

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



AGENDA

Joint REGULAR Meeting

Wednesday, August 23, 2017 * 6:00 P. M.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California

- City Council meetings are video recorded and archived as a permanent record. The video recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
- Posted Reports & Supplemental Docs contain records up to the cut off time prior to meetings for processing new submittals. Complete records containing meeting handouts, PowerPoints, etc. can be obtained through a [Records Request](#).

PUBLIC MEETING ACCESS

The Regular Meetings of the City Council are scheduled for the 2nd and 4th Wednesdays and are broadcast live on Cox Communications-Channel 19, Time Warner-Channel 24, and AT&T U-verse Channel 99. The video taping of meetings are maintained as a permanent record and contain a detailed account of the proceedings. Council meeting tapings are archived and available for viewing on the City's website.

AGENDA MATERIALS

A full City Council agenda packet including relative supporting documentation is available at City Hall, the Solana Beach Branch Library (157 Stevens Ave.), La Colonia Community Ctr., and online www.cityofsolanabeach.org. Agendas are posted at least 72 hours prior to regular meetings and at least 24 hours prior to special meetings. Writings and documents regarding an agenda of an open session meeting, received after the official posting, and distributed to the Council for consideration, will be made available for public viewing at the same time. In addition, items received at least 1 hour 30 minutes prior to the meeting time will be uploaded online with the courtesy agenda posting. Materials submitted for consideration should be forwarded to the City Clerk's department 858-720-2400. The designated location for viewing public documents is the City Clerk's office at City Hall during normal business hours.

SPEAKERS

Please submit a speaker slip to the City Clerk prior to the meeting, or the announcement of the Section/Item, to provide public comment. Allotted times for speaking are outlined on the speaker's slip for each agenda section: Oral Communications, Consent, Public Hearings and Staff Reports.

AMERICAN DISABILITIES ACT TITLE 2

In compliance with the Americans with Disabilities Act of 1990, persons with a disability may request an agenda in appropriate alternative formats as required by Section 202. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the City Clerk's office (858) 720-2400 at least 72 hours prior to the meeting.

As a courtesy to all meeting attendees, please set cellular phones and pagers to silent mode and engage in conversations outside the Council Chambers.

CITY COUNCILMEMBERS

Mike Nichols, Mayor

Ginger Marshall, Deputy Mayor

David A. Zito, Councilmember

Jewel Edson, Councilmember

Judy Hegenauer, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

SPEAKERS:

Please submit your speaker slip to the City Clerk prior to the meeting or the announcement of the Item. Allotted times for speaking are outlined on the speaker's slip for Oral Communications, Consent, Public Hearings and Staff Reports.

READING OF ORDINANCES AND RESOLUTIONS:

Pursuant to Solana Beach Municipal Code Section 2.04.460, at the time of introduction or adoption of an ordinance or adoption of a resolution, the same shall not be read in full unless after the reading of the title, further reading is requested by a member of the Council. If any Councilmember so requests, the ordinance or resolution shall be read in full. In the absence of such a request, this section shall constitute a waiver by the council of such reading.

CALL TO ORDER AND ROLL CALL:

CLOSED SESSION REPORT: (when applicable)

FLAG SALUTE:

APPROVAL OF AGENDA:

PROCLAMATIONS/CERTIFICATES: *Ceremonial
None at the posting of this agenda*

PRESENTATIONS: *Ceremonial items that do not contain in-depth discussion and no action/direction.
None at the posting of this agenda*

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.11.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of the City Council Meetings held May 10, 2017.

[Item A.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.2. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for June 24 – August 4, 2017.

[Item A.2. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.3. General Fund Adopted Budget for Fiscal Year 2017-2018 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2017-2018 General Fund Adopted Budget.

[Item A.3. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.4. Memorandum of Understanding between the City and the Miscellaneous Employee Group. (File 0530-30)

Recommendation: That the City Council

1. Adopt **Resolution 2017-134** approving a Three-Year Memorandum of Understanding between the City and the SBEA-MISC group for Fiscal Years 2017-18, FY 2018-19, FY 2019-20.

[Item A.4. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.5. Solana Beach Pump Station Design Agreement to Add Ground Water Sampling, NPDES Permitting Assistance and Construction Bid Support. (File 1040-30)

Recommendation: That the City Council

1. Adopt **Resolution 2017-132** approving an amendment to the Solana Beach Pump Station professional services agreement with Dudek for an increase of \$10,000 and an amended total contract amount of \$287,810.

[Item A.5. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.6. Job Description Reclassifications for the Community Services Coordinator Position to Management Assistant and Adopting the Senior Accountant. (File 0510-40)

Recommendation: That the City Council

1. Adopt **Resolution 2017-133** reclassifying the Community Services Coordinator position to a Management Assistant position, amending the Salary Schedule 3 accordingly and adopting the Senior Accountant job description.

[Item A.6. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.7. Risk Management Contract for Worker Compensation Claims Administration with Tri-Star. (File 0180-05)

Recommendation: That the City Council

1. Adopt **Resolution 2017-121** ratifying the Tri-Star contract that was executed by the City on August 1, 2016 through June 30, 2018.

[Item A.7. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.8. Traffic Service Maintenance Agreement to Increase Funding for Additional Services. (File 0860-55)

Recommendation: That the City Council

1. Adopt **Resolution 2017-130** authorizing the City Manager to execute the Professional Services Agreement with Siemens Industry, Inc. for traffic signal maintenance services for FY 2017-18 to increase the compensation by \$80,000 for a contract total amount not to exceed \$105,572.

[Item A.8. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.9. Trash Amendments to the Statewide Water Quality Control Plan. (File 0850-30)

Recommendation: That the City Council

1. Adopt **Resolution 2017-131**:

- a. Directing Staff to select Track 1 for implementation of the Trash Amendments to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) and Part I Trash Provisions of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California (ISWEBE Plan), adopted in April 2015 and approved by California Office of Administrative Law (OAL) and the U.S. Environmental Protection Agency (U.S. EPA) in December 2015 and January 2016, respectively.
- b. Authorizing Staff to submit the required written notice to the San Diego Regional Water Quality Control Board by September 5, 2017.

[Item A.9. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.10. Stevens & Valley Avenues Corridor Improvement Project Additional Funding.
(File 0820-15)

Recommendation: That the City Council

1. **Resolution 2017-005**:

- a. Ratifying the City Manager's decision to approve an increase in Change Order 2 to the construction contract with Dick Miller, Inc. over the contract's approved contingency in the amount of \$48,227 and approving any additional change orders in an amount not to exceed \$20,000 for a total increase in the contract's contingency of \$68,227.
- b. Approving an additional amount of \$68,227 for work required to complete the project.
- c. Authorizing a transfer of \$15,000, in appropriations in the Stevens-Valley Avenues Corridor Improvements Project from the City CIP fund to the TransNet fund.
- d. Authorizing an appropriation of \$58,430 into the Stevens-Valley Avenues Corridor Improvements Project in the TransNet fund.
- e. Authorizing an appropriation of \$9,797, to be reimbursed by San Elijo Joint Powers Authority, into the Reimbursement Agreement Revenue Account and appropriating the same amount into the project budget unit in the City CIP fund.
- f. Authorizing the City Treasurer to amend the Fiscal Year 2017/18 Adopted Budget accordingly.

[Item A.10. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

A.11. Application to the County of San Diego for a Neighborhood Reinvestment Program Grant for the La Colonia Skate Park. (File 0720-30)

Recommendation: That the City Council

1. Adopt **Resolution 2017-015**:
 - a. Confirming that the City of Solana Beach is a public agency under the laws of the State of California.
 - b. Approving the filing of an application, in the amount of \$270,000, with the County of San Diego for Neighborhood Reinvestment Program funding during the County's 2017-2018 fiscal year.
 - c. Authorizing the City Manager to sign a grant agreement with the County of San Diego for Neighborhood Reinvestment Program funds for the 2017-2018 Fiscal Year.

[Item A.11. Report \(click here\)](#)

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NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

C. STAFF REPORTS: (C.1.)

Submit speaker slips to the City Clerk.

C.1. Refunding of Successor Agency Tax Allocation Bonds. (File 0340-45)

Recommendation: That the City Council

1. Adopt **Resolution SA-018** authorizing the issuance and sale of Tax Allocation Refunding Bonds and approving certain other actions in connections therewith.
2. Adopt **Resolution 2017-103** approving the issuance of Tax Allocation Refunding Bonds by the SA.

[Item C.1. Report \(click here\)](#)

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B. PUBLIC HEARINGS: (B.1. – B.3.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designees for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Public Hearing: 316 Glencrest Drive, Applicants: Shai and Rebecca Cherry, Case# 17-16-41. (File 0600-40)

Recommendation: The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP (Development Review Permit) and administratively issue a SDP (Structure Development Permit). Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2017-127** conditionally approving a DRP and an SDP to construct a 282 square-foot, first-floor addition and construct a new 574 square-foot second-floor addition to an existing single-story, single-family residence with an attached, two-car garage and perform associated site improvements at 316 Glencrest Drive, Solana Beach.

