field work
    B. Public safety concerns, requirements and procedures
    C. Quality Control Plan (QCP)
    D. List of publicly maintained roads (as well as privately owned)
    E. New roads
5. M&R practices, records and costs
6. Paving or maintenance budgets
7. Budgeting scenarios, including historical expenditures
8. Other items as needed

Prior to the kick-off meeting, NCE will prepare an agenda and project schedule which will be sent to TAMC staff for review. At least four progress meetings will be held to review the work performed and to address any questions or issues that arise as the work progresses.

DELIVERABLES:

1. Agenda and technical memoranda summarizing the results of meetings
2. Project schedule

Task 2. Database Review and Update

As part of this task, NCE will review the database inventory and coordinate with Carmel, Marina & the County regarding newly added roads (assumed to be 25 miles). Any new roads will be updated into the respective StreetSaver® databases. Road name, limits, surface type, functional classification, number of lanes, construction records, and road geometry will be verified before updating.

However, if there have been any modifications, NCE will recommend any sectionalization changes (either combining or splitting sections) to better represent the Cities'/County's maintenance practices. Factors to be considered when re-sectionalizing include road geometry, functional classification, pavement age, geographical boundaries, pavement performance, and maintenance practices. NCE will next field verify new roads and determine if the data received from agencies are accurate.

In addition, all historical M&R records provided by the County and cities since 2017 will also be entered into StreetSaver® if needed. Populating the database with recent M&R historical data is extremely useful for determining future treatments and predicting future performance. M&R activities include overlays, reconstructions and any surface seals or localized repairs. All M&R historical records must include the following information:

1. Street Name, Street and section IDs
2. Beginning and ending limits of work
3. Date and type of treatment
4. Cost of treatment (optional)

DELIVERABLES:

1. All data collected shall be submitted (Excel format) for city/county staff to review prior to updating the StreetSaver® database
2. M&R history report
3. Updated StreetSaver® databases

Task 3. Pavement Condition Surveys

NCE will perform pavement condition surveys on approximately 1,267 centerline miles of pavement in the County and cities. All participating agencies will need to have their arterials and collectors (482 miles) surveyed and updated. However, only Carmel, King City, Pacific Grove and the County will include residential/local roads (an additional 785 miles) in this task.

Participating Agency	Centerline Miles			
	Arterial	Collector	Residential	Total
Carmel-by-the-Sea	4.5	3.7	16.8	**25**
Del Rey Oaks	2.3	3.6		**5.9**
Greenfield	1.7	3.2		**4.9**
King City	9.8	3.9	17	**30.7**
Marina	21.5	17.3		**38.8**
Pacific Grove	8.6	13.2	44.9	**66.7**
Monterey County	16.5	372.6	705.8	**1094.9**
Total	**64.9**	**417.5**	**784.5**	**1266.9**

The distress collection protocols will be in accordance with the latest edition of MTC's "*Pavement Condition Index Distress Identification Manual for Flexible & Concrete Pavements.*" In 2019/20, TAMC utilized a hybrid approach as not all agencies had an updated shapefile. For agencies who had no shapefile, walking surveys were utilized. For the other roads and streets, the semi-automated approach was utilized. This will be the same approach utilized for this update.

NCE will be responsible for providing all equipment necessary to perform this task. Should County or City personnel wish to observe NCE's crews during the surveys, we can accommodate the staff. Note that this scope of work and condition surveys do not address issues including, but not limited to traffic, safety and road hazards, geometric issues, road shoulders, sidewalks, curb and gutters, drainage issues or short-term maintenance that should be performed.

Quality Control

Dr. James Signore (QC Manager) will be responsible for:

1. Calibrating all data collection activities
2. Reviewing field activities, including spot checks on the field crews
3. Reviewing field procedures and making changes, as needed
4. Comparing the field data collected with on-site conditions
5. Reviewing all data entry functions, including random spot checks
6. Reviewing reports generated and analyses performed to ensure a quality product

NCE will prepare a QC Plan (QCP) that will include the following components:

1. Description of condition survey procedures (distress types, severities). All procedures, changes, or modifications should be well documented in the QCP so that future updates will be consistent.
2. Accuracy required for data collection or acceptability criteria.
3. Description of how data will be checked for accuracy, e.g., control sections setup and distress comparisons between walking and semi-automated surveys.

A draft QC Plan will be submitted to TAMC for approval, and no field work will commence until a final plan has been accepted. Our QC Plan meets MTC's requirements for all 100+ jurisdictions in the Bay Area.

All data collected from the condition surveys will then be uploaded into the database. This task will be performed at NCE's office to provide quality control of all data entered into the system. NCE will then perform the PCI calculations, and correct any errors found.

DELIVERABLES:

1. Quality Control plan
2. Updated StreetSaver® databases with pavement distress data and PCIs calculated
3. Pavement inventory report

Task 4. Update Maintenance and Rehabilitation Strategies & Decision Tree

NCE will next review M&R strategies with City/County staff. This will include the recommendation and selection of appropriate treatments and the determination of treatment unit costs. This will also be an appropriate time to review the use of new/sustainable treatments or materials, such as Portland cement concrete, bonded overlays, rubberized asphalt, rubberized cape seals, microsurfacing, rejuvenators, CIR, FDR (see picture), warm mix asphalt, etc.

Development of the M&R decision tree is a critical step in any pavement management update as it has a direct and significant impact on the final work plan that is developed, as well as funding consequences. Therefore, NCE will review any recent bid tabs, together with those from neighboring cities. Also, unit prices will be fully loaded rates, and will include not just contractors' prices, but also design, inspection and testing costs.

DELIVERABLES:

1. M&R meeting agenda
2. M&R decision trees updated in StreetSaver® databases

Task 5. Budgetary Analysis & Funding Scenarios

NCE will perform a Budget Needs analysis using an analysis period to be determined by Carmel and the County. This will identify M&R requirements for each street section and determines the total maintenance and rehabilitation requirements over the entire analysis period. The needs analysis identifies road sections that need treatment and applies the M&R decision trees to each section. The costs are then summed for the entire period. This forms the basis for performing budget scenario evaluations, which optimize the street sections for repair under constrained budgets.

The **budget scenarios** evaluation prioritizes sections for repair under constrained, realistic, budgetary assumptions.

Multiple budget or target-driven scenarios (minimum of four) will be performed after discussion with Carmel and County staff. Examples of typical scenarios include:

1. Evenly distributed funding needs to reach a state of good repair
2. Impacts of existing funding levels or projected revenues based on historical trends, e.g., SB1, Measure L fund
3. Funding required to maintain certain PCI levels
4. Funding to improve the PCI

After the analysis is completed, NCE will prepare a report for the City/County to review (see Task 6).

DELIVERABLES:

1. Updated StreetSaver® database

Task 6. Final Reports & Presentations

Next, NCE will prepare a final report for all participating agencies to summarize data collection results in this update. The report will contain, at a minimum, the following information:

1. Executive Summary
2. Study Objectives
3. Background and methodology of regional PMP update
4. Pavement network inventory with PCI (and International Roughness Index as applicable)
5. Inventory of new roads
6. M&R history report
7. M&R decision tree and unit cost assumptions (only for Carmel, Marina and County)
8. Budget analysis (only for Carmel and County)
    A. Projected PCI under existing funding levels over the next years for all road classes
    B. Projected annual repair/rehabilitation programs for road maintenance for a multi-year period
    C. Multi-year plan for road maintenance, resurfacing, rehabilitation and reconstruction
    D. Impact of deferred maintenance (backlog) on the overall network condition
    E. Recommended funding scenario and pavement strategies
9. GIS maps to show impacts of scenarios (all agencies except Carmel)

NCE will deliver the draft report to the Cities/County for review in electronic format. Upon receipt of the comments on the draft report, NCE will complete the final report for submittal.

In addition, a presentation to City Council/Board of Supervisors will be prepared; this presentation may be a short (15 to 20 minutes) informational item to elected officials or a longer (1-2 hours) educational/advocacy workshop, depending on the Cities/County's needs.

This task includes one videoconference with agency staff prior to the presentation to discuss items such as the goal of the presentation, the level of knowledge and backgrounds of the audience, the number of stakeholders involved and other potential issues. NCE will deliver the draft presentation to the County/Cities for review in electronic format. Upon receipt of the comments on the draft presentation, NCE will complete the final presentation and schedule the Council/Board meetings.

DELIVERABLES:

1. Draft reports (electronic)
2. Final reports (electronic, two hard copies to agency, one hard copy to TAMC)
3. Draft and final PowerPoint presentation

Task 7. Training & Technical Support

NCE will prepare and present a one-day training class for Marina and the County. The class will cover the following items:

1. Creating or editing street sections
2. Entering pavement distress data
3. Performing PCI Calculations
4. Entering M&R history
5. Revising the M&R decision tree
    A. Identifying treatment strategies
    B. Determining appropriate unit costs
6. Determining Budget Needs
7. Creating budget scenarios
    A. Project selection tools
    B. Target-driven analysis
    C. Needs analysis
8. Generating reports
    A. Pre-defined reports
    B. Budgetary reports
9. Generating GIS maps

All training materials will be provided by NCE. It is assumed that the training will be conducted on-site and will include up to two participants per agency. *It is assumed that computers and internet access will be provided by TAMC or a participating agency.* However, should the pandemic preclude the ability to conduct in-person training, then we will transfer the training to an online environment. In November 2020, NCE developed and delivered an online 4-day StreetSaver® training for MTC (2 hours per day). This will be a viable option for TAMC member agencies. Note too that NCE conducts identical training for MTC – agencies may register for the MTC training at a nominal cost (typically $250 to $300 per module).

In addition, field training to identify and measure pavement distresses, severity level, and quantities will be discussed and covered with County/City staff as part of Task 3.

NCE will also allocate up to 25 hours of technical support per agency. Typically, most technical support is related to providing one-on-one assistance, performing budget scenarios, updating M&R records, providing customized reports, providing pavement treatment recommendations, GIS maps, etc.

DELIVERABLES:

1. StreetSaver® training manuals/training logins for StreetSaver®
2. Field training to collect pavement distress data (part of Task 3)
3. Up to 25 hours technical support per agency

Task 8. GIS Linkage & Mapping

StreetSaver® allows the database to be linked to a shapefile so that GIS maps can illustrate the results of the analysis. Built-in queries are available within StreetSaver® such as:

- PCI Range by street section
- Future PCI by street section
- Maintenance Treatment History
- Impacts of different budget scenarios
- Sections Selected for Treatment

Once linked, maps can be generated within minutes. If StreetSaver has not been linked, then NCE will perform the linkage in this task and generate the desired maps. The shapefiles may be exported to ArcMap for additional editing if desired. This task assumes that the centerline shapefile is complete and accurate.

DELIVERABLES:

1. GIS shapefile linked to StreetSaver® database

Task 9. Traffic Sign Inventory

NCE also collect data on traffic signs as non-pavement assets as part of the field surveys in Task 3. The mobile data collection units utilized can also gather high-resolution, 360-degree, geo-referenced right-of-way digital images. This mobile mapping system provides the ability to inventory traffic signs assets with a high level of accuracy. The following is a list of attributes that NCE will collect for traffic signs:

- Latitude and longitude
- MUTCD code
- Support type

The County can view the 360-degree images on Mapillary.com at no additional cost.

DELIVERABLES:

1. Updated GIS shapefile linked to ArcGIS

PROJECT SCHEDULE

Task Description	Months After NTP						
	NTP	1	2	3	4	5	6
Task 1: Project Management & Meetings	X		X		X		
Task 2: Database Review and Update							
Task 3: Pavement Condition Surveys							
3.1 Residential and Local Roadways							
3.2 Arterial and Collector Roadways							
Task 4: Update M&R Strategies and Decision Tree							
Task 5: Budget Analysis and Funding Scenarios							
Task 6: Final Reports and Presentations							
6.1 Draft & Final Reports							
TAMC/Agency Review							
Final Reports							
6.2 Presentations	To be Scheduled at Agencies' Convenience						
Task 7: Training and Technical Support (Optional)							
7.1 StreetSaver Software Training	To be Scheduled at Agencies' Convenience						
7.2 On-site Field Training	Included in Task 3						
7.3 Technical and Software Support	As-Needed						
Task 8: GIS Linkage & Mapping							
Task 9: Traffic Signs Inventory							

Assumptions

Prior to Task 2, all StreetSaver licenses must be current.

Task 3 - No weather delays are anticipated; approx. 1,267 miles are included.

EXHIBIT B
TO STAFF REPORT

PAVEMENT MANAGEMENT PROGRAM UPDATE 2022
AGENCY COST BY TASK

Agency	Centerline Miles					Agency Cost by Task											Agency Total Cost
	Residential and Local	Arterial + Collector			Total Centerline Miles	1	2	3.1	3.2	4	5	6.1	6.2	7	8	9	
		Arterial	Collector	Arterial + Collector		Project Mgmt	Database Review & Update	Pvmt Condition: Residential & Local	Pvmt Condition: Arterial & Collector	Update M&R Decision Tree	Budget Analysis & Funding Scenarios	Final Reports	Council Presentations	Training & Technical Support	GIS Linkage and Update	Traffic Sign Inventory	
1 Carmel	16.8	4.5	3.7	8.2	25.0	$ 1,691.28	$ 169.00	$ 5,486.00	$ 2,678.00	$ 2,408.00	$ 5,638.00	$ 4,635.63	$ 4,644.85	$ 3,549.14	$ 6,273.00		$ 37,172.90
2 Del Rey Oaks	3.7	2.3	3.6	5.9	9.6	$ 1,691.28			$ 1,959.00			$ 4,635.63	$ 4,644.85	$ 3,549.14	$ 2,776.00		$ 19,255.90
3 Greenfield	30.8	1.7	3.2	4.9	35.7	$ 1,691.29			$ 1,633.00			$ 4,635.63	$ 4,644.86	$ 3,549.14	$ 2,776.00		$ 18,929.92
4 King City	17.0	9.8	3.9	13.7	30.7	$ 1,691.28		$ 5,606.00	$ 4,518.00			$ 4,635.63	$ 4,644.86	$ 3,549.14	$ 2,776.00		$ 27,420.91
5 Marina	36.5	21.5	17.3	38.8	75.3	$ 1,691.29	$ 263.00		$ 12,736.00	$ 2,408.00		$ 4,635.63	$ 4,644.86	$ 7,212.15	$ 2,776.00		$ 36,366.93
6 Pacific Grove	44.9	8.6	13.2	21.8	66.7	$ 1,691.29		$ 14,729.00	$ 7,151.00			$ 4,635.63	$ 4,644.86	$ 3,549.14	$ 2,776.00		$ 39,176.92
7 Monterey Co	705.8	16.5	372.6	389.1	1,094.9	$ 1,691.29	$ 7,394.00	$ 86,761.00	$ 47,831.00	$ 2,408.00	$ 5,638.00	$ 9,271.22	$ 4,644.86	$ 7,212.15	$ 2,776.00	$ 162,000.00	$ 337,627.52
Total	855.5	64.9	417.5	482.4	1,337.9	$ 11,839.00	$ 7,826.00	$ 112,582.00	$ 78,506.00	$ 7,224.00	$ 11,276.00	$ 37,085.00	$ 32,514.00	$ 32,170.00	$ 22,929.00	$ 162,000.00	$ 515,951.00

Notes

1 For Task 3, one (1) maintenance and rehabilitation decision tree meeting will be held.

2 All agnecies except Carmel have a GIS mapping integration module. Task 8 cost includes purchasing the service for Carmel

May 19, 2022 Item No. **8g(2)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING THE WAYFINDING REGIONAL FUNDING AGREEMENT WITH THE TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC), AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY COUNCIL SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

REQUEST:

It is recommended that the City Council:

1. Consider adopting Resolution No. 2022-, approving the Wayfinding Regional Funding Agreement with the Transportation Agency for Monterey County (TAMC), and; **("EXHIBIT A")**

2. Authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

BACKGROUND:

The need for a wayfinding plan was identified in the Transportation Agency's 2011 Master Bicycle and Pedestrian Plan as a means for promoting bicycling and walking throughout the county. Wayfinding signs can ease navigation for bicyclists and pedestrians, reduce travel times and enhance a region's brand by publicizing key regional destinations. When combined with secure bicycle storage and a network of bicycle paths and lanes, a wayfinding system can attract more bicyclists.

In 2016, TAMC adopted the Regional Pedestrian and Bicyclist Wayfinding Plan for Monterey County. The plan was developed in coordination with a Wayfinding Plan Advisory Committee with representatives from the Bicycle and Pedestrian Committee, the County of Monterey, local cities, the Monterey County Health Department, Building Healthy Communities, the Fort Ord Reuse Authority, the Velo Club, Green Petal Couriers, Fort Ord Recreation Trails Friends, the Pebble Beach Company, and Monterey-Salinas Transit. In addition, TAMC staff solicited public input on the proposed routes and sign designs using an interactive web page. The Wayfinding Plan specifies routes to be signed throughout Monterey County to enhance connections between neighboring cities and to various destinations in the region. The plan also provides standard sign design guidelines. Local jurisdictions are encouraged to use the sign guidelines to sign their own bicycle and pedestrian routes beyond those contained in the plan.

On December 1, 2021, TAMC executed a contract with Statewide Traffic Safety and Signs in an amount not to exceed $456,990, with an anticipated completion date of December 2022, for construction of the Regional Wayfinding Program Signs project throughout Monterey County.

ANALYSIS:

In March 2021, the TAMC Board authorized executing funding agreements with participating jurisdictions **("EXHIBIT A")**. The agreement outlines the responsibilities of the Transportation Agency and the underlying jurisdictions. TAMC will fund the fabrication and installation of the wayfinding signs and the underlying jurisdictions will issue permits and accept ownership and maintenance of the installed signs.

Based on previous meetings between the City and TAMC, parties have concurred the design of Wayfinding sings presented in **"EXHIBIT B"**. Thus, the agreement requires the City to allow the placement of at least 35 and up to 43 signs within its jurisdiction, generally at the locations designated in **"EXHIBIT C"**. This agreement is written to be effective until completion of the project, which is ten years after the installation of the last Wayfinding sing.

FISCAL IMPACT:

There is no fiscal impact at this time. However, the agreement states that the City shall bear all costs related to the issuance of permits, and the maintenance and repair of Wayfinding signage within its jurisdiction. According to past records for sign maintenance, the staff anticipates $510 annually for the maintenance expenses of the signs pursuant to this agreement. Maintenance of signs is an eligible gas tax expenditure.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

_____

Saber Messhenas
Assistant Civil Engineer
Public Works Department
City of Marina

REVIEWED/CONCUR:

_____

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

_____

Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING THE WAYFINDING REGIONAL FUNDING AGREEMENT WITH THE TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC), AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY COUNCIL SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, the need for a wayfinding plan was identified in the Transportation Agency's 2011 Master Bicycle and Pedestrian Plan as a means for promoting bicycling and walking throughout the county, and;

WHEREAS, Wayfinding signs can ease navigation for bicyclists and pedestrians, reduce travel times and enhance a region's brand by publicizing key regional destinations. When combined with secure bicycle storage and a network of bicycle paths and lanes, a wayfinding system can attract more bicyclists, and;

WHEREAS, in 2016, TAMC adopted the Regional Pedestrian and Bicyclist Wayfinding Plan for Monterey County, and;

WHEREAS, on December 1, 2021, TAMC executed a contract with Statewide Traffic Safety and Signs in an amount not to exceed $456,990, with an anticipated completion date of December 2022, for construction of the Regional Wayfinding Program Signs project throughout Monterey County, and;

WHEREAS, in March 2021, the Board authorized the Agency to execute funding agreements with participating jurisdictions ("Exhibit A"). The agreement outlines the responsibilities of the Transportation Agency and the underlying jurisdictions. TAMC will fund the fabrication and installation of the wayfinding signs, and the underlying jurisdictions will issue permits and accept ownership and maintenance of the installed signs, and;

WHEREAS, based on previous meetings between the City and TAMC, parties have concurred the design of Wayfinding sings presented in "Exhibit B". Thus, the agreement requires the City to allow the placement of at least 35 and up to 43 signs within its jurisdiction, generally at the locations designated in **"**Exhibit C". This agreement is written to be effective until completion of the project, which is ten years after the installation of the last Wayfinding sign, and;

WHEREAS, there is no fiscal impact at this time. However, the agreement states that the City shall bear all costs related to the issuance of permits, and the maintenance and repair of Wayfinding signage within its jurisdiction. According to past records for sign maintenance, the staff anticipates $510 annually for the maintenance expenses of the signs pursuant to this agreement, and;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve the Wayfinding Regional Funding Agreement with the Transportation Agency for Monterey County (TAMC), and;

2. Authorize the City Manager to execute the Agreement on behalf of the City Council subject to final review and approval by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

EXHIBIT A

REGIONAL FUNDING AGREEMENT
FOR
PEDESTRIAN AND BICYCLE
WAYFINDING PROGRAM

REGIONAL FUNDING AGREEMENT
between the
TRANSPORTATION AGENCY FOR MONTEREY COUNTY
and
[ENTER NAME OF JURISDICTION OR AGENCY]

PEDESTRIAN AND BICYCLE WAYFINDING PROGRAM

This Regional Funding Agreement for Pedestrian and Bicycle Wayfinding Program ("Agreement") is effective the _____ of _____, 2021, and is entered into by and between the Transportation Agency for Monterey County ("TAMC") and the [enter name of Jurisdiction or Agency] ("RECIPIENT").

RECITALS

1. On May 25, 2016, the TAMC Board of Directors adopted the Regional Pedestrian and Bicyclist Wayfinding Plan for Monterey County ("Wayfinding Plan") and authorized the submission of grant applications to implement the Wayfinding Plan.

2. The Wayfinding Plan was determined to be exempt from CEQA under 14 CCR Section 15301: Existing Facilities, as affecting minor alterations to existing public structures and facilities. All applicable statutes of limitations concerning the approval of the Wayfinding Plan under CEQA have been exhausted.

3. TAMC has been awarded Local Transportation Funds and State SB1 Local Partnership Program funds in the amount of One Million Nine Hundred Thirty-one Thousand Dollars ($1,931,000) for the development and implementation of the Wayfinding Plan within TAMC's jurisdictional boundaries.

4. RECIPIENT desires to improve bicycle and pedestrian safety within its jurisdiction, and concurrent with this Agreement, has also determined that TAMC's Regional Pedestrian and Bicyclist Wayfinding Plan is one means to achieve that desire.

5. This Agreement delineates the obligations of the Parties to this Agreement with respect to the implementation of the Regional Pedestrian and Bicyclist Wayfinding Plan, adopted by the TAMC Board, within the jurisdiction of RECIPIENT.

NOW, THEREFORE, it is mutually agreed by and between the Parties as follows:

Article I:
Covenants of Recipient

1.1. Project Description. The complete Project Description is specified in Exhibit "A" and incorporated herein by this reference. The Project consists of the acceptance of Wayfinding signage, the identification of appropriate locations for Wayfinding signage and the installation and maintenance of such signage.

1.2. Change In Project Scope. No change in the Project scope as described in Exhibit A may be approved or implemented until it has been reviewed and approved in writing by an amendment to this Agreement approved by the TAMC Board of Directors.

1.3. Eligible Costs. Eligible costs to be funded by TAMC pursuant to this Agreement are those related to the solicitation and award of one or more contract by TAMC for the manufacture and installation of Wayfinding signage approved by RECIPIENT, as set forth below. RECIPIENT shall bear all costs related to Recipient's actions related to this Agreement, including the issuance of permits, and the maintenance and repair of Wayfinding signage within its jurisdiction.

1.4. Acceptance of Signage. RECIPIENT hereby accepts the designs relative to the Wayfinding signage as shown in Exhibit "B," and incorporated herein by this reference. RECIPIENT shall allow the placement of at least XX and up to YY signs within its jurisdiction, generally at the locations designated in Exhibit "C," and incorporated herein by this reference. RECIPIENT agrees to work diligently and in good faith to provide and issue necessary permits for such signage at or near the designated locations, as physical conditions permit.

1.5. Timing of Installation. RECIPIENT shall permit and allow the installation of at least Z signs within the first six (6) months after notification by TAMC.

1.6. Maintenance and Repair. RECIPIENT shall, at its cost, maintain the installed signage in good repair and visibility throughout the period of this Agreement.

Article II:
Covenants of TAMC

2.1. TAMC shall develop, award and fund one or more contracts for the fabrication and installation of Wayfinding Signage in generally the following manner:

2.1.1. A customized "Sign Topper" portion approved by RECIPIENT that incorporates agreed upon logos and color scheme that helps to establish a regional wayfinding brand. A rendering of the Jurisdictional Sign Topper selected by RECIPIENT is shown as Exhibit B.

2.1.2. A standardized "directional/distance" portion shared by all Wayfinding signage pursuant to the TAMC Pedestrian and Bicyclist Wayfinding Plan that assists a traveler in determining directions/distance to relevant locations. A rendering of the Directional/ Distance signage is shown as Exhibit B.

2.1.3. Installation of Wayfinding Signage, suitable to the location and manner of installation of such Wayfinding signage. Such installation may be by new post(s) or pole(s), or installation on an existing structure.

2.1.4. In addition, a standardized "confirmation" portion shared by all Wayfinding signage pursuant to the TAMC Pedestrian and Bicyclist Wayfinding Plan that indicates travelers are on a designated regional route. A rendering of the Confirmation signage is shown as Exhibit B.

2.2. In entering into a contract for the fabrication and installation of Wayfinding Signage for RECIPIENT, TAMC shall call for the fabrication of one and one-half (1.5) times the number of Jurisdictional Sign Toppers. The additional Jurisdictional Sign Toppers above the number to be installed pursuant to this Agreement shall be directed to be delivered to RECIPIENT for use in RECIPIENT's maintenance responsibilities.

Article III:
Mutual Covenants

3.1. Term. This Agreement shall remain in effect until discharged or terminated as provided in Section 3.2 or Section 3.15.

3.2. Discharge/Termination. This Agreement shall be subject to discharge as follows:

3.2.1. Termination by Mutual Consent. This Agreement may be terminated at any time by mutual consent of the Parties. At the time of any such mutual termination, TAMC shall receive or retain any Jurisdictional Sign Toppers and standardized Directional signs which may be the subject of an executed contract as described in Section 2.1, but not yet installed.

3.2.2. Discharge Upon Completion of Project. Except as to any rights or obligations which survive discharge as specified in Section 3.14, this Agreement shall be discharged, and the Parties shall have no further obligation to each other, upon completion of the Project, which shall continue for a ten (10) year period after installation of the last Wayfinding Sign pursuant to this Agreement.

3.3. Indemnity. It is mutually understood and agreed that RECIPIENT shall, to the full extent permitted by law, fully defend, indemnify and hold harmless TAMC, its Board and Directors, and any officer, agent, or employee of TAMC, against any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT under the Agreement. It is also fully understood and agreed that, pursuant to Government Code Section

895.4, RECIPIENT shall fully defend, indemnify and hold TAMC, its Board and Directors, its officers, agency and employees, harmless from any liability imposed for injury as defined by Government Code Section 810.8 occurring by reason of anything done or omitted to be done by RECIPIENT under this Agreement or in connection with any work, authority, or jurisdiction delegated to RECIPIENT or funded by RECIPIENT under this Agreement.

3.4. Liability. As TAMC is only acting with the approval of RECIPIENT with respect to the design, designated location and installation of Wayfinding signage herein identified, TAMC is not liable for any loss, cost, liability, damage, claim, lien, action, cause of action, demand or expense which may arise as a result of the acts or omissions of RECIPIENT or its agents, contractors, consultants, engineers, or representatives. Nor shall TAMC be liable for any loss, cost, liability, damage, claim, lien, action, cause of action, demand or expense which may arise as a result of TAMC's provision of funds or materials which may be utilized in, but not limited to the acquisition of, the design, implementation, or construction of the Project herein described.

3.5. Notices. Any notice which may be required under this Agreement shall be in writing and shall be given by personal or electronic (delivery receipt enabled) service, or by certified or registered mail, return receipt requested, to the addresses set forth below:

TAMC	RECIPIENT
Todd A. Muck	[Name]
Executive Director	[Title]
55B Plaza Circle	[Address]
Salinas, California 93901	[City, State, Zip]
Todd@tamcmonterey.org	[email address]

Either Party may change its address by giving notice of such change to the other party in the manner provided in this Section 3.5. All notices and other communications shall be deemed communicated as of actual receipt or after the second business day after deposit in the United States mail.

3.6. Additional Acts and Documents. Each Party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent, and purpose of the Agreement.

3.7. Integration. This Agreement, together with the Pedestrian and Bicyclist Wayfinding Plan, represents the entire Agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements, or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.

3.8. Amendment. This Agreement may not be changed, modified, or rescinded except in writing, signed by all Parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.

3.9. Independent Agency. RECIPIENT renders its services under this Agreement as an independent agency and TAMC is also an independent agency under the Agreement. None of the RECIPIENT's agents or employees shall be agents or employees of TAMC and none of TAMC's agents or employees shall be agents or employees of RECIPIENT.

3.10. Assignment. The Agreement may not be assigned, transferred, hypothecated, or pledged by any Party without the express written consent of the other Party.

3.11. Binding on Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of TAMC or RECIPIENT, as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above.

3.12. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either Party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the Parties.

3.13. Counterparts. This Agreement may be executed in one or more counterparts and shall become effective when one or more counterparts have been signed by the Parties; each counterpart shall be deemed an original, but all counterparts shall constitute a single document.

3.14. Survival. The following provisions in this Agreement shall survive discharge:

As to both Parties, the following section shall survive discharge: Section 3.3. (indemnity) and Section 3.4 (Liability), until the expiration of all relevant statutes of limitations.

3.15. Time. Time is and shall be of the essence of this Agreement and each of its provisions in which performance is a factor.

3.16. Remedies Cumulative. No remedy or election of remedies provided for in this Agreement shall be deemed exclusive but shall be cumulative with all other remedies at law or in equity. Each remedy shall be construed to give the fullest effect allowed by law.

3.17. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

3.18. Captions. The captions in this Agreement are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the provisions of this Agreement and shall not affect the construction or interpretation of any of its provisions.

3.19. No Continuing Waiver. The waiver by any Party of any breach of any of the provisions of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same, or of any other provision of this Agreement.

3.20. No Rights in Third-Parties. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies on any third-party, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third-party to any Party to this Agreement, nor shall any provision of this Agreement give any third-party any right of subrogation or action over or against any Party to this Agreement.

3.21. Signatory's Warranty. Each Party warrants to each other that he or she is fully authorized and competent to enter into this Agreement in the capacity indicated by his or her signature and agrees to be bound by this Agreement as of the day and year first mentioned above upon the execution of this Agreement by each other Party.

3.22. List of Exhibits. This Agreement contains the following Exhibits:

Exhibit A: Project Description
Exhibit B: Wayfinding Sign Designs
Exhibit C: General Locations of Wayfinding Signs

**** SIGNATURES ON THE NEXT PAGE ****

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement on the day and year first written above.

[insert NAME] (RECIPIENT):

By: _____
[Name]
City Manager

Dated: _____

TRANSPORTATION AGENCY FOR MONTEREY COUNTY (TAMC):

By: _____
Todd A. Muck
Executive Director

Dated: _____

APPROVED AS TO FORM:

By: _____
[Name]
[City Attorney or legal Counsel]

By: _____
Katherine Hansen
TAMC Counsel

EXHIBIT A

PROJECT DESCRIPTION

Installation and maintenance of signs at the locations generally described in Exhibit C, in order to encourage and facilitate active transportation to and around locations in Monterey County, with an emphasis on the [enter name of Jurisdiction or Agency].

EXHIBIT B

WAYFINDING SIGN DESIGN ACCEPTED BY RECIPIENT

1. CUSTOMIZED SIGN TOPPERS (to be used in conjunction with confirmation and direction signs)
   [Jurisdiction to select either Full Color or Two Color sign topper]



Full Color



Two Color

2. CONFIRMATION SIGNS





3. DIRECTION SIGNS





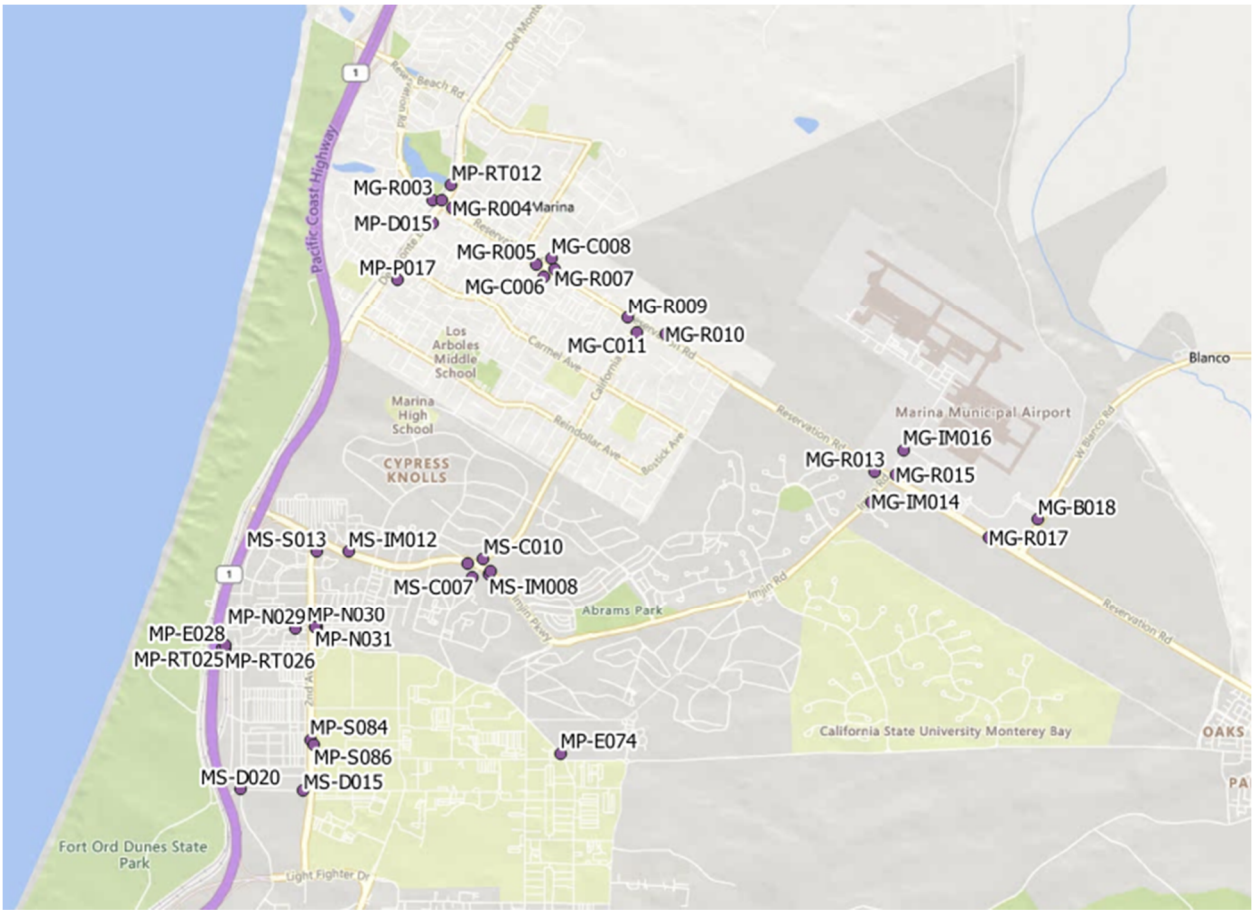


EXHIBIT C

GENERAL LOCATION OF WAYFINDING SIGNS

EXHIBIT C

GENERAL LOCATION OF WAYFINDING SIGNS



June 2, 2022 Item No: **8g(3)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF MARINA AND UNINSURED SKYDIVE MONTEREY BAY, INC. dba SKYDIVE MONTEREY BAY. FOR A PORTION OF 721 NEESON ROAD (BUILDING 533) AT THE MARINA MUNICIPAL AIRPORT, AND AUTHORIZING CITY MANAGER TO EXECUTE THE LEASE AGREEMENT ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2022-, approving a Lease Agreement between the City of Marina and Uninsured Skydive Monterey Bay, Inc. dba Skydive Monterey Bay. for a portion of 721 Neeson Road (Building 533) at the Marina Municipal Airport; and
2. Authorizing City Manager to execute the Lease Agreement, on behalf of the City, subject to final review and approval by City Attorney.

BACKGROUND:

On July 6, 2006, the City Council approved a lease with Skydive Monterey Bay for a portion of 721 Neeson Road (Building 533). This lease has expired and been on a month-to-month basis. The City and Skydive Monterey Bay would like to enter an updated lease.

ANALYSIS:

Building 533 is a steel framed structure with corrugated metal siding; a large central hangar bay (approximately 130 feet wide, 150 feet long) with sliding doors at each end (facing northwest and southeast); door clearance height of 35-40 feet; and two-story storage or office and restroom space along both sides of the hangar bay. The building is noncompliant with the Americans with Disabilities Act ("ADA") The total interior space of the building consists of approximately 35,000 square feet including 19,500 square feet of the hangar bay floor.

The proposed Lease Agreement would include a total approximate 9,097 square feet, including 6,845 square feet of hangar floor space and 3,132 square feet of office and storage space as depicted on **EXHIBIT B** to the attached lease. Additionally, the lease would provide for the nonexclusive use of 20 parking spaces as shown on **EXHIBIT A** to the lease.

Skydive Monterey Bay will utilize the lease space for the operations of its skydiving business. Per FAA regulations, skydiving is classified as an aeronautical use.

The proposed Lease Agreement provides for:

- Base Term of 10 years and one conditional option period of five years.
- Market Rate Base Rent consistent with the recent Airport Rent Study completed in 2020 which is approximately $0.28 per square foot for aeronautical uses.
- Rent will increase annually by two and one-half percent (2.5%) annually.

The Rent Payment schedule will be as follows:

The monthly rent payable shall be $2,793.56 (at the rate of $0.28 per square foot, rounded to the nearest even dollar). Thereafter, the rent shall increase annually by two and one-half percent (2.5%) above the monthly rent payable in the prior year as follows:

Rent for Year Two =	$2,863.40 per month
Rent for Year Three =	$2,934.98 per month
Rent for Year Four =	$3,008.36 per month
Rent for Year Five =	$3,083.57 per month
Rent for Year Six =	$3,160.66 per month
Rent for Year Seven =	$3,239.67 per month
Rent for Year Eight =	$3,320.66 per month
Rent for Year Nine =	$3,403.68 per month
Rent for Year Ten =	$3,488.77 per month

Rent for Year One of option to extend =	$ 3,575.99 per month
Rent for Year Two of option to extend =	$ 3,665.39 per month
Rent for Year Three of option to extend =	$ 3,757.03 per month
Rent for Year Four of option to extend =	$ 3,850.95 per month
Rent for Year Five of option to extend =	$ 3,947.23 per month

Tenant shall also pay as additional rent, every month as provided above, the amounts set forth in Article 12 herein for utilities (water, sewer, and gas), trash collection and assessments. Because this is a shared building, the tenant will only pay its prorated share of the utilities for the building as billed by the City. The rent payable under this Lease shall be triple net (i.e., Tenant shall pay all of its operating expenses, insurance premiums and taxes including possessory interest tax). Rent and all net charges shall commence upon the Effective Date.

FISCAL IMPACT:

Should the City Council approve this request, anticipated beginning annual rent revenue to the airport will be approximately $33,520.

Building lease rent revenue is recorded to Airport Operations Fund 555, Facilities Rents Building Rents, Account No. 555.000.000.00-5460.220.

CONCLUSION:

This request is submitted for the City Council consideration and approval

Respectfully submitted,

_____

Matt Mogensen
Assistant City Manager
City of Marina

REVIEWED/CONCUR:

_____

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF MARINA AND UNINSURED SKYDIVE MONTEREY BAY, INC. dba SKYDIVE MONTEREY BAY. FOR A PORTION OF 721 NEESON ROAD (BUILDING 533) AT THE MARINA MUNICIPAL AIRPORT, AND AUTHORIZING CITY MANAGER TO EXECUTE THE LEASE AGREEMENT ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, on July 6, 2006, the City Council approved a lease with Skydive Monterey Bay for a portion of 721 Neeson Road (Building 533). This lease has expired and been on a month-to-month basis. The City and Skydive Monterey Bay would like to enter an updated lease.; and,

WHEREAS, Building 533 consists of an approximate 33,800 square foot steel framed structure with corrugated metal siding; a large central hangar bay (approximately 130 feet wide, 150 feet long) with sliding doors at each end (facing northwest and southeast); door clearance height of 35-40 feet; and two-story storage or office and restroom space along both sides of the hangar bay. The Building is noncompliant with the Americans with Disabilities Act ("ADA"); and,

WHEREAS, The total interior space of the building consists of approximately 35,000 square feet including 19,500 square feet of the hangar bay floor; and,

WHEREAS, the Lease Agreement includes a total approximate 9,097 square feet, including 6,845 square feet of hangar floor space and 3,132 square feet of office and storage space as depicted on **Exhibit B** to the attached lease. Additionally, the lease would provide for the nonexclusive use of 20 parking spaces as shown on **Exhibit A** to the lease; and,

WHEREAS, anticipated annual rent revenue to the airport will be approximately $33,520. Building lease rent revenue is recorded to Airport Operations Fund 555, Facilities Rents Building Rents, Account No. 555.000.000.00-5460.220.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Adopt Resolution No. 2022-, approving a Lease Agreement between the City of Marina and Uninsured Skydive Monterey Bay, Inc. dba Skydive Monterey Bay. for a portion of 721 Neeson Road (Building 533) at the Marina Municipal Airport; and
2. Authorize the City Manager to execute the Lease Agreement, on behalf of the City, subject to final review and approval by City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES, COUNCIL MEMBERS:
NOES, COUNCIL MEMBERS:
ABSENT, COUNCIL MEMBERS:
ABSTAIN, COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

MARINA MUNICIPAL AIRPORT

LEASE BETWEEN

THE CITY OF MARINA

AND

UNINSURED SKYDIVE MONTEREY BAY, INC. dba SKYDIVE MONTEREY BAY

for

A PORTION OF BUILDING 533

DRAFT

Recording Requested by and)
When recorded mail to:)
City Clerk)
City of Marina)
857 Cass Street, Suite D.)
Monterey, California 93940)
)
APN 031-112-024)
_____)

LEASE

THIS LEASE (the "Lease"), made and entered into this ____day of June 2022, by and between the **CITY OF MARINA**, a California municipal corporation ("City"), and **UNINSURED SKYDIVE MONTEREY BAY, INC. dba SKYDIVE MONTEREY BAY** a California corporation ("Tenant" or "Skydive"), as follows:

Recitals:

This Lease is entered into with reference to the following facts and circumstances, which are hereby found and determined by the parties:

A. City owns and operates the Marina Municipal Airport (the "Airport") located in the City of Marina. The Airport was formerly known and operated by the U.S. Army as Fritzsche Airfield and was part of the Fort Ord Military Reservation.

B. Tenant desires to lease a portion of the Airport real property, which includes a structure formerly utilized by the U.S. Army as an aircraft hangar and office facility, for use in the Tenant's aeronautical use in connection with Tenant's business of proving skydiving operations. Portions of Building 533 are, upon execution of this Lease, occupied by the Juliette Kilo, LCC, under the terms of a lease between the City and the Juliette Kilo, LLC.

C. As the lease of an existing public structure this Lease is categorically exempt from the California Environmental Quality Act (CEQA) in accordance with CEQA Categorical Exemption 15301.

D. It is mutually agreed that this Lease is upon and subject to the following contingency, terms, covenants, conditions and provisions and Tenant covenants, as a material part of the consideration of this Lease, to keep, perform and comply with each and all of said terms, covenants, conditions and provisions to be kept, performed and complied with, and this Lease is made upon the condition of such performance and compliance.

DRAFT

Terms and Conditions

Conditions Precedent

1. Approval of the terms and conditions of this Lease by the Federal Aviation Administration (FAA).

2. Approval of this Lease by the City Council of the City of Marina.

3. Approval of Tenant's current plans specifications for the leased premises and its improvements, in any such approvals are pending, as may be submitted to the City's Building Inspection, Planning Commission, Design Review Board, Public Works and Public Safety Departments.

ARTICLE 1. LEASE OF PREMISES, EASEMENT AND RESERVATION, TERM

1.01 **Leased Premises**. City hereby leases to Tenant, and Tenant hereby leases from City a portion of the following described premises (the "Premises"), being a portion of the Marina Municipal Airport, located within Building Number 533 (the "Building" or "Building 533") located at 721 Neeson Rd., Marina, County of Monterey, California, as shown on **Exhibit A**, attached hereto and made a part hereof. The interior space leased are known as Suite 2, 3, 4, 7, 8 and a portion of the hangar floor, all consisting of approximately 9,997 square feet as outlined on the floor plan attached hereto as **Exhibit B** and made a part hereof. Building 533 is a steel framed structure with corrugated metal siding; large central hangar bay (approximately 130 feet wide, 150 feet long) with sliding doors at each end (facing northwest and southeast); door clearance height of 35-40 feet; with two-story storage or office and restroom space along both sides of the hangar bay. The total interior space of the building consists of approximately 35,000 square feet including 19,500 square feet of the hangar bay floor as designated on the floor plan. The Premises are noncompliant with the Americans with Disabilities Act ("ADA"). An easement is granted for ingress to and egress from the leased Premises for vehicles and the following rights, appurtenances, and easements and no others:

a) The nonexclusive use of 20 parking spaces as shown on **Exhibit A**. City reserves the right to designate alternate parking areas for Tenant's use. Tenant may, in a manner approved in advance and in writing by the City, mark or designate parking spaces for its use.

b) The right to use, in common with the other tenants in the building, their agents, employees and invitees, the building's restrooms, common areas, stairways, service passages; but Tenant shall not use, or enter into, areas posted with restrictive signs or notices, such as "Keep Out," Private," or other.

c) The furniture, furnishings, fixtures, and equipment, if any, to be set forth in the Schedule of Property attached hereto as **Exhibit E** and made a part hereof.

The foregoing rights shall terminate simultaneously on expiration or sooner termination of this Lease.

1.02 **Easement and Reservation**. The following described easement and reservation is hereby reserved by the City:

a) Avigation Easement. The leased Premises shall be subject to an easement and right of way for the unobstructed passage of aircraft in the airspace above the leased Premises, which is reserved by City for the benefit of itself and all members of the general public operating aircraft which land at or take off from the Airport. Concomitant and coextensive with said easement and right of way, City and general public shall have the further right to cause in all airspace above the surface of the leased Premises such noise, vibrations, fumes, dust, fuel particles, and other effects that may be caused by the operation of aircraft landing at or taking off from or otherwise operating at the Airport. In connection with this easement and right or way, Tenant agrees not to cause or permit any structure, natural growth, or other object on the leased Premises which extends into the airspace over the leased Premises more than 210 feet above mean sea level, and not to use or permit the use of the leased Premises in such a manner as to create electrical interference with radio communications between aircraft and the Airport, to make it difficult for flyers to distinguish between airport lights and other lights, to impair visibility in the vicinity of the Airport, or to otherwise endanger aircraft landing at or taking off from the Airport. Tenant further agrees that in the event it causes or permits any structure, natural growth, or other object on the leased Premises which extends into the airspace over the leased Premises more than 210 feet above mean sea level, or otherwise causes or permits any condition on the leased Premises which endangers aircraft landing at or taking off from the Airport, then City shall have the right to enter upon the leased Premises and to remove such structure, natural growth, object or condition endangering aircraft landing at of taking off from the Airport, all at Tenant's sole cost and expense.

b) Utility Reservation. City reserves the right to install, lay, construct, maintain, repair and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil and gas pipelines; telephone, telegraph and electrical power lines; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across and along any and all portions of the leased Premises. No right reserved by the City in this clause shall be so exercised as to interfere unreasonably with Tenant's operations or to impair the security of any secured creditor of Tenant.

c) Parking. The City reserves the right, with prior written notice to Tenant, to use the parking area in conjunction with special events held at the Airport (see 2.03 below). In making use of the parking area, City shall consider and make a good faith effort to alleviate adverse effects on Tenant's operations. City and Tenant agree to reasonably cooperate concerning the City's occasional use of the parking area.

1.04 **Term**. The term of this Lease ("Term") shall be effective upon the Effective Date. City and Tenant shall confirm the Effective Date of this Lease in writing. The Term shall continue for ten years following the Effective Date, to the "Expiration Date" ten years hence unless terminated earlier as provided herein.

1.05 **Conditional Option to Extend**. Tenant shall have the conditional right and option to renew and extend the term of this Lease by written amendment for an additional period of five years only, through the election and exercise of one five-year option following the Expiration Date in §1.04 hereof. This option may be exercised by the Tenant by its giving written notice of its intent to exercise

this option to the City not sooner than 210 nor less than 180 days before the expiration of the Term.

1.06 **Option to Extend – Rent Payable**. The monthly rent to be paid by the Tenant for the conditional five-year option will be increased by two- and one-half percent (2.5%) above the monthly rent payable in the final year of the Term as follows:

Rent for Year One of option to extend =	$ 3,575.99 per month.
Rent for Year Two of option to extend =	$ 3,665.39 per month.
Rent for Year Three of option to extend =	$ 3,757.03 per month.
Rent for Year Four of option to extend =	$ 3,850.95 per month.
Rent for Year Five of option to extend =	$ 3,947.23 per month.

1.07 **Holding Over**. Any holding over after the expiration of the initial or extended term of this Lease with the consent of the City shall be construed to be a tenancy from month-to-month at a monthly rental equal 125% of the monthly rental for final month of the previous term. Tenant's occupancy during any period of holding over shall otherwise be on the same terms and conditions herein specified so far as applicable

1.08 **Tenant Option to Elect Early Termination**. Provided Tenant is in compliance with all terms and conditions of this Lease including, but not necessarily limited to the payment of rent and other charges, Tenant shall have the option to terminate this Lease following the end of the twenty-fourth month following the Effective Date by giving written notice to the City of Tenant's election to terminate this Lease at least 180 days prior to the early termination date.

ARTICLE 2. USE OF LEASED PREMISES

2.01 **Use**. This Lease is made for the purpose of allowing Tenant's commercial, aeronautical, use of the leased Premises and for granting Tenant certain rights and privileges to occupy portions of Building 533 and to use the adjacent areas designated for parking for Tenant's use. Tenant may use the Premises in its business of skydiving operations. Tenant shall not use the leased premises, or any part thereof, or permit them to be used for any purpose, including residential purposes, other than the purpose specified herein without the consent of the City, such consent not to be unreasonably withheld. There shall be no outdoor storage except within fenced and screened areas approved in advance and in writing by the City or for storage of hazardous materials approved in advance and in writing by the City's Fire Chief.

The Tenant by accepting this Lease agrees for itself, its successors and assigns that it will not make use of the leased Premises in any manner that might interfere with the landing and taking off of aircraft or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the City reserves the right to enter upon the Premises hereby leased and cause the abatement of such interference at the expense of the Tenant.

2.02 **Airport Rules & Regulations**. In making use of the leased Premises as specified in this Lease the Tenant shall, in common with all other users of the Airport, comply with the following rules and regulations:

a) Tenant acknowledges that it has received and reviewed a copy of the City's Airport Operating Ordinance (Marina Municipal Code Chapter 13.22) and shall comply with the minimum operating standards or requirements promulgated by City and applicable to each of Tenant's activities on the Airport.

b) Subject to the provisions of the California Code of Civil Procedure §731a, Tenant shall not do or permit to be done upon the Premises any act or thing which constitutes a nuisance, i.e., which may disturb the quiet enjoyment of City, any other tenant of City or private businesses on adjacent land or neighboring property. If City notifies Tenant that such a nuisance or disturbance exists, Tenant agrees, within 72 hours from receiving written notice by the City, to abate or otherwise cause said nuisance to be cured. In the event Tenant has not taken corrective action within 72 hours, the City may enter and abate said nuisance, including but not limited to entering the Premises and abating the nuisance or disturbance, at the expense of Tenant without any liability whatsoever to City for monetary loss or anticipated profits of Tenant or others.

c) Tenant shall have the right, at its expense, to place in the leased Premises a sign or signs identifying Tenant. Said sign or signs shall be of a size, shape and design, and at a location or locations, approved in advance by the City and in conformance with any overall directional graphics or sign program established by the City including section 17.28.060 of the City's Zoning Ordinance. Tenant shall expeditiously submit its application to the City Planning Department to process Tenant's request for a sign or signs to be affixed to the leased Premises, to be readily visible from Neeson Road. City's approval shall not be delayed or withheld unreasonably. Notwithstanding any other provision of this Lease, any signs shall remain the property of Tenant. Tenant shall remove, at its own expense, all lettering, signs and placards so erected on the Premises upon termination of this Lease.

d) Tenant shall have the right, at its expense, to place in or on the Premises trade fixtures, furnishings, personal property, equipment and materials necessary to perform any services provided for or authorized hereunder. Said trade fixtures, furnishings, personal property, equipment and materials shall remain the property of Tenant.

e) Tenant shall comply with all federal, state and local laws, rules and regulations which may apply to the conduct of the business provided for and authorized hereunder, including rules and regulations promulgated by the City, and Tenant shall maintain in effect and post in a prominent place all necessary or required licenses or permits, including an Occupancy Permit obtained pursuant to Marina Municipal Code, Chapter 15.54 and a City business license pursuant to Marina Municipal Code Title 5, prior to commencing occupancy and operations. Tenant shall prepare an Emergency Action/Fire Protection Plan. Current plan shall be kept on file with the City's Fire Department.

g) Tenant shall be responsible for the maintenance and repair of the Premises as set forth in §10.02 of this Lease and shall keep and maintain the Premises in good condition, order and repair, and shall surrender same upon the expiration of this Lease in the condition in which they are required to be kept, reasonable wear and tear and damage by the elements not caused by Tenant's negligence excepted. Tenant, by this Lease, specifically waives the provisions of §§1941 and 1942 of the California Civil Code with respect to the landlord's obligations for the tenantability of leased Premises

and the Tenant's right to make repairs and deduct the expenses of such repairs from rent.

h) Tenant understands and agrees that its right to use the leased Premises for the purposes provided for by this Lease shall not be, and shall not be construed to be, exclusive of the right of any other person or firm to operate the same or a similar business at the Marina Municipal Airport and to lease premises at the Airport from the City for such purposes, within the meaning of §308A of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1349a). City reserves the right, at its sole discretion, to grant others certain rights and privileges upon the Airport which are identical in part or in whole to those granted to Tenant by this Lease, excepting any rights with respect to the use or possession of the leased Premises.

i) Tenant shall, in good faith use its best efforts to efficiently utilize the facilities covered by this Lease in order to promote and aid the commerce of the Marina Municipal Airport and the use of its facilities at no additional cost to Tenant.

2.03 **Special Events**. Tenant understands and acknowledges that the City will, from time to time, conduct special events at the Airport. Tenant agrees to cooperate with the City concerning these events (e.g. allowing the City to use the Premises Parking Area during weekends). City shall provide not less than 14-days prior written notice to Tenant of any special event which is expected to have an impact on Tenant's operations or use of the property.

ARTICLE 3. USE AND MAINTENANCE OF AIRPORT FACILITIES

3.01 **Maintenance of Airport Facilities**. The City reserves the right but shall not be obligated to the Tenant to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport together with the right to direct and control all activities of the Tenant in this regard.

3.02 **Aerial Approaches**. City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Tenant from erecting or permitting to be erected, any building or other structure on or adjacent to the Premises which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

3.03 **FAR Notification Requirements**. Tenant agrees to comply with the notification and review requirements covered in of the Federal Aviation Regulations in the event future construction of a building is planned for the leased Premises or in the event of any planned modification or alteration of any present or future building or structure situated on the leased Premises. This requires the submission of FAA Form 7460-1 *Notice of Construction or Alteration to the FAA*. The Tenant by accepting this Lease expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or building nor permit objects of natural growth or other obstructions on the land leased hereunder above a height as determined by the application of the requirements of Title 14 CFR Part 77. In the event the aforesaid covenants are breached, the City reserves the right to enter upon the land hereunder and to remove the offending structure or object or cut the offending natural growth, all of which shall be at the expense of Tenant.

3.04 **FAA Safety & Security Rules & Regulations**. Tenant will conform to Airport and FAA safety and security rules and regulations regarding use of the Airport operations area including runways, taxiways, and aircraft aprons by vehicles, employees, customers, visitors, etc., in order to prevent security breaches and avoid aircraft incursions and vehicle/pedestrian deviations; will complete and pass airfield safe driving instruction program when offered or required by the Airport; and will be subject to penalties as prescribed by the Airport Manager for violations of the Airport safety and security requirements.

3.05 **Non Interference with Landing and Taking off of Aircraft**. The Tenant by accepting this Lease agrees for itself, its successors and assigns that it will not make use of the leased premises in any manner which might interfere with the landing and taking off of aircraft or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the City reserves the right to enter upon the Premises hereby leased and cause the abatement of such interference at the expense of the Tenant.

ARTICLE 4. RENTS AND FEES

4.01 **Time and Place of Payment**. Tenant shall pay all rental charges and all other obligations due to the City under this Lease every month in advance on or before the first day of the month during the term of this Lease at the office of the City Finance Director, City Hall, 211 Hillcrest Avenue, Marina, California 93933. The rent for certain months of this Lease may be pro-rated. For purposes of calculating and pro-rating rents and other charges due, each month shall be considered to have 30 days, and each year of the initial or any extended term of this Lease to have 360 days.

4.02 **Rent: Initial Rent Amount**. The monthly rent payable shall be $2,793.56 (at the rate of $0.28 per square foot, rounded to the nearest even dollar). Thereafter, the rent shall increase annually by two and one-half percent (2.5%) above the monthly rent payable in the prior year as follows:

Rent for Year Two =	$2,863.40 per month
Rent for Year Three =	$2,934.98 per month
Rent for Year Four =	$3,008.36 per month
Rent for Year Five =	$3,083.57 per month
Rent for Year Six =	$3,160.66 per month
Rent for Year Seven =	$3,239.67 per month
Rent for Year Eight =	$3,320.66 per month
Rent for Year Nine =	$3,403.68 per month
Rent for Year Ten =	$3,488.77 per month

Tenant shall also pay as additional rent, every month as provided above, the amounts set forth in Article 12 herein for utilities (water, sewer, and gas), trash collection and assessments. The rent payable under this Lease shall be triple net (*i.e.*, Tenant shall pay all of its operating expenses, insurance premiums and taxes including possessory interest tax). Rent and all net charges shall commence upon the Effective Date.

4.03 **Delinquency Charge**. Tenant hereby acknowledges that late payment by Tenant of rent

and other sums due hereunder will cause the City to incur costs not contemplated by this Lease, the exact amount will be extremely difficult to ascertain. Should any payments due under this Lease remain unpaid ten days after the due date of such payment, a penalty of 10% shall be added to any payments past due. City may, but is not required to, provide written notice to Tenant of Tenant's failure to pay rent when due. City and Tenant agree that this late charge represents a fair and reasonable estimate of costs that the City will incur by reason of the late payment of rent by the Tenant. Acceptance of any such late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount, nor prevent the City from exercising any of the other rights and remedies available to it by reason of such default. Interest on any unpaid rents, charges and any penalty shall accrue at the rate of 1.5% per month thereafter until paid.

4.04 **Performance Deposit**. Prior to the commencement date of this lease, Tenant has paid to the City the sum of $2,751.70, deposited with the City's funds as partial security of future rental and other payments due. The parties agree that these funds will remain on deposit with the City and shall be considered a performance deposit under this Lease. In the event the City is required to utilize this deposit or any portion thereof during the term of this Lease for the payment of rents, charges, or fees due, Tenant within thirty (30) days from such use of the deposit funds shall deposit with the City an additional sum sufficient to restore the performance deposit to the amount herein set forth. This performance deposit, or any remaining portion thereof, shall be returned to the Tenant without interest at the termination of this Lease, after deduction of any amounts therefrom for payment of any obligation of Tenant due and owing to the City under any of the provisions of this Lease.

4.07 **Accord and Satisfaction**. No payment by Tenant or receipt by the City of a lesser amount of any sum due hereunder shall be deemed to be other than on account of the earliest due rent or payment, nor shall any endorsement or statement on any check or payment, or any letter accompanying any such check or payment, be deemed an accord and satisfaction, and the City may accept such check or payment and pursue any other remedy available in this Lease, at law or in equity. The City may accept any partial payment from Tenant without invalidation or any contractual notice require to be given herein (to the extent such contractual notice is required) and without invalidation of any notice require to be given pursuant to California Code of Civil Procedure section 1161 *et seq*., or any successor statute thereto.

4.08 **Commissions.** City shall not be liable for the payment of any brokerage commissions or fees associated with this Lease to engineers, contractors, or attorneys working on behalf of Tenant.

ARTICLE 5. TAXES AND ASSESSMENTS

5.01 **Payment**. Tenant shall meet all expenses and payments in connection with the use of the Premises and the rights and privileges herein granted including a **possessory interest tax** created by this Lease, permit and license fees, it being understood by Tenant that although the public property is held in public ownership, **Tenant's interest therein will be taxable as a possessory interest** (California Revenue & Taxation Code §107.6). Tenant shall pay any personal property taxes levied on Tenant's inventory, furnishings, personal property or trade fixtures. Tenant may, at its sole expense and cost, contest any tax or fee. All taxes, fees, assessments, charges, etc. shall be paid prior to their delinquency date and satisfactory evidence that such taxes have been paid shall be furnished to the City.

5.02 **Joint Assessment**. If the Premises are not separately assessed, Tenant's liability shall be an equitable portion of the possessory interest taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by the City from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. The City's reasonable determination thereof, in good faith, shall be conclusive.

5.03 **Assessment by the Monterey County Water Resources Agency (MCWRA)**. Tenant shall pay any assessment levied by the MCWRA. If the leased Premises are not separately assessed by MCWRA, Tenant's liability shall be an equitable portion of the MCWRA assessment for all of the land and improvements of which the Premises are a part included within the parcel(s) so assessed, such proportion to be determined by the City from the respective valuations assigned in the MCWRA's work sheets or such other information as may be reasonably available. The City's reasonable determination thereof, in good faith, shall be conclusive provided, however, Tenant may appeal the City's determination of the proration of any MCWRA assessments to the City Council, whose decision shall be final. In the event Tenant fails to pay any assessment when due, the City may, at its option, pay the same and collect from Tenant's performance deposit (see Section 4.06) the amounts so disbursed, plus interest at the rate of 10% per annum or fraction thereof.

ARTICLE 6. SUBORDINATE TO FEDERAL AGREEMENT AND REGULATIONS

6.01 **Subordinate to Agreements with U.S**. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the City and the United States government or any department thereof relative to federal aid for the development and maintenance of the Airport or the development, operation or maintenance of the Airport. Failure of the Tenant or any occupant to comply with the requirements of any existing or future agreement between the City and the United States, which failure shall continue after reasonable notice to make appropriate corrections, shall be cause for immediate termination of Tenant's rights hereunder. Tenant acknowledges it has been given an opportunity to review the Deed of Conveyance for the leased Premises from the U.S. Army to the City and agrees to comply with all requirements pertinent to Tenant's activities contained in that document.

6.02 **War or National Emergency**. This Lease and all provisions hereof shall be subject to whatever right the United States government has affecting the control, operation, regulation and taking over of the Airport or the exclusive or non-exclusive use of the Airport by the United States during a time of war or national emergency.

6.03 **Conformance with Federal Aviation Administration Regulations**. Tenant agrees that Tenant's use of the leased Premises, including all future construction, modification or alteration thereon, shall comply with all applicable Federal Aviation Administration regulations now in force or that may be hereafter adopted by Federal authority. This Lease and Tenant's occupancy of the leased Premises is governed by and subject to the provisions set forth in the Federal Aviation Administration Assurances ("**Exhibit D**") attached hereto and incorporated herein by this reference and as they may be amended in the future. In the event of a conflict between the Federally Aviation Administration Assurances and the terms and conditions of this Lease, the Federally Aviation Administration

Assurances shall prevail and control.

6.04 **Federal or State Grants**. City and Tenant agree to mutually cooperate in any application for such economic development grants and loans as may be available to City or Tenant for relocation, job training and economic development of the Airport.

ARTICLE 7. NON-DISCRIMINATION

7.01 **Non-Discrimination**.

(a) Tenant, for its personal representatives successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that in the event facilities are constructed, maintained, or otherwise operated on the leased Premises for a purpose for which a Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(b) Tenant, for its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that: (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the leased Premises, (2) that, in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Tenant shall use the leased Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

(c) The Tenant assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, color, national origin, sex, age or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the Tenant or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of, personal property or real property or interest therein or structures or improvements thereon. In these cases, this provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the City as the Airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the City as the Airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract.

(d) In the event of breach of any of the nondiscrimination covenants, City (through the City Manager/Airport Manager) shall have the right to terminate this Lease, and to re-enter the Premises,

and hold the same as if this Lease had never been made or issued. This provision does not become effective until the procedures of 49 Code of Federal Regulations Part 21 are followed and completed including expiration of appeal rights.

7.02 **Compliance with Non-Discrimination Covenants**. Without limiting the generality of any other terms or provisions of this Lease, noncompliance with Section 7.02 above shall constitute a material breach thereof and in the event of such noncompliance City (through the City Manager/Airport Manager) shall have the right to terminate this Lease and the estate hereby created without liability therefor or, at the election of the City of the United States, either or both said governments shall have the right to judicially enforce Sections 7.01 and 7.02 of this Article 7.

7.03 **Affirmative Action Program**. If Lessee employs 50 or more persons in its aviation workforce, the Lessee will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E, to the same effort.

7.04 **Covenants in Other Ancillary Agreements**. Tenant agrees that it shall insert the above three (3) provisions in any agreement, sublease, assignment or other agreement by which Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or non-aeronautical services to the public on the Premises.

7.05 **Community Hiring Program**. Lessee and City agree to enter into negotiations to develop a hiring program for entry level jobs targeting low income residents of the community.

ARTICLE 8. CONDITION OF THE PREMISES

8.01 **Acceptance of Leased Premises**. Tenant understands that the leased Premises were formerly used by the federal government as part of an Army air base, that surrounding lands which were also part of such Army air base have, in the past been found to contain concentrations of volatile organic chemicals which exceed standards prescribed by the environmental agencies and the state and federal governments. Pursuant to Health & Safety Code §25359.7(a) Tenant is provided this notice that the structure may contain asbestos materials and lead-based paints. The City has provided to the Tenant an asbestos survey report prepared by the U.S. Army Corps of Engineers for Building 533, which is attached hereto as **Exhibit E**. Tenant acknowledges that City has granted to Tenant the right to review all maps and records of the old Army air base presently on file in the office of the City's Planning Department as well as the right to inspect the leased Premises and perform any tests of the soils and improvements thereon or the groundwater thereunder, all in order to afford Tenant a full and complete opportunity to investigate and determine whether the leased Premises can be used for the purposes for which it is being leased.

8.02 **No Warranty**. Tenant further understands and agrees that no representation, statement, or

warranty, express or implied, has been made by or on behalf of the City as to the condition of the leased Premises or the suitability of the Premises for its intended use, save and except for the representation and warranty that no City officer, employee, contractor, subcontractor, tenant, subtenant or agent has caused any condition of pollution or contamination which may now exist on the leased Premises. Such representation and warranty, however, shall not extend to any condition of pollution or contamination caused by the federal government. Upon entering into occupancy, Tenant also agrees to accept the leased Premises in its present condition and "as is", with respect to all conditions which may now exist on or under the leased Premises save and except for any condition of pollution or contamination caused by an officer, employee, or agent of City. Moreover, Tenant agrees to waive any claim or right of action against the City which Tenant now has or hereafter may acquire arising out of the condition of the leased Premises, its soils and/or the groundwater underlying the leased Premises, including but not limited to any claim of indemnity which Tenant may have by reason of costs incurred by Tenant arising out of the abatement or cleanup of any pollution or contamination condition discovered on the leased Premises hereinafter required under applicable state, federal or city laws or regulations save and except for a claim or right of action arising out of a condition of pollution or contamination caused by an officer, employee or agent of the City. Tenant is not responsible for the cost of environmental abatement, remediation or cleanup of pollution or contamination which is unrelated to the activities of the Tenant, or its officers, employees, agents, contractors or invitees, on the Premises. As of the Effective Date, Tenant waives, releases and discharges the City, its Council, Commissions, Boards and Departments, their respective elected and appointed officials, officers, employees, agents, representatives and attorneys from any and all present and future claims, demands suits, legal and administrative proceedings, and from all liability, damages, losses, costs, liabilities, fees and expenses (including without limitation attorney's fees) arising out of or in any way connected with the Tenant's use, maintenance, leasehold or operation of the leased Premises, any Hazardous Materials, contamination in any state on the leased Premises, however the Hazardous Materials came to be placed there. Tenant acknowledges that it is aware of and familiar with the provisions of Section 1542 of the California Civil Code of Civil which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

To the extent of the release set forth in this Section 8.02, Tenant hereby waives and relinquishes all rights and benefits which it may have under Section 1542 of the California Civil Code.

Tenant's Initials: _____

8.03 **Americans with Disabilities Act (ADA)**. The Building 533 described in this Lease and the real property of which it is a part has not undergone inspection by a certified access specialist (CASp) and has not been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code Section 55.53. In accordance with a written agreement between the City and the Tenant per California Civil Code section 1938(b). Tenant understands and acknowledges that, with the exception of: (1) an ADA compliant path of travel from the public way to inside the building, including common area; and the common area ADA compliant restroom on the first floor of the Building, the City makes no representation concerning the Premises compliance with the ADA. A CASp can inspect the Premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not

require a CASp inspection of the subject Premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject Premises for the occupancy or potential occupancy of the lessee or tenant if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

Tenant is solely responsible for determining whether or not Tenant's intended use of Building 533 and the leased Premises will be or is in compliance with the ADA. The City and Tenant acknowledge that certain portions of Building 533 remain inaccessible for some disabled individuals. Upon the Effective Date of this Lease, Tenant shall be responsible for the leased premises compliance with the ADA and Tenant shall hold the City harmless for any liability, loss, damages or claim arising out of or related to compliance with the ADA.

8.04 **Disclosure to Sub Lessees and Assignees**. Tenant agrees that in the event Tenant subleases all or any portion of the Premises or assigns its interest in this Lease, Tenant shall indemnify and defend the City for, from and against any matters which arise as a result of Tenant's failure to disclose any relevant information about the Premises or the improvements to any subtenant or assignee. It is the intention of the City and Tenant that the immediately preceding sentence shall survive any release of Tenant by the City upon any assignment of this Lease by Tenant.

ARTICLE 9. LEASEHOLD IMPROVEMENTS

9.01 **Improvements to Leased Premises.** During the initial or any extended term of this Lease Tenant or its contractors or subcontractors shall not make any additions or alterations to the improvements on the leased Premises which attach to, alter, or in any way affect the structural integrity of the Premises, without the prior written consent of the City, such consent not to be unreasonably delayed or withheld. Moreover, upon receiving consent to make an addition or alteration to the improvements on the leased Premises which attach to, alter or in any way affect any structural element of Building 533, Tenant or its contractors or subcontractors shall not commence work on the construction or installation of such added or altered improvement until plans and specifications for same have been submitted to and approved by the City's review processes and a building permit issued. During the initial or any extended term of this Lease, Tenant may make or cause to be made improvement which do not attach to, alter or in any way affect the structural integrity of the Premises and are required for Tenant's use. In making any such improvement Tenant shall obtain all required permits and be solely responsible for any damage to the Premises. Prior to making any improvements that do not attach to, alter or in any way affect the structural integrity of the Premises Tenant shall notify the Airport Manager in writing concerning the improvement and the Airport Manager shall have ten calendar days to object. If the Airport Manager lodges an objection to the improvement the Airport Manager and Tenant shall work in good faith to achieve the Tenant's goal.

9.02 **Performance Bond**. Tenant shall cause to be made, executed and delivered to City, prior to the date of commencement of any work in or on the leased area which attach to, alter or in any way affect any structural element of Building 533, performance bonds approved as to form and as to surety by the City, with Tenant or Tenant's contractor as principal, and the City specifically named as an additional insured, each in the sum of one hundred percent (100%) of the amount of the contract for all

work costing in excess of $5,000.00 for a) the said required work in accordance with the approved plans and specifications and b) to provide that if Tenant or its contractor or contractors fail to pay for any materials, provisions or other supplies, used in or upon, for or about the performance of the work to be done, or for any work or labor thereon of any kind, that the surety will pay the same, in an amount not exceeding the sum specified in the bond, and also, in case suit is brought upon the bond, a reasonable attorney's fee as set by the court.

9.03 **Insurance**. Before commencing any work which attaches to, alters, or in any way affects any structural element of Building 533 which work will be performed by Tenant or its contractors and/or subcontractors engaged by the Tenant , Tenant agrees to obtain, or cause to be obtained, with a responsible insurance carrier authorized under the laws of the State of California to insure employees against liability for compensation under the Workers Compensation Insurance and Safety Act, compensation insurance covering full liability for compensation under said Act, for any person injured while performing any work or labor incidental to the work in or on the leased Premises.

9.04 **Title to Improvements**. Upon termination of this Lease or any extended periods thereof, all additions or alterations to the improvements on the leased Premises made by Tenant or its contractors or subcontractors shall become the property of the City without payment of any compensation therefor; provided, however, that upon termination of this Lease, City shall have the option to require Tenant to remove any or all added improvements or restore any altered improvement to the same condition as it was at the commencement of the term of this Lease, all at Tenant's sole cost and expense.

9.05 **Prevailing Wages**. Tenant shall abide by the regulations promulgated by the Fort Ord Reuse Authority in the FORA Master Resolution regarding the payment of prevailing wages for construction and/or improvement projects on former Fort Ord properties including the requirement that Tenant, any contractor, and any subcontractor performing work for which prevailing wages are required on the Premises be registered with the California Department of Industrial Relations ("DIR") in accordance with California Labor Code 1725.5. For any work paid for in whole or in part by public funds, Tenant shall comply with the requirements and implementing regulations of California Labor Code §1720 et seq. for payment of prevailing wages on "public works projects.

9.06 **Improvements by the City**. Except as otherwise expressly set forth in this Lease, the City is not obligated to construct or install any improvements on or off of the leased Premises. The City shall have no obligation on account of any construction or installation of any improvement by Tenant to pay for all or any portion of the costs or expenses arising out of such construction or installation.

9.07 **Right of Entry for Construction and Maintenance**. The City and Tenant each agree that the other shall be permitted to enter upon its property, as may reasonably be necessary in order for Tenant to make the Improvements or do other work required by this Lease or in order for the City to fulfill its responsibilities to make improvements and for maintenance as set forth in Section 10.01, and to maintain or repair the respective party's property. The right of each party to enter the other's property or the Premises shall extend to such party's lessees, and licensees and contractors. A party's exercise of its right of entry shall not unreasonably interfere with the other party's use of its property. Any interference shall be temporary and all work on the entering party's property shall proceed

expeditiously as necessary to avoid or minimize any such interference. The City shall provide reasonable advanced notice prior to entry to the property and make reasonable efforts to do so during normal business hours. A party intending to exercise the right of entry shall first give to the other party reasonable prior written notice before commencement of any work on the other party's property. In the event a party's entry results in any damage to the other party's property, the same shall be repaired expeditiously at the entering party's expense.

9.08 **Prevailing Wage Required**.

(a) Prevailing Wage Standards.

(1) Basic Requirements. Tenant agrees that, with respect to any construction at or on the Premises for which prevailing wage is required by California Labor Code §1720 et seq. for work paid for in whole or in part from public funds or for "First Generation Construction Work" pursuant to the FORA Master Resolution Section 3.03.090. For the purposes of determining whether prevailing wage applies, Tenant and its contractors and subcontractors shall be considered as transferees of a FORA member agency, Tenant (and its contractors and subcontractors) shall comply with the then current Public Works Prevailing Wage Requirements, as the same may be amended from time-to-time (collectively, the "Prevailing Wage Requirements").

(2) Additional Prevailing Wage Provisions. The following provisions of this Section apply only if, and to the extent that, the Prevailing Wage Requirements are applicable:

(a) The Prevailing Wage Requirements shall apply to the employees of any employer including Tenant and any Tenant's contractor(s) or subcontractor(s), including their successors and assignees, but shall not apply to supervisory or managerial personnel or to persons employed in the operation or maintenance of the Premises.

(b) Tenant shall cause the provisions of this Section to be incorporated into each contract and subcontract for each Tenant contractor and subcontractor which would be subject to this Section. In the event the provisions are not so incorporated, Tenant shall be liable to the worker in any action for the difference between the prevailing wage rate required to be paid under the Prevailing Wage Requirements and the amount actually paid to the worker, including costs and attorney fees, as if Tenant were the actual employer.

(c) Nothing in this Lease shall prevent the employment of any number of properly registered apprentices, as defined in Chapter 4, Division 3 of the California Labor Code. Every such apprentice shall be paid not less than the standard wage paid to apprentices under the regulations of the crafts or trade at which the apprentice is employed and shall be employed only at the work of the craft or trade to which the apprentice is registered. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which the apprentice is in training. Tenant and Tenant's contractors and subcontractors shall be responsible for complying with Section 1777.5 of the California Labor Code concerning apprentice-able occupations, with respect to all work covered by that section.

(d) Tenant agrees that to the extent that Tenant and its contractors and subcontractors are required to comply with the Prevailing Wage Requirements. Tenant shall assure that all workers are

paid the prevailing rate of per diem wages, and travel and subsistence payments (defined in applicable collective bargaining agreements filed in accordance with the California Labor Code), in effect at the time the work is performed. Copies of the applicable prevailing rate of per diem wages are on file at the City's Building Division office and will be made available to any interested party on request. Tenant agrees to post a copy of the prevailing rate of per diem wages at the leased Premises.

(e) Except where the context otherwise requires, the definitions of terms and phrases contained in the California prevailing wage law, Sections 1720 et seq. of the California Labor Code, and in the implementing administrative regulations, shall apply to the same terms and phrases which are used in the Prevailing Wage Requirements of this Section 9.08.

(f) In the event a civil wage and penalty assessment is served by the Labor Commissioner, acting through the Division of Labor Standards Enforcement, on the City, the Tenant, or any contractor or subcontractor of the Tenant, as a result of the failure of Tenant or any of its contractors or subcontractors to comply with this Section 9.08, Tenant shall withhold from amounts due to the contractor or subcontractor sufficient funds to satisfy the assessment and, if the assessment becomes final, Tenant shall pay as a penalty to the City the amount determined by the Labor Commissioner in accordance with California Labor Code §1775,as the penalty assessment payable for each worker for each day, or portion thereof, such worker was paid less than the applicable prevailing wage rates for such work or craft in which such worker was employed. Further, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the Tenant or by Tenant's contractor or subcontractor. Tenant, and each affected contractor and subcontractor, shall have the right to request a review by the Labor Commissioner of the civil wage and penalty assessment served by the Labor Commissioner by transmitting a written request for review to the Labor Commissioner within sixty days after service of the assessment, and Tenant and its contractors and subcontractors shall not be obligated to pay the civil wage and penalty assessment to the City until a final written decision affirming, modifying or dismissing the assessment is issued by the Labor Commissioner.

(g) The Prevailing Wage Requirements of this Section 9.08 will be monitored and enforced by the City's Building Division. In addition to any other rights provided by California law to recover compensation, a worker that has been paid less than the prevailing wage rates shall have a right to commence an action or proceeding against the employer of the worker for the difference between the prevailing wage rates and the amount paid to such worker for each calendar day or portion thereof for which the worker was paid less than the compensation required to be paid under the provisions of this subsection. No issue other than that of the liability of the employer for the amount of unpaid wages allegedly due shall be determined in such action or proceeding, and the burden shall be on the employer to establish that the amounts demanded are not due. A worker recovering any or all of the wages claimed to be due shall recover his costs and attorney fees in securing such recovery. Nothing in this Section shall preclude its enforcement by the California Division of Labor Standards Enforcement.

(h) Tenant agrees to keep or cause to be kept by each contractor and subcontractor an accurate payroll record for each worker employed on work covered by this Section showing all of the information specified in subsection (a) of Section 1776 of the California Labor Code. All such payroll records shall be certified, available for inspection and filed monthly in accordance with the procedures

specified in subsections (b)-(e) inclusive of Section 1776 and Section 1771.4 of the California Labor Code. In addition, copies of such certified payroll records shall be filed with the City within a reasonable time not to exceed thirty days from close of payroll by the respective employer. In the event Tenant or its contractor or subcontractor fails to make the certified payroll records available for inspection within ten days of a written request made by the Labor Commissioner, acting through the Division of Labor Standards Enforcement, and a penalty assessment is served or levied by the Labor Commissioner arising out of such failure, Tenant shall forfeit as a penalty to the City a penalty assessed per calendar day, or portion thereof, for each worker determined in accordance with California Labor Code §1776, not otherwise paid to the City by the contractor or subcontractor who failed to comply with California Labor Code §1776. In accordance with California Labor Code §1813, in the event Tenant or its contractor or subcontractor requires or permits a worker to work in violation of California Labor Code Division, 2, Part 7, Chapter 1, Article 3 (payment for work in excess of eight hours in one calendar day and forty hours in one calendar week), Tenant shall forfeit as a penalty to the City the sum of Twenty-five Dollars ($25.00) for each worker so employed, provided such penalty is not otherwise collected from the contractor or subcontractor who permitted its worker(s) to work in violation of such California Labor Code provisions.

(i) It is understood and agreed that all documents that Tenant is required to submit to or file with the City under this Section shall constitute public records that shall be available to any member of the public for review or copying in accordance with the California Public Records Act and in accordance with restrictions on disclosure of personal identification information set forth in the California Labor Code.

(j) Tenant shall indemnify, defend (with counsel approved by the City) and hold the City, its officers, officials, employees, and agents harmless from and against all claims which directly or indirectly in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to the payment or requirement of payment of prevailing wages (including without limitation, all claims that may be made by contractors, subcontractors or other third party claimants pursuant to Labor Code Sections 1726 and 1781) or the requirement of competitive bidding, the failure to comply with any state or federal labor laws, regulations or standards in connection with the Lease, including but not limited to the prevailing wage laws, or any act or omission of Tenant related to this Lease with respect to the payment or requirement of payment of prevailing wages or the requirement of competitive bidding, whether or not any insurance policies shall have been determined to be applicable to any such claims. It is further agreed that City does not and will not waive any rights against Tenant that it may have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or deposit by Tenant to City of any of the insurance policies described in this Lease. The provisions of this subsection survive the expiration or earlier termination of this Lease. The indemnification obligations of Tenant as set forth in this section shall not apply to claims arising from the gross negligence or willful misconduct of the City, its officials, officers, employees or agents.

(k) Contractors or subcontractors shall not be qualified to perform work on improvements or be listed in a bid proposal for such work, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for the work, unless currently registered and qualified to perform public work pursuant to Section 1725.5 of the Labor Code.

9.09 **Performance and Labor and Material Bonds**. Before the commencement of any construction work hereunder for improvements, the City will require that Tenant, or its contractors, at no cost or expense to the City, furnish to the City the following security concerning Improvements to be constructed by or on behalf of Tenant and covering any obligation of Tenant under the Prevailing Wage Requirements provisions of this Lease:

(a) Performance Bond. A bond in cash, or securities satisfactory to the City in its sole discretion, or issued by a surety company licensed to transact business in the State of California and satisfactory to the City, in a sum of not less than 100% of any construction contract (or in the event Tenant serves as its own general contractor, 100% of the anticipated construction costs of the Tenant improvements) for the proposed Tenant improvements, payable to the City and conditioned upon full, faithful and satisfactory performance by Tenant its contractor(s) of the such Tenant improvements within the period of time specified in the construction schedule. Upon Tenant's or its contractor(s) full, faithful and satisfactory performance and completion of the such Tenant improvements, said bond shall be cancelled or returned to Tenant or contractor, as the case may be; otherwise, such part of the amount of the bond as shall be required to complete such Tenant improvements shall be payable to or retained by the City, as the case may be. In the event that said bond shall be in cash, the City shall have the right to invest and reinvest the same as it shall see fit, and any interest earned thereon during the time it is so held by the City shall accrue to and belong to the City, and Tenant or contractor shall have no interest in or claim thereto.

(b) Labor and Material Bond. A bond in cash or securities satisfactory to the City in its sole discretion, or issued by a surety company licensed to transact business in the State of California and satisfactory to the City with Tenant's contractor(s), as principal(s), in a sum not less than 100% of any construction contract (or in the event Tenant serves as its own general contractor, 100% of the anticipated construction costs of the Tenant improvements) for the proposed Tenant improvements as such costs are set forth in the estimated Tenant improvement completion costs, guaranteeing the payment for all materials, provisions, provender, supplies and equipment used in, upon, for or about the performance of said work or labor done thereon of any kind whatsoever and protecting the City from any liability, losses or damages arising therefrom.

(c) General. In the event and to the extent that Tenant obtains from Tenant's contractor(s) the bonds required hereunder which are satisfactory to the City, the City, upon application by Tenant and upon naming the City as an additional obligee of Tenant's principal and surety under such bond or bonds, shall release Tenant from and consent to the cancellation of the bond or bonds originally furnished by Tenant. It is understood and agreed that any bond which, as to the City as obligee, is conditioned upon Tenant making all necessary payments to the contractor shall not be satisfactory to the City. A combination performance and labor and material bond shall satisfy the foregoing requirements of this Section.

9.10 **No Right to Demolish**. Notwithstanding any other provisions of this Article, Tenant has no right to demolish the Tenant improvements, once built, or to remove any improvements in whole or in part, unless Tenant has received the prior written approval of the City.

9.11 **Insurance**. Before commencing any construction work and during the course of

construction, Tenant agrees to obtain, and cause its contractor(s) to be obtain, with a responsible insurance carrier authorized under the laws of the State of California to insure employees against liability for compensation under the Workers Compensation Insurance and Safety Act, compensation insurance covering full liability for compensation under said Act, for any person injured while performing any work or labor incidental to the work in or on the leased Premises. During the course of construction, Tenant shall, at its cost, keep in full force and effect a policy of builder's risk and liability insurance, including installation floater coverage, in a sum equal, from time to time, to the agreed full replacement cost of Buildings 533 prior to completion of the improvements, such amount to be provided by the City prior toc commencement of construction work plus the estimated amount to be expended for construction of the improvements. All risk of loss or damage to the improvements during the course of construction shall be on Tenant with the proceeds from insurance thereon payable to Tenant. The City and Tenant's general contractor shall be additional named insureds on Tenant's builder's risk and liability insurance.

ARTICLE 10. MAINTENANCE AND REPAIR

10.01 **City's Obligation under this Lease**. The City shall be responsible for the following maintenance and repair of Building 533 for the initial and any extended term of this Lease:

a) Maintaining and repairing, with the exception of painting, all structural elements of the building's exterior walls, surfaces and foundations.

b) Maintaining the watertight integrity of the building's exterior walls.

c) Maintain, repair, or replace as required roof coverings, gutters and drains.

d) Maintain and repair all exterior underground plumbing, drains and utility connections.

e) Maintaining in compliance with applicable law, regulations and codes, the interior fire alarm system. Any damage to the interior fire alarm system resulting from tenant misuse or negligence shall be repaired or replaced by the Tenant.

f) Maintenance of the large, aircraft hangar doors on the south facing side of Building 533.

10.02 **Tenant's Obligations under this Lease**. Tenant promptly pay its prorate share, as reasonably determined by the City, of any maintenance or repair of such portion of the leased Premises. City and Tenant shall negotiate in good faith to equitably amortize the cost of any capital repairs over the anticipated life of the repair and Tenant shall pay a proportionate share based upon the remaining term of this Lease, or any extension thereof. Failure to pay such prorate share of costs, shall be deemed a material breach of this Lease by Tenant. Tenant shall be responsible for the following maintenance and repair of Tenant's leased Premises within Building 533 for the initial and any extended term of this Lease.

a) Maintenance, repair or replacement of interior systems and components for the electrical, plumbing, ventilation, and mechanical systems.

b) Interior and exterior glass, glazing, if any, and doors damaged by Tenant or its invitees.

c) All interior walls, ceiling, floors, bathrooms, drains and other structures or components, if any.

d) All compressed air and gas line systems and components.

e) All air conditioning systems and components, if any.

f) All communication systems and components.

g) Maintaining in compliance with regulations issued by the City's Department of Public Safety, all fire sprinklers and interior safety systems alarms and controls, in addition to the requirements of Section 2.02(f).

h) All security alarm systems and components, if any.

i) Maintenance, sweeping and keeping clear of refuse, regular trash and waste removal, repair or replacement of sidewalks, driveways and asphalt parking areas as well as any damage to the building structure or components or paved surfaces caused by Tenant or its invitees.

j) General maintenance and upkeep of the leased Premises not specified herein.

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10.03 **Surrender**. On the last day of this Lease, Tenant shall surrender the leased Premises to the City in the same condition as when received, broom clean, ordinary wear and tear excepted. Tenant shall repair any damage to the leased Premises occasioned by the removal of Tenant's trade fixtures, furnishings and equipment which repair shall include the patching and filling of holes and repair of structural damage to the City's satisfaction.

ARTICLE 11. DAMAGE OR DESTRUCTION OF IMPROVEMENTS

11.01 **Destruction or Substantial Damage of Premises**.

a) If, during the initial or any extended term of this Lease, any of the insured improvements now or hereafter located on the leased Premises are substantially damaged or destroyed by a fire or other casualty (excluding earthquake or flood) beyond Tenant's control, City shall proceed with reasonable diligence to restore the leased Premises substantially to the condition thereof immediately prior to such damage or destruction; provided, however, that either party may elect to terminate this Lease by giving written notice of such election to the other party prior to commencement of restoration and not later than 30 days after the date of loss, if the necessary restoration work would reasonably require a period longer than 90 working days to complete, or City may elect to terminate

within 30 days of the date of loss if the total of the necessary restoration work would reasonably require the expenditure of more than fifteen thousand dollars ($15,000.00) including insurance proceeds. In no event will City be required to repair or replace Tenant's stock in trade, fixtures, improvements, furniture, furnishings and equipment.

(b) If, during the initial or any extended term of this Lease, any substantial damage or destruction occurs to the leased Premises and the cost to repair the damage or destruction that is not covered by insurance exceeds fifteen thousand dollars ($15,000.00), the City may terminate this Lease upon giving thirty (30) days prior written notice to the Tenant; provided, however, that the Tenant shall have the right to elect to pay the difference between the cost of repairing or restoring the damaged or destroyed improvements and fifteen thousand dollars ($15,000), in which case this Lease shall remain in full force and effect, and Tenant shall proceed with reasonable diligence to restore the Premises.

c) In no event will the City be required to make repairs for any damage caused by the willful acts or negligence of Tenant or Tenant's employees, agents, subtenants or invitees, which damage Tenant shall promptly repair, replace or restore at Tenant's sole cost and expense. Upon any termination of this Lease under this section, City and Tenant shall be released thereby without further obligation to each other, except for obligations which have theretofore accrued and are then unpaid or unperformed.

d) In the event that restoration is made pursuant to this section, this Lease shall remain in full force and effect, and City shall be entitled to and shall have possession of the necessary parts of the leased Premises for such purposes, and if there is any substantial interference with Tenant's business on account of such repairs, Tenant shall be entitled to a proportionate reduction of rent during the time that said repairs are being made from the date on which such damage occurred until the City completes repairs computed on the basis of the relation which the gross square foot area of space rendered untenantable bears to the total square footage of the Premises and the extent to which the Premises are unusable by Tenant. Should any dispute arise over the reduction of rent to which Tenant is entitled, such dispute shall be resolved according to the provisions of §17.04 of this Lease.

11.02 **Waiver**. Except as otherwise specifically provided in this section, Tenant specifically waives the provisions of §§1932 and 1933 of the California Civil Code with respect to the termination of the hiring of a thing by virtue of the perishing or destruction of the thing being hired.

ARTICLE 12. UTILITIES, GARBAGE COLLECTION & ASSESSMENT

12.01 **Provision of Utilities.** Tenant shall have the right to use the utility service facilities serving the Premises at the commencement of the Term of this Lease. The City will use its best efforts to continue all utility services, but it cannot and does not guarantee that there will be no interruptions of service and Tenant hereby waives any rights or claims it may have resulting from temporary interruptions of service. To the extent it has knowledge the City will provide notice of any work scheduled which may interrupt the utility service to the leased Premises. If City is unable to provide utility service facilities due to the imposition of any limit on consumption or on the construction of additional utility facilities, or the allocation or curtailment of utility facilities or services by law or regulation, it shall have no obligation hereunder.

12.02 **Payment of Utilities.** Tenant agrees upon entering into occupancy of the Premises to pay directly to the utility providers for all utility services provided under the terms of any contract between the Tenant and the utility provider and to pay the City or the Government a pro-rated portion for all utility services provided under the terms of any contract between the City or the Government and a utility provider serving the premises through existing lines and connections. Pro-rata charges shall be based upon a schedule determined by the City or the Government. This determination shall be based upon factors such as: the building size and type, the floor space of the leased Premises, the equipment installed by Tenant, the anticipated usage and occupancy by Tenant, and shall be adjusted by any extraordinary demand caused by the nature and type of equipment operated by Tenant as determined by the City or the Government and/or the utility provider. Tenant may be required to submit to, and cooperate with, the City and the Government in an audit investigation of the Tenant's energy usage. Tenant may appeal the City's determination of utility charges to the City Council, whose decision shall be final. Tenant will establish and submit to the City written procedures to appeal the Government's determination of utility charges.

Tenant shall be responsible to provide and pay for all new connection equipment and any fees required. Tenant shall pay all utility charges within twenty (20) days of receipt of invoice and shall provide evidence of payment when requested to do so in writing by the City. In the event Tenant fails to pay any utility bill when due, the City may, at its option, pay the same and collect from Tenant's performance deposit the amounts so disbursed, plus interest at the rate of 1½% per month or fraction thereof.

12.03 **Telephone / Internet Connectivity.** Tenant shall be responsible for providing and paying directly to the provider for telephone and internet connection to the Premises.

12.04 **Garbage/Trash Collection.** Tenant agrees to pay its pro-rated portion of charges for the building for garbage and trash collection and removal services. Charges shall be invoiced to Tenant with the invoice for utilities and will be based upon a schedule determined by the City. This determination shall be based upon factors such as: floor space of the leased Premises, the equipment installed by Tenant, the anticipated usage and occupancy by Tenant, and shall be adjusted by an extraordinary demand caused by the nature and type of Tenant's activities as determined by the City. Charges will be due and payable within fifteen (15) days of the date of the invoice. Provided, however, Tenant may appeal the City's determination of the proration of garbage or trash collection charge to the City's Airport Commission, whose decision shall be final. In the event Tenant fails to pay any bill when due, the City may, at its option, pay the same and collect from Tenant's performance deposit the amounts so disbursed, plus interest at the rate of 1½% per month or fraction thereof.

12.05 **Monterey County Water Resources Agency (MCWRA) Assessment.** Tenant agrees to pay its pro rata share of assessments levied by the MCWRA. Tenant's liability shall be an equitable portion of the MCWRA assessment for all of the land and improvements included within the parcel so assessed, such proportion to be determined by the City from the respective valuations assigned in the MCWRA's work sheets or such other information as may be reasonably available. The City's reasonable determination thereof, in good faith, shall be conclusive. Charges will be due and payable within fifteen (15) days of the date of the invoice. Provided, however, Tenant may appeal the City's determination of the proration of MCWRA assessments to the City's Airport Commission, whose

decision shall be final. In the event Tenant fails to pay any assessment when due, the City may, at its option, pay the same and collect from Tenant's performance deposit the amounts so disbursed, plus interest at the rate of 1½% per month or fraction thereof.

12.06 **Compliance with Regulations of Local Agencies**. It shall be the responsibility of the Tenant under this Lease to contact, consult and comply with any regulation applicable to Tenant's activities at the Airport which are now or may be promulgated by a local public or private utility provider or regulator having jurisdiction over activities or utility services at the Airport, including, but not limited to, the Fort Ord Reuse Authority, Monterey Regional Water Pollution Control Agency, Marina Coast Water District, Pacific Gas & Electric Company and the Monterey Bay Unified Air Pollution Control District and the Monterey County Water Resources Agency.

ARTICLE 13. INSURANCE & INDEMNIFICATION

13.01 **Insurance to be provided by the Tenant**. The Tenant shall obtain insurance coverage, as set forth in **Exhibit C** and made a part hereof, naming the City, its council, boards, commissions and members thereof, its officers, employees, volunteers and agents as an additional insured, and maintain same continuously in effect at all times during the term of this Lease:

a) **Commercial General Liability Insurance** (primary) shall be provided on ISO-CGL form No. CG 00 01 11 85 or 88 or a form approved by the City's Risk Manager including contractual liability, independent contractors, board form property damage, sudden and accidental pollution, personal injury and products and completed operations. Policy limits shall be no less than one million dollars per occurrence (i.e., nonaggregate program) for all coverage and two million aggregate. City and its Council, boards, commissions, officers, employees, volunteers and agents shall be added as additional insureds using ISO form GC 20 10 11 85 or a form approved by the City Attorney. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any employee or agent of the City and must include a severability of interest (cross liability) provision, that is, it shall act as though a separate policy were written for each insured and additional insured named in the policy.

Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractor's limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

b) **Umbrella Liability Insurance** (over primary) is required and shall apply to bodily injury/property damage, personal injury/advertising injury, contractual and products and completed operations at a minimum, and shall be in an amount of not less than two mission dollars ($2,000,000) and shall include a "drop down" provision providing primary coverage above a maximum $25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policy limits shall be not less than one million dollars ($1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies. The policy shall have starting and ending dates concurrent with the underlying coverages.

c) **Workers' Compensation/Employer's Liability** shall provide workers' compensation statutory benefits as required by law. Employer's liability limits shall be no less than one million dollars per accident or disease. Employer's liability coverage shall be scheduled under any umbrella policy described above. Unless otherwise agreed, this policy shall be endorsed to waive any right of subrogation as respects the City, its Council, boards, commissions, officers, employees or agents.

d) **Business Auto Coverage** If Tenant uses or causes to be used vehicles in connection with its use of the leased property, it shall obtain comprehensive or business automobile liability insurance with limits not less than $1,000,000.00 each occurrence combined single limit for bodily injury and property damage, including owned, non-owned and hired vehicles. Coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto) or on a form approved by the City Attorney. Limits shall be no less than one million dollars per accident. This policy shall be scheduled as underlying insurance to any umbrella policy required above for a total limit of no less than $2,000,000.00 each accident.

13.02 **Fire insurance**. The City shall obtain and maintain continuously in effect at all times during the term of this Lease, the following insurance coverage:

a) Fire and extended coverage insurance (excluding smoke pollution, or damage occasioned by earthquake or flood) on the structure and fixed improvements located on the Premises; with deductibles to be paid by the City for insured losses, in an amount equal, from time to time, to the full replacement cost of Building 533 to be determined by the City in its sole discretion during the term of this Lease. The proceeds of any such insurance may be used for rebuilding or repairing permanent improvements, subject to the provisions of Article 11 of this Lease.

b) Tenant shall reimburse the City for the full cost, if any, of all additional insurance assessments required by City's insurer due to any hazardous activities by Tenant on the leased property.

c) Tenant hereby agrees to maintain, at its own cost and expense, during the entire term of this Lease or as said term may be extended, a policy or policies of insurance against loss or damage upon its furnishings, fixtures, inventory, personal property and equipment. A certificate or certificates of Tenant's current insurance coverage must be filed with the City's Risk Manager.

13.03 **Tenant and the City further agree as follows:**

a) This Article supersedes all other sections and provisions of this Lease to the extent that any other section or provision conflicts with or impairs the provisions of this section.

b) The insurance requirements set forth in this Article are intended to be separate and distinct from any other provision in this Lease and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Lease shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Lease or any other agreement relating to the City or its operations limits the application of such insurance coverage.

Nothing contained in this Article is to be construed as affecting or altering the legal status of the parties to this Lease.

d) For purpose of insurance coverage only, this Lease will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards, performance of this Lease.

e) Requirements of specific coverage features or limits contained in this Article are not intended as a limitation on coverage limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage or a waiver of any type.

f) All general or auto liability insurance coverage provided pursuant to this Lease or any other agreements pertaining to the performance of this Lease, shall not prohibit Tenant and Tenant's employees, or agents, from waiving the right of subrogation prior to a loss. Tenant waives its right or subrogation against the City.

g) Unless otherwise approved by the City, Tenant's insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best's" Insurance Guide rating of "A:VII." Self-insurance will not be considered to comply with these requirements.

h) In the event any policy of insurance required under this Lease does not comply with these requirements or is canceled and not replaced, the City has the right but not the duty to obtain insurance it deems necessary and any premium paid by City will be promptly reimbursed by Tenant.

i) Tenant agrees to provide evidence of the insurance required herein, satisfactory to the City prior to taking any steps in furtherance of this Lease and annually upon renewal of the Tenant's business license, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional insured endorsement to Tenant's general liability and umbrella policies using ISO form CG 20 10 1 85 or a form approved by the City Attorney. Certificate(s) are to reflect that the insurer will provide 30 days' notice of any cancellation of coverage. Tenant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Tenant agrees to provide complete certified copies of policies to City within 10 days of City's request for said copies.

j) Tenant shall provide proof that policies of insurance required herein expiring during the term of this Lease have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished within 72 hours of the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Lease in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Tenant agrees to require all contractors, subcontractors or other parties hired to

perform work on the leased Premises to provide general liability insurance naming as additional insureds all parties to this Lease. Tenant agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Tenant agrees to require that no contract used by any contractor or subcontractor, will reserve the right to charge back to City the cost of insurance required by this Lease. Tenant agrees that upon request, all agreements with contractors or subcontractors or others with whom Contractor contracts with will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, its Council, commissions, officers, employees and agents.

m) Tenant agrees to provide immediate notice to City of any claim or loss against Tenant or its contractors or subcontractors that includes or potentially may include the City as a defendant. City assumes no obligation or liability by such notice but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

n) In the event of any loss that is not insured due to the failure of Tenant to comply with these requirements, Tenant agrees to be personally responsible for any and all losses, claims, suits damages, defense obligations and liability of any kind assessed or attributed to City, or City's employees as a result of such failure.

o) Coverage will not be limited to the specific location or individual or entity designated as the address of the leased Premises.

p) Tenant agrees not to attempt to avoid its defense and indemnity obligations to City and its Council, commissions, boards, employees, agents, officials and servants by using as a defense Tenant's statutory immunity under workers compensation and similar statutes.

q) Tenant agrees to require all contractors, subcontractors or parties, including architects or others, with which it enters into contracts or hires pursuant to or related in any way with the performance of this Lease, to provide insurance covering the operations contracted for and naming as additional insureds all parties to this Lease. Tenant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required here.

r) Tenant agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between the Tenant and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with Tenant or its employees.

s) Insurance requirements shall be applied uniformly to all Tenants engaged in similar-type operations at the Airport, and such requirements shall be consistent with industry standards.

13.04 **Approval of Insurance Coverage**. Upon execution of this Lease, a copy of the insurance policy or policies required herein or, in lieu thereof, the face page of such policy or policies and any endorsements which limit or otherwise affect the coverage provided therein shall be delivered by Tenant to the City Manager, or his or her designee, for approval as to form and sufficiency. When such insurance policy or policies have been so approved, Tenant may substitute for same a certificate

of insurance issued by the respective insurance company or companies certifying that such insurance policies are in full force and effect and that all liabilities arising out of this lease or Tenant's possession and use of the leased property are covered by such insurance policy or policies and a current copy of such certificate shall be provided to the City annually upon renewal of Tenant's business license. Notwithstanding any provisions to the contrary contained herein, Tenant shall not have the right to take possession of the leased property until such insurance policy or policies are filed with and approved by the City Manager.

13.05 **Review of Insurance Coverage**. City shall have the right at any time during the term of this Lease to review the type, form and coverage limits of the insurance requirements. If in the opinion of the City, the insurance provisions of this Lease are not sufficient to provide adequate protection for the City and the members of the public using the Airport, the City may require Tenant to maintain insurance sufficient to provide such adequate protection. Insurance requirements shall be applied uniformly to all Tenants engaged in similar-type operations at the Airport, and such requirements shall be consistent with industry standards. City shall notify Tenant in writing of any changes in the insurance provisions necessary to provide adequate protection. If Tenant does not deposit acceptable certificates evidencing valid insurance policies acceptable in form and content to the City, incorporating such changes, within 60 days of receipt of such notice, this Lease shall be in default. The procuring of such policy of insurance shall not be construed to be a limitation upon Tenant's liability nor as a full performance of its part of the indemnification provisions of this Lease; Tenant's obligation being, notwithstanding said policy or policies of insurance, the full and total amount of any damage, injury or loss caused by the negligence or neglect connected with the operation under this Lease.

13.06 **Indemnification**. Tenant and the City agree that City, its Council, boards and commissions, officers, employees, agents, and volunteers, should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuits, cost, expense, attorney's fees, litigation costs, defense costs, court costs or any other cost arising out of or in any way related to the matters set forth below.

Accordingly, the provisions of this indemnity provision are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to the City. Tenant acknowledges that City would not enter into this Lease in the absence of the commitment from Tenant to indemnify and protect City as set forth here.

To the full extent permitted by law, Tenant shall defend, indemnify and hold harmless the City, its Council, boards and commissions, officers, employees, agents, and volunteers, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, actual attorney fees incurred by the City, court costs, interest, defense costs, including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part to (i) the intentional act or negligence of Tenant or Tenant's employees, agents, contractors, subcontractors or invitees, (ii) any breach or default in performance of any obligation to be performed by Tenant under this Lease, or (iii) the occupancy of the Premises by Tenant and the operation of Tenant's business thereon. All obligations under this provision are to be paid by Tenant upon receipt

of notice by Tenant from the City that the City has suffered or incurred the same.

Without affecting the rights of the City under any provision of this Lease or this section, Tenant shall not be required to indemnify, defend or hold harmless City as set forth above to the extent liability is attributable to the sole negligence, gross negligence or willful misconduct of City, or officers, employees, agents, contractors, subcontractors, tenants, subtenants or volunteers of the City, provided such is determined by agreement between the parties or the findings of a court of competent jurisdiction. This exception will apply only in instances where the City is shown to have been solely or grossly negligent or to have engaged in willful misconduct and not in instances where Tenant is solely or partially at fault, or in instances where City's fault account for only a percentage of the liability involved. In those instances, the obligation of Tenant will be for that portion of the liability not attributable to the City's gross negligence or willful misconduct.

Notwithstanding the above, or anything in the Lease, the City shall not in any event, including, without limitation, the sole or gross negligence or willful misconduct of the City or any person for whom it is responsible in law, be in any way liable or responsible to the Tenant for any consequential, indirect, special, punitive or incidental loss, injury or damages of any nature whatsoever (including, without limitation, loss of income or revenue or business interruption) that may be suffered or sustained by the Tenant or its representatives, customers or any other person for whom the Tenant is responsible in law.

Tenant agrees to obtain executed indemnity agreements with provisions identical to those set forth in this Article from any assignee, contractor, subcontractor or any other person or entity involved by, for, with or on behalf of Tenant in the performance of Tenant's obligations under this Lease. In the event Tenant fails to obtain such indemnity from such third parties, as required here, Tenant agrees to be fully responsible according to the terms of this section.

Failure of the City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors and assigns of Tenant and shall survive the termination of this Lease or this Article.

ARTICLE 14. LIENS & CLAIMS

14.01 **Liens and Claims**. Tenant shall not suffer or permit to be enforced against City's title to the leased Premises, or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration, maintenance or removal as herein provided, or otherwise arising (except liens, claims or demands suffered by or arising from the actions of City).

14.02 **Tenant to Pay Liens & Claims**. Tenant shall pay all such liens, claims and demands before any action is brought to enforce same against said land; and Tenant agrees to hold City and said land free and harmless from all liability for any and all such liens, claims or demands, together with all costs and expenses in connection therewith.

14.03 **Payment of Liens & Claims by City**. Should Tenant fail or refuse to pay any lien, claim, or demand arising out of the construction, repair, restoration maintenance and use of said

Premises and the buildings and improvements thereon, or any other claim, charge or demand which Tenant has agreed to pay under the covenants of this lease, Tenant or its authorized encumbrancers, if any, shall, within 30 days written notice from City to Tenant of its said encumbrance, pay and discharge the same or shall furnish to City, in a form satisfactory to City, sufficient security for such lien, claim or demand and all costs and expenses in connection therewith. Should Tenant or its said encumbrancer within said 30 day period, not pay and discharge said lien, claim or demand, or not provide said security to City, then City may, at its option, either treat such failure or refusal as a breach of or default under this Lease, or may pay any such lien, claim, charge or demand, or settle or discharge any action therefore or judgment thereon, and all costs, expenses and other sums incurred or paid by City in connection therewith shall be repaid to City by Tenant upon written demand, together with interest thereon at the rate of 10%, per annum from the date of payment until repaid, and any default in such repayment shall constitute a breach of the covenants and conditions of this Lease.

ARTICLE 15. TRANSFERS & ENCUMBRANCES

15.01 **Sales, Assignments, Transfers, Subleases, and Encumbrances**. Tenant shall not sell, assign, transfer, or encumber this lease, any interest of Tenant in and to the leased Premises, nor sublease the leased Premises, in whole or in part, except with the consent of City, which consent shall not be unreasonably withheld. Tenant acknowledges and understands that the leased Premises are restricted to aviation/aeronautical-related uses unless a non aviation/non aeronautical use is approved by both the City and the Federal Aviation Administration. Neither shall this Lease, nor any interest of Tenant in and to the leased Premises be subject to an involuntary sale, assignment or transfer, or sale, assignment or transfer by operation of law in any manner whatsoever. Any such sale, assignment, transfer, encumbrance or sublease, whether voluntary or involuntary shall be void and of no effect and shall be a default which entitles City to terminate this Lease, Tenant's rights in and to the leased Premises, in the manner hereinafter provided by this lease.

15.02 **Tenant Affiliate**. Notwithstanding the provisions of §15.01, the Tenant may assign or sublet the Premises, or any portion thereof, with the City's consent to any corporation which controls, is controlled by or is under common control with the Tenant, or to any corporation resulting from the merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of Tenant under this Lease. Any such assignment shall not, in any way, affect or limit the liability of Tenant under the terms of this lease even if after such assignment or subletting the terms of this Lease are materially changed or altered without the consent of Tenant, the consent of whom shall not be necessary.

15.03 **No Release of Tenant**. Regardless of City's consent, no subletting or assignment shall release Tenant of Tenant's obligation or alter the primary responsibility of Tenant to pay the rent and to perform all other obligations to be performed by Tenant under this Lease. The acceptance of rent by the City shall not be deemed consent to any subsequent assignment or subletting. In the event of default by any assignee of Tenant or any successor of Tenant in the performance of any of the terms hereof, City may proceed directly against Tenant without the necessity of exhausting remedies against said assignee. City may consent to subsequent assignments or subletting of this Lease or amendments or modifications to this Lease with assignees of Tenant without notifying Tenant, and without obtaining his consent thereto and such action shall not relieve Tenant of liability under this Lease.

ARTICLE 16. HAZARDOUS SUBSTANCES

16.01 **Hazardous Materials**. "Hazardous Materials" shall include substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq., the Resources Conservation and Recovery Act; all environmental laws of the State of California, and any other environmental law, regulation or ordinance now existing or hereinafter enacted.

16.02 **Hazardous Materials Study**. Prior to, or following its occupancy of the Premises, Tenant may, at its sole cost and expense, arrange for a Hazardous Materials study of the leased property. City shall provide Tenant any documents, drawings and data in its possession relating to environmental analysis of the leased property. Tenant and City agree that, upon occupancy, the City shall have no further obligation under this Lease to remove any Hazardous Materials in or on the leased property, including any required repairs identified in any study Tenant may choose to make, prior to, or after Tenants occupancy of the leased Premises.

16.03 **Hazardous Substances**. Pursuant to Health and Safety Code §25359.7(b), Tenant shall notify City in writing within a reasonable time, of any material release of Hazardous Materials and of any hazardous substances that have come to be located beneath the Marina Municipal Airport. Tenant will comply with all applicable Hazardous Materials laws and such other reasonable rules, regulations and safeguards as may be required by the City (or any insurance carrier of the City) in connection with using, generating, manufacturing, refining, producing, processing, storing or disposing of Hazardous Materials on, under of about the leased Premises. Tenant shall, at its expense, procure, maintain in effect and comply with all conditions of any and all permits, license and other governmental and regulatory approvals required for the storage and use by Tenant of Hazardous Materials on the Premises including, without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving Building 533.

16.04 **Removal**. Prior to the expiration of this Lease, Tenant shall at its sole expense, remove all items of personal property, including but not limited to all flammable substances and Hazardous Materials and wastes as defined by state or federal law at the time of the expiration of this lease.

16.05 **Inspection of Records**. Tenant shall make available for inspection to the City, all records relating to the maintenance, release, mitigation and cleanup for any hazardous substances on the Premises.

16.06 **Notice**. Upon execution of this Lease, Tenant shall provide the City's Fire Department with a complete list of all Hazardous Materials used or to be used or stored on the Premises with total quantities of each Hazardous Material. Tenant shall notify City of changes in quantity of type within five days of change.

16.07 **Right to Inspect**. The City, in its proprietary capacity, agrees to give reasonable notice in accordance with the general laws of the City, prior to entering upon and inspecting the Premises at any time.

ARTICLE 17. GENERAL PROVISIONS

17.01 **Additional Rules & Regulations**. The City Manager/Airport Manager shall have the power to establish in writing such additional rules and regulations respecting operation of the Airport as are not inconsistent with provisions of this Lease or any applicable ordinances or laws, providing such rules and regulations are found to be necessary or convenient by the City Manager/Airport Manager for the operation of the Airport or the enforcement of the provisions of this Lease, the provisions of any and all applicable laws and ordinances, and the preservation of the public peace, health, safety and welfare; and Tenant shall comply with any and all such rules and regulations adopted in writing by the City Manager/Airport Manager. Tenant may within ten days of Tenant's receipt of any additional rule or regulation established in writing by the City Manager/Airport Manager appeal such rule or regulation to the City Council/Airport Commission, such appeal to be heard within thirty days. The decision of the City Council/Airport Commission shall be final.

17.02 **Compliance with Laws; Permits and Licenses**. Tenant's business shall be conducted and maintained in strict compliance with all applicable laws, ordinances, regulations, and other requirements of federal, state, county, city or other governmental agencies having jurisdiction over the operation of Airports. Similarly, Tenant will obtain and pay for any necessary permits, licenses and other consents for the operation of Tenant's business including a City of Marina Business License. Tenant represents and warrants that it has full power and authority to enter into this Lease and perform hereunder and holds all permits and licenses which are required by law or regulation for complete performance in accordance with the terms of this Lease.

17.03 **Independent Status**. Tenant is an independent entity. Tenant is solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. Nothing in this Lease shall be construed as creating a partnership or joint venture between City and Tenant. Neither Tenant nor its officers, employees, agents or subcontractors shall obtain any rights to retirement or other benefits which accrue to City employees.

17.04 **Dispute Resolution**. The parties agree that if any dispute arises over the interpretation or performance of this Lease, the parties will first attempt to negotiate any such dispute informally. If such informal negotiation fails, and if the parties mutually agree at the time, the parties may then submit the dispute for formal mediation to the American Arbitration Association (AAA) or the Judicial Arbitration and Mediation Services (JAMS), or such other mediation service as the parties may mutually agree upon. Expenses of such mediation shall be shared equally between the parties.

17.05 **Confidentiality**. To the extent allowed by law, the City shall not disclose Tenant's financial statement or confidential financial condition. Tenant acknowledges that the City is a municipal corporation and has limited powers to withhold information from the public.

17.06 **Attorney's Fees and Costs**. Should the dispute of the parties not be resolved by negotiation or mediation, and in the event it should become necessary for either party to enforce or interpret any of the terms and conditions of this Lease by means of court action or administrative enforcement the laws of the State of California shall govern the interpretation of the terms and conditions of this Lease and such action shall be brought in a court of proper jurisdiction in Monterey

County, the prevailing party, in addition to any other remedy at law or in equity available to such party, shall be awarded all reasonable costs and reasonable attorney's fees in connection therewith, including the fees and costs of experts reasonable consulted by the attorneys for the prevailing party.

17.07 **Litigation Involving Lease**. In the event the City is made a party to any litigation concerning this Lease or the leased Premises by reason of any act or omission by Tenant, Tenant shall hold the City harmless from all loss or liability, including reasonable attorney's fees, incurred by the City in such litigation. In case suit shall be brought for an unlawful detainer of said Premises, for the recovery of any rent due under the provisions of this Lease, or because of the breach of any other covenant or provision herein contained on the part of Tenant to be kept or performed, and the City prevails therein, Tenant shall pay to the City a reasonable attorney's fee, which shall be fixed by the court.

17.08 **Bankruptcy and Insolvency**. If Tenant shall, at any time during the term of this Lease, become insolvent, or if proceedings in bankruptcy shall be instituted by or against Tenant, or if Tenant shall be adjudged bankrupt or insolvent by any court, or if a receiver or trustee in bankruptcy or a receiver of any property of Tenant shall be appointed in any suit or proceeding brought by or against Tenant, or if Tenant shall make any assignment for the benefit of creditors, then in each and every case, this Lease and the rights and privileges granted hereunder shall immediately cease, terminate and be forfeited and canceled; provided, however, that if Tenant shall, within six days after the filing and service on Tenant of any involuntary petition in bankruptcy or for appointment of a receiver, commence proper proceedings to dismiss or deny the petition or vacate the receivership and shall expeditiously pursue and diligently exhaust all proper remedies toward that end, the bankruptcy or receivership shall not constitute a default until the entry of a final determination adverse to Tenant.

17.09 **Eminent Domain**. In the event of a total or partial taking of the leased Premises or any interest therein by a public authority under the power of eminent domain, including but not limited to any taking of Tenant's leasehold estate by City under City's power of eminent domain, then the rights of the Tenant with respect to the term, rent, and the just compensation awarded in such eminent domain proceeding shall be in accordance with the law in effect when such taking occurs.

17.10 **No Relocation Benefits**. This Lease creates no rights under the California Government Code Sections 7260 to 7277 or the Federal Uniform Relocation Assistance Act for Tenant to receive relocation assistance upon termination of this Lease.

17.1 **Force Majeure; Waiver**. Tenant shall not be in default under this Lease in the event that the activities of Tenant are temporarily interrupted for any of the following reasons: riots; war or national emergency declared by the President or Congress and affecting the City of Marina; sabotage; civil disturbance; insurrection; explosion; natural disasters such as floods, earthquakes, landslides and fires; strikes, lockouts and other labor disturbances; or other catastrophic events which are beyond the reasonable control of Tenant. "Other catastrophic events" does not include the financial ability of Tenant to perform or failure of Tenant to obtain any necessary permits or licenses from other governmental agencies or the right to use facilities of any public entity where such failure occurs because Tenant has failed to exercise reasonable diligence. It is understood and agreed to by the Tenant that the Tennant cannot, and will not, claim force majeure or request that the time for

commencement of construction or completion of the improvements be tolled the based on an economic downturn of any type.

17.12 **Abandonment**. Tenant shall not vacate or abandon the leased Premises or any part thereof at any time during the term of this Lease. If Tenant shall abandon, vacate or surrender the leased Premises or be dispossessed by process of law or otherwise, any property belonging to Tenant and left on the leased Premises shall be deemed, at the option of City, to be abandoned. Upon relinquishing possession, Tenant shall be in default of this Lease and City shall be entitled to terminate this lease, Tenant's rights in and to the leased Premises in the manner hereinafter provided by this Lease.

17.13 **Default**. Tenant shall be deemed in default under this Lease:

a) Upon breach of any of the covenants and conditions of this Lease with respect to discrimination on the grounds of race, creed, color, national origin, or sex; with respect to economic discrimination; with respect to the sale, assignment, transfer, encumbrance, or subletting of the leased Premises which is the subject matter of this Lease; with respect to the bankruptcy or insolvency of Tenant; or, with respect to any other covenant or condition of this Lease, which breach cannot be cured, immediately upon being given notice thereof by City.

b) Upon failure to pay any rent or any other consideration required under this Lease to be paid by Tenant to City within 10 days following the date those obligations are due. City may, but is not required to, provide written notice to Tenant of Tenant's failure to pay rent when due.

c) Upon failure to provide written evidence of the insurance when due, within 14 days after being given notice thereof by City.

d) Upon the breach of any of Tenant's other duties and obligations under this Lease, which breach can be cured, if such breach is not cured within thirty days after being given written notice thereof by City.

17.14 **Remedies on Default**.

a) City's Right to Terminate Lease. Upon Tenant's default of this lease, City shall have the right, without further notice, to terminate this Lease as well as Tenant's rights in and to the leased Premises, to enter upon and retake possession of the leased Premises, including all improvements thereon and facilities appurtenant thereto, by legal proceedings or otherwise, and to recover from Tenant, at the time of such termination, the excess, if any, of the amount of rent to be paid by Tenant under this Lease for the balance of the lease term over the then reasonable rental value of the leased Premises for the same period. For the purposes of this section, City and Tenant agree that the "reasonable rental value" shall be the amount of rent which City can obtain as rent for the balance of the lease term.

b) City's Right to Repossess, Operate, or Relet the Leased Premises for Tenant's Account. Upon Tenant's default under this Lease, City shall also have the right, without further notice and

without terminating this Lease, to enter upon and retake possession of the leased Premises, including all improvements thereon and fixtures appurtenant thereto, by legal proceedings or otherwise, and to take, operate, or relet the same in whole or in part for the account of Tenant at such rental, on such conditions, and to such Tenant or Tenants as City, in good faith, may deem proper, for a term not exceeding the unexpired period of the full term of this Lease. City shall receive all proceeds from rent accruing from such operating or reletting of the leased Premises and shall apply the same first to the payment of all costs and expenses incurred by City in the operation or reletting of the leased Premises and any alterations or repairs reasonably necessary to enable City to operate or relet the leased Premises, and then to the payment of all such amounts as may be due or become due under the provisions of this Lease, and the balance remaining, if any, at the expiration of the full term of this Lease or on the sooner termination thereof, by written notice of termination given by City to Tenant, shall be paid over to Tenant. In the event proceeds from rentals received by City under the provisions of this section are insufficient to pay all costs and expenses and all amounts due and becoming due hereunder, Tenant shall pay to City, on demand by City, such deficiency as may from time-to-time occur or exist. Notwithstanding any such operation or reletting without terminating this Lease, City may, at any time thereafter, elect to terminate this lease in the event that Tenant remains in default hereunder at such time.

c) City's Right to Perform. Notwithstanding any provisions as to notice of default in this Lease to the contrary, if, in City's judgment, a continuance of any default by Tenant for the full period of the notice otherwise provided for will jeopardize the leased Premises, including any improvements thereon or facilities appurtenant thereto, or the rights of City, City may, without notice, elect to perform those acts in respect of which Tenant is in default at Tenant's expense and Tenant shall thereupon reimburse City, with interest at the rate of 10% per annum, upon thirty days' written notice by City to Tenant.

d) Other Remedies. All rights, options, and remedies of City contained in this Lease shall be construed and held to be cumulative and not one of them shall be exclusive of the other, and City shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided for by law, whether or not stated in this lease.

17.15 **Waiver of Default**. Any waiver by City of a default of this Lease arising out of the breach of any of the covenants, conditions, or restrictions of this Lease shall not be construed or held to be a waiver of any succeeding or preceding default arising out of a breach of the same or any other covenant, condition, or restriction of this lease.

17.16 **City's Right of Entry**. Tenant shall permit City and any agents and employees of City to enter in and upon the leased Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of posting notices of non-responsibility for improvements, alterations, additions, or repairs, without any rebate of rent and without any liability to Tenant for any loss of occupation or quiet enjoyment of the leased Premises thereby occasioned.

17.17 **Notices**. All notices required or permitted to be given under this Lease shall be in writing and shall be personally delivered or sent by facsimile or by United States certified mail, postage prepaid, return receipt requested, addressed as follows:

To City:	City of Marina City Hall Attention: City Manager/Airport Manager 211 Hillcrest Avenue Marina, California 93933 Fax Number: (831) 384-0425
Copy to:	City Attorney City of Marina 211 Hillcrest Avenue Marina, California 93933 Fax Number: (831) 384-0425
To Tenant:	Uninsured Skydive Monterey Bay, Inc. Ms. Jacklyn Foust, President & CEO 721 Neeson Road Bldg. 533 Marina, CA 93933

or to such other address as either party may from time-to-time designate by notice to the other given in accordance with this section. Notice shall be deemed effective on the date personally served or sent by facsimile or, if mailed, three business days from the date such notice is deposited in the United States mail.

17.18 **Corporate Authority**. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the Bylaws of said corporation, and that this Lease is binding upon said corporation in accordance with its terms. If Tenant is a corporation, Tenant shall, within 30 days after execution of this Lease, deliver to the City a certified copy of a resolution of the Board of Directors or said corporation authorizing or ratifying the execution of this Lease. If Tenant is, or at any time during the initial or any extended term of this lease becomes a limited liability company, Tenant shall provide City with a certified copy of Tenant's LLC-1 articles of organization together with a certificate of the status certified by the Secretary of State. If Tenant is a general partnership, Tenant shall provide the City with a copy of the recorded statement of partnership.

17.19 **Amendment or Modification**. This Lease may be amended, altered or modified only by a writing specifying such amendment, alteration or modification, executed by authorized representatives of both of the parties hereto. In the event that the FAA requires, as a condition precedent to granting of funds for the improvement of the Airport, modifications or changes to this Lease, Tenant agrees to consent in writing upon the request of the City to such reasonable amendments, modifications, revisions, supplements or deletions of any of the terms, conditions, or requirements of the Lease as may be reasonable required to enable City to obtain FAA funds, provided that in no event shall such changes materially impair the rights of Tenant hereunder. A failure by Tenant to so consent shall constitute a breach of this Lease.

17.20 **Construction of Lease**. Whenever the singular number is used in this Lease and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders. If there shall be more than one Tenant designated in or signatory to this Lease, the obligations hereunder imposed upon Tenant shall be joint and several; and the term "Tenant" as used herein shall refer to each and every of said signatory parties, severally as well a jointly.

17.21 **Covenant & Condition**. Each term and provision of this Lease performable by Tenant shall be construed to be both a covenant and a condition.

17.22 **Time**. Time is and shall be of the essence of each term and provision of this Lease.

17.23 **Material Breach**. Each and every term, condition, covenant and provision of this Lease is and shall be deemed to be a material part of the consideration for the City's entry into this Lease, and any breach hereof by Tenant shall be deemed to be a material breach.

17.24 **Heirs, Successors and Assigns**. All of the covenants, agreements, conditions and undertakings herein contained shall, subject to the provisions as to assignments, apply to and bind the representatives, heirs, executor, administrators, successors or assigns of all the parties hereto; and all the parties hereto shall be jointly and severally liable hereunder.

17.25 **Further Actions**. Each of the parties agree to execute and deliver to the other such documents and instruments, and to take such actions, as may reasonably be required to give effect to the terms and conditions of this Lease.

17.26 **Interpretation**. This Lease has been negotiated by and between the representatives of both parties. Accordingly, any rule of law (including Civil Code §1654) or legal decision that would require interpretation of any ambiguities in this Lease against the party that has drafted it is not applicable and is waived. The provisions of this Lease shall be interpreted in a reasonable manner to affect the purpose of the parties and this Lease.

17.27 **Captions**. Titles or captions of articles and sections contained in this Lease are inserted only as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Lease or the intent of any provision of it.

17.28 **Severability**. If any of the provisions of this Lease are determined to be invalid or unenforceable, those provisions shall be deemed severable from the remainder of this Lease and shall not cause the invalidity or unenforceability of the remainder of this Lease, unless this Lease without the severed provisions would frustrate a material purpose of either party in entering into this Lease.

17.29 **Waiver**. No waiver of any right or obligation of either party hereto shall be effective unless made in writing, specifying such waiver and executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Lease on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

17.30 **Counterparts**. This Lease may be executed in two counterparts, each of which shall be deemed an original, but both of which shall be deemed to constitute one and the same instrument.

17.31 **Exhibits Incorporated**. All exhibits reference in this Lease and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Lease and any of the terms of any exhibit to the lease, the terms of the Lease shall control the respective duties and liabilities of the parties.

17.32 **Entire Agreement**. This Lease constitutes the entire and complete agreement between the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous negotiations, understandings or agreements of the parties, whether written or oral, with respect to the subject matter.

IN WITNESS WHEREOF, this Lease has been executed by the duly authorized officers or representatives of each of the parties on the date first shown above.

CITY OF MARINA,
a municipal corporation

By:_____
Layne Long, City Manager

Dated: _____

UNINSURED SKYDIVE MONTEREY BAY, INC.
a California corporation

By:_____
Ms. Jacklyn Foust, President & CEO

Dated: _____

(Pursuant to Reso. 2022-___)

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:

_____
City Attorney

DRAFT

EXHIBITS

EXHIBIT A

PLAT SHOWING LOCTIN OF BUILDING 533 AT THE AIRPORT
AND LOCATION FOR TENANT PARKING

EXHIBIT B

PLAT SHOWING INTERIOR SPACE/HANGAR BAY
UNDER LEASE

EXHIBIT C

STANDARD INSURANCE REQUIREMENTS FOR AGREEMENTS

EXHIBIT D

ARMY CORPS OF ENGINEERS' ASBESTOS SURVEY FOR BUILDING 533

EXHIBIT E

LIST/PHOTOS OF CITY EQUIPMENT, FURNISHINGS, ETC.
PRESENT ON THE PREMISES AT COMMENCEMENT OF LEASE

DRAFT

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

STATE OF _____
COUNTY OF _____

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

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

WITNESS my hand and official seal.

_____ (Seal)
Notary Public

DRAFT

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

STATE OF _____
COUNTY OF _____

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

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

WITNESS my hand and official seal.

_____ (Seal)
Notary Public

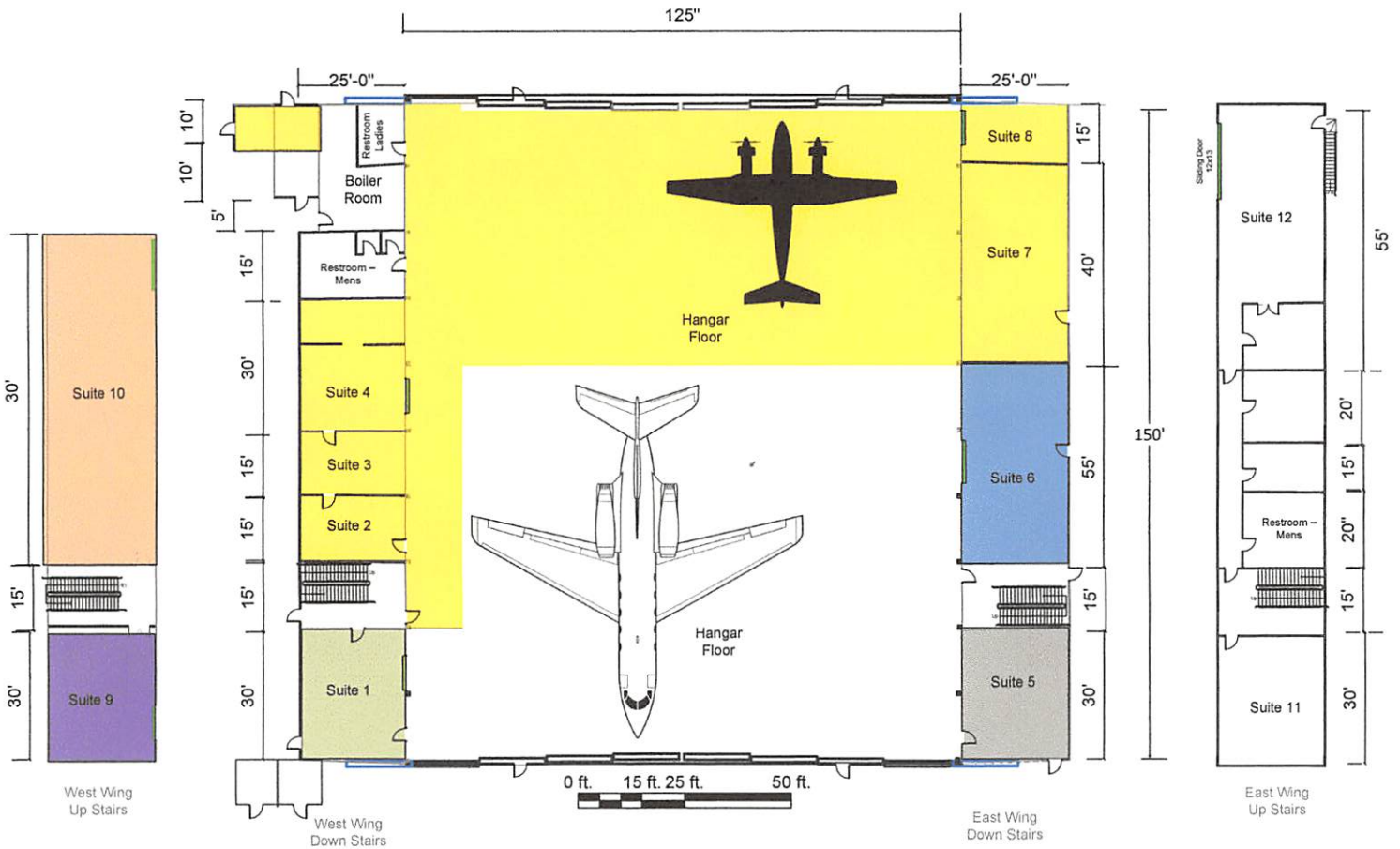
DRAFT

Exhibit A to Lease



Flight Test Hangar – Building 533

721 Neesan Rd.,Marina, CA. 93933



Building Notes:

1. Current Building Power 3Φ 208V 400A
2. 2nd floor is not ADA compliant
3. All Bathrooms except for #1 is not ADA compliant
4. Floor - broken asbestos tile glue and window putty
5. All window sealant will need to be replaced
6. No Heat in building

Exhibit C - Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the City before any work commences. The City reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the City and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the City is at risk of third party claims which may arise out of Contractor's work or presence on City premises. Contractual liability coverage is a required inclusion in this insurance.

Primary insurance shall be provided on ISO-CGL form No. CG 00 01 11 85 or 88 or on an ISO or ACORD form providing coverage at least as broad as ISO form CG 00 01 10 01 and approved in advance by the City Attorney and Risk Manager. Total limits shall be no less than one million dollars ($1,000,000) combined single limit per occurrence for all coverages. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars ($2,000,000). Contractor must give written notice to the City of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the City Attorney and Risk Manager.

City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds using ISO additional insured endorsement form CG 20 10 11 85 or forms CG 20 10 10 01 and CG 20 37 10 01. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any agent of City. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, contractual liability and completed operations at a minimum, and shall be in an amount of not less than two mission dollars ($2,000,000), and include a “drop down” provision providing primary coverage above a maximum $25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars ($1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the

underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on City premises, it is not required for simple commuting unless City is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement, primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto) or on an ISO or ACORD form providing coverage at least as broad as CA 00 01 10 01 approved by the City Attorney and Risk Manager. Coverage shall be endorsed to stated that the City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible. Limits shall be no less than one million dollars ($1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars ($1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the City, its Council, boards and commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the City Attorney and Risk Manager, is required for Contractors having exclusive use of premises or equipment owned or controlled by the City. City is to be named a Loss Payee As Its Interest May Appear in property insurance in which the City has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of City premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession is required, in a form and amount approved by the City Attorney and Risk Manager. Such insurance shall be in an amount of not less than one million dollars ($1,000,000) per claim and in annual aggregate. Contractor shall maintain such insurance in place for a period of five years following completion of work or services provided under this Agreement. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than commencement of the work or services under this Agreement.

Contractor and City further agree as follows:

a) This Exhibit supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

b) Nothing contained in this Exhibit is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Exhibit are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Exhibit are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the City.

g) Unless otherwise approved by City, Contractor's insurance shall be written by insurers authorized and admitted to do business in the State of California with a minimum "Best's" Insurance Guide Rating of "A:VII." Self-insurance will not be considered to comply with these insurance specifications.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to City Attorney and Risk Manager, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies using ISO form CG 20 10 11 85. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to City within ten days of City's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees

to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City, will be submitted to City for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of City to request copies of such agreements will not impose any liability on City, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of City. Except for policy limits applicable to Contractor's coverage for Errors and Omissions/ Professional Liability, Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to City, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

q) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with City or its employees.

r) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than two million dollars ($2,000,000) each occurrence for at least three years following substantial completion of the work.

s) City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving the Contractor ninety days advance written notice of such change. If such change should result in substantial additional cost to the Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to the City.

ASBESTOS SURVEY REPORT
CORPS OF ENGINEERS - FORT ORD INSTALLATION
BUILDING P00533

BUILDING SUMMARY

BUILDING P00533

Date(s) of Survey	6/22/92
Estimated Date of Construction	1963
Building Usage	Maintenance Hangar
Total Gross Square Footage	35,000 Sq. Ft.
Building Type	Metal
Number of Levels	1
Estimated Cost of Recommended Work Items for Asbestos-Containing Materials (CWE)	$0
Total Estimated Cost Including Additive Items (CWE)	$65,778
• Cost per Square Foot Including Additive Items (CWE)	$1.88
Friable Asbestos-Containing Materials	Breeching Insulation, Pipe Fitting Insulation
Nonfriable Asbestos-Containing Materials	Breeching Lagging, Resilient Floor Tile, Floor Tile Mastic, Pipe Fitting Insulation Lagging, Window Putty, Roof Penetration Mastic

WORK ITEM INVENTORY

BLDG./ WORK ITEM	DEI RATING	CONSTR. YEAR	TYPE OF MATERIAL	ESTIMATED QUANTITY	DESCRIPTION LOCATION	FRIABILITY	ACTION	CONTRACTOR COST
P00533 1	12	N/A	Pipe Fitting Insulation and Lagging	380 E	1st Flr Throughout Floor	Friable/Nonfriable	O&M	$0

FINDINGS: Asbestos-containing friable pipe fitting insulation and nonfriable lagging in most of the first floor rooms were in good condition. If these materials were to become damaged, asbestos fibers could be distributed to other areas of the building by natural air movement. These materials are accessible to maintenance personnel and building users who enter these areas frequently. [Bulk Sample(s) 9-18]

RECOMMENDATIONS: Inspect these materials annually as part of the O&M. Prohibit any disturbance of these materials by maintenance personnel or other building users. Care should be taken to prevent any water leaks which may loosen the materials and cause them to delaminate from the substrate. Should these materials be removed, delete this work item from the O&M. Any replacement should be performed with asbestos-free materials.

Additive cost for optional removal and replacement of this material is $17,670.

WORK ITEM INVENTORY

BLDG./ WORK ITEM	DEI RATING	CONSTR. YEAR	TYPE OF MATERIAL	ESTIMATED QUANTITY	DESCRIPTION LOCATION	FRIABILITY	ACTION	CONTRACTOR COST
P00533 2	12	N/A	Breeching Insulation and Lagging	20 LF	1st Flr Mechanical Room	Friable/Nonfriable	O&M	$0

FINDINGS: Asbestos-containing friable breeching insulation and nonfriable breeching lagging in the mechanical room were in generally good condition. If these materials were to become damaged, asbestos fibers could be distributed to other areas of the building by natural air movement. These materials are accessible to maintenance personnel who enter this area infrequently. [Bulk Sample(s) 20-23]

RECOMMENDATIONS: Inspect these materials annually as part of the O&M. Prohibit any disturbance of these materials by maintenance personnel or other building occupants. Care should be taken to prevent any water leaks which may loosen the materials and cause them to delaminate from the substrate. Should these materials be removed, delete this work item from the O&M. Any replacement should be performed with asbestos-free materials.

Additive cost for optional removal and replacement of this material is $2,250.

P00533 3	13	N/A	Resilient Floor Tile and Mastic	410 SF	1st Flr Maintenance Offices	Nonfriable	O&M	$0

FINDINGS: Nonfriable asbestos-containing 9" x 9" green resilient floor tile and associated floor tile mastic in the maintenance offices were in good condition. The floor tile, which protects the mastic in all locations, is accessible to building users; however, these materials do not pose a risk of contamination as long as they do not become damaged or deteriorated in such a way that they could release asbestos fibers into the air. [Bulk Sample(s) 2-4]

RECOMMENDATIONS: Inspect these materials biannually as part of the O&M. Prohibit any disturbance to these materials including sanding, chipping or the use of corrosive cleaning chemicals which may cause the generation of airborne asbestos fibers. Should these materials be removed, delete this work item from the O&M. Any replacement should be performed with asbestos-free materials.

Additive cost for optional removal and replacement of this material is $5,966.

WORK ITEM INVENTORY

BLDG./ WORK ITEM	DEI RATING	CONSTR. YEAR	TYPE OF MATERIAL	ESTIMATED QUANTITY	DESCRIPTION LOCATION	FRIABILITY	ACTION	CONTRACTOR COST
P00533 4	13	N/A	Window Putty	2,500 LF	1st Flr Exterior Wall	Nonfriable	O&M	$0

FINDINGS: Nonfriable asbestos-containing window putty was in good condition. This material is accessible to building users but does not pose a risk of contamination as long as it does not become damaged or deteriorated in such a way that it could release asbestos fibers into the air. [Bulk Sample(s) 7, 8]

RECOMMENDATIONS: Inspect this material biannually as part of the O&M. Prohibit disturbance to this material including sanding, chipping or the use of corrosive cleaning chemicals which may cause generation of airborne asbestos fibers. Should this material be removed, delete this work item from the O&M. Any replacement should be performed with asbestos-free materials.

Additive cost for optional removal and replacement of this material is $23,625.

BLDG./ WORK ITEM	DEI RATING	CONSTR. YEAR	TYPE OF MATERIAL	ESTIMATED QUANTITY	DESCRIPTION LOCATION	FRIABILITY	ACTION	CONTRACTOR COST
P00533 5	13	N/A	Roof Penetration Mastic	50 E	Roof	Nonfriable	O&M	$0

FINDINGS: Nonfriable asbestos-containing roof penetration mastic located on the roof in association with vents was in good condition. This material is accessible to maintenance personnel but does not pose a risk of contamination as long as it does not become damaged or deteriorated in such a way that it could release asbestos fibers into the air. [Bulk Sample(s) 27, 28]

RECOMMENDATIONS: Inspect this material biannually as part of the O&M. Prohibit any disturbance to this material which may cause the generation of airborne asbestos fibers. For any repair, removal or O&M activities, materials inseparable from the roof penetration mastic must be considered asbestos-contaminated. Should this material be removed, delete this work item from the O&M. Any replacement should be performed with asbestos-free materials.

Additive cost for optional removal and replacement of this material is $825.

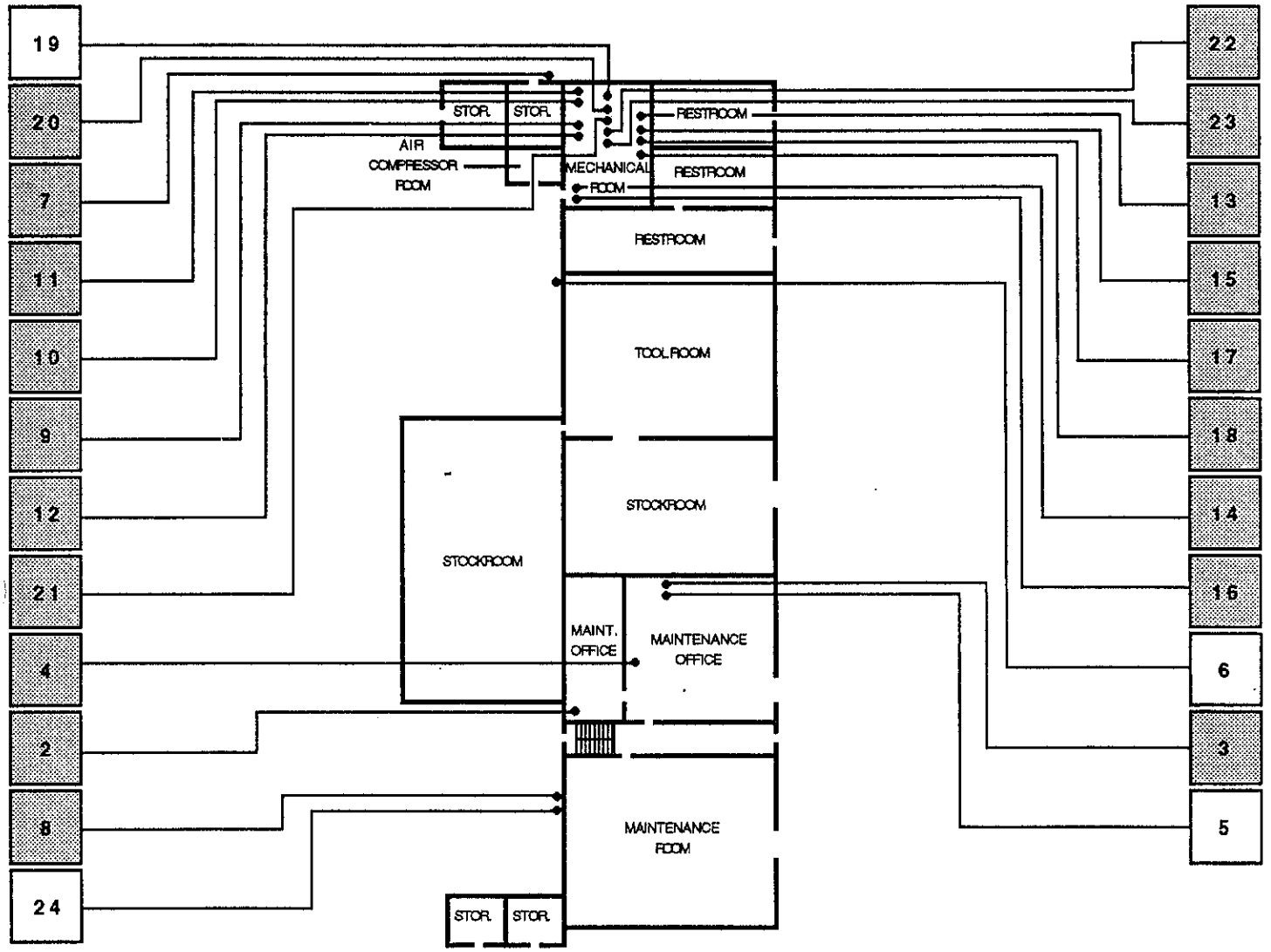
WORK ITEM INVENTORY

BLDG./ WORK ITEM	DEI RATING	CONSTR. YEAR	TYPE OF MATERIAL	ESTIMATED QUANTITY	DESCRIPTION LOCATION	FRIABILITY	ACTION	CONTRACTOR COST

WORK ITEM SUMMARY
BUILDING P00533

The work items are listed below in numerical (and DEI Rating) order, and their estimated costs have been totaled.

P00533 1	12	N/A	Pipe Fitting Insulation and Lagging	380 E	1st Flr Throughout Floor	Friable/Nonfriable	O&M	$0
P00533 2	12	N/A	Breeching Insulation and Lagging	20 LF	1st Flr Mechanical Room	Friable/Nonfriable	O&M	$0
P00533 3	13	N/A	Resilient Floor Tile and Mastic	410 SF	1st Flr Maintenance Offices	Nonfriable	O&M	$0
P00533 4	13	N/A	Window Putty	2,500 LF	1st Flr Exterior Wall	Nonfriable	O&M	$0
P00533 5	13	N/A	Roof Penetration Mastic	50 E	Roof	Nonfriable	O&M	$0
								$0



BUILDING P00533
FIRST FLOOR PLAN
SECTION A
NOT TO SCALE

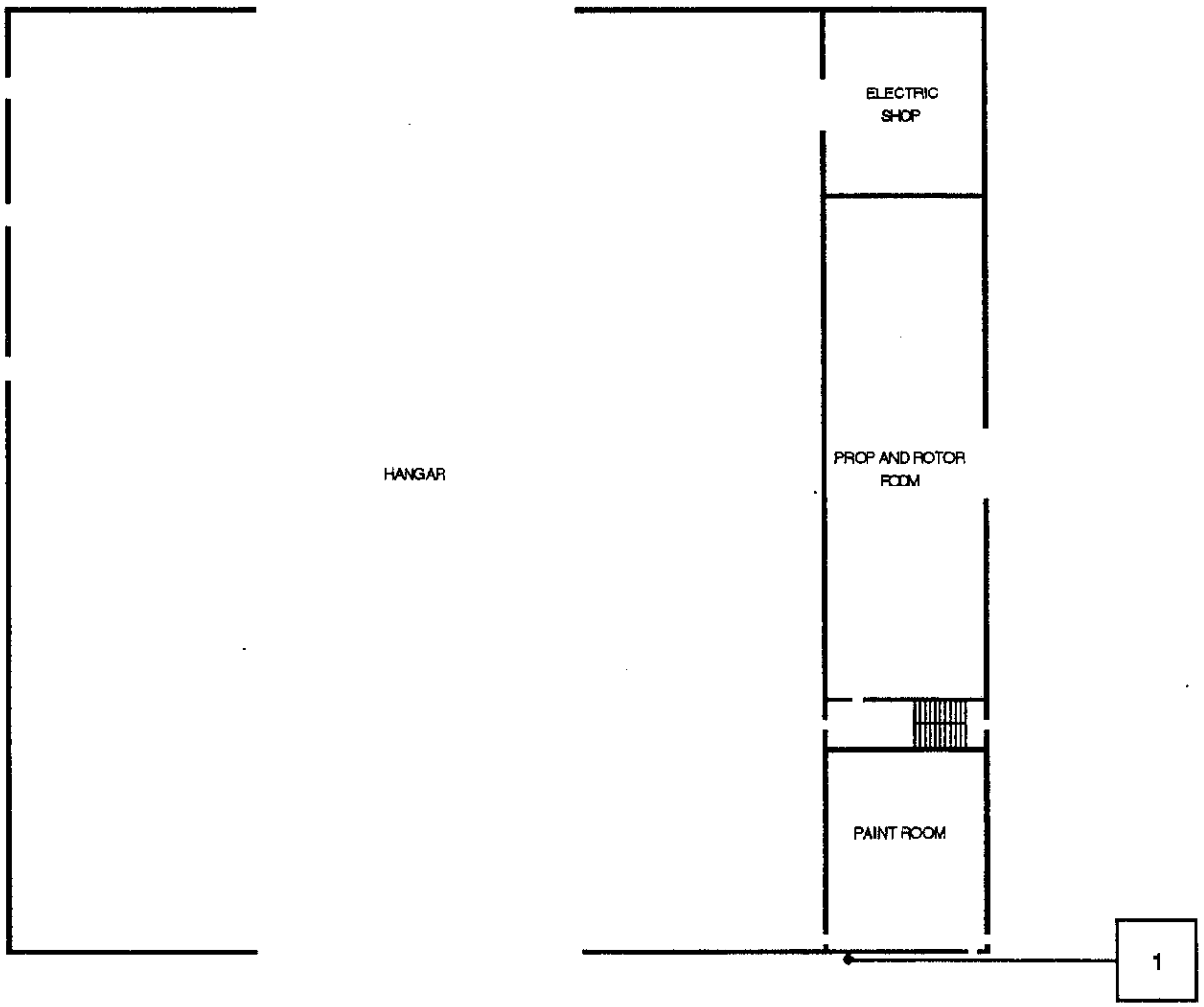
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KEY PLAN

BULK SAMPLE ASBESTOS CONTENT ▒ = >0.1% □ = NONE DETECTED

DIAGNOSTIC ENGINEERING INC.