[Item B.1. Report \(click here\)](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

B.2. Public Hearing: 425 South Rios Avenue, Applicants: Cori and Adam Daniels, Case# 17-17-05. (File 0600-40)

Recommendation: The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP (Development Review Permit) and administratively issue a SDP (Structure Development Permit). Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2017-128** conditionally approving a DRP and an SDP to demolish an existing single-family residence and construct a replacement split-level, single-family residence with an attached two-car garage and an attached ADU, and perform associated site improvements at 425 South Rios Avenue, Solana Beach.

[Item B.2. Report \(click here\)](#)

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B.3. Public Hearing: 447 S. Sierra Avenue, Applicant: Solana Beach and Tennis Club, Case No: 17-15-13 Time Extension. (File 0610-60)

Recommendation: That the City Council

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. If the Council can make the required findings, adopt **Resolution 2017-129**, approving the request for a Time Extension for approvals and entitlements in Case No. 17-15-13 and setting the expiration date on August 25, 2018.

[Item B.3. Report \(click here\)](#)

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WORKPLAN COMMENTS:

Adopted June 8, 2016

COMPENSATION & REIMBURSEMENT DISCLOSURE:

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS:

Regional Committees: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) – Nichols (Edson, alternate).
- b. County Service Area 17 – Marshall (Nichols, alternate).
- c. Escondido Creek Watershed Authority – Marshall/Staff (no alternate).
- d. League of Ca. Cities' San Diego County Executive Committee – Nichols (Edson, alternate) and any subcommittees.
- e. League of Ca. Cities' Local Legislative Committee – Nichols (Edson, alternate)
- f. League of Ca. Cities' Coastal Cities Issues Group (CCIG) – Nichols (Edson, alternate)
- g. North County Dispatch JPA – Marshall (Edson, alternate).
- h. North County Transit District – Edson (Nichols, alternate)
- i. Regional Solid Waste Association (RSWA) – Nichols (Hegenauer, alternate).
- j. SANDAG – Zito (Primary), Edson (1st alternate), Nichols (2nd alternate) and any subcommittees.
- k. SANDAG Shoreline Preservation Committee – Zito (Hegenauer, alternate).
- l. San Dieguito River Valley JPA – Hegenauer (Nichols, alternate).
- m. San Elijo JPA – Marshall, Zito (City Manager, alternate).
- n. 22nd Agricultural District Association Community Relations Committee – Marshall, Edson.

Standing Committees: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Highway 101 / Cedros Ave. Development Committee – Edson, Nichols.
- c. Fire Dept. Management Governance & Organizational Evaluation – Edson, Hegenauer
- d. I-5 Construction Committee – Zito, Edson.
- e. Parks and Recreation Committee – Nichols, Zito
- f. Public Arts Committee – Marshall, Hegenauer.
- g. School Relations Committee – Nichols, Hegenauer.

ADJOURN:

AFFIDAVIT OF POSTING

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
CITY OF SOLANA BEACH }

I, Angela Ivey, City Clerk of the City of Solana Beach, do hereby certify that this Agenda for the August 23, 2017 Council Meeting was called by City Council, Successor Agency to the Redevelopment Agency, Public Financing Authority, and the Housing Authority of the City of Solana Beach, California, was provided and posted on August 16, 2017 at 4:50 p.m. on the City Bulletin Board at the entrance to the City Council Chambers. Said meeting is held at 6:00 p.m., August 23, 2017, in the Council Chambers, at City Hall, 635 S. Highway 101, Solana Beach, California.

Angela Ivey, City Clerk
City of Solana Beach, CA

UPCOMING CITIZEN CITY COMMISSION AND COMMITTEE MEETINGS:

Regularly Scheduled, or Special Meetings that have been announced, as of this Agenda Posting. Dates, times, locations are all subject to change. See the City's Commission's website or the City's Events Calendar for updates.

- **Budget & Finance Commission**
Thursday, September 21, 2017, 6:30 p.m. (City Hall)
- **Climate Action Commission**
Wednesday, September 20, 2017, 5:30 p.m. (City Hall)
- **Parks & Recreation Commission**
Thursday, September 14, 2017, 4:00 p.m. (Fletcher Cove Community Center)
- **Public Arts Commission**
Tuesday, September 26, 2017, 5:30 p.m. (City Hall)
- **View Assessment Commission**
Tuesday, September 19, 2017, 6:00 p.m. (Council Chambers)

CITY OF SOLANA BEACH

SOLANA BEACH CITY COUNCIL, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY,
PUBLIC FINANCING AUTHORITY, & HOUSING AUTHORITY



MINUTES

Joint REGULAR Meeting
Wednesday, May 10, 2017 * 6:00 P. M.

City Hall / Council Chambers, 635 S. Highway 101, Solana Beach, California AND
Teleconference Location: Holiday Inn Express and Suites, 226 Aurora Avenue Seattle, WA. 98109 (Zito)

- City Council meetings are video recorded and archived as a permanent record. The video recording captures the complete proceedings of the meeting and is available for viewing on the City's website.
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CITY COUNCILMEMBERS

Mike Nichols, Mayor

Ginger Marshall, Deputy Mayor

David A. Zito, Councilmember

Jewel Edson, Councilmember

Judy Hegenauer, Councilmember

Gregory Wade
City Manager

Johanna Canlas
City Attorney

Angela Ivey
City Clerk

CALL TO ORDER AND ROLL CALL:

Mayor Nichols called the meeting to order at 6:09 p.m.

Present: Mike Nichols, Ginger Marshall, David A. Zito, Jewel Edson, Judy Hegenauer

Absent: None

Also Present: Greg Wade, City Manager
Johanna Canlas, City Attorney
Vaida Pavolas, Deputy City Clerk
Mo Sammak, City Engineer/Public Works Dir.
Marie Berkuti, Finance Manager
Bill Chopyk, Community Development Dir.
Danny King, Assistant City Manager

FLAG SALUTE:

APPROVAL OF AGENDA:

Motion: Moved by Deputy Mayor Marshall and second by Councilmember Edson.
Approved 5/0 **Motion carried unanimously.**

PROCLAMATIONS/CERTIFICATES: *Ceremonial*

Bike to Work Month / Day

ORAL COMMUNICATIONS:

This portion of the agenda provides an opportunity for members of the public to address the City Council on items relating to City business and not appearing on today's agenda by submitting a speaker slip (located on the back table) to the City Clerk. Comments relating to items on this evening's agenda are taken at the time the items are heard. Pursuant to the Brown Act, no action shall be taken by the City Council on public comment items. Council may refer items to the City Manager for placement on a future agenda. The maximum time allotted for each presentation is THREE MINUTES (SBMC 2.04.190). Please be aware of the timer light on the Council Dais.

Judi Strang, from San Diego Alliance for Drug Free Youth, stated that they were concerned about the Cannabis Festival at the Del Mar Fairgrounds, that the Proposition 64 did not allow marijuana smoking in public places and that Del Mar Fairgrounds was a public place, and submitted a draft regulations for cannabis manufacturing handout (on file). She further stated that the Fairgrounds should wait until these cannabis regulations were in place before having this Festival.

COUNCIL COMMUNITY ANNOUNCEMENTS / COMMENTARY:

An opportunity for City Council to make brief announcements or report on their activities. These items are not agendized for official City business with no action or substantive discussion.

A. CONSENT CALENDAR: (Action Items) (A.1. - A.6.)

Items listed on the Consent Calendar are to be acted in a single action of the City Council unless pulled for discussion. Any member of the public may address the City Council on an item of concern by submitting to the City Clerk a speaker slip (located on the back table) before the Consent Calendar is addressed. Those items removed from the Consent Calendar by a member of the Council will be trailed to the end of the agenda, while Consent Calendar items removed by the public will be discussed immediately after approval of the Consent Calendar.

A.1. Minutes of the City Council.

Recommendation: That the City Council

1. Approve the Minutes of the City Council Meetings held April 12, 2017.

Item A.1. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office

Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall.
Approved 5/0 **Motion carried unanimously.**

A.2. Register Of Demands. (File 0300-30)

Recommendation: That the City Council

1. Ratify the list of demands for April 8, 2017 through April 21, 2017.

Item A.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office

Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall.
Approved 5/0 **Motion carried unanimously.**

A.3. General Fund Adopted Budget for Fiscal Year 2016-2017 Changes. (File 0330-30)

Recommendation: That the City Council

1. Receive the report listing changes made to the Fiscal Year 2016-2017 General Fund Adopted Budget.

Item A.3. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall. Approved 5/0 **Motion carried unanimously.**

A.4. Commercial Solid Waste Rate Review – Proposition 218 Public Noticing and Majority Protest Voting Procedures. (File 1030-15)

Recommendation: That the City Council

1. Approve **Resolution 2017-070** authorizing the City to proceed with the proper Proposition 218 noticing and majority protest voting procedures and setting the commercial Solid Waste Rate Review Public Hearing protest vote for June 28, 2017.