PROJECT NO. 1A2141AB001



BUILDING P00533
FIRST FLOOR PLAN
SECTION B
NOT TO SCALE

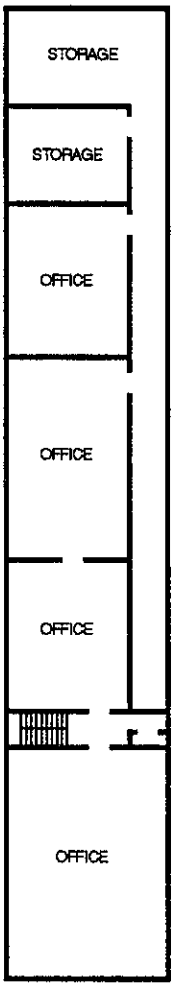
N

KEY PLAN

BULK SAMPLE ASBESTOS CONTENT ▒ = >0.1% □ = NONE DETECTED

DIAGNOSTIC ENGINEERING INC.

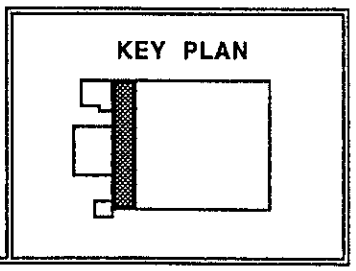
PROJECT NO. 1A2141AB001



NOTE: No Samples Taken

BUILDING P00533
MEZZANINE PLAN
SECTION A
NOT TO SCALE

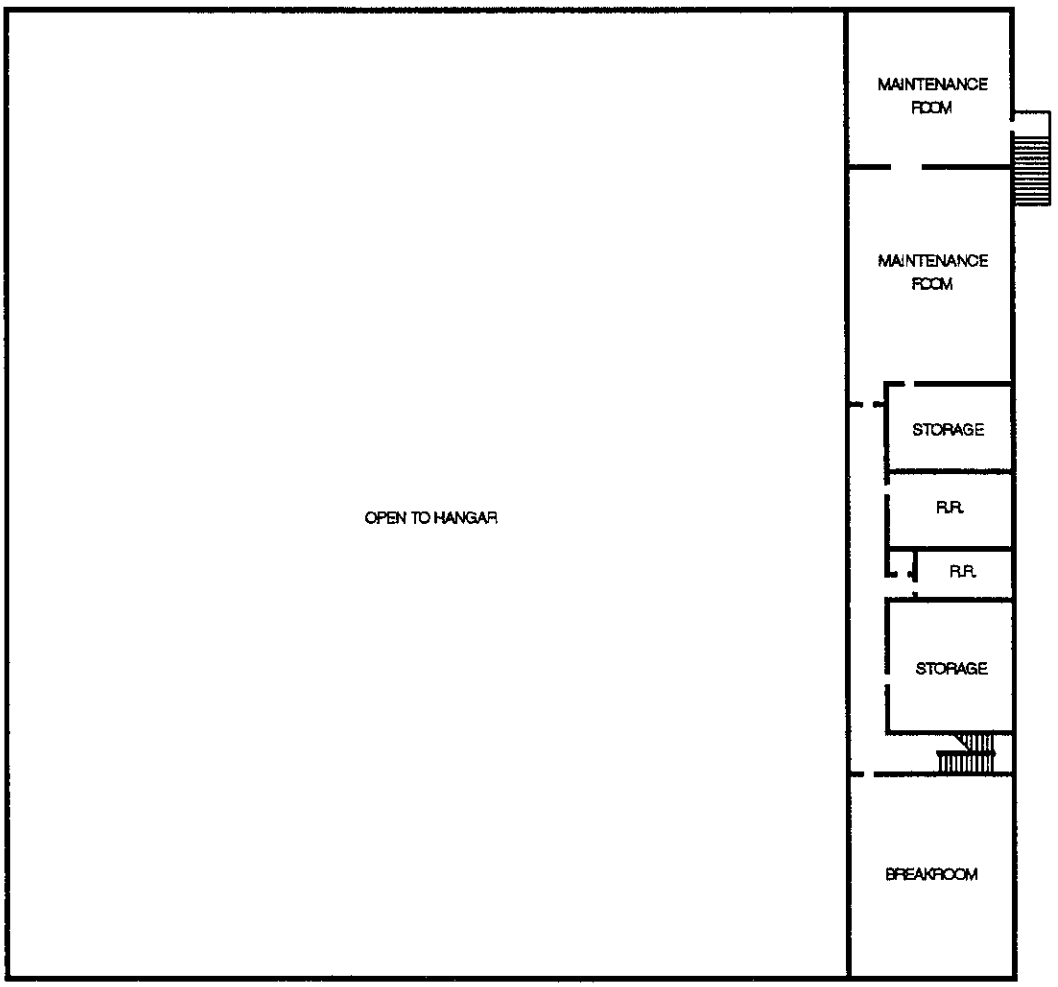




BULK SAMPLE ASBESTOS CONTENT ▒ = >0.1% □ = NONE DETECTED

DIAGNOSTIC ENGINEERING INC.

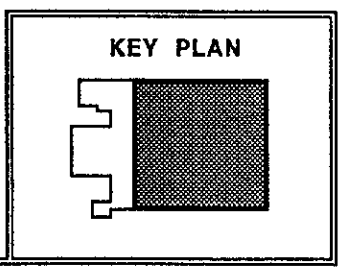
PROJECT NO. 1A2141AB001



NOTE: No Samples Taken

BUILDING P00533
MEZZANINE PLAN
SECTION B
NOT TO SCALE

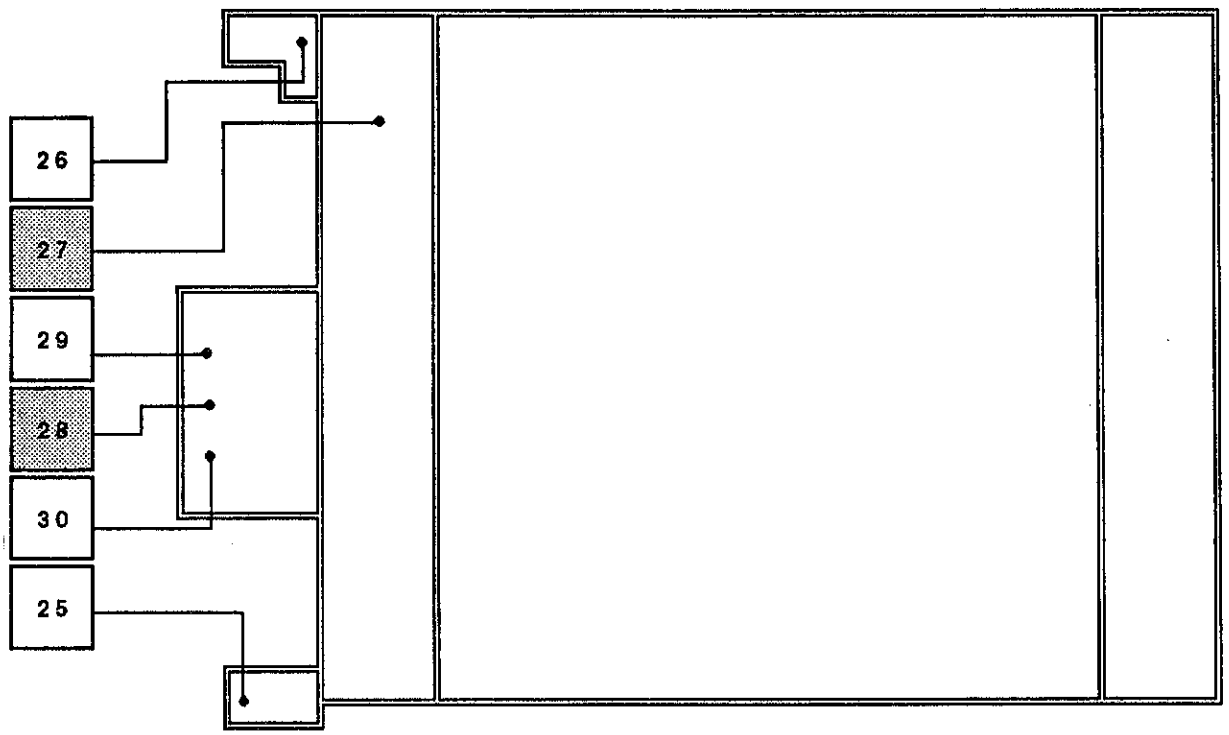




BULK SAMPLE ASBESTOS CONTENT ▒ = >0.1% □ = NONE DETECTED

AGNOSTIC ENGINEERING INC.

PROJECT NO. 1A2141AB001



BUILDING P00533
ROOF PLAN
NOT TO SCALE

N

BULK SAMPLE ASBESTOS CONTENT ▒ = >0.1% □ = NONE DETECTED

BULK SAMPLE LOG

BUILDING NO.	SAMPLE NO.	TYPE OF MATERIAL	ESTIMATED QUANTITY	FLOOR/ LEVEL	SAMPLE LOCATION	POS./ NEG.	ASBESTOS TYPE	%	FRIABILITY	DAMAGE
P00533	1	Paint	33,000 SF	1	Exterior Wall	N		N/D		
P00533	2	Resilient Floor Tile (9" x 9") Green	410 SF	1	Office	P	Chrysotile	5	Nonfriable	None
P00533	3	Resilient Floor Tile (9" x 9") Green	(R2)	1	Office	P	Chrysotile	5	Nonfriable	None
P00533	4	Floor Tile Mastic	410 SF	1	Office	P	Chrysotile	2	Nonfriable	None
P00533	5	Floor Tile Mastic	(R4)	1	Office	N		N/D		
P00533	6	Paint	(R1)	1	Exterior Wall	N		N/D		
P00533	7	Window Putty	2,500 LF	1	Exterior Wall	P	Chrysotile	2	Nonfriable	None
P00533	8	Window Putty	(R7)	1	Exterior Wall	P	Chrysotile	2	Nonfriable	None
P00533	9	Pipe Fitting Insulation Lagging (4" O.D.)	280 E	1	Mechanical Room	P	Chrysotile	10	Nonfriable	None
P00533	10	Pipe Fitting Insulation Lagging (4" O.D.)	(R9)	1	Mechanical Room	P	Chrysotile	5	Nonfriable	None
P00533	11	Pipe Fitting Insulation (4" O.D.)	280 E	1	Mechanical Room	P	Chrysotile	7	Friable	None
P00533	12	Pipe Fitting Insulation (4" O.D.)	(R11)	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	13	Pipe Fitting Insulation (4" O.D.)	(R11)	1	Mechanical Room	P	Chrysotile	10	Friable	None

(R#) denotes that the estimated material quantity for the area has been included in referenced sample number.

BULK SAMPLE LOG

BUILDING NO.	SAMPLE NO.	TYPE OF MATERIAL	ESTIMATED QUANTITY	FLOOR/ LEVEL	SAMPLE LOCATION	POS./ NEG.	ASBESTOS TYPE	%	FRIABILITY	DAMAGE
P00533	14	Pipe Fitting Insulation Lagging (6" O.D.)	100 E	1	Mechanical Room	P	Chrysotile	10	Nonfriable	None
P00533	15	Pipe Fitting Insulation Lagging (6" O.D.)	(R14)	1	Mechanical Room	P	Chrysotile	2	Nonfriable	None
P00533	16	Pipe Fitting Insulation (6" O.D.)	100 E	1	Mechanical Room	P	Chrysotile	5	Friable	None
P00533	17	Pipe Fitting Insulation (6" O.D.)	(R16)	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	18	Pipe Fitting Insulation (6" O.D.)	(R16)	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	19	Breeching Lagging (2' O.D.)	20 LF	1	Mechanical Room	N		N/D		
P00533	20	Breeching Lagging (2' O.D.)	(R19)	1	Mechanical Room	P	Chrysotile	2	Nonfriable	None
P00533	21	Breeching Insulation (2' O.D.)	20 LF	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	22	Breeching Insulation (2' O.D.)	(R21)	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	23	Breeching Insulation (2' O.D.)	(R21)	1	Mechanical Room	P	Chrysotile	10	Friable	None
P00533	24	Paint	(R1)	1	Exterior Wall	N		N/D		
P00533	25	Roofing Composite	34,000 SF	Roof	Lower Roof	N		N/D		
P00533	26	Roofing Composite	(R25)	Roof	Lower Roof	N		N/D		

(R#) denotes that the estimated material quantity for the area has been included in referenced sample number.

BULK SAMPLE LOG

BUILDING NO.	SAMPLE NO.	TYPE OF MATERIAL	ESTIMATED QUANTITY	FLOOR/ LEVEL	SAMPLE LOCATION	POS./ NEG.	ASBESTOS TYPE	%	FRIABILITY	DAMAGE
P00533	27	Roof Penetration Mastic	50 E	Roof	Roof	P	Chrysotile	15	Nonfriable	None
P00533	28	Roof Penetration Mastic	(R27)	Roof	Roof	P	Chrysotile	20	Nonfriable	None
P00533	29	Roofing Cap Sheet	1,500 SF	Roof	Roof	N		N/D		
P00533	30	Roofing Cap Sheet	(R29)	Roof	Roof	N		N/D		

(R#) denotes that the estimated material quantity for the area has been included in referenced sample number.

CURRENT WORKING ESTIMATE (CWE)

UNIT COST ESTIMATE SUMMARY

DATE PREPARED: 1/15/93 SHEET 1 OF 2

PROJECT: FORT ORD INSTALLATION BUILDING - P 00533
ASBESTOS MATERIAL ABATEMENT/REPLACEMENT

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE

[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

ITEM NO.	DESCRIPTION	RECOMMENDED ACTION	ESTIMATED QUANTITY	UNIT	COST BREAKDOWN	UNIT COST ($)	DIRECT COST ($)
W.I. 1	Pipe Fitting Insulation and Lagging	O&M	380	E	ABATEMENT	0.00	0
					REPLACEMENT	0.00	0
					ADDITIVE REMOVAL	16.00	6,080
					ADDITIVE REPLACEMENT	15.00	5,700
W.I. 2	Breeching Insulation and Lagging	O&M	20	LF	ABATEMENT	0.00	0
					REPLACEMENT	0.00	0
					ADDITIVE REMOVAL	25.00	500
					ADDITIVE REPLACEMENT	50.00	1,000
W.I. 3	Resilient Floor Tile and Mastic	O&M	410	SF	ABATEMENT	0.00	0
					REPLACEMENT	0.00	0
					ADDITIVE REMOVAL	6.20	2,542
					ADDITIVE REPLACEMENT	3.50	1,435
W.I. 4	Window Putty	O&M	2,500	LF	ABATEMENT	0.00	0
					REPLACEMENT	0.00	0
					ADDITIVE REMOVAL	3.30	8,250
					ADDITIVE REPLACEMENT	3.00	7,500
W.I. 5	Roof Penetration Mastic	O&M	50	E	ABATEMENT	0.00	0
					REPLACEMENT	0.00	0
					ADDITIVE REMOVAL	5.00	250
					ADDITIVE REPLACEMENT	6.00	300

CURRENT WORKING ESTIMATE (CWE)
UNIT COST ESTIMATE SUMMARY

DATE PREPARED: 1/15/93 SHEET 2 OF 2

PROJECT: FORT ORD INSTALLATION BUILDING – P 00533
ASBESTOS MATERIAL ABATEMENT/REPLACEMENT

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE
[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

COSTS FOR BUILDING P00533 :	DIRECT COST	CONTRACTORS' 50% MARKUP (OVERHEAD, PROFIT, BONDS)	CONTRACTOR COST	
ABATEMENT	$0	$0	$0	
REPLACEMENT	$0	$0	$0	$0
ADDITIVE REMOVAL	$17,622	$8,811	$26,433	
ADDITIVE REPLACEMENT	$15,935	$7,968	$23,903	$50,336

RECOMMENDED ITEMS:		
Building P00533 Contractor Cost		$0
INDEPENDENT MONITORING (CONTRACT)	10%	$0
SITE & UTILITIES		$0
Total Contract Cost		$0
Contingencies During Construction	10%	$0
Subtotal		$0
Supervision & Administration	8%	$0
Total Construction		$0
SUB-ALLOTMENT		$0
Total CWE Without Additives		**$0**
ADDITIVE ITEMS:		
Building P00533 Additive Contractor Cost		$50,336
INDEPENDENT MONITORING (CONTRACT)	10%	$5,034
Total Additive Contract Cost		$55,369
Contingencies During Construction	10%	$5,537
Subtotal		$60,906
Supervision & Administration	8%	$4,872
Total Additives CWE		**$65,778**
Total CWE Including All Additives		**$65,778**

UNIT COST ESTIMATE

DATE PREPARED: 1/15/93

SHEET 1 OF 1

PROJECT: FORT ORD INSTALLATION BUILDING – P 00533
ASBESTOS MATERIAL ABATEMENT

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE

[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

ITEM NO.	DESCRIPTION	ACTION	ESTIMATED QUANTITY	UNIT	UNIT COST ($)	DIRECT COST ($)
W.I. 1	Pipe Fitting Insulation and Lagging	O&M	380	E	0.00	0
W.I. 2	Breeching Insulation and Lagging	O&M	20	LF	0.00	0
W.I. 3	Resilient Floor Tile and Mastic	O&M	410	SF	0.00	0
W.I. 4	Window Putty	O&M	2,500	LF	0.00	0
W.I. 5	Roof Penetration Mastic	O&M	50	E	0.00	0

DIRECT COST	$0
CONTRACTORS' 50% MARKUP (OVERHEAD, PROFIT, BONDS)	$0
CONTRACTOR COST – ABATEMENT	**$ 0**

UNIT COST ESTIMATE

DATE PREPARED: 1/15/93

SHEET 1 OF 1

PROJECT: FORT ORD INSTALLATION BUILDING – P 00533
ABATED MATERIAL REPLACEMENT

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE

[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

ITEM NO.	DESCRIPTION	ACTION	ESTIMATED QUANTITY	UNIT	UNIT COST ($)	DIRECT COST ($)
W.I. 1	Pipe Fitting Insulation and Lagging	Replacement	380	E	0.00	0
W.I. 2	Breeching Insulation and Lagging	Replacement	20	LF	0.00	0
W.I. 3	Resilient Floor Tile and Mastic	Replacement	410	SF	0.00	0
W.I. 4	Window Putty	Replacement	2,500	LF	0.00	0
W.I. 5	Roof Penetration Mastic	Replacement	50	E	0.00	0

DIRECT COST	$0
CONTRACTORS' 50% MARKUP (OVERHEAD, PROFIT, BONDS)	$0
CONTRACTOR COST – REPLACEMENT	**$ 0**

UNIT COST ESTIMATE

DATE PREPARED: 1/15/93

SHEET 1 OF 1

PROJECT: FORT ORD INSTALLATION BUILDING – P 00533
ADDITIVE ASBESTOS MATERIAL REMOVAL

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE

[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

ITEM NO.	DESCRIPTION	ACTION	ESTIMATED QUANTITY	UNIT	UNIT COST ($)	DIRECT COST ($)
W.I. 1	Pipe Fitting Insulation and Lagging	Additive Removal	380	E	16.00	6,080
W.I. 2	Breeching Insulation and Lagging	Additive Removal	20	LF	25.00	500
W.I. 3	Resilient Floor Tile and Mastic	Additive Removal	410	SF	6.20	2,542
W.I. 4	Window Putty	Additive Removal	2,500	LF	3.30	8,250
W.I. 5	Roof Penetration Mastic	Additive Removal	50	E	5.00	250

DIRECT COST	$17,622
CONTRACTORS' 50% MARKUP (OVERHEAD, PROFIT, BONDS)	$8,811
CONTRACTOR COST – ADDITIVE REMOVAL	**$26,433**

UNIT COST ESTIMATE

DATE PREPARED: 1/15/93

SHEET 1 OF 1

PROJECT: FORT ORD INSTALLATION BUILDING – P 00533
ADDITIVE ABATED MATERIAL REPLACEMENT

LOCATION: FORT ORD, CALIFORNIA

ARCHITECT/
ENGINEER: DIAGNOSTIC ENGINEERING INC.

BASIS FOR ESTIMATE

[X] CODE A (NO DESIGN)
[ ] CODE B (PRELIMINARY DESIGN)
[ ] CODE C (FINAL DESIGN)
[ ] OTHER (SPECIFY): _____

REPORT NO. 1A2141AB001 ESTIMATOR: M. EISSINGER CHECKED BY: L. WERNER

ITEM NO.	DESCRIPTION	ACTION	ESTIMATED QUANTITY	UNIT	UNIT COST ($)	DIRECT COST ($)
W.I. 1	Pipe Fitting Insulation and Lagging	Additive Replacement	380	E	15.00	5,700
W.I. 2	Breeching Insulation and Lagging	Additive Replacement	20	LF	50.00	1,000
W.I. 3	Resilient Floor Tile and Mastic	Additive Replacement	410	SF	3.50	1,435
W.I. 4	Window Putty	Additive Replacement	2,500	LF	3.00	7,500
W.I. 5	Roof Penetration Mastic	Additive Replacement	50	E	6.00	300

DIRECT COST	$15,935
CONTRACTORS' 50% MARKUP (OVERHEAD, PROFIT, BONDS)	$7,968
CONTRACTOR COST – ADDITIVE REPLACEMENT	**$23,903**

May 26, 2022 Item No: **8g(4)**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022- AUTHORIZING STAFF TO SUBMIT A GRANT APPLICATION TO THE CALIFORNIA COASTAL COMMISSION AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE APPLICATIONS, CONTRACTS, AGREEMENTS, AND AMENDMENTS NECESSARY TO IMPLEMENT THE GRANT APPLICATION PACKAGE

REQUEST:

It is requested that City Council consider

1. Adopting Resolution No. 2022- authorizing staff to submit a grant application to the California Coastal Commission and authorize the City Manager to execute the applications, contacts, agreements, and amendments necessary to implement the grant application package.

BACKGROUND:

The City Council is asked to approve a non-competitive grant application to the California Coastal Commission (CCC). If awarded, the grant will be focused on updating and finalizing the technical coastal hazards work previously conducted, adding in a social vulnerability assessment and amending the City's Local Coastal Program (LCP) to address the coastal hazards work, update the City's mapping, including the preparation of all associated LCP amendments for adoption consideration.

The effort to update the City's LCP began in May 2017 when the City submitted an application requesting $300,000 in funding from the California Coastal Commission Grant Program (Local Assistance Grant) to prepare a comprehensive LCP update.

In August 2017 the City obtained a grant from the Coastal Commission for $85,685 to assist the City in its preparation of a *limited* update to the LCP, with a City match of $25,000 from the City's general fund. While this amount was significantly less than the $300,000 requested and the $375,000 realistically estimated by the City to complete a comprehensive LCP update, it was enough to begin the necessary work. The City hired EMC Planning Group and Revell Coastal (now Integral Consulting) to do this work. This initial phase of work produced a vulnerability assessment and an adaptation report on approaches to manage the effects of sea-level rise on coastal resources along the shoreline of Marina.

Due to the level of effort and unforeseen number of meetings necessary to get support for the work, the budget was utilized. With the onset of the COVID pandemic in March 2020 and insufficient funds in the project budget, all policy work on the LUP and IP came to a halt.

With the new Coastal Commission non-competitive funding stream, staff seeks to take advantage of these funds to reinitiate and finalize the coastal hazards work and scope out the next phase of LCP amendment efforts. The complete scope of work is included in the grant application as Exhibit A to the draft Resolution.

To complete the update, the maximum $100,000 is requested from this year's CCC non-competitive grant program. The City is under no obligation to provide matching funds in order to receive this grant.

ANALYSIS:
This application is necessary to complete the coastal hazards update to the LCP. As such, staff recommends approval of the grant application ("**EXHIBIT A**" to the Resolution).

FISCAL IMPACT:
It is estimated that the total cost to complete the coastal hazards work will be close to $100,000. The grant application is requesting the maximum available funding to reengage EMC Planning Group to complete the coastal hazards work. Should full grant awards not be received by the Coastal Commission, staff will subsequently return to Council with a revised funding strategy and appropriation request.

ENVIRONMENTAL DETERMINATION
The City of Marina determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CCR, Title 14, Chapter 3 ("CEQA Guidelines), Article 20, Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or any reasonably foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CONCLUSION:
This request is submitted for City Council discussion and possible action.

Respectfully submitted,

_____
Christy Hopper
Planning Services Manager
Community Development Department
City of Marina

REVIEWED/CONCUR:

_____
Guido F. Persicone, AICP
Community Development Director
Community Development Department
City of Marina

_____
Layne P. Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AUTHORIZING STAFF TO SUBMIT A GRANT APPLICATION TO THE CALIFORNIA COASTAL COMMISSION AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE APPLICATIONS, CONTRACTS, AGREEMENTS, AND AMENDMENTS NECESSARY TO IMPLEMENT THE GRANT APPLICATION PACKAGE

WHEREAS, the Budget Act of 2021 provides up to $31 million to support the Coastal Commission's LCP Local Assistance Grant Program which awards grants to local governments to support coastal resiliency and updates to Local Coastal Programs (LCPs); and

WHEREAS, the California Coastal Commission, under the authority of the California Coastal Act, may provide financial assistance to support coastal planning and has approved a non-competitive grant program to provide such financial assistance for LCP planning; and

WHEREAS, the goal of the grant program is to develop new or updated LCPs in conformance with the California Coastal Act and to promote coastal resiliency and address the effects of climate change; and

WHEREAS, grant proposals submitted under this grant program must complete Local Coastal Program (LCP) planning work with special emphasis on coastal resiliency and addressing the effects of climate change and sea-level rise; and

WHEREAS, the City of Marina, has an effectively certified LCP; and

WHEREAS, the City of Marina, desires to pursue a project that would result in the completion and submittal for certification by the California Coastal Commission of an Amendment to the in part; and

WHEREAS, the City of Marina commits to and agrees to fully support a planning effort intended to amend a certified LCP pursuant to the provisions of the California Coastal Act, with full public participation and coordination with the Coastal Commission staff.

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

1. Directs City of Marina staff to submit the grant application package attached hereto as Attachment 1 to the California Coastal Commission to provide financial and planning assistance, under authority of the California Coastal Act, in the amount of $100,000 to fund the project more particularly described in the grant application package ("**EXHIBIT A**").

2. Authorizes the City Manager to execute, in the name of the City of Marina, all necessary applications, contracts and agreements and amendments thereto to implement and carry out the grant application package attached hereto and any project approved through approval of the grant application.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June, 2022, by the following vote:

AYES, COUNCIL MEMBERS:
NOES, COUNCIL MEMBERS:
ABSENT, COUNCIL MEMBERS:
ABSTAIN, COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

CALIFORNIA COASTAL COMMISSION
455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

CALIFORNIA COASTAL COMMISSION
LCP LOCAL ASSISTANCE GRANT PROGRAM
NON-COMPETITIVE GRANT APPLICATION FORM

The California Coastal Commission is pleased to announce the availability of rolling grant funding to support local government coastal resiliency efforts. Funding is provided by the Budget Act of 2021, which appropriates $31 million to the Coastal Commission to support its LCP Local Assistance Grant Program. The grant program is intended to provide assistance to local governments responsible for developing and amending Local Coastal Programs. Funds may be used for projects that are designed to assist local governments in assessing impacts and planning for coastal resiliency, including adapting to the impacts of climate change and sea level rise, and which contain an LCP planning component.

As part of the recently adopted grant program updates, the Coastal Commission developed a non-competitive, rolling application process that is separate from the Commission's competitive grant rounds. **This rolling application process is designed for targeted projects up to $100,000** which have a high likelihood of success over a shorter grant term, such as a single feasibility study with targeted LCP changes. The application form and additional details are provided below. More information on eligible grantees and projects, program priorities, and evaluation criteria can be found in the recently adopted LCP Grant Program Updates.

Coastal Commission staff is available to assist during the application process. Applicants are encouraged to reach out to the LCP Grant team with any questions as they develop their applications. Contact information is provided below.

Contents

APPLICATION FORM 2
APPLICATION MATERIALS ..... **Error! Bookmark not defined.**
SUBMISSION INSTRUCTIONS 10
CONTACT INFORMATION 11
Attachment A: Sample Resolution 13
Attachment B: Application Checklist 15
Attachment C: Program Priorities and Evaluation Criteria 16

APPLICATION FORM

APPLICANT INFORMATION

Applicant name (agency): City of Marina	
Address: 211 Hillcrest Avenue, Marina, CA 93933	
Primary Contact name: Christy Hopper	Title: Planning Services Manager
Telephone: 831-884-1238	Fax: 831-384-0425
Email: chopper@cityofmarina.org	
Federal Tax ID#: 94-2321991	

Person authorized to sign grant agreement, amendments, and Request for Funds:	
Name: Layne Long	Title: City Manager
Telephone:831-884-1224	Email: llong@cityofmarina.org

PROJECT INFORMATION

Project Title: Coastal Hazard LCP Updates for Marina	
LCP/LCP Segment: City of Marina (City Segment)	
Project Location	
City/Geographic area: City of Marina	
County: Monterey	
Project Timeline	
Start date: 06/15/2022	End date: 06/15/2023

Signature:_____ Date:

Project Description.

The City of Marina's LCP was first certified by the California Coastal Commission (Coastal Commission) in 1982 and last amended in 2009. Since 2009, existing land uses in Marina have changed or are in the process of change, and statewide attention has focused on sea level rise and climate change considerations for local jurisdictions.

The effort to update the City's LCP began in May 2017 when the City submitted an application requesting $300,000 in funding from the California Coastal Commission Grant Program (Local Assistance Grant) to prepare a comprehensive LCP update. The City offered $25,000 in general fund money and $50,000 in in-kind services for staff time and materials for project management and outreach. The City realistically estimated that the total cost of the update would be $375,000. The work identified in the grant application would include updates to both the Land Use Plan and the Implementation Plan to address sustainable development, increased opportunities for coastal access and public recreation, vulnerability to climate change and sea-level rise, coastal erosion, and conservation of coastal resources consistent with the Coastal Commission's priorities and the City's General Plan.

In August 2017 the City obtained a grant from the Coastal Commission for $85,685 to assist the City in its preparation of an update to the LCP, with a City match of $25,000 from the City's general fund. While this amount was significantly less than the $300,000 requested and the $375,000 realistically estimated by the City to complete a comprehensive LCP update, it was enough to begin the necessary work. The City hired EMC Planning Group and Revell Coastal (now Integral Consulting) to do this work. This initial phase of work produced a vulnerability assessment and an adaptation report on approaches to manage the effects of sea-level rise on coastal resources along the shoreline of Marina.

The final public LCP update workshop was held in January of 2020, just before COVID. Due to the level of effort and unforeseen number of meetings necessary to get support for the work, the budget was utilized. The City then requested a cost estimate for completion of LCP work, which the team provided to the City on February 27, 2020[1]. However, with the onset of the pandemic in March 2020 and insufficient funds, all policy work on the LUP and IP came to a halt.

With the new Coastal Commission non-competitive funding stream, the City would like to reinitiate the coastal hazards work and scope out the next phase of LCP amendment efforts. This grant proposal is focused on updating and finalizing the technical coastal hazards work previously conducted, adding in a social vulnerability assessment and amending the LCP to address the coastal hazards work, update the City's mapping c, including the preparation of all associated LCP amendments for adoption consideration.

The Marina City Manager, Community Development Director, Planning Services Manager, and city council are interested in completing these tasks expeditiously to ensure that environmental justice and coastal hazards are fully addressed in the LCP, and that is consistent with the City's vision. The scope of work and identified tasks are below.

[1] https://www.latimes.com/california/story/2020-02-24/marina-sea-level-rise

Task Descriptions and Schedule.

Project Management

This task includes contract negotiation and execution, insurance compliance, administration, preparation and execution of subconsultant contracts, monthly invoices and progress memos, etc. This task also covers general communications and coordination among the EMC Planning Group team, the City, and all other involved agencies and interests throughout the LCP preparation process outside of the regularly scheduled meetings identified in the tasks below.

> **Deliverables:** Monthly invoices identifying staff, hours, rates, and amount for each task, and accompanying progress memo identifying work performed to date.

Task 1 – Project Restart

Significant time has lapsed since the City and its consulting team last worked on this project; therefore, this task would allow the City and team to reconvene with a kickoff meeting and develop a detailed work plan to align with this scope.

> **Task 1 Deliverables**: One (1) kickoff meeting. Detailed workplan and time line.

Task 2–Outreach and Engagement

An initial step in this phase of the LCP amendment will be to recommence the outreach process, including communication with stakeholders that was central to the earlier efforts.

- Participate in a project re-start meeting with City and Coastal Commission staff to discuss the LCP amendment including scope and schedule.
    - Initial meeting topics will include the City's coastal zone resources, local issues, data sources, document format, public outreach, meeting schedule, and other issues that are important at early stages of the project. The intent of the meeting will be to obtain Coastal Commission staff's early review and acceptance of the scope and have a clear understanding of Coastal Commission priorities to ensure an efficient process;
- Participate in a LCP review meeting with Coastal Commission staff.;
- Update the email notification lists, and the identification of key links to community cross sections and community engagement outreach formats or focus groups, to facilitate information flow and participation. This task will also help to identify community priorities and representation, and inform a social vulnerability assessment; and
- Provide input for updates to the City's web page throughout the LCP amendment process to obtain public input and update the public about upcoming meetings, draft documents, and the project's overall schedule and progress.

  Deliverables:. One (1) restart and one (1) LCP review meeting with Coastal Commission staff. Outreach protocol and email notification list.. The consulting team will provide updates for City staff to post on the website throughout the process.

Note: The scope does not include maintenance of the City's website.

Task 3 – Social Vulnerability Analysis and Finalize the Coastal Hazards Report

Following the completion of the project restart and reinitiating the outreach effort, the City and consultant team will complete the work necessary to amend the City's LCP to incorporate the coastal hazards and sea level rise work while also addressing environmental justice concerns to ensure equity in the planning process.

Finalize the Coastal Hazards and Sea Level Rise Report Draft LCP (incorporate comments from Workshop #4 and Coastal Commission staff comments that came in after the contract had expired). The revised document will include:

- Incorporation of environmental justice and meaningful community engagement into consideration of coastal hazards and climate change impacts and production of a social vulnerability analysis based on 2020 census augmented with additional City data;
- Edits to the technical report from outreach and the last city council hearing (Feb. 2020); and
- Update coastal zone mapping and hazards for inclusion into the City's GIS database

Task 3 Deliverables: An electronic version of the final Coastal Hazards and Sea Level Rise Report suitable for upload to the City's website by City staff.

Task 4 – LCP Amendments

Task 4 will be focused on establishing policies, programs, and implementation and making other necessary amendments to the LCP based on work completed in the previous tasks.

This task will include working with the Coastal Commission staff to revise the policies and zoning around the coastal hazards and social vulnerability findings such that future uses are consistent with the City's LCP policies. Amendments to the Implementation Plan (IP) will be done concurrently with the amendments to the Land Use Plan (LUP), as necessary. Task 4 includes the following:

Review policies and implementation;

- Identify necessary amendments/updates to the City's LCP Land Use Plan to ensure consistency with Coastal Act provisions and the Coastal Hazards and Sea Level Rise Draft LCP documents. Updates will be identified in track changes within the Land Use Plan document;
- Identify necessary amendments to implement to ensure consistency with the City's LCP Land Use Plan amendments;
- Preparation of an Administrative and Draft version of the LCP;
- Submit draft LCP amendments for Coastal Commission staff review;
- Meet with Coastal Commission staff;
- Present draft LCP amendments at a public workshop for input and discussion;
- Develop revised draft LCP amendments that addresses feedback received to date;

- Prepare the Final Coastal Hazards and Sea Level Rise Draft LCP documents (and any associated LCP amendments);
- Attend and present at the Planning Commission Hearing (LCP Coastal Hazards and LCP Amendments adoption);
- Attend and present at the City Council Hearing (LCP Coastal Hazards LCP and Amendments adoption); and
- Attend the Coastal Commission LCP Amendments (Coastal Hazards LCP and Amendments) Certification hearing and assist the City with response to questions, if needed.

Task 4 Deliverables: Administrative draft LCP amendment(s) for City and Coastal Commission staff review. Draft LCP amendment(s) for public review. Revised draft LCP amendments for adoption consideration. Final Coastal Hazards and Sea Level Rise Draft LCP documents (adoption package). Up to four (4) meetings with City and Coastal Commission staff to discuss amendments. One (1) public workshop to consider draft LCP amendments. One (1) Planning Commission Hearing. One (1) City Council Hearing. One (1) Coastal Commission Hearing.

Note: All documents will be produced as electronic format files (Word and Adobe pdf).

Task 5 - Contingency

Based on the City's experiences there is benefit to maintaining a contingency budget to accommodate changes in required scope as the project unfolds. In addition, the City is trying to update their mapping and geospatial accuracy and there are benefits to having this be consistent with the suite of GIS data that has been generated during the Coastal Hazard Assessment.

- Revisit any outstanding issues raised during public comment;
- Identify any outstanding gaps or internal inconsistencies related to work/updates done outside of this scope; and
- Support the City in fundraising (grant proposal preparation) for a full Comprehensive LCP amendment.

Schedule.

Proposed Start/End Dates:

Task 1. Project Restart	**Projected start/end dates: 6/15/22-7/31/2022**
1.1 One (1) Kickoff Meeting	
1.2 Develop Workplan and Timeline	
Outcome/Deliverables: a. Detailed Workplan and Project Timeline	a. 7/31/22
Task 2. Public Outreach and Engagement	**Projected start/end dates: 8/1/22 – 9/15/22**
2.1 Confirm Stakeholder, Solicit Input	
2.2 City and Coastal Commission Meeting	
2.3 Re-establish Outreach Protocol	
2.4 Provide LCP Updates for Webpage	
Outcome/Deliverables a. Stakeholder Input Summary b. One (1) Meeting with Coastal Commission c. Outreach Protocol and Email Notification List d. Webpage Updates	a. 9/15/22
Task 3. Finalize Coastal Hazards Report	**Projected start/end dates: 8/1/22 – 10/15/22**
3.1 Conduct a Social Vulnerability Analysis	
3.2 Final Edits to the Coastal Hazards Report	
a. Outcome/Deliverables Submission of Second Public Review Draft LCP	10/15/22
Task 4. LCP Amendments	**Projected start/end dates: 11/01/22 – 3/31/23 (up to 6/01/23)**
4.1 City, Coastal Commission, and Public Review of Amendments	
4.2 Revisions and Preparation of Final Draft for Adoption Consideration	
4.3 Up to Four (4) Meetings with Coastal Commission Staff to Discuss Amendments	

4.4 One (1) Public Workshop to Discuss Amendments	
4.5 One (1) Planning Commission Meeting to Discuss Amendments	
4.6 One (1) City Council Hearing to Discuss Amendments	
4.7 One (1) Coastal Commission Hearing to Discuss Amendments	
Outcome/Deliverables **a.** Final Draft of LCP Amendment Documents (Adoption Package)	Completion date: 3/31/23 (may run until 6/01/23 depending upon public hearing schedule)
Task 5. Contingency	

Benchmark Schedule:

ACTIVITY	COMPLETION DATE
Kickoff Meeting	7/31/22
Public Outreach and Engagement Meetings	9/15/22
Final Coastal Hazards Report	10/15/22
LCP Amendments Certification	Between 3/31/23 and 6/01/23

Application Budget Information

Funding Request: $100,000 Total Project Cost: $100,000

Jurisdiction Name	***Coastal Commission Grant Total***	***Match/Other Funds***	***Total (LCP Grant Funds + Match/ Other Funds)***
LABOR COSTS[2]			
County/City Staff Labor			
Task 1 – *Project Restart*			
Task 2 – *Public Outreach and Engagement*			
Task 3 – *Finalize Coastal Hazards Report*			
Task 4 – *LCP Amendments*			
Task 5 - *Contingency*			
Total Labor Costs			
DIRECT COSTS			
County/City Staff Project Supplies			
A			
B, etc.			
Total			
County/City Staff Travel In State[3]			
Mileage			
Hotel, etc.			
Total			
Consultants[4]/Partners			
EMC Planning/Integral			
Project Management	**12,000**		**12,000**
Task 1 – *Project Restart*	**5,000**		**5,000**
Task 2 – *Public Outreach and Engagement*	**8,000**		**8,000**
Task 3 - *Finalize Coastal Hazards Report*	**30,000**		**30,000**
Task 4 - *LCP Amendments*	**43,000**		**43,000**
Task 5 - *Contingency*	**2,000**		**2,000**
Consultants Total	**$100,000**		**$100,000**
Total Direct Costs			

[2] Amount requested should include total for salary and benefits.

[3] Travel reimbursement rates are the same as similarly situated state employees.

[4] All consultants must be selected pursuant to a bidding and procurement process that complies with all applicable laws.

Jurisdiction Name	***Coastal Commission Grant Total***	***Match/Other Funds***	***Total (LCP Grant Funds + Match/ Other Funds)***
OVERHEAD/INDIRECT COSTS[5]			
Total County/City Staff Overhead/Indirect Costs			
TOTAL PROJECT COST			**$100,000**

1. **Supplementary Information** (optional). Additional photos, maps and/or other information may be included as attachments if such materials will help illustrate or support the proposed project. This may include maps or other information identifying disadvantaged and low-income communities within the planning area; maps, photos, or other information regarding project areas identified to be significantly impacted by climate change or sea level rise; brief descriptions or links to previously completed studies or other work upon which the proposed project will build; or letters of support from relevant stakeholders.

   Please note: All photos, maps, and additional information submitted is subject to the unqualified and unconditional right of the State of California to use, reproduce, publish, or display it, free of charge. All items submitted will be considered a public record upon submittal and will be treated in accordance with Public Records Act requirements. Please indicate if credit is requested for any photos and/or maps or documents.

2. **Resolution from the Applicant's Governing Body.** Please submit a resolution that contains the following authorizations: 1) authority to submit the proposal, 2) authority to enter into a grant agreement with the California Coastal Commission if the grant is awarded, and 3) designation of the applicant's authorized representative (name and title). A sample resolution is provided as Attachment A. Resolutions should also contain clear statements of commitment to full completion of the intended grant process, including submission of applicable LCP products (LCP submittal or amendment) to the Commission for review.

SUBMISSION INSTRUCTIONS

Please submit the completed application form, including all attachments, via email to LCPGrantProgram@coastal.ca.gov. Submit all application materials combined in a single PDF file, AND submit the Project Proposal (including project description, task descriptions, schedule, and budget) as a Word document. See Attachment B for an application checklist.[6]

[5] *Indirect costs include, for example, a pro rata share of rent, utilities, and salaries for certain positions indirectly supporting the proposed project but not directly staffing it. Amount requested for indirect costs should be capped at 10% of amount requested for "Total Labor."*

[6] Please note: all information that is submitted is subject to the unqualified and unconditional right of the State of California to use, reproduce, publish, or display it, free of charge. All documents submitted will be considered a public record upon submittal and will be treated in accordance with Public Records Act requirements. Please indicate if credit is requested for any photos and/or maps.

If you are unable to submit via email, you may mail a CD and hard copy to the Coastal Commission at the address below. Please coordinate with Kelsey Ducklow via email prior to mailing hard copy application materials.

Kelsey Ducklow
California Coastal Commission
455 Market St., Suite 300
San Francisco, CA 94105

kelsey.ducklow@coastal.ca.gov

Once an application has been submitted, Commission staff will confirm it has been received, and may follow up for clarifications, additional details, or to recommend that an amended application be submitted. The Executive Director will make a final determination on grant awards within 30 days of submittal of a complete grant application. Applicants will be notified of the decision, and staff will provide an update to the Coastal Commission on awarded projects. Projects not awarded funding through the non-competitive program will still be eligible for future competitive grant rounds.

CONTACT INFORMATION

Coastal Commission staff are pleased to assist local governments during preparation of LCP grant applications. Contact information for the LCP Grant Program Team is included below. **Please note that due to the COVID-19 Pandemic, many staff members continue to work from home, so email may be the best way to contact them at this time**.

For questions on the overall grant application process, including project eligibility and funding requirements, please contact Kelsey Ducklow at: kelsey.ducklow@coastal.ca.gov or (415) 904-2335.

Questions regarding specific project proposals should be directed to the LCP grant coordinator for the respective County:

- For Northern California counties (Del Norte through San Luis Obispo), please contact Brittney Cozzolino at: brittney.cozzolino@coastal.ca.gov, or call (415) 904-5271.
- For Santa Barbara, Ventura, and Orange Counties, please contact Karen Vu at: karen.vu@coastal.ca.gov, or call (415) 904-5268.
- For Los Angeles and San Diego Counties, please contact Mary Matella at: mary.matella@coastal.ca.gov, or call (415) 904-6093

For District-specific questions, contact information for each district office is listed below.

North Coast (Del Norte, Humboldt, Mendocino Counties)

- Kate Huckelbridge, Deputy Director: kate.huckelbridge@coastal.ca.gov, (415) 396-9708
- Melissa Kraemer, District Manager: melissa.kraemer@coastal.ca.gov, (707) 826-8950

North Central Coast (Sonoma, Marin, San Francisco, San Mateo Counties)

- Dan Carl, Deputy Director: Dan.Carl@coastal.ca.gov, (831) 427-4863
- Stephanie Rexing, District Manager: stephanie.rexing@coastal.ca.gov, (415) 904-5260

Central Coast (Santa Cruz, Monterey, San Luis Obispo Counties)

- Dan Carl, Deputy Director: Dan.Carl@coastal.ca.gov, (831) 427-4863
- Kevin Kahn, District Manager: kevin.kahn@coastal.ca.gov, (831) 427-4863

South Central Coast (Santa Barbara and Ventura Counties, and the Malibu portion of Los Angeles County)

- Steve Hudson, Deputy Director: Steve.Hudson@coastal.ca.gov, (805) 585-1800
- Barbara Carey, District Manager: Barbara.Carey@coastal.ca.gov, (805) 585-1800

South Coast (Los Angeles (except Malibu) **and Orange Counties)**

- Karl Schwing, Deputy Director, Orange County: Karl.Schwing@coastal.ca.gov, (562) 590-5071
- Steve Hudson, Deputy Director, Los Angeles County: Steve.Hudson@coastal.ca.gov, (562) 590-5071
- Amber Dobson, District Manager: Amber.Dobson@coastal.ca.gov, (562) 590-5071
- Shannon Vaughn, District Manager: shannon.vaughn@coastal.ca.gov, (562) 590-5071

San Diego (San Diego County)

- Karl Schwing, Deputy Director: Karl.Schwing@coastal.ca.gov, (619) 767-2370
- Diana Lilly, District Manager: diana.lilly@coastal.ca.gov, (619) 767-2370
- Kanani Leslie, District Manager: kanani.leslie@coastal.ca.gov, (619) 767-2370

Attachment A: Marina City Council Resolution

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AUTHORIZING STAFF TO SUBMIT A GRANT APPLICATION TO THE CALIFORNIA COASTAL COMMISSION AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE APPLICATIONS, CONTRACTS, AGREEMENTS, AND AMENDMENTS NECESSARY TO IMPLEMENT THE GRANT APPLICATION PACKAGE

WHEREAS, the Budget Act of 2021 provides up to $31 million to support the Coastal Commission's LCP Local Assistance Grant Program which awards grants to local governments to support coastal resiliency and updates to Local Coastal Programs (LCPs); and

WHEREAS, the California Coastal Commission, under the authority of the California Coastal Act, may provide financial assistance to support coastal planning and has approved a non-competitive grant program to provide such financial assistance for LCP planning; and

WHEREAS, the goal of the grant program is to develop new or updated LCPs in conformance with the California Coastal Act and to promote coastal resiliency and address the effects of climate change; and

WHEREAS, grant proposals submitted under this grant program must complete Local Coastal Program (LCP) planning work with special emphasis on coastal resiliency and addressing the effects of climate change and sea-level rise; and

WHEREAS, the City of Marina, has an effectively certified LCP; and

WHEREAS, the City of Marina, desires to pursue a project that would result in the completion and submittal for certification by the California Coastal Commission of an Amendment to the in part; and

WHEREAS, the City of Marina commits to and agrees to fully support a planning effort intended to amend a certified LCP pursuant to the provisions of the California Coastal Act, with full public participation and coordination with the Coastal Commission staff.

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

1. Directs City of Marina staff to submit the grant application package attached hereto as Attachment 1 to the California Coastal Commission to provide financial and planning assistance, under authority of the California Coastal Act, in the amount of $100,000 to fund the project more particularly described in the grant application package ("**EXHIBIT A**").

2. Authorizes the City Manager to execute, in the name of the City of Marina, all necessary applications, contracts and agreements and amendments thereto to implement and carry out the grant application package attached hereto and any project approved through approval of the grant application.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June, 2022, by the following vote:

AYES, COUNCIL MEMBERS:
NOES, COUNCIL MEMBERS:
ABSENT, COUNCIL MEMBERS:
ABSTAIN, COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

Attachment B: Application Checklist

A complete Grant Application Packet includes the following components. Please submit all documents in a single PDF file as well as a Word Document of the Project Proposal details, as noted below. **It is very important to receive the PDF file and a Word document for efficiency in preparing grant agreement documents.** Thank you for your attention to these important components of the application.

- ☐ Signed LCP Grant Application Form (.pdf)
- ☐ Project Proposal (.docx)
  - Project Description, Task Descriptions, Schedule, Budget, and Supplemental Information
- ☐ Signed Resolution (.pdf)
- ☐ All documents combined into a single PDF file (.pdf)

Attachment C: Program Priorities and Evaluation Criteria

Applications for LCP local assistance planning grants will be evaluated for their ability to complete the proposed planning work. Projects selected for funding will be those that best meet the Commission's adopted program priorities and evaluation criteria, which were updated at the October 2021 hearing to reflect current planning needs.[7]

Eligible Grantees and Projects

These grants are intended to provide assistance to local governments responsible for developing and amending Local Coastal Programs, and such local governments must be the primary applicant and grantee. Coastal jurisdictions may also partner together in support of regional planning efforts and/or grant funds may be used to support relevant stakeholder groups to achieve specific project goals. Local governments are eligible to apply for projects that were not previously funded.

Eligible projects are those that are designed to assist local governments in assessing impacts and planning for coastal resiliency, including adapting to the impacts of climate change and sea level rise, and which contain an LCP planning component. Grant funds may be used for technical, economic, policy, and other analyses, feasibility studies, vulnerability assessments, adaptation plans, outreach and coordination efforts, and activities related to LCP adoption and submittal. LCP planning components may include development of a new LCP, a comprehensive LCP update, an LCP amendment (*e.g.*, updates to coastal hazards policies; incorporation of new sea level rise related policies or programs), targeted LCP changes (*e.g.*, changes to LCP policies/zoning to allow for implementation of identified sea level rise adaptation strategies or climate resiliency projects; updates to previously adopted SLR policies in response to continued planning), or similar activities undertaken through a Public Works Plan (PWP) process.

More information on eligible project types is provided in the program priorities and evaluation criteria sections below. Additional details, including project examples, may be provided in forthcoming grant application announcements.

Program Priorities

Applications will be evaluated for their ability to advance coastal resiliency efforts in the context of LCP planning. This may include:

- Completion of technical, economic, policy, or other analyses meant to assist in understanding, planning for, and adapting to climate change and sea level rise, and increasing coastal resiliency, including but not limited to general vulnerability assessments, studies to evaluate impacts based on evolving science (*e.g.*, extreme sea level rise, groundwater change), feasibility and design studies for nature-based adaptation or other specific strategies, and development of monitoring programs

[7] See: *Recommended Updates to the LCP Local Assistance Grant Program*, adopted October 15, 2021.

- Planning work and/or related studies to support development of regional, neighborhood, site, or asset specific adaptation approaches, including phased adaptation/adaptation pathways, such as for a Shoreline Management Plan, a Coastal Hazards Response Plan as required by a Coastal Development Permit, or similar
- Planning work and/or focused outreach efforts to increase public awareness and participation in climate change and sea level rise planning activities, particularly among vulnerable communities
- Planning work to address environmental justice concerns, particularly related to climate change and sea level rise planning activities, and to ensure equitable protection of coastal resources and provision of public coastal access and lower-cost recreation for everyone, regardless of race, ethnicity, socio-economic status, or place of residence
- Completion of land use plan and/or zoning work to achieve certification of a new Local Coastal Program (or an Area of Deferred Certification) or planning and/or zoning work to significantly update certified LCPs (or LCP segments) in whole or in part to provide for coastal resiliency, or to reflect changed conditions, new information and scientific knowledge, new programs and policies, or other significant changed circumstances

Evaluation Criteria

Staff will evaluate grant applications against the following selection criteria. The criteria will be considered as a whole, not weighted.

Public Benefit/Significance

The Commission will consider the extent to which the proposed project will address issues of statewide significance and maximize public benefits of the coast. These can include reducing greenhouse gases and addressing the impacts of climate change and sea level rise; preserving and enhancing coastal habitat; protecting, providing and enhancing public access; protecting priority land uses such as agriculture, coastal dependent development, or recreation; protecting and providing lower cost visitor and recreational opportunities. The Commission will consider the extent to which priority Coastal Act resources are addressed and the public benefits maximized.

Environmental Justice

In 2016, the Legislature passed AB 2616 giving the Coastal Commission explicit authority to consider environmental justice, defined in California Government Code Section 65040.12(e), as updated in 2020, as: "*The fair treatment and meaningful engagement of people of all races, cultures, incomes, and national origins with respect to the development, adoption, implementation and enforcement of environmental laws, regulations, and policies."* Low-income communities, indigenous communities, communities of color, and other marginalized communities often bear a disproportionate burden of pollution or other environmental harms, while suffering from a lack of environmental services, such as clean drinking water, clean air, and access to parks and open space. Addressing these types of disparities and barriers to

meaningful involvement is critical for ensuring that Coastal Act goals of protecting coastal resources for all are equitably fulfilled, particularly as climate change results in evolving risks, without creating new or continuing to exacerbate existing environmental burdens in environmental justice communities. The Coastal Commission will consider the extent to which environmental justice issues are addressed when evaluating grant proposals.

Addressing the Effects of Climate Change

Climate change is one of the most significant policy areas to emerge since many of the LCPs have been certified. The Commission is seeking LCP updates and amendments that address the effects of climate change, including land use, housing, transportation, and habitat restoration and conservation policies that facilitate reductions in greenhouse gases and vehicle miles traveled, as well as the planning and implementation of strategies to adapt to sea level rise and other issue areas affected by climate change, such as changes in habitats and fire hazards.

Relative Need for LCP Update

Related to the public benefits of a proposal, the Commission will consider the relative need for an LCP update, considering the length of time since an LCP or LCP segment has been updated and the significance of the issues proposed to be updated. For example, many jurisdictions seek to assess vulnerability and develop adaptation solutions to address sea level rise, fire, or other climate change impacts to critical infrastructure, residential areas, recreational amenities and open space, or significant wetland and habitat areas. Others have identified needs to reduce vehicle miles traveled, encourage smart growth, increase climate-resilient housing supply, improve public transit, and enhance pedestrian and bicycle options, particularly to and along the coast. A proposal to complete technical studies, economic analyses, mapping, public outreach, and development of LCP policies in support of these options may be important.

Likelihood of Success/Effectiveness

Overall, the success of the Commission's grant program will be measured by the progress made toward development and implementation of climate resilience strategies, including through LCP certification, update, or amendment. The Commission will consider the likelihood of success of each proposal, including evaluating the practicality, feasibility, and effectiveness of a proposed work program that may lead to successful implementation. Proposals must address the need for coordination with the public and the Commission, and provide for practicable benchmarks for development and review of studies, plans, LCP policies, and other project-specific deliverables.

Other evidence in support of this criteria may include resolutions of intent and endorsement for the proposed work from the jurisdiction and other organizations, matching funds, or other complementary efforts (see below), or other factors that may affect the likelihood that an LCP amendment will be successfully completed. Applicants will be asked to describe any LCP planning work that has been initiated or is already underway at the local level and how this grant program is needed to substantially further that effort. A resolution from the applicant

committing to completing an LCP Amendment submittal to the Commission will be required as part of the application.

For new LCP development, the local government should demonstrate its willingness and capacity to assume local coastal development permit processing. Relatedly, some areas of the coastal zone remain uncertified because the Commission and local government have been unable to reach agreement on the resolution of issues or the issue is particularly intractable. The Commission will consider the likelihood that such areas and specific policy questions can be successfully addressed, leading to certification of the area.

Project Integration/Leverage/Matching Funds

The Commission will consider the relationship of the LCP work program to other planning work being undertaken by the jurisdiction. There are several statewide grant programs underway which may positively integrate with this LCP Planning Grant program. Applicants will be asked to describe any other related grant awards (such as through past Coastal Commission grant rounds, or from the Ocean Protection Council, Coastal Conservancy, Caltrans, or the Strategic Growth Council) that may support the LCP planning work. The Commission will consider the ability to integrate and leverage any additional program funds available that could help support LCP certification, update, or amendment.

May 13, 2022 Item No: **8j(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of May 17, 2022

CITY COUNCIL TO CONSIDER RECEIVING AND FILING THE ANNUAL FINANCIAL REPORT AND THE AUDITOR GOVERNANCE LETTERS

REQUEST:
It is requested that the City Council:

1. Receive and file the City's Annual Audit for the period ending June 30, 2021; and,
2. Receive and file the City of Marina Auditor Governance Letter (SAS 114) and Management Letter (SAS 115) for the fiscal year ending June 30, 2021.

BACKGROUND:
State law requires that the City of Marina prepare annual, audited financial statements. The attached audit fulfills that requirement. The audit contains a lengthy discussion of the financial statements and substantial financial notes that discuss the City's debt, pension position, fund balance situation and other aspects of the City's financial condition. These notes are worth reading to better understand some long-term issues facing Marina. The document contains additional reports, namely:

- The Management Discussion and Analysis (MD&A) pages 16-26, which provide a detailed interpretation of the annual financial report.

- Various Statistical Tables, taken principally from past audits, shows 10-year historical tables of revenues, expenditures, population growth and other helpful statistics, allowing the reader to better understand the fiscal and demographic trends occurring in Marina.

Evaluating the City's Financial Position.
Included in the Annual Comprehensive Financial Report (ACFR) is the MD&A pages 16-26, which provides a detailed interpretation of the annual financial report. This staff report is a high-level summary that segues into the more detailed information contained in the MD&A and ACFR.

The City provides a number of different lines of business. The principle method on distinguishing the results of those business lines is the fund. The City uses three types of funds: Governmental, Enterprise and Fiduciary.

Governmental Funds are designed to show the flow of funds. Capital assets are not depreciated. Outstanding debt is not shown. As a result, the funds are sometimes called checking account statements. The net income and fund balance approximate cash.

In contrast, the ***Enterprise Funds*** include capital assets and debt. As a result, net income and fund equity cannot be thought of as cash because non-cash assets can be rather significant. In the case of Marina, housing and land assets at the Airport, Preston Park and Abrams dwarf those funds' cash.

Finally, the City has ***Fiduciary Funds*** it holds in trust to discharge a certain duty. In this case, the City is responsible for discharging the debt obligations of the City's former redevelopment agency. Two of the most basic and revealing questions that can be asked about each fund are:

- Did the fund have positive net income this past year?; and,
- Does the fund have cash reserves or available fund balance?

The net income question is important because if a fund always has positive net income, it is in a sustainable condition; the fund will be able to maintain the services it provides over the long run. In contrast, a negative net income can be sustained for a limited time but should give the reader pause to understand if the negative net income is a short-term condition or a structural condition that needs to be addressed.

Fund balance, or available cash, is important to consider because such resources allows a fund to temporarily operate and fund negative net income of losses. (Cash is examined in Enterprise Funds instead of Fund Equity because Enterprise Funds frequently have a large portion of their equity tied up in fixed assets, something that cannot easily be converted to something else.) This may occur due to large outlays in capital projects for which the City has accumulated assets or to cover sudden drops in income due to recessions which may cause revenues to decline.

Governmental Funds – fund balance

Table 1 – Fund Balance of Governmental Funds as of June 30, 2021 (in thousands)

	Major Funds					
	General Fund	Impact Fee Fund	FORA Dissolution Fund	Abrams B Debt Service Fund	Nonmajor Governmental Funds	Total
Total Revenues	$ 29,750	$ 4,328	$ 830	$ 741	$ 3,140	$ 38,789
Total Expenditures	24,546	-	1,442	732	4,620	31,340
Revenues Over (Under) Expenditures	5,204	4,328	(612)	9	(1,480)	7,449
Transfers In	148	-	-	-	5,674	5,822
Transfers Out	(2,729)	(755)	-	-	(1,506)	(4,990)
Net Change in Fund Balances	2,623	3,573	(612)	9	2,688	8,281
Beginning Fund Balances	24,506	13,211	11,962	442	13,687	63,808
Ending Fund Balances	$ 27,129	$ 16,784	$ 11,350	$ 451	$ 16,375	$ 72,089

At the close of Fiscal Year 2020-21, the City of Marina's governmental funds reported combined fund balances of $72.1 million, an increase of $8.3 million in comparison with the prior year. $2.6 million was attributed to excess revenues over expenditures within the General Fund.

General Fund – fund balance

As of June 30, 2021, the unassigned fund balance of the general fund was $15.4 million, as shown in Table 2. The unassigned fund balance includes the Fiscal Year 2019-20 sale of land totaling $6.3 million. The total General Fund fund balance increased to $27.1, an increase of $2.6 million, or 11%, from the prior year and is mostly a result of high revenues for all major categories, including property tax, sales tax, and transient occupancy tax. Approximately ½ of all the City's revenues are in the General Fund. The FY 2020-21 General Fund amended budget called for a deficit of $1.3 million while the general fund ultimately produced a surplus of $1.7 million. $11.5 million of the total fund balance is committed.

Table 2 – GF Fund Balance Components as of June 30, 2021.

Fund Balances:	
Restricted:	
Transportation	-
Streets & special districts	-
Community development	-
Recreation	-
Capital projects	-
Debt service	-
Other	235,609
Total restricted	235,609
Committed:	
Capital projects	-
Public education	-
Emergency Reserve	4,507,924
Facilities Repairs	500,000
Compensated Absences	400,000
Community Improvements	641,268
General Plan Update	125,000
Vehicle & Equipment Replacement	2,754,759
OPEB	200,000
Pension Stabilization	2,050,000
Library Maintenance	278,539
Total committed	11,457,490
Unassigned	15,435,737
Total fund balances	27,128,836

While the unassigned fund balance is a positive sign for the city as we continue to navigate the COVID-19 pandemic, the most current unassigned fund balance is closer to $6.1 million, largely due to Fiscal Year 2021-22 and 2022-23 budgetary commitments. The bulk of FY 21/22 budget commitments were the use of the $6.3 million in land sales proceeds towards downtown vitalization, including Del Monte Blvd median improvements, as well as improvements to Glorya Jean Tate Park, Locke-Paddon Park and playground improvements at Windy Hill Park and Preston Park. Table 3 shows a reconciliation of unassigned fund balance, which includes commitments made in our revised biennial budget as well as necessary increases to our emergency reserve to ensure the city meets its 20% emergency reserve target.

Table 3 – General Fund Unassigned Fund Balance Reconciliation

Unassigned FB, 6/30/21	**15,435,737**
FY 21/22 Revised Budget	(7,858,425)
FY 22/23 Revised Budget	(19,137)
Emergency Reserve Increase	(1,459,311)
Unassigned FB, 6/30/23 (est.)	**6,098,864**

Impact Fee Fund

The Impact Fee Fund collects impact fees from developers to pay for needed infrastructure due to development. The Impact Fee Fund balance increased by $3.6 million for the year. The Council receives an annual report detailing the available funds for each of the City's impact fees as well as what projects need to be constructed from those funds. As a result, no further action is needed by Council to manage these funds other than consider these funds and which projects should be constructed at budget deliberation time.

FORA Dissolution Fund

This fund is used to account for resources received from the Fort Ord Reuse Authority upon dissolution for Community Development and Habitat Management. The fund balance decreased by $612 thousand for the year.

Abrams Debt Service

This fund collects debt service contributions and makes annual debt service payments. In the case of Abrams, the Abrams Enterprise Fund transfers the annual debt service payment to the Abrams debt service fund.

All Other Nonmajor Governmental Funds

The City has another 19 special revenue funds. Most are very limited such as monies collected from the cable company to pay for Public Educational and Governmental (PEG) cable programming. However, three funds, Gas Tax, Measure X and SB 1 or Road Maintenance and Rehabilitation Fund, are funds now available for road maintenance and construction. Staff will continue to pursue a financing instrument to leverage ongoing Measure X revenues to receive upfront proceeds.

Additionally, the Capital Projects Fund receives cash from other funds and/or grants which are held by that fund until a capital project is completed. If the project costs more than budgeted, the funding sources must transfer in additional resources to complete the project. If the project costs less, then resources are transferred back to the originating fund. As result, any fund balance is committed to the projects approved by Council. The objective of this fund is to ensure that sufficient resources are transferred into the fund for its capital projects. Fund balance for this fund increased by $1.6 million for the year.

A more detailed schedule of Nonmajor Governmental Funds can be found in the supplementary information section of the ACFR

Enterprise Funds – fund balance

	Enterprise Funds			
	Marina Municipal Airport Fund	Preston Park Housing Fund	Abrams B Housing Fund	Total
Total Revenues	1,843	7,070	3,639	12,552
Total Expenditures	1,893	4,804	2,876	9,573
Operating income (loss)	(50)	2,266	763	2,979
Total nonoperating revenues(expenses)	13	(1,473)	(289)	(1,748)
Capital contributions	463	-	-	463
Transfers in	12	-	-	12
Transfers out	(844)	-	-	(844)
Change in Net Position	(406)	793	474	861
Beginning Net position	48,135	2,887	3,251	54,273
Ending Net Position	$ 47,729	$ 3,680	$ 3,725	$ 55,134

Net position of total Enterprise funds grew $861 thousand from prior year. Total operating revenue for business-type activities was $12.6 million and total operating expenses for business type activities was $9.6 million.

Airport

The airport operation is accounted for as a business, to be supported by its own revenues and generate sufficient cash to maintain its capital plant. The fund had negative net income this past year, of $406,000. But the negative net income occurred after absorbing a $742,000 depreciation charge as well as a transfer to the Airport Capital Project Fund of $844,000. Actual cash increased by almost $90,000. If the Airport can expect to receive Federal Aviation grants in the future, a slight negative income amount is acceptable.

Abrams and Preston Park.

Although these two housing funds are reported separately, they are managed by the same third-party administrator and operationally appear the same. They are separated due to how each asset was originally acquired.

The main issue with these two funds is whether or not the funds are sustainable. Because these funds' underlying assets were purchased at below market prices, their capital carrying costs do not properly reflect the assets' value. Further, it is difficult to determine if the funds are investing amounts back into the properties to maintain the assets. As a result, staff conducted an internal study several years ago and determined at the time that the funds appear to sustainable and that Preston Park, which has a $36 million note coming due February 1, 2026, is on a path to be able to refinance the property with a fully amortized loan.

Successor Agency - Fiduciary Fund

A fallout of the dissolution of Redevelopment was that the City became the custodian of the former Redevelopment Agency of Marina. The non-housing portion of the former redevelopment agency has financial obligations to pay, the largest obligation being the funding of tax increment payments to Marina Community Partners for developments at the Dunes. In fact, in July of 2018 and May of 2020, the former redevelopment agency issued tax increment financing to partially fund this obligation. The City will receive tax increment payments to pay these obligations until the obligations are extinguished. The City's General Fund will have no liability for this debt.

Audit Summary

The City of Marina has substantially improved its fiscal position. The General Fund has more ongoing, available revenues and $6.1 million in one-time available fund balance. The challenge is to now decide how to deploy its resources to best meet the needs of the community.

Management Letters

After each fiscal year, independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the City's and Agency's Annual Financial Reports are prepared and issue their opinion on the basic financial statements contained in the reports. The City's independent auditors, Chavan and Associates, LLP, performed these tasks and issued an unqualified ("clean") opinion for the financial reports of fiscal year ended June 30, 2021.

Professional standards require that the auditors provide the City two (2) additional letters, specifically the "Governance Letter (SAS 114)" and "Management Letter of Comments (SAS 115)."

ANALYSIS:

The Governance Letter (SAS 114) includes discussion regarding the auditors' responsibility, City accounting practices, difficulties and/or disagreements encountered, corrected and/or uncorrected misstatements, management representation, management consultation with other independent accountants and other audit findings or issues ("**EXHIBIT B**"). Nothing adverse was noted in the letter.

The Management Letter of Comments (SAS 115) includes suggestions for improvements to the City's internal controls ("**EXHIBIT C**") for one area. Auditors made note that cash and investment reconciliations should be completed in a timely manner so as not to delay year-end closing procedures which also produces additional adjusting entries. The auditors previously identified an ideal timeline for completing bank reconciliations on a monthly basis and a quarterly basis if resources were not sufficient to complete monthly. Finance has identified several strategies to improve its performance. To fully carry out those strategies, the department must be fully staffed. When positions go unfilled, the ability to accomplish all the responsibilities of Finance is diminished and may lead to less than desired outcomes.

Lastly, the auditors identified upcoming accounting pronouncements which may have significant impacts on the City's financial statements. Staff continue to analyze these statements and will incorporate into future financial statements.

FISCAL IMPACT:

The audit indicates that the various actions the City has taken over the last seven years have significantly improved the City's fiscal condition.

CONCLUSION:

The City's fiscal position is markedly improved from seven years ago. The challenge for the City will be weigh all the competing demands upon the City and addressing those demands in a strategic manner.

Respectfully submitted,

_____

Juan Lopez
Finance Director
City of Marina

REVIEWED/CONCUR:

_____

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA RECEIVING AND FILING THE CITY OF MARINA COMPREHENSIVE ANNUAL FINANCIAL REPORT AND AUDITOR'S GOVERNANCE LETTER (SAS 114), CITY AUDITOR'S MANAGEMENT LETTER OF COMMENTS (SAS 115) FOR THE FISCAL YEAR ENDED JUNE 30, 2021.

WHEREAS, after each fiscal year independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the City's Annual Financial Reports are prepared ("Exhibit A"), and issue their opinion on the basic financial statements contained in the reports, and;

WHEREAS, the purpose of the audit is to determine whether, in the auditor's opinion, the financial statements present fairly in all material respects the City's financial position and results of operations for the fiscal year; whether the City is in compliance with significant laws, regulations contracts and grants; and to evaluate the City's system of internal controls, and;

WHEREAS, the auditors, Chavan & Associates, LLP, issued unqualified ("clean") opinion as of and for the year ended June 30, 2021, on the City of Marina's financial statements dated April 20, 2022, and;

WHEREAS, the audit report states "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marina, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.," and;

WHEREAS, in accordance with GASB Statement No. 34, the financial reports include: Management's Discussion and Analysis (MD&A); Basic Financial Statements (including Notes to Financial Statements); Required Supplementary Information; and Supplementary Information; and,

WHEREAS, after each fiscal year independent auditors examine and test the underlying controls, fiscal records and financial transactions from which the City's and Agency's Annual Financial Reports are prepared, and issue their opinion on the basic financial statements contained in the reports, and;

WHEREAS, the City independent auditors, Chavan & Associates, LLP, performed these tasks and issued an unqualified ("clean") opinion, and;

WHEREAS, professional standards require that the auditors provide the City two additional letters, specifically the "Governance Letter (SAS 114)" and "Management Letter of Comments (SAS 115)," and;

WHEREAS, the Governance Letter (SAS 114) ("Exhibit B") includes discussion regarding the auditors' responsibility, City accounting practices, difficulties and/or disagreements encountered, corrected and/or uncorrected misstatements, management representation, management consultation with other independent accountants and other audit findings or issues. Nothing adverse was noted in the letter, and;

WHEREAS, the Management Letter of Comments (SAS 115) ("Exhibit C") includes suggestions for improvements to the City's internal controls, and;

NOW, THEREFORE IT BE RESOLVED, that the City Council of the City of Marina:

1. Receive the Comprehensive Annual Financial Report for the Year Ending June 30, 2021; and

2. Receive and file City of Marina Auditor's Governance Letter (SAS 114), City Auditor's Management Letter of Comments (SAS 115) for the fiscal year ended June 30, 2021.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

City of Marina
California

Annual Comprehensive Financial Report
for the fiscal year ended
June 30, 2021

Serving a World Class Community

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CITY OF MARINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021
TABLE OF CONTENTS

INTRODUCTORY SECTION

Transmittal Letter 1
Directory of Officials 6
Organizational Chart 7

FINANCIAL SECTION

Independent Auditor's Report 10
Management's Discussion and Analysis (Required Supplementary Information) 16

Basic Financial Statements:
- *Government-Wide Financial Statements:*
  - Statement of Net Position 30
  - Statement of Activities 31
- *Fund Financial Statements*
  - *Governmental Funds:*
    - Balance Sheet 33
    - Reconciliation of the Government Funds Balance Sheet to the Government-Wide Financial Statement of Net Position 34
    - Statement of Revenues, Expenditures and Changes in Fund Balances 35
    - Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities 36
  - *Proprietary Funds:*
    - Statement of Net Position 39
    - Statement of Revenues, Expenses, and Changes in Fund Net Position 40
    - Statement of Cash Flows 41
  - *Fiduciary Fund Financial Statements:*
    - Statement of Fiduciary Net Position 43
    - Statement of Changes in Fiduciary Net Position 44

Notes to the Basic Financial Statements 48

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis):
- General Fund 86
- FORA Dissolution Fund 87

Schedule of Pension Contributions 88
Schedule of Proportionate Share of Net Pension Liability 89
Schedule of Changes in Total OPEB Liability 90

SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds:
- Combining Balance Sheet 96
- Combining Statement of Revenues, Expenditures and Changes in Fund Balances 101

General Fund:
Combining Balance Sheet 107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 108

STATISTICAL SECTION
Net Position by Component 112
Changes in Net Position 113
Fund Balances of Governmental Funds 114
Changes in Fund Balances of Governmental Funds 115
General Fund Tax Revenues 116
General Fund Revenues 117
All Governmental Fund Revenues 118
Total Outstanding Debt 119
Bonded Debt 120
Demographic and Economic Statistics 121
Citywide Assessed Value and Estimated Actual Value of Taxable Property 122
Total Assessed Value of Property by Use Code, Citywide 123
Direct and Overlapping Property Tax Rates 124
Principal Property Taxpayers 125
Principal Employers 126
Overlapping Debt 127

TRANSMITTAL LETTER

CITY OF MARINA
211 Hillcrest Avenue
Marina, CA 93933

May 3, 2022

Honorable Mayor Bruce Delgado
Members of the City of Marina City Council, and
Citizens of the City of Marina:

SUBJECT: Annual Comprehensive Financial Report – June 30, 2021

The Annual Comprehensive Financial Report for the City of Marina for the fiscal year ended June 30, 2021 is hereby submitted

REPORT PURPOSE AND ORGANIZATION

In accordance with State law, which requires that the accounts and fiscal affairs of all municipal entities be examined annually by an independent certified public accountant, the City of Marina retained an independent auditor, Chavan and Associates, LLP, to audit the City's financial statements. Chavan and Associates, LLP, has issued an unmodified opinion that the financial statements for the year ended June 30, 2021, are fairly presented in conformity with generally accepted accounting principles (GAAP). This opinion, along with the basic financial statements, are submitted as the Annual Comprehensive Financial Report (ACFR) for the City for the fiscal year ended June 30, 2021. The information included in the financial section of this report fulfills the above requirement.

This report consists of City management's representations regarding the finances of the City of Marina. Management assumes full responsibility for the completeness, data accuracy, and fairness of the information presented, including all footnotes and disclosures. Management believes the data presented are accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the City.

To provide a reasonable basis for making these representations, City management has established a comprehensive framework of internal controls that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficiently reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles.

Because the cost of internal controls should not exceed their benefits, the City's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatements. The audit is intended to provide users with reasonable assurance that the information presented is free from material

misstatements. As management, we assert, that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Generally accepted accounting principles require management to provide a narrative introduction, overview, and analysis that accompanies the basic financial statements in a format known as the Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to augment the MD&A and is meant to be read in conjunction with the MD&A. The MD&A can be found in the Financial Section of this document, immediately following the report of the independent auditor.

CITY OF MARINA GOVERNMENT

The City of Marina was incorporated in 1975 and is located 10 miles north of Monterey, California on the Monterey Bay. Due to the closure of Fort Ord, the City has significant land assets from the military base's closure that has caused Marina to be a quickly growing community on the Monterey Bay. Marina has available land and water allocation which will support additional housing development in the City. It currently occupies 9.76 square miles and serves a population of 21,920, with a median age of 34. The City of Marina is influenced by tourism in the Monterey Bay and Cal State University Monterey Bay. A major regional shopping center for Monterey Bay area is located in Marina. The school district and City of Marina also have a significant economic presence, employing in total more than 100 teachers, professionals, and support staff.

Form of Government

The City of Marina has operated under the mayor-council form of government since 1975. Policy-making and legislative authority are vested in the governing council (Council) consisting of the mayor and four other members, with the mayor elected separately from the other Council members. Council members serve four-year terms, with two members elected every two years. The Mayor is elected for a four-year term. The City Council appoints the City of Marina's manager, who in turn appoints its department heads.

City Services

The City of Marina provides police and fire protection; traffic control; on- and off-street parking; building inspections; licenses and permits; the construction and maintenance of highways, streets, and other infrastructure; recreational and cultural activities; low-income housing; and general aviation services. Water and sewer services are provided through legally separate entities and are not shown on the City's financial statements.

Budgetary Policy and Control

The Council adopts a budget for the fiscal year by June 30 preceding the beginning of the fiscal year on July 1. The City has adopted a two-year budget process which includes two discrete single year budgets and is the foundation for the City of Marina's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department

(e.g., police). Department heads may transfer non-personnel related resources within a department as they see fit. The City Manager and Finance Director may transfer resources between departments as they see fit. Transfers of resources between funds, however, need special approval from the governing council. The City is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

FACTORS AFFECTING FINANCIAL CONDITION

This brief narrative on the local economy, City financial policies and major initiatives outlined within the annual budget is intended to provide context to the MD&A and financial statements.

Local Economy

In March of 2020, the City declared a local emergency in response to the coronavirus ("COVID-19") worldwide pandemic. The subsequent statewide shelter-in-place orders and progressive closing and uneven reopening of economic sectors have created great uncertainty for the United States and worldwide economies. As COVID-19 vaccines have emerged, their effectiveness in mitigating the effects of new virus strains has provided a path forward to fully reopening the economy.

The City's three major sources of General Fund revenue include Property Tax, Sales and Use Tax and Transient Occupancy Tax (TOT), which make up approximately 74 percent of the City's revenues. Prior to the start of Fiscal Year 2020-2021, the City's economic forecast for two of its major revenue streams became threatened as COVID-19 ravaged the U.S. health care system and economy. In June of 2020, the City of Marina reduced its FY 2020-2021 budgeted revenues for TOT and Sales Tax. These revenues are particularly vulnerable to the negative impacts of the COVID-19 pandemic as decreased spending in the areas of travel and leisure significantly affect the Monterey Bay. The City Council also took great measures to reduce the impact to the city's financial condition by controlling operating expenses and pausing personnel recruitments and projects. Ultimately, nearly all revenue streams performed better than the adjusted budget and a return to pre-pandemic levels seems imminent.

In May of 2021, the City was awarded approximately $5.4 million of American Rescue Plan Act (ARPA) funds. At the time of this publication a small portion of these funds have been allocated for premium pay for city staff who worked during the pandemic and COVID small business loan relief. The Council will have further discussions on the use of remaining funds which will likely center around lost revenue replacement and citywide general services, which may include road improvements and repairs.

While the worst of the pandemic seems to be past us it will be important for the City to continue to monitor the emergence of new variants, supply chain disruptions, inflation and other economic factors.

The report contains a Management Discussion and Analysis Discussion (MD&A) section which looks at the financials from a global perspective. Some key points to consider when reviewing the report is:

- At the close of Fiscal Year 2020/2021, the City of Marina's governmental funds reported combined fund balances of $72.1 million, an increase of $8.3 million in comparison with the prior year. Approximately 21% or $15.4 million was classified as unassigned fund balance and was available for spending at the government's discretion.

- At the end of the current fiscal year, the general fund's unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) was $26.9 million, or 110% of total general fund expenditures, prior to transfers. The general fund's unassigned fund balance was $15.4 million or 63% of total general fund expenditures, prior to transfers.

- The fund balance in the General Fund increased by $2.6 million, with revenues of $29.8 million and expenditures of $24.5 million, prior to transfers in of $148 thousand, and transfers out of $2.7 million.

- The City has significant housing assets in the Abrams Park and Preston Park Enterprises. These two enterprises have 194 units and 354 unit, respectively. The Abrams Park is financed by a fully amortized loan, maturing in November of 2036. The Preston Park enterprise is financed by an interest only loan maturing in February of 2026. The City has done some preliminary evaluations which suggest that in 2026, the City will be able to obtain fully amortized financing for Preston Park.

- Pensions are and will be an ongoing challenge for the City. The annual unfunded pension cost to the City increased by nearly $200,000 and is projected to increase until 2032. Council has set aside annual budget allocations which will pay for ½ of the projected increases. However, the other half of the cost increase will need to come from ongoing revenues. The City has benefitted from an extended business cycle without a recession since 2008, but with the ongoing COVID-19 pandemic, we can expect added pension costs beyond original forecasts. Therefore, the City Council has set-aside $2.1 million as a pension reserve as of 6/30/2021.

- To prepare for uncertain times, the City has funded a General Fund emergency reserve at 20% of General Fund revenues ($4.5 million) and adopted a balanced budget resolution 2012-46.

ACKNOWLEDGEMENTS

As a result of the professionalism and dedication of the Finance Department staff, the City continues to make strides in updating and enhancing its financial policies, procedures and systems and its financial reporting capabilities, as evidenced by the production of this comprehensive annual financial report. The preparation of this report also required the

involvement of many City departments in gathering statistics, as well as the guidance and support of our financial consultant, Richard Standridge, and the City's independent auditor, and we extend our appreciation to these individuals for the assistance provided.

Respectfully submitted,



Juan Lopez
Finance Director

CITY OF MARINA
DIRECTORY OF OFFICIALS

JUNE 30, 2021

ELECTED OFFICIALS

Mayor: Bruce C. Delgado

Council Member: Lisa Berkley

Council Member: Kathy Y. Biala

Council Member: David Burnett

Council Member: Cristina Medina Dirksen

EXECUTIVE STAFF

City Manager: Layne Long

Assistant City Manager: Matthew Mogensen

Finance Director: Juan Lopez

Police Chief: Tina M. Nieto

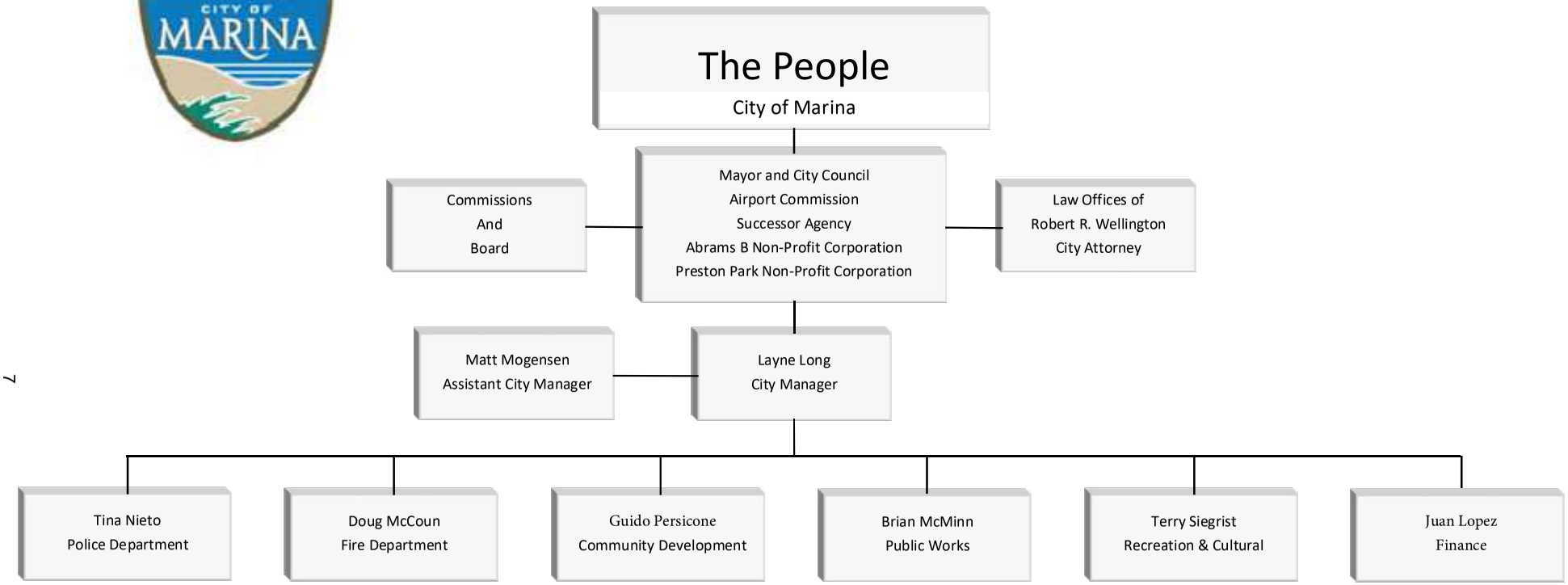
Fire Chief: Doug McCoun

Community Development Director: Guido Persicone

Public Works Director: Brain McMinn

Recreation A Cultural Services Director: Vacant

City of Marina – Organization Chart





FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Marina
Marina, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Marina (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Marina, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining individual non-major fund schedules, General Fund combining statements, and statistical data, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and General Fund combining statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and General Fund combining statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

Chavan & Associates, LLP
Certified Public Accountants
April 20, 2022
Morgan Hill, California

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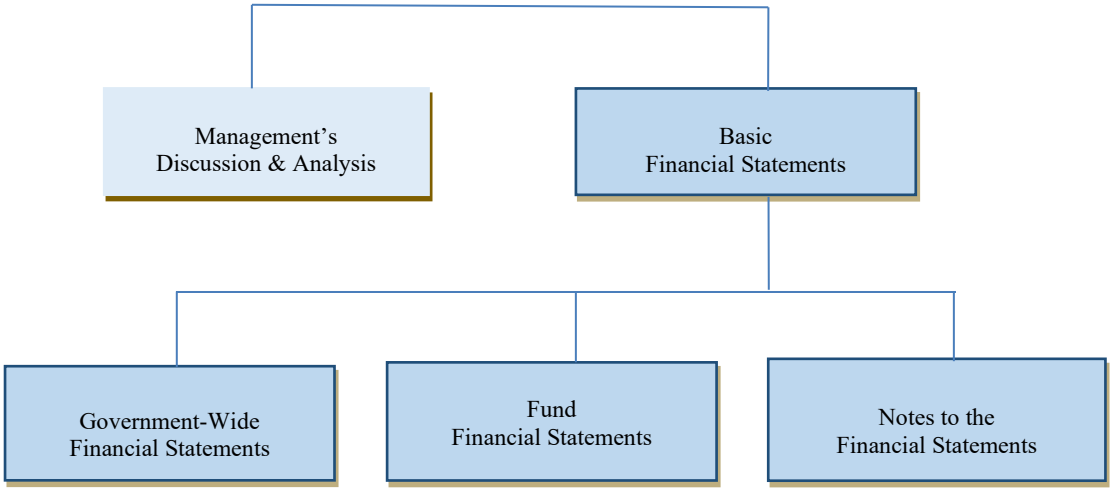
MANAGEMENT'S DISCUSSION AND ANALYSIS

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INTRODUCTION

As management of the City of Marina, we offer readers of the City's financial statements this narrative overview and analysis of financial activities of the City of Marina, for the fiscal year that ended on June 30, 2021. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal. This information can be found on page 1 of this report. The required components of the report are listed below.

Required Components of the Annual Financial Report



FISCAL YEAR 2020/2021 FINANCIAL HIGHLIGHTS

Government-Wide Highlights

- The assets and deferred outflows of resources of the City of Marina exceeded the liabilities at the close of the most recent fiscal year by $180 million (net position). Of this amount, net position included $120 million was classified as net investment in capital assets; $34 million as restricted; and $27 million as unrestricted net position.

- The City's net position increased by $8 million and its change in net position was $17 million less than the prior fiscal year. In the Governmental Activities, tax revenues increased by $1.8 million, charges for services increased by $2.3 million, and capital grants and contributions decreased by $10.8 million. This large decrease in capital grants was the result of a contribution from FORA upon its dissolution in the prior year.

- In the Business-Type Activities, charges for services increased by $647 thousand and capital grants and contributions decreased by $2.1 million.

- Deferred outflows of resources increased by $331 thousand while deferred inflows of resources decreased by $1.5 million mostly due to differences in expected and actual earnings, expected and actual experiences and changes in proportions related to the City's retirement plans. The City's

pension liability in accordance with GASB 68 as of June 30, 2021, was $23 million, while its total OPEB liability for the fiscal year ending June 30, 2021, was $6.7 million.

- The City's long-term debt decreased by $612 thousand or 1.1% in Fiscal Year 2020/2021 primarily from debt service payments made during the year.

- The City's net capital assets decreased by 0.2% or $417 thousand primarily a result of depreciation.

- Capital outlay expenditures totaled $3.99 million vs $6.85 million in the prior year.

- During the prior year, the City took over administration responsibilities of FORA after its dissolution. These activities are reported in a private purpose trust fund labeled the FORA Dissolution Administration Fund. This is a separate set of financial statement included in the City's annual report, but the resources do not support the City.

Fund Highlights

- At the close of Fiscal Year 2020/2021, the City of Marina's governmental funds reported combined fund balances of $72.1 million, an increase of $8.3 million in comparison with the prior year. Approximately 21% or $15.4 million was classified as unassigned fund balance and was available for spending at the government's discretion.

- At the end of the current fiscal year, the general fund's unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) was $26.9 million, or 110% of total general fund expenditures, prior to transfers. The general fund's unassigned fund balance was $15.4 million or 63% of total general fund expenditures, prior to transfers.

- The fund balance in the General Fund increased by $2.6 million, with revenues of $29.8 million and expenditures of $24.5 million, prior to transfers in of $148 thousand and transfers out of $2.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City of Marina's financial statements. The City of Marina's basic financial statements are comprised of (1) Government-wide Financial Statements (2) Fund Financial Statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Marina's finances, in a manner similar to a private-sector business. Government-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. Government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents financial information on all of the City of Marina's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Marina is improving or declining.

The *Statement of Activities* presents information showing how the City of Marina's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is consistent with a full accrual concept, which may result in the reporting of revenues and expenses in the current fiscal year, with cash flows occurring in future fiscal periods (e.g. uncollected revenues; and earned but not used vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Marina that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities)*. An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes law enforcement, fire and emergency services, planning and building, public works, parks and recreation, economic and community development, recreation, cultural services, and general administration. Transient occupancy taxes, sales taxes, property taxes, impact fees, state and federal grants finance most of these activities. Charges for services, which include parks and recreation fees, are also used to help offset costs of providing certain services.

Business-Type Activities – This City's enterprise activities include the Airport, Preston Park and Abrams B operations. Unlike governmental services, these services are fully supported by charges paid by users based on the amount of services they use.

The government-wide financial statements can be found on pages 30-31 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds are presented individually, with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major funds present the major activities of the City for the fiscal year, and may change from year to year as a result of changes in the pattern of the City's activities. The City's funds are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial

statements, governmental funds focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This represents a modified accrual basis of accounting, with capital assets, long-lived assets, and long-term liabilities excluded from the financial statements. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between *governmental funds* and *governmental activities*.

The City maintains multiple governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Impact Fee Fund, FOR A Dissolution Fund, and the Abrams B Debt Service Fund. These funds are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. A budgetary comparison statement has been provided as required supplementary information for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 33-36 of this report.

Proprietary Funds

The City of Marina has the following three *enterprise funds* which are proprietary funds*: The Marina Municipal Airport Fund, Preston Park Housing Fund* and *Abrams B Housing Fund* which are considered major funds for the City of Marina. *Enterprise funds* provide the same type of information as business-type activities in the government-wide statements. The basic proprietary fund financial statements can be found on pages 39-41 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide financial statements because the resources of these funds are not available to support the City of Marina's own programs. The accounting for fiduciary funds is much like that used for business type activities. The City did maintain three fiduciary funds during Fiscal Year 2020/21, the FORA Dissolution Administration Fund, the Successor Agency Obligation Retirement Fund and the Successor Agency Housing Assets as noted in pages 43-44.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found immediately following the fund financial statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Marina's funding progress for its employee pension and OPEB benefit obligations. The required supplementary information can be found on pages 86-90 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the *required supplementary information* on pensions and OPEB as supplementary information. Combining and individual fund statements and schedules can be found on pages 96-108 of this report. The City also provides combining statements for it's the sub-funds that comprise the intra fund transactions included in the General Fund. An un-audited statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information. This information can be found on pages 110-127 of this document.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as an indicator of a government's financial position. In the case of the City of Marina, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $180 million at the close of the Fiscal Year 2020/2021. This represents an increase of $8 million over the prior year.

The following table summarizes the City's ending net position:

Table 1 - Net Position (in thousands)

	Governmental Activities		Business-Type		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	$ 84,388	$ 78,096	$ 5,437	$ 3,476	$ 89,825	$ 81,572
Capital assets	85,218	84,380	87,155	88,410	172,373	172,790
Total Assets	$ 169,606	$ 162,476	$ 92,592	$ 91,886	$ 262,198	$ 254,362
Deferred Outflows of Resources	$ 6,692	$ 6,361	$ -	$ -	$ 6,692	$ 6,361
Liabilities						
Current and other liabilities	$ 4,035	$ 5,353	$ 1,508	$ 1,663	$ 5,543	$ 7,016
Noncurrent liabilities	46,704	43,402	35,950	35,950	82,654	79,352
Total Liabilities	$ 50,739	$ 48,755	$ 37,458	$ 37,613	$ 88,197	$ 86,368
Deferred Inflows of Resources	$ 860	$ 2,364	$ -	$ -	$ 860	$ 2,364
Net Position						
Net investment in capital assets	$ 77,649	$ 76,645	$ 41,902	$ 42,712	$ 119,551	$ 119,357
Restricted	33,705	32,932	-	-	33,705	32,932
Unrestricted	13,345	8,141	13,232	11,561	26,577	19,702
Total Net Position	$ 124,699	$ 117,718	$ 55,134	$ 54,273	$ 179,833	$ 171,991

Net position of the City's governmental activities increased $7 million to $125 million. Approximately 11% of net position relating to governmental activities are unrestricted, and $120 million of the City's net position reflects its investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.), less accumulated depreciation and any outstanding that was debt used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities. Total liabilities related to governmental activities increased by $2 million mostly due increases in pension and OPEB liabilities. The City's total OPEB liability for Fiscal Year 2020/2021 is $6.7 million. See note 10 for detailed information related to the OPEB, along with the required supplementary information section of this report.

Total net position of the City's business-type activities increased $861 thousand to $55.1 million. At the end of the current fiscal year, the City of Marina is able to report a positive balance for the government as a whole. The reasons for the overall financial changes are discussed in the following sections for governmental and business-type activities.

With total revenues for Fiscal Year 2020/2021 at $51.3 million and total expenses at $43.2 million, the change in net position for current activity yielded an increase of $8 million. An analysis of the changes in revenues and expenses by type of significant events follows:

Table 2 - Statement of Changes in Net Position (in thousands)

Functions/Programs	Governmental Activities 2021	Governmental Activities 2020	Increase (Decrease)	Business-Type Activities 2021	Business-Type Activities 2020	Increase (Decrease)
Program Revenues						
Charges for services	$ 10,718	$ 8,402	$ 2,316	$ 12,326	$ 11,679	$ 647
Operating grants and contributions	1,788	1,019	769	-	-	-
Capital grants and contributions	383	11,213	(10,830)	462	2,531	(2,069)
Total Program Revenues	12,889	20,634	(7,745)	12,788	14,210	(1,422)
General Revenues						
Taxes	23,749	21,944	1,805	-	-	-
Investment earnings	679	974	(295)	56	88	(32)
Other revenues	905	3,100	(2,195)	226	274	(48)
Transfers	832	587	245	(832)	(587)	(245)
Gain on sale of land	-	6,283	(6,283)	-	-	-
Total General Revenues, Transfers and Special	26,165	32,888	(6,723)	(550)	(225)	(325)
Expenses						
General government	8,898	7,628	1,270	-	-	-
Public safety	13,666	14,423	(757)	-	-	-
Public works	2,405	2,690	(285)	-	-	-
Economic & community development	5,248	3,957	1,291	-	-	-
Recreation & cultural services	941	1,245	(304)	-	-	-
Interest on fiscal charges	639	592	47	-	-	-
Marina Municipal Airport	-	-	-	1,893	1,654	239
Preston Park Non-profit Corporation	-	-	-	6,317	6,083	234
Abrams B Non-profit Corporation	-	-	-	3,167	4,128	(961)
Total Expenses	31,797	30,535	1,262	11,377	11,865	(488)
Increase / (Decrease) in Net Position	7,257	22,987	(15,730)	861	2,120	(1,259)
Prior Period Adjustments - Capital Lease	(276)	-	(276)	-	-	-
Net Position, Beginning of Year	117,718	94,731	22,987	54,273	52,153	2,120
Net Position, End of Year	$ 124,699	$ 117,718	$ 6,981	$ 55,134	$ 54,273	$ 861

Governmental Activities

As shown in the following *Statement of Changes in Net Position* schedule, the net position for governmental activities increased from $117.7 million in the prior year to $124.7 million in the current fiscal year. This increase is largely due to increases in charges for services and tax revenue.

Total program revenues for governmental activities were $12.9 million, which included $10.7 in charges for services and $1.8 million in operating grants and contributions. Total program revenues from the prior year were $20.6 million.

Total expenditures for governmental activities were $31.8 million, which was an increase of $1.3 million from the prior year of $30.5 million.

Business-Type Activities

The City's business type activities represent the Airport, Preston Park and Abrams B enterprise operations.

Total program revenues for business-type activities were $12.8 million and was comprised of $12.3 in charges for services and $462 thousand in capital grants. Total program revenues from the prior year were $14.2 million.

Total expenses for business-type activities were $11.4 million, which was a decrease of $488 thousand from prior year. This is primarily due to a decrease in the operations of Abrams B during the year of $961 thousand.

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

As noted earlier, the City of Marina uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the City of Marina's Council.

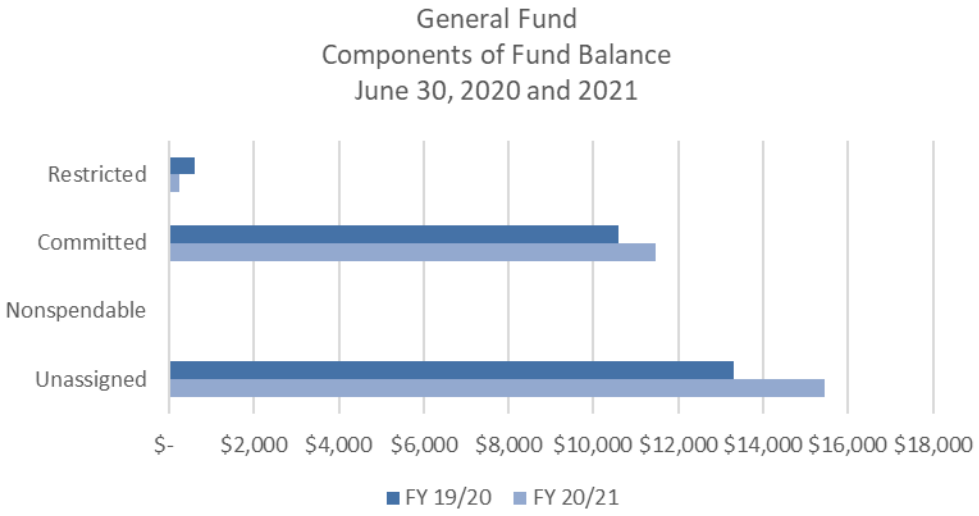
The following table summarizes the changes in fund balance of the Major Funds and Other Nonmajor Governmental Funds:

Table 3 - Summary of Changes in Fund Balance - Governmental Funds (in thousands)

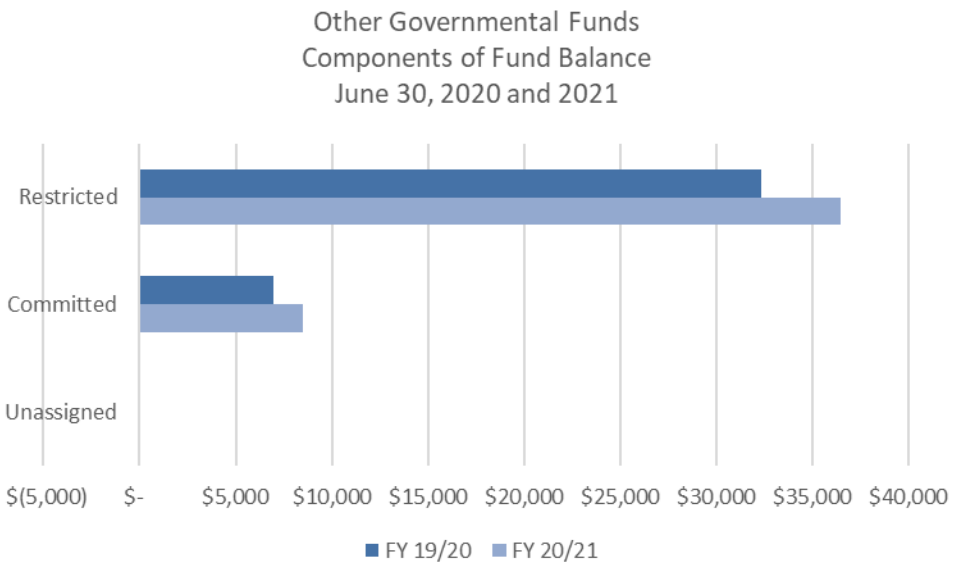
	Major Funds					
	General Fund	Impact Fee Fund	FORA Dissolution Fund	Abrams B Debt Service Fund	Nonmajor Governmental Funds	Total
Total Revenues	$ 29,750	$ 4,328	$ 830	$ 741	$ 3,140	$ 38,789
Total Expenditures	24,546	-	1,442	732	4,620	31,340
Revenues Over (Under) Expenditures	5,204	4,328	(612)	9	(1,480)	7,449
Transfers In	148	-	-	-	5,674	5,822
Transfers Out	(2,729)	(755)	-	-	(1,506)	(4,990)
Net Change in Fund Balances	2,623	3,573	(612)	9	2,688	8,281
Beginning Fund Balances	24,506	13,211	11,962	442	13,687	63,808
Ending Fund Balances	$ 27,129	$ 16,784	$ 11,350	$ 451	$ 16,375	$ 72,089

General Fund – Components of Fund Balance

The general fund is the chief operating fund of the City of Marina. At the end of the current fiscal year, the unassigned fund balance of the general fund was $15.4 million and the total General Fund fund balance increased to $27.1 million. This is an increase in fund balance of $2.6 million, or 11%, from the prior year. The major components of the fund balance are shown below:



The following chart displays the components of fund balance for governmental funds other than the General Fund:



CAPITAL ASSETS

The City of Marina's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to $172 million (net of accumulated depreciation). This includes net capital assets from governmental activities of $85.2 million and net capital assets from business type activities at $87.2 million. The total decrease in the City of Marina's capital assets during the current fiscal year was approximately $417 thousand. This includes a net increase of $838 thousand related to Governmental Activities and a net decrease of $1.3 million related to Business-type Activities.

The following table summarizes the City's capital assets at the end of the year:

Table 4 - Capital Assets at Year End - Net (in thousands)

	Governmental Activities		Business-type Activities		Total		
	2021	2020	2021	2020	2021	2020	% Change
Land	$22,081	$22,081	$36,900	$36,900	$ 58,981	$ 58,981	0.00%
Leasehold interest	-	-	40,797	41,773	40,797	41,773	-2.34%
Buildings	30,156	31,176	3,803	3,885	33,959	35,061	-3.14%
Improvements (airport and runway)	-	-	5,637	5,809	5,637	5,809	-2.96%
Equipment	1,960	1,647	18	43	1,978	1,690	17.04%
Infrastructure	31,021	29,476	-	-	31,021	29,476	5.24%
Total Capital Assets, Net	$85,218	$84,380	$87,155	$88,410	$172,373	$172,790	-0.24%

Additional detail and information on capital asset activity is described in the notes to the financial statements, Note 6.

DEBT ADMINISTRATION

During the year, Long-Term Debt from governmental activities decreased by $612 thousand, primarily due to debt service payments, while Long-Term Debt attributable to business-type activities did not change. The following table summarizes the City's debt at the end of the year:

Table 5 - Outstanding Long-Term Debt at Year End (in thousands)

	Governmental Activities		
	2021	2020	% Change
2015 General Obligation Refunding Bonds	$ 6,710	$ 6,970	-3.73%
2016 Abrams B Housing Revenue Bonds	9,565	10,005	-4.40%
Capital Leases	596	508	17.32%
Total outstanding long-term debt	$ 16,871	$ 17,483	-3.50%

	Business-type Activities		
	2021	2020	% Change
Berkeley Capital Loan	$ 35,950	$ 35,950	0.00%

Additional detail and information on long-term debt activity is described in the notes to the financial statements, Note 7.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the *Required Supplementary Information* section along with a comparison to actual activity for the year ended. In Fiscal Year 2020/21, the City originally estimated that a $2 million deficit change in fund balance which would decrease overall fund balance. This "drawdown" from fund balance was needed to maintain normal operations, however due to increased performance in revenues, decreased spending, and the $6.3 million sale of land, the City ended the year with a positive change in fund balance without the use reserves.

Revenues

The General Fund adopted and final revenue budgets were $20.2 and $23.3 million. A review of the 2020/2021 budget shows actual revenues recorded were $29.7 million. In this fiscal year the City received $2.5 million more in taxes and assessments, $2.3 million more in licenses and fees, and $1.3 million more in charges for services than what was budgeted.

Expenditures

The General Fund adopted expenditure budget was $22.3 million and the final budget was $24.9 million. Actual expenditures totaled $24.5 million. Due to the COVID-19 pandemic impacts towards the end of this fiscal year, and due to events and services being reduced, there was savings in public works, recreation and cultural services, and capital outlay.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

As recently as Fiscal Year 2015/16, the City had a breakeven budget after several years of deficit spending. The City Council has worked to improve Marina's fiscal position by reducing expenses and increasing revenues. In November of 2016, the City's voters approve Measure U which dramatically increased the City's business tax from about $100,000 to $1.5 million a year. In November of 2018, the voters approved two additional revenue measures, Measure N which extends and increases the local sales tax override from 1% to 1.5% until the revenue measure sunsets in March 2034, and Measure P which permanently increases the Transient Occupancy Tax in Marina to 14% from 12%. Measure N is projected to increase revenues by $1.5 million and Measure P will yield $600,000 a year. Also in November of 2018, voters approved Measure Z Commercial Cannabis Businesses retaining a 5% business tax on gross receipts and is projected to increase revenues by $100k a year. A short-term rental ordinance also went into effect in December of 2019, but due to the ongoing COVID-19 pandemic, we won't see those additional TOT revenues fully realized until Fiscal Year 2022/23.

Marina receives tourism spill-over from Monterey Bay but the City does not primarily rely on tourism for generated revenues. Nonetheless, the City took a conservative approach with adjusted Fiscal Year 2020/2021 revenue projections and adopted Fiscal Year 2021/22 revenues. The City also reduced proportionate expenditures by temporarily freezing open positions and pausing planned capital projects among other line items via Fiscal Year 2020/21 budget amendments.

Even though Marina will continue to maneuver through the pandemic in Fiscal Year 2021/22, prospects of a strong financial recovery are already evident. All major revenue sources at the mid-point of the year are above projections. These revenue streams are ongoing in nature and serve as the long-term base of the city's financial structure. Marina's City Council also took several steps to improve city services and invest in the city and an improved quality of life for all residents, including:

1. Over $6,000,000 in citywide park improvements and upgrades
2. Over $5,000,000 in citywide capital improvements, street repairs and improvements, improved management systems and planning projects
3. Nearly $4,000,000 in rehabilitation of city properties
4. Nearly $2,000,000 in annual expenses related to litigation of groundwater protection
5. Over $1,000,000 in annual contributions to the Vehicle and Equipment Replacement and Pension Stabilization Funds

The Council is also very dedicated to maintaining strong financial practices. It has adopted Resolution 2012-46, which states that the City will maintain a structurally balanced budget and the manner that will be achieved. The Council also is aware that the current economic cycle has already become the longest on record. As a result, the Council has set aside reserves, currently benchmarked to 20% of annual revenues, to address unanticipated financial challenges.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives and spends. If you have questions about this report or need additional financial information, contact the City of Marina, Finance Department, 211 Hillcrest Avenue, Marina, California, 93933 or by calling 831-884-1221.

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BASIC FINANCIAL STATEMENTS

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City of Marina
Statement of Net Position
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	$ 70,210,937	$ 12,291,178	$ 82,502,115
Restricted cash and investments	1,189,709	-	1,189,709
Accounts receivable	3,501,347	497,614	3,998,961
Interest receivable	-	1,129	1,129
Prepaid expenses	-	1,922,300	1,922,300
Inventory	-	28,074	28,074
Internal balances	9,302,500	(9,302,500)	-
Total Current Assets	84,204,493	5,437,795	89,642,288
Noncurrent Assets:			
Notes receivable	183,634	-	183,634
Capital Assets:			
Nondepreciable	22,080,651	36,900,000	58,980,651
Depreciable, net of accumulated depreciation	63,137,441	50,254,828	113,392,269
Total Capital Assets, Net	85,218,092	87,154,828	172,372,920
Total Noncurrent Assets	85,401,726	87,154,828	172,556,554
Total Assets	$ 169,606,219	$ 92,592,623	$ 262,198,842
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	$ 6,049,250	$ -	$ 6,049,250
OPEB Adjustments	642,577	-	642,577
Total Deferred Outflows of Resources	$ 6,691,827	$ -	$ 6,691,827
LIABILITIES			
Current Liabilities:			
Accounts payable	$ 1,109,489	$ 115,379	$ 1,224,868
Accrued payroll and benefits	596,716	21,673	618,389
Accrued liabilities	-	1,228,979	1,228,979
Deposits and other liabilities	815,666	142,269	957,935
Interest payable	150,437	-	150,437
Compensated absences, due within one year	395,320	-	395,320
Long-term debt, due within one year	967,487	-	967,487
Total Current Liabilities	4,035,115	1,508,300	5,543,415
Noncurrent Liabilities:			
Net pension liability	22,951,345	-	22,951,345
Net OPEB liability	6,663,215	-	6,663,215
Compensated absences, due in more than one year	1,185,960	-	1,185,960
Loans payable, due in more than one year	15,903,854	35,950,000	51,853,854
Total Noncurrent Liabilities	46,704,374	35,950,000	82,654,374
Total Liabilities	$ 50,739,489	$ 37,458,300	$ 88,197,789
DEFERRED INFLOWS OF RESOURCES			
Pension Adjustments	$ 859,629	$ -	$ 859,629
Total Deferred Inflows of Resources	$ 859,629	$ -	$ 859,629
NET POSITION			
Net investment in capital assets	$ 77,649,251	$ 41,902,328	$ 119,551,579
Restricted for:			
Transportation	871,208	-	871,208
Streets & special districts	1,259,189	-	1,259,189
Community development	28,452,169	-	28,452,169
Recreation	263,153	-	263,153
Capital projects	4,639,733	-	4,639,733
Debt service	954,338	-	954,338
Other	235,609	-	235,609
Total Restricted	36,675,399	-	36,675,399
Unrestricted	10,374,278	13,231,995	23,606,273
Total Net Position	$ 124,698,928	$ 55,134,323	$ 179,833,251

The accompanying notes are an integral part of these financial statements.

City of Marina
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Primary Government:							
Governmental Activities:							
General government	$ 8,897,835	$ 3,763,108	$ 54,611	$ -	$ (5,080,116)		$ (5,080,116)
Public safety	13,666,296	289,185	1,720,664	10,000	(11,646,447)		(11,646,447)
Public works	2,405,492	-	5,825	-	(2,399,667)		(2,399,667)
Economic & community development	5,247,962	6,584,030	-	373,039	1,709,107		1,709,107
Recreation & cultural services	940,929	81,644	7,153	-	(852,132)		(852,132)
Interest and fiscal charges	639,390	-	-	-	(639,390)		(639,390)
Total Governmental Activities	$ 31,797,904	$10,717,967	$ 1,788,253	$ 383,039	(18,908,645)		(18,908,645)
Business-Type Activities:							
Marina Municipal Airport	$ 1,892,873	$ 1,790,543	$ -	$ 462,750		360,420	360,420
Preston Park Non-profit Corporation	6,317,011	7,058,160	-	-		741,149	741,149
Abrams B Non-profit Corporation	3,167,489	3,477,132	-	-		309,643	309,643
Total Business-Type Activities	$ 11,377,373	$12,325,835	$ -	$ 462,750		1,411,212	1,411,212
General Revenues:							
Taxes:							
Property taxes					3,919,415	-	3,919,415
Sales taxes					9,640,663	-	9,640,663
Franchise taxes					1,238,550	-	1,238,550
Transient occupancy tax					3,501,246	-	3,501,246
Gas taxes					986,884	-	986,884
Property Tax in-lieu of VLF					4,360,659	-	4,360,659
Other taxes					101,780	-	101,780
Total taxes					23,749,197	-	23,749,197
Grants not restricted to a program					139,197	-	139,197
Investment earnings					679,275	55,758	735,033
Other revenues					765,850	226,507	992,357
Total General Revenues					25,333,519	282,265	25,615,784
Transfers					832,043	(832,043)	-
Total General Revenues, Special Items and Transfers					26,165,562	(549,778)	25,615,784
Change in Net Position					7,256,917	861,434	8,118,351
Net Position - Beginning of Year					117,718,404	54,272,889	171,991,293
Prior Period Adjustments - Capital Lease					(276,393)	-	(276,393)
Net Position - Beginning of Year, As Adjusted					117,442,011	54,272,889	171,714,900
Net Position - End of Year					$124,698,928	$55,134,323	$179,833,251

The accompanying notes are an integral part of these financial statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The ***General Fund*** is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities such as public safety, public ways and facilities, par□s and recreation services, and economic development services.

The ***Impact Fee Fund*** accounts for impact fees imposed on new development as permitted by law, and related impact remediation costs. Remediation costs are not accounted for within this fund, but are recorded as transfers to the Capital Projects Fund, where remediation project costs are accumulated.

The ***FORA Dissolution Fund*** is used to account for resources received from the Fort Ord Reuse Authority upon dissolution for Community Development and Habitat Management.

The ***Abrams B Debt Service Fund*** is used to account for resources restricted to retirement of Abrams B Bonds principal and interest and the payment of those debt obligations.

City of Marina
Balance Sheet
Governmental Funds
June 30, 2021

	Major Funds					
	General Fund	Impact Fee Fund	FORA Dissolution Fund	Abrams B Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 26,186,143	$ 16,772,866	$ 11,511,505	$ -	$ 15,740,423	$ 70,210,937
Restricted cash and investments	235,609	-	-	451,269	502,831	1,189,709
Accounts receivable	3,154,752	10,856	8,384	-	327,355	3,501,347
Advances to other funds	-	-	-	9,302,500	-	9,302,500
Notes receivable	183,634	-	-	-	596,144	779,778
Total assets	$ 29,760,138	$ 16,783,722	$ 11,519,889	$ 9,753,769	$ 17,166,753	$ 84,984,271
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 754,498	$ -	$ 169,818	$ -	$ 185,173	$ 1,109,489
Accrued payroll and benefits	586,599	-	-	-	10,117	596,716
Deposits and other liabilities	815,666	-	-	-	-	815,666
Total liabilities	2,156,763	-	169,818	-	195,290	2,521,871
Deferred Inflows of Resources:						
Unavailable revenues	474,539	-	-	9,302,500	596,144	10,373,183
Fund Balances:						
Restricted:						
Transportation	-	-	-	-	871,208	871,208
Streets & special districts	-	-	-	-	1,259,189	1,259,189
Community development	-	16,783,722	11,350,071	-	318,376	28,452,169
Recreation	-	-	-	-	263,153	263,153
Capital projects	-	-	-	-	4,639,733	4,639,733
Debt service	-	-	-	451,269	503,069	954,338
Other	235,609	-	-	-	-	235,609
Total restricted	235,609	16,783,722	11,350,071	451,269	7,854,728	36,675,399
Committed:						
Capital projects	-	-	-	-	8,475,703	8,475,703
Public education	-	-	-	-	47,184	47,184
Emergency Reserve	4,507,924	-	-	-	-	4,507,924
Facilities Repairs	500,000	-	-	-	-	500,000
Compensated Absences	400,000	-	-	-	-	400,000
Community Improvements	641,268	-	-	-	-	641,268
General Plan Update	125,000	-	-	-	-	125,000
Vehicle & Equipment Replacement	2,754,759	-	-	-	-	2,754,759
OPEB	200,000	-	-	-	-	200,000
Pension Stabilization	2,050,000	-	-	-	-	2,050,000
Library Maintenance	278,539	-	-	-	-	278,539
Total committed	11,457,490	-	-	-	8,522,887	19,980,377
Unassigned	15,435,737	-	-	-	(2,296)	15,433,441
Total fund balances	27,128,836	16,783,722	11,350,071	451,269	16,375,319	72,089,217
Total liabilities, deferred inflows of resources and fund balances	$ 29,760,138	$ 16,783,722	$ 11,519,889	$ 9,753,769	$ 17,166,753	$ 84,984,271

The accompanying notes are an integral part of these financial statements.

City of Marina
Reconciliation of the Government Funds Balance Sheet to the Government-Wide Statement of Net Position
June 30, 2021

Total Fund Balances - Total Governmental Funds	$	72,089,217
Amounts reported for governmental activities in the statement of net position were different because:		
Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:		
Capital assets		119,271,546
Less: accumulated depreciation		(34,053,454)
Total Capital Assets		85,218,092
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.		(150,437)
The differences from benefit plan assumptions and estimates versus actuals are not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows or deferred outflows of resources in the statement of net position.		5,832,198
Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as deferred inflows of resources in the fund statements.		9,777,039
Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:		
Long-term debt		(16,871,341)
Compensated absences		(1,581,280)
Net pension liability		(22,951,345)
Total OPEB liability		(6,663,215)
Total Long-Term Obligations		(48,067,181)
Net Position of Governmental Activities	$	124,698,928

The accompanying notes are an integral part of these financial statements.

City of Marina
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2021

	Major Funds					
	General Fund	Impact Fee Fund	FORA Dissolution Fund	Abrams B Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes and assessments	$ 20,988,247	$ -	$ -	$ -	$ 2,760,950	$ 23,749,197
Licenses, permits and fees	2,446,456	-	-	-	-	2,446,456
Fines and forfeitures	95,186	-	-	-	-	95,186
Intergovernmental	1,626,524	-	705,792	-	198,470	2,530,786
Charges for services	3,802,810	4,182,904	-	-	79,168	8,064,882
Investment earnings	323,971	145,534	124,437	72	85,261	679,275
Other revenue	466,679	-	-	740,340	17,000	1,224,019
Total Revenues	29,749,873	4,328,438	830,229	740,412	3,140,849	38,789,801
EXPENDITURES						
Current:						
General government	6,689,562	-	-	-	530	6,690,092
Public safety	12,046,544	-	-	-	-	12,046,544
Public works	1,687,981	-	-	-	518,607	2,206,588
Economic & community development	2,492,190	-	1,442,114	-	118,426	4,052,730
Recreation & cultural services	770,898	-	-	-	41,511	812,409
Capital outlay	643,889	-	-	-	3,350,447	3,994,336
Debt service						
Principal	188,516	-	-	440,000	260,000	888,516
Interest and fiscal charges	27,295	-	-	291,848	330,106	649,249
Total Expenditures	24,546,875	-	1,442,114	731,848	4,619,627	31,340,464
Excess (Deficiency) of Revenues over Expenditures	5,202,998	4,328,438	(611,885)	8,564	(1,478,778)	7,449,337
OTHER FINANCING SOURCES (USES)						
Transfers in	148,102	-	-	-	5,673,743	5,821,845
Transfers out	(2,728,500)	(755,000)	-	-	(1,506,302)	(4,989,802)
Total Other Financing Sources (Uses)	(2,580,398)	(755,000)	-	-	4,167,441	832,043
Net Change in Fund Balances	2,622,600	3,573,438	(611,885)	8,564	2,688,663	8,281,380
Fund Balances Beginning	24,506,236	13,210,284	11,961,956	442,705	13,686,656	63,807,837
Fund Balances Ending	$ 27,128,836	$ 16,783,722	$ 11,350,071	$ 451,269	$ 16,375,319	$ 72,089,217

The accompanying notes are an integral part of these financial statements.

City of Marina

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities

For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	$	8,281,380
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:		
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.		
Capital asset additions		3,311,648
Depreciation expense		(2,473,273)
The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The net effect of these differences in the treatment of long-term debt and related items is as follows:		
Repayment of bond principal		888,516
Compensated absences not required to be paid with current financial resources are not reported in the governmental funds, but are accrued as noncurrent liabilities in the Government Wide Statement Net Position. The change from prior year accrued compensated absences is reported in the applicable program expense.		(36,803)
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.		(567,023)
In governmental funds, actual contributions to benefit plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year benefit expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.		(1,799,330)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:		
Other postemployment benefits		(358,057)
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in net position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in accrued interest from from prior year.		9,859
Change in Net Position of Governmental Activities	$	7,256,917

The accompanying notes are an integral part of these financial statements.

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PROPRIETARY FUND FINANCIAL STATEMENTS

The ***Marina Municipal Airport Operating Fund*** is sued to account for all financial transactions relating to City's airport.

The ***Preston Park Housing Fund*** is used to account for the operations of the Preston Park apartments.

The ***Abrams B Housing Fund*** is used to account for the operations of the Abrams B apartments.

City of Marina
Statement of Net Position
Proprietary Funds
June 30, 2021

	Business-Type Activities Enterprise Funds			
	Marina Municipal Airport Fund	Preston Park Housing Fund	Abrams B Housing Fund	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,559,847	$ -	$ 571,590	$ 2,131,437
Cash with fiscal agent	-	8,583,202	1,576,539	10,159,741
Accounts receivable, net	61,353	212,577	223,684	497,614
Interest receivable	1,129	-	-	1,129
Prepaid expenses:				
Replacement reserves	-	237,754	1,056,888	1,294,642
Insurance escrow	-	65,696	345,520	411,216
Tax escrow	-	121,244	-	121,244
Other	-	-	95,198	95,198
Inventory	28,074	-	-	28,074
Total current assets	1,650,403	9,220,473	3,869,419	14,740,295
Noncurrent assets:				
Capital assets:				
Nondepreciable assets	36,900,000	-	-	36,900,000
Depreciable, net	9,458,046	31,255,292	9,541,490	50,254,828
Total capital assets, net	46,358,046	31,255,292	9,541,490	87,154,828
Total assets	$ 48,008,449	$ 40,475,765	$ 13,410,909	$ 101,895,123
LIABILITIES				
Current liabilities:				
Accounts payable	$ 115,379	$ -	$ -	$ 115,379
Accrued salaries and benefits	21,673	-	-	21,673
Accrued liabilities	-	845,755	383,224	1,228,979
Deposits and other liabilities	142,269	-	-	142,269
Total current liabilities	279,321	845,755	383,224	1,508,300
Noncurrent liabilities:				
Advances from other funds	-	-	9,302,500	9,302,500
Loans payable, due in more than one year	-	35,950,000	-	35,950,000
Total noncurrent liabilities	-	35,950,000	9,302,500	45,252,500
Total liabilities	$ 279,321	$ 36,795,755	$ 9,685,724	$ 46,760,800
NET POSITION				
Net Investment in capital assets	$ 46,358,046	$ (4,694,708)	$ 238,990	$ 41,902,328
Unrestricted	1,371,082	8,374,718	3,486,195	13,231,995
Total net position	$ 47,729,128	$ 3,680,010	$ 3,725,185	$ 55,134,323

The accompanying notes are an integral part of these financial statements.

City of Marina

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For the Year Ended June 30, 2021

	Business-Type Activities Enterprise Funds			
	Marina Municipal Airport Fund	Preston Park Housing Fund	Abrams B Housing Fund	Total
OPERATING REVENUES				
Rental income	$ 1,437,401	$ 7,058,160	$ 3,477,132	$ 11,972,693
Sale of fuel	353,142	-	-	353,142
Other revennue	52,073	12,293	162,141	226,507
Total operating revenues	1,842,616	7,070,453	3,639,273	12,552,342
OPERATING EXPENSES				
Salaries & benefits	196,996	-	-	196,996
Service and supplies	214,708	1,024,477	692,116	1,931,301
Repairs and maintenance	216,992	867,745	1,490,707	2,575,444
Aviation fuel cost of sales	276,542	-	-	276,542
Utilities	216,636	129,264	155,112	501,012
Taxes	28,746	331,783	92,168	452,697
Rent	-	1,744,096	177,387	1,921,483
Depreciaiton and amortization	742,253	707,000	268,665	1,717,918
Total operating expenses	1,892,873	4,804,365	2,876,155	9,573,393
Operating income (loss)	(50,257)	2,266,088	763,118	2,978,949
NONOPERATING REVENUES(EXPENSES)				
Interest expense	-	(1,512,646)	(291,334)	(1,803,980)
Investment earnings	13,257	39,915	2,586	55,758
Total nonoperating revenues(expenses)	13,257	(1,472,731)	(288,748)	(1,748,222)
Income (loss) before transfers	(37,000)	793,357	474,370	1,230,727
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	462,750	-	-	462,750
Transfers in	12,000	-	-	12,000
Transfers out	(844,043)	-	-	(844,043)
Net contributions and transfers	(369,293)	-	-	(369,293)
Change in net position	(406,293)	793,357	474,370	861,434
Total net position - beginning	48,135,421	2,886,653	3,250,815	54,272,889
Total net position - ending	$ 47,729,128	$ 3,680,010	$ 3,725,185	$ 55,134,323

The accompanying notes are an integral part of these financial statements.

City of Marina
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2021

	Business-Type Activities Enterprise Funds			
	Marina Municipal Airport Fund	Preston Park Housing Fund	Abrams B Housing Fund	Total
Cash flows from operating activities:				
Receipts from customers	$ 2,003,267	$ 7,000,379	$ 3,254,071	$ 12,257,717
Payments to suppliers	(896,633)	(4,092,770)	(2,590,076)	(7,579,479)
Payments to employees	(197,939)	-	-	(197,939)
Net cash provided (used) by operating activities	908,695	2,907,609	663,995	4,480,299
Cash flows from noncapital financing activities:				
Interfund transactions	(832,043)	-	-	(832,043)
Net cash provided (used) by noncapital financing activities	(832,043)	-	-	(832,043)
Cash flows from capital financing activities:				
Acquisition of capital assets	(462,750)	-	-	(462,750)
Proceeds from capital contributions	462,750	-	-	462,750
Principal payments on long-term debt	-	-	(445,833)	(445,833)
Interest paid on long-term debt	-	(1,512,646)	(291,334)	(1,803,980)
Net cash provided (used) by capital financing activities	-	(1,512,646)	(737,167)	(2,249,813)
Cash flows from investing activities:				
Investment income received	14,547	39,915	2,586	57,048
Net cash provided (used) by investing activities	14,547	39,915	2,586	57,048
Net increase (decrease) in cash and cash equivalents	91,199	1,434,878	(70,586)	1,455,491
Cash and cash equivalents - beginning	1,468,648	7,148,324	2,218,715	10,835,687
Cash and cash equivalents - ending	$ 1,559,847	$ 8,583,202	$ 2,148,129	$ 12,291,178
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income (loss)	$ (50,257)	$ 2,266,088	$ 763,118	$ 2,978,949
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	742,253	707,000	268,665	1,717,918
Changes in operating assets and liabilities:				
Accounts receivables	99,445	(60,452)	(126,795)	(87,802)
Prepaid expenses	-	4,595	17,414	22,009
Inventory	3,862	-	-	3,862
Accounts payable	53,129	-	-	53,129
Accrued salaries and benefits	(943)	-	-	(943)
Accrued liabilities	-	(9,622)	(258,407)	(268,029)
Deposits and other liabilities	61,206	-	-	61,206
Net cash provided (used) by operating activities	$ 908,695	$ 2,907,609	$ 663,995	$ 4,480,299

The accompanying notes are an integral part of these financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

Private-Purpose Trust Funds

The ***FORA Dissolution Administration Fund*** is used to account for the long-term debt and debt service issued by FORA prior to its dissolution which is administered by the City and held in Trust.

The Successor Agency Private Purpose Trust Funds includes the ***Successor Agency Obligation Retirement Fund*** and the ***Successor Agency Housing Assets Fund***. The Successor Agency was created as a result of the State order to dissolve California Redevelopment Agencies. These funds are used to track the activities by the Successor Agency Oversight Board and the City's Department of Finance in relation to the remaining assets and liabilities of the Successor Agency. The Housing Successor is governed by the City of Marina City Council and is obligated to use the Housing Successor Agency's assets according to Redevelopment law for low and moderate-income housing.

City of Marina
Statement of Net Position
Fiduciary Funds
June 30, 2021

	FORA Dissolution Administration Fund	Successor Agency Obligation Retirement Fund	Successor Agency Housing Assets Fund	Total
ASSETS				
Cash and investments	$ -	$ 5,967,684	$ 232,488	$ 6,200,172
Restricted cash and investments with fiscal agents	9,807,167	2,027,272	-	11,834,439
Accounts receivable	-	354,141	172	354,313
Prepaid expenses	-	8,312	-	8,312
Capital assets, land	-	-	900,000	900,000
Total assets	$ 9,807,167	$ 8,357,409	$ 1,132,660	$ 19,297,236
LIABILITIES				
Accounts payable	$ -	$ 4,274	$ 1,820	$ 6,094
Accrued salaries and benefits	-	10,890	647	11,537
Deposits and other liabilities	-	2,181,197	-	2,181,197
Noncurrent liabilities:				
Due within on year	1,260,000	600,000	-	1,860,000
Due in more than one year	29,230,065	23,704,790	-	52,934,855
Total liabilities	$ 30,490,065	$ 26,501,151	$ 2,467	$ 56,993,683
NET POSITION				
Held in trust for private purposes	$ (20,682,898)	$ (18,143,742)	$ 1,130,193	$ (37,696,447)

The accompanying notes are an integral part of these financial statements.

City of Marina
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2021

	FORA Dissolution Administration Fund	Successor Agency Obligation Retirement Fund	Successor Agency Housing Assets Fund	Total
ADDITIONS				
Property taxes	$ 2,659,498	$ 2,611,500	$ -	$ 5,270,998
Property tax in-lieu	-	29,139	-	29,139
Investment earnings	6,890	24,746	1,282	32,918
Total additions	2,666,388	2,665,385	1,282	5,333,055
DEDUCTIONS				
Program costs	-	9,951,079	-	9,951,079
Legal and professional fees	-	222,511	-	222,511
Employee costs	-	-	15,156	15,156
Occupancy and operating costs	-	8,242	8,025	16,267
Payments to other agencies	4,007,070	-	-	4,007,070
Interest and fiscal charges	562,214	1,136,337	-	1,698,551
Total deductions	4,569,284	11,318,169	23,181	15,910,634
Transfers	-	(196,502)	196,502	-
Change in net position	(1,902,896)	(8,849,286)	174,603	(10,577,579)
Total net position - beginning	(18,780,002)	(9,294,456)	955,590	(27,118,868)
Total net position - ending	$ (20,682,898)	$ (18,143,742)	$ 1,130,193	$ (37,696,447)

The accompanying notes are an integral part of these financial statements.

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Marina, California, (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City Council acts as the governing board. In addition, the City staff performs all administrative and accounting functions for these entities and these entities provide their services entirely to the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Each blended component unit has a June 30 year-end. The following entities are reported as blended component units:

Abrams B Non-Profit Corporation
The Abrams B Non-Profit Corporation was formed to account for operations of a 192-unit multi-family housing development known as Abrams B Apartments under a 50-year ground lease from the City of Marina, the owners of the property. The ground lease is reported as a capital asset “leasehold interest” on the balance sheet of the Abrams B Housing Fund. Although a legally separate entity, the Corporation is reported on a blended basis as part of the primary government.

Preston Park Sustainable Community Non-Profit Corporation
The Preston Park Sustainable Community Non-Profit Corporation (the Property) was formed to account for operations of a 354unit multi-family apartment complex known as Preston Park. The Property is owned by the City of Marina. Although a legally separate entity, the Property is reported on a blended basis as part of the primary government.

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance. In December of 2010, GASB issued Statement No. 62*, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates pronouncements issued on or before November 30, 1989 into GASB authoritative literature. In June of 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* GASB 76 supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. GASB 76 also amends GASB 62 and AICPA Pronouncements paragraphs 64, 74, and 82. The GAAP hierarchy sets forth what constitutes GAAP for all state and local governmental entities. It establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a governmental entity should apply. The sources of authoritative GAAP are categorized in descending order of authority as follows:

a. Officially established accounting principles—Governmental Accounting Standards Board (GASB) Statements (Category A)
b. GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB (Category B).

If the accounting treatment for a transaction or other event is not specified by a pronouncement in Category A, a governmental entity should consider whether the accounting treatment is specified by a source in Category B.

B. Basis of Presentation, Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. These funds are established for the purpose of carrying out specific activities or certain objectives in accordance with specific regulations, restrictions, or limitations. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources, are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in-regards-to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those

transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Transfers in/Transfers out

The City applies all applicable GASB pronouncements including all Interpretations currently in effect.

Governmental Fund Financial Statements

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, taxpayer-assessed tax revenues (sales taxes, transient occupancy taxes, etc.), licenses, grant revenues and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The City reports the following funds as major funds:

General Fund
The General Fund is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities such as public safety, public ways and facilities, par□s and recreation services, and economic development services.

Impact Fee Fund
The Impact Fee Fund accounts for impact fees imposed on new development as permitted by law, and related impact remediation costs. Remediation costs are not accounted for within this fund, but are recorded as transfers to the Capital Projects Fund, where remediation project costs are accumulated.

FORA Dissolution Fund
The FORA Dissolution Fund is used to account for resources received from the Fort Ord Reuse Authority upon dissolution for Community Development and Habitat Management.

Abrams B Debt Service Fund
The Abrams B Debt Service Fund is used to account for resources restricted to retirement of Abrams B Bonds principal and interest and the payment of those debt obligations.

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds
Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

Debt Service Funds
Debt service funds account for resources accumulated and restricted to pay debt service on long-term debt obligations.

Capital Project Funds
Capital project funds account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets in governmental funds.

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the "economic resources measurement focus". This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements.

The City has the following enterprise funds that have been reported as major:

Marina Municipal Airport Operating Fund
The Marina Municipal Airport Operating Fund is sued to account for all financial transactions relating to City's airport.

Preston Park Housing Fund
The Preston Park Housing Fund is used to account for the operations of the Preston Park apartments.

Abrams B Housing Fund
The Abrams B Housing Fund is used to account for the operations of the Abrams B apartments.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

The City reports the following fiduciary funds:

FORA Dissolution Administration Fund
The FORA Dissolution Administration Fund is used to account for the long-term debt and debt service issued by FORA prior to its dissolution which is administered by the City and held in Trust.

Successor Agency Private Purpose Trust Funds
The Successor Agency Private Purpose Trust Funds includes the Successor Agency Obligation Retirement Fund and the Successor Agency Housing Assets Fund. The Successor Agency was created as a result of the State order to dissolve California Redevelopment Agencies. These funds are used to track the activities by the Successor Agency Oversight Board and the City's Department of Finance in relation to the remaining assets and liabilities of the Successor Agency. The Housing Successor is governed by the City of Marina City Council and is obligated to use the Housing Successor Agency's assets according to Redevelopment law for low and moderate-income housing.

C. Cash, Cash Equivalents and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments. For the purpose of the statement of cash flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas: Interest Rate Risk, Overall Credit Risk, Custodial Credit Risk, Concentrations of Credit Risk, and Foreign Currency Risk.

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures. The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt, for acquisition and construction of capital projects, and to meet bond indenture debt reserve requirements. Cash and investments are also restricted for deposits held for others within the enterprise funds. Amounts held in Trust for FORA Dissolution Administration and Successor Agency obligations are also reported as restricted cash and investments.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. The City considers all trade and property tax receivables to be fully collectible and therefore no allowance for uncollectible accounts is considered necessary.

F. Receivables

Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. Revenues earned but not collected by year-end are accrued. No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

G. Loans Receivable

Repayments of outstanding loans are classified as a revenue source in the applicable funds when collected and expenditures in the years disbursed. The portion of loans receivable deemed to be unavailable have been offset by *Unavailable Revenues* in the accompanying financial statements, which is a part of deferred inflows of resources.

H. Prepaid Expenses and Inventory

The aviation fuel inventory held by the Airport is stated at cost using the first-in-first-out (FIFO) valuation method. Materials and supplies used by governmental funds are recorded as expenditures at the time they are purchased or obtained.

Prepaid expenses are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid expenses in both government-wide and fund financial statements.

I. Capital Assets

Capital assets used in governmental fund operations, including infrastructure assets (i.e. roads, curbs, gutters, bridges, sidewalks, drainage systems, lighting systems, and other assets) are reflected in the government-wide financial statements, along with related depreciation. Capital assets are defined by the City as assets with an initial individual cost of more than $10,000 for equipment, $100,000 for buildings and improvements and $200,000 for infrastructure, and an estimated life in excess of 1 year. Purchased capital assets are valued at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at acquisition value on the date donated. Capital assets acquired under lease or purchase agreements are capitalized when the City accumulates an ownership equity in the assets acquired.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is provided using the straight-line method whereby the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives of the assets which range from four to forty years. Abrams Housing and Preston Park Housing Proprietary Funds have 50-year leasehold interests in these housing developments. The leasehold is depreciated over those 50 years. The City of Marina remains the property owner of the Abrams and Preston Park Housing projects.

J. Deferred Outflows/Deferred Inflows

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

K. Interest Payable

In the government-wide and proprietary fund financial statements, interest payable of long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments. In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

L. Compensated Absences

It City employees are granted vacation and sick days in varying amounts based on classification and length of service. Upon termination or retirement, the City is to pay 100% of vacation and compensatory time off. Personal time off (PTO) and sick leave is paid in accordance with the applicable employee Memorandum of Understanding (MOU) or individual employment contract. The City's liability for compensated absences is recorded at the City-wide level in the Statement of Net Position for Governmental Activities. The liability for compensated absences is determined annually, however such compensated absences payments are not distinguished from regular payroll paid during the fiscal year.

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund because most City employees are paid from the General Fund.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Benefit Plans

Pension Expense
For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefit (OPEB) Expense
For purposes of measuring the Total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the City's Retiree Benefits Plan (the OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

O. Fund Balances

In accordance with Government Accounting Standards Board 54*, Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable
Nonspendable fund balance represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed, or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted
Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed
Committed fund balances have constraints imposed by passage of a Resolution of the City Council which may be altered only by Resolution of the City Council. Encumbrances and nonspendable amounts subject to Council commitments are included along with spendable resources. The City considers Resolutions to be the highest level of action that can be taken by Council that constitutes the most binding constraint.

Assigned
Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; nonspendable amounts, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects, and Debt Service Funds, which

have not been restricted or committed. The City Council has delegated the authority to make assignments of fund balance to the City Manager and Finance Director.

Unassigned
Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Flow Assumption / Spending Order Policy
When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

P. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets
This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that are attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position

Restricted Net Position
This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position
This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position
When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

Q. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

R. Property Taxes and Special Assessments

The County of Monterey levies, bills, and collects property taxes and special assessments for the City. Property taxes levied are recorded as revenue when received.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls constitute a lien against the property, may be paid in two installments the first is due November 1st of the fiscal year and is delinquent if not paid by December 10th and the second is due on February 1st of the fiscal year and is delinquent if not paid by April 10th. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent.

Property valuations are established by the Assessor of the County of Monterey for the secured and unsecured property tax rolls. Under the provisions of Article XIIIA of the State Constitution, properties are assessed at 100% of purchase price or value in 1978 whichever is later. From this base assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax levy dates are attached annually on January 1st preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1st and ends June 30th of the following year. Taxes are levied on both real and unsecured personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

S. Budgetary Information

The City adopts a budget annually for all governmental fund types. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of budgetary control is the fund level. The City Council may amend the budget by resolution during the fiscal year. The City Manager has the authority to make adjustments to the operating budget between departments within the same fund. Transfers of operating budgets between funds, use of unappropriated fund balances, and significant changes in capital improvement project budgets require the approval of the City Council. The City's basis of budgeting is the same as GAAP.

T. Encumbrances

Under encumbrance accounting, purchase orders, contract and other commitments for expenditures are recorded in order to commit that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. All appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations**.**

U. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-

exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unavailable revenue.

V. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

W. Subsequent Events

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Virus Crisis ("CV19 Crisis"). Departmental expenditures are closely monitored as the pandemic continues and the City continues to practice safety protocol as required by the State and the County. At the date of the issuance of these financial statements, the future impact of the CV19 Crisis cannot be reasonably estimated.

X. Implementation of New Accounting Pronouncements

GASB Statement No. 84, *Fiduciary Activities*

Issued in January 2017, this statement establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes and describes four fiduciary funds that should be reported, if applicable. The statement is effective beginning fiscal year 2021. The City continues to meet the fiduciary criteria by classifying activities related to the Successor Agency as a fiduciary fund. The City did not report any activities as custodial funds.

Y. Upcoming New Accounting Pronouncements

GASB issued Statement No. 87, *Leases*

Issued in June 2017, this statement establishes standards of accounting and financial reporting for leases by lessees and lessors. It provides guidance on accounting treatment of lease assets, lease liability, short-term leases, certain regulated leases, measurement for leases other than short-term leases and contracts that transfer ownership, subleases, lease-leaseback transactions, intra-entity leases, and leases between related parties. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*

Issued in May 2019, this statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement will be effective beginning fiscal year 2023. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 92, *Omnibus 2020*

Issued in January 2020, this statement was issued for clarity and consistency by addressing practice issues identified from the implementation and application of certain GASB statements. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

Issued in March 2020, this statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) such as the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 94, *Public-Private Partnerships and Public-Public Partnerships and Availability Payment Arrangements*

Issued in March 2020, this statement is to improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and available payment arrangement (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The statement will be effective beginning fiscal year 2023. The City is in the process of determining the impact this Statement will have on the financial statements.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2021, cash and investments were reported in the financial statements as follows:

	Government Wide Statement of Net Position		Fiduciary Funds Statement of Net Position	Total
	Governmental Activities	Business-Type Activities		
Cash and investments	$ 70,209,464	$ 12,291,178	$ 6,200,172	$ 88,700,814
Restricted cash and investments	1,189,709	-	11,834,439	13,024,148
Total cash and investments	$ 71,399,173	$ 12,291,178	$ 18,034,611	$ 101,724,962

Cash and investments consisted of the following as of June 30, 2021:

Deposits:	
Cash on hand	$ 5,900
Cash with fiscal agents	10,159,741
Cash in banks	2,510,174
Total deposits	12,675,815
Investments:	
Local Agency Investment Fund	70,911,359
US Treasurey obligations	5,113,640
Total investments	76,024,999
Total City Treasury	88,700,814
Restricted cash and investments:	
Local Agency Investment Fund	502,830
Money market funds	451,270
Cash in banks	235,609
Cash with fiscal agent	11,834,439
Total restricted cash and investments	13,024,148
Total cash and investments	$ 101,724,962

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution. The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to $250,000 by the Federal Deposit Insurance Corporation (FDIC).

The bank balances before reconciling items totaled $2,724,469 at June 30, 2021 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was $2,474,469, which was collateralized by securities held by pledging financial institutions. The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by

fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the re*lated fund.*

B. *Fair Value Measurements*

GASB 72 established a hierarchy of inputs to the valuation techniques with three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

C. Investment Policies

City Investment Policy
Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Bills, Notes and Bonds	(A)	N/A	No Limit	No Limit
U.S. Government-Sponsored Enterprise Agencies:				
Government National Mortgage Association	5 years	N/A	No Limit	No Limit
Federal National Mortgage Association	5 years	N/A	No Limit	No Limit
Federal Home Loan Mortgage	5 years	N/A	No Limit	No Limit
Corporation Federal Home Loan Bank	5 years	N/A	No Limit	No Limit
Banker's Acceptances	180 days	N/A	30%	One Commercial Bank
Certificates of Deposit	5 years	N/A	15%	(B)
Commercial Paper	270 days	N/A	15%	Highest Rating by an NRSRO*
Commercial Paper	31 days	N/A	30%	Highest Rating by an NRSRO*
Corporate Notes	5 years	N/A	30%	No Limit
Mutual Funds	N/A	N/A	20%	Highest Rating by an NRSRO*
Reverse Repurchase Agreements	92 days	N/A	20%	No Limit
Repurchase Agreements	1 year	N/A	No Limit	No Limit
California Local Agency Investment Fund	N/A	N/A	No Limit	$40,000,000 per account

(A) Maximum maturities of 5 years or greater with specific City Council approval
(B) $250,000 unless collateralized by eligible securities as provided by California Governmental Code Sections 53651 and 53652.
* Nationally Recognized Statistical Rating Organization

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Under the terms of certain debt issuances, the City must maintain required amounts of cash and investments with trustees or fiscal agents. These funds are unexpended bond proceeds or are pledged as reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City ordinance, bond indentures or State statute. The table below identifies the investment types that are authorized for investments with fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer or the maximum percentage of the portfolio that may be invested in any one investment type. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Treasury Obligations	None	N/A
U.S. Agency Obligations	None	N/A
U.S. Government-Sponsored Agency Obligations	None	N/A
State Obligations:		
General Obligation	None	A
General Short-Term Obligation	None	A-1+
Special Revenue Bonds	None	AA
Pre-Refunded Municipal Obligation	None	AAA
Unsecured Certificates of Deposit	30 days	A-1
FDIC-Insured Deposit	None	N/A
Repurchase Agreements	None	A
Commercial Paper	270 days	Three highest categories
Bankers' Acceptances	(A)	A-1
Money Market Mutual Funds	None	Three highest categories
Investment Agreement	None	N/A
Tax-Exempt Obligations	None	Three highest categories
State of California- Local Agency Investment Fund	None	N/A

(A) Maximum maturities of 5 years or greater with specific City Council approval

The City’s portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio’s change in value. These portfolio value changes are unrealized unless sold. Generally the City’s practice is to buy and hold investments until maturity dates. Consequently, the City’s investments are carried at fair value.

D. External Investment Pool

The City's investments with LAIF at June 30, 2021, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes
These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities
The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at http://www.treasurer.ca.gov/pmia-laif/.

D. Risk Disclosures

Interest Rate Risk
Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. One of the ways that the City's interest rate risk is mitigated is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk
Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. With the exception of U.S. Treasury obligations and authorized pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or with a single financial institution to reduce the City's exposure to credit risks. As of June 30, 2021, the City's investments were in compliance with the ratings required by the City's investment policy and Government Code. U.S. Treasury obligations totaling $5,113,640 were rated Aaa by Moody's and amounts held by bond trustees in money market accounts were rated AAA my S&P and Aaa by Moody's.

Concentrations of Credit Risk
The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2021, the City had no investments in any one issuer (other than U.S. Treasury obligations and external investment pools) that represented 5% or more of the total City investments.

Custodial Credit Risk
For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not

contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2021, the City's investments had the following maturities:

	Maturity			
Investment Type	12 Months or Less	1-5 years	Fair Value	Fair Value Input Levels
Local Agency Investment Fund	$ 70,911,359	$ -	$ 70,911,359	n/a
US Treasury obligations	5,113,640	-	5,113,640	Level 1
Held by bond trustee:				
Money market funds	451,270	-	451,270	Level 2
Total Investments	$ 76,476,269	$ -	$ 76,476,269	

NOTE 3 - LOANS RECEIVABLE

The City has engaged in programs designed to encourage construction or improvement of low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners who agree to spend these funds in accordance with the City's terms. The balances of these loans arising from these business and housing programs at June 30, 2021 were $596,144. The loans have varying maturity dates and interest rates, depending on loan agreements. The balance of the notes receivable have been offset in the fund financial statements by deferred inflows of resources as they are not deemed measurable and available within 60 days, except for those loans that have current payment activity. The loans were fully reserved for in the Statement of Net Position.

The City has a loan program for developers for impact fees and engineering fees imposed by the City. At June 30, 2021 the City had $183,634 in loans receivable outstanding. These loans are offset in the fund financial statements by deferred inflows of resources.

NOTE 4 - INTERFUND TRANSACTIONS

Inter-fund Receivables and Payables
Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years.

On November 1, 2006, the Marina Joint Powers Financing Authority issued $14,360,000 revenue bonds for the purpose of financing a loan in the same amount to the Abrams-B Non-Profit Corporation. Simultaneously, the corporation paid the entire $14,360,000 back to the City of Marina, to pay loan costs and to acquire a 50-year leasehold interest in the Abrams-B Apartments housing project. Also simultaneously, the City paid that cash to The Fort Ord Reuse Authority to purchase the Abrams-B property. Monthly note payments are made by the corporation to the City according to an original amortization schedule which was subsequently revised on November 15, 2016, at a lower interest rate, resulting is smaller monthly payments. Payments on the note are structured to be sufficient for the bond trustee to pay semi-annual principal and interest on the revenue bonds. Bond payments are made semiannually and will be fully re-paid in 2036. The balance of the loan was $9,302,500 at June 30, 2021.

As of June 30, 2021, inter-fund receivables and payables consisted of the following:

Fund	Advances to Other Funds	Advances from Other Funds
Abrams B Debt Service Fund	$ 9,302,500	$ -
Abrams B Housing Fund	-	9,302,500
Total advances	$ 9,302,500	$ 9,302,500

Transfers In/Out
With Council approval resources may be transferred from one fund to another. The following summarizes transfers between funds during the fiscal year ended June 30, 2021:

Fund	Transfer in	Transfer out
General Fund	$ 148,102	$ 2,728,500
Impact Fee Fund	-	755,000
Nonmajor Governmental Funds	5,673,743	1,506,302
Marina Municipal Airport Fund	12,000	844,043
Successor Agency Obligation Retirement	-	196,502
Successor Agency Housing Assets	196,502	-
Total Transfers	$ 6,030,347	$ 6,030,347

Intra-Fund Transfers In/Out
The following table represents intra-fund transfers made during the fiscal year ended June 30, 2021:

Fund	Transfer in	Transfer out
General Fund	$ -	$ 1,581,000
Vehicle & Equipment Replacement Fund	1,131,000	-
Pension Stabilization Fund	450,000	-
Total Eliminations	$ 1,581,000	$ 1,581,000

Intra-fund transfers are eliminated for presentation in the fund financial statements.