Item A.4. Report (click here)

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Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall. Approved 5/0 **Motion carried unanimously.**

A.5. Building Department Services with EsGil/SAFEbuilt Corporation. (File 0800-20)

Recommendation: That the City Council

1. Adopt **Resolution 2017-066** authorizing the City Manager to execute a professional services agreement with EsGil/SAFEbuilt Corporation for City Building Services for the period July 1, 2017 to June 30, 2019, and authorize the City Manager to extend the agreement annually up to two years, based on previous performance.

Item A.5. Report (click here)

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Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall. Approved 5/0 **Motion carried unanimously.**

A.6. National Urban Search & Rescue MOA. (File 0260-30)

Recommendation: That the City Council

1. Adopt **Resolution 2017-068** authorizing the City Manager to execute a Memorandum of Agreement and any amendments with the City of San Diego, as the sponsoring agency, regarding participation in the National Urban Search and Rescue Response System with the U.S. Department of Homeland Security

acting through the Federal Emergency Management Agency and the State of California.

Item A.6. Report (click here)

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Motion: Moved by Councilmember Edson and second by Deputy Mayor Marshall. Approved 5/0 **Motion carried unanimously.**

NOTE: The City Council shall not begin a new agenda item after 10:30 p.m. unless approved by a unanimous vote of all members present. (SBMC 2.04.070)

B. PUBLIC HEARINGS: (B.1. – B.3.)

This portion of the agenda provides citizens an opportunity to express their views on a specific issue as required by law after proper noticing by submitting a speaker slip (located on the back table) to the City Clerk. After considering all of the evidence, including written materials and oral testimony, the City Council must make a decision supported by findings and the findings must be supported by substantial evidence in the record. An applicant or designees for a private development/business project, for which the public hearing is being held, is allotted a total of fifteen minutes to speak, as per SBMC 2.04.210. A portion of the fifteen minutes may be saved to respond to those who speak in opposition. All other speakers have three minutes each. Please be aware of the timer light on the Council Dais.

B.1. Public Hearing: 216 Ocean St., Applicants: Jackel, Case: 17-16-10. (File 0600-40)
posted 4-20-17

Recommendation: The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a SDP (Structure Development Permit) and a DRP (Development Review Permit).

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2017-062** conditionally approving a SDP and a DRP to demolish an existing single family residence, construct a new two-story, single-family residence with a subterranean basement and an attached two-car garage, and perform associated site improvements at 216 Ocean Street, Solana Beach.

Item B.1. Report (click here)

B.1. Updated Report #1

B.1. Updated Report #2

B.1. Supplemental Documents

B.1. Supplemental Documents updated 5-8-17 - R

B.1. Supplemental Documents updated 5-10-17 at 430pm - R

Greg Wade, City Manager, introduced the item.

Mayor Nichols noted allowed times for speakers.

Corey Andrews, Principal Planner, presented a PowerPoint (on file).

Councilmember Hegenauer and Corey reviewed an aerial photo of the neighboring properties' setbacks and the property lines for the proposed home.

Johanna Canlas, City Attorney, clarified that this was not an appeal, that the project required a DRP in addition to a SDP, that the View Assessment Commission's (VAC) decision was not final, that the Council was to consider the VAC's recommendation and they could overrule it, and that the findings from the Municipal Code Section and VAC toolkit were included in the agenda packet.

Council and Staff discussed that the second floor was approximately 17 ft. from the setback line in relation to the first floor set back, that the lowest point of the existing grade was at 83.15 ft. above the mean sea level, that the proposed grade adjacent to the residence was at 84.11 ft. which was approximately one foot higher than the lowest point of existing grade, that the highest point was measured to the existing grade so the maximum height limit was 22.90 ft. above the existing grade, and that the proposed grade would be 22.42 ft. as clarified in the blue folder item. Councilmember Edson and Corey further reviewed a site plan slide to review where the proposed structure was outside of the existing footprint, stated that the proposed structure would occupy 100% of the widest point of the first floor, 31% at the most narrow point, and 70% of the second story buildable area. Councilmember Edson and Corey reviewed the roof eaves along the southern, northern and eastern sides of the first and the second floors, discussed that the VAC received a small version of the preliminary landscape plan, identified as L-1 sheet, in the February VAC meeting and a large version at the March meeting, and that the proposed stairway in the public right-of-way would require a hand rail on at least one side but it was not yet identified by the applicant.

Council and Staff discussed that there was no railing at this time, that it pre-dated the current building code requirements, and that light wells were allowed to encroach into the required setback and they were required to be covered with a grate.

Council and Staff discussed Staff's interpretation of the recommendation for the roof portion that extended beyond the deck to the south, that the applicant requested to bring the ceiling height up to the original location, and that a walkable grate would need to be reviewed by the fire department.

Mayor Nichols opened the public hearing.

Council disclosures.

Applicants (Steve Dalton, Marco Gonzalez)

Audrey & Larry Jackel stated that they wanted to build the home prior to their children leaving for college, that it was their first time building a home, they understood the charm of Solana Beach and wanted to maintain it. They stated that a developer previously planned an obtrusive structure that would have blocked the neighbors' view, the Striblings, that they listened to VAC (View Assessment Commission) meetings from August 2014 and hoped to be heroes to the neighbors by designing a house that would respond to the VAC members and didn't think they were going to have fights because they were not going to block anyone. He said that view claimants believed that no one had a right to build something that would block any part of their views and they would fight to make sure of this, that it appeared that their view claims had changed based on the building location, that some neighbors did not care about the long term relationships with their new neighbors, and that they had no incentive to compromise. He said that the neighbors had an unbreakable reliance that pushed back on their plans to remodel this home, that all angles were used to make impossible to build a house with any meaningful views, that it was clear that the claimants goal was to make them move out of the neighborhood, which they had already done to two other people who owned their house before him. He stated that he tried to have conversations with the neighbors to find solutions but that they wanted the VAC to decide, that two of the neighbors didn't allow them to enter their homes to confirm their claims, that now the VAC had downsized their house, lowered the heights, removed the roof deck, decreased the second floor bedroom deck for the project to be approved by the VAC, and that it was hard to hear that VAC's decision was not the last. He asked Council to approve the project with conditions recommended by VAC, and to consider how VAC's process could be improved so nobody else had to go through what he had gone through.

Steve Dalton, the architect, reviewed modifications made (PowerPoint on file).

Council questioned and Applicant clarified where the master bathroom corner was located, that there was no view obstruction to the neighbors because it was in line with the house to the west, that the 80 cubic yards of fill would be used to create a patio, they would be exporting more dirt than importing, the finished floor of the proposed house was about the same finish floor of the existing house, that they were aware of the VAC's comments regarding the previous proposal, and that the proposed railing would not cause a view obstruction. Discussion continued confirming that the applicant removed a roof top deck, lowered the ceiling height by 1 foot, shrank back the deck by 13 ft., and removed an overhead trellis.

Corey Andrews, Principal Planner, noted that Jorge Valdes, a VAC claimant, submitted a PowerPoint (submitted via Supplemental materials, on file) but was not able to attend the meeting.

Lorraine Pillus, VAC claimant, presented a PowerPoint (on file).

Council and Ms. Pillus discussed that her primary view was the 180 degree view to the west and that she had previously filed two claims against the neighbors to the west.

Michelle Stribling and Frank Stribling presented a PowerPoint (on file) and submitted a handout (on file), and stated that they had high hopes that Mr. Jackel would build a home and preserve their views, that Steve Dalton and his team went on their roof deck to evaluate their views, took pictures and estimates and promised not to block their ocean views, and that they worked ever since to make sure that their views would not be blocked. They stated that following the first VAC meeting February 2017, the applicant partially reduced the roof height but that the second floor deck still blocked their ocean view, the applicant already had a beautiful view from their existing first floor and didn't need to better the applicant's view to impose on their view, that some of the best views were where the closet and the bathroom were located, and that the proposed project was not compatible with the neighborhood. They said that the proposed landscape plan violated the required DRP findings and requested to reduce the size of the proposed second floor deck by 7 ft., to eliminate the southerly second floor roof overhang, to allow the second floor building envelope to be moved to the north by up to 10 ft., to not change the height of the roof above one story part of house, to add conditional approval to prohibit conversion of the roof to be used as a deck, and to eliminate view-killing vegetation. She confirmed that they installed their second floor deck prior to the Jackels purchasing their property.

Public Speakers

Chrisse Sahadi stated she bought her house in 2006 and decided to remodel in 2011 and were able to work with the neighbors to maintain their views to keep the relationship with the neighbors, that she supported the Jackels project, that what they were going through was sad for them and everyone else, that she had a hard time understanding why this process was so outrageous for them. She said that she felt grateful to move to Solana beach, felt a sense of community and believed there should be common courtesy where everyone should be able to build the house they want as long as they do it with respect of others, and that she thought the Jackels had presented a fair proposal and hoped that the Council would vote to approve their plan.

Greg Zimmer said he was a 25 year resident and supported the Jackels plan, that he was embarrassed about the process that they were put through, they had compromised, and that it seemed that the only way to satisfy the claimants was if nothing was done.

Pia Jensen said she supported the Jackel's proposal, that she purchased her home 25 years ago and loved the great relationship with their neighbors, that it was sad to witness the neighbors pitted against one another, the Jackel's changed their plans, that she had heard about neighbors that had done everything to thwart the plans of neighbors, this is a terrible precedent that needs to be changed.

Walt Edwards said he was a property owner for 21 years, that he believed the right to maintain views should not outweigh the right to gain a view, the VAC process should be impartial, deliberate with balance, and delivered with justice. He asked why there was no consideration for the view that the Jackels would gain, why were their property rights less valued in this case, and requested that Council approve the plans as submitted and restore principals of justice to the process.

Jeff Knutzen said he lived 2 homes west of the Jackel family, that this was setting a new trend on whether or not the City Council would support the VAC decision, that he had gone through the VAC process three times when building his home in the past and that he was familiar with the process. He said that it was pointless to have VAC if you disregard their decision and take it to a higher level, that the Jackels had made many compromises to shift their structure for their neighbor's benefit, the views needed to be shared, that we don't want to discourage any future home remodeling, that this process was time consuming, and that he hoped that the City Council would back the VAC and stop the fighting among neighbors.

Bill Kempner said he lived on West Circle Dr. and presented a PowerPoint (on file). He said that he was considerate of the process of VAC, particularly to the point of primary view, and that VAC guideline for a single viewing area represented the best and most important view that should be established, that the guidelines stated a single view not views, plural.

Cher Watson said that she was the previous owner of the Jackels home, that the house did not work for one reason, we allowed those houses to go up, she stepped back and said Joe and his wife can build that, and she lost that view they have today. Due to her bad experiences with trying to work with the neighbors in trying to build her second story, she decided to tell the Jackel's to leave and build elsewhere.

Bruce Gresham said he lived on Pacific Ave. and that he supported the process, this it was an emotionally charged neighbor against neighbor and had seen this happen over the 30 plus years he had lived in town, and that he knew that the City Council could get through this by sticking to the facts and the process in place.

Janice DeGraw said he had lived on Solana Vista Drive since 1958, that it was upsetting to see a big house right next door sabotaging the view that they have had, it is hard to see what her daughter went through over this.

Fabian Vonposem said that he lived on Circle Dr. and moved there 20 years ago, that his was one of the first homes to have a second floor and had a wonderful 360 degree view around their house, that one by one other houses built second stories and they never said anything about it, that he thought it was their right to build a second story, the most obtrusive home turned out to be the tallest in the neighborhood, that this was not something to argue about, that everybody would have an opinion about their view, the Jackels seem to be reasonable people, and asked Council to let them build their home.

Marco Gonzalez said he was the attorney for the Jackels and presented a PowerPoint (on file). He stated that there was an element of law involved that the job of the City, VAC, and City Council was to find the best balance between the owners desire to develop the property in accordance with regulations and the neighbors desire to protect their views. He stated that this did not create a right to an unobstructed view, that this meant compromise, and that not everyone got what they wanted. He stated that the job of the commission was to determine the area of the structure that had the best and most important view, that the VAC members believed that the view could be dependent on where the development was proposed, that this violated what the tool kit stood for because the VAC did not clarify from

the beginning that the compromises that should be pursued should be focused on the Stribling's house, that they spent a lot of time focusing on other things like the roof top, that the Striblings took the pictures of their lost views from the most northern part of their roof deck patio that would tell you the worst possible story, he said that it had to be considered whether the Jackels had done enough, they reached out to their neighbors, worked with their architect, and they had a project that should be approved. He said that Council needs to send a message to the VAC that a 180 degree view to the west should prevent further requests for an eave over hanging a view that is not the primary view of the home.

Mayor Nichols recessed the meeting at 8:32 p.m. and reconvened the meeting at 8:38pm

Council reached consensus that all the SDP findings could be made on Circle Drive and Ocean Street.

Council and Mr. Dalton discussed changing the closet/bathroom location so it would not block the Stribling's view, and that the story poles would have to be posted to show the change.

Council discussed various aspects of the project view impacts: that the Jackel's first floor views would be improved if the Knutzens trimmed their trees and reduced the height of their shrubbery, that feasible solutions for the development were not considered, that the property values and views were important, that the outline of the proposed project matched with the outline of the property to the west of the applicant, that the VAC's recommendations should be followed, that the applicant made compromises and changes, that the other applicants did not have a claim, to consider modifying the landscaping plan to replace the high plants with alternatives, to consider maintaining the lower dining level as proposed at the last meeting, that the right to maintain a view should not outweigh a right to obtain a view, that the applicant already had a view, the applicant would take someone's view to obtain a view.

That applicants stated that everyone had the same view on the first story, that most of the surrounding properties had a second story, and that they did not request anything that anyone else had. Mr. Dalton submitted a handout (on file) with the proposed modifications.

Council discussed the submittal handout (on file) of the proposed modifications, requested to include the elevations in the new drawings and to put new story poles up at the time of the Staff Report distribution, and to include a condition regarding the roof deck.

Deputy Mayor Marshall stated that she could approve VAC's recommendations as the project was currently proposed.

Johanna Canlas, City Attorney, asked to formalize the polling regarding the other two claimants to recognize that there was only one claimant that was being addressed.

Motion: Moved by Mayor Nichols and second by Deputy Mayor Marshall to close the public hearing. Approved 5/0. **Motion carried unanimously.**

Motion: Moved by Mayor Nichols and second by Deputy Mayor Marshall. Approved 5/0.
Motion carried unanimously. To continue the meeting to the date certain of May 24th

B.2. Public Hearing: 187 S. Nardo, Applicant: Meredith, Case 17-16-22. (File 0600-40)

Recommendation: The proposed project meets the minimum objective requirements under the SBMC, is consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a Development Review Permit (DRP) and administratively issue a Structure Development Permit (SDP). Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, Close the Public Hearing;
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2017-064** conditionally approving a DRP and SDP to construct a new second-floor addition and a first-floor addition to an existing single-story, single-family residence at 187 S. Nardo Avenue.

[Item B.2. Report \(click here\)](#)

[B.2. Updated Report #1](#)

[B.2. Supplemental Documents - R](#)

[B.2. Supplemental Documents updated 5-10-17 at 430pm](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Regina Ochoa, Assistant Planner, presented a PowerPoint (on file).

Mayor Nichols opened the public hearing.

Council disclosures.

Applicant

Joel Meredith presented a PowerPoint (on file) reviewing the project.

Public Speaker

Michael Baker stated that he lived in Solana beach over 30 years, that he did not object to the second floor addition but that the second floor addition was too large compared to the most single story houses in the neighborhood, and asked to move the deck in a couple feet to preserve his view corridor.

Mr. Meredith, applicant, stated that his home was not surrounded by the single story houses and showed pictures of the surrounding houses (on file), that he was not building a mansion,

that he was willing to take the second level in one or two feet , and that he did not agree that they were taking away from Mr. Baker's view corridor.

Motion: Moved by Councilmember Hegenauer and second by Councilmember Edson to close the public hearing. Approved 5/0. **Motion carried unanimously.**

Motion: Moved by Deputy Mayor Marshall and second by Councilmember Edson. Approved 5/0. **Motion carried unanimously.**

B.3. Public Hearing: 1448 Santa Marta Court, Applicants: Hyzer, Coelho, Case: 17-16-09. (File 0600-40)

Recommendation: That the City Council

The proposed project meets the minimum objective requirements under the SBMC, is consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a Development Review Permit (DRP) and administratively issue a Structure Development Permit (SDP). Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt **Resolution 2017-065** conditionally approving a DRP and SDP to construct an 369 square-foot first-floor addition and new 599 second-floor addition to an existing, single-story, single-family residence with an attached two-car garage located at 1448 Santa Marta Court.

[Item B.3. Report \(click here\)](#)

[B.3. Supplemental Documents - R](#)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoint, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, introduced the item.

Corey Andrews, Principal Planner, presented a PowerPoint (on file).

Mayor Nichols opened the public hearing.

Council disclosures.

Betton Court, applicant's representative from RITZ Design Built, stated that he did not have a presentation and was available for questions.