NOTE 5 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2021:

Governmental Activities	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Non-depreciable:				
Land	$ 22,080,651	$ -	$ -	$ 22,080,651
Total Non-Depreciable	22,080,651	-	-	22,080,651
Depreciable:				
Buildings and improvements	50,044,803	153,082	-	50,197,885
Equipment	8,502,426	725,951	-	9,228,377
Infrastructure	35,332,018	2,432,615	-	37,764,633
Total Depreciable	93,879,247	3,311,648	-	97,190,895
Less Accumulated Depreciation for:				
Buildings and improvements	(18,868,534)	(1,172,757)	-	(20,041,291)
Equipment	(6,855,551)	(412,907)	-	(7,268,458)
Infrastructure	(5,856,096)	(887,609)	-	(6,743,705)
Total Accumulated Depreciation	(31,580,181)	(2,473,273)	-	(34,053,454)
Total Depreciable Capital Assets - Net	62,299,066	838,375	-	63,137,441
Total Governmental Capital Assets	$ 84,379,717	$ 838,375	$ -	$ 85,218,092

Depreciation expense for governmental activities was charged to the following programs during the year:

General government	$ 949,566
Public safety	406,002
Public works	67,810
Economic & community development	983,225
Recreation & cultural services	66,670
Total depreciation expense	$ 2,473,273

Capital assets for business-type activities consisted of the following as of June 30, 2021:

Business Type Activities	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Non Depreciable				
Land	$ 36,900,000	$ -	$ -	$ 36,900,000
Total Non-Depreciable	36,900,000	-	-	36,900,000
Depreciable:				
Leasehold interest	48,783,242	-	-	48,783,242
Buildings	9,295,040	195,402	-	9,490,442
Improvements (airport and runway)	14,540,399	267,347	-	14,807,746
Equipment	323,135	-	-	323,135
Total Depreciable	72,941,816	462,749	-	73,404,565
Less Accumulated Depreciation				
Leasehold interest	(7,010,795)	(975,665)	-	(7,986,460)
Buildings	(5,409,875)	(277,548)	-	(5,687,423)
Improvements (airport and runway)	(8,731,251)	(439,050)	-	(9,170,301)
Equipment	(279,899)	(25,654)	-	(305,553)
Total Accumulated Depreciation	(21,431,820)	(1,717,917)	-	(23,149,737)
Total Depreciable Capital Assets - Net	51,509,996	(1,255,168)	-	50,254,828
Total Business Type - Capital Assets	$ 88,409,996	$ (1,255,168)	$ -	$ 87,154,828

NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2021:

Long-term Liabilities	Beginning Balance	Adjustment/ Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
2015 General Obligation Refunding Bonds	$ 6,970,000	$ -	$ (260,000)	$ 6,710,000	$ 280,000
2016 Abrams B Housing Revenue Bonds	10,005,000	-	(440,000)	9,565,000	450,000
Capital Leases	508,464	276,393	(188,516)	596,341	237,487
Net Pension Liabilities	20,787,954	9,763,070	(7,599,679)	22,951,345	-
Total OPEB Obligation	4,834,191	2,287,610	(458,586)	6,663,215	-
Compensated Absences	1,544,477	36,803	-	1,581,280	395,320
Total Governmental Activities	$ 44,650,086	$ 12,363,876	$ (8,946,781)	$ 48,067,181	$ 1,362,807
Business-Type Activities					
Berkeley Capital Loan	$ 35,950,000	$ -	$ -	$ 35,950,000	$ -
Total Business-Type Activities	$ 35,950,000	$ -	$ -	$ 35,950,000	$ -
Fiduciary Funds:					
Tax Allocation Bonds:					
FORA Series 2020	$ 30,705,000	$ -	$ -	$ 30,705,000	$ 1,260,000
RDA SA, Series 2000A	375,000	-	(25,000)	350,000	30,000
RDA SA, Series 2018A	6,535,000	-	(215,000)	6,320,000	225,000
RDA SA, Housing Series 2018B	6,225,000	-	(205,000)	6,020,000	215,000
RDA SA, Series 2020A	-	4,790,000	-	4,790,000	-
RDA SA, Housing Series 2020B	-	4,950,000	-	4,950,000	130,000
Subtotal Tax Allocation Bonds	43,840,000	9,740,000	(445,000)	53,135,000	1,860,000
Bond discounts	(214,935)	-	-	(214,935)	-
Bond premiums	1,137,952	852,545	(115,707)	1,874,790	-
Total Fiduciary Funds	$ 44,763,017	$ 10,592,545	$ (560,707)	$ 54,794,855	$ 1,860,000

2015 General Obligation Refunding Bonds

In May 2015, the City issued $7,640,000 General Obligation Bonds for the purpose of refunding $7,885,000 of the City's General Obligation Bonds, Election of 2002, Series 2005 which was issued for the purpose of constructing and supplying a library facility in the City. The bonds bear interest at 1.5% to 5%. The bonds mature in August 2035. Principal payments of $85,000 to $605,000 are due annually on August 1. Interest payments are due semi-annually on February 1 and August 1. The Bonds are subject to an early redemption at par at the option of the City after August 2025.

The City accounts for the bonds in its governmental activities and uses taxes and assessments reported in a debt service fund to fund the principal and interest payments. Future debt service payments are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	$ 280,000	$ 233,281	$ 513,281
2023	295,000	227,531	522,531
2024	315,000	216,706	531,706
2025	340,000	200,332	540,332
2026	370,000	182,581	552,581
2027-2031	2,280,000	667,271	2,947,271
2032-2036	2,830,000	249,803	3,079,803
Total	$ 6,710,000	$ 1,977,505	$ 8,687,505

Remarketed 2016 Abrams B Housing Revenue Bonds

In November 2006, the City issued $14,360,000 Multi-family Housing Revenue Bonds for the purpose of financing the acquisition of the Abrams B Apartments. These bonds were remarketed in November 2016. The bonds bear interest at 0.95% to 3.55%. The bonds mature in November 2036. Principal payments of $110,000 to $160,000 are due annually on November 1. Interest payments are due semi-annually on May 1 and November 1. Beginning on November 15, 2023, the bonds have an optional redemption price of 102%, declining to 101% on November 15, 2024, and at par on November 15, 2025 and thereafter.

The City accounts for the bonds in its governmental activities and accounts for the revenue debt service in the Abrams B Debt Service Fund. Future debt service payments are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	$ 450,000	$ 285,280	$ 735,280
2023	465,000	277,723	742,723
2024	475,000	268,905	743,905
2025	490,000	258,888	748,888
2026	505,000	247,813	752,813
2027-2031	3,165,000	982,978	4,147,978
2032-2036	3,615,000	435,445	4,050,445
2037	400,000	7,100	407,100
Total	$ 9,565,000	$ 2,764,132	$ 12,329,132

Capital Leases

In July 2018, the City entered into a lease agreement in the amount of $663,156 at 4.52% to finance the purchase of radio equipment. Annual principal and interest payments of $185,348 are due through July 2022.

In 2020, the City entered into a lease agreements totaling $277,704 to finance the purchase of vehicles. Annual principal and interest payments of $68,114 are due through fiscal year 2025.

The City accounts for the leases in its governmental activities and uses resources reported the General Fund to pay the principal and interest payments. Future debt service payments are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	$ 237,487	$ 15,974	$ 253,461
2023	245,294	8,167	253,461
2024	68,114	-	68,114
2025	45,446	-	45,446
Total	$ 596,341	$ 24,141	$ 620,482

Equipment and related accumulated amortization under the capital lease are as follows:

Leased Equipment	$ 940,860
Accumulated Amortization	(462,654)
Net Book Value	$ 478,206

Business-Type Activities

Preston Park Loan

On January 7, 2016, the Preston Park Sustainable Community Non-profit Corporation entered into a loan agreement in the amount of $35,950,000 at 4.15% to finance the costs of acquisition of a leasehold interest in property of Preston Park Apartments. The loan is a full-term interest only loan with the entire principal balance due on February 1, 2026. Interest payments are made through January of 2026 without an early redemption option. Future debt service payments are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	$ -	$ 1,512,646	$ 1,512,646
2023	-	1,512,646	1,512,646
2024	-	1,516,790	1,516,790
2025	-	1,516,790	1,516,790
2026	35,950,000	1,011,194	36,961,194
Total	$ 35,950,000	$ 7,070,066	$ 43,020,066

Fiduciary Fund Tax Allocation Bonds

Fort Ord Reuse Authority (FORA) Tax Allocation Bonds, Series 2020

In June 2020, the FORA issued $30,705,000 of tax allocation bonds, Series 2020. The proceeds of the Series 2020 bonds will be used to fund building removal costs for various public agencies related to property formerly included in the Fort Ord Military Base, provide funds to satisfy an obligation of the Authority to CalPERS, set-up debt service reserves, set-up administrative accounts, pay insurance premiums related to the bonds and cover bond issuance costs The bonds bear annual interest at 1.151% to 3.307%. Principal and interest is paid semi-annually on March 1st and September 1st. The bonds mature September 1, 2037 in amounts ranging from $1,260,000 to $1,765,000.

Tax Allocation Bonds, Neeson Road

In November 2000, the former RDA issued $700,000 of tax allocation bonds, Series A. The proceeds of the 2000 Series A bonds issued were used fund infrastructure redevelopment activities at the Marina Airport. The bonds bear annual interest at 4.75%. The bonds were issued in fully registered form without coupons in denominations of $5,000. Interest is paid semi-annually, on January 1st and July 1st. Principal is paid in annual installments beginning January 1, 2018 and maturing January 1, 2031 in amounts ranging from $10,000 to $45,000.

Tax Allocation Bonds, 2018 Series A (Taxable) and Series B (Tax Exempt)
In 2018, the former RDA issued $4,750,000 of tax allocation bonds, Series A (Taxable) and Series B (Tax Exempt). A total of $6,905,000 of Series A bonds were issued and $6,585,000 of Series B bonds. The proceeds of the 2018 Series A bonds issued were used to make payment on a promissory note and agreement, dated August 5, 2008 of the former Marina Redevelopment Agency for the benefit of Marina Community Partners.

The bonds bear annual interest at 5%. The bonds were issued in fully registered form without coupons in denominations of $5,000. Interest is annually, due on September 1st. Principal is paid in annual installments beginning September 1, 2018 and ending September 1, 2038 in amounts ranging from $165,000 to $515,000. The proceeds of the 2018 Series B bonds issued were used to repay a significant portion of the loans from the City of Marina to the Agency. The bonds bear annual interest at 5%. The bonds were issued in fully registered form without coupons in denominations of $5,000. Interest is annually, due on September 1st. Principal is paid in annual installments beginning September 1, 2018 and ending September 1, 2038 in amounts ranging from $165,000 to $515,000.

Tax Allocation Bonds, Series 2020A
In August 2020, the former RDA issued $4,790,000 of tax allocation bonds, Series 2020A. The proceeds of the 2020 Series A bonds issued were used to make payment on the aforementioned promissory note and agreement, dated August 5, 2008 of the former Marina Redevelopment Agency for the benefit of Marina Community Partners. The bonds bear annual interest at 4.00%. The bonds were issued in fully registered form without coupons in denominations of $5,000. Interest is paid semi-annually, on March 1st and September 1st. Principal is paid in annual installments beginning September 1, 2022 and maturing September 1, 2035.

Housing Tax Allocation Bonds, Series 2020B
In August 2020, the former RDA issued $4,950,000 of housing tax allocation bonds, Series 2020B. The proceeds of the 2020 Series B bonds issued were used to make payment on the aforementioned promissory note and agreement, dated August 5, 2008 of the former Marina Redevelopment Agency for the benefit of Marina Community Partners. The bonds bear annual interest at 4.00%. The bonds were issued in fully registered form without coupons in denominations of $5,000. Interest is paid semi-annually, on March 1st and September 1st. Principal is paid in annual installments beginning September 1, 2021 and maturing September 1, 2040.

The annual debt service requirements for the Tax Allocation Bonds are as follows:

Fiscal Year Ending June 30:	Principal	Interest	Total
2022	$ 1,860,000	$ 1,987,508	$ 3,847,508
2023	2,130,000	1,795,899	3,925,899
2024	2,190,000	1,742,933	3,932,933
2025	2,245,000	1,685,228	3,930,228
2026	2,335,000	1,622,487	3,957,487
2027-2031	15,065,000	6,823,615	21,888,615
2032-2036	15,325,000	4,115,898	19,440,898
2037-2041	11,985,000	1,309,262	13,294,262
Total	$ 53,135,000	$ 21,082,830	$ 74,217,830

The Successor Agency fiduciary funds account for activity of the Successor Agency of the Marina Redevelopment Agency. In 2012, the State of California dissolved Redevelopment Agencies and created

Successor Agencies to extinguish debts of the Redevelopment Agencies. The Marina Successor Agency is required by a Development and Disposition Agreement (DDA) to issue debt to repay the Dunes Corporation amounts owed in the DDA. This debt is fully funded by a commitment from the State of California as specified in the Dissolution Act.

NOTE 7 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City obtains insurance coverages.

The City purchases liability, property, errors and omissions, and workers' compensation insurance from the Monterey Bay Area Self Insurance Authority (MBASIA), a risk-sharing program. Under this program, coverage is provided for up to a maximum of $29,000,000 for each general liability claim less the City's deductible of $10,000. Statutory coverage is provided for workers' compensation claims. The City is assessed a contribution to cover claims, operating costs, and claim settlement expenses based upon an actuarially determined rate for each coverage layer pool Additional cash contributions may be assessed on the basis of adverse loss experience. If the events of the year result in a negative risk position, the members' annual assessment may be increased in subsequent years. The City is unable to reasonably estimate the probability of MBASIA ending the year in a negative risk position. Refunds to members may be made if funds are determined to be surplus as a result of an actuarial study.

The City currently reports liability risk management activities in the general fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Workers compensation insurance costs are allocated to various departments proportionate to their total payroll. For the year ended June 30, 2021, the City paid a total of $1,428,180 to MBASIA for insurance coverage; $485,908 and $942,272 for liability and workers compensation insurance, respectively and did not receive a rebate from the program. There were no material unpaid and uninsured claims outstanding at the beginning or end of the last two fiscal years.

NOTE 8 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description
All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous	
	Tier 1	PEPRA
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	55	62
Monthly benefits as a % of eligible compensation	2.00%	2.00%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	11.031%	7.732%

	Safety	
	Tier 1	PEPRA
Benefit formula	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	50	57
Monthly benefits as a % of eligible compensation	3.00%	2.70%
Required employee contribution rates	9.000%	13.000%
Required employer contribution rates	23.674%	13.044%

Employees Covered

At June 30, 2021, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety
Active	46	51
Transferred	14	36
Separated	29	17
Retired	72	78
Total	161	182

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are

determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2021, the City's contributions were as follows:

Miscellaneous	$	809,660
Safety		2,075,458
Total Employer Contributions	$	2,885,118

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported a net pension liability for its proportionate share of the net pension liabilities as follows:

		Proportionate Share of Net Pension Liability/(Asset)
Miscellaneous	$	6,846,483
Safety		16,104,861
Total	**$**	**22,951,345**

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2020, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plans as of June 30, 2020 and 2020 was as follows:

	Miscellaneous	**Safety**	**Combined Plans**
Proportion - June 30, 2020	0.15555%	0.23322%	0.20287%
Proportion - June 30, 2021	0.16231%	0.24173%	0.21094%
Change - Increase/(Decrease)	0.00677%	0.00850%	0.00807%

For the year ended June 30, 2021, the City recognized pension expense of $4,684,449.

At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellanous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ -	$ 48,832
Differences between Expected and Actual Experience	352,820	-
Differences between Projected and Actual Investment Earnings	203,386	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	260,258
Change in Employer's Proportion	321,716	-
Pension Contributions Made Subsequent to Measurement Date	809,660	-
Total	$ 1,687,581	$ 309,090

Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ -	$ 53,646
Differences between Expected and Actual Experience	1,248,850	-
Differences between Projected and Actual Investment Earnings	350,026	-
Differences between Employer's Contributions and Proportionate Share of Contributions	56,354	496,893
Change in Employer's Proportion	630,980	-
Pension Contributions Made Subsequent to Measurement Date	2,075,458	-
Total	$ 4,361,668	$ 550,539

Miscellanous and Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ -	$ 102,477
Differences between Expected and Actual Experience	1,601,670	-
Differences between Projected and Actual Investment Earnings	553,412	-
Differences between Employer's Contributions and Proportionate Share of Contributions	56,354	757,151
Change in Employer's Proportion	952,695	-
Pension Contributions Made Subsequent to Measurement Date	2,885,118	-
Total	$ 6,049,249	$ 859,628

The City reported $2,885,118 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/(Inflows) of Resources		
	Miscellaneous	Safety	Total
2022	$ 75,712	$ 565,505	$ 641,216
2023	199,648	591,467	791,115
2024	195,922	403,317	599,239
2025	97,549	175,383	272,932
2026	-	-	-
Thereafter	-	-	-
Total	$ 568,831	$ 1,735,672	$ 2,304,502

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	(1)
Investment Rate of Return	7.15% (2)
Mortality	(3)

(1) Varies by entry age and service
(2) Net of pension plan investment expenses, including inflation
(3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(a) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
(b) An expected inflation of 2.0% used for this period.
(c) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the City's proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Combined
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	$ 10,647,176	24,298,978	34,946,154
Current	7.15%	7.15%	7.15%
Net Pension Liability	$ 6,846,483	16,104,862	22,951,345
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	$ 3,706,090	9,380,815	13,086,905

Pension Plan Fiduciary Net Position
Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description
The City of Marina participates in the California Public Employees Retirement System (CalPERS), a cost-sharing multiple employer public employee defined benefit pension plan. CalPERS provides post-employment medical insurance benefits to retirees and their spouses who meet plan eligibility requirements in accordance with their labor agreement. The City provides health care benefits for all retired employees based on retirement age of 50 with 5 years of service. Retirees can enroll in any of the available CalPERS medical plans and the benefits continue for the life of the retiree and surviving spouse. The City contributes the minimum amount provided under Government Code Section 22825 of the Public Employees Medical and Hospital Care Act. Retirees must pay any premium amounts in excess of the City's contribution. For each bargaining unit, the minimum amount the City contributes is pro-rated over the 20-year period starting from that unit's CalPERS coverage.

The City has authority to establish and amend the Plan's benefit terms and financing requirements to the City Council. No assets are accumulated in a trust that meets all of the criteria in GASB statement No. 75 Paragraph 4. There are no separate financial statements issued for the OPEB plan.

Employees Covered by Benefit Terms
At June 30, 2021, the benefit terms covered the following employees:

Active employees	82
Inactive employees	23
Dependents of Retirees	11
Total covered	116

Contributions
The City makes contributions based on a pay-as-you go basis as approved by the authority of the City's Board. Total benefit payments included in the measurement period were $73,360 while actual contributions for the fiscal year were $80,621. The actuarially determined contribution for the measurement period was $468,831. The City's contributions were .88% of covered employee payroll during the fiscal year ended June 30, 2021. Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan.

Actuarial Assumptions
The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	June 30, 2019
Measurement Date:	June 30, 2020
Actuarial Cost Method:	Entry-Age Normal Cost Method
Amortization Period:	20 years
Asset Valuation Method:	Level percentage of payroll, closed
Actuarial Assumptions:	
Discount Rate	2.21%
Inflation	2.26%
Salary Increases	3.25%
Healthcare Trend Rate	4.25%
Mortality	CalPERS 2017 Mortality
Service Requirement	100% at 5 Years of Service
Retirement:	
Hired before January 1, 2013	2% @55 Rates for Miscellaneous Employees
	3% @50 for Police and Fire
Hired on or after January 1, 2013:	2% @62 for Miscellaneous Employees.
	2.7% @57 for Police and Fire.

**Discount rate decreased in 2021 from 3.5% to 2.2%

Discount Rate
The discount rate was based on the Bond Buyer 20-bond General Obligation Index.

Total OPEB Liability
The City's Total OPEB liability was measured as of June 30, 2020 (measurement date) and was determined by an actuarial valuation as of June 30, 2019 (valuation date) for the fiscal year ended June 30, 2021 (reporting date).

Changes in the Total OPEB Liability
The following summarizes the changes in the Total OPEB liability during the year ended June 30, 2021:

Fiscal Year Ended June 30, 2021 (Measurement Date June 30, 2020)	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2020	$ 4,834,191	$ -	$ 4,834,191
Service cost	264,281	-	264,281
Interest in Total OPEB Liability	177,174	-	177,174
Balance of diff between actual and exp experience	(5,518)	-	(5,518)
Balance of changes in assumptions	1,466,447	-	1,466,447
Benefit payments	(73,360)	-	(73,360)
Net changes	1,829,024	-	1,829,024
Balance at June 30, 2021	$ 6,663,215	$ -	$ 6,663,215

Covered Employee Payroll	$ 8,315,617
Total OPEB Liability as a % of Covered Employee Payroll	80.13%
Service Cost as a % of Covered Employee Payroll	3.18%
Net OPEB Liability as a % of Covered Employee Payroll	80.13%

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust, therefore the plan fiduciary net position is zero.

Deferred Inflows and Outflows of Resources
At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between actual and expected experience	$ 261,018	$ -
Change in assumptions	300,938	-
OPEB contribution subsequent to measurement date	80,621	-
Totals	$ 642,577	$ -

Of the total amount reported as deferred outflows of resources related to OPEB, $80,621 resulting from City contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2022	$ (2,778)
2023	(2,778)
2024	(2,778)
2025	(2,778)
2026	60,824
Thereafter	512,244
Total	$ 561,956

OPEB Expense
The following summarizes the OPEB expense by source during the year ended June 30, 2021:

Service cost	$ 264,281
Interest in TOL	177,174
Difference between actual and expected experience	38,069
Change in assumptions	(40,847)
OPEB Expense	**$ 438,677**

The following summarizes changes in the Total OPEB liability as reconciled to OPEB expense during the year ended June 30, 2021:

Net OPEB liability ending	$ 6,663,215
Net OPEB liability beginning	(4,834,191)
Change in net OPEB liability	1,829,024
Changes in deferred outflows	(264,612)
Changes in deferred inflows	(1,206,356)
Employer contributions and implicit subsidy	80,621
OPEB Expense	**$ 438,677**

Sensitivity to Changes in the Discount Rate
The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher, is as follows:

	Discount Rate		
	(1% Decrease)	**2.21%**	**(1% Increase)**
Net OPEB Liability (Asset)	$ 8,261,895	$ 6,663,215	$ 5,467,170

Sensitivity to Changes in the Healthcare Cost Trend Rates
The Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it

were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

	Trend Rate		
	(1% Decrease)	4.25%	(1% Increase)
Net OPEB Liability (Asset)	$ 5,348,520	$ 6,663,215	$ 8,447,915

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Lawsuits

The City is subject to certain matters of litigation that may arise in the normal course of conducting City business. City management believes, based upon consultation with legal counsel, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants if required by and in accordance with the provisions of the Uniform Guidance and applicable State requirements. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Deferred Compensation

The City offers its employees two deferred compensation plans created in accordance with California Code Section 53212 and Internal Revenue Code Section 457 under which employees can defer a portion of their salary until future years. The deferred compensation plan money is a deduction from the employees' salary and is invested with independent retirement trustees. The trustees hold the amounts deferred and any related income on behalf of employees. The assets and liabilities of these plans have been excluded from the accompanying financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Marina
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	$ 16,392,500	$ 18,493,317	$ 20,988,247	$ 2,494,930
Licenses, permits and fees	108,500	108,500	2,446,456	2,337,956
Fines and forfeitures	163,050	163,050	95,186	(67,864)
Intergovernmental	618,700	1,695,891	1,626,524	(69,367)
Charges for services	2,537,230	2,539,230	3,802,810	1,263,580
Investment earnings	275,000	275,000	323,971	48,971
Other revenue	65,440	70,440	466,679	396,239
Total Revenues	20,160,420	23,345,428	29,749,873	6,404,445
EXPENDITURES				
Current:				
General government	4,665,870	5,738,470	6,689,562	(951,092)
Public safety	11,886,980	13,159,786	12,046,544	1,113,242
Public works	1,494,750	1,608,450	1,687,981	(79,531)
Economic & community development	2,388,477	2,511,371	2,492,190	19,181
Recreation & cultural services	849,940	849,940	770,898	79,042
Capital outlay	865,500	865,500	643,889	221,611
Debt service				
Principal	185,000	185,000	188,516	(3,516)
Interest and fiscal charges	-	-	27,295	(27,295)
Total Expenditures	22,336,517	24,918,517	24,546,875	371,642
Excess (Deficiency) of Revenues over Expenditures	(2,176,097)	(1,573,089)	5,202,998	6,776,087
OTHER FINANCING SOURCES (USES)				
Transfers in	3,734,202	3,960,202	148,102	(3,812,100)
Transfers out	(3,617,000)	(4,309,500)	(2,728,500)	1,581,000
Sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	117,202	(349,298)	(2,580,398)	(2,231,100)
Net Change in Fund Balance	(2,058,895)	(1,922,387)	2,622,600	4,544,987
Fund Balance Beginning	24,506,236	24,506,236	24,506,236	-
Fund Balance Ending	$ 22,447,341	$ 22,583,849	$ 27,128,836	$ 4,544,987

The City adopts a budget annually for all governmental fund types. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted at the fund level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of budgetary control is the fund level. The City Council may amend the budget by resolution during the fiscal year. The City Manager has the authority to make adjustments to the operating budget between departments within the same fund. Transfers of operating budgets between funds, use of unappropriated fund balances, and significant changes in capital improvement project budgets require the approval of the City Council. Expenditures in excess of appropriations were covered by budgets in other objects/functions or beginning fund balance.

City of Marina
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
FORA Dissolution Fund
For the Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES				
Intergovernmental	-	7,850,000	$ 705,792	(7,144,208)
Investment earnings	-	-	124,437	124,437
Total Revenues	-	7,850,000	830,229	(7,019,771)
EXPENDITURES				
Current:				
Economic & community development	-	7,850,000	1,442,114	6,407,886
Total Expenditures	-	7,850,000	1,442,114	6,407,886
Excess (Deficiency) of Revenues over Expenditures	-	-	(611,885)	(611,885)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	(611,885)	(611,885)
Fund Balance Beginning	11,961,956	11,961,956	11,961,956	-
Fund Balance Ending	$ 11,961,956	$ 11,961,956	$ 11,350,071	$ (611,885)

City of Marina
Schedule of Pension Contributions
June 30, 2021
(Last Ten Years)

Miscellaneous and Safety Plan

Fiscal Year Ended	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contributions	$ 1,428,070	$ 2,069,732	$ 2,385,218	$ 2,524,388	$ 2,050,095	$ 2,739,136	$ 2,885,118
Contributions in Relation to Contractually Required Contributions	1,428,070	2,069,732	2,385,218	2,524,388	2,050,095	2,739,136	2,885,118
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	**$ 7,233,320**	**$ 6,987,956**	**$ 7,070,353**	**$ 7,637,741**	**$ 7,411,028**	**$ 8,281,259**	**$ 9,003,748**
Contributions as a % of Covered Payroll	**19.74%**	**29.62%**	**33.74%**	**33.05%**	**27.66%**	**33.08%**	**32.04%**

Notes to Schedule:

Valuation Date: June 30, 2019

Assumptions Used:
- Entry Age Method used for Actuarial Cost Method
- Level Percentage of Payroll and Direct Rate Smoothing
- 3.8 Years Remaining Amortization Period
- Inflation Assumed at 2.5%
- Investment Rate of Returns set at 7.15%
- CalPERS mortality table based on CalPERS' experience and include 15 years of projected ongoing mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016 and then decreased from 7.65% to 7.15% in fiscal year 2018.

The CalPERS mortality assumptions was adjusted in fiscal year 2019.

City of Marina
Schedule of Proportionate Share of Net Pension Liability
June 30, 2021
(Last Ten Years)

Miscellaneous and Safety Plan Fiscal Year Ended	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Proportion of Net Pension Liability (Safety and Misc)	0.18297%	0.17995%	0.18715%	0.19055%	0.19679%	0.20287%	0.21094%
Proportionate Share of Net Pension Liability	$ 11,385,528	$ 12,351,371	$ 16,193,904	$ 18,897,109	$ 18,963,346	$ 20,787,954	$ 22,951,345
Covered Payroll	$ 7,701,575	$ 7,233,320	$ 6,987,956	$ 7,070,353	$ 7,637,741	$ 7,411,028	$ 8,281,259
Proportionate Share of NPL as a % of Covered Payroll	**147.83%**	**170.76%**	**231.74%**	**267.27%**	**248.28%**	**280.50%**	**277.15%**
Plan's Fiduciary Net Position as a % of the TPL	**79.61%**	**77.38%**	**75.77%**	**74.66%**	**76.15%**	**75.40%**	**74.18%**

Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.
The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016 and then decreased from 7.65% to 7.15% in fiscal year 2018.
The CalPERS mortality assumptions was adjusted in fiscal year 2019.

City of Marina
Schedule of Changes in Total OPEB Liability
June 30, 2021
(Last Ten Years)

Fiscal Year Ended	2018	2019	2020	2021
Total OPEB liability				
Service cost	$ 271,072	$ 200,224	$ 195,708	$ 264,281
Interest	157,957	153,199	168,281	177,174
Differences between expected and actual experience	(4,684)	(27,347)	371,094	(5,518)
Changes of assumptions	(1,590,885)	(200,100)	(14,726)	1,466,447
Benefit payments	(22,911)	(28,444)	(76,872)	(73,360)
Net change in Total OPEB Liability	(1,189,451)	97,532	643,485	1,829,024
Total OPEB Liability - beginning	5,282,625	4,093,174	4,190,706	4,834,191
Total OPEB Liability - ending	$ 4,093,174	$ 4,190,706	$ 4,834,191	$ 6,663,215
Plan fiduciary net position				
Net change in plan fiduciary net position	$ -	$ -	$ -	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending	$ -	$ -	$ -	$ -
Net OPEB liability (asset)	$ 4,093,174	4,190,706	4,834,191	6,663,215
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	$ 7,387,760	$ 7,635,928	$ 7,725,967	$ 8,315,617
Net OPEB liability as a percentage of covered employee payroll	55.40%	54.88%	62.57%	80.13%
Total OPEB liability as a percentage of covered employee payroll	55.40%	54.88%	62.57%	80.13%

Other Notes

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

There were no changes in benefit terms.

Discount rates decreased from 3.87% to 3.5% in 2020, then to 2.21% in 2021.

There were no changes in trend rates

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

CDBG: Accounts for various U.S. Housing and Urban Development Department, Community Development Block Grant, non-housing programs, including grant revenues, grant expenditures and program income.

CDBG Housing: Accounts for various U.S. Housing and Urban Development Department, Community Development Block Grant, housing programs.

Public Education Government: Accounts for franchise tax fees collected with cable television bills. Fees collected through the cable provider finance the operating and capital costs of broadcasting City Council and other meetings of public interest over a dedicated TV channel.

Gas Tax Streets: Accounts for State gas tax revenues and occasional City cash and staffing contributions, and the costs of allowable streets maintenance and repair projects.

Road Maintenance and Rehabilitation (SB1): Accounts for funds received and expended specific to road maintenance and repairs.

Transportation Safety and Investment: Accounts for funds received and expended from sales tax Measure X to invest in roads throughout the County.

National Parks Recreation Services: Accounts for revenues generated by land and antenna rentals, and from various recreation activities conducted on the site, as well as costs for facilities improvements, repairs, maintenance, staffing and support costs related to recreational activities. All activities are conducted on property granted to the City upon Fort Ord Army Base Closure. Use of these resources is limited to recreation activities conducted on these premises.

Seabreeze Assessment District: Accounts for assessments collected from property owners within the boundaries of the District, and related landscape maintenance costs.

Monterey Bay Estates Assessment District: Accounts for assessments collected from property owners within the boundaries of the District, and related landscape maintenance costs.

Cypress Cove II Assessment District: Accounts for assessments collected from property owners within the boundaries of the District, and related landscape maintenance costs.

CFD 2007-2 Locke-Paddon: A Community Facilities District (CFD) accounts for annual assessments against property owners within the boundaries of the District and related improvement and maintenance costs.

CFD 2015-1 Dunes: A Community Facilities Districts (CFD) accounts for annual assessments against property owners within the boundaries of the District and related improvement and maintenance costs.

Debt Service Funds

2015 GO Refunding Bonds: Accounts for tax revenues that provide resources to make bond principal and interest payments, and to pay costs of administering the 2015 general obligation refunding bonds, which refinanced the 2005 library construction general obligation bonds.

NONMAJOR GOVERNMENTAL FUNDS

Marina Landing Bonds: Accounted for special assessment revenues, bond principal and interest payments, and debt administration costs. Bonds were originally issued to finance certain infrastructure improvements to properties in the Marina Landing Assessment. All bonds have been liquidated but the fund has a residual cash balance which will be disbursed and the fund deactivated when appropriate.

Marina Greens Bonds: Accounted for special assessment revenues, bond principal and interest payments, and debt administration costs. Bonds were originally issued to finance certain infrastructure improvements to properties in the Marina Greens Assessment District. All bonds have been liquidated but the fund has a residual cash balance which will be disbursed and the fund deactivated when appropriate.

Capital Projects Funds

Airport: This fund accounts for federal and state grant revenues, city-match and other resources that are dedicated and/or restricted to creating, expanding or otherwise improving infrastructure and other long-lived assets at the Marina Municipal Airport.

Park Facilities: Over a period of time, this fund has accounted for residential park development taxes, park facility improvement fees, park facility use fees, mitigation fees for new development, parks in-lieu fees, grant revenues, private and public donations, antenna rents and other resources dedicated or restricted to the acquisition, construction and/or improvement of park and recreational facilities. Resources in this fund were expended for their required purposes, and since implementation of Parks Impact Fees (accounted for in the Impact Fee Fund) the fund has become inactive. The small remaining cash balance will be transferred to the appropriate successor fund.

City Capital Projects: This fund is used to account for the City's major capital projects.

City of Marina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds			
	CDBG Fund	CDBG Housing Fund	Public Education Government Fund	Gas Tax Fund
ASSETS				
Cash and investments	$ 290,886	$ 27,280	$ 47,184	$ 27,284
Restricted cash and investments	-	-	-	-
Accounts receivable	193	17	30,251	-
Notes receivable	536,144	60,000	-	-
Total assets	$ 827,223	$ 87,297	$ 77,435	$ 27,284
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ 30,251	$ 20,388
Accrued payroll and benefits	-	-	-	6,546
Deposits and other liabilities	-	-	-	-
Total liabilities	-	-	30,251	26,934
Deferred Inflows of Resources:				
Unavailable revenues	536,144	60,000	-	-
Fund Balances:				
Restricted:				
Transportation	-	-	-	-
Streets & special districts	-	-	-	350
Community development	291,079	27,297	-	-
Recreation	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Committed				
Capital projects	-	-	-	-
Public education	-	-	47,184	-
Unassigned	-	-	-	-
Total fund balances	291,079	27,297	47,184	350
Total liabilities, deferred inflows of resources and fund balances	$ 827,223	$ 87,297	$ 77,435	$ 27,284

Cont'd

City of Marina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds			
	Road Maintenance & Rehabilitation Fund	Transportation Safety & Investment Fund	National Parka Recreation Services Fund	Seabreeze Assessment District Fund
ASSETS				
Cash and investments	$ 399,707	$ 624,274	$ 265,457	$ -
Restricted cash and investments	-	-	-	-
Accounts receivable	45,423	246,934	173	-
Notes receivable	-	-	-	-
Total assets	$ 445,130	$ 871,208	$ 265,630	$ -
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 2,296
Accrued payroll and benefits	-	-	2,477	-
Deposits and other liabilities	-	-	-	-
Total liabilities	-	-	2,477	2,296
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Fund Balances:				
Restricted:				
Transportation	-	871,208	-	-
Streets & special districts	445,130	-	-	-
Community development	-	-	-	-
Recreation	-	-	263,153	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Committed				
Capital projects	-	-	-	-
Public education	-	-	-	-
Unassigned	-	-	-	(2,296)
Total fund balances	445,130	871,208	263,153	(2,296)
Total liabilities, deferred inflows of resources and fund balances	$ 445,130	$ 871,208	$ 265,630	$ -

Cont'd

City of Marina

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2021

	Special Revenue Funds			
	Monterey Bay Estates Assessment District Fund	Cypress Cove II Assessment District Fund	CFD 2007-2 Locke-Paddon Fund	CFD 2015-1 Dunes Fund
ASSETS				
Cash and investments	$ 13,897	$ 5,119	$ 14,256	$ 785,411
Restricted cash and investments	-	-	-	-
Accounts receivable	9	4	8	505
Notes receivable	-	-	-	-
Total assets	$ 13,906	$ 5,123	$ 14,264	$ 785,916
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 952	$ 1,229	$ 319	$ 3,000
Accrued payroll and benefits	-	-	-	-
Deposits and other liabilities	-	-	-	-
Total liabilities	952	1,229	319	3,000
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Fund Balances:				
Restricted:				
Transportation	-	-	-	-
Streets & special districts	12,954	3,894	13,945	782,916
Community development	-	-	-	-
Recreation	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Committed				
Capital projects	-	-	-	-
Public education	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	12,954	3,894	13,945	782,916
Total liabilities, deferred inflows of resources and fund balances	$ 13,906	$ 5,123	$ 14,264	$ 785,916

Cont'd

City of Marina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Debt Service Funds		
	2015 GO Refunding Bonds Fund	Marina Landing Improvement Bonds Fund	Marina Greens Improvement Bonds Fund
ASSETS			
Cash and investments	$ -	$ -	$ -
Restricted cash and investments	490,837	7,085	4,909
Accounts receivable	268	-	-
Notes receivable	-	-	-
Total assets	$ 491,105	$ 7,085	$ 4,909
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Liabilities:			
Accounts payable	$ -	$ 15	$ 15
Accrued payroll and benefits	-	-	-
Deposits and other liabilities	-	-	-
Total liabilities	-	15	15
Deferred Inflows of Resources:			
Unavailable revenues	-	-	-
Fund Balances:			
Restricted:			
Transportation	-	-	-
Streets & special districts	-	-	-
Community development	-	-	-
Recreation	-	-	-
Capital projects	-	-	-
Debt service	491,105	7,070	4,894
Committed			
Capital projects	-	-	-
Public education	-	-	-
Unassigned	-	-	-
Total fund balances	491,105	7,070	4,894
Total liabilities, deferred inflows of resources and fund balances	$ 491,105	$ 7,085	$ 4,909

Cont'd

City of Marina
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Capital Projects Funds				
	Measure X Road and Transportation Fund	Airport Capital Projects Fund	Park Facilities Fund	City Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and investments	$ 3,821,380	$ 861,351	$ 860	$ 8,556,077	$ 15,740,423
Restricted cash and investments	-	-	-	-	502,831
Accounts receivable	3,105	465	-	-	327,355
Notes receivable	-	-	-	-	596,144
Total assets	$ 3,824,485	$ 861,816	$ 860	$ 8,556,077	$ 17,166,753
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 25,214	$ 22,214	$ -	$ 79,280	$ 185,173
Accrued payroll and benefits	-	-	-	1,094	10,117
Deposits and other liabilities	-	-	-	-	-
Total liabilities	25,214	22,214	-	80,374	195,290
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	596,144
Fund Balances:					
Restricted:					
Transportation	-	-	-	-	871,208
Streets & special districts	-	-	-	-	1,259,189
Community development	-	-	-	-	318,376
Recreation	-	-	-	-	263,153
Capital projects	3,799,271	839,602	860	-	4,639,733
Debt service	-	-	-	-	503,069
Committed					
Capital projects	-	-	-	8,475,703	8,475,703
Public education	-	-	-	-	47,184
Unassigned	-	-	-	-	(2,296)
Total fund balances	3,799,271	839,602	860	8,475,703	16,375,319
Total liabilities, deferred inflows of resources and fund balances	$ 3,824,485	$ 861,816	$ 860	$ 8,556,077	$ 17,166,753

Concluded

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2021

	Special Revenue Funds			
	CDBG Fund	CDBG Housing Fund	Public Education Government Fund	Gas Tax Fund
REVENUES				
Taxes and assessments	$ -	$ -	$ 118,426	$ 530,456
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	2,959	6,170	-	-
Other revenue	-	16,500	-	-
Total Revenues	2,959	22,670	118,426	530,456
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	467,777
Economic & community development	-	-	118,426	-
Recreation & cultural services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	118,426	467,777
Excess (Deficiency) of Revenues over Expenditures	2,959	22,670	-	62,679
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(62,400)
Total Other Financing Sources (Uses)	-	-	-	(62,400)
Net Change in Fund Balances	2,959	22,670	-	279
Fund Balances Beginning	288,120	4,627	47,184	71
Fund Balances Ending	$ 291,079	$ 27,297	$ 47,184	$ 350

Cont'd

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2021

	Special Revenue Funds			
	Road Maintenance & Rehabilitation Fund	Transportation Safety & Investment Fund	National Parka Recreation Services Fund	Seabreeze Assessment District Fund
REVENUES				
Taxes and assessments	$ 456,427	$ 847,409	$ -	$ 6,733
Intergovernmental	-	-	-	-
Charges for services	-	-	79,168	-
Investment earnings	1,957	2,362	3,158	-
Other revenue	-	-	-	-
Total Revenues	458,384	849,771	82,326	6,733
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	6,000	267	5,728
Economic & community development	-	-	-	-
Recreation & cultural services	-	-	41,511	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	6,000	41,778	5,728
Excess (Deficiency) of Revenues over Expenditures	458,384	843,771	40,548	1,005
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(400,000)	(600,000)	(418,917)	(1,740)
Total Other Financing Sources (Uses)	(400,000)	(600,000)	(418,917)	(1,740)
Net Change in Fund Balances	58,384	243,771	(378,369)	(735)
Fund Balances Beginning	386,746	627,437	641,522	(1,561)
Fund Balances Ending	$ 445,130	$ 871,208	$ 263,153	$ (2,296)

Cont'd

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2021

	Special Revenue Funds			
	Monterey Bay Estates Assessment District Fund	Cypress Cove II Assessment District Fund	CFD 2007-2 Locke-Paddon Fund	CFD 2015-1 Dunes Fund
REVENUES				
Taxes and assessments	$ 12,728	$ 19,928	$ 13,432	$ 166,608
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	131	31	58	6,604
Other revenue	-	-	-	-
Total Revenues	12,859	19,959	13,490	173,212
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	11,694	16,175	3,867	7,099
Economic & community development	-	-	-	-
Recreation & cultural services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	11,694	16,175	3,867	7,099
Excess (Deficiency) of Revenues over Expenditures	1,165	3,784	9,623	166,113
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,870)	(2,750)	-	(2,770)
Total Other Financing Sources (Uses)	(2,870)	(2,750)	-	(2,770)
Net Change in Fund Balances	(1,705)	1,034	9,623	163,343
Fund Balances Beginning	14,659	2,860	4,322	619,573
Fund Balances Ending	$ 12,954	$ 3,894	$ 13,945	$ 782,916

Cont'd

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2021

	Debt Service Funds		
	2015 GO Refunding Bonds Fund	Marina Landing Improvement Bonds Fund	Marina Greens Improvement Bonds Fund
REVENUES			
Taxes and assessments	$ 588,803	$ -	$ -
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment earnings	1,509	165	144
Other revenue	-	-	-
Total Revenues	590,312	165	144
EXPENDITURES			
Current:			
General government	530	-	-
Public works	-	-	-
Economic & community development	-	-	-
Recreation & cultural services	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	260,000	-	-
Interest and fiscal charges	238,031	50,513	41,562
Total Expenditures	498,561	50,513	41,562
Excess (Deficiency) of Revenues over Expenditures	91,751	(50,348)	(41,418)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(14,855)	-	-
Total Other Financing Sources (Uses)	(14,855)	-	-
Net Change in Fund Balances	76,896	(50,348)	(41,418)
Fund Balances Beginning	414,209	57,418	46,312
Fund Balances Ending	$ 491,105	$ 7,070	$ 4,894

Cont'd

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2021

	Capital Projects Funds				
	Measure X Road and Transportation Fund	Airport Capital Projects Fund	Park Facilities Fund	City Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES					
Taxes and assessments	$ -	$ -	$ -	$ -	$ 2,760,950
Intergovernmental	-	139,196	-	59,274	198,470
Charges for services	-	-	-	-	79,168
Investment earnings	52,565	7,440	8	-	85,261
Other revenue	-	-	-	500	17,000
Total Revenues	52,565	146,636	8	59,774	3,140,849
EXPENDITURES					
Current:					
General government	-	-	-	-	530
Public works	-	-	-	-	518,607
Economic & community development	-	-	-	-	118,426
Recreation & cultural services	-	-	-	-	41,511
Capital outlay	2,101,815	473,623	-	775,009	3,350,447
Debt service					
Principal	-	-	-	-	260,000
Interest and fiscal charges	-	-	-	-	330,106
Total Expenditures	2,101,815	473,623	-	775,009	4,619,627
Excess (Deficiency) of Revenues over Expenditures	(2,049,250)	(326,987)	8	(715,235)	(1,478,778)
OTHER FINANCING SOURCES (USES)					
Transfers in	2,600,000	802,243	-	2,271,500	5,673,743
Transfers out	-	-	-	-	(1,506,302)
Total Other Financing Sources (Uses)	2,600,000	802,243	-	2,271,500	4,167,441
Net Change in Fund Balances	550,750	475,256	8	1,556,265	2,688,663
Fund Balances Beginning	3,248,521	364,346	852	6,919,438	13,686,656
Fund Balances Ending	$ 3,799,271	$ 839,602	$ 860	$ 8,475,703	$ 16,375,319

Concluded

GENERAL FUND COMBINING SCHEDULES

The ***General Fund*** is the City's primary operating fund. This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. For the City, the general fund includes such activities such as public safety, public ways and facilities, parks and recreation services, and economic development services.

City of Marina

Combining Balance Sheet

General Fund

June 30, 2021

	General Fund	Vehicle & Equipment Replacement Fund	OPEB Obligation Fund	Pension Stabilization Fund	Library Maintenance Fund	Total General Fund
ASSETS						
Cash and investments	$ 20,902,162	$ 2,754,759	$ 200,000	$ 2,050,000	$ 279,222	$ 26,186,143
Restricted cash and investments	235,609	-	-	-	-	235,609
Accounts receivable	3,154,752	-	-	-	-	3,154,752
Notes receivable	183,634	-	-	-	-	183,634
Total assets	$ 24,476,157	$ 2,754,759	$ 200,000	$ 2,050,000	$ 279,222	$ 29,760,138
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 753,823	$ -	$ -	$ -	$ 675	$ 754,498
Accrued payroll and benefits	586,591	-	-	-	8	586,599
Deposits and other liabilities	815,666	-	-	-	-	815,666
Total liabilities	2,156,080	-	-	-	683	2,156,763
Deferred Inflows of Resources:						
Unavailable revenues	474,539	-	-	-	-	474,539
Fund Balances:						
Restricted	235,609	-	-	-	-	235,609
Committed						
Emergency Reserve	4,507,924	-	-	-	-	4,507,924
Facilities Repairs	500,000	-	-	-	-	500,000
Compensated Absences	400,000	-	-	-	-	400,000
Community Improvements	641,268	-	-	-	-	641,268
General Plan Update	125,000	-	-	-	-	125,000
Vehicle & Equipment Replacement	-	2,754,759	-	-	-	2,754,759
OPEB	-	-	200,000	-	-	200,000
Pension Stabilization	-	-	-	2,050,000	-	2,050,000
Library Maintenance	-	-	-	-	278,539	278,539
Unassigned	15,435,737	-	-	-	-	15,435,737
Total fund balances	21,845,538	2,754,759	200,000	2,050,000	278,539	27,128,836
Total liabilities, deferred inflows of resources and fund balances	$ 24,476,157	$ 2,754,759	$ 200,000	$ 2,050,000	$ 279,222	$ 29,760,138

City of Marina

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

For the Year Ended June 30, 2021

	General Fund	Vehicle & Equipment Replacement Fund	OPEB Obligation Fund	Pension Stabilization Fund	Library Maintenance Fund	Eliminations	Total General Fund
REVENUES							
Taxes and assessments	$ 20,988,247	$ -	$ -	$ -	$ -	$ -	$ 20,988,247
Licenses, permits and fees	2,446,456	-	-	-	-	-	2,446,456
Fines and forfeitures	95,186	-	-	-	-	-	95,186
Intergovernmental	1,626,524	-	-	-	-	-	1,626,524
Charges for services	3,802,810	-	-	-	-	-	3,802,810
Investment earnings	323,971	-	-	-	-	-	323,971
Other revenue	466,679	-	-	-	-	-	466,679
Total Revenues	29,749,873	-	-	-	-	-	29,749,873
EXPENDITURES							
Current:							
General government	6,688,495	1,067	-	-	-	-	6,689,562
Public safety	12,046,544	-	-	-	-	-	12,046,544
Public works	1,687,981	-	-	-	-	-	1,687,981
Economic & community development	2,474,241	-	-	-	17,949	-	2,492,190
Recreation & cultural services	770,898	-	-	-	-	-	770,898
Capital outlay	51,988	591,901	-	-	-	-	643,889
Debt service							
Principal	161,910	26,606	-	-	-	-	188,516
Interest and fiscal charges	23,438	3,857	-	-	-	-	27,295
Total Expenditures	23,905,495	623,431	-	-	17,949	-	24,546,875
Excess (Deficiency) of Revenues over Expenditures	5,844,378	(623,431)	-	-	(17,949)	-	5,202,998
OTHER FINANCING SOURCES (USES)							
Transfers in	148,102	1,131,000	-	450,000	-	(1,581,000)	148,102
Transfers out	(4,309,500)	-	-	-	-	1,581,000	(2,728,500)
Total Other Financing Sources (Uses)	(4,161,398)	1,131,000	-	450,000	-	-	(2,580,398)
Net Change in Fund Balances	1,682,980	507,569	-	450,000	(17,949)	-	2,622,600
Fund Balances Beginning	20,162,558	2,247,190	200,000	1,600,000	296,488	-	24,506,236
Fund Balances Ending	$ 21,845,538	$ 2,754,759	$ 200,000	$ 2,050,000	$ 278,539	$ -	$ 27,128,836

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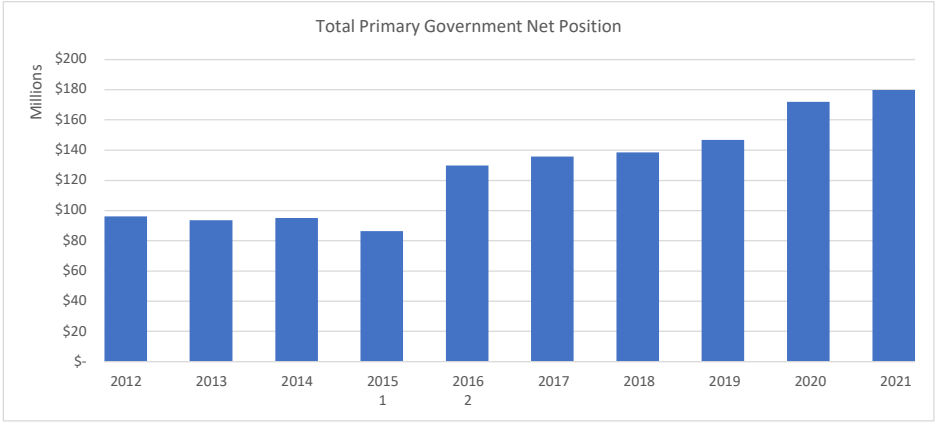
STATISTICAL SECTION

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City of Marina
Net Position
Last Ten Fiscal Years

TABLE 1

	Fiscal Year Ended June 30					Fiscal Year Ended June 30				
	2012	2013	2014	2015 [1]	2016 [2]	2017	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	$ 18,946,730	$ 18,664,807	$ 20,295,121	$ 22,196,868	$ 61,460,494	$ 64,902,023	$ 74,531,326	$ 74,955,690	$ 76,644,586	$ 77,649,251
Restricted	8,088,891	6,790,485	7,082,547	8,194,764	6,559,194	9,355,317	12,369,283	14,377,743	32,932,269	36,675,399
Unrestricted	17,808,826	17,440,618	18,619,528	7,227,722	12,018,477	11,101,690	1,153,328	5,397,539	8,141,549	10,374,278
Total governmental activities net position	$ 44,844,447	$ 42,895,910	$ 45,997,196	$ 37,619,354	$ 80,038,165	$ 85,359,030	$ 88,053,937	$ 94,730,972	$ 117,718,404	$ 124,698,928
Business-type activities:										
Net investment in capital assets	$ 46,298,927	$ 45,577,707	$ 43,551,275	$ 43,324,510	$ 42,332,248	$ 42,448,410	$ 41,999,782	$ 41,393,300	$ 42,711,663	$ 41,902,328
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	5,009,395	5,007,519	5,543,355	5,561,505	7,457,704	7,987,512	8,317,449	10,759,921	11,561,226	13,231,995
Total business-type activities net position	$ 51,308,322	$ 50,585,226	$ 49,094,630	$ 48,886,015	$ 49,789,952	$ 50,435,922	$ 50,317,231	$ 52,153,221	$ 54,272,889	$ 55,134,323
Primary government:										
Net investment in capital assets	$ 65,245,657	$ 64,242,514	$ 63,846,396	$ 65,521,378	$ 103,792,742	$ 107,350,433	$ 116,531,108	$ 116,348,990	$ 119,356,249	$ 119,551,579
Restricted	8,088,891	6,790,485	7,082,547	8,194,764	6,559,194	9,355,317	12,369,283	14,377,743	32,932,269	36,675,399
Unrestricted	22,818,221	22,448,137	24,162,883	12,789,227	19,476,181	19,089,202	9,470,777	16,157,460	19,702,775	23,606,273
Total primary government net position	$ 96,152,769	$ 93,481,136	$ 95,091,826	$ 86,505,369	$ 129,828,117	$ 135,794,952	$ 138,371,168	$ 146,884,193	$ 171,991,293	$ 179,833,251



Notes:

1 In Fiscal 2014/15, the City implemented Governmental Accounting Standards Board (GASB) Statement 68 - Accounting and Financial Reporting for Pensions, requiring the City to record a fictitious pension liability that was previously neither measurable nor recorded on the City's financial statements

2 In Fiscal 2015/16, the City acquired two significant capital assets; Preston Park Housing Project $35.1 million and Dunes infrastructure $2.9 million

Source: City of Marina Audited Financial Statements

City of Marina
Changes in Net Position
Last Ten Fiscal Years

TABLE 2

	Fiscal Year Ended June 30					Fiscal Year Ended June 30				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General government	$ 3,705,459	$ 3,158,122	$ 2,916,551	$ 2,984,155	$ 3,480,230	$ 4,692,664	$ 5,513,745	$ 5,858,902	$ 7,628,497	$ 8,897,835
Public safety	9,724,249	10,062,178	10,600,203	10,128,248	9,854,516	11,351,326	10,668,593	10,604,157	14,422,863	13,666,296
Public works	2,163,703	2,673,237	2,757,413	2,887,311	1,873,600	1,908,465	1,915,307	2,216,656	2,689,673	2,405,492
Economic & Community Development	3,189,156	1,501,626	1,791,747	1,424,974	2,441,492	1,927,976	2,259,928	2,803,220	3,956,676	5,247,962
Recreation & cultural services	1,068,016	1,088,854	1,232,087	1,069,775	1,179,699	1,173,364	1,197,500	1,169,832	1,244,526	940,929
Public Inprovements	2,061,205	1,167,854	765,115	896,127	1,505,639	1,689,946	1,883,898	2,177,696	-	-
Interest and fiscal charges	1,145,120	1,088,328	1,030,828	1,407,245	796,761	667,627	553,256	558,500	591,768	639,390
Total governmental activities expenses	23,056,908	20,740,199	21,093,944	20,797,835	21,131,937	23,411,368	23,992,227	25,388,963	30,534,003	31,797,904
Business-type activities:										
Airport	1,805,625	2,067,193	2,139,705	1,901,134	1,578,540	1,608,413	1,702,082	1,485,600	1,653,799	1,892,873
Preston Park Housing	-	-	-	-	3,940,705	6,435,459	6,622,148	2,594,187	6,083,395	6,317,011
Abrams-B Housing	2,331,910	2,673,687	2,897,135	2,606,945	3,224,211	3,106,604	3,394,698	5,974,685	4,128,113	3,167,489
Total business-type activities expenses	4,137,535	4,740,880	5,036,840	4,508,079	8,743,456	11,150,476	11,718,928	10,054,472	11,865,307	11,377,373
Total primary government expenses	$ 27,194,443	$ 25,481,079	$ 26,130,784	$ 25,305,914	$ 29,875,393	$ 34,561,844	$ 35,711,155	$ 35,443,435	$ 42,399,310	$ 43,175,277
Program Revenues										
Governmental activities:										
Charges for services & program revenues:										
General government	$ 2,523,926	$ 1,253,981	$ 2,857,217	$ 573,764	$ 2,494,834	$ 2,499,202	$ 3,932,540	$ 4,020,638	$ 4,232,396	$ 3,763,108
Public safety	483,373	744,846	848,336	603,046	786,543	733,781	909,599	218,953	196,284	289,185
Public works	216,950	515,416	905,055	1,751,989	-	599	440	-	-	-
Economic & Community Development	280,763	1,402,912	3,390,067	2,898,550	1,252,538	1,685,111	1,473,747	1,430,281	3,801,226	6,584,030
Recreation & cultural services	162,077	244,427	179,949	178,301	81,713	77,361	94,627	92,731	172,209	81,644
Public Inprovements	468,981	5,533	60,905	1,056,078	1,929,360	2,306,877	2,295,007	1,776,845	-	-
Debt Service	805,495	1,120,322	1,063,287	1,215,804	-	-	-	-	-	-
Operating grants and contributions	766,875	419,088	501,893	438,044	380,876	-	397,385	846,776	1,018,974	1,788,253
Capital grants and contributions	1,450,216	589,729	658,007	2,286,975	4,585,380	-	1,197,861	1,517,506	11,212,794	383,039
Total governmental activities program revenues	7,158,656	6,296,254	10,464,716	11,002,551	11,511,244	7,302,931	10,301,206	9,903,730	20,633,883	12,889,259
Business-type activities:										
Charges for services:										
Airport	1,084,201	1,118,689	1,188,608	1,235,090	1,135,525	1,157,167	1,078,147	1,331,552	1,340,046	1,790,543
Preston Park Housing	-	-	-	-	4,934,125	6,328,162	6,469,476	3,455,449	6,843,782	7,058,160
Abrams-B Housing	2,917,523	2,892,241	2,965,994	3,058,722	3,197,353	3,264,067	3,324,176	6,687,941	3,495,394	3,477,132
Operating grants and contributions	-	-	-	-	10,000	390,351	10,000	-	-	-
Capital grants and contributions	-	-	-	-	-	3,986,805	696,860	-	2,530,886	462,750
Total business-type activities program revenues	4,001,724	4,010,930	4,154,602	4,293,812	9,277,003	15,126,552	11,578,659	11,474,942	14,210,108	12,788,585
Total primary government program revenues	11,160,380	10,307,184	14,619,318	15,296,363	20,788,247	22,429,483	21,879,865	21,378,672	34,843,991	25,677,844
Net (expense)/revenue:										
Governmental activities	(15,898,252)	(14,443,945)	(10,629,228)	(9,795,284)	(9,620,693)	(16,108,437)	(13,691,021)	(15,485,233)	(9,900,120)	(18,908,645)
Business-type activities	(135,811)	(729,950)	(882,238)	(214,267)	533,547	3,976,076	(140,269)	1,420,470	2,344,801	1,411,212
Total primary government net (expense)/revenue	$ (16,034,063)	$ (15,173,895)	$ (11,511,466)	$ (10,009,551)	$ (9,087,146)	$ (12,132,361)	$ (13,831,290)	$ (14,064,763)	$ (7,555,319)	$ (17,497,433)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	$ 3,980,436	$ 2,341,638	$ 4,595,756	$ 5,109,408	$ 2,719,013	$ 3,018,698	$ 3,261,967	$ 3,796,881	$ 3,724,035	$ 3,919,415
Sales and use taxes	4,274,491	4,434,956	4,588,760	4,849,207	5,210,921	5,366,144	5,929,585	6,862,925	8,420,971	9,640,663
Franchise taxes	649,791	646,522	726,548	823,764	1,007,012	1,084,574	1,173,881	1,976,778	1,225,160	1,238,550
Transient occupancy taxes	1,876,488	1,932,294	2,154,023	2,395,263	2,549,531	2,680,928	3,297,828	4,008,179	3,472,430	3,501,246
Gas taxes	-	-	-	-	-	-	-	-	946,422	986,884
Motor vehicle taxes	3,091,930	3,014,633	-	-	2,685,134	2,934,743	3,252,508	3,649,318	4,012,763	4,360,659
Other taxes	-	-	-	-	-	-	-	-	142,225	101,780
Grants not restricted to a program	-	-	-	-	-	-	-	-	2,149,827	139,197
Investment earnings	54,237	49,158	23,541	28,416	75,584	149,622	402,805	613,259	973,856	679,275
Transfers, Miscellaneous & One-time revenues	576,486	76,207	1,641,886	1,423,896	730,262	1,817,437	2,466,111	1,254,928	1,536,863	1,597,893
Special items	-	-	-	-	37,062,047	-	(3,398,757)	-	6,283,000	-
Total governmental activities	14,503,859	12,495,408	13,730,514	14,629,954	52,039,504	17,052,146	16,385,928	22,162,268	32,887,552	26,165,562
Business-type activities:										
Other revenue	-	-	-	-	-	-	-	-	274,299	226,507
Investment earnings	6,386	6,854	5,941	5,653	6,954	10,824	21,578	76,494	87,568	55,758
Contributed capital assets	1,458,509	-	13,960			1,036,227	-	324,720	-	-
Transfers In(Out) Net	-	-	-	-	-	-	-	14,306	(587,000)	(832,043)
Total business-type activities	1,464,895	6,854	19,901	5,653	6,954	1,047,051	21,578	415,520	(225,133)	(549,778)
Total primary government	$ 15,968,754	$ 12,502,262	$ 13,750,415	$ 14,635,607	$ 52,046,458	$ 18,099,197	$ 16,407,506	$ 22,577,788	$ 32,662,419	$ 25,615,784
Change in Net Position										
Governmental activities	$ (1,394,393)	$ (1,948,537)	$ 3,101,286	$ 4,834,670	$ 42,418,811	$ 943,709	$ 2,694,907	$ 6,677,035	$ 22,987,432	$ 7,256,917
Business-type activities	1,329,084	(723,096)	(862,337)	(208,614)	540,501	5,023,127	(118,691)	1,835,990	2,119,668	861,434
Total primary government	$ (65,309)	$ (2,671,633)	$ 2,238,949	$ 4,626,056	$ 42,959,312	$ 5,966,836	$ 2,576,216	$ 8,513,025	$ 25,107,100	$ 8,118,351

Source: City of Marina Audited Financial Statements

City of Marina

TABLE 3

Fund Balances of Governmental Funds

Last Ten Fiscal Years

	Fiscal Year Ended June 30					Fiscal Year Ended June 30				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Non-spendable	$ 269,169	$ 269,169	$ 545,361	$ 715,669	$ 543,713	$ 530,713	$ 530,713	$ -	$ -	$ -
Restricted	175,172	178,246	180,782	396,081	446,329	211,371	511,371	239,497	595,729	235,609
Committed	200,000	200,000	200,000	603,705	570,730	7,027,012	7,367,012	9,644,438	10,597,489	11,457,490
Unassigned	7,272,918	5,443,810	6,478,231	6,142,694	6,340,666	1,318,952	4,157,087	7,549,288	13,313,018	15,435,737
Total General Fund	$ 7,917,259	$ 6,091,225	$ 7,404,374	$ 7,858,149	$ 7,901,438	$ 9,088,048	$ 12,566,183	$ 17,433,223	$ 24,506,236	$ 27,128,836
All other governmental funds										
Restricted						-				
Recreation & Social Service Programs	$ 774,760	$ 529,511	$ 388,107	$ 437,778	$ 396,963	$ 456,117	$ 529,410	$ 603,788	$ 641,522	$ 263,153
Transprotation and Streets	-	-	-	-	-	-	-	-	1,655,668	2,130,397
Economic & Community Development	5,038,229	4,134,798	4,691,109	6,742,282	5,094,894	8,270,438	10,318,250	13,121,425	25,464,987	28,452,169
Capital Improvements & Maintenance	902,846	872,555	918,950	15,068	59,329	256,727	950,955	1,500,191	3,613,719	4,639,733
Debt service	1,197,884	1,075,375	903,599	603,555	561,680	859,522	884,213	889,834	960,644	954,338
Committed	3,014,928	4,575,485	3,984,776	4,935,756	8,159,831	5,411,834	6,617,787	5,960,566	6,966,622	8,522,887
Unassigned	-	-	-	-	-	-	-	(376)	(1,561)	(2,296)
Total all other governmental funds	$ 10,928,647	$ 11,187,724	$ 10,886,541	$ 12,734,439	$ 14,272,697	$ 15,254,638	$ 19,300,615	$ 22,075,428	$ 39,301,601	$ 44,960,381
Fund Balance - All Governmental Funds	**$ 18,845,906**	**$ 17,278,949**	**$ 18,290,915**	**$ 20,592,588**	**$ 22,174,135**	**$ 24,342,686**	**$ 31,866,798**	**$ 39,508,651**	**$ 63,807,837**	**$ 72,089,217**

The City implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions," beginning fiscal year 2011. Certain data required by GASB 54 is not available for years prior to 2011, and certain fund balance classifications have changed under GASB-54. Reclassifications for prior years have not been made.

Source: City of Marina audited financial statements

City of Marina
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

TABLE 4

	Fiscal Year Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes & assessments	$ 13,873,137	$ 12,370,042	$ 13,403,846	$ 13,859,210	$ 14,776,278	$ 15,622,866	$ 17,513,555	$ 21,359,063	$ 21,944,005	$ 23,749,197
Licenses, Permits & Fees	189,415	277,547	444,470	515,123	545,288	672,613	2,127,179	2,346,192	1,962,170	2,446,456
Fines and penalties	187,808	189,423	195,743	194,540	144,598	146,415	106,116	102,543	60,958	95,186
Intergovernmental revenues	-	-	-	-	2,649,113	3,224,446	2,252,459	2,069,412	15,455,706	2,530,786
Charges for services	7,018,767	6,154,287	8,730,551	9,732,507	5,315,358	5,203,312	6,074,165	5,136,602	6,378,832	8,064,882
Investment Earnings	66,685	49,158	38,287	41,926	75,584	149,622	402,532	613,259	973,856	679,275
Other revenues	180,324	536,172	108,332	1,242,920	39,664,855	2,893,494 (i)	1,169,157 (ii)	839,396	979,403	1,224,019
Total revenues	21,516,136	19,576,629	22,921,229	25,586,226	63,171,074	27,912,768	29,645,163	32,466,467	47,754,930	38,789,801
Expenditures										
General government	3,225,776	2,187,323	2,333,193	2,512,974	2,765,874	3,350,106	4,334,089	4,664,354	5,310,952	6,690,092
Public safety	10,175,888	10,194,910	10,209,287	10,551,880	10,425,058	10,581,491	10,127,912	10,300,132	11,281,745	12,046,544
Public works	2,183,090	2,640,931	2,686,096	2,906,689	1,784,937	1,798,782	1,821,925	1,868,424	2,109,907	2,206,588
Economic & community development	1,492,441	1,953,554	1,800,790	1,448,506	2,441,977	1,923,875	2,254,588	2,641,074	2,439,900	4,052,730
Recreation & cultural services	907,685	913,253	1,080,272	895,100	964,613	950,754	1,002,449	994,789	950,128	812,409
Redevelopment	1,700,931	-	-	-	-	-	-	-	-	-
Public improvements/capital outlay	2,032,620	2,076,397	3,153,496	2,722,948	41,314,503	6,281,854	2,042,472	3,678,333	6,850,668	3,994,336
Debt Service										
Principal	735,000	676,185	1,214,878	661,757	1,284,007	889,686	625,200	765,000	809,692	888,516
Interest and fiscal charges	992,799	941,068	1,041,082	1,063,563	734,155	719,354	641,193	561,358	572,752	649,249
Total expenditures	23,446,230	21,583,621	23,519,094	22,763,417	61,715,124	26,495,902	22,849,828	25,473,464	30,325,744	31,340,464
Excess of revenues over(under) expenditures	(1,930,094)	(2,006,992)	(597,865)	2,822,809	1,455,950	1,416,866	6,795,335	6,993,003	17,429,186	7,449,337
Other financing sources (uses)										
Transfers in	5,028,972	3,368,405	2,928,560	3,149,165	4,669,312	2,156,862	1,312,011	4,298,165	6,421,672	5,821,845
Transfers out	(4,500,744)	(2,928,370)	(2,387,529)	(3,017,733)	(4,543,717)	(1,405,176)	(583,234)	(4,312,471)	(5,834,672)	(4,989,802)
Sale of capital assets	-	-	1,068,800	-	-	-	-	-	6,283,000	-
Issuance of long-term debt	-	-	-	(401,716)	-	-	-	663,156	-	-
Total other financing sources (uses)	528,228	440,035	1,609,831	(270,284)	125,595	751,686	728,777	648,850	6,870,000	832,043
Special Items:										
Extraordinary gain/(loss)	(629,152)	-	-	-	-	-	-	-	-	-
Total extraordinary items	(629,152)	-	-	-	-	-	-	-	-	-
Net change in fund balances	$ (2,031,018)	$ (1,566,957)	$ 1,011,966	$ 2,552,525	$ 1,581,545	$ 2,168,552	$ 7,524,112	$ 7,641,853	$ 24,299,186	$ 8,281,380
Beginning Fund Balances	20,772,125	18,845,907	17,278,949	18,290,915	20,592,588	22,174,136	24,342,686	31,866,798	39,508,651	63,807,837
Rounding		(1)			3	(2)	-	-	-	-
Prior-period adjustment	104,800	-	-	(250,852)	-	-	-	-	-	-
Ending Fund Balances	$ 18,845,907	$ 17,278,949	$ 18,290,915	$ 20,592,588	$ 22,174,136	$ 24,342,686	$ 31,866,798	$ 39,508,651	$ 63,807,837	$ 72,089,217
					(i)	(i)				

(i) - during FY 2015/2016 the City recorded a one-time revenue resulting from sale of a 50-year leasehold interest in the Preston Park Housing development to the Preston Park Corporation. An extraordinay capital outlay cost was recorded for the acquisition of that asset.In addition, the developer of the former University Villages donated almost $3 Million infrastructure which was recognized as one-time revenue. Other one-time capital asset-related revenues totalled $1.3 Million

(ii) - During fiscal 2016/17 The City recorded a one-time revenue of almost $2 from donation of infrastructure at the Dunes development. In addition, significant extraordinary grants for capital improvements were received.