Motion: Moved by Councilmember Zito and second by Deputy Mayor Marshall to close the public hearing. Approved 5/0. **Motion carried unanimously.**

Motion: Moved by Deputy Mayor Marshall and second by Councilmember Edson. Approved 5/0. **Motion carried unanimously.**

C. STAFF REPORTS: (C.1. - C.2.)

Submit speaker slips to the City Clerk.

C.1. Marine Safety Center Feasibility Needs Assessment Study Final Report Consideration. (File 0730-30)

This Item was pulled from the Agenda.

C.2. Refinancing of Successor Agency Tax Allocation Bonds and Solana Beach Public Financing Authority Subordinate Sewer Revenue Bonds. (File 0340-00)

1. Provide input and necessary and authorize Staff to continue pursuing refinancing of the existing TA Bonds and Wastewater Bonds.

Item C.2. Report (click here)

Posted Reports & Supplemental Docs contain records up to the cut off time, prior to the start of the meeting, for processing new submittals. The final official record containing handouts, PowerPoints, etc. can be obtained through a Records Request to the City Clerk's Office.

Greg Wade, City Manager, presented a PowerPoint (on file).

Council and Staff discussed support in continuing to pursue the refinancing of the existing bonds, that the City had reserve funds with certain types of bond issuances in case of a default, typically there were not defaults on these types of bonds issuances because the revenue stream was consistent, that if the City did a direct placement with the Tax Allocation Bonds there would not be a reserve, that the Wastewater Bonds would likely have a reserve due to the size of the issuance and because it was going out to the market, that it would be rolled into the issuance of the refunding, the savings already took into account the assumptions whether there was a reserve or not, and that the information was still being evaluated so staff may come back with slightly different information.

Discussion continued regarding fees being paid out of the new bond issuance, that the bond issuance with the San Elijo Joint Powers Authority should not have any effect on the ability to refinance the Wastewater Bonds, and that the City was not looking at significantly extending the term on any of the current debt but to refinance the same term.

COMPENSATION & REIMBURSEMENT DISCLOSURE: None

GC: Article 2.3. Compensation: 53232.3. (a) Reimbursable expenses shall include, but not be limited to, meals, lodging, and travel. 53232.3 (d) Members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.

COUNCIL COMMITTEE REPORTS:

Regional Committees: (outside agencies, appointed by this Council)

- a. City Selection Committee (meets twice a year) – Nichols (Edson, alternate).
- b. County Service Area 17 – Marshall (Nichols, alternate).
- c. Escondido Creek Watershed Authority – Marshall/Staff (no alternate).
- d. League of Ca. Cities’ San Diego County Executive Committee – Nichols (Edson, alternate) and any subcommittees.
- e. League of Ca. Cities’ Local Legislative Committee – Nichols (Edson, alternate)
- f. League of Ca. Cities’ Coastal Cities Issues Group (CCIG) – Nichols (Edson, alternate)
- g. North County Dispatch JPA – Marshall (Edson, alternate).
- h. North County Transit District – Edson (Nichols, alternate)
- i. Regional Solid Waste Association (RSWA) – Nichols (Hegenauer, alternate).
- j. SANDAG – Zito (Primary), Edson (1st alternate), Nichols (2nd alternate) and any subcommittees.
- k. SANDAG Shoreline Preservation Committee – Zito (Hegenauer, alternate).
- l. San Dieguito River Valley JPA – Hegenauer (Nichols, alternate).
- m. San Elijo JPA – Marshall, Zito (City Manager, alternate).
- n. 22nd Agricultural District Association Community Relations Committee – Marshall, Edson.

Standing Committees: (All Primary Members) (Permanent Committees)

- a. Business Liaison Committee – Zito, Edson.
- b. Highway 101 / Cedros Ave. Development Committee – Edson, Nichols.
- c. Fire Dept. Management Governance & Organizational Evaluation – Edson, Hegenauer
- d. I-5 Construction Committee – Zito, Edson.
- e. Parks and Recreation Committee – Nichols, Zito
- f. Public Arts Committee – Marshall, Hegenauer.
- g. School Relations Committee – Nichols, Hegenauer.

ADJOURN:

Mayor Nichols adjourned the meeting at 10:14 p.m.

Vaida Pavolas, Deputy City Clerk

Approved: _____



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Finance
SUBJECT: Register of Demands

BACKGROUND:

Section 3.04.020 of the Solana Beach Municipal Code requires that the City Council ratify a register of demands which represents all financial demands made upon the City for the applicable period.

Register of Demands- 06/24/17 through 08/4/17

Check Register-Disbursement Fund (Attachment 1)		\$ 2,309,394.65
Net Payroll	June 30, 2017	181,098.82
Federal & State Taxes	June 30, 2017	47,596.02
PERS Retirement (EFT)	June 30, 2017	40,963.71
Retirement Payroll	July 12, 2017	9,539.00
Council Payroll	July 13, 2017	4,209.81
Federal & State Taxes	July 13, 2017	420.89
PERS Retirement (EFT)	July 13, 2017	518.00
Net Payroll	July 14, 2017	168,567.19
Federal & State Taxes	July 14, 2017	48,717.57
PERS Retirement (EFT)	July 14, 2017	39,858.13
Net Payroll	July 21, 2017	215,900.70
Federal & State Taxes	July 21, 2017	65,520.52
PERS Retirement (EFT)	July 21, 2017	44,429.39
Council Payroll	August 3, 2017	3,840.65
Federal & State Taxes	August 3, 2017	423.17
PERS Retirement (EFT)	August 3, 2017	518.00
TOTAL		\$ <u>3,181,516.22</u>

DISCUSSION:

Staff certifies that the register of demands has been reviewed for accuracy, that funds are available to pay the above demands, and that the demands comply with the adopted budget.

CITY COUNCIL ACTION: _____

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The register of demands for June 24, 2017 through August 4, 2017 reflects total expenditures of \$3,181,516.22 from various City funding sources.

WORK PLAN:

N/A

OPTIONS:

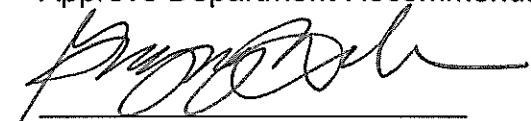
- Ratify the register of demands.
- Do not ratify and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council ratify the above register of demands.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Check Register – Disbursement Fund

PENTAMATION
 DATE: 08/04/2017
 TIME: 16:01:48

CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

PAGE NUMBER: 1
 ACCTPA21

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20170624 00:00:00.000' and '20170804 00:00:00.000'
 ACCOUNTING PERIOD: 2/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90435	06/29/17	4706	24 HOUR ELEVATOR, INC	45994076510	9407 ELEVATOR UPGRD	0.00	10,896.75
1011	90435	06/29/17	4706	24 HOUR ELEVATOR, INC	45994076510	9407 ELEVATR UPGRD RT	0.00	1,210.75
1011	90435	06/29/17	4706	24 HOUR ELEVATOR, INC	459	9407 ELEVATR UPGRD RT	0.00	-1,210.75
	TOTAL CHECK						0.00	10,896.75
1011	90436	06/29/17	2159	ADMINISTRATIVE SERVICES,	00170007100	DIAL-A-RIDE 05/19/17	0.00	32.00
1011	90437	06/29/17	1135	AFFORDABLE PIPELINE SERV	50900007700	D-SEWER CLEANING-7340	0.00	10,643.00
1011	90438	06/29/17	5281	ALCAL SPECIALTY CONTRACT	001	RFND-OVRPAY BC#8148	0.00	17.00
1011	90439	06/29/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/17	0.00	484.92
1011	90439	06/29/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/17	0.00	727.38
1011	90439	06/29/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/10	0.00	1,185.36
1011	90439	06/29/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/03	0.00	727.38
	TOTAL CHECK						0.00	3,125.04
1011	90440	06/29/17	4832	AT&T CALNET 3	00160006170	9391053651 04/25-5/24	0.00	207.87
1011	90440	06/29/17	4832	AT&T CALNET 3	00160006170	9391053651 03/25-4/24	0.00	189.35
1011	90440	06/29/17	4832	AT&T CALNET 3	00160006170	9391053651 03/25-4/24	0.00	1,678.48
	TOTAL CHECK						0.00	2,075.70
1011	90441	06/29/17	5280	BALANCED STRATEGIES	001	RFND-OVRPAY BC#7392	0.00	17.00
1011	90442	06/29/17	4621	BLUE PACIFIC ENGINEERING	42093866510	9386.05-CRT RESTRATON	0.00	43,905.20
1011	90442	06/29/17	4621	BLUE PACIFIC ENGINEERING	42093866510	9386.05-CRT RESTOR RT	0.00	2,310.80
1011	90442	06/29/17	4621	BLUE PACIFIC ENGINEERING	420	9386.05-CRT RESTOR RT	0.00	-2,310.80
	TOTAL CHECK						0.00	43,905.20
1011	90443	06/29/17	5284	BRIXTON CEDROS, LLC	001	RFND SDP608/212 S CED	0.00	600.00
1011	90447	06/29/17	1914	US BANK	13550005450	RTRN-MICROPHONE	0.00	-91.63
1011	90447	06/29/17	1914	US BANK	001	PAVOLAS-CLRK CNF-5/21	0.00	-50.00
1011	90447	06/29/17	1914	US BANK	00170007110	SKTE BENEFIT-GRDL RTN	0.00	-35.00
1011	90447	06/29/17	1914	US BANK	00160006170	RTRN-GREASE FITTING	0.00	-4.47
1011	90447	06/29/17	1914	US BANK	00160006170	MUFFLER GASKET	0.00	3.74
1011	90447	06/29/17	1914	US BANK	00160006170	GREASE FITTING	0.00	4.47
1011	90447	06/29/17	1914	US BANK	001	GREASE FITTING	0.00	4.84
1011	90447	06/29/17	1914	US BANK	00160006170	WADE-CCMA RTRT-5/03	0.00	5.00
1011	90447	06/29/17	1914	US BANK	00165006540	FUEL JOINT FILTER	0.00	5.96
1011	90447	06/29/17	1914	US BANK	00160006120	LIGHTS	0.00	6.63
1011	90447	06/29/17	1914	US BANK	001	MUFFLER GASKET	0.00	7.48
1011	90447	06/29/17	1914	US BANK	001	CHOPYK-AEP-5/18-5/21	0.00	8.95
1011	90447	06/29/17	1914	US BANK	001	CHOPYK-AEP-5/18-5/21	0.00	8.95
1011	90447	06/29/17	1914	US BANK	00150005150	WATER FOR FWI	0.00	8.98
1011	90447	06/29/17	1914	US BANK	00150005450	WALL MIRROR DECAL	0.00	8.99
1011	90447	06/29/17	1914	US BANK	00150005200	HOSTING DOMAINS-MAY	0.00	9.95
1011	90447	06/29/17	1914	US BANK	00160006170	SKATE PARK TICKETS	0.00	11.63
1011	90447	06/29/17	1914	US BANK	00150005200	2481 FUSE/IRB GREASE	0.00	12.37
1011	90447	06/29/17	1914	US BANK	00150005200	CLOSED SESSION-4/26	0.00	13.95
1011	90447	06/29/17	1914	US BANK	00150005250	CLOSED SESSION-4/26	0.00	13.95
1011	90447	06/29/17	1914	US BANK	001	KING-ENERGY-5/05	0.00	14.00