Source: City of Marina Audited Financial Statements

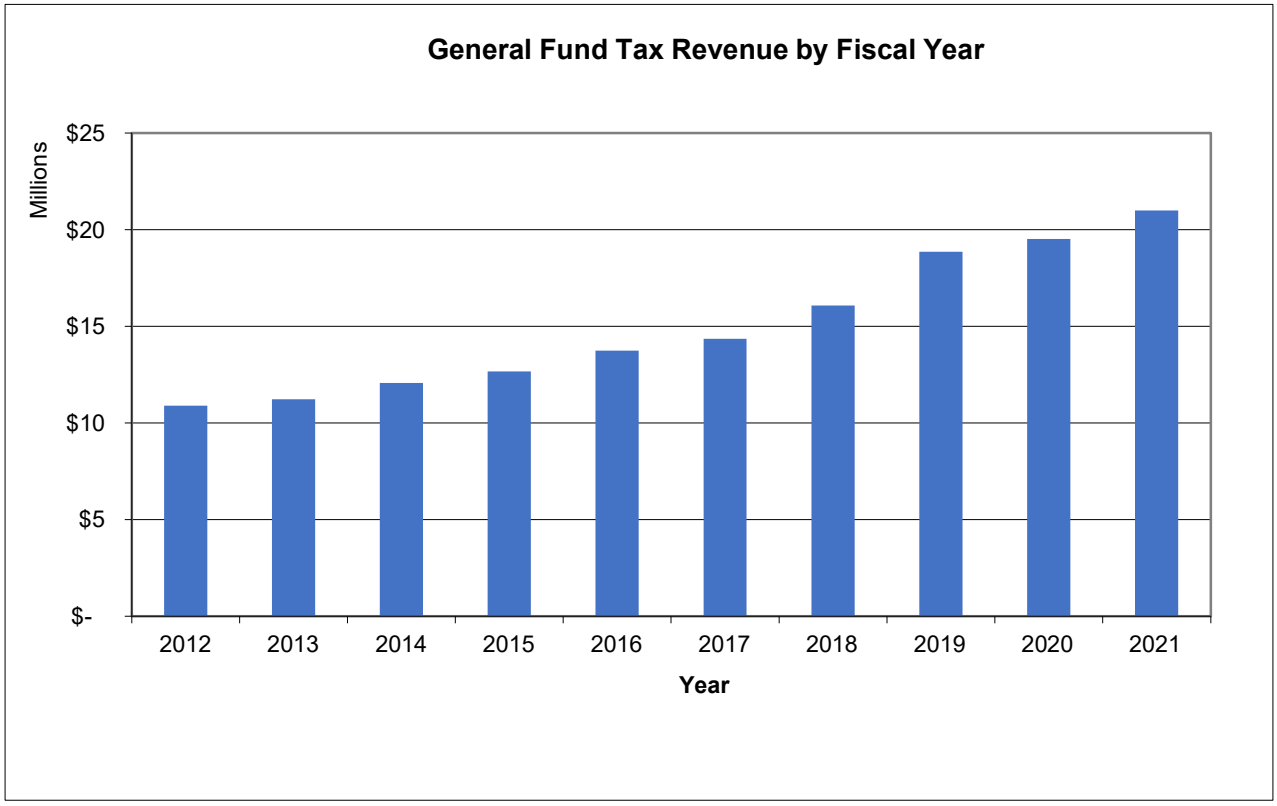
City of Marina

TABLE 5

General Fund Tax Revenues

Last Ten Fiscal Years

Fiscal Year Ended June 30	Property	Sales	Franchise & Cardroom	Transient Occupancy	Motor Vehicle. In-Lieu	Total
2012	$ 1,764,017	$ 4,274,491	$ 649,792	$ 1,876,488	$ 2,328,483	$ 10,893,271
2013	1,879,967	4,434,956	646,522	1,932,294	2,324,211	11,217,950
2014	2,199,001	4,588,760	726,548	2,154,023	2,396,756	12,065,088
2015	2,045,073	4,849,207	823,764	2,395,263	2,555,616	12,668,923
2016	2,252,005	5,210,921	1,037,816	2,549,531	2,685,134	13,735,407
2017	2,462,394	5,288,097	983,741	2,680,927	2,934,017	14,349,176
2018	2,616,657	5,847,182	1,057,654	3,297,828	3,252,508	16,071,829
2019	3,079,361	6,862,925	1,259,574	4,008,180	3,649,318	18,859,358
2020	3,044,638	7,740,865	1,249,755	3,472,431	4,012,763	19,520,452
2021	3,111,184	8,793,254	1,221,904	3,501,246	4,360,659	20,988,247

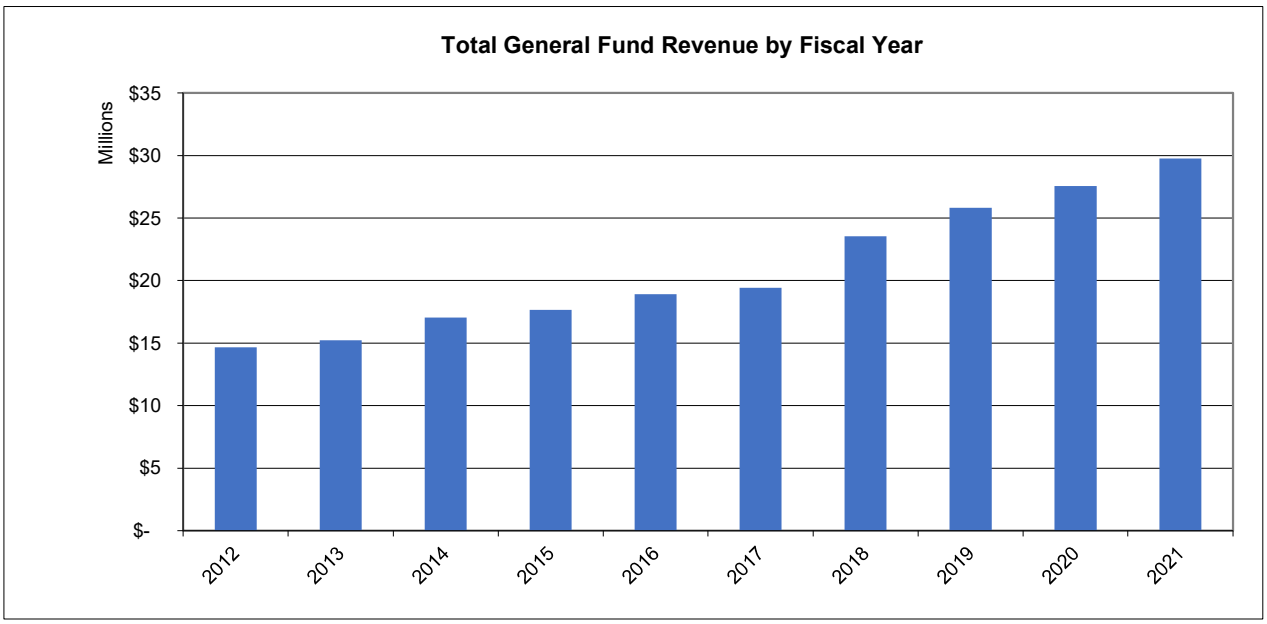


Source: City of Marina Financial Statements

City of Marina
General Fund Revenues
Last Ten Fiscal Years

TABLE 6

Fiscal Year Ended June 30		Taxes	Licenses, Permits & Fees	Fines, Penalties and Forfeitures	Chrg for Svcs Grants & Program Income	Investment Earnings	Other	Total *
2012		$ 10,893,271	$ 189,415	$ 187,808	$ 3,215,947	$ 54,237	$ 122,609	$ 14,663,287
2013		11,217,950	277,547	189,423	3,410,660	30,124	96,392	15,222,096
2014		12,065,088	444,470	195,743	4,295,003	23,597	32,054	17,055,955
2015		12,668,923	515,123	194,540	4,016,197	26,961	236,379	17,658,123
2016	**	13,735,407	545,288	144,598	4,311,415	41,376	145,502	18,923,586
2017	***	14,349,176	672,613	146,415	3,719,176	96,574	429,215	19,413,169
2018		16,071,829	2,127,179	106,116	3,455,823	242,670	1,531,133	23,534,750
2019		18,859,358	2,346,192	102,543	3,313,868	334,220	881,440	25,837,621
2020		19,502,452	1,962,170	60,957	4,045,957	552,780	1,445,811	27,570,127
2021		20,988,247	2,446,456	95,186	5,429,334	323,971	466,679	29,749,873



Source: City of Marina Financial Statements

* Excludes transfers in from other funds

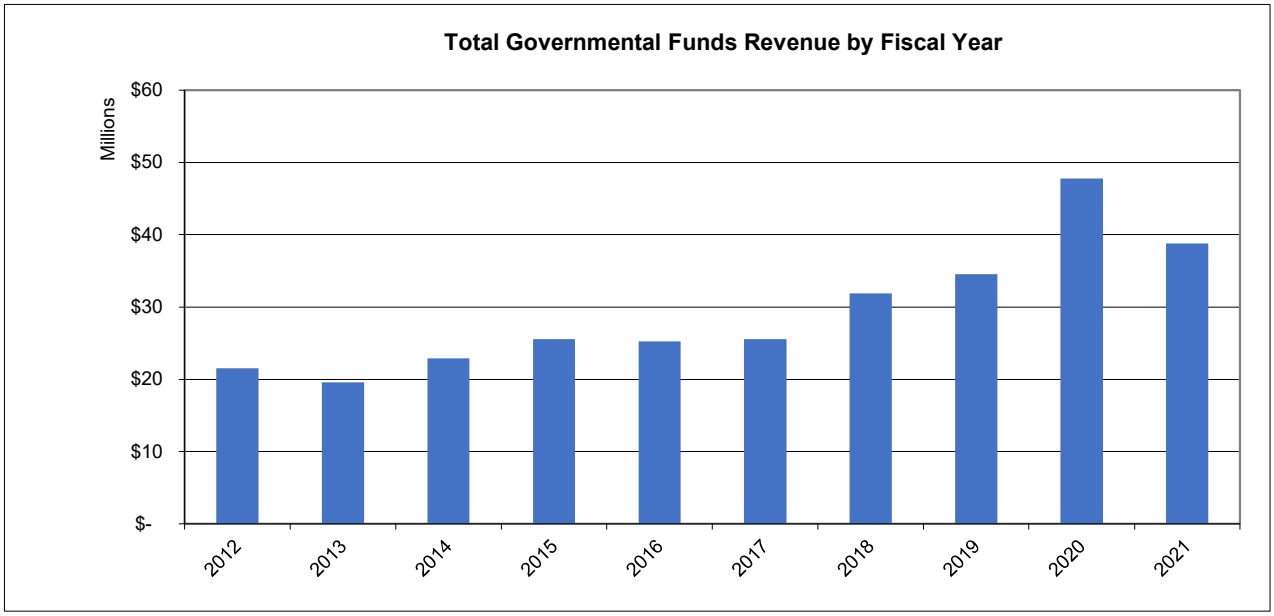
** Other excludes $37.9 million non-cash capital assets transactions for consistency

*** Other excludes $1.6 million non-cash capital assets transactions for consistency

City of Marina
All Governmental Funds Revenues
Last Ten Fiscal Years

TABLE 7

Fiscal Year Ended June 30		Taxes & Assessments	Licenses, Permits & Fees	Fines, Penalties and Forfeitures	Intergov't Revenues	Chrg for Services	Investment Earnings	Other	Total *
2012		$ 13,873,137	$ 189,415	$ 187,808	$ -	$ 7,018,767	$ 66,685	$ 180,324	$ 21,516,136
2013		12,370,042	277,547	189,423	-	6,154,287	49,158	536,172	19,576,629
2014		13,403,846	444,470	195,743	-	8,730,551	38,287	108,332	22,921,229
2015		13,859,210	515,123	194,540	-	9,732,507	41,926	1,242,920	25,586,226
2016	**	14,776,278	545,288	144,598	2,649,113	5,315,358	75,584	1,751,986	25,258,205
2017	***	15,622,866	672,613	146,415	3,224,446	5,203,312	149,622	546,503	25,565,777
2018		17,513,555	2,127,179	106,116	2,252,459	6,074,165	402,532	3,421,616	31,897,622
2019	****	21,359,063	2,346,192	102,543	2,069,412	5,136,602	613,259	2,908,808	34,535,879
2020		21,944,005	1,962,170	60,958	15,455,706	6,378,832	973,856	979,403	47,754,930
2021		23,749,197	2,446,456	95,186	2,530,786	8,064,882	679,275	1,224,019	38,789,801



Source: City of Marina Financial Statements

* Excludes interfund transfers in

** Other excludes $37.9 million non-cash capital lease transactions for consistency

*** Other excludes $1.6 million non-cash capital assets transactions for consistency

**** Other excludes $.66 million non-cash lease transaction for consistency

City of Marina

Total Outstanding Debt

Last Ten Fiscal Years

TABLE 8

	Fiscal Year Ended June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
General obligation library refunding bonds	$ 8,380,000	$ 8,325,000	$ 8,260,000	$ 7,925,000	$ 7,640,000	$ 7,555,000	$ 7,390,000	$ 7,195,000	$ 6,970,000	$ 6,710,000
Pension obligation bonds	2,920,000	2,480,000	1,995,000	1,470,000	900,000	275,000	145,000	-	-	-
Total General Obligation Bonds	11,300,000	10,805,000	10,255,000	9,395,000	8,540,000	7,830,000	7,535,000	7,195,000	6,970,000	6,710,000
Revenue bonds - Abrams-B Housing	12,825,000	12,500,000	12,165,000	11,820,000	11,465,000	11,275,000	10,860,000	10,435,000	10,005,000	9,565,000
Redevelopment tax increment bonds	550,000	-	-	-	-	-	-	-	-	-
Limited obligation bonds - Marina Landing	370,000	190,000	-	-	-	-	-	-	-	-
Limited obligation bonds - Marina Greens	290,000	225,000	155,000	-	-	-	-	-	-	-
Total Limited Obligation & Revenue Bonds	14,035,000	12,915,000	12,320,000	11,820,000	11,465,000	11,275,000	10,860,000	10,435,000	10,005,000	9,565,000
Total Bonded Indebtedness	25,335,000	23,720,000	22,575,000	21,215,000	20,005,000	19,105,000	18,395,000	17,630,000	16,975,000	16,275,000
Compensated absences	1,269,238	1,297,518	1,273,047	1,137,080	1,223,211	1,289,557	1,234,374	1,374,294	1,544,477	1,581,280
Capital leases	24,807	234,410	164,532	92,774	18,767	-	-	663,156	508,464	596,341
Total Governmental Activities	26,629,045	25,251,928	24,012,579	22,444,854	21,246,978	20,394,557	19,629,374	19,667,450	19,027,941	18,452,621
Business-type Activities:										
Promissory note - Preston Park Housing	-	-	-	-	35,950,000	35,950,000	35,950,000	35,950,000	35,950,000	35,950,000
Total Business-type Activities	-	-	-	-	35,950,000	35,950,000	35,950,000	35,950,000	35,950,000	35,950,000
Total Debt	$ 26,629,045	$ 25,251,928	$ 24,012,579	$ 22,444,854	$ 57,196,978	$ 56,344,557	$ 55,579,374	$ 55,617,450	$ 54,977,941	$ 54,402,621
Per Capita income[1]	$ 23,976	$ 25,106	$ 25,101	$ 24,773	$ 25,327	$ 26,525	$ 28,168	$ 29,705	$ 30,895	$ 33,348
Personal income[1] (in thousands)	$ 479,904	$ 507,869	$ 509,601	$ 521,199	$ 546,937	$ 587,343	$ 631,639	$ 681,936	$ 689,608	$ 730,984
Debt as percentage of personal income	5.55%	4.97%	4.71%	4.31%	10.46%	9.59%	8.80%	8.16%	7.97%	7.44%
Population[2]	20,016	20,229	20,302	21,039	21,595	22,143	22,424	22,957	22,321	21,920
Total debt per capita	1,330	1,248	1,183	1,067	2,649	2,545	2,479	2,423	2,463	2,482
Taxable Assessed value[3]	1,418,009,510	1,414,994,415	1,461,630,562	1,561,125,061	1,642,092,991	1,803,719,945	1,924,857,463	2,168,132,130	2,385,745,200	2,599,147,176
Total Debt as % of assessed value	1.88%	1.78%	1.64%	1.44%	3.48%	3.12%	2.89%	2.57%	2.30%	2.09%

Notes:

Source: City of Marina Audited Financial Statements

(-) No data available

[1] MuniServices LLC (for 2018 estimated 2% increase from prior year) - Personal Income calculated by multiplying per capita income by total population (see [2])

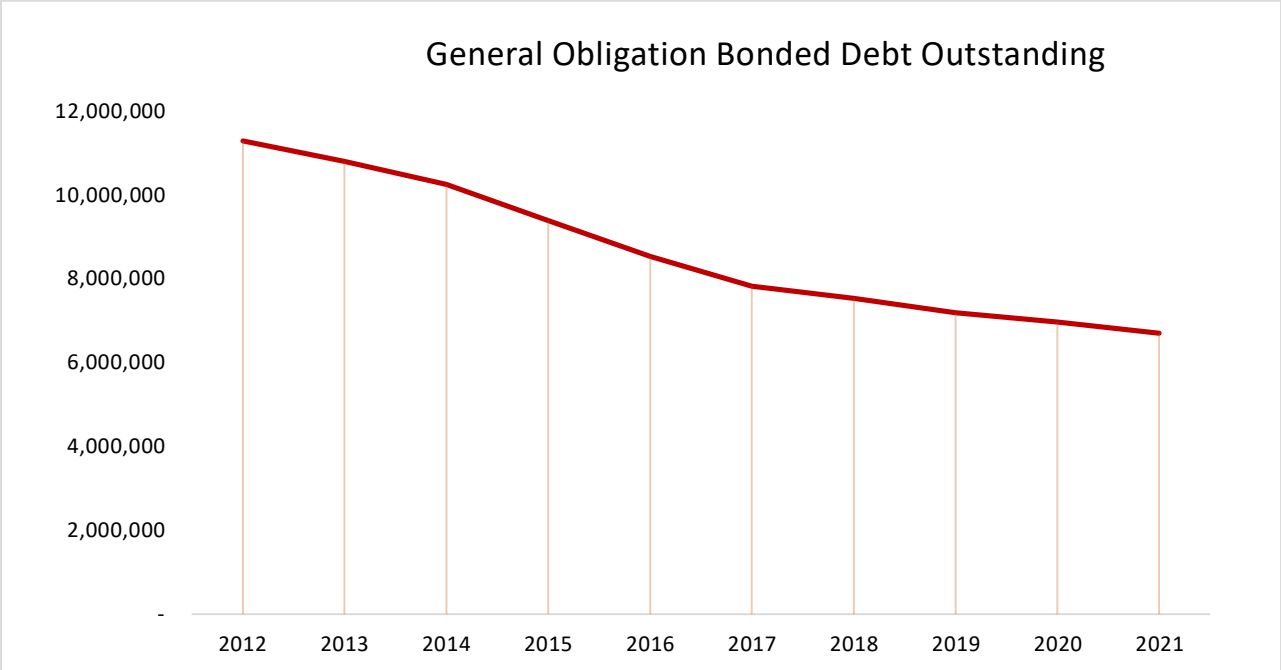
[2] California Department of Finance

[3] Monterey County Tax Rate Books, as detailed by MuniServices LLC (see Table 11)

City of Marina
Bonded Debt
Last Ten Fiscal Years

TABLE 9

Fiscal Year Ended June 30	[3] Total Bonded Debt	[3] Less: Revenue Bonds	[3] General Obligation Bonded Debt	G.O. Debt as a % of Assessed Value	G.O. Debt Per Capita	Taxable Assessed Value[1]	Population[2]
2012	25,335,000	14,035,000	11,300,000	0.80%	565	1,418,009,510	20,016
2013	23,720,000	12,915,000	10,805,000	0.76%	534	1,414,994,415	20,229
2014	22,575,000	12,320,000	10,255,000	0.70%	505	1,461,630,562	20,302
2015	21,215,000	11,820,000	9,395,000	0.60%	447	1,561,125,061	21,039
2016	20,005,000	11,465,000	8,540,000	0.52%	395	1,642,092,991	21,595
2017	19,105,000	11,275,000	7,830,000	0.43%	354	1,803,719,945	22,143
2018	18,395,000	10,860,000	7,535,000	0.39%	336	1,924,857,463	22,424
2019	17,630,000	10,435,000	7,195,000	0.33%	313	2,168,132,130	22,957
2020	16,975,000	10,005,000	6,970,000	0.29%	312	2,385,745,200	22,321
2021	16,275,000	9,565,000	6,710,000	0.26%	306	2,599,147,176	21,920



Source: [1] Monterey County Auditor-Controller Tax Rate Book

[2] California Department of Finance mid-fiscal year *(e.g. 2008 population @ 1/1/2008)*

[3] City of Marina Audited Financial Statements

City of Marina

TABLE 10

Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (4)	**Public School Enrollment	County Unemployment Rate (%) (3)	City Unemployment Rate(%) (3)	County Population (1)
2011-12	19,808	474,917	23,976	34.6	10,956	-	-	419,038
2012-13	19,996	502,020	25,106	35.5	10,730	-	-	420,668
2013-14	20,073	503,852	25,101	37.3	10,768	10.1%	6.0%	421,494
2014-15	20,268	502,099	24,773	36.5	10,653	7.6%	5.7%	425,756
2015-16	20,872	528,625	25,327	36.5	10,633	8.1%	6.1%	425,413
2016-17	21,528	571,030	26,525	36.9	10,732	7.6%	5.7%	442,365
2017-18	22,424	631,639	28,168	36.9	10,685	9.4%	3.1%	443,281
2018-19	22,957	681,936	29,705	36.8	10,658	4.7%	2.6%	445,414
2019-20	22,321	689,608	30,895	34.9	10,526	16.8%	19.3%	441,143
2020-21	21,920	730,984	33,348	33.9	9,994	10.8%	10.2%	437,318

Source: MuniServices, LLC / *an Avenu Insights & Analytics Company*

1.) Population Projections are provided by the California Department of Finance

2.) Income Data is derived from previous income adjusted for inflation.

3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

4.) Data provided by the United States Census Data Sets Tables.

**Student Enrollment reflects the total number of students enrolled in the Monterey Peninsula Unified School District. Other school districts within the City are not accounted for in this statistic.

(-) No data available

City of Marina

TABLE 11

Citywide Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Other Property	Total Secured Property	Unsecured Property	Less Tax-exempt property	Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Taxable Value (2)	Factor of Taxable Assessed Value (2)
2012	$ 999,890,473	$ 210,602,668	$ 221,165,490	$ 1,431,658,631	$ 60,668,484	$ 74,317,605	$ 1,418,009,510	0.195687	$ -	-
2013	1,021,168,922	210,455,067	205,553,290	1,437,177,279	58,276,233	80,459,097	1,414,994,415	0.195687	-	-
2014	1,042,168,418	214,316,449	236,797,577	1,493,282,444	57,910,086	89,561,968	1,461,630,562	0.195687	-	-
2015	1,119,179,396	230,300,136	241,538,459	1,591,017,991	60,026,223	89,919,153	1,561,125,061	0.195687	-	-
2016	1,191,143,317	235,961,520	271,722,544	1,698,827,381	60,963,585	117,697,975	1,642,092,991	0.195687	-	-
2017	1,304,549,843	239,333,525	323,669,510	1,867,552,878	70,591,640	134,424,573	1,803,719,945	0.195687	2,566,421,120	1.4228490
2018	1,434,005,745	280,826,470	279,447,839	1,994,280,054	70,557,468	139,980,059	1,924,857,463	0.195687	4,227,144,827	2.1960820
2019	1,624,632,460	299,834,075	324,295,905	2,248,762,440	68,650,466	149,280,776	2,168,132,130	0.195687	3,598,481,418	1.6597150
2020	1,832,903,173	299,403,469	349,422,056	2,481,728,698	74,208,552	170,192,050	2,385,745,200	0.195687	4,402,847,247	1.8454809
2021	2,038,469,193	323,010,924	337,595,275	2,699,075,392	74,931,939	174,860,155	2,599,147,176	0.195687	3,863,740,763	1.4865417

Source: Monterey County Assessor data, MuniServices, LLC
(-) No data available

(1.) Total direct tax rate is represented by TRA 12-0041

(2.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.
*2016-17 is the city's first CAFR; thus prior year data is limited. Historical values have been updated to reflect consistent report methodology.

City of Marina

TABLE 12

Total Assessed Value of Property by Use Code, Citywide
Last Ten Fiscal Years ended June 30,

Category	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Residential	$ 999,890,473	$ 1,021,168,922	$ 1,042,168,418	$ 1,119,179,396	$ 1,191,143,317	$ 1,304,549,843	$ 1,434,005,745	$ 1,624,632,460	$ 1,832,903,173	$ 2,038,469,193
Commercial	210,602,668	210,455,067	214,316,449	230,300,136	235,961,520	239,333,525	280,826,470	299,834,075	299,403,469	323,010,924
Vacant	105,625,465	88,707,295	91,495,277	92,842,928	113,779,359	159,784,721	86,517,557	107,563,261	118,749,943	102,071,314
Industrial	40,617,436	42,004,430	43,126,163	45,472,293	47,528,389	50,935,771	50,311,955	74,410,577	81,659,246	83,292,426
Professional	2,282,284	2,327,927	27,065,788	27,188,660	27,731,885	28,154,791	55,396,279	51,429,463	53,428,857	54,707,908
Miscellaneous	25,260,025	23,492,333	23,885,720	24,134,083	24,581,435	24,859,615	28,798,906	30,396,302	31,701,673	32,438,297
Unknown	10,631,936	10,941,213	11,523,829	11,910,872	18,220,975	18,563,065	14,390,755	14,745,873	15,350,500	15,654,726
Social	11,923,305	12,313,314	13,342,598	13,405,529	13,659,612	13,862,915	14,456,257	14,577,357	14,678,468	14,972,034
Rural	10,401,468	10,607,474	10,817,599	10,896,679	11,112,371	11,280,290	13,054,808	14,390,658	14,250,237	14,522,610
Institution	8,028,441	8,643,639	8,890,706	9,014,743	9,217,872	10,257,867	10,439,846	10,584,094	11,083,917	11,248,345
Recreation	6,395,130	6,515,665	6,649,897	6,672,672	5,890,646	5,970,475	6,081,476	6,198,320	8,519,215	8,687,615
Total Secured Value	1,431,658,631	1,437,177,279	1,493,282,444	1,591,017,991	1,698,827,381	1,867,552,878	1,994,280,054	2,248,762,440	2,481,728,698	2,699,075,392
Unsecured	60,668,484	58,276,233	57,910,086	60,026,223	60,963,585	70,591,640	70,557,468	68,650,466	74,208,552	74,931,939
Exemptions	74,317,605	80,459,097	89,561,968	89,919,153	117,697,975	134,424,573	139,980,059	149,280,776	170,192,050	174,860,155
Total Assessed Value	$ 1,418,009,510	$ 1,414,994,415	$ 1,461,630,562	$ 1,561,125,061	$ 1,642,092,991	$ 1,803,719,945	$ 1,924,857,463	$ 2,168,132,130	$ 2,385,745,200	$ 2,599,147,176

Source: Monterey County Assessor data, MuniServices, LLC/Avenu Insights & Analytics
Use code categories are based on Monterey County Assessor's data
2016/17 is the City's first CAFR publication

City of Marina

TABLE 13

Direct and Overlapping Property Tax Rates
Last Nine Fiscal Years ending June 30,

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Basic City and County Levy										
Monterey County-Wide	0.246232	0.246232	0.246232	0.246232	0.246232	0.246232	0.246232	0.246232	0.246232	0.246232
County Library	0.022722	0.022722	0.022722	0.022722	0.022722	0.022722	0.022722	0.022722	0.022722	0.022722
City of Marina	0.195687	0.195687	0.195687	0.195687	0.195687	0.195687	0.195687	0.195687	0.195687	0.195687
Monterey County Office of Education	0.026664	0.026664	0.026664	0.026664	0.026664	0.026664	0.026664	0.026664	0.026664	0.026664
Monterey Pen Unified School District	0.437978	0.437978	0.437978	0.437978	0.437978	0.437978	0.437978	0.437978	0.437978	0.437978
Monterey Pen College	0.047299	0.047299	0.047299	0.047299	0.047299	0.047299	0.047299	0.047299	0.047299	0.047299
MCWRA Dist	0.001391	0.001391	0.001391	0.001391	0.001391	0.001391	0.001391	0.001391	0.001391	0.001391
Monterey Regional Park Dist	0.011593	0.011593	0.011593	0.011593	0.011593	0.011593	0.011593	0.011593	0.011593	0.011593
North Salinas Valley Mosquito Abater	0.008347	0.008347	0.008347	0.008347	0.008347	0.008347	0.008347	0.008347	0.008347	0.008347
Moss Landing Harbor Dist	0.002087	0.002087	0.002087	0.002087	0.002087	0.002087	0.002087	0.002087	0.002087	0.002087
TOTAL 1% BREAKOUT	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
City of Marina debt service	0.004260	0.004484	0.004684	0.004602	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Marina Library 2002 Election Series 2005	0.027300	0.027716	0.028118	0.027962	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen Coll 2002 Ser A & 2005 Refund	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen Coll 2002 Ser B C & 2005 Refund	0.023570	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen Unif SD 2010 Election Series A	0.028790	0.027965	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen CCD 2002 Ser B C & 2005 Refund	0.000000	0.022367	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen CCD 2013 Refund	0.000000	0.000000	0.015772	0.032471	0.023039	0.000000	0.000000	0.000000	0.000000	0.000000
Monterey Pen USD 2010 Ser A & 2012 Election	0.000000	0.000000	0.021309	0.022774	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Marina 2015 GO Refunding Bonds	0.000000	0.000000	0.000000	0.000000	0.022348	0.023068	0.021612	0.023200	0.019640	0.022180
Monterey Penn CCD 2002 BC & 2013 Ref AB & 2016 Ref	0.000000	0.000000	0.000000	0.000000	0.000000	0.022336	0.021655	0.021187	0.020484	0.020166
Monterey Pen USD 2010 Ser A & B	0.000000	0.000000	0.000000	0.000000	0.030000	0.030000	0.028902	0.091957	0.117071	0.041454
TOTAL OVERRIDE RATE	0.083920	0.082532	0.069883	0.087809	0.075387	0.075404	0.072169	0.136344	0.157195	0.083800
Total Tax Rate	1.083920	1.082532	1.069883	1.087809	1.075387	1.075404	1.072169	1.136344	1.157195	1.083800

Source: County Auditor/Controller data, MuniServices, LLC /Avenu Insights & Analytics
Rates are not adjusted for ERAF
TRA 12-004 is represented for this report

City of Marina

TABLE 14

Principal Property Tax Payers
Last Fiscal Year and Nine Years Ago

	2020-21		2011-12	
Taxpayer	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**	**Taxable Value ($)**	**Percent of Total City Taxable Value (%)**
Hamstra-Appleton LLC	52,816,796	2.03%		
Wathen Castanos Peterson Homes Inc Et Al	44,726,865	1.72%		
Pacific Coast Highway Property LLC	36,893,400	1.42%		
LV44 Limited Partnership	35,279,116	1.36%	23,910,328	1.69%
HHLP Sanctuary Associates LLC	35,150,640	1.35%		
Wal Mart Stores Inc	27,672,137	1.06%	17,500,000	1.23%
Target Corporation	26,908,720	1.04%	20,500,000	1.45%
Marina Hotels BW LLC	23,567,283	0.91%		
Community Hospital Properties Inc	23,341,479	0.90%	14,164,367	1.00%
Cemex Inc	21,262,733	0.82%	16,597,536	1.17%
WC Marina LLC	20,447,468	0.79%		
Monterey Peninsula Hotels Group LP	20,030,962	0.77%		
Happy Homes Marina Dunes LLC	18,703,977	0.72%		
Tate Michael J Tr	18,269,718	0.70%	14,842,708	1.05%
Alliance Residential Co Inc	15,810,574	0.61%	9,526,380	0.67%
Marina Community Partners LLC	15,159,867	0.58%	49,786,254	3.51%
New Heritage Family Limited Partnership	14,664,132	0.56%		
Sierra Pacific Properties Inc	13,871,528	0.53%	8,846,372	0.62%
Valle Del Sol Properties LLC Et Al	13,582,953	0.52%		
189 Seaside LLC	12,369,808	0.48%		
SKN Properties	10,950,168	0.42%		
Cypress Gates Inc	10,580,642	0.41%	9,046,717	0.64%
Zimmerman Gregory J & Foux Anthony L	9,869,190	0.38%		
Cypress Dunes LLC	9,542,317	0.37%		
Reservation Estates Apartments LP	9,322,687	0.36%		
Shea Marina Village LLC			39,734,415	2.80%
Cypress Marina Heights LP			17,652,823	1.24%
MDR-TMI LLC			11,290,500	0.80%
Kohls Department Stores Inc			10,001,651	0.71%
Ocean Lodging LLC			9,255,919	0.65%
ELS Properties Corporation			8,145,570	0.57%
Brooks William H			7,947,502	0.56%
Marina Cypress Apartments LLC			7,575,910	0.53%
Vega Nelson A & Susan J			6,862,412	0.48%
Marina Beach Inn Inc			6,830,244	0.48%
Marina RV LLC			6,395,130	0.45%
Worldmark The Club			6,321,446	0.45%
Nehawandian Abolghassen & Pari			6,084,652	0.43%
Burch Roger A & Michele			5,875,132	0.41%
Chee Kyo Nam & Debbie K			5,666,515	0.40%
Total Top 25 Taxpayers	540,795,160	20.81%	340,360,483	24.00%
Total Taxable Value	2,599,147,176	100.00%	1,418,009,510	100.00%

Source: County Assessor data, MuniServices, LLC/Avenu Insights & Analytics

City of Marina

TABLE 15

Principal Employers

Business Name	2020-21 Number of Employees	2020-21 Percent of Total Employment (%)
Monterey Peninsula USD*	265	2.09%
Walmart Supercenter	225	1.77%
Target	197	1.55%
Monterey Regional Waste Mgmt Dist.**	115	1.55%
City of Marina	85	0.91%
Scudder Roofing Company	84	0.67%
Monterey One Water Treatment Plant	83	0.66%
Kohl's	62	0.65%
REI	55	0.49%
Michael's	35	0.43%
Total Top 10 Employers	1,206	10.77%
Total City Labor Force (1)	12,700	

Source: MuniServices, LLC /*Avenu Insights & Analytics*

Results based on direct correspondence with city's local businesses.

2016-17 is the cities first CAFR publication, therefore prior year historical data is not available.

1.) Total City Labor Force provided by EDD Labor Force Data

*Only schools located within the City of Marina.

** Includes Marina and Monterey location.

City of Marina

Overlapping Debt Table 16

2020-21 Assessed Valuation: $2,614,034,976

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Debt 6/30/2021	% Applicable (1)	City's Share of Debt 6/30/21	
Hartnell Joint Community College District	$259,591,667	0.11%	$288,147	
Monterey Peninsula Community College District	109,868,522	6.325	6,949,184	
Monterey Peninsula Unified School District	220,056,122	17.546	38,611,047	
North Monterey County Unified School District	30,395,000	0.573	174,163	
City of Marina	**6,710,000**	**100**	**6,710,000**	
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			$52,732,541	
OVERLAPPING GENERAL FUND DEBT:				
Monterey County General Fund Obligations	$139,253,793	3.53%	$4,914,266	
Monterey County Board of Education Certificates of Participation	5,006,000	3.529	176,662	
North Monterey County Unified School District Certificates of Participation	3,780,000	0.573	21,659	
Monterey County Water Resources Agency General Fund Obligations	20,370,000	3.529	718,857	
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT			$5,831,444	
Less: Monterey County supported obligations			116,358	
TOTAL NET OVERLAPPING GENERAL FUND DEBT			$5,715,086	
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):	$53,135,000	65.111 - 100. %	$42,422,333	
TOTAL DIRECT DEBT			**$6,710,000**	
TOTAL GROSS OVERLAPPING DEBT			$94,276,318	
TOTAL NET OVERLAPPING DEBT			$94,159,960	
GROSS COMBINED TOTAL DEBT			$100,986,318	(2)
NET COMBINED TOTAL DEBT			$100,869,960	

(1)The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2)Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2020-21 Assessed Valuation:	
Direct Debt ($6,710,000)	**0.26%**
Total Direct and Overlapping Tax and Assessment Debt	2.02%
Total Direct Debt ($6,710,000)	**0.26%**
Gross Combined Total Debt	3.86%
Net Combined Total Debt	3.86%
Ratios to Redevelopment Successor Agency Incremental Valuation ($912,334,534):	
Total Overlapping Tax Increment Debt	4.65%

Source: Avenu Insights & Analytics
California Municipal Statistics, Inc.

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CITY OF
MARINA



Chavan and Associates, llp
Certified Public Accountants

To the City Council of the
City of Marina

We have audited the basic financial statements of the City of Marina as of and for the year ended June 30, 2021, and have issued our report thereon dated April 20, 2022. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our engagement letter, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Marina solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information in documents containing City of Marina's audited financial statements doesn't extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

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Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to management.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Marina is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during June 30, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements include accumulated depreciation related to capital assets and unfunded liabilities and related expenses based on assumptions in actuarial studies performed on defined benefit plans (GASB 68 and 75).

We evaluated the key factors and assumptions used to develop the identified estimates and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting City of Marina's financial statements relate to cash and investments, receivables, capital assets, long-term liabilities, and defined benefit plans.

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Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures The material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Marina's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated April 20, 2022.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues

In the normal course of our professional association with the City of Marina we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Marina's auditors.

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This report is intended solely for the information and use of the Council and management of the City of Marina and is not intended to be and should not be used by anyone other than these specified parties.

C & A LLP

April 20, 2022
Morgan Hill, California

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Chavan and Associates, llp
Certified Public Accountants

To the City Council and Management of the
City of Marina

Introduction and Internal Controls

In planning and performing our audit of the basic financial statements of the City of Marina, as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered City of Marina's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Marina's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- Reasonably possible. The chance of the future event or events occurring is more than remote but less than likely.
- Probable. The future event or events are likely to occur.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

As a result of the procedures performed, we have identified the following control deficiency that could increase the likelihood misstatements will not be prevented, detected and corrected in a timely basis:

The City's cash accounts were not reconciled in a timely manner in order to properly perform year end closing procedures. As a result, several adjusting entries had to be made after the start of our audit.

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Upcoming Accounting Pronouncements

The following is a summary of new accounting pronouncements from the Governmental Accounting Standards Board:

GASB issued Statement No. 87, *Leases*

Issued in June 2017, this statement establishes standards of accounting and financial reporting for leases by lessees and lessors. It provides guidance on accounting treatment of lease assets, lease liability, short-term leases, certain regulated leases, measurement for leases other than short-term leases and contracts that transfer ownership, subleases, lease-leaseback transactions, intra-entity leases, and leases between related parties. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*

Issued in May 2019, this statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement will be effective beginning fiscal year 2023. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 92, *Omnibus 2020*

Issued in January 2020, this statement was issued for clarity and consistency by addressing practice issues identified from the implementation and application of certain GASB statements. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*

Issued in March 2020, this statement is to address accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) such as the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021. The statement will be effective beginning fiscal year 2022. The City is in the process of determining the impact this Statement will have on the financial statements.

GASB Statement No. 94, *Public-Private Partnerships and Public-Public Partnerships and Availability Payment Arrangements*

Issued in March 2020, this statement is to improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and available payment arrangement (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. The statement will be effective beginning fiscal year 2023.

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The City is in the process of determining the impact this Statement will have on the financial statements.

Purpose of Communication

The purpose of this communication, which is an integral part of our audit, is to describe, for management and those charged with governance, the scope of our testing of internal control and the results of that testing, and communicate additional information that may be relevant to future City decision making. Accordingly, this communication is not intended to be and should not be used for any other purpose.

C & A LLP

April 20, 2022
Morgan Hill, California

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May 12, 2022 Item No. **11a**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June 7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, AMENDING THE RATE ADJUSTMENT CALCULATION OF THE FRANCHISE AGREEMENT WITH GREEN WASTE RECOVERY UTILIZING A SECTOR SPECIFIC UNIFORM PERCENTAGE ADJUSTMENT AND APPROVING MAXIMUM RATES TO BE CHARGED BY GREENWASTE RECOVERY EFFECTIVE JULY 1, 2022 FOR COLLECTION OF FRANCHISED SOLID WASTE, RECYCLING, AND ORGANICS.

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2022- amending the rate adjustment calculation of the franchise agreement with Green Waste Recovery utilizing a sector specific uniform percentage adjustment and approving maximum rates to be charged by Green Waste Recovery effective July 1, 2022 for collection of franchised solid waste, recycling, and organics.

BACKGROUND:

On August 19, 2014, the City Council adopted Resolution No. 2014-98, and entered into a new exclusive 15-year Franchise Agreement with Green Waste Recovery (GRW) to provide solid waste, recycling, and organics collection services for the City of Marina. The Agreement provides for automatic annual rate adjustments for GWR's services calculated following either a multi-index rate adjustment methodology or a cost-based rate adjustment methodology.

On November 2, 2021, the City Council adopted Resolution No. 2021-114, approving an amendment to the Franchise Agreement with Green Waste Recovery (GRW) to incorporate changes required by Senate Bill 1383 (SB 1383) to divert organic waste from landfills. The amended Agreement retained provisions for automatic annual rate adjustments for GWR's services calculated following either a multi-index rate adjustment methodology or a cost-based rate adjustment methodology.

Cost-based Rate Adjustment Methodology

The cost-based adjustment involves an extensive and detailed review of GWR's actual cost of operations, changes in inflation, the number of customers, and the service level provided and comparing this to actual gross receipts collected to determine GWR's compensation for the current rate period and to forecast the future rates. The cost to perform this review is estimated at $50,000 - $100,000 (which cost would be passed onto the rate payer). A cost-based rate adjustment was performed for rate period 5 in 2019. Adjustments to the GreenWaste compensation resulted in rate-payer surpluses of $540,298 in rate period 5, $258,203 in rate period 6, and $175,891 in rate period 7. As a result of the surpluses, rates for marina customers have been fixed at the rates set in 2018.

Multi-index Rate Adjustment Methodology

Each service level rate in the Franchise Agreement rate schedule is comprised of an operating component, disposal/processing component and a fee component. The annual rate adjustment consists of adjusting each of the rate components as follows:

Operating Component Factor:

- Labor Component: Labor costs from the prior year are adjusted by the annual percentage change in the Employment Cost Index (ECI)
- Fuel Component: Fuel costs from the prior year are adjusted by the actual volume of fuel purchased in the prior year and the annual percentage change in the Fuel Index
- Other Component: Non labor/fuel related costs from the prior year are adjusted by the annual percentage change of the Consumer Price Index (CPI)

Disposal/Processing Component: This component is automatically adjusted as a direct pass-through based on MRWMD fees and the City's prior year's tonnages by material type. The disposal and processing component(s) are based on the difference between the City's actual tonnage by material type and what was proposed by GWR in their initial proposal to the City. The disposal and processing components also consider the tipping fee charged by the Monterey Regional Waste Management District (MRWMD). At their meeting on May 18th, 2018, the MRWMD Board of Directors considered a 7% increase on tipping fees. The public hearing on rate increases is likely to be held at the June 17th, 2022 MRWMD Board of Directors meeting. The proposed tipping fee increase has been factored into the proposed fee increase for GWR customers. MRWMD rationale for the increased tipping fees is to cover the increased cost due to SB 1383, supply chain and labor cost increases over the past 2 years.

Fee Component: This component is a direct pass through of Franchise fees, calculated as a percent of the total rate by service level.

The rate adjustment for the 2022/2023 fiscal year was conducted using a variation of the multi-index methodology which was distributed across sectors by weighted averages in accordance with the methodology agreed upon in 2016. The changes implemented in 2016 allow for a uniform percentage increase for services.

The Franchise Agreement stipulates that the City of Marina shall make a good faith effort to approve the accuracy of the calculated rates by June 1 of each year, and such rates shall be effective on each subsequent July 1. This allows noticing all customers of rate increases. If rates are not effective by July 1 due to a delay caused solely by the City of Marina, GWR may retroactively bill customers for the amount of the rate increase.

ANALYSIS:

GWR provided the City, by way of HF&H Consultants (who represents the City), with the annual rate adjustment calculation ("**EXHIBIT B"**). "**EXHIBIT A"** is an executive summary from HF&H reporting the finding that the application for the annual rate adjustment by GWR is consistent with the methodology approved in the prior year.

At the September 15th, 2020 meeting, City Council asked staff to analyze an equitable method of returning the surplus from rate periods 5 and 6 to the rate-payers that paid into the surplus. Staff requested a proposal from HF&H to analyze historical customer data which has been provided by GWR. Approval of an agreement with HF&H to perform this work is an item on tonight's City Council agenda. If approved, the analysis will be performed over the next few weeks and staff will return with recommendations. This process is not tied to the rate increase deadline of July 1st.

Subsequently, a surplus of $175,891 was generated in rate period 7. Given the increases due to SB 1383, staff is recommending that the rate period 7 surplus be used to offset rate increases over the next two years. Applying $89,227 of the surplus reduces the rate period 8 rate increase from 5.82% to 3.10%.

Staff is recommending the sector-based adjustment be used for calculating rates for 2022/2023 in keeping with the methodology approved in 2016.

At the November 2nd, 2021 meeting, City Council expressed an interest in a senior rate structure that is not income qualified. City staff requested that HF&H estimate the impact of creating a discounted rate for senior citizens with 32-gallon waste container service. HF&H modeled the effects of the discount at either a 20% rate reduction, aligning with the CARE program, or a 50% rate reduction. To provide the discounted rate, the other classes would have an additional rate increase above the index rate adjustment to subsidize the loss of revenue from the migration to discounted service.

HF&H pulled population data from the United States Census Bureau for the City of Marina to estimate the percentage of the population eligible for the senior discount (+65 years old) of 13.8%. Using the City's quarterly reports, HF&H applied the senior population percentage across the residential cart subscription levels to estimate the maximum number of customers that could migrate from standard to discounted service. By calculating the difference from the standard to the discounted rates, multiplied by the number of eligible customers, HF&H was able to estimate the additional revenue required for the subsidy of these discounted rates.

For a 20% senior discount, an additional $52,311 (a 1.35% additional rate increase) would need to be subsidized by the other rate classes. For a 50% senior discount, an additional $92,145 (a 2.39% additional rate increase) would be subsidized by the other rate classes.

FISCAL IMPACT:
The FY2022/2023 proposed rate adjustment would have no effect on City expenses, as this is a cost to the rate payers. The Franchise Agreement has a 15% franchise fee of gross receipts. Any rate increase provides a corresponding increase in franchise fee revenue to the City.

CONCLUSION:
This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____
Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

REVIEWED/CONCUR:

_____
Layne Long
City Manager
City of Marina

RESOLUTION NO. 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AMENDING THE RATE ADJUSTMENT CALCULATION OF THE FRANCHISE AGREEMENT WITH GREEN WASTE RECOVERY UTILIZING A SECTOR SPECIFIC UNIFORM PERCENTAGE ADJUSTMENT AND APPROVING MAXIMUM RATES TO BE CHARGED BY GREENWASTE RECOVERY EFFECTIVE JULY 1, 2022, FOR COLLECTION OF FRANCHISED SOLID WASTE, RECYCLING, AND ORGANICS.

WHEREAS, the City of Marina entered into a franchise agreement with GreenWaste Recovery (GWR) on August 19, 2014 for solid waste, recycling, and organics collection services for the period of August 1, 2015 through July 31, 2030, and;

WHEREAS, Section 8.2 of the Franchise Agreement describes the process for an automatic annual adjustment to maximum customer rates on July 1 of each year, based on agreed upon cost indices, changes in tipping fees as the Monterey Regional Waste Management District, and the actual tonnage for materials collected by GWR, and;

WHEREAS, on November 2, 2021, the City Council adopted Resolution No. 2021-114, approving an amendment to the Franchise Agreement with Green Waste Recovery (GRW) to incorporate changes required by Senate Bill 1383 (SB 1383) to divert organic waste from landfills. The amended Agreement retained provisions for automatic annual rate adjustments for GWR's services calculated following either a multi-index rate adjustment methodology or a cost-based rate adjustment methodology, and;

WHEREAS, a cost-based rate adjustment was performed for rate period 5 in 2019. Adjustments to the GreenWaste compensation resulted in rate-payer surpluses of $540,298 in rate period 5, $258,203 in rate period 6, and $175,891 in rate period 7. As a result of the surpluses, rates for marina customers have been fixed at the rates set in 2018.

WHEREAS, City staff and third party consultant, HF&H, have reviewed GWR's calculation of the rate adjustments for FY 2022/2023 and finds the calculations to be accurate and consistent with the methodology and requirements of the franchise agreement, and;

WHEREAS, given the increases due to SB 1383, staff is recommending that the rate period 7 surplus be used to offset rate increases over the next two years. Applying $89,227 of the surplus reduces the rate period 8 rate increase from 5.82% to 3.10%.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina hereby resolves to approve the rates in **Exhibit B** that incorporate a 3.1% increase to all single family residential maximum rates authorized to be charged by GWR under the Franchise Agreement, effective July 1, 2022.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

HF&H CONSULTANTS, LLC
Managing Tomorrow's Resources Today

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Robert D. Hilton, Emeritus
John W. Farnkopf, PE
Laith B. Ezzet, CMC
Richard J. Simonson, CMC
Marva M. Sheehan, CPA
Robert C. Hilton

May 12, 2022

Mr. Brian McMinn
Public Works Director
City of Marina

Sent via E-mail

Subject: Review of GreenWaste Recovery's 2022/23 Rate Request – Final Report

Reference Number: S5065

Dear Mr. McMinn:

HF&H Consultants, LLC (HF&H) was retained by the Monterey Regional Waste Management District (District) to assist with a review of GreenWaste Recovery's (GWR) request for an adjustment to customer rates, effective July 1, 2022, submitted to the City of Marina (City) on April 1, 2022. This report presents our findings and recommendations.

EXECUTIVE SUMMARY

HF&H's review of GWR's Rate Period 8 (RP8) rate request to the City and subsequent negotiations with GWR resulted in the following outcomes:

1. A 5.82% increase (the result of a $224,827 shortfall) to rates as calculated for RP8. City Staff has recommended using half of the RP7 surplus to smooth rates from a 5.82% increase to a 3.10%. Refer to **Figure 1** for the impact to sample residential rates.

Figure 1 – Example Rate Impact of Adjustment

Marina Rate Adjustment		
	Current Rates (RP7)	RP8
Adjustment	N/A	3.10%
Residential 32-gallon rate	$ 16.54	$ 17.05
Residential 64-gallon rate	$ 20.74	$ 21.38

BACKGROUND

In 2012, the City, participating with other members of the District, issued a competitive request for proposals for collection services and entered into the new Agreement with GWR effective July 1, 2015. The Agreement provides for the following, related to the adjustment of rates:

- Rates are annually adjusted throughout the term of the Agreement, using various inflationary indices, actual tonnage, and changes in the tipping fees at the District, unless either the City or GWR request a Cost Based Rate Adjustment (CBRA).
- The City and GWR may mutually agree upon alternative approaches to structuring rates without amendment to the Agreement (Section 8.2.D).
- During the CBRA review in RP5, a number of issues surrounding the process for setting rates and the resulting rate relationships amongst sectors and materials was identified. As such the City and GWR have negotiated an amendment to the prescribed methodology for the CBRA and index adjustments so as to not alter rate relationships between service sectors and material types.
- Through negotiations of the amendment and as a result of the desire to maintain current rate relationships between sectors and service levels, the City and GWR have prescribed a uniform rate adjustment to be applied to all sectors.

RATE CALCULATION REVIEW

HF&H Scope of Work

HF&H performed this review of the rate request in accordance with Exhibit E1 (for the index based rate adjustment). These procedures included:

1. Review of the rate request for completeness and compliance with the procedures contained in Exhibit E1 of the Agreement.
2. Review for mathematical accuracy and logical consistency to determine that the rate request is mathematically correct, that the rows and columns of numbers add down and across as intended, and that the stated assumptions were, in fact, used. Also, to determine that the rate request is internally consistent and that any summary schedules agree to the supporting schedules and worksheets.
3. Verification of the inclusion of the franchise fee calculation in the adjustment.
4. Verification of contract compliance with regard to:

    A. The indices used in the adjustment.
    B. The tip fees reported for the disposal/processing components of the rates.
    C. The use of quarterly-reported tonnage data and allocations among agencies. A detailed audit of tonnage and allocations of tonnage reported by GWR was not a part of this scope of work. HF&H discussed GWR's allocation methodology with them and the methodology appears reasonable and consistent with standard practices within the industry.
    D. Any changes in governmental fees on the fee component of the rates; and, the accurate application of the resultant percentage changes in the various rate components to the rate schedule approved by the City through the Agreement.
    E. The addition of anticipated costs related to identified program changes resulting from SB 1383.

Review of Rate Request

Rate Period 8 Application

HF&H reviewed the rate application for RP8. The results of the calculation of RP8 per methodology of Exhibit E1 of the amendment can be seen in **Figure 1** below.

Figure 1 – City of Marina Application of Index Based Adjustments to RP8

		Rate Period Seven	SB 1383 Costs	Revised Rate Period Seven	Adjustment Factor	Rate Period Eight
Annual Cost of Operations						
	Labor-Related Costs	$ 456,715	$ 105,562	$ 562,277	1.032	$ 580,270
	Vehicle-Related Costs	$ 119,695	$ 3,475	$ 123,170	1.034	$ 127,358
	Fuel Costs	$ 92,126	$ 13,032	$ 105,158	1.00	$ 105,158
	Other Costs	$ 325,694	$ 15,164	$ 340,858	1.034	$ 352,447
	Direct Depreciation	$ 193,751	$ 27,851	$ 221,602	N.A.	$ 221,602
	Total Allocated Costs - Labor, Vehicle, Fuel & Other	$ 669,720	$ -	$ 669,720	1.034	$ 692,490
	Total Allocated Costs - Depreciation & Start-Up	$ 48,832	$ -	$ 48,832	N.A.	$ 48,832
Total Annual Cost of Operations		$ 1,906,531	$ 165,084	$ 2,071,615		$ 2,128,156
Profit		$ 228,442	$ 19,781	$ 248,223	OR=89.3	$ 254,997
Pass-Through Costs						
	Disposal Costs	$ 646,035	$ -	$ 646,035	Tons*Tip Fee	$ 692,258
	Curbside Supplemental	$ (6,198)	$ -	$ (6,198)	1.00	$ (6,198)
	Recycling Processing Costs	$ 106,968	$ -	$ 106,968	Tons*Tip Fee	$ 114,363
	Residue Processing Costs	$ 30,419	$ -	$ 30,419	Tons*Tip Fee	$ 37,234
	Yard Trimmings Processing Costs	$ 63,067	$ -	$ 63,067	Tons*Tip Fee	$ 56,111
	Food Waste Processing Costs	$ 11,080	$ -	$ 11,080	Tons*Tip Fee	$ 16,512
	C&D Processing Costs	$ -	$ -	$ -	Tons*Tip Fee	$ 742
	Interest Expense	$ 61,322	$ 4,190	$ 65,512	N.A.	$ 65,512
	Direct Lease Costs	$ -	$ -	$ -	N.A.	$ -
	Total Allocated Costs - Lease	$ 50,221	$ -	$ 50,221	N.A.	$ 50,221
Total Pass-Through Costs		$ 962,914	$ 4,190	$ 967,104	N.A.	$ 1,026,756
Total Costs before Agency Fees		$ 3,097,888	$ 189,055	$ 3,286,942	N.A.	$ 3,409,909
Agency Fees/Payments						
	Franchise Fee	$ 368,285	$ 22,242	$ 390,527	10.00%	$ 395,125
	AB 939 Fee	$ -		$ -	N.A.	$ -
	Vehicle Impact Fee	$ 184,142	$ 11,121	$ 195,263	5.00%	$ 197,562
	Rate Application Review Costs	$ 33,343		$ 33,343	Actual	$ 37,880
Other Adjustments (as needed from time to time)						
	Use of Reserves				N.A.	$ (89,227)
	Surplus Credit Review				N.A.	$ 29,910
	Adjustment from MRWMD Tip Fee Estimates	$ (808)				
Total Calculated Costs		$ 3,682,850	$ 222,417	$ 3,905,267		$ 3,981,158
	Prior Year Revenue					$ 3,861,304
	Surplus/(Shortfall)					$ (119,854)
	Increase/Decrease					3.10%

Review of GWR Costs

There are four major components to GWR's rate application: 1) calculation and application of the inflationary indexes as prescribed in the Agreement; 2) the disposal and/or processing component; 3) the Agency Fees; and, 4) other one-time adjustments.

There are three indexes used in the index adjustment; CPI, fuel index, and labor index. The annual percent change in each of the indices is used to calculate the coming years projected cost for the line items to which these indexes are applied.

HF&H has reviewed and GWR has confirmed the accuracy of each of these indexes, and notes that the fuel index remains unchanged, as reported by management staff at the District.

Review of Disposal/Processing Component

Calendar Year 2021 collected tons were used for the RP8 review in accordance with the amendment. The disposal and processing components also consider the tipping fees charged by the District in order to project anticipated disposal and processing costs at the District. The following table describes the changes in the City's disposal and processing costs for each material type based on the tip fees at the District which have been incorporated into our RP8 review.

Figure 2 - Impact of District Tip Fee Changes

Material	2021 Tons	Current Per Ton Tip Fee	Rate Period 8 Costs
	A	B	A x B
Solid Waste	9,889	$ 70.00	$ 692,258
Recycling	2,660	$ 43.00	$ 114,363
Yard Trimmings	1,247	$ 45.00	$ 56,111
Food Waste	271	$ 61.00	$ 16,512
C&D*	11	$ 70.00	$ 742

**The C&D per ton tip fee reflects an average weighted cost for multiple types of C&D materials.*

Review of Fee Component

HF&H ensured that the fee component of each rate matches the contractual percentage of 10% for franchise fees, and 5% for vehicle impact fees, remitted to the City by GWR.

Additionally, rate application review costs and other identified District costs totaling $37,880 were added as a one-time adjustment to cover the rate review, franchise management, and other identified District costs such as staff time and public education and outreach.

Review of Other One-Time Adjustments

There was no change in actual tip fee from RP6 to RP7. Therefore, no reconciliation of actual tip fee amounts is required in RP8.

City staff is in the process of reviewing a potential refund of its customers from the surplus revenue generated in RP5 and RP6. To perform this analysis, the City has contracted HF&H to review customer subscription data from GWR to calculate the appropriate credit to customers. The cost of this review, $29,910 will be funded through the rates and is included in RP8 rate setting.

Rate Changes

Rate Smoothing

Upon completion of the review of the index-based rate adjustment, HF&H identified the surplus from prior years could be used to offset or smooth rates. As such HF&H discussed with City staff how best to use the funds in RP8. Ultimately it was recommended to use half of the RP7 surplus of $178,454 to smooth rates in RP8. With this direction, $89,227 of reserves was used to reduce the RP8 rate increase of 5.82% to 3.10%.

Senior Discount Rates

In prior years, City Council has requested that analysis be performed to determine what the impact of rates may be should the "Senior Rate" class be expanded. This year, at the direction of City staff, HF&H estimated the impact of a discounted rate for all senior citizens, age 65 and older. Per previous discussions with GWR, the discounted rate would only be provided for 32-gallon container service. Our analysis modeled the effects of the discount at either a 20% rate reduction, aligning with the CARE program, or a 50% rate reduction. To provide the discounted rate, the other classes would have an additional rate increase above the index rate adjustment to subsidize the loss of revenue from the migration to discounted service.

HF&H pulled population data from the United States Census Bureau for the City of Marina to estimate the percentage of the population eligible for the senior discount (+65 years old) of 13.8%. Using the City's quarterly reports provided by GWR, HF&H applied the senior population percentage across the residential cart subscription levels to estimate the maximum number of customers that could migrate from standard to discounted service. By calculating the difference from the standard to the discounted rates, multiplied by the number of eligible customers, HF&H was able to estimate the additional revenue required for the subsidy of these discounted rates.

For a 20% senior discount, an additional $52,311 (a 1.35% additional rate increase) would need to be subsidized by the other rate classes. For a 50% senior discount, an additional $92,145 (a 2.39% additional rate increase) would be subsidized by the other rate classes. Refer to Figure 3 below for a comparison of both methodologies for consideration by City staff.

Mr. Brian McMinn
May 12, 2022

Figure 3 – Estimated Impact of Senior Discount Rates

Rate Class	Customer Migration Count*	Current Rate	Proposed Discounted Rate CARE - 20% of 32 Gallon	Revenue Shortfall	Proposed Discounted Rate 50% of 32 Gallon	Revenue Shortfall
32 Gallon	249	$ 16.54	$ 13.23	$ (9,884)	$ 8.27	$ (24,711)
65 Gallon	284	$ 20.74	$ 13.23	$ (25,587)	$ 8.27	$ (42,498)
95 Gallon	136	$ 23.55	$ 13.23	$ (16,839)	$ 8.27	$ (24,937)
				$ (52,311)		**$ (92,145)**
Prior Year Revenue				**$ 3,861,304**		**$ 3,861,304**
Rate Increase Required Above Index Increase (5.82%)				**1.35%**		**2.39%**

**Based on United State Census Bureau estimate of +65 years old population in City of Marina of 13.8% multiplied by current subscription levels per the City of Marina's quarterly report.*

* * * * *

We would like to express our appreciation to GWR staff for their assistance and cooperation in this process. Should you have any questions, please call me at 925/977-6959 or rchilton@hfh-consultants.com.

Very truly yours,
HF&H CONSULTANTS, LLC

Rob Hilton
President

Attachment B
City of Marina Rates Effective July 2022

Residential Solid Waste Collection Rates			
Service Level	**Solid Waste**	**Recycling**	**Organics**
Curbside 32 Gallon	$17.05	Included	Included
Curbside 64 Gallon	$21.38	Included	Included
Curbside 96 Gallon	$24.29	Included	Included
Low Income	$14.62	Included	Included
Senior	$8.61	Included	Included
Notes: See Exhibit B1 for specific service availability			

Commercial/Multi-Family Solid Waste Collection Rates						
	Frequency					
Service Level	**1x/week**	**2x/week**	**3x/week**	**4x/week**	**5x/week**	**6x/week**
32-Gallon Cart	$18.39	$37.51	$56.28	$75.03	$93.79	$112.54
64-Gallon Cart	$35.27	$71.94	$107.91	$143.88	$179.86	$215.82
96-Gallon Cart	$45.46	$92.73	$139.09	$185.45	$231.82	$278.18
1-Cubic Yard Bin	$98.58	$201.11	$301.67	$402.22	$502.78	$603.32
2-Cubic Yard Bin	$196.14	$400.12	$600.18	$807.61	$1,000.31	$1,200.37
3-Cubic Yard Bin	$294.62	$601.02	$901.54	$1,202.04	$1,502.56	$1,803.07
4-Cubic Yard Bin	$392.72	$801.16	$1,201.75	$1,602.33	$2,002.91	$2,403.49
6-Cubic Yard Bin	$463.95	$946.46	$1,419.69	$1,892.92	$2,366.15	$2,839.37
8-Cubic Yard Bin	$618.62	$1,261.99	$1,892.99	$2,524.00	$3,155.00	$3,785.99
2-Cubic Yard Compactor	$239.17	$486.17	$729.26	n/a	n/a	n/a
3-Cubic Yard Compactor	$359.15	$730.10	$1,095.15	n/a	n/a	n/a
4-Cubic Yard Compactor	$478.78	$973.27	$1,459.89	n/a	n/a	n/a

Commercial/Multi-Family Recycling Collection Rates						
	Frequency					
Service Level	**1x/week**	**2x/week**	**3x/week**	**4x/week**	**5x/week**	**6x/week**
64-Gallon Cart	$5.29	$6.82	$13.91	$20.87	$27.81	$32.37
96-Gallon Cart	$6.82	$13.91	$20.87	$27.81	$34.77	$41.72
1-Cubic Yard Bin	$14.78	$30.16	$45.25	$60.34	$75.41	$90.50
2-Cubic Yard Bin	$29.42	$60.02	$90.03	$121.14	$150.04	$180.05
3-Cubic Yard Bin	$44.19	$90.15	$135.24	$180.31	$225.38	$270.46
4-Cubic Yard Bin	$58.91	$120.17	$180.26	$240.35	$300.43	$360.53
6-Cubic Yard Bin	$69.60	$141.97	$212.95	$283.94	$354.92	$425.91
8-Cubic Yard Bin	$92.79	$189.30	$283.95	$378.60	$473.25	$567.90
2-Cubic Yard Compactor	$23.81	$48.81	$73.21	n/a	n/a	n/a
3-Cubic Yard Compactor	$35.78	$73.33	$110.00	n/a	n/a	n/a
4-Cubic Yard Compactor	$47.69	$97.74	$146.62	n/a	n/a	n/a

Commercial/Multi-Family Food Waste Collection Rates						
	Frequency					
Service Level	**1x/week**	**2x/week**	**3x/week**	**4x/week**	**5x/week**	**6x/week**
64-Gallon Cart	$26.45	$53.95	$80.94	$107.91	$134.89	$161.86
96-Gallon Cart	$34.09	$69.55	$104.32	$139.09	$173.87	$208.63
1-Cubic Yard Bin	$73.93	$150.83	$226.25	$301.67	$377.08	$452.49
2-Cubic Yard Bin	$147.10	$300.10	$450.14	$605.70	$750.23	$900.28

Attachment B
City of Marina Rates Effective July 2022

Commercial/Multi-Family Yard Trimmings Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	$26.45	$53.95	$80.94	$107.91	$134.89	$161.86
96-Gallon Cart	$34.09	$69.55	$104.32	$139.09	$173.87	$208.63
1-Cubic Yard Bin	$73.93	$150.83	$226.25	$301.67	$377.08	$452.49
2-Cubic Yard Bin	$147.10	$300.10	$450.14	$605.70	$750.23	$900.28
3-Cubic Yard Bin	$220.96	$450.77	$676.15	$901.53	$1,126.92	$1,352.31
4-Cubic Yard Bin	$294.54	$600.87	$901.31	$1,201.75	$1,502.19	$1,802.62
6-Cubic Yard Bin	$347.96	$709.85	$1,064.77	$1,419.69	$1,774.61	$2,129.53
8-Cubic Yard Bin	$463.97	$946.50	$1,419.74	$1,893.00	$2,366.25	$2,839.50

Roll-Off Collection Rates (Per Pull)					
	Material				
Service Level	MSW	REC	FW	YT	C&D
10 YD	$295.86	$221.61	$221.61	$221.61	$295.86
20 YD	$426.29	$221.61	$221.61	$221.61	$426.29
30 YD	$556.73	$221.61	$221.61	$221.61	$556.73
40 YD	$687.17	$221.61	$221.61	$221.61	$687.17
Per Ton	$77.78	$47.78	$67.78	$50.00	$77.78

Additional Service Rates		
Service	Sector	Charge Per Event
Cart Rental - All Sizes	RES	$3.38
Cart Replacement	RES	$67.53
Re-Delivery or Re-Start	RES	$28.14
Cart Cleaning	RES	$28.14
Non-Scheduled Collection	RES	$21.39
Difficult to Service Cart	COM	$1.13
Difficult to Service Bin	COM	$3.38
Locking Bin	COM	$56.28
Cart Replacement	COM	$67.53
Cart Cleaning	COM	$28.14
Bin Swap- Cleaning or Repainting	COM	$84.42
Bulky - Recycllabe	RES/COM	$22.51
Bulky - Non Recyclable	RES/COM	$28.14
Bulky - Event	RES/MFD	$33.77
Covered Box	RO	$84.42
Driver Time per Hour	RO	$123.81
Dry Run or Relocation	RO	$84.42
Extra Days	RO	$28.14

*Note:All rates charged monthly unless stated otherwise

May 12, 2022 Item No. **11b**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of June7, 2022

CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, APPROVING A CONSULTING SERVICES AGREEMENT BETWEEN HF&H CONSULTANTS, LLC AND THE CITY OF MARINA TO PERFORM AN ANALYSIS OF AN EQUITABLE METHOD OF CREDITING SURPLUS SOLID WASTE COLLECTION FEES BACK TO RATE PAYERS FOR A FEE NOT TO EXCEED $29,910; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY; AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE THE NECESSARY BUDGETARY AND ACCOUNTING ENTRIES.

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2022- approving a Consulting Services Agreement between HF&H Consultants, LLC (HF&H) and the City of Marina to perform an analysis of an equitable method of crediting surplus solid waste collection fees back to rate payers for a fee not to exceed $29,910, and;
2. Authorizing the City Manager to execute the agreement (**EXHIBIT A**) on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorizing the Finance Director to make the necessary budgetary and accounting entries.

BACKGROUND:

On August 19, 2014, the City Council adopted Resolution No. 2014-98, and entered into a new exclusive 15 year Franchise Agreement with Green Waste Recovery (GRW) to provide solid waste, recycling, and organics collection services for the City of Marina. The Agreement provides for automatic annual rate adjustments for GWR's services calculated following either a multi-index rate adjustment methodology or a cost-based rate adjustment methodology.

The cost-based adjustment involves an extensive and detailed review of GWR's actual cost of operations, changes in inflation, the number of customers, and the service level provided and comparing this to actual gross receipts collected to determine GWR's compensation for the current rate period and to forecast the future rates. A cost-based rate adjustment was performed for rate period 5 in 2019. Adjustments to the GWR compensation resulted in rate-payer surpluses of $540,298 in rate period 5, $258,203 in rate period 6, and $175,891 in rate period 7. As a result of the surpluses, rates for marina customers have been fixed at the rates set in 2018.

ANALYSIS:

At the September 15th, 2020 meeting, City Council asked staff to analyze an equitable method of returning the surplus from rate periods 5 and 6 to the rate-payers that paid into the surplus. Staff requested a proposal from HF&H (**EXHIBIT B**) to analyze historical customer data which has been provided by GWR. If approved, the analysis will be performed over the next few weeks and staff will return to City Council with recommendations.

FISCAL IMPACT:
The cost of performing an analysis of an equitable method of crediting surplus solid waste collection fees back to rate payers will be reimbursed by rate payers through the annual rate setting process established by the franchise agreement.

CONCLUSION:
This request is submitted for City Council consideration and possible action.

Respectfully submitted,

_____
Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

REVIEWED/CONCUR:

_____
Layne Long
City Manager
City of Marina

RESOLUTION NO. 2022-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A CONSULTING SERVICES AGREEMENT BETWEEN HF&H CONSULTANTS, LLC AND THE CITY OF MARINA TO PERFORM AN ANALYSIS OF AN EQUITABLE METHOD OF CREDITING SURPLUS SOLID WASTE COLLECTION FEES BACK TO RATE PAYERS FOR A FEE NOT TO EXCEED $29,910; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY; AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE THE NECESSARY BUDGETARY AND ACCOUNTING ENTRIES.

WHEREAS, the City of Marina entered into a franchise agreement with GreenWaste Recovery, Inc. (GWR) on August 19, 2014 for solid waste, recycling, and organics collection services for the period of August 1, 2015 through July 31, 2030, and;

WHEREAS, Section 8.2 of the Franchise Agreement provides for automatic annual rate adjustments for GWR's services calculated following either a multi-index rate adjustment methodology or a cost-based rate adjustment methodology, and;

WHEREAS, a cost-based rate adjustment was performed for rate period 5 in 2019. Adjustments to the GWR compensation resulted in rate-payer surpluses of $540,298 in rate period 5, $258,203 in rate period 6, and $175,891 in rate period 7, and;

WHEREAS, At the September 15th, 2020 meeting, City Council asked staff to analyze an equitable method of returning the surplus from rate periods 5 and 6 to the rate-payers that paid into the surplus. Staff requested a proposal from HF&H (**Exhibit B**) to analyze historical customer data which has been provided by GWR, and;

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

1. Approves a Consulting Services Agreement (**Exhibit A**) between HF&H Consultants, LLC and the City of Marina to perform an analysis of an equitable method of crediting surplus solid waste collection fees back to rate payers for a fee not to exceed $29,910, and;
2. Authorizes the City Manager to execute the agreement on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorizes the Finance Director to make the necessary budgetary and accounting entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June 2022, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

CITY OF MARINA
AGREEMENT FOR PROFESSIONAL SERVICES FOR THE ANALYSIS OF AN EQUITABLE METHOD OF CREDITING SURPLUS SOLID WASTE COLLECTION FEES BACK TO RATE PAYERS

THIS AGREEMENT is made and entered into on May ____, 2022, by and between the City of Marina, a California charter city, hereinafter referred to as the "City," and HF&H Consultants, LLC, a California corporation, hereinafter referred to as the "Contractor." City and Contractor are sometimes individually referred to as "party" and collectively as "parties" in this Agreement.

Recitals

A. City desires to retain Contractor for perform an analysis of an equitable method of crediting surplus solid waste collection fees back to rate payers for rate periods 5 and 6 of the existing franchise agreement between the City of Marina and Green Waste Recovery, Inc. – Contractor shall provide services pertaining to the City study and shall perform support services for City as determined by the Public Works Director.

B. Contractor represents and warrants that it has the qualifications, experience and personnel necessary to properly perform the services as set forth herein.

C. City desires to retain Contractor to provide such services.

Terms and Conditions

For of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and in consideration of the mutual promises contained herein, City and Contractor agree to the following terms and conditions:

1. Scope of Work.

(a) Contractor is hereby hired and retained by the City to work in a cooperative manner with the City to fully and adequately perform those services set forth in Exhibit "A" attached hereto ("Scope of Work") and by this reference made a part hereof. With prior written notice to Contractor, City may elect to delete certain tasks of the Scope of Work at its sole discretion.

(b) Contractor shall perform all such work with skill and diligence and pursuant to generally accepted standards of practice in effect at the time of performance. Contractor shall provide corrective services without charge to the City for work which fails to meet these standards and which is reported to Contractor in writing within sixty days of discovery. Should Contractor fail or refuse to perform promptly its obligations under this Agreement, the City may render or undertake the performance thereof and the Contractor shall be liable for any expenses thereby incurred.

(c) If services under this Agreement are to be performed by a design professional, as that term is defined in California Civil Code §2782.8(b)(2), design professional certifies that all design professional services shall be provided by a person or persons duly licensed by the State of California to provide the type of services described in Section 1(a). By delivery of completed

work, design professional certifies that the work conforms to the requirements of this Agreement and all applicable federal, state and local laws, and the professional standard of care in California.

(d) Contractor is responsible for making an independent evaluation and judgment of all relevant conditions affecting performance of the work, including without limitation site conditions, existing facilities, seismic, geologic, soils, hydrologic, geographic, climatic conditions, applicable federal, state and local laws and regulations and all other contingencies or considerations.

(e) City shall cooperate with Contractor and will furnish all information data, records and reports existing and available to City to enable Contractor to carry out work outlined in Exhibit "A." Contractor shall be entitled to reasonably rely on information, data, records and reports furnished by the City, however, the City makes no warranty as to the accuracy or completeness of any such information, data, records or reports available to it and provided to Contractor which were furnished to the City by a third party. Contractor shall have a duty to bring to the City's attention any deficiency or error it may discover in any information provided to the Contractor by the City or a third party.

2. Term of Agreement & Commencement of Work.

(a) Unless otherwise provided, the term of this Agreement shall begin on the date of its full execution and shall expire on December 31, 2022, unless extended by amendment or terminated earlier as provided herein. The date of full execution is defined as the date when all of the following events have occurred:

(i) This Agreement has been approved by the City's Council or by the board, officer or employee authorized to give such approval, and;

(ii) The office of the City Attorney has indicated in writing its approval of this Agreement as to form, and;

(iii) This Agreement has been signed on behalf of Contractor by the person or persons authorized to bind the Contractor hereto, and;

(iv) This Agreement has been signed on behalf of the City by the person designated to so sign by the City's Council or by the officer or employee authorized to enter into this Contract and is attested to by the Marina City Clerk.

(b) Contractor shall commence work on the Project on or by June 1, 2022. This Agreement may be extended upon written agreement of both parties. Contractor may be required to prepare a written schedule for the work to be performed, which schedule shall be approved by the City and made a part of Exhibit A, and to perform the work in accordance with the approved schedule.

3. Compensation.

(a) City liability for compensation to Contractor under this Agreement shall only be to the extent of the present appropriation to fund this Agreement. For services to be provided under this Agreement City shall compensate Contractor in an amount not to exceed twenty-nine thousand nine hundred and ten dollars ($29,910) in accordance with the provisions of this Section and the Cost Estimate attached hereto as Exhibit B and incorporated herein by this reference

(b) Invoice(s) in a format and on a schedule acceptable to the City shall be submitted to and be reviewed and verified by the Project Administrator (see Section 5(a)) and forwarded to the City's Finance Department for payment. City shall notify Contractor of exceptions or disputed items and their dollar value within fifteen days of receipt. Payment of the undisputed amount of the invoice will typically be made approximately thirty days after the invoice is submitted to the Finance Department.

(c) Contractor will maintain clearly identifiable, complete and accurate records with respect to all costs incurred under this Agreement on an industry recognized accounting basis. Contractor shall make available to the representative of City all such books and records related to this Agreement, and the right to examine, copy and audit the same during regular business hours upon 24-hour's notice for a period of four years from the date of final payment under this Agreement.

(d) Contractor shall not receive any compensation for Extra Work without the prior written authorization of City. As used herein, "Extra Work" means any work that is determined by the City to be necessary for the proper completion of the Project but which is not included within the Scope of Work and which the parties did not reasonably anticipate would be necessary at the execution of this Agreement.

(e) Expenses not otherwise addressed in the Scope of Services or the Fee Schedule incurred by Contractor in performing services under this Agreement shall be reviewed and approved in advance by the Project Administrator (Section 5(a)) and reimbursed to Contractor.

4. Termination or Suspension.

(a) This Agreement may be terminated in whole or in part in writing by either party in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten days written notice of intent to terminate, and (2) provided an opportunity for consultation with the terminating party prior to termination.

(b) If termination for default is effected by the City, an equitable adjustment in the price provided for in this Agreement shall be made, but (1) no amount shall be allowed for anticipated profit on unperformed services or other work, and (2) any payment due the Contractor at the time of termination may be adjusted to cover any additional costs to the City because of the Contractor's default. If after the termination for failure of Contractor to fulfill its contractual obligations, it is determined that the Contractor had not failed to fulfill contractual obligations, the termination shall be deemed to have been for the convenience of the City.

(c) The City may terminate or suspend this Agreement at any time for its convenience upon not less than thirty days prior written notice to Contractor. Not later than the effective date of such termination or suspension, Contractor shall discontinue all affected work and deliver all work product and other documents, whether completed or in progress, to the City.

(d) If termination for default is effected by the Contractor or if termination for convenience is effected by the City, the equitable adjustment shall include a reasonable profit for services or other work performed. The equitable adjustment for termination shall provide for payment to the Contractor for services rendered and expenses incurred prior to the termination, in

addition to termination settlement costs reasonably incurred by Contractor relating to written commitments that were executed prior to the termination.

5. Project Administrator, Project Manager & Key Personnel.

(a) City designates as its Project Administrator Public Works Director Mr. Brian McMinn who shall have the authority to act for the City under this Agreement. The Project Administrator or his/her authorized representative shall represent the City in all matters pertaining to the work to be performed pursuant to this Agreement.

(b) Contractor designates _____, as its Project Manager who shall coordinate all phases of the Project. The Project manager shall be available to City at all reasonable times during the Agreement term.

(c) Contractor warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement. Contractor, at the sole discretion of City, shall remove from the Project any of its personnel assigned to the performance of services upon written request of City. Contractor has represented to City that certain key personnel will perform and coordinate the work under this Agreement. Should one or more of such personnel become unavailable, Contractor may substitute other personnel of at least equal competence upon written approval of the City. In the event that City and Contractor cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. The key personnel for performance of this Agreement are as follows: _____

6. Delegation of Work.

(a) If Contractor utilizes any subcontractors, consultants, persons, employees or firms having applicable expertise to assist Contractor in performing the services under this Agreement, Contractor shall obtain City's prior written approval to such employment. Contractor's contract with any subcontractor shall contain a provision making the subcontract subject to all provisions of this Agreement. Contractor will be fully responsible and liable for the administration, completion, presentation and quality of all work performed. City reserves its right to employ other contractors in connection with this Project.

(b) If the work hereunder is performed by a design professional, design professional shall be directly involved with performing the work or shall work through his, her or its employees. The design professional's responsibilities under this Agreement shall not be delegated. The design professional shall be responsible to the City for acts, errors or omissions of his, her or its subcontractors. Negligence of subcontractors or agents retained by the design professional is conclusively deemed to be the negligence of the design professional if not adequately corrected by the design professional. Use of the term subcontractor in any other provision of this Agreement shall not be construed to imply authorization for a design professional to use subcontractors for performance of any professional service under this Agreement.

(c) The City is an intended beneficiary of any work performed by a subcontractor for purposes of establishing a duty of care between the subcontractor and the City.

7. Skill of Employees. Contractor shall ensure that any employees or agents providing services under this Agreement possess the requisite skill, training and experience to properly perform such services.

8. **Confidential and Proprietary Information**. In the course of performing services under this Agreement Contractor may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the City. Should Contractor undertake the work on behalf of other agencies, entities, firms or persons relating to the matters described in the Scope of Work, it is expressly agreed by Contractor that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of Contractor's other clients, or to any other third party, without the City's prior express written consent.