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 CHECK REGISTER - DISBURSEMENT FUND

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FUND - 001 - GENERAL FUND		CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	90447	06/29/17	1914	US BANK		25560006180	WATER FOR SWIM TEST	0.00	16.38	
1011	90447	06/29/17	1914	US BANK		00150005100	WATER FOR COUNCIL	0.00	17.18	
1011	90447	06/29/17	1914	US BANK		00150005400	ADMIN DAY-FOOD	0.00	17.98	
1011	90447	06/29/17	1914	US BANK		001	PAVOLAS-CLRK CNF-5/21	0.00	18.85	
1011	90447	06/29/17	1914	US BANK		00160006170	BUNGE CRDS/TAPE	0.00	23.60	
1011	90447	06/29/17	1914	US BANK		00160006120	COMPRSSN TESTER	0.00	26.90	
1011	90447	06/29/17	1914	US BANK		001	WADE-ENERGY-5/05	0.00	27.00	
1011	90447	06/29/17	1914	US BANK		00150005150	DVD CASES	0.00	31.00	
1011	90447	06/29/17	1914	US BANK		00150005400	ADMIN DAY-FOOD	0.00	31.90	
1011	90447	06/29/17	1914	US BANK		00160006170	GARAGE DOOR OPENER	0.00	35.87	
1011	90447	06/29/17	1914	US BANK		00160006170	PAINT/GLUE/BATTERY	0.00	38.22	
1011	90447	06/29/17	1914	US BANK		00150005450	CONSTANT CONTACT-MAY	0.00	40.00	
1011	90447	06/29/17	1914	US BANK		00160006170	RUST REPELLNT	0.00	40.02	
1011	90447	06/29/17	1914	US BANK		00150005150	PLANS HOLDER	0.00	40.93	
1011	90447	06/29/17	1914	US BANK		00150005400	LIVESCAN-DAN/POUNEH	0.00	46.00	
1011	90447	06/29/17	1914	US BANK		00150005550	CEQA BOOKS	0.00	48.10	
1011	90447	06/29/17	1914	US BANK		00150005150	POCKET DIVIDERS	0.00	49.54	
1011	90447	06/29/17	1914	US BANK		00150005150	DVD/SHARPIES	0.00	50.23	
1011	90447	06/29/17	1914	US BANK		00150005400	ADMIN DAY-FOOD	0.00	52.25	
1011	90447	06/29/17	1914	US BANK		50900007700	HUB CAP	0.00	57.19	
1011	90447	06/29/17	1914	US BANK		00150005150	SIGN HOLDER	0.00	60.18	
1011	90447	06/29/17	1914	US BANK		00150005400	WEBINAR-NEG ITMS	0.00	70.00	
1011	90447	06/29/17	1914	US BANK		00150005400	ADMIN DAY-FOOD	0.00	71.73	
1011	90447	06/29/17	1914	US BANK		13560006120	CONES-NEW ENG 2411	0.00	76.12	
1011	90447	06/29/17	1914	US BANK		00160006170	IRB MOTOR PARTS	0.00	76.80	
1011	90447	06/29/17	1914	US BANK		00160006120	BATTERY PCK-SRVIVR LED	0.00	85.17	
1011	90447	06/29/17	1914	US BANK		00160006170	HOLE PNCH/RULER/ERSR	0.00	85.38	
1011	90447	06/29/17	1914	US BANK		00150005150	DIVIDERS/FOLDERS	0.00	87.21	
1011	90447	06/29/17	1914	US BANK		00150005150	LETTER OPENER	0.00	89.42	
1011	90447	06/29/17	1914	US BANK		00150005570	BALLAST FOR FCCC LGHT	0.00	90.26	
1011	90447	06/29/17	1914	US BANK		00150005100	CLOSED SESSION-4/26	0.00	91.75	
1011	90447	06/29/17	1914	US BANK		00160006170	REPORTER TRAINING	0.00	100.00	
1011	90447	06/29/17	1914	US BANK		50900007700	PW LUNCHEON	0.00	100.00	
1011	90447	06/29/17	1914	US BANK		00165006570	EXHAUST FAN-FD-UPRSR	0.00	105.60	
1011	90447	06/29/17	1914	US BANK		00160006120	REPAIRS TRUCK 2431	0.00	117.53	
1011	90447	06/29/17	1914	US BANK		00150005400	ADMIN DAY-FOOD	0.00	121.76	
1011	90447	06/29/17	1914	US BANK		001	WADE-CCMA RTRT-5/03	0.00	124.20	
1011	90447	06/29/17	1914	US BANK		00170007110	WEBINAR-REPORTER	0.00	125.00	
1011	90447	06/29/17	1914	US BANK		25560006180	TONER/COLOR COPIES	0.00	136.23	
1011	90447	06/29/17	1914	US BANK		00170007110	SKATE BENEFIT-BRKFS	0.00	140.94	
1011	90447	06/29/17	1914	US BANK		00165006570	PAINT-FCCC	0.00	141.83	
1011	90447	06/29/17	1914	US BANK		00150005300	WONG-BUS WRITE-4/13	0.00	150.00	
1011	90447	06/29/17	1914	US BANK		13550005450	SUBS-CERT	0.00	156.00	
1011	90447	06/29/17	1914	US BANK		00165006570	PRINTER-JRLG	0.00	161.15	
1011	90447	06/29/17	1914	US BANK		001	2 BALLAST FOR FCCC	0.00	162.00	
1011	90447	06/29/17	1914	US BANK		13560006120	PAVOLAS-CLRK CNF-5/21	0.00	185.00	
1011	90447	06/29/17	1914	US BANK		001	TOOLS-NEW ENG 2411	0.00	187.85	
1011	90447	06/29/17	1914	US BANK		13560006120	EDSON-LCC FORUM-6/27	0.00	229.96	
1011	90447	06/29/17	1914	US BANK		00160006170	REACH KIT-NW ENG 2411	0.00	234.96	
1011	90447	06/29/17	1914	US BANK		13550005450	UTV MAINT	0.00	264.66	
1011	90447	06/29/17	1914	US BANK		00165006570	MICROPHONE	0.00	269.00	
1011	90447	06/29/17	1914	US BANK			MAT/LED LGHT-LCCC	0.00	290.67	