9. **Ownership of Data**. Unless otherwise provided for herein, all documents, material, data, drawings, plans, specifications, computer data files, basis for design calculations, engineering notes, and reports originated and prepared by Contractor, or any subcontractor of any tier, under this Agreement shall be and remain the property of the City for its use in any manner it deems appropriate. Contractor agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or intellectual property rights in favor of the City. Contractor shall provide two (2) sets of reproducible of the above-cited items, except for the computer data files which shall consist of one (1) set. Contractor shall use all reasonable efforts to ensure that any electronic files provided to the City will be compatible with the City's computer hardware and software. Contractor makes no representation as to long-term compatibility, usability or readability of the format resulting from the use of software application packages, operating systems or computer hardware differing from those in use by the City at the commencement of this Agreement. Contractor shall be permitted to maintain copies of all such data for its files. City acknowledges that its use of the work product is limited to the purposes contemplated by the Scope of Work and, should City use these products or data in connection with additions to the work required under this Agreement or for new work without consultation with and without additional compensation to Contractor, Contractor makes no representation as to the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Work and shall have no liability or responsibility whatsoever in connection with such use which shall be at the City's sole risk. Any and all liability arising out of changes made by the City to Contractor's deliverables is waived against Contractor unless City has given Contractor prior written notice of the changes and has received Contractor's written consent to such changes.

10. **Conflict of Interest**.

(a) Contractor covenants that neither it, nor any officer or principal of its firm has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Contractor's performance of services under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Contractor agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Agreement. Contractor shall represent the interest of the City in any discussion or negotiation.

(b) City understands and acknowledges that Contractor may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Contractor is unaware of any stated position of the City relative to such projects. Any future position of the City on such projects may result in a conflict of interest for purposes of this section.

(c) No official or employee of the City who is authorized in such capacity on behalf of the City to negotiate, make, accept, or approve, or take part in negotiating, making accepting or approving this Agreement, during the term of his or her tenure or service with City and for one year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof or obtain any present or anticipated material benefit arising there from.

11. Disclosure. Contractor may be subject to the appropriate disclosure requirements of the California Fair Political Practices Act, as determined by the City Manager.

12. Non-Discrimination.

(a) During the performance of this Agreement the Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California and the City. In performing this Agreement, Contractor shall not discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), medical condition (including cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Contractor shall give written notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreement.

(b) Contractor shall include the nondiscrimination and compliance provisions of this Section in all subcontracts.

13. Indemnification & Hold Harmless.

(a) Other than in the performance of professional services by a design professional, which shall be solely as addressed by subsection (b) below, and to the full extent permitted by law, Contractor shall indemnify, defend (with independent counsel reasonably acceptable to the City) and hold harmless City, its Council, boards, commissions, employees, officials and agents ("Indemnified Parties" or in the singular "Indemnified Party") from and against any claims, losses, damages, penalties, fines and judgments, associated investigation and administrative expenses, and defense costs including but not limited to reasonable attorney's fees, court costs, expert witness fees and costs of alternate dispute resolution (collectively "Liabilities"), where same arise out of the performance of this Agreement by Contractor, its officers, employees, agents and sub-contractors. The Contractor's obligation to indemnify applies unless it is adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, the Contractor's indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

(b) To the fullest extent permitted by law (including without limitation California Civil Code Sections 2782.8), when the services to be provided under this Agreement are design professional services to be performed by a design professional, as that term is defined under said section 2782.8, Contractor shall indemnify, protect, defend (with independent counsel reasonably acceptable to the City) and hold harmless City and any Indemnified Party for all Liabilities regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of design professional, or the acts or omissions of an officer, employee, agent or subcontractor of the design professional. The design professional's obligation to indemnify applies unless it is adjudicated that the liability was caused by the sole active

negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability was caused by the comparative active negligence or willful misconduct of an indemnified party the design professional's indemnification obligation shall be reduced in proportion to the established comparative liability.

(c) All obligations under this section are to be paid by Contractor as incurred by City. The provisions of this Section are not limited by the provisions of sections relating to insurance including provisions of any worker's compensation act or similar act. Contractor expressly waives its statutory immunity under such statues or laws as to City, its employees and officials. Contractor agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor, sub tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in the performance or subject matter of this Agreement. In the event Contractor fails to obtain such indemnity obligations from others as required here, Contractor agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder.

(d) If any action or proceeding is brought against any Indemnified Party by reason of any of the matters against which the Contractor has agreed to defend the Indemnified Party, as provided above, Contractor, upon notice from the City, shall defend any Indemnified Party at Contractor's expense by counsel reasonably acceptable to the City. An Indemnified Party need not have first paid for any of the matters to which it is entitled to indemnification in order to be so defended. If it is finally adjudicated that liability was caused by the sole active negligence or sole willful misconduct of an indemnified party, Contractor may submit a claim to the City for reimbursement of reasonable attorney's fees and defense costs.

(e) This obligation to indemnify and defend City, as set forth herein, is binding on the successors, assigns, or heirs of Contractor and shall survive the termination of this Agreement or this Section.

14. <u>Insurance</u>.

(a) As a condition precedent to the effectiveness of this Agreement and without limiting Contractor's indemnification of the City, Contractor agrees to obtain and maintain in full force and effect at its own expense the insurance policies set forth in Exhibit "C" "Insurance" attached hereto and made a part hereof. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf, along with copies of all required endorsements. All certificates and endorsements must be received and approved by the City before any work commences. All insurance policies shall be subject to approval by the City Attorney and Risk Manager as to form and content. Specifically, such insurance shall: (1) protect City as an additional insured for commercial general and business auto liability; (2) provide City at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium; and (3) be primary with respect to City's insurance program. Contractor's insurance is not expected to respond to claims that may arise from the acts or omissions of the City.

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(b) City reserves the right at any time during the term of this Agreement to change the amounts and types of insurance required herein by giving Contractor ninety days advance written notice of such change. If such change should result in substantial additional cost of the Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

(c) All required insurance must be submitted and approved the City Attorney and Risk Manager prior to the inception of any operations by Contractor.

(d) The required coverage and limits are subject to availability on the open market at reasonable cost as determined by the City. Non availability or non affordability must be documented by a letter from Contractor's insurance broker or agency indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each. Within the foregoing constraints, Contractor's failure to procure or maintain required insurance during the entire term of this Agreement shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premium in connection therewith and recover all monies so paid from Contractor.

(e) By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of Section 3700 *et seq*., of the Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provision of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Contract. Unless otherwise agreed, a waiver of subrogation in favor of the City is required.

15. **Independent Contractor**. The parties agree that Contractor, its officers, employees and agents, if any, shall be independent contractors with regard to the providing of services under this Agreement, and that Contractor's employees or agents shall not be considered to be employees or agents of the City for any purpose and will not be entitled to any of the benefits City provides for its employees. City shall make no deductions for payroll taxes or Social Security from amounts due Contractor for work or services provided under this Agreement.

16. **Claims for Labor and Materials**. Contractor shall promptly pay when due all amounts payable for labor and materials furnished in the performance of this Agreement, so as to prevent any lien or other claim under any provision of law from arising against any City property (including reports, documents, and other tangible matter produced by the Contractor hereunder), against the Contractor's rights to payments hereunder, or against the City, and shall pay all amounts due under the Unemployment Insurance Act with respect to such labor.

17. **Discounts**. Contractor agrees to offer the City any discount terms that are offered to its best customers for the goods and services to be provided herein, and apply such discounts to payment made under this Agreement which meet the discount terms.

18. **Cooperation; Further Acts**. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

19. **Dispute Resolution**. If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to a mediator selected mutually by the parties. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty days after issuance of the arbitrator's written decision, any party files an action in court. Venue and jurisdiction for any such action between the parties shall lie in the Superior Court for the County of Monterey.

20. **Compliance With Laws**.

(a) Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California and the City including but not limited to laws regarding health and safety, labor and employment, wage and hours and licensing laws which affect employees. This Agreement shall be governed by, enforced and interpreted under the laws of the State of California. Contractor shall comply with new, amended or revised laws, regulations or procedures that apply to the performance of this Agreement.

(b) If the Project is a "public work," or prevailing wages are otherwise required, Contractor shall comply with all provision of California Labor Code section 1720 *et seq.*, as applicable, and laws dealing with prevailing wages, apprentices and hours of work.

(c) Contractor represents that it has obtained and presently holds all permits and licenses necessary for performance hereunder, including a Business License required by the City's Business License Ordinance. For the term covered by this Agreement, the Contractor shall maintain or obtain as necessary, such permits and licenses and shall not allow them to lapse, be revoked or suspended.

21. **Assignment or Transfer**. This Agreement or any interest herein may not be assigned, hypothecated or transferred, either directly or by operation of law, without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

22. **Notices**. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, sent by facsimile ("fax") or certified mail, postage prepaid with return receipt requested, addressed as follows:

To City: City Manager
City of Marina City Hall
211 Hillcrest Avenue
Marina, California 93933
Fax: (831) 384-9148

To Contractor: _____
_____
_____
_____
Fax (___) ___-____

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three days after deposit in the custody of the U.S. Postal Service. A copy of any notice sent as provided herein shall also be delivered to the Project Administrator and Project Manager.

23. **Amendments, Changes or Modifications**. This Agreement is not subject to amendment, change or modification except by a writing signed by the authorized representatives of City and Contractor.

24. **Force Majeure**. Notwithstanding any other provisions hereof, neither Contractor nor City shall be held responsible or liable for failure to meet their respective obligations under this Agreement if such failure shall be due to causes beyond Contractor's or the City's control. Such causes include but are not limited to: strike, fire, flood, civil disorder, act of God or of the public enemy, act of the federal government, or any unit of state of local government in either sovereign or contractual capacity, epidemic, quarantine restriction, or delay in transportation to the extent that they are not caused by the party's willful or negligent acts or omissions, and to the extent that they are beyond the party's reasonable control.

25. **Attorney's Fees**. In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

26. **Successors and Assigns**. All of the terms, conditions and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators, successors, and assigns of the parties. Nothing in this paragraph is intended to affect the limitation on assignment.

27. **Authority to Enter Agreement**. Contractor has all requisite power and authority to conduct its business and to execute, deliver and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective party.

28. **Waiver**. A waiver of a default of any term of this Agreement shall not be construed as a waiver of any succeeding default or as a waiver of the provision itself. A party's performance after the other party's default shall not be construed as a waiver of that default.

29. **Severability**. Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement will continue as modified.

30. **Construction, References, Captions**. Since the parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. The captions of the various sections are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, content or intent of this Agreement.

31. **Advice of Counsel.** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of this Agreement, and that the decision of whether or not to seek the advice of counsel with respect to this Agreement is a decision which is the sole responsibility of each of the parties hereto. This Agreement shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of this Agreement.

32. **Counterparts**. This Agreement may be signed in counterparts, each of which shall constitute an original.

33. **Time**. Time is of the essence in this contract.

34. **Entire Agreement**. This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid. . The exhibits attached hereto are incorporated into this Agreement. In the event of a conflict between the terms of this Agreement and any exhibit, the terms of this Agreement shall control.

IN WITNESS WHEREOF, Contractor and the City by their duly authorized representatives, have executed this Agreement, on the date first set forth above, at Marina, California.

CITY OF MARINA		**CONTRACTOR**	
By:	_____	By:	_____
Name:	Layne P. Long	Name:	
Its:	City Manager	Its:	
Date:	_____	Date:	_____

Approved as to form:

By: _____
City Attorney

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EXHIBIT A

SCOPE OF SERVICES

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Exhibit C - Insurance

Contractor agrees to provide insurance in accordance with the requirements set forth herein. If Contractor uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor shall furnish the City with original certificates of insurance, manually autographed in ink by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements must be received and approved by the City before any work commences. The City reserves its right to require complete, certified copies of all required insurance policies at any time. The following coverage will be provided by Contractor and maintained on behalf of the City and in accordance with the requirements set forth herein.

Commercial General Liability (primary). Commercial general liability insurance covering Contractor's operations (and products where applicable) is required whenever the City is at risk of third party claims which may arise out of Contractor's work or presence on City premises. Contractual liability coverage is a required inclusion in this insurance.

Primary insurance shall be provided on ISO-CGL form No. CG 00 01 11 85 or 88 or on an ISO or ACORD form providing coverage at least as broad as ISO form CG 00 01 10 01 and approved in advance by the City Attorney and Risk Manager. Total limits shall be no less than one million dollars ($1,000,000) combined single limit per occurrence for all coverages. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this Project or the general aggregate limit shall be two million dollars ($2,000,000). Contractor must give written notice to the City of any pending claim, action or lawsuit which has or may diminish the aggregate. If any such claim or lawsuit exists, Contractor shall be required, prior to commencing work under this Agreement, to restore the impaired aggregate or prove it has replacement insurance protection to the satisfaction of the City Attorney and Risk Manager.

City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds using ISO additional insured endorsement form CG 20 10 11 85 or forms CG 20 10 10 01 and CG 20 37 10 01. Coverage shall apply on a primary, non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any agent of City. Coverage is not expected to respond to the claims which may arise from the acts or omissions of the City. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage or employment-related practices.

Umbrella Liability Insurance. Umbrella liability insurance (over primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum $25,000.00 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage.

Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross liability exclusion and no contractor's limitation endorsement. Policies limits shall be not less than one million dollars ($1,000,000) per occurrence and in the aggregate, above any limits required in the underlying policies shall have starting and ending dates concurrent with the underlying coverage.

Business Auto. Automobile liability insurance is required where vehicles are used in performing the work under this Agreement or where vehicles are driven off-road on City premises, it is not required for simple commuting unless City is paying mileage. However, compliance with California law requiring auto liability insurance is a contractual requirement.

If automobile insurance is required for work under this Agreement, primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto) or on an ISO or ACORD form providing coverage at least as broad as CA 00 01 10 01 approved by the City Attorney and Risk Manager. Coverage shall be endorsed to stated that the City, its Council, boards and commissions, officers, employees, agents and volunteers shall be added as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Contractor or for which the Contractor is responsible. Limits shall be no less than one million dollars ($1,000,000) combined single limit per accident for bodily injury and property damage. Starting and ending dates shall be concurrent. If Contractor owns no autos, a non-owned auto endorsement to the commercial general liability policy described above is acceptable.

Workers' Compensation/Employers' Liability. Workers' Compensation and Employer's Liability insurance are not required for single-person contractors. However, under California law these coverages (or a copy of the State's Consent to Self-Insure) must be provided if Contractor has any employees at any time during the period of this Agreement. Policy(s) shall be written on a policy form providing workers' compensation statutory benefits as required by law. Employers' liability limits shall be no less than one million dollars ($1,000,000) per accident or disease and shall be scheduled under any umbrella policy described above. Unless otherwise agreed, policy(s) shall be endorsed to waive any right of subrogation as respects the City, its Council, boards and commissions, officers, employees, agents and volunteers.

Property Insurance. Property insurance, in a form and amount approved by the City Attorney and Risk Manager, is required for Contractors having exclusive use of premises or equipment owned or controlled by the City. City is to be named a Loss Payee As Its Interest May Appear in property insurance in which the City has an interest, e.g., as a lien holder. Fire damage legal liability is required for persons occupying a portion of City premises.

Errors and Omissions/Professional Liability. Errors and Omissions or professional liability coverage appropriate to Contractor's profession, in a form and amount approved by the City Attorney and Risk Manager, will be specified on a project-by-project basis if Contractor is working as a licensed professional. Contractor shall maintain such insurance for a period of five years following completion of the project. Such insurance shall be in an amount of not less than one million dollars ($1,000,000) per claim and in annual aggregate. Design professionals shall maintain such insurance in place until the expiration of the warranty period of the Project.

Contractor and City further agree as follows:

a) This Exhibit supersedes all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Exhibit.

b) Nothing contained in this Exhibit is to be construed as affecting or altering the legal status of the parties to this Agreement. The insurance requirements set forth in this Exhibit are intended to be separate and distinct from any other provision in this Agreement and shall be interpreted as such.

c) All insurance coverage and limits provided pursuant to this Agreement shall apply to the full extent of the policies involved, available or applicable. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

d) Requirements of specific coverage features or limits contained in this Exhibit are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only and is not intended by any party to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

e) For purposes of insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or toward performance of this Agreement.

f) All general or auto liability insurance coverage provided pursuant to this Agreement, or any other agreements pertaining to the performance of this Agreement, shall not prohibit Contractor, Contractor's employees, or agents from waiving the right of subrogation prior to a loss. Contractor hereby waives all rights of subrogation against the City.

g) Unless otherwise approved by City, Contractor's insurance shall be written by insurers authorized and admitted to do business in the State of California with a minimum "Best's" Insurance Guide Rating of "A:VII." Self-insurance will not be considered to comply with these insurance specifications.

h) In the event any policy of insurance required under this Agreement does not comply with these requirements or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Contractor.

i) Contractor agrees to provide evidence of the insurance required herein, satisfactory to City Attorney and Risk Manager, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional endorsement to Contractor's general liability and umbrella liability policies using ISO form CG 20 10 11 85. Certificate(s) are to reflect that the insurer will provide at least thirty days written notice of cancellation, material reduction in coverage or reduction in limits and ten days written notice for non-payment of premium. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. Contractor agrees to provide complete copies of policies to City within ten days of City's request for said copies.

j) Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.

k) Any actual or alleged failure on the part of the City or any other additional insured under these requirements to obtain proof of insurance required under this Agreement in no way waives any right or remedy of City or any additional insured, in this or any other regard.

l) Contractor agrees to require all subcontractors or other parties hired for this Project to provide workers' compensation insurance as required herein and general liability insurance naming as additional insureds all parties to this Agreement. Contractor agrees to obtain certificates evidencing such coverage and make reasonable efforts to ensure that such coverage is provided as required here. Contractor agrees to require that no contract used by any subcontractor, or contracts Contractor enters into on behalf of City, will reserve the right to charge back to City the cost of insurance required by this Agreement. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor contracts with on behalf of City, will be submitted to City for review. Contractor acknowledges that such contracts or agreements may require modification if the insurance requirements do not reflect the requirements herein. Failure of City to request copies of such agreements will not impose any liability on City, its Council, boards and commissions, officers, employees, agents and volunteers.

m) If Contractor is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its Managers, Affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

n) Contractor agrees to provide immediate notice to City of any claim or loss against Contractor that includes City as a defendant. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve the City.

o) Coverage will not be limited to the specific location or individual entity designated as the address of the Project. Contractor agrees to have its coverage endorsed so that all coverage limits required pursuant to this requirement are available separately for each and every location at which Contractor conducts operations of any type on behalf of City. Contractor warrants that these limits will not be reduced or exhausted except for losses attributable to those specific locations and not by losses attributable to any other operations of Contractor.

p) Contractor agrees not to attempt to avoid its defense and indemnity obligations to City, its Council, boards and commissions, officers, employees, agents and volunteers by using as a defense Contractor's statutory immunity under workers' compensation or similar statutes.

r) Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and that there will be no cross liability exclusions that preclude coverage for suits between Contractor and City or between City and any other insured or Named Insured under the policy, or between City and any party associated with City or its employees.

s) Contractor shall maintain commercial general liability, and if necessary, commercial umbrella liability insurance, with a limit of not less than one million dollars ($1,000,000) each occurrence for at least three years following substantial completion of the work.

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April 8, 2022

Mr. Brian McMinn, P.E., P.L.S.
Public Works Director
211 Hillcrest Ave.
Marina, CA 93933

Subject: Rate Study of GreenWaste Recovery's Rate Application for Rate Period 8

Dear Mr. McMinn,

HF&H Consultants, LLC (HF&H) is pleased to provide you with this proposal to assist the City of Marina (City) with the analysis and evaluation of potential rate scenarios to be implemented along with new collection rates effective July 1, 2022. This proposal letter provides you with our proposed scope of services and fees.

SCOPE OF SERVICES

HF&H has prepared this scope of services based on the objective of assisting the City in the review of several aspects of the established collection rates and compensation methodology between the City and GreenWaste Recovery (GWR). In particular, HF&H would perform the following tasks.

Task 1 – Review Contractor's Annual Rate Adjustment Application

Starting with the rate application due April 1, 2022 to be effective July 1, 2022, HF&H will receive, review, and report to the City on the accuracy and compliance of the rate application. This task will include verifying contract compliance with regard to: 1) the indices used in the adjustment; 2) the weighting of those indices; 3) the tonnage and tip fees reported for the disposal and processing components of the rates; 4) any changes in governmental fees on the fee component of the rates; and 5) the accurate application of the resultant percentage changes in the various rate components to the rate schedules approved by the City through the franchise agreement. HF&H was involved in negotiating the SB 1383 revisions to costs and services to the franchise agreement and will verify the rate application has included the negotiated costs for services provided by GWR. This will also include any benchmarking and verification of additional SB 1383 costs to verify eligibility of inclusion into the collection rates.

HF&H's effort on this task is reliant on the accurate and complete submittal of the rate application to the agencies. If HF&H determines that the submittal is inaccurate or incomplete, HF&H will stop work, notify GWR and the City of the deficiencies, and will not proceed with work until the deficiencies are remedied. The scope of this task is specific to the use of the index-based adjustment methodology in the agreements

and inclusion of negotiated SB 1383 costs. In the event that either the City or GWR requests a cost-based rate adjustment, that effort would be outside the scope of this task.

This task will be completed as part of the contract management services HF&H provides to the City through the MRWMD and is not included in costs within this scope. While this task is not included in the costs of this scope it will serve as the foundation for the calculations performed in Tasks 2–4 presented herein and will need to be completed before work on Tasks 2-4 can begin.

Task 2 – Analysis of Rate Impacts of Creation of New Customer Class

The City has requested that analysis be performed to understand the overall rate impacts from the potential creation of a new senior residential customer class. This new senior class would potentially offer services at a lower rate than its equivalent service offering to customers not within this class. In doing so the City's rates and rate structure would need to be reevaluated to ensure that the overall revenue requirement due to GWR would be generated, should this new customer class be established.

HF&H will develop a model that uses the City's current subscription and projected annual revenues to evaluate the baseline revenue that needs to be generated to compensate GWR for their services per the franchise agreement. This model will also allow for customers to be transitioned from the current residential class into the senior customer class to review the impact of desired new rate classes on the overall revenue requirement. This will enable HF&H and the City to asses the impact to all customers based on the desired rate at which the new customer class will be charged.

Task 3 – Gather Data and Identify Eligible Customers for Analysis of Credit Disbursement

As a result of the Cost Based Rate Adjustment performed in Rate Period 5, HF&H found that the City's customers had been generating revenue at a greater level than GWR's allowed costs to provide service. At that time the City had elected to create a reserve fund to stabilize future increases in cost as was anticipated by then pending legislation, namely SB 1383. Last year HF&H and the City concluded negotiations regarding additional costs for GWR to provide service to meet compliance with SB 1383, and found that the City still had a balance remaining in this reserve account.

At this time the City has requested analysis be performed to understand how to equitably distribute the remaining surplus that has been accrued over Rate Period 5 and Rate Period 6. In order to do so, we will need account information of GWR's customers during these time periods, along with their service levels and monthly and annual billings for the time period reviewed. This account and billing information will need to be gathered and reviewed for accuracy to ensure that all customers that would be eligible for a potential credit against future bills are accounted for and that the credit amount can be properly calculated.

The costs for this task in our fee estimate are reflected as Task 3A, if the City is able to provide this data assuming only minor review and verification will be required, or Task 3B should HF&H need to work with (GWR) to gather and verify the accuracy of this data.

Task 4 –Analysis of Credit Disbursement to Eligible Customers

Based on the information gathered in Task 3, HF&H will establish three separate classes of customers: 1) customers billed only during Rate Period 5; 2) customers billed only during Rate Period 6; and 3) customers billed in both periods. Each of these customer classes will have a different credit amount attributed to them, which will be assessed as a percentage, based on the surplus amount that was generated in Rate Periods 5 and 6. HF&H will plan to identify the amounts these customers are due based on their customer class and subscription levels in July of each Rate Period in order to assess the solid waste service level subscription by customer during each rate period. This analysis does not anticipate reviewing changes to subscription levels for each of the months during these rate periods but instead uses a year over year subscription approach to perform our analysis. Tracking each customer's total subscription service and billings over a 24-month period would require a far more substantial amount of time and cost to gain what would likely be only a minor change to the results of the approach HF&H proposes within this scope.

Task 5 –Presentation of Findings

HF&H will document the results of Tasks 2 and 4 in a report to the City. Prior to preparing the report, we will discuss and seek agreement with the City on the format, level of detail, and an overall outline for the content to be presented. HF&H will then prepare a draft report documenting the process and results of the scope listed above. The draft report will be submitted to the City for review and comment. If needed, we will meet with City staff to discuss the report and receive comments and questions. Based on the City's input, HF&H will produce a revised draft report. The revised draft will be submitted to GWR for review and comment. HF&H and the City will discuss the feedback received by GWR and agree upon any changes to the final report based on this input.

This task includes preparation of materials for a virtual presentation to City Council to discuss the results of Tasks 2 and 4. Should attendance at additional Council meetings be requested, or in person attendance be required, HF&H will provide an additional scope for that support.

LIMITATION TO SCOPE

The purpose of this study is to develop a proposed alternative rate structure and to analyze the drawdown amount of the City's collected service to be potentially distributed as customer credits. We will be using data provided by the City and GWR and will rely on this data as the basis of our analysis. The work performed in this study is different in scope than performing an audit of the GWR or City-provided data.

FEE ESTIMATE

Due to the nature of this engagement, we propose to bill the City on a time-and-materials basis at our standard billing rates provided in Attachment A. Our estimated fees for performing this project, as described above, are $24,835 if Task 3A is selected or $29,910 if Task 3B is selected. If additional fees are necessary, we will inform the City before proceeding. Also, it is possible that our level of effort may be less than anticipated. If so, we will only bill the City the lesser amount for actual hours spent on the project.

		Executive $315	PM $285	Associate $210	Assistant $145	Administrative $120	Total Hours	Proposed Cost
Task 1	Review Rate Application	2	8	12	12	2	36	No Additional
Task 2	Analysis of Rate Impacts	2	4	6	12	0	24	$ 4,770
Task 3A	Identification of Eligible Customers	1	2	6	6	0	15	$ 3,015
Task 3B	Identification of Eligible Customers	4	8	12	14	0	38	$ 8,090
Task 4	Analysis of Credit Amounts	4	16	20	12	0	52	$ 11,760
Task 5	Presentation of Findings	2	6	6	10	2	26	$ 5,290
	Total Labor - With Task 3A	**11**	**36**	**50**	**52**	**4**	**153**	**$ 24,835**
	Total Labor - With Task 3B	**14**	**42**	**56**	**60**	**4**	**176**	**$ 29,910**

* * * * *

We sincerely appreciate the continued confidence you have expressed in HF&H, and we are committed to do our best to fulfill the City's objectives. If you have any questions or concerns about this proposal, please do not hesitate to contact me directly at (925) 977-6959 or rchilton@hfh-consultants.com.

Very truly yours,
HF&H CONSULTANTS, LLC

Rob Hilton
President

Attachment A: Standard Billing Arrangements and Hourly Rates

ATTACHMENT A:
STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

(Effective January 1, 2022)[1]

Professional Fees

Hourly rates for professional and administrative personnel are as follows:

Position	Rate
Executive	$300 - $315
Senior Project Manager	$285 - $295
Project Manager	$240 - $250
Senior Associate	$210 - $225
Associate Analyst	$160 - $170
Assistant Analyst	$135 - $150
Administrative Staff	$110 - $120

Direct Expenses

Standard charges for common direct expenses are as follows:

Automobile Travel	Prevailing IRS mileage rate
Airfare and Public Transit	Actual Cost

Billing Policies

Our policy is to bill for our services based on the standard hourly rates of the staff member assigned, multiplied by the time required to perform the client-related tasks, plus the direct expenses as described above. In implementing this policy we adhere to the following practices:

- It is our standard practice to e-mail invoices to our clients, although hard copies of invoices can be sent to clients on request.
- We round to the nearest one-quarter hour (e.g., if two hours and 55 minutes are spent on a task, it is recorded as three hours, if two hours and 5 minutes are spent on a task, it is recorded as two hours). A minimum charge of one-quarter hour is charged for any client work performed in a day.
- We do not markup out-of-pocket expenses, however, we may charge administrative or professional time related to the provision of the goods and services associated with these charges.
- If subcontractors are used, HF&H reserves the right to charge a 5% markup should the subcontractor's services require cumbersome administrative oversight (e.g., multiple subcontractors; engagement turns out to solely require services of subcontractor, but HF&H as the prime must prepare billings).

[1] Litigation Support and Expert Witness Services are not covered by this schedule of fees and expenses.

ATTACHMENT A:
STANDARD HOURLY RATES AND BILLING ARRANGEMENTS

- Mileage fees are based on the round-trip distance from the point of origin.
- If a client's change to a previously scheduled meeting results in penalties being assessed by a third party (e.g., airline cancellation fee), then the client will bear the cost of these penalties.

While no minimum fee for a consulting engagement has been established, it is unlikely (given the nature of our services) that we can gain an understanding of a client's particular requirement, identify alternatives, and recommend a solution in less than twenty-four consulting hours.

Insurance

We maintain the following policies of insurance with carriers doing business in California:

- Comprehensive General Liability Insurance ($2,000,000 Occurrence/$4,000,000 Aggregate)
- Workers' Compensation ($1,000,000)
- Professional Liability Insurance ($2,000,000 Occurrence/$2,000,000 Aggregate)
- Hired and Non-Owned Auto Liability[2] ($2,000,000)
- Umbrella Liability ($3,000,000 Occurrence/$3,000,000 Aggregate)

All costs incurred in complying with additional coverages or limits (excluding additional insured and waiver of subrogation endorsements) become the responsibility of the client and are not included in the fees for services or direct charges but are billed in addition to the contract at cost, plus any professional or administrative fees.

Invoices and Payment for Services

Our time reporting and billing system has certain standard formats that are designed to provide our clients with a detailed invoice of the time and charges associated with their engagement. (We typically discuss these with our clients at our kick-off meeting.) We are also pleased to provide our clients with a custom invoice format but we will have to bill the client for time spent conforming our invoices to their unique requirements.

Billings for professional services and charges are submitted every month, in order that our clients can more closely monitor our services.

[2] HF&H Consultants does not own any company automobiles.

May 25, 2022 Item No. **11c**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

THE CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2022-, AUTHORIZING PURSUIT OF A LEASE AGREEMENT WITH THE TRANSPORTATION AGENCY OF MONTEREY COUNTY TO LEASE A PORTION OF THE MONTEREY BRANCH LINE TO BE USED FOR RECREATIONAL PURPOSES, SELECTING AN OPERATOR FOR THE MONTEREY BRANCH LINE, AND DETERMINING THE TERM OF LEASE FOR THE OPERATOR.

RECOMMENDATION: City Council consider

(1) Authorizing pursuit of a lease agreement with the Transportation Agency of Monterey County (TAMC) to lease a portion of the Monterey Branch Line to be used for recreational purposes; and,

(2) Selecting an operator for the Monterey Branch Line and determining the term of lease for the operator.

SUMMARY:

Provides an overview of two unsolicited proposals for temporary recreational use of a portion of the Monterey Branch Line, including a section within Marina City limits.

BACKGROUND:

The Transportation Agency of Monterey County (TAMC) received two unsolicited proposals for temporary use of a portion of the TAMC-owned Monterey Branch Line, including a section within Marina City limits. The TAMC Board of Supervisors directed their staff to pursue leasing a portion of the Monterey Branch Line to the City of Marina, which would ultimately be responsible for performing CEQA analysis for the project and issuing permits to the winning proposal. A lease agreement between TAMC, the City of Marina, and the winning proposal would formalize operation requirements and conditions of approval.

The City Council may reject both proposals or decide to pursue a lease agreement with one of the operators. Due to the nature of each operation and the linear arrangement of the Monterey Branch Line, both operations cannot use the right-of-way in tandem. The staging area for either operation would be located in the City of Marina near the intersection of Del Monte Boulevard and Palm Avenue, and the City will take the lead in determining what conditions of approval should apply to a permitted temporary use.

Planning staff have analyzed proposals from the Museum of Handcar Technology (received April 12, 2022) and Mendocino Railway (received April 20, 2022) for completeness, intensity of proposed uses, types of improvements proposed at the staging area, and impacts to surrounding land uses, including residential uses. Either use presents challenges, and a design review committee (DRC) was assembled to review and provide input on each proposal. DRC comments are included in **EXHIBIT A**. An analysis of each proposal is included below.

Museum of Handcar Technology

The proposal consists of human-powered push handcars operating on a 4-mile segment of rail between Marina and a point near the southern edge of Fort Ord Dunes State Park. The operator would serve about 1,300 customers per month, primarily on Saturdays and Sundays with some trips on Fridays and holidays. The operator seeks to provide trips year-round but is amenable to seasonal operations if the City will not sanction year-round use of the staging area. Hours of operation would be 9 a.m. to 5 p.m. (8 p.m. during the summer).

The operator proposes to surface a portion of the TAMC and City right-of-way with compacted road base to accommodate 25 parking spaces and one paved ADA-compliant space. Access to the parking area would be via Marina Drive. A split-rail fence would be installed around the parking and staging area. The operator also proposes to install an at-grade crossing where the railway intersects with the Monterey Bay Coastal Recreation Trail, approximately one-third mile south of the staging area.

The operator has prior experience working in Marina and utilized the same staging area and a similar stretch of railway for operations last year. Additional changes to this year's proposal include storage containers for overnight storage of handcars (as opposed to metal security fencing), a portable audio system for safety briefings oriented toward Del Monte Boulevard (as opposed to residences on Marina Drive), and a loading area consisting of a platform of stone pavers (as opposed to an unimproved surface). The operator is requesting to be assigned an address and requires 200-amp electrical service.

Mendocino Railway

The proposal consists of human- and battery-powered railbikes operating on a 4-mile segment of rail between Marina and a point near the southern edge of Fort Ord Dunes State Park. The operator would serve 8,000 customers in the first year of operations and more than 20,000 customers in subsequent years. The operator seeks to provide trips year-round. Hours of operation would be 8 a.m. to 9 p.m., with seasonal adjustments as necessary.

The operator has no prior experience working in Marina. The proposal includes a storage container within the staging area where bikes would be stored and charged overnight. Electrical power would be provided by a solar array on the roof of the storage container or via a connection from a nearby PG&E line. The project would require 6-10 employees.

DISCUSSION:

The DRC reviewed both proposals and provided comments, included in **EXHIBIT A**. Concerns center primarily on providing adequate access to and from the site, providing appropriate facilities on site, making improvements to accommodate operations, and mitigating potential impacts to adjacent uses, including multifamily residences near the staging area. Specific points of concern include the lack of restroom facilities in each proposal, the need to move storage containers out of an emergency access road parallel to Marina Drive, insufficient information about proposed facilities, and questions about how trash, noise, and traffic impacts will be addressed.

The City Council has discretion to determine which proposal, if any, may operate within the TAMC right-of-way. If the City Council selects a proposal, the operator will be required to obtain an encroachment permit from the Public Works Department and sign a lease agreement with the city. City staff will attach relevant findings and conditions of approval to the encroachment permit and/or lease agreement.

Attached is the draft lease agreement from TAMC **("EXHIBIT B")**. Key provisions of the agreement are:

- The initial term of the agreement will be up to two (2) years
- The city will be the lead agency under the California Environmental Quality Act (CEQA).
- The lease is $4,248 for Area 1 then $3,035 for Area 2 (if needed) and Area 3 $1175 for the parking and storage area.
- The TAMC lease will only allow for recreational uses within the project area.

FISCAL IMPACT:

Planning staff would develop a fee agreement with the selected proposal and require the applicant to cover all costs associated with staff review and analysis prior to issuing any permits. There would be no direct impact to the budget.

ENVIRONMENTAL REVIEW:

After a proposal is selected by the City Council, staff will determine what level of CEQA analysis is required prior to issuing permits. As the lead agency, City staff will coordinate CEQA analysis with Monterey County and TAMC. Currently we are expecting a Notice of Exemption with detailed background material to cost the selected vendor between $5,000-$10,000 as the railway already has detailed habitat and plant species documented for the project area.

CONCLUSION:

This request is submitted for City Council consideration and comment.

Respectfully submitted,

_____

Alec Barton, AICP
Contract Planner
City of Marina

REVIEWED/CONCUR:

_____

Guido F. Persicone, AICP
Community Development Director
City of Marina

_____

Layne Long
City Manager
City of Marina

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA AUTHORIZING PURSUIT OF A LEASE AGREEMENT WITH THE TRANSPORTATION AGENCY OF MONTEREY COUNTY TO LEASE A PORTION OF THE MONTEREY BRANCH LINE TO BE USED FOR RECREATIONAL PURPOSES, SELECTING AN OPERATOR FOR THE MONTEREY BRANCH LINE, AND DETERMINING THE TERM OF LEASE FOR THE OPERATOR.

WHEREAS, the City of Marina received two unsolicited proposals for temporary recreational use of a portion of the Monterey Branch Line; and

WHEREAS, the City Council can reject both proposals or select one to operate within the Monterey Branch Line right-of-way on a temporary basis; and

WHEREAS, the decision of the City Council authorizes City staff to formalize a lease agreement with the selected operator, perform any required CEQA analysis, and issue any required permits prior to use of the Monterey Branch Line.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Marina that does hereby:

(1) Select (Mendocino Railway / Museum of Handcar Technology) to operate within the Monterey Branch Line right-of-way on a temporary basis, subject to the conditions of approval in a valid lease agreement and any required permits; and

(2) Direct staff to formalize a lease agreement with (Mendocino Railway / Museum of Handcar Technology), perform any required CEQA analysis, and issue any required permits prior to use of the Monterey Branch Line.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 7th day of June, by the following vote:

AYES, COUNCIL MEMBERS:
NOES, COUNCIL MEMBERS:
ABSENT, COUNCIL MEMBERS:
ABSTAIN, COUNCIL MEMBERS:

_____
Bruce C. Delgado, Mayor

ATTEST:

_____
Anita Sharp, Deputy City Clerk

Building
Parking, restroom facilities, path of travel from parking to the designated loading area

Fire

1. Fire is requiring an Emergency Response Plan to be approved by the Fire Department prior to operation that includes Seaside Fire (This project falls within both the Marina and Seaside Fire Departments' response area)
2. All adopted Marina City Fire Code ordinances are followed
3. The final plot plan to be approved by the Fire Department. The Fire Department will check for access and hydrants

Engineering
Museum of Handcar Technology

1. Any improvements or staging within the City right-of-way will require an Encroachment Permit. Review the attached permit application form for standard conditions and submittal requirements.
2. The following additional information and clarifications will be required for your permit application:
    a. Provide a structural section for the parking lot road base. Show grades (directional % grades and spot elevations) for the general parking lot area.
    b. For the ADA parking space, a site-specific detail will be required showing compliance to current parking standards.
    c. Since your proposed operational window is year-round, provide a plan sheet for how stormwater best management practices will be implemented on your project site.
    d. Provide details for installation of the proposed wooden fencing. Will this require concrete foundations for your posts?
    e. Will the ticket booth and handcar shed require a concrete foundation?
    f. Will any grading take place (e.g. moving dirt to level the site)? Moving more than 2,500 sq ft or 50 cubic yards of soil will require a grading permit.
    g. Will there be any trimming or other impacts to local trees? Please see City Municipal Code Chapter 17.62 and coordinate directly with the Planning Division should any trees be impacted in the vicinity of your project site.
3. The location proposed for the storage containers is not approved as it blocks an emergency access road that traverses parallel to Marina Drive. Relocate your storage containers off of the access road.
4. Any addressing for the site will require a New Address application through the Public Works Department.

Mendocino Railway

1. Any improvements or staging within the City right-of-way will require an Encroachment Permit. Review the attached permit application form for standard conditions and submittal requirements.
2. Submit a preliminary site plan showing the locations of:
    a. Storage container(s)
    b. Staging area
    c. Turntables
    d. Charging stations
    e. Parking area

DRAFT - LEASE

This LEASE AGREEMENT, hereinafter called "LEASE" is made between the TRANSPORTATION AGENCY FOR MONTEREY COUNTY, hereinafter called "LESSOR" and the CITY OF MARINA, hereinafter called "LESSEE" as of the last date opposite the respective signatures below as follows:

1. DESCRIPTION OF PREMISES

   The LESSOR hereby leases to LESSEE, and TENANT hires from LESSOR, on the terms and conditions hereinafter set forth, in a nonexclusive grant lease, those certain premises (Premises) known as the property (hereafter referred to as the "Property").

   a. Exhibit A depicts three sub-components of the Property, identified as Area 1, Area 2 and Area 3.

   b. The Property includes an encroachment into the LESSOR's railroad right of way, located in the County of Monterey, for an approximate length of three and a half (3.5) miles from the Palm Avenue and Marina Drive intersection in Marina, under the Highway 1 overcrossing and over the bike path, to the balloon spur tracks in the Fort Ord Dunes State Park (Area 1), with a possible additional two and a half (2.5) miles towards Sand City (Area 2). There is also an area of fifty (50) by two hundred and twenty-five (225) feet for a fenced in storage area along the railroad tracks in the City of Marina near Marina Drive and Palm Avenue (Area 3). Besides the railroad track, there are no buildings or permanent structures on the Premises.

   c. The LESSEE is directly overseeing recreational uses outlined in the SUBLESSEE's proof of concept for the Project (Project).

   d. LESSEE agrees to prohibit entry to the Property to anyone not participating in the leased activities.

2. TERM

   The initial term shall be two (2) years and the term of this Lease shall begin on **xx date** ("Lease Commencement Date") and will continue until **xx date** terminated sooner as provided for hereinafter in **Section 16**. Upon completion of the initial lease term, the LESSOR and LESSEE may renew the Lease for **xx additional term**. During initial or renewed lease term, LESSOR reserves the right to end lease term. LESSEE shall give LESSOR written notice of its intent to renew sixty (60) days prior to expiration of initial lease term. Said

advance notice period of sixty (60) days may be altered by mutual consent. LESSOR shall give LESSEE advance written notice of its intent to end lease term thirty (30) days prior to end of lease term.

3. TERMINATION BY LESSOR

   a. LESSEE understands and agrees that the LESSOR has future plans for the Property, such as the SURF! Busway and Bus Rapid Transit Project, and other transportation uses. Thus, LESSEE agrees to vacate the Property during the term of the Agreement or any renewal or extension of the Lease, without liability to the LESSOR.

   b. LESSOR may terminate this LEASE if there is a default by the LESSEE with respect to any of the provisions of this LEASE or LESSEE's obligations under it, including the payment of the Rent, after giving LESSEE notice of default and failure by LESSEE to cure the default within thirty (30) days. This provision, however, shall not be deemed to extend the term of the LEASE by any cure period.

4. DESIGNATION OF LEAD AGENCY

   The California Environmental Quality Act ("CEQA") provides that where a proposed project is to be carried out or approved by more than one public agency, an agency is to be determined to be the Lead Agency under CEQA, and such Lead Agency is to be responsible for preparing the appropriate environmental documentation. Section 15051(d) of CEQA Guidelines (14 CCR § 15051) also provides that where more than one public agency meets the criteria for being a Lead Agency, the public agencies may designate a Lead Agency by agreement The Parties agree that the CITY OF MARINA, the LESSEE, shall be designated as the Lead Agency for the purpose of environmental review, or any other review or oversight process such as environmental compliance and site inspections before or during the LEASE period.

   The CITY OF MARINA, as Lead Agency, shall be responsible for the costs of conducting any said environmental review, up to and including possible approval of the environmental document, and litigation (if any) related to such approval.

5. PAYMENT FOR COST RECOVERY

   LESSEE agrees to pay LESSOR a non-refundable payment of Twenty Thousand Dollars ($20,000) upon execution of the LEASE as a not-to-exceed amount for LESSOR staff and legal counsel for certain reasonable and necessary costs for the timely review, processing,

and administration time to oversee and verify compliance with this LEASE, such as environmental compliance and site inspections before, during, and after the TERM period.

6. RENT

LESSOR AND LESSEE agree that the monthly rent for the term of this Lease shall be structured based on the cost of 4.6 cents per square foot per month for Areas 1 and 2 and 14 cents per square foot per month for Area 3**.**

a. LESSEE agrees to pay LESSOR non-refundable monthly rent in the amount of Four Thousand, Two Hundred and Forty-Eight Dollars ($4,248) for Area 1.

b. LESSEE agrees to pay LESSOR non-refundable monthly rent in the amount of Three Thousand and Thirty-Five Dollars ($3,035) for Area 2 if and only if LESSEE agrees to the use of Area 2.

c. LESSEE agrees to pay LESSOR non-refundable monthly rent in the amount of One Thousand, Five Hundred Seventy-Five Dollars ($1,575) for the use of Area 3.

7. USE/FACILITIES COVERED

The use of the facilities is to be limited to the rail line area noted in the description of premises. Use of the rail line is limited to recreational uses as described **Section 8**. The use of surrounding property for storage is limited to Area 3. Any irreversible changes to the Property must first be proposed to LESSOR and approved by LESSOR. Additionally, any irreversible changes are to be within any safety standards pursuant to the type of changes proposed and it is the LESSEE'S duty to be knowledgeable about and compliant with all legal requirements, including but not limited to, federal, state, and local statutory and regulatory obligations.

8. PERMITTED USES OF ACTIVITY USE AREAS

LESSEE shall be entitled to use or SUBLEASE the Premises for recreational activities including recreational vehicles along Route, vegetation and debris clearing along Route, storage of recreational materials in designated areas, and for giving trainings and guided tours along Route. LESSOR shall be able to use the property to access any areas including, but not limited to, areas relevant to current or future studies, transportation, utilities and engineering projects and other official uses of the Property or Route.

9. MAINTENANCE AND REPAIR

LESSOR makes no representations as to the condition of the Property. LESSEE takes occupancy of this Property in an "as is" condition. LESSEE acknowledges that the Property and all improvements thereon are in good order and condition, and LESSEE hereby covenants and agrees to keep the same in good order and condition during the term of this Lease, and upon the expiration of this Lease and any renewal term to surrender the Property and improvements to LESSOR in as good condition as when received, except for loss or damage by fire, natural disaster, act of God, and reasonable use and wear. LESSOR will not repair or maintain nor contribute funding toward the repair or maintenance of the Property during the term of this LEASE.

10. MODIFICATIONS AND ALTERATIONS

All and any modifications and alterations made by LESSEE or SUBLESSEE shall be approved by the LESSOR as well as any relevant local or state agencies. Any permanent modifications or alterations by the LESSEE or SUBLESSEE to the tracks or railroad ties of the PROPERTY shall be within specifications that have been proposed to LESSOR reviewed by LESSOR and approved by LESSOR. Non-permanent modifications, including but not limited to tenting, portable restrooms, storage units, fencing, signage, waste receptacles and other items utilized during the terms of the Lease will be removed and Area 3 shall be cleaned and restored to its pre-Lease condition once the Lease term has ended. Any issues or complaints related to non-permanent modifications shall be the responsibility of LESSEE to address and, if appropriate, correct.

If the LESSOR approves of a proposed permanent modification, the LESSOR may also require that the LESSEE return the property to its original or improved condition prior to the termination of the LEASE. If LESSOR does in fact require this, the LESSEE will give the LESSOR the opportunity to review the final condition of the property to ensure that the property has in fact been returned to its original or improved condition.

11. DESTRUCTION OF PREMISES

LESSEE agrees not to commit or suffer to be committed any waste or injury or any public or private nuisance, and to keep the premises clean and clear of use or storage of hazardous materials as defined by local, state, and federal laws, rules, or regulations, and clear of any refuse and obstructions, and to dispose of all garbage, trash, and rubbish in a manner satisfactory to LESSOR. If the leased premises shall be damaged by LESSEE or SUBLESSEE which damage puts the premises into a condition which is not decent, safe, healthy, and sanitary, LESSEE agrees to make or cause to be made full repair of said damage caused by

LESSEE or SUBLESSEE and to restore the premises to the condition which existed prior to said damage, or LESSEE agrees to clear and remove from the leased premises all debris and contaminants resulting from said damage caused by LESSEE or SUBLESSEE and rebuild or restore the premises to the condition which existed prior to such damage. LESSEE agrees to use any insurance proceeds which may become available from any such damage to first pay for the cost of any repairs and restorations.

12. MUTUAL INDEMNIFICATION AND INSURANCE

a. INDEMNIFICATION

i. In consideration for use of the Property, LESSEE agrees to indemnify, defend, and save harmless LESSOR and its officers, agents, and employees, from and against any and all claims, liabilities, or losses whatsoever arising out of or in any way related to LESSEE'S use of the Property under this LEASE, including but not limited to claims for Property damage, personal injury, death, injuries to reputation, economic losses, and emotional distress, and any legal expenses (such as attorney's fees, court costs, investigation costs, and expert fees) incurred by the LESSOR in connection with such claims. "LESSEE'S use" includes LESSEE'S or SUBLESSEE'S action or inaction and the action or inaction of its officers, employees, and agents, including but not limited to SUBLESSEE'S customers. The obligation of LESSEE to indemnify does not extend to claims or losses arising out of the sole negligence or willful misconduct of the LESSOR or LESSOR'S directors, officers, agents, or employees.

ii. LESSEE agrees to indemnify, defend, and save harmless LESSOR and its directors, officers, agents, and employees from and against any equipment or bodily injury damages sustained by any party using the Property.

b. INSURANCE

i. Commercial general liability insurance including but not limited to premises, personal injuries, products, operations and completed operations, to protect against loss from liability imposed by law for damages occurring on account of bodily injury, including death therefrom, suffered or alleged to be suffered by any person or persons whomsoever, resulting directly or indirectly from any act or activities of LESSOR or LESSEE, its SUBLESSEE or any person acting for LESSOR or LESSEE or under its control or direction, and also to protect against loss from liability imposed by law for damages to any property of any person caused directly or indirectly by or from acts or activities of LESSOR or LESSEE, or its SUBLESSEE, or

any person acting for LESSOR or LESSEE, or under its control or direction. Such insurance shall also provide for and protect LESSOR against incurring any legal cost in defending claims for alleged loss. Such public liability and property damage insurance shall be maintained in full force and effect during the entire term of this Lease in the amount of not less than $1,000,000 combined single limit per occurrence and $2,000,000 in the aggregate. Coverage shall be at least as broad as ISO Commercial General Liability Occurrence Form CG0001.

ii. Workers' Compensation Insurance. If LESSEE or SUBLESSEE employs others in the performance of this contract, LESSEE or SUBLESSEE shall procure and maintain during the entire term of this Lease a Workers' Compensation Insurance Policy in accordance with California Labor Code section 3700 and with a minimum of $1,000,000 per occurrence for employer's liability.

iii. All insurance required by this LEASE shall be with a company acceptable to LESSOR and authorized by law to transact insurance business in the State of California. All such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of two years following termination of this LEASE. Each liability policy shall provide that LESSOR shall be given notice in writing at least thirty (30) days in advance of any endorsed reduction in coverage or limit, cancellation or intended non-renewal thereof.

iv. Liability policies shall provide an endorsement naming LESSOR, their directors, officers, agents, and employees, as Additional Insureds and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the LESSOR and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by LESSEE'S insurance.

v. Prior to execution of this LEASE by LESSOR, LESSEE shall file certificates of insurance with LESSOR, showing that the LESSEE has in effect the insurance required by this LEASE. LESSEE shall file a new or amended certificate of insurance within five (5) calendar days after any change is made in any insurance policy that would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect. LESSEE agrees that the provisions of this section as to insurance shall not be construed as limiting in any way the extent to which the LESSEE may be held responsible for the payment of damages to

persons or property resulting from LESSEE's activities, the activities of its SUBLESSEE or the activities of any person or persons for which Tenant is otherwise responsible.

vi. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by LESSOR. At the option of the LESSOR either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the LESSOR, its officers, officials, employees and volunteers; or LESSEE shall provide a financial guarantee satisfactory to LESSOR guaranteeing payment of losses and related investigations, claim administration and defense expenses.

13. LIENS

LESSEE agrees to keep the Property free from liens of every character, and in the event that any liens for labor or materials should arise during the term hereof on account of any act or omission by LESSEE arising from LESSEE's use of the Property, LESSEE agrees to discharge and pay the same.

14. NO GIFT OF PUBLIC FUNDS

This LEASE prohibits the giving or lending of public funds to any person or entity, public or private. Prohibition includes aid, making of gift, pledging of credit or payment of liabilities and encompasses the giving of monetary funds and any "thing of value".

15. COMPLIANCE WITH LAWS

LESSEE shall not do, or permit to be done, or keep, or permit to be kept, in or about the Property, anything which shall be a nuisance, or which shall be in violation of any law, ordinance, rule or regulation of any governmental authority, or of any rule or regulation of the, relating to the Property, or which shall increase, or tend to increase, the existing rates of insurance of the Property.

16. TERMINATION

This lease may be terminated by either party as of the last day of any calendar month by giving sixty (60) days prior written notice thereof to the other party. Termination of this lease shall not terminate either party's obligation to defend, indemnify and hold harmless the other, as provided in this Lease, nor shall terminate either party's obligation to maintain sufficient insurance, as provided in this Lease.

17. DEFAULT

a. The occurrence of any of the following, to the extent of the LESSEE's use, shall constitute a default by the LESSEE: Abandonment and vacation of the Property for thirty (30) days.

b. Failure to perform any other provision of this LEASE if the failure to perform is not cured within thirty (30) days after notice has been given to LESSEE. If the default cannot be reasonably cured within thirty (30), LESSEE shall not be in default of this LEASE if LESSEE commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

a. Upon default, LESSOR shall have the right to terminate this LEASE and take possession of the Property. Said remedy is not exclusive and is cumulative in addition to other remedies now or later allowed by law.

18. CONDITIONS TO LEASE

LESSOR reserves the right to grant access to people including, but not limited to, TAMC employees, contractors, and TAMC project affiliates. This LEASE certifies that LESSEE and any SUBLESSEES must accommodate the other users of the Route and Property.

19. ASSIGNMENT AND SUBLETTING

LESSEE may not assign this LEASE, or any interest herein, or underlet the Property, or any part thereof, without the prior written consent of the LESSOR which shall not be unreasonably withheld. LESSEE agrees that any SUBLEASE entered cannot conflict with the terms of the LEASE.

20. COORDINATION:

The parties to this LEASE agree that, unless otherwise indicated in writing, the following persons have primary responsibility for liaison and coordination of activities required to carry out this LEASE:

for LESSOR: TAMC	for LESSEE: City of Marina
Todd Muck, Executive Director	Layne Long, City Manager
todd@tamcmonterey.org	llong@cityofmarina.org

21. INSPECTION

LESSOR has the right to inspection of the property within twenty-four (24) hours of a written or verbal notification to the LESSEE.

22. NONDISCRIMINATION:

The LESSEE herein covenants by and for itself, administrators and assigns, and all persons claiming under or through them, and this LEASE is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color creed, disability, religion, sex, marital status, national origin, ancestry, or sexual preference in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the land herein leased, nor shall the LESSEE itself or any person claiming under or through LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of lessees, sublessees, or vendees on the Property herein leased.

23. NOTICE

Any notices that either party desires to or is required to give to the other party or any other person shall be sent by email. Such notices shall be addressed to the other party at the address set forth above. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within seventy-two (72) hours from the date of emailing, if emailed as provided in this paragraph. LESSEE shall not assign out rights to any other party.

24. SUCCESSORS AND RESTRICTION ON ASSIGNMENT

LESSEE shall not assign its rights under this agreement. This LEASE, and all terms, covenants, and conditions hereof, shall be binding upon and shall inure to the benefit of the heirs, legal representatives, and successors of the respective parties hereto.

25. OWNERSHIP

The LESSOR is the owner of the Property and all site improvements on the Property on the effective date of this LEASE. All right, title, and interest in and to the Property and those site improvements shall belong to the LESSOR, including improvements made by LESSEE as described in Paragraph 10.

26. POSSESSORY INTEREST AND PROPERTY TAXES

Pursuant to California Revenue and Taxation Code section 107.6, notice is hereby given that LESSEE is responsible for any possessory interest, utility or Property taxes that may be imposed as a result of, or related to, this LEASE. Additionally, any fines imposed on the Property during the LEASE period that are a result of LESSEE's actions, or the actions of the use permitted by LESSEE on the property, shall be the sole responsibility of LESSEE.

IN WITNESS WHEREOF the parties hereto have executed this LEASE this ____ day of _____, 2022.

CITY OF MARINA, LESSEE:

BY: _____

Layne Long, City Manager

Approved as to form:

_____

City Attorney

TRANSPORTATION AGENCY FOR MONTEREY COUNTY, LESSOR

BY: _____

Todd Muck, Executive Director

Approved as to form:

_____

TAMC Counsel

Exhibit A


Exhibit A
N
Area 1
Area 2
Area 3
TrailCrossing
Marina
Seaside
Sand City
Del Monte Blvd
Palm Ave
Marina
Hayes Cir
3rd Ave
9th St
8th St
Inter-Garrison Rd
1st St
Fort Ord Dunes State Park
Workfield
Owen Durham St
Monterey Rd
Normandy Rd
Bayonet Black Horse Golf Course
Fort Ord
0
0.5
1
2
Miles

June 2, 2022 Item No: **11d**

Honorable Mayor and Members of the Marina City Council

City Council Meeting of June 7, 2022

CITY COUNCIL CONSIDER RECEIVING A PRESENTATION REGARDING THE LONG-TERM VISION AND FISCAL SUSTANABILITY OF THE MARINA MUNICIPAL AIRPORT, EFFORTS TO PROVIDE QUALITY GENERAL AVIATION FACILITIES TO MEET DEMANDS, AND POTENTIAL SUPPORT FROM THE MILITARY ASSISTANCE PROGRAM (MAP) TO FUND INVESTMENTS IN INFRASTRUCTURE TO SUPPORT HANGAR DEVELOPMENT AND FACILITATE REVENUE SUPPORTING LAND USES

REQUEST:

It is requested that the City Council consider:

1. Receiving a presentation on the long-term vision and fiscal sustainability, hangar and infrastructure needs and solutions, and potential financial support from the Military Assistance Program for the Marina Municipal Airport.

BACKGROUND

The Marina Municipal Airport is the newest general aviation airport on the Monterey Peninsula, residing on 845 acres of former Fort Ord property, with over 400 acres dedicated to aviation. The City of Marina owns and operates the airport. The airport provides support to commercial, military, and private aircraft. Services and facilities currently available include hangar storage, tie-downs, minor aircraft maintenance, skydiving, and fueling. The airport has been open for public use since 1995.

The airport is included in the FAA's National Plan of Integrated Airport Systems (NPIAS). As such, the Airport is eligible for federal development grants. The airfield layout consists of a single runway, measuring 3,483 feet in length and 75 feet in width. Airport facilities currently include five large hangar buildings (approximately 30,000 sq.ft. each), 24 T-hangars, 20 box hangars, 170 tie downs, an airport administration building and six ancillary buildings for non-aviation tenants.

There are estimated to be 50 based aircraft (including 42 single engine piston aircraft, three turboprops, 1 business jet) and 30,000 annual operations. Key tenants today include the U.S. Navy Center for Interdisciplinary Remotely Piloted Aircraft Study (CIRPAS), Skydive Monterey Bay, Light & Motion and most recently Joby Aviation, a leader in the vertical Take-off and Landing (eVTOL) industry, employing hundreds at the Marina Airport with expansion plans for a new large aeronautical manufacturing facility.

The Marina Municipal Airport is committed to supporting the aviation, economic, environmental, and recreational needs of the airport and the Marina community. Key strategies of this vision are:

- Expanding aviation related business by partnering with existing businesses or attracting new businesses.
- Phasing in the expansion of aviation needs

- Identifying revenue generating possibilities and partnering with the community for economic development
- Identifying highest and best use of airport land area
- Making the airport financially self-sustaining

To operate the airport at a bare minimum costs about $900,000 annually. This includes salaries for two full-time staff, professional services, and minimum maintenance and repair to keep the airport operating. Revenues generated by box hangers, cell towers, aviation use hangers, and fuel sales total about $550,000 annually. Joby Aviation leases bring in about $1,000,000 annually in revenues to the airport. Attracting new aviation and non-aviation businesses to the airport are critical to the fiscal sustainability of the airport.

DISCUSSION:

Staff and representatives of the Federal Aviation Administration (FAA) have been in close communication for the last couple of years to support growth at the Marina Municipal Airport and tenants such as Joby Aviation. These talks have resulted in the FAA's greater understanding and attention to the needs and challenges of the airport.

The airport was deeded to the City directly from the federal government following the closure of Fort Ord. The former helicopter airport contained large hangar buildings in need of a great deal of maintenance. While it was documented in the Airport Master Plan that an estimated 43 private small planes could be stored in the 5 large conventional hangars, utilizing these large buildings in this way is not the highest and best use as it is not efficient, is not the highest and best use, and does not provide for fiscal sustainability of the Airport. In comparison, leasing the entire building to single tenant generates much greater revenue for the airport that is used to reinvest in the maintenance and upkeep of the buildings. Below is an example using a large hanger building to compare the rents generated by several small tenants in contrast to one single tenant.

Large Hangar	**Individual Tenants**	**Singe Tenant**
Lease Rates	Max capacity of 9 aircraft @ $250 mo. each **= $2,250** Office space 5,000 s.f. x $.50 p/s.f. = **$2,500** **Total = 4,750 mo.**	35,000 sf x .36 p/s.f. = **$12,600 mo.**

At current rates the difference between individual tenants versus one tenant is approximately $7,850 a month or $94,250 annually. The total annual revenue under these two scenarios are summarized below.

Large Hangar	**Individual Tenants**	**Singe Tenant**
Lease Rates	**4,750 mo. / $57,000 annually**	**$12,600 mo. / $151,200 annually**

As part of staff's recent analysis of airport fiscal sustainability included long range maintenance costs required to preserve the 50–70-year-old structures constructed by the Army. The engineer's analysis of the needed capital reserve costs over the next 30-years and ongoing annual maintenance costs to preserve each large hanger building requires an approximate total of $200,000 annually. In addition to the capital and maintenance costs, there are also ongoing operations costs.

After reviewing the financial data presented above the FAA staff agreed that tenants such as Joby Aviation are critical to the long-term sustainability of the airport and the continued quality facilities for the general aviation community. This education for the FAA staff has fortunately opened discussions of the airport participating in the highly selective Military Assistance Program. Nationwide, there are only a few general aviation airports that are selected to participate in MAP at one time. And the funding can be significate (up to $35 million) over the 5-year funding cycles.

While the FAA staff is supportive of helping our airport to be financially sustainable, they are also concerned that we continue to provide a quality general aviation airport for pilots while also fostering Joby's expansion. In this effort, staff has worked with the Tartaglia Engineering to develop hangar complex plans on the airport that can be phased in over 30-years to meet the demands of the general aviation users of the airport. Also provided were engineering estimates of the costs to develop these complexes.

The presentation attached was presented the FAA staff on May 6, 2022 and was received well. This presentation includes the vision for Airport and how the future expansion of tenants such as Joby Aviation will work in concert with expansion of hangar space to service the general aviation community and provide for revenue supporting land uses to be developed in the future further adding to the financial sustainability of the Airport.

The conclusion of the meeting with the FAA staff was that the City will continue to develop its phasing plan for the Airport and how we propose to use MAP funding towards meeting the vision and financial sustainable future. Staff has met with Tartaglia Engineers to discuss including estimates for infrastructure development to support the Airport Business Park and revenue support area on the north side of the Airport property. The FAA staff also encouraged City staff to meet with Airport tenants and share future vision and hangar plans. This meeting is being planned for evening of June 8th and will be reported back to the FAA at our next meeting.

In addition to these efforts to provide for the Airport's future, staff also continues to try and gain the approval of the FAA for the Joby future factory building on the South Tarmac area. These discussions and meetings are critical to that effort as well and we look forward to having the FAA approval this summer.

Respectfully submitted,

_____

Matt Mogensen
Assistant City Manager
City of Marina

REVIEWED/CONCUR:

_____

Layne Long
City Manager
City of Marina



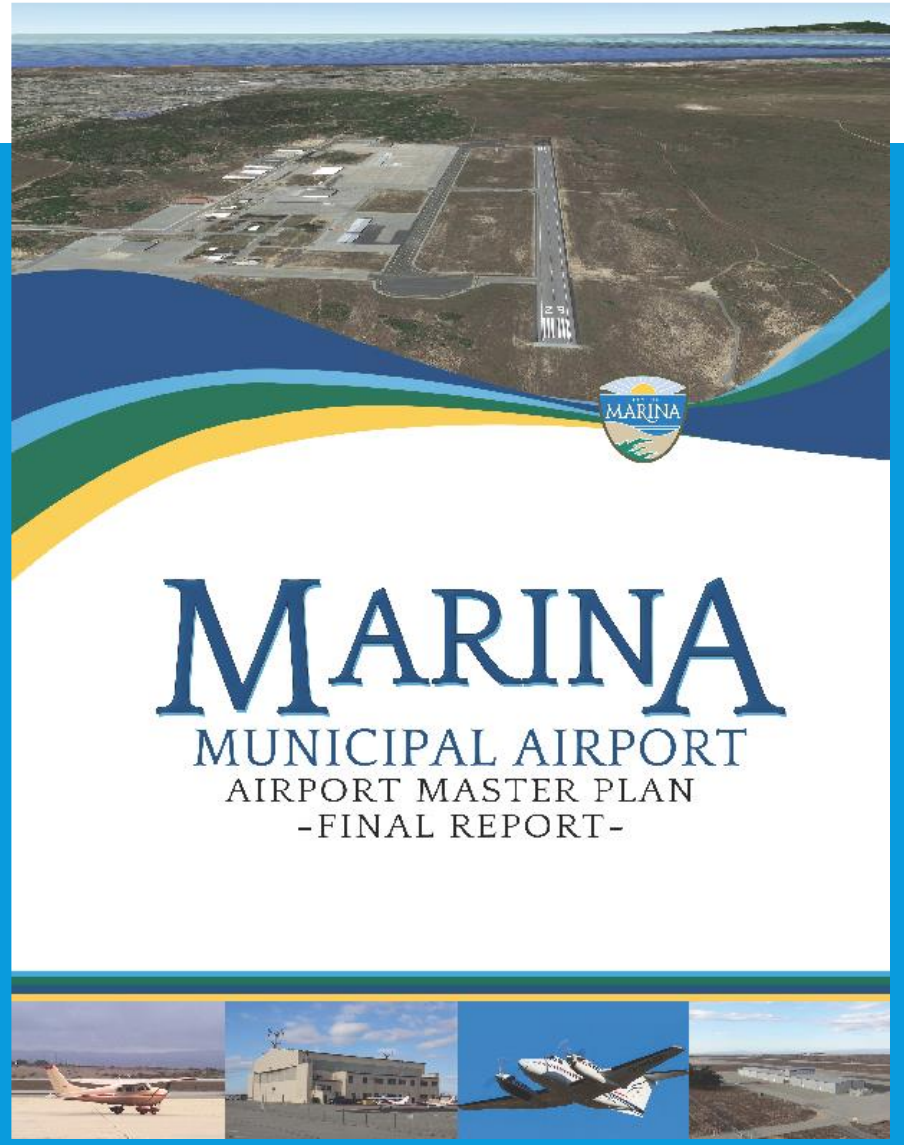
MARINA MUNICIPAL AIRPORT

Vision and efforts to meet current and future aviation demands

May 6, 2022

VISION FOR THE MARINA MUNICIPAL AIRPORT

- Airport Master Plan Adopted May 2018
- Provides guidance for future development to meet existing and future needs
- Project included public review and input
  - 5 PAC meetings, 2 workshops, Council adoption
- Several Landside Alternatives incorporated
- Annual Budget & CIP review and approval



MARINA MUNICIPAL AIRPORT VISION STATEMENT

Mission Statement

The Marina Municipal Airport's mission is to provide a safe, efficient, customer focused airport to serve the Marina community and Monterey Peninsula area.

Vision

The Marina Municipal Airport is committed to supporting the economic, environmental, and recreational needs of the airport and Marina community through safe and secure operations and fiscal self-sustainability. Key strategies of our vision are:

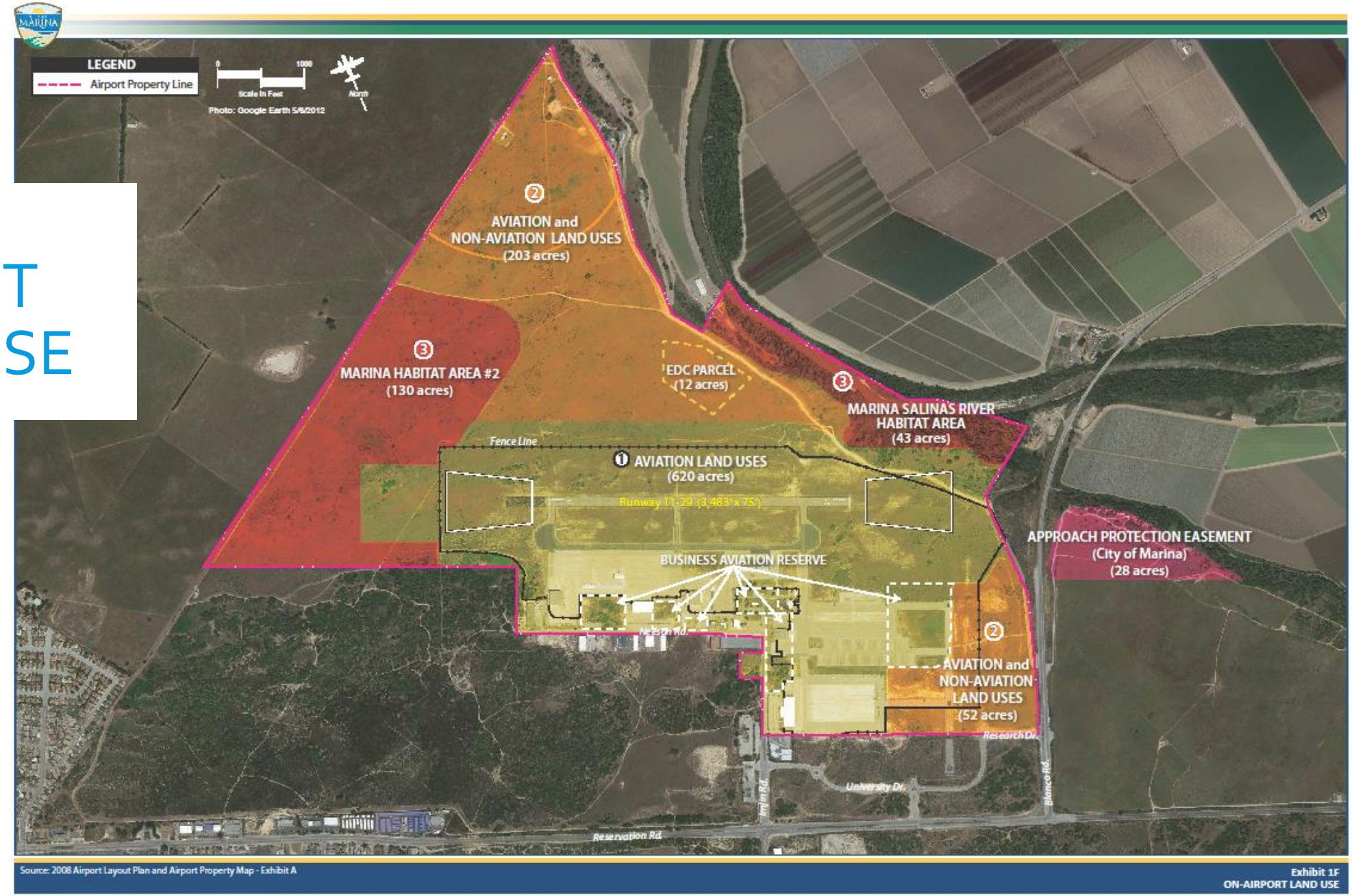
1. Expanding aviation related business by partnering with existing businesses or attracting new businesses.
2. Phasing in the expansion of aviation needs
3. Identifying revenue generating possibilities and partnering with the community for economic development
4. Identifying highest & best use of airport land area
5. Making the airport financially self-sustaining

MARINA MUNICIPAL AIRPORT VISION STATEMENT (CONT.)