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	90447	06/29/17	1914	US BANK	00170007110	SKATE BENEFIT-GRIDDLE	0.00	299.00
1011	90447	06/29/17	1914	US BANK	13560006120	GT VLV WRCH-ENG 2411	0.00	329.58
1011	90447	06/29/17	1914	US BANK	00160006120	TWLS/BAG/MOP/CLNR	0.00	358.30
1011	90447	06/29/17	1914	US BANK	00165006570	MS/PW GARAGE DOORS	0.00	423.00
1011	90447	06/29/17	1914	US BANK	00150005150	QUESTYS SCAN SRV KIT	0.00	434.34
1011	90447	06/29/17	1914	US BANK	13550005450	PRINTER-THAYER	0.00	482.33
1011	90447	06/29/17	1914	US BANK	13550005450	HD DVR TUNER	0.00	646.48
1011	90447	06/29/17	1914	US BANK	00165006570	SHADES-LCCC	0.00	651.89
1011	90447	06/29/17	1914	US BANK	13550005450	3 MICROPHONES	0.00	807.00
TOTAL CHECK							0.00	9,498.16
1011	90448	06/29/17	1561	CDW GOVERNMENT INC	13550005450	CISCO ROUTER	0.00	1,099.51
1011	90448	06/29/17	1561	CDW GOVERNMENT INC	00150005450	BATTERIES	0.00	27.93
TOTAL CHECK							0.00	1,127.44
1011	90449	06/29/17	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-CH	0.00	112.51
1011	90450	06/29/17	3902	CORODATA RECORDS MANAGEM	00150005150	RECORDS STRG-MAY	0.00	246.68
1011	90451	06/29/17	338	COUNTY OF SAN DIEGO, DEH	00160006150	FACILITY PRMT-FD	0.00	519.00
1011	90452	06/29/17	127	COX COMMUNICATIONS INC	00150005450	TV BRDCAST 06/10-7/09	0.00	1,160.75
1011	90453	06/29/17	2629	D & D DISPOSAL INC	00160006130	ANIMAL DISPOSAL-MAY	0.00	530.00
1011	90454	06/29/17	1701	DANNY KING	001	KING-ENERGY SYP-05/05	0.00	-199.00
1011	90454	06/29/17	1701	DANNY KING	00150005200	KING-ENERGY SYP-05/05	0.00	295.94
TOTAL CHECK							0.00	96.94
1011	90455	06/29/17	5210	COUNTY OF SAN DIEGO	00160006140	PRKNG CITE ADMIN-MAY	0.00	2,472.75
1011	90456	06/29/17	134	DIXIELINE LUMBER CO INC	00165006570	STUCCO PATCH-QT	0.00	7.75
1011	90456	06/29/17	134	DIXIELINE LUMBER CO INC	00165006570	WOODGLUE/ACRILC PANEL	0.00	14.62
1011	90456	06/29/17	134	DIXIELINE LUMBER CO INC	00165006530	PNT ROLLER/WALL PATCH	0.00	120.17
1011	90456	06/29/17	134	DIXIELINE LUMBER CO INC	00165006570	FAUCET	0.00	44.60
TOTAL CHECK							0.00	187.14
1011	90457	06/29/17	3331	NATE DONNIS	25055005570	CONCERT-06/29/17	0.00	200.00
1011	90458	06/29/17	269	DUDEK & ASSOCIATES INC.	50998336510	9833 PUMP STN PE 5/26	0.00	105.00
1011	90459	06/29/17	2462	EMBROIDERY IMAGE	25570007110	STF UNFMS-DC FY16/17	0.00	304.75
1011	90459	06/29/17	2462	EMBROIDERY IMAGE	00170007110	STF UNFMS-REC FY16/17	0.00	193.08
TOTAL CHECK							0.00	497.83
1011	90460	06/29/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 05/29-06/02	0.00	1,486.84
1011	90460	06/29/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 05/22-05/28	0.00	2,778.74
1011	90460	06/29/17	94	ESGIL CORPORATION	00160005560	BLDG PRMT 05/15-05/21	0.00	18,028.95
1011	90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 05/08-05/14	0.00	1,004.80
1011	90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 05/08-05/14	0.00	199.23
1011	90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 05/29-06/02	0.00	202.50
1011	90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 05/22-05/28	0.00	640.10

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1011		90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 05/15-05/21	0.00	3,265.92	
1011		90460	06/29/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 02/12-02/18	0.00	7,345.95	
	TOTAL CHECK							0.00	34,953.03	
1011		90461	06/29/17	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 06/30/17	0.00	8,446.23	
1011		90462	06/29/17	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 06/30/17	0.00	1,939.19	
1011		90463	06/29/17	5282	J&S ASPHALT PAVING SEALI	001	RFND-OVRPAY BC#8126	0.00	17.00	
1011		90464	06/29/17	4573	ROBERT JACKSON	001	RFND SDP608/212 S CED	0.00	600.00	
1011		90465	06/29/17	2575	KIRK WENGER	00170007110	MILEAGE 5/29 & 4/15	0.00	64.20	
1011		90466	06/29/17	2287	KOPPEL & GRUBER PUBLIC F	65278007820	ARB TA BONDS, 2006	0.00	1,225.00	
1011		90466	06/29/17	2287	KOPPEL & GRUBER PUBLIC F	50900007700	ARB WWATER 2006 BONDS	0.00	1,225.00	
	TOTAL CHECK							0.00	2,450.00	
1011		90467	06/29/17	172	LEE'S LOCK & SAFE INC	00160006170	MS-5 PIN KEY/PADLOCKS	0.00	317.51	
1011		90468	06/29/17	2102	LEGAL SHIELD CORP	001	PPD LEGAL-JUN 17	0.00	90.65	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	001	EE# -JUNE	0.00	-11.30	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	00150005400	ROUNDING-JUNE	0.00	-0.22	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	001	VISION JUNE	0.00	427.25	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	001	EE# -JUNE	0.00	9.03	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	001	EE# -JUNE	0.00	20.33	
1011		90469	06/29/17	4738	MEDICAL EYE SERVICES	001	EE# -JUNE	0.00	25.20	
	TOTAL CHECK							0.00	470.29	
1011		90470	06/29/17	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	CEDROS GRDMS-OCT	0.00	306.25	
1011		90470	06/29/17	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	SF CHRISTIAN-SEPT/OCT	0.00	1,062.50	
1011		90470	06/29/17	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	JURMP-MAR	0.00	13,013.74	
	TOTAL CHECK							0.00	14,382.49	
1011		90471	06/29/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	2.02	
1011		90471	06/29/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	8.09	
1011		90471	06/29/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	9.10	
1011		90471	06/29/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	9.10	
1011		90471	06/29/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	16.19	
	TOTAL CHECK							0.00	44.50	
1011		90472	06/29/17	4964	DOUG AND JULLY NGUYEN	001	RFND-SBGR317/707 N RI	0.00	7,185.00	
1011		90472	06/29/17	4964	DOUG AND JULLY NGUYEN	001	RFND-SBGR318/703 N RI	0.00	27,598.00	
	TOTAL CHECK							0.00	34,783.00	
1011		90473	06/29/17	2163	NORTH COAST REPERTORY TH	001	RFND BC#789/NONPRO	0.00	55.00	
1011		90474	06/29/17	5252	NOSSAMAN LLP	00150005250	PROF SVC PE 05/31	0.00	1,917.47	
1011		90475	06/29/17	4658	PLACEWORKS, INC	21355005550	1714.20/959 GENEVIEVE	0.00	3,969.89	