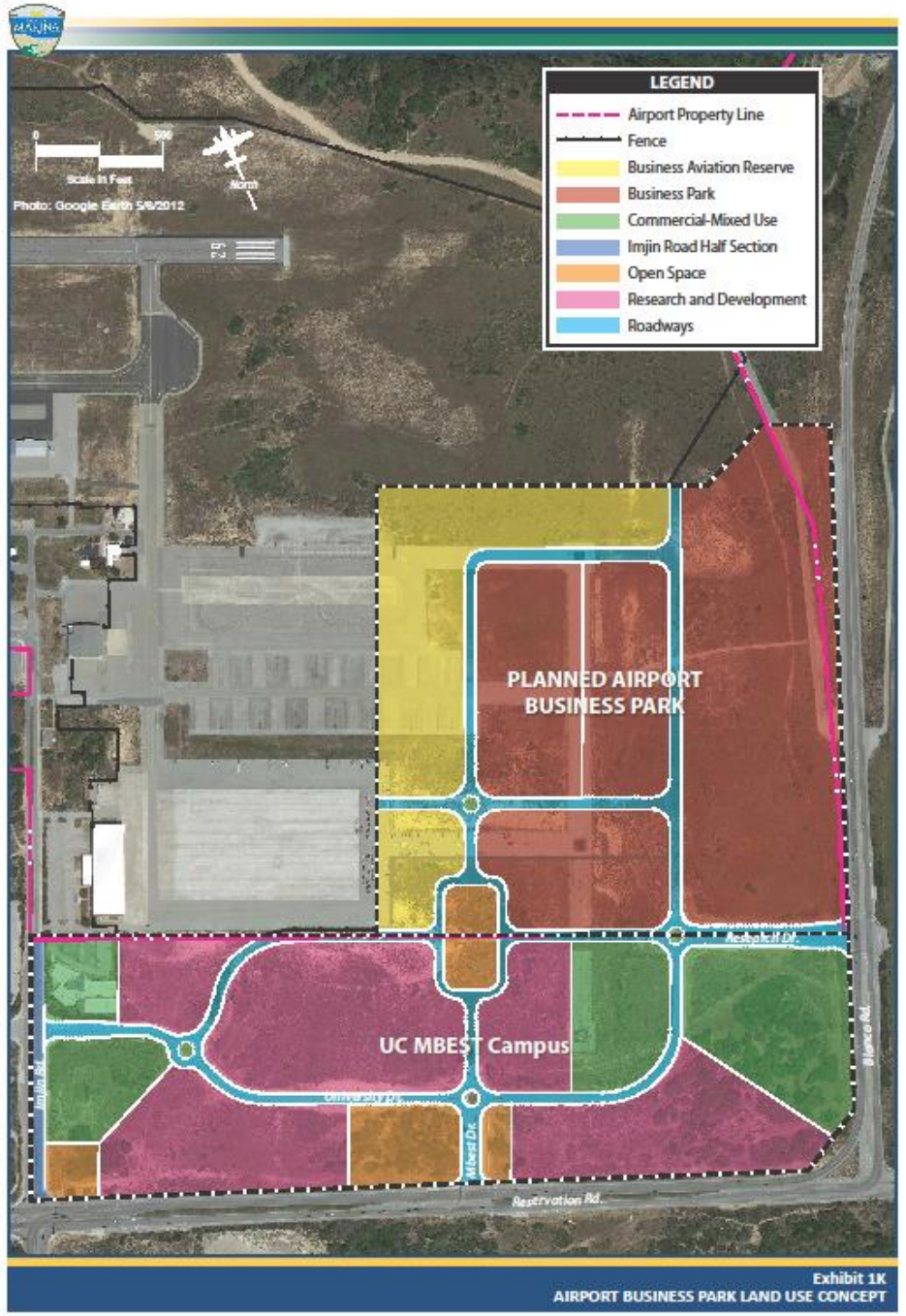
Goals and Objectives

1. Address the needs of the general aviation users
2. Address the general aviation needs of the businesses
3. Maintain and retain current facilities and airport assets including real property, runways, taxiways, ramps, hangers, etc.
4. Provide services and economic value to the City of Marina
5. Be a welcoming gateway for private aircraft access to the Monterey Peninsula
6. Provide a safe environment for all at the airport
7. Enabling the support, acquisition and construction of new airport assets
8. Identifying development projects to fulfill the preferred development plan in the ALP
9. Establish a phasing plan for development projects to meet forecasted needs and review possible funding sources

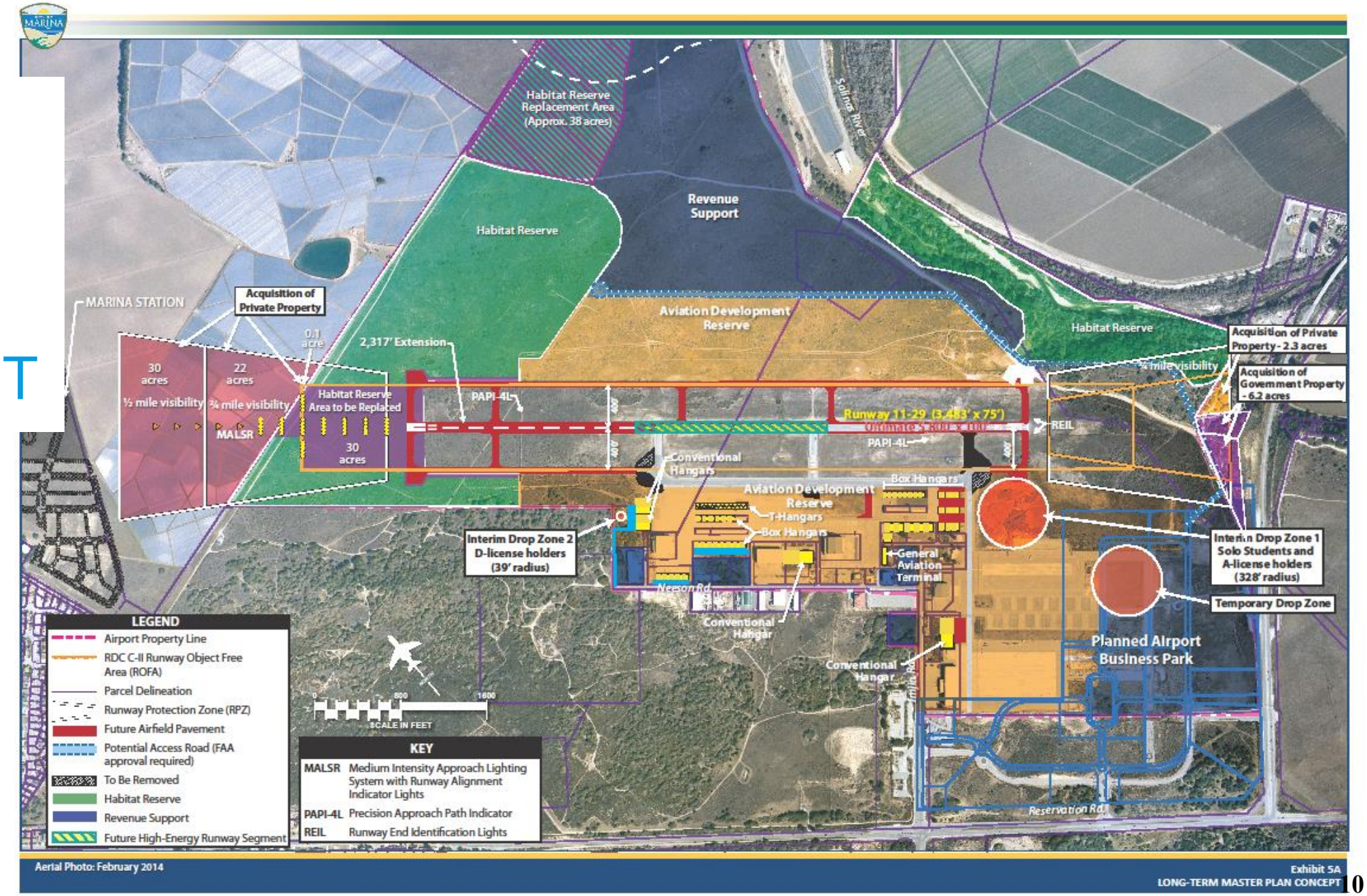
ON-AIRPORT LAND USE



AIRPORT BUSINESS PARK LAND USE CONCEPT



LONG-TERM MASTER PLAN CONCEPT



AIRCRAFT STORAGE AND PARKING INVENTORY

Aviation building space by type	Estimated Total Aircraft Positions	Maintenance/ Office Space (s.f)	Aircraft Storage Space (s.f.)
Total T-Hangar	24	1,000	23,500
Total Box Hangar	20	2,300	27,200
Total Conventional Hangar	43	22,200	125,500*
North Tarmac Tie Down Area	170		388,800

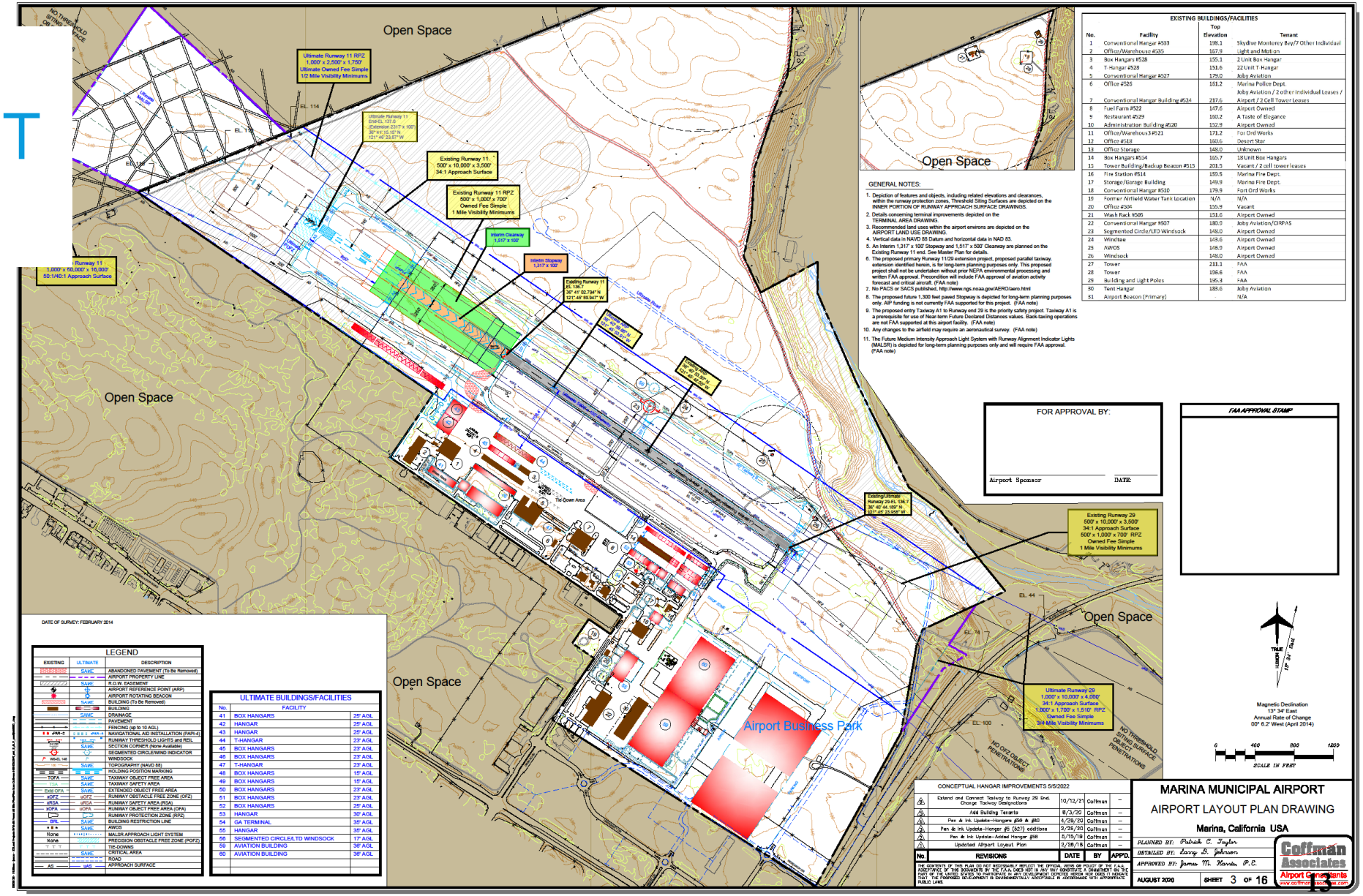
*Actual usage of hangars, especially if there is a single lessee, may result in fewer available aircraft positions.

POTENTIAL AIRCRAFT STORAGE DEMAND

- Airport maintains and interest list for hangar storage
- List is a few years old and needs to be cleaned up for those that have found storage elsewhere.

Potential Interest List Category (has not been verified to see if still interested)	Total Units in Potential Demand
Total T-Hangar Waitlist	16
Total Box Hangar Waitlist	27
Total Unspecified Hanger Waitlist	51

HANGAR DEVELOPMENT PLANNING



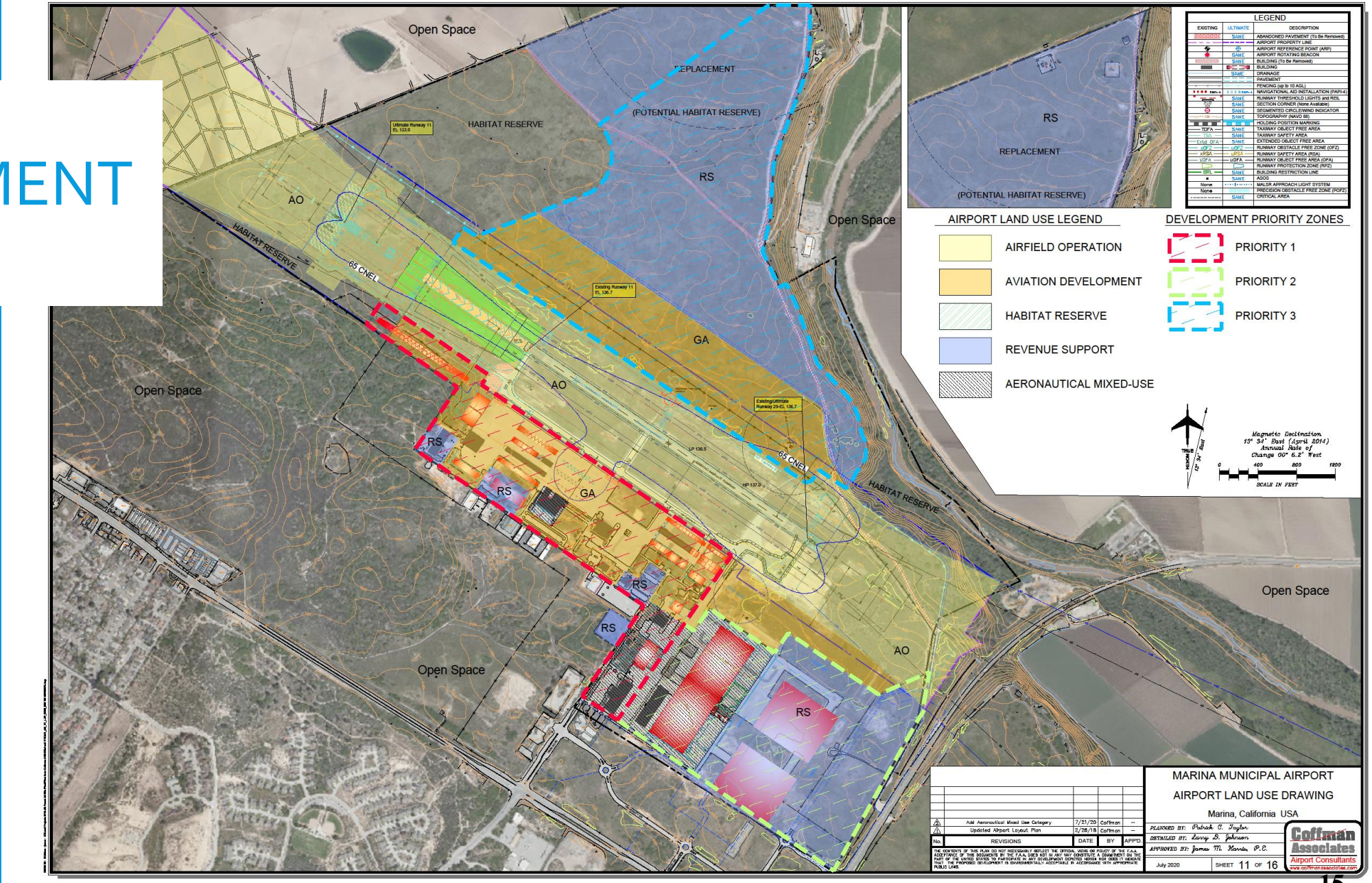
No.	Facility	Top Elevation	Tenant
1	Conventional Hangar #533	186.1	Skydive Monterey Bay/7 Other Individual
2	Office/Warehouse #535	167.9	Light and Motion
3	Box Hangars #528	155.1	2 Unit Box Hangar
4	T-Hangar #528	153.6	22 Unit T Hangar
5	Conventional Hangar #527	179.0	Joby Aviation
6	Office #526	161.2	Marina Police Dept. Joby Aviation / 2 other individual Leases /
7	Conventional Hangar Building #524	217.6	Airport / 2 Cell Tower Leases
8	Fuel Farm #522	167.6	Airport Owned
9	Restaurant #529	160.2	A Taste of Elegance
10	Administration Building #520	152.9	Airport Owned
11	Office/Warehouse #521	171.2	Fort Ord Works
12	Office #518	160.6	Desert Star
13	Office/Storage	148.0	Unknown
14	Box Hangars #514	165.7	18 Unit Box Hangars
15	Tower Building/Backup Beacon #515	201.5	Vacant / 2 cell tower leases
16	Fire Station #514	150.5	Marina Fire Dept.
17	Storage/Garage Building	149.9	Marina Fire Dept.
18	Conventional Hangar #510	179.8	Fort Ord Works
19	Former Airfield Water Tank Location	N/A	N/A
20	Office #504	155.9	Vacant
21	Wash Rack #505	151.6	Airport Owned
22	Conventional Hangar #507	180.0	Joby Aviation/CORPAS
23	Segmented Circle/LED Windsock	148.0	Airport Owned
24	Windsock	143.6	Airport Owned
25	AWOS	146.0	Airport Owned
26	Windsock	148.0	Airport Owned
27	Tower	211.1	FAA
28	Tower	196.6	FAA
29	Building and Light Poles	195.3	FAA
30	Tent Hangar	183.6	Joby Aviation
31	Airport Beacon (Primary)		N/A

No.	FACILITY	
41	BOX HANGARS	25' AGL
42	HANGAR	25' AGL
43	HANGAR	25' AGL
44	T-HANGAR	23' AGL
45	BOX HANGARS	23' AGL
46	BOX HANGARS	23' AGL
47	T-HANGAR	23' AGL
48	BOX HANGARS	15' AGL
49	BOX HANGARS	15' AGL
50	BOX HANGARS	23' AGL
51	BOX HANGARS	23' AGL
52	BOX HANGARS	25' AGL
53	HANGAR	30' AGL
54	GA TERMINAL	35' AGL
55	HANGAR	35' AGL
56	SEGMENTED CIRCLE/LTD WINDSOCK	17' AGL
59	AVIATION BUILDING	36' AGL
60	AVIATION BUILDING	36' AGL

PROPOSED ADDITIONAL SUPPLY

Hangar Project	Total Number of Hangars	Size of Hangars
North Tower Hangar Complex	44	40' x 40' 30' x 30' 50' x 50' 60' x60' 80' x 100' 80' x 80' 160' x 130'
Neesen Road West Hangar Complex	21	60' x 50' 100' x 100' 116' x 120' 50' x 120' 80' x 100'
West Apron Hangar	5	60' x 50'
West End Hangar Complex	48	47'6" x 39' 40' x 40' 160' x 130'
Taxi lane Hangar – Small	1	100' x 100'
Taxi lane Hangar - Large	1	300' x 150'
Total	120	

AIRPORT DEVELOPMENT PHASES



HANGER ADDITION PHASING

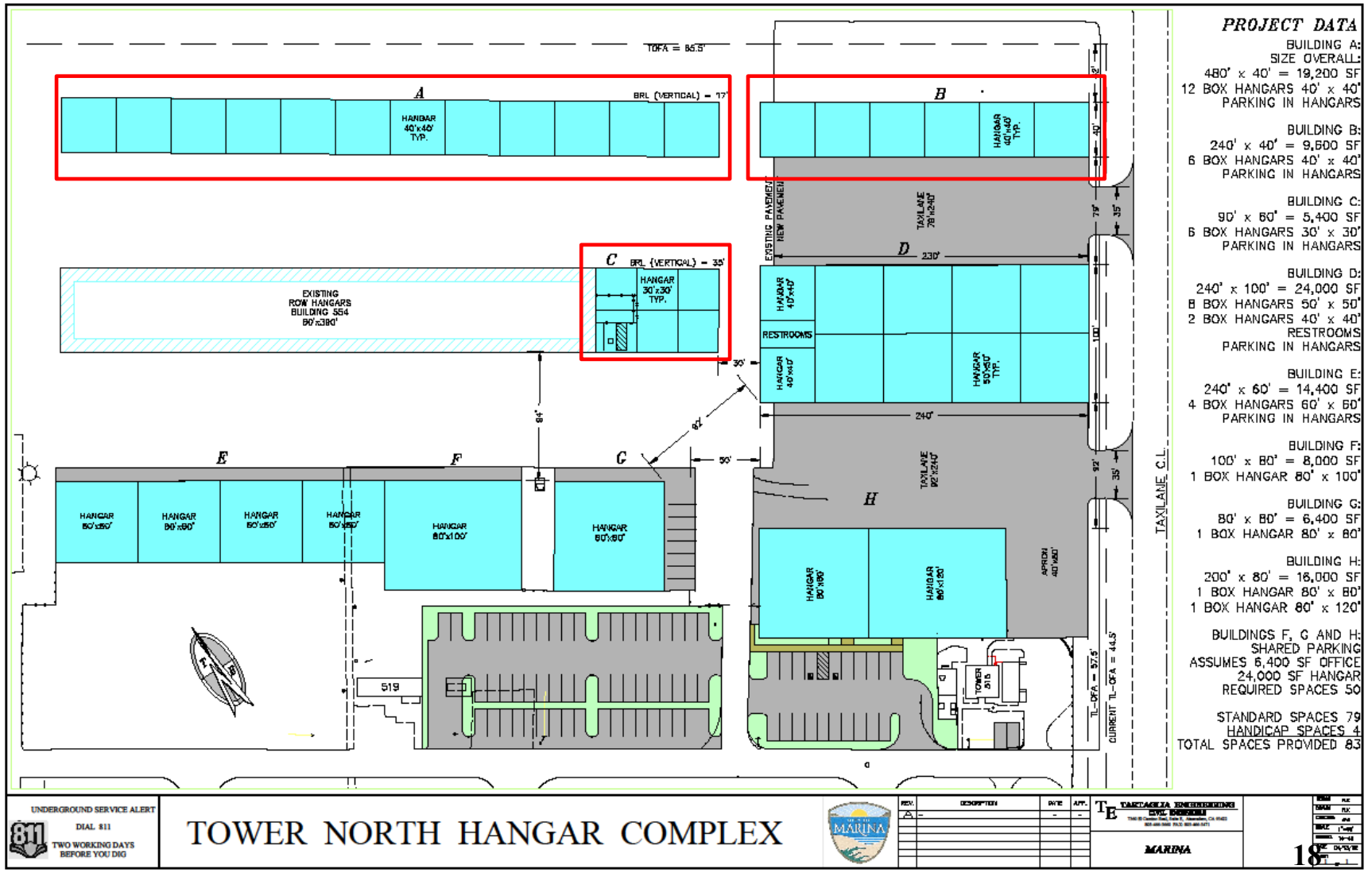
Priority	Phase 1 (Years 1 – 15)	Number of Hangars	Size of Hangars	Percent of Current Potential Demand
1	Tower North Hangar Complex Buildings A, B, C	26	40' x 40' 30' x 30'	28%
2	Tower North Hangar Complex Building D	10	50' x 50'	11%
3	Tower North Hangar Complex Buildings H	2	160' x 130'	2%
4	Tower North Hangar Complex Buildings E	4	60' x60'	4%
5	Neesen Road West Hangar Complex Building A	11	60' x 50'	12%
6	West Apron Hangar	5	60' x 50'	5%
7	Neesen Road West Hangar Complex Building D	4	80' x 100'	4%
8	Neesen Road West Hangar Complex Building B	1	100' x 100'	1%
	Total	63		67%

HANGER ADDITION PHASING

Priority	Phase 2 (Years 15 – 30)	Number of Hangars	Size of Hangars	Percent of Current Potential Demand
	Tower North Hangar Complex Buildings F and G	2	80' x 100' 80' x 80'	2%
	Neesen Road West Hangar Complex Building C	21	116' x 120'	22%
	Taxilane Hangar - Small	1	100' x 100'	1%
	Taxilane Hangar - Large	1	300' x 150'	1%
	West End Hangar Complex Buildings A - F	48	47'6" x 39' 40' x 40' 160' x 130'	51%

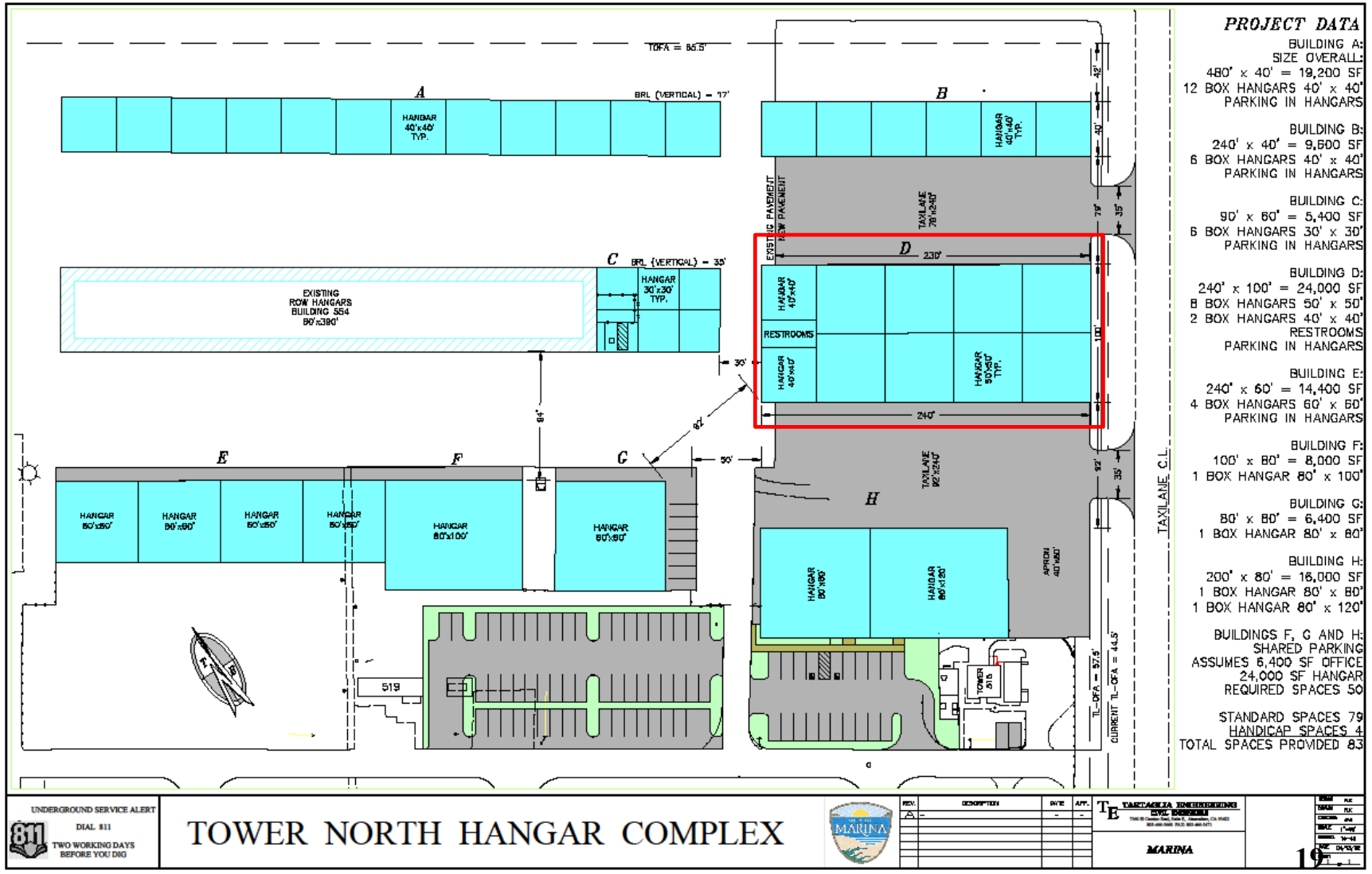
PHASE 1 – PRIORITY 1

	Bldg A	Bldng B	Bldng C	Total
Total Units	12	6	8	26
Unit Size	40' x 40'	40' x 40'	30' x 30'	
Estimated Cost				$6,102,479
Annual Revenue				$153,600



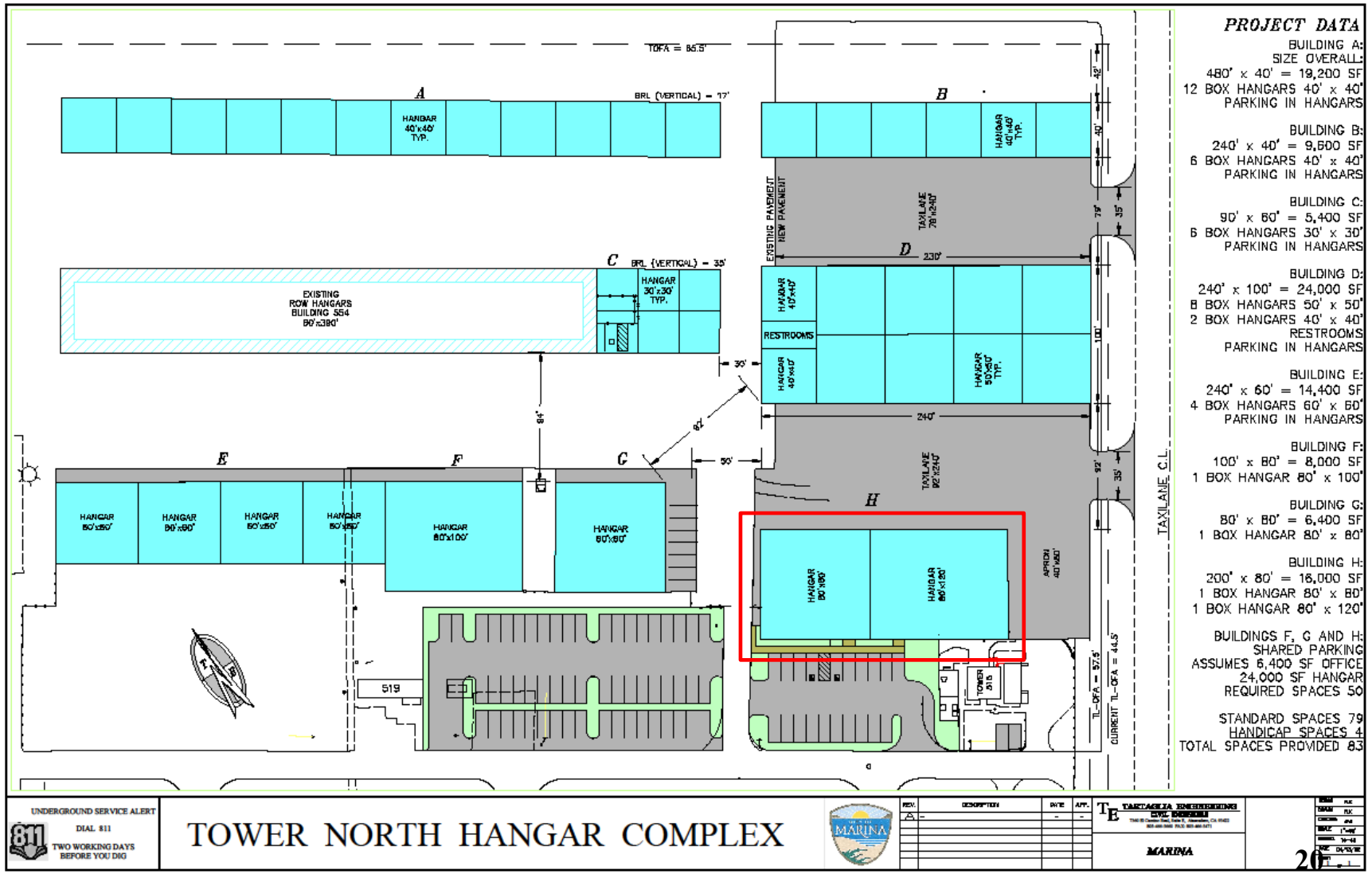
PHASE 1 – PRIORITY 2

	Bldg D	Total
Total Units	10	10
Unit Size	50' x 50'	
Estimated Cost		$4,423,056
Annual Revenue		$72,000



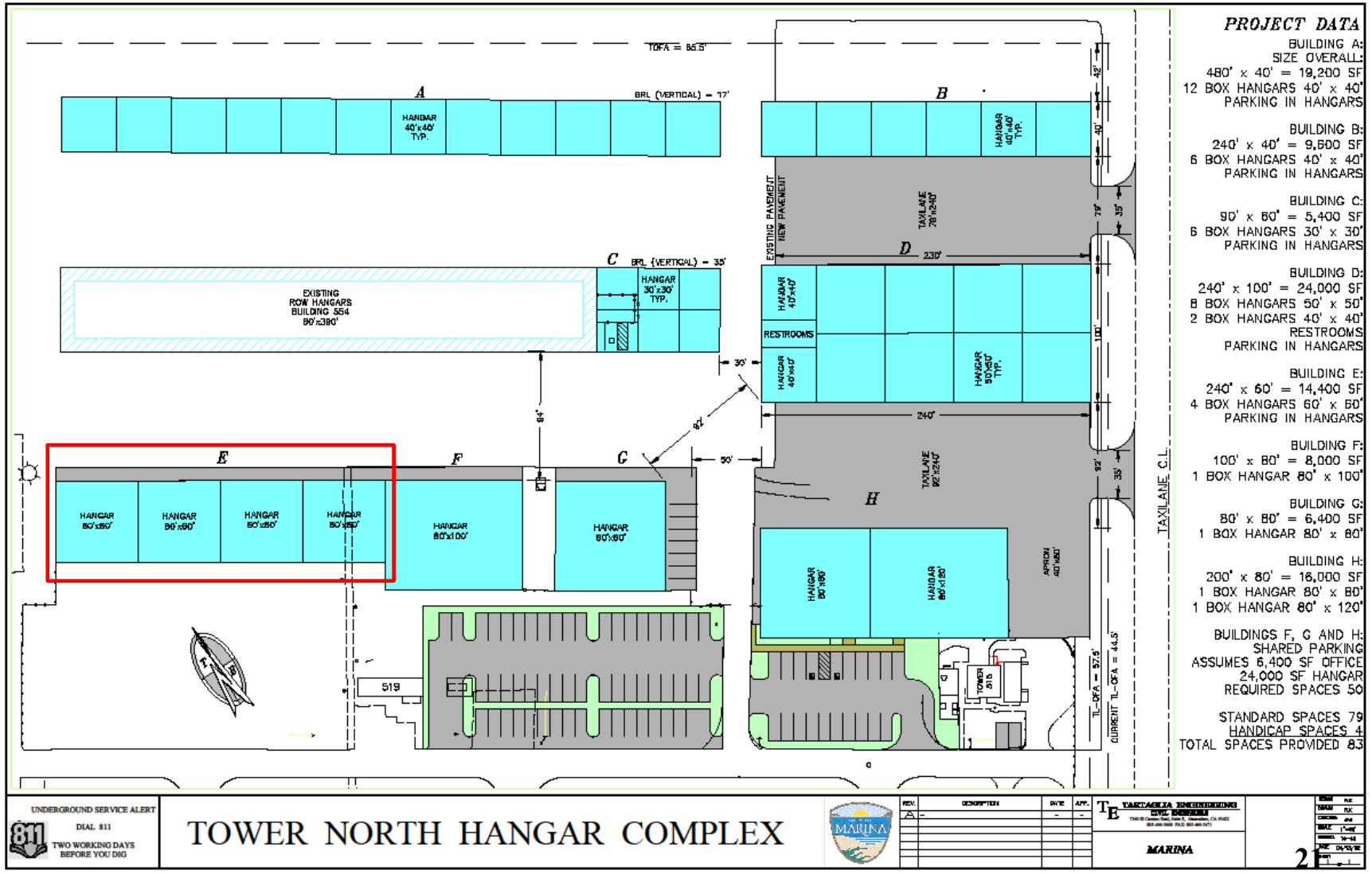
PHASE 1 – PRIORITY 3

	Bldg H	Total
Total Units	2	2
Unit Size	160' x 130'	
Estimated Cost		$6,073,848
Annual Revenue		$53,760



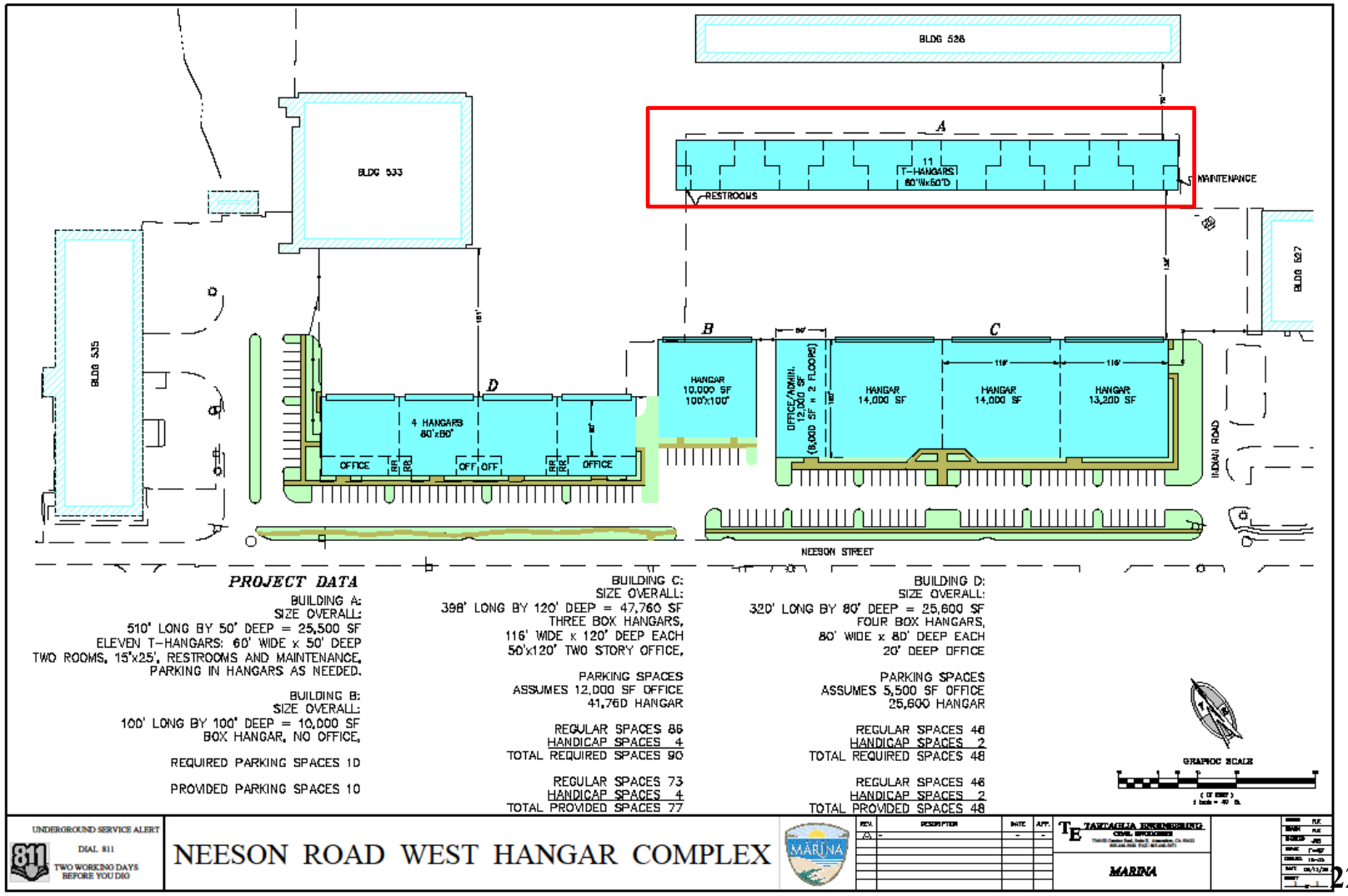
PHASE 1 – PRIORITY 4

	Bldg E	Total
Total Units	4	4
Unit Size	60' x60'	
Estimated Cost		$3,520,968
Annual Revenue		$48,384



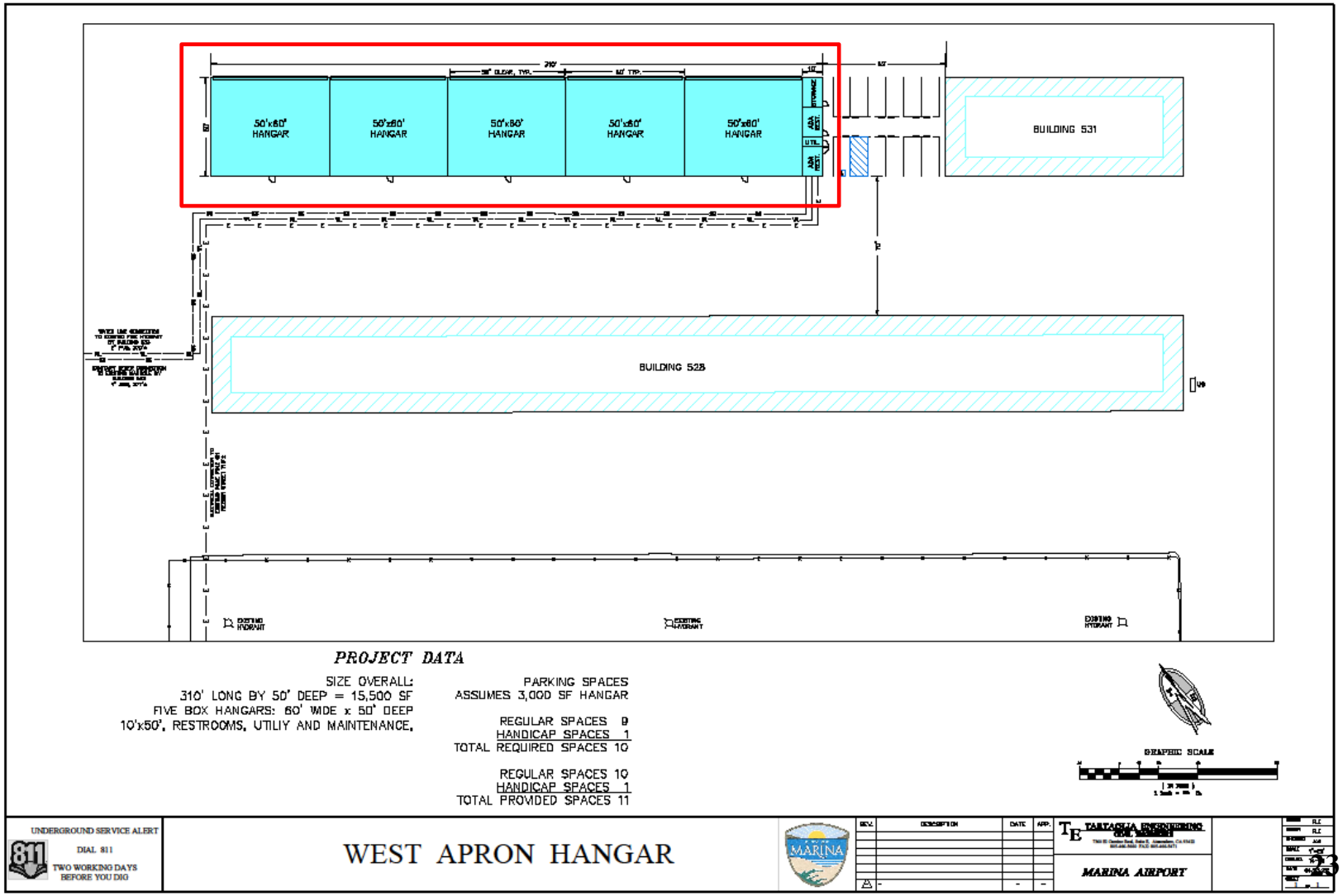
PHASE 1 – PRIORITY 5

	Bldg A	Total
Total Units	11	11
Unit Size	60' x 50'	
Estimated Cost		$5,449,497
Annual Revenue		$79,200



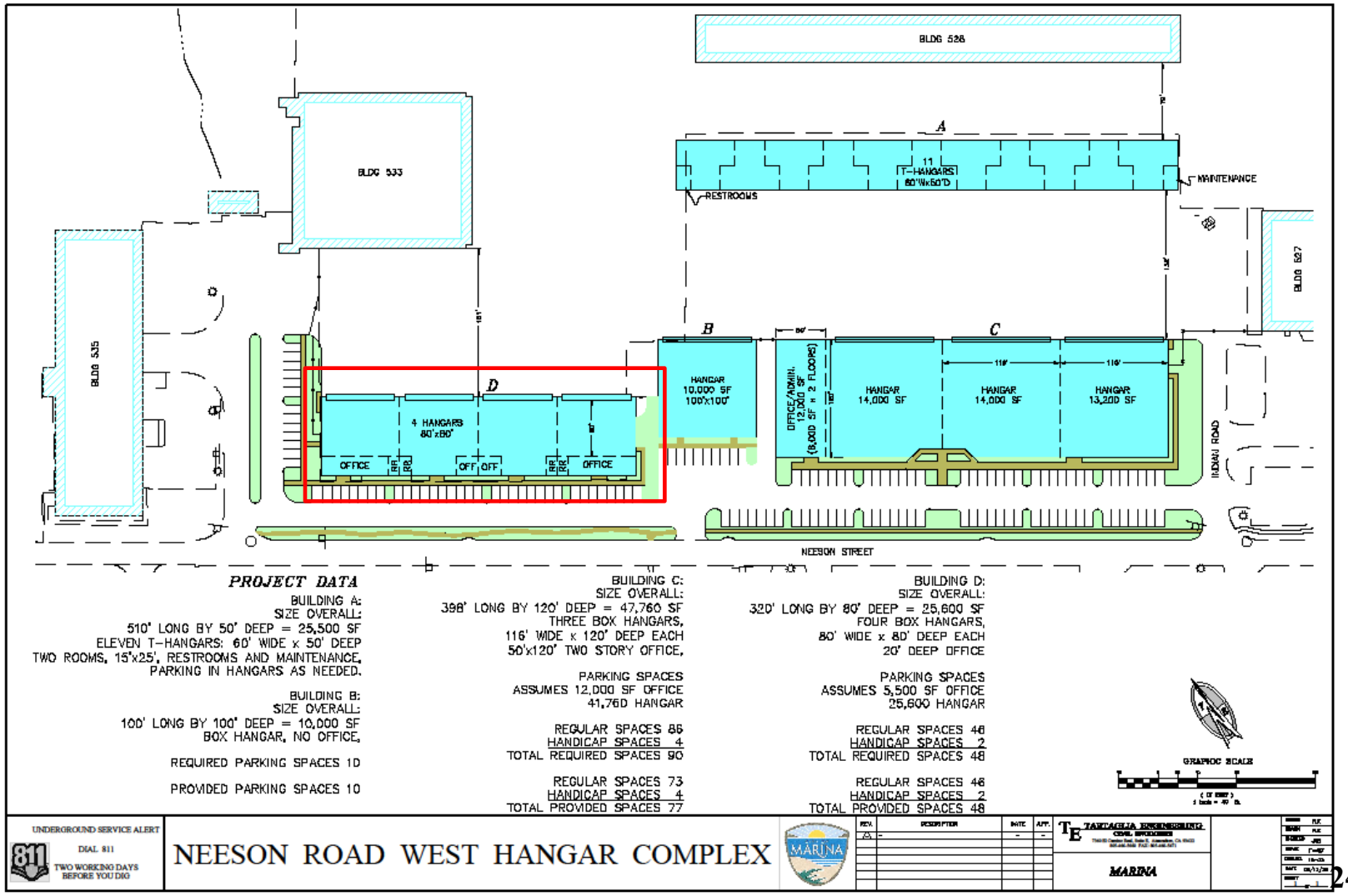
PHASE 1 – PRIORITY 6

	Bldg	Total
Total Units	5	5
Unit Size	60' x 50'	
Estimated Cost		$6,044,465
Annual Revenue		$50,400



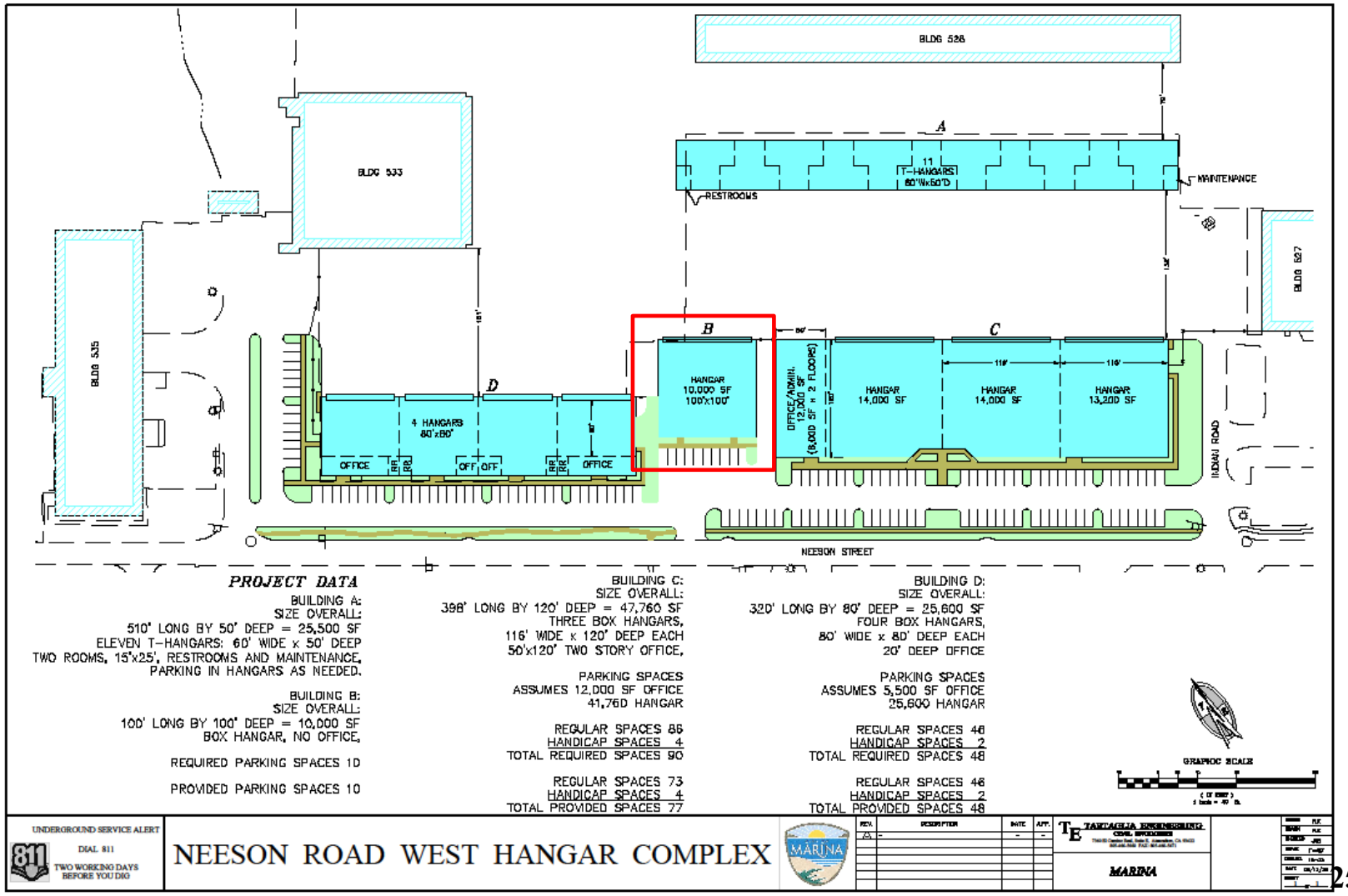
PHASE 1 – PRIORITY 7

	Bldg D	Total
Total Units	4	4
Unit Size	80' x 100'	
Estimated Cost		$7,317,050
Annual Revenue		$86,016



PHASE 1 – PRIORITY 8

	Bldg B	Total
Total Units	1	1
Unit Size	100' x 100'	
Estimated Cost		$3,130,248
Annual Revenue		$33,600

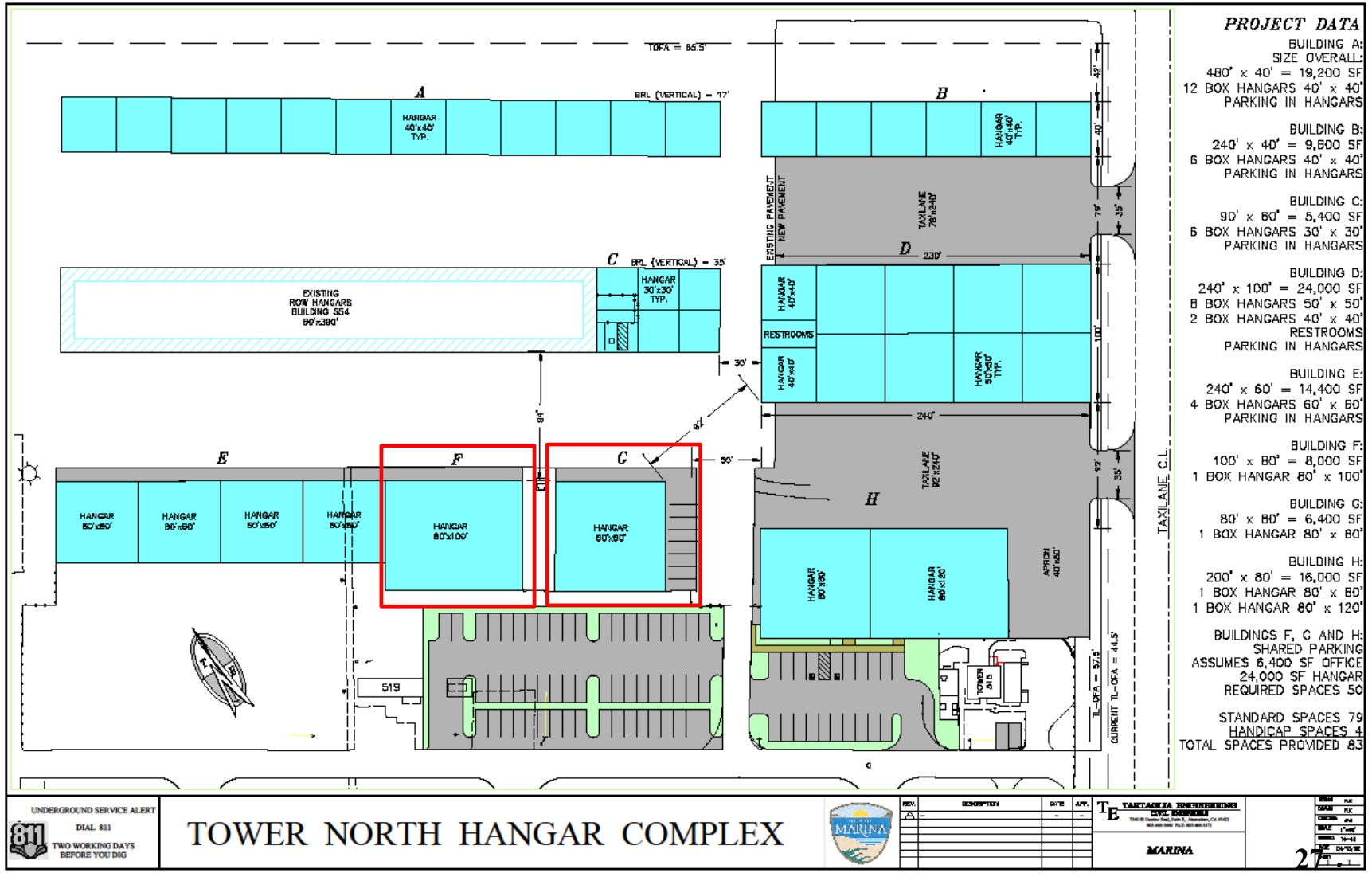


PHASE 1 TOTAL COSTS

Priority	PHASE 1 (YEARS 1-15)				
		Engineer Estimated Cost	Principle with Interest	Cash/Grant	Total Project Cost (D + E)
1	Tower North Hangar Complex Buildings A, B, C	$ 6,102,479	$ 4,583,152	$ 3,850,000	$ 8,433,152
2	Tower North Hangar Complex Buildings D	$ 4,423,056	$ 2,132,495	$ 3,375,000	$ 5,507,495
3	Tower North Hangar Complex Buildings H	$ 6,073,848	$ 1,574,560	$ 5,300,000	$ 6,874,560
4	Tower North Hangar Complex Buildings E	$ 3,520,968	$ 1,263,493	$ 2,900,000	$ 4,163,493
5	Neesen Road West Hangar Complex Building A	$ 6,044,465	$ 2,328,659	$ 4,900,000	$ 7,228,659
6	West Apron Hangar	$ 6,044,465	$ 1,209,566	$ 5,450,000	$ 6,659,566
7	Neesen Road West Hangar Complex Building D	$ 7,317,050	$ 2,578,086	$ 6,050,000	$ 8,628,086
8	Neesen Road West Hangar Complex Building B	$ 3,130,248	$ 773,696	$ 2,750,000	$ 3,523,696
	Total Phase I	**$ 42,656,579**		**$ 34,575,000**	**$ 51,018,707**

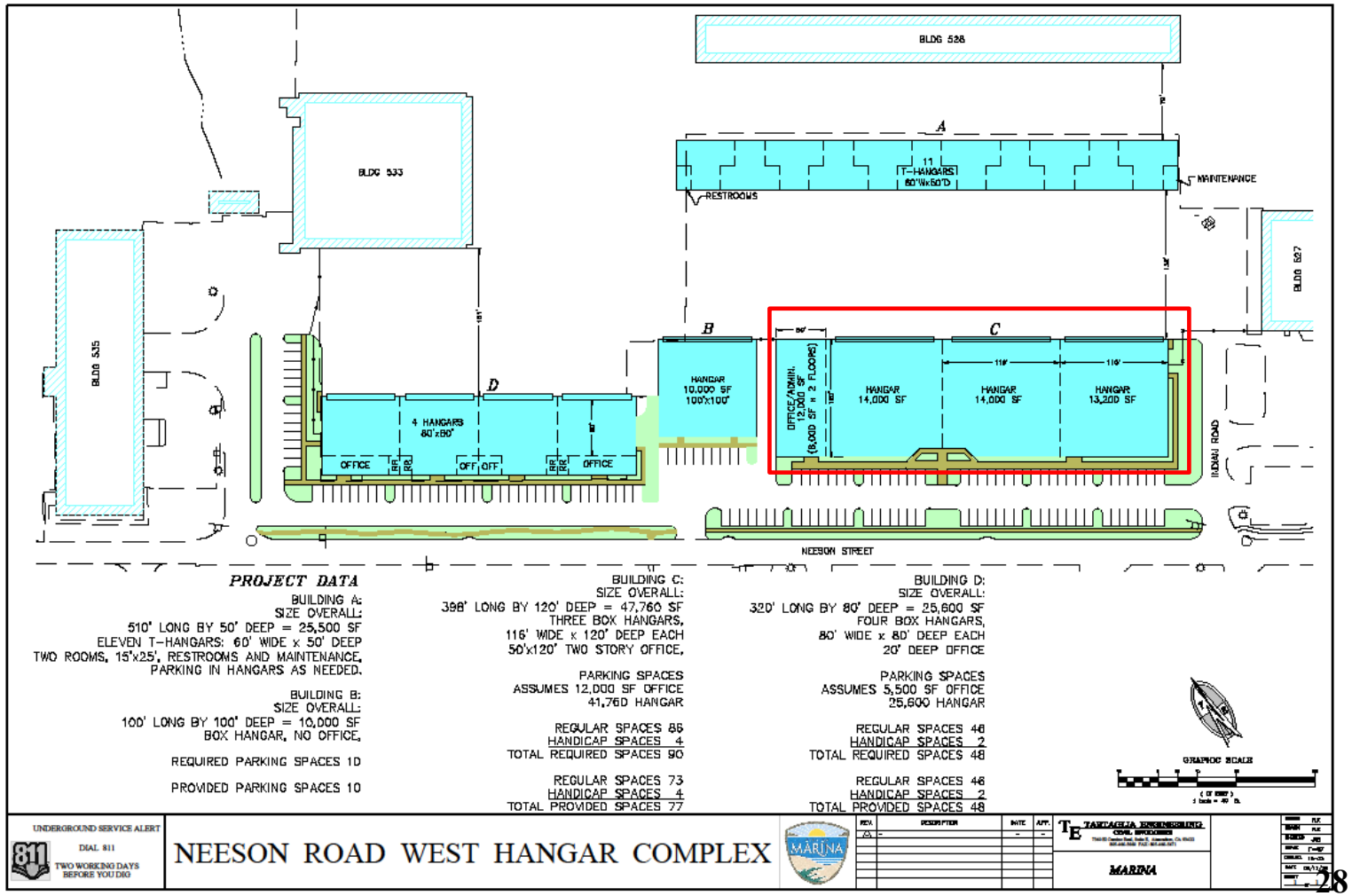
PHASE 2

	Bldg F	Bldg G	Total
Total Units	1	1	2
Unit Size	80' x 100'	80' x 80'	
Estimated Cost			$12,990,641
Annual Revenue			$48,384



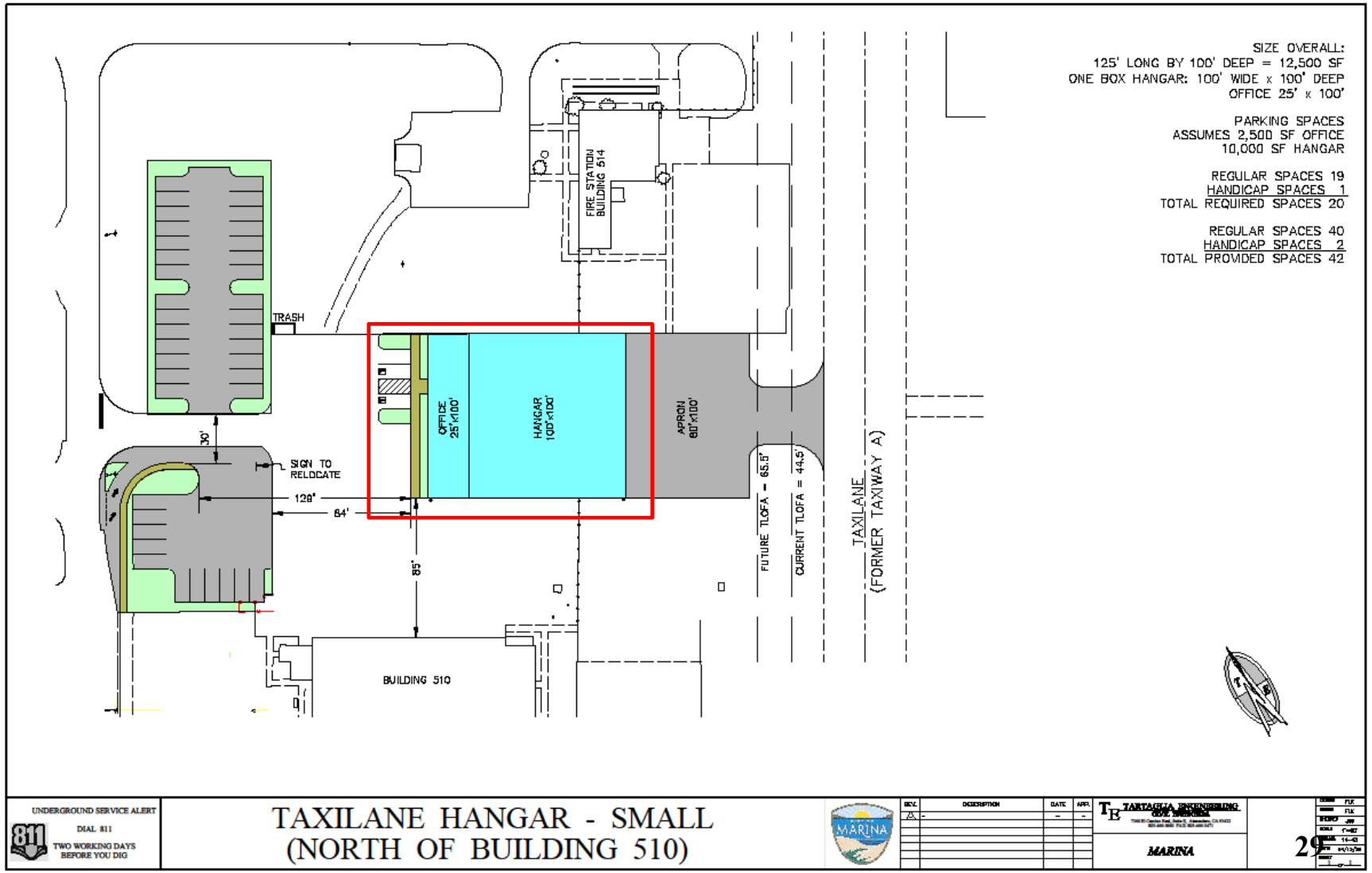
PHASE 2

	Bldng C	Total
Total Units	3	3
Unit Size	116' x 120'	
Estimated Cost		$13,412,274
Annual Revenue		$141,120



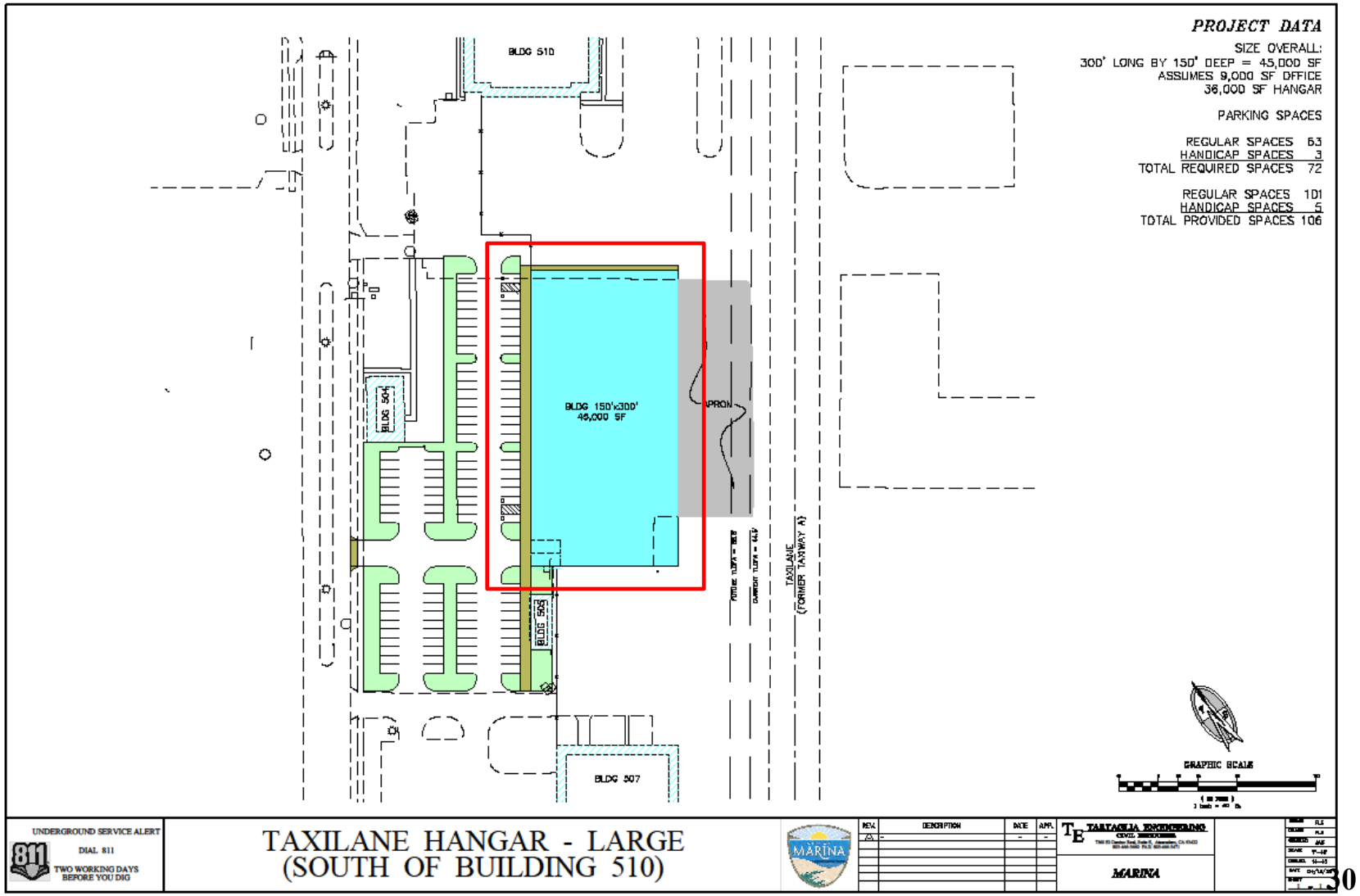
PHASE 2

	Bldg	Total
Total Units	1	1
Unit Size	100' x 100'	
Estimated Cost		$4,230,863
Annual Revenue		$42,000



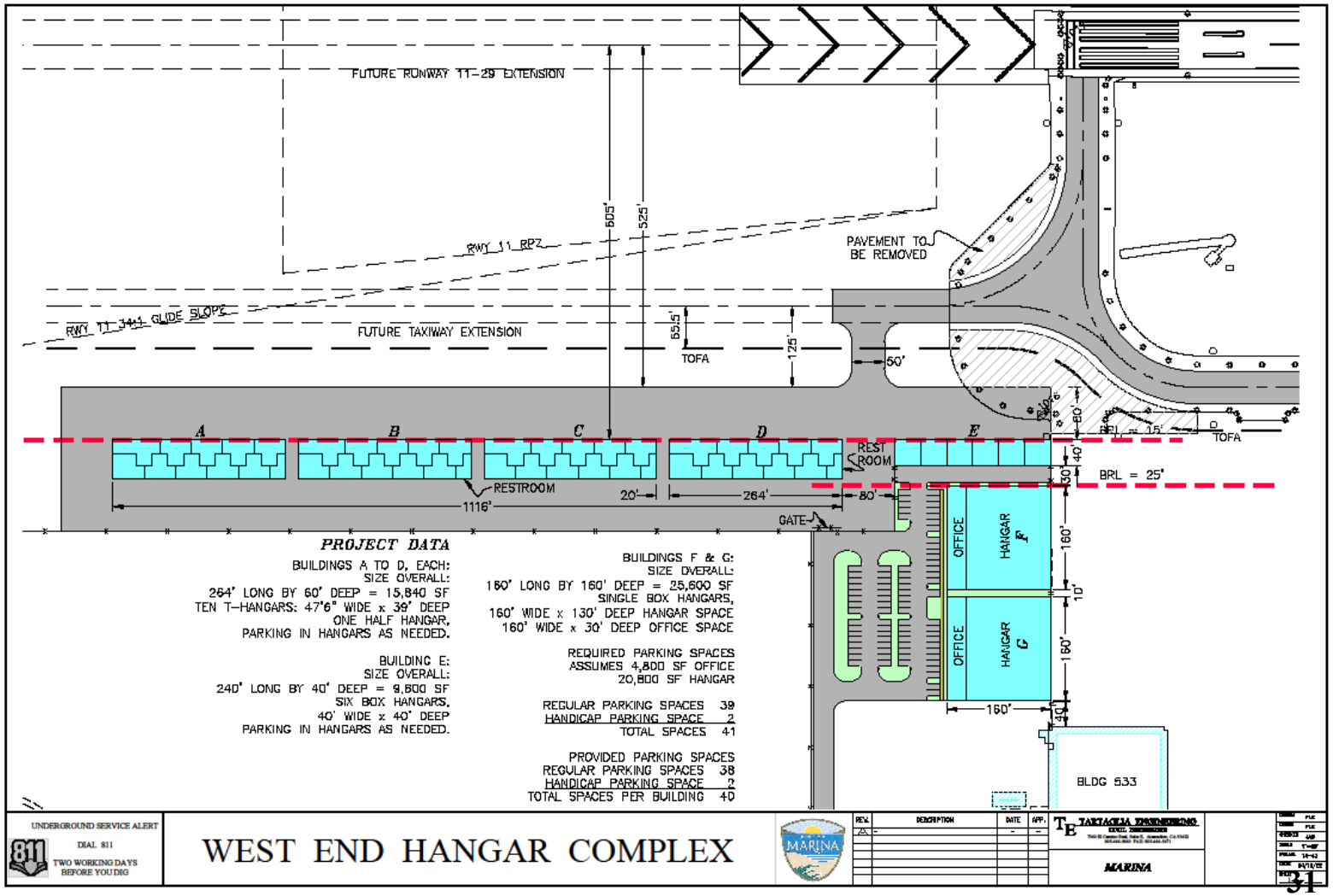
PHASE 2

	Bldg	Total
Total Units	1	1
Unit Size	300' x 150'	
Estimated Cost		$15,654,732
Annual Revenue		$151,200



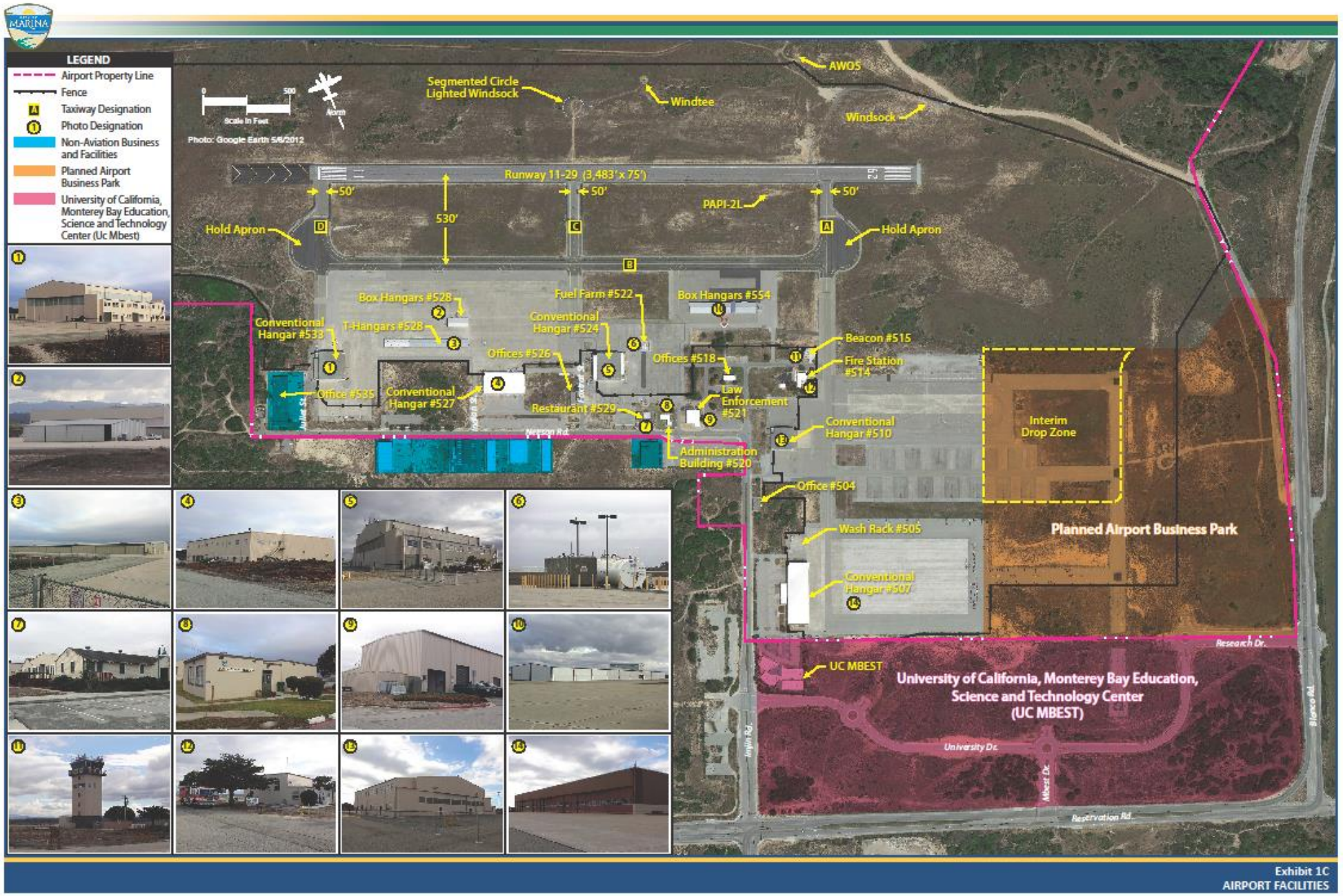
PHASE 2

	Bldg A - D	Bldng E	Bldng F - G	Total
Total Units	40	6	2	48
Unit Size	47'6" x 39'	40' x 40'	160' x 130'	
Estimated Cost				$35,425,870
Annual Revenue				$461,232



PHASE 2 TOTAL COSTS

Priority	PHASE 2 (YEARS 15-30)				
none set yet		Engineer Estimated Cost	Principle with Interest	Cash/Grant	Total Project Cost (D + E)
	Tower North Hangar Complex Buildings F and G	$ 12,990,641	$ 26,432,248	$ -	$ 26,432,248
	Neesen Road West Hangar Complex Building C	$ 13,412,274	$ 27,290,149	$ -	$ 27,290,149
	Taxilane Hangar - Small	$ 4,320,863	$ 8,791,723	$ -	$ 8,791,723
	Taxilane Hangar - Large	$ 15,654,732	$ 31,852,912	$ -	$ 31,852,912
	West End Hangar Complex Buildings A - F	$ 35,425,870	$ 72,081,535	$ -	$ 72,081,535
		$ 81,804,380	**$ 177,545,139**		**$ 166,448,568**


LEGEND
Airport Property Line
Fence
Taxiway Designation
Photo Designation
Non-Aviation Business and Facilities
Planned Airport Business Park
University of California, Monterey Bay Education, Science and Technology Center (Uc Mbest)
Photo: Google Earth 5/6/2012
Segmented Circle Lighted Windsock
Windtee
AWOS
Windsock
Runway 11-29 (3,483' x 75')
50'
530'
PAPI-2L
Hold Apron
Box Hangars #528
Fuel Farm #522
Box Hangars #554
Conventional Hangar #533
T-Hangars #528
Conventional Hangar #524
Beacon #515
Offices #526
Offices #518
Fire Station #514
Office #535
Conventional Hangar #527
Restaurant #529
Law Enforcement #521
Conventional Hangar #510
Interim Drop Zone
Administration Building #520
Office #504
Wash Rack #505
Planned Airport Business Park
Conventional Hangar #507
UC MBEST
University of California, Monterey Bay Education, Science and Technology Center (UC MBEST)
Research Dr.
University Dr.
Reservation Rd.
Blanco Rd.
Exhibit 1C
AIRPORT FACILITIES