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# COBRA JUNE 17	0.00	46.80
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# COBRA JUNE 17	0.00	46.80
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# TIMING JUNE 17	0.00	46.80
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# COBRA JUNE 17	0.00	84.00
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001500005400		BE# ADJ	0.00	261.90
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		DENTAL JUNE 17	0.00	2,912.36
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001500005400		ROUNDING JUNE 17	0.00	-0.07
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001500005400		BE# ADJ	0.00	0.02
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# ADJ	0.00	0.02
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE# ADJ	0.00	-261.90
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BILLING ERROR MAY 17	0.00	-64.99
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001		BE#660 TIMING JUNE 17	0.00	-25.10
1011	90476	06/29/17	1087	PREFERRED BENEFIT INS AD 001			0.00	3,046.60
TOTAL CHECK								
1011	90477	06/29/17	1112	RANCHO SANTA FE SECURITY 001650006560		RESTRM LCK/UNLOCK-JUN	0.00	515.00
1011	90477	06/29/17	1112	RANCHO SANTA FE SECURITY 001650006560		ALARM MONITORING-JUN	0.00	174.50
TOTAL CHECK								689.50
1011	90478	06/29/17	5271	NICK AND KRISTIN RUSCETT 001		RFND SDP 608/212 CEDR	0.00	600.00
1011	90479	06/29/17	287	SALIENT NETWORKS (PKA DI 135500005450		CISCO 4331 ROUTERS	0.00	15,840.00
1011	90479	06/29/17	287	SALIENT NETWORKS (PKA DI 135500005450		CISCO SMARTNET MAINT	0.00	1,230.00
1011	90479	06/29/17	287	SALIENT NETWORKS (PKA DI 135500005450		PROF SERVICES	0.00	7,523.40
1011	90479	06/29/17	287	SALIENT NETWORKS (PKA DI 135500005450		ROUTER SALES TAX	0.00	1,262.60
TOTAL CHECK								25,856.00
1011	90480	06/29/17	88	SANTA FE HILLS HOA	20475007520	ONE TIME PYMNT FY17	0.00	25,000.00
1011	90481	06/29/17	5279	SCRIPPS COASTAL MEDICAL 001		RFND-BC#6595 EXEMPT	0.00	55.00
1011	90482	06/29/17	169	SDG&E CO INC	00165006540	UTILITIES-04/30-06/08	0.00	397.98
1011	90482	06/29/17	169	SDG&E CO INC	00165006530	UTILITIES-04/30-06/08	0.00	433.50
1011	90482	06/29/17	169	SDG&E CO INC	00165006540	UTILITIES-05/07-06/08	0.00	873.96
1011	90482	06/29/17	169	SDG&E CO INC	00165006530	UTILITIES-05/07-06/08	0.00	1,103.44
1011	90482	06/29/17	169	SDG&E CO INC	00165006570	UTILITIES-04/30-06/08	0.00	1,673.73
1011	90482	06/29/17	169	SDG&E CO INC	20375007510	UTILITIES-05/07-06/08	0.00	1,696.87
1011	90482	06/29/17	169	SDG&E CO INC	00165006570	UTILITIES-05/07-06/08	0.00	5,168.68
1011	90482	06/29/17	169	SDG&E CO INC	211000007600	UTILITIES-04/30-06/08	0.00	6,480.36
TOTAL CHECK								17,828.52
1011	90483	06/29/17	1073	SEASIDE HEATING & AIR CO 00165006570		HVAC MAINT-JUN	0.00	214.00
1011	90484	06/29/17	3909	SECTRAN SECURITY INC 120500005460		COURIER SVC-JUN	0.00	106.00
1011	90484	06/29/17	3909	SECTRAN SECURITY INC 120500005460		COURIER SVC FUEL-JUN	0.00	7.42
TOTAL CHECK								113.42
1011	90485	06/29/17	5278	SOLANA FLOORING INC. 001		RFND BC#5043/OVRPAY	0.00	92.00
1011	90486	06/29/17	3199	SOUTH COAST EMERGENCY VE 001600006120		FD APPARTUS-OIL MAINT	0.00	55.55
1011	90487	06/29/17	5270	TRISHA ST. CLAIR 001		RFND SDP 608/212 CEDR	0.00	600.00

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90488	06/29/17	348	TELEVISION EQUIPMENT ASS	00160006170	RADIO SWIMMER KIT	0.00	1,356.71
1011	90489	06/29/17	1458	THE UNIFORM SPECIALIST	00160006120	REHPELD-JCKT/SHRT/BOO	0.00	664.51
1011	90489	06/29/17	1458	THE UNIFORM SPECIALIST	00160006120	PESTER-SHRTS/PNTS RFN	0.00	-173.20
1011	90489	06/29/17	1458	THE UNIFORM SPECIALIST	00160006120	WOOD-PNT/BOOT/SHRT RF	0.00	-59.73
TOTAL CHECK							0.00	431.58
1011	90490	06/29/17	12	UNITED WAY OF SAN DIEGO	001	UNITED WY PD 06/30/17	0.00	70.00
1011	90491	06/29/17	4933	GREGORY WADE	001	WADE-ENERGY SYM-05/05	0.00	-212.00
1011	90491	06/29/17	4933	GREGORY WADE	00150005200	WADE-ENERGY SYM-05/05	0.00	319.00
1011	90491	06/29/17	4933	GREGORY WADE	001	WADE-CCMA RTRT-05/03	0.00	-129.20
1011	90491	06/29/17	4933	GREGORY WADE	00150005200	WADE-CCMA RTRT-05/03	0.00	129.20
TOTAL CHECK							0.00	107.00
1011	90492	06/29/17	3723	WAGWORKS	00150005400	FSA ADMIN-MAY	0.00	113.00
1011	90493	06/29/17	1497	ZUMAR INDUSTRIES INC	00165006540	ST NAME SIGNS	0.00	2,251.34
1011	90494	07/06/17	4706	24 HOUR ELEVATOR, INC	45994076510	9407 ELEVATOR REPAIR	0.00	1,350.00
1011	90495	07/06/17	4711	ABEL PEREZ	00165006530	MILEAGE-6/18	0.00	9.63
1011	90495	07/06/17	4711	ABEL PEREZ	00165006560	MILEAGE-6/18	0.00	9.63
TOTAL CHECK							0.00	19.26
1011	90496	07/06/17	2159	ADMINISTRATIVE SERVICES,	00170007100	DIAL-A-RIDE 06/15/17	0.00	40.00
1011	90497	07/06/17	2137	AFLAC	001	JUNE 17	0.00	980.68
1011	90498	07/06/17	1541	A.B. HASHMI	001	RFND EP#3876-VARIOUS	0.00	1,000.00
1011	90499	07/06/17	834	ALLSTAR FIRE EQUIPMENT,	21460006120	TURNOUT-KONZEN	0.00	2,256.93
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00165006560	AUTO FUEL 06/03-07/02	0.00	56.96
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00160006140	AUTO FUEL 06/03-07/02	0.00	71.65
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00160006120	AUTO FUEL 06/03-07/02	0.00	87.18
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00165006570	AUTO FUEL 06/03-07/02	0.00	94.93
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00165006510	AUTO FUEL 06/03-07/02	0.00	104.42
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	5090007700	AUTO FUEL 06/03-07/02	0.00	113.91
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00165006530	AUTO FUEL 06/03-07/02	0.00	275.30
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00165006520	AUTO FUEL 06/03-07/02	0.00	303.77
1011	90500	07/06/17	3704	ARCO GASPRO PLUS	00160006170	AUTO FUEL 06/03-07/02	0.00	340.33
TOTAL CHECK							0.00	1,448.45
1011	90501	07/06/17	4832	AT&T CALNET 3	50900007700	9391012277 05/24-6/24	0.00	12.48
1011	90501	07/06/17	4832	AT&T CALNET 3	00165006540	9391012279 05/24-6/23	0.00	42.16
1011	90501	07/06/17	4832	AT&T CALNET 3	00160006170	9391053651 05/25-6/24	0.00	337.09
TOTAL CHECK							0.00	391.73
1011	90502	07/06/17	2975	BABI-KINI/MICHELSON INC	25560006180	JRLG SWM SUIT/BRDSHRTS	0.00	392.04
1011	90503	07/06/17	3480	BUSINESS PRINTING COMPAN	00155005560	BUS CARD-MILDBRANDT	0.00	74.79

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90503	07/06/17	3480	BUSINESS PRINTING COMPAN	00165006510	BUS CARD-DAN/JIM	0.00	143.75
TOTAL CHECK							0.00	218.54
1011	90504	07/06/17	5290	JACQUELYN CAMPA	00170007110	REMB-CPR TRAINING	0.00	110.00
1011	90505	07/06/17	1561	CDW GOVERNMENT INC	00150005450	BATTERIES	0.00	17.19
1011	90505	07/06/17	1561	CDW GOVERNMENT INC	00150005450	DATA SWITCHES	0.00	199.55
TOTAL CHECK							0.00	216.74
1011	90506	07/06/17	4168	CHEN RYAN ASSOCIATES	45999055550	9905.01 TRFFC PE05/27	0.00	4,270.00
1011	90507	07/06/17	5288	MEGAN CISNEROS	001	RFND-CXL 7/1 FCC RTNL	0.00	1,060.00
1011	90508	07/06/17	127	COX COMMUNICATIONS INC	00150005450	CTYINTRNT 06/19-07/18	0.00	456.78
1011	90509	07/06/17	5287	NICK DEPOLO	001	RFND CG-3170/964 SANT	0.00	261.00
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	SCREWS	0.00	13.73
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	BROOM/TOILET BRUSH	0.00	22.26
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	SAFETY EYEWEAR	0.00	24.23
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	SCRWDVR SET/KNIFE	0.00	28.64
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	HCKSAW BLD/TUBLR CPLN	0.00	29.74
1011	90510	07/06/17	134	DIXIELINE LUMBER CO INC	00165006570	CONNECTOR/NOZZEL	0.00	39.65
TOTAL CHECK							0.00	158.25
1011	90511	07/06/17	3527	FAILSAFE TESTING	00160006120	2471 ANNL INSP/TESTNG	0.00	650.00
1011	90512	07/06/17	4169	FIRE STATS, LLC	00160006120	FIRE DATA APR17/JUN17	0.00	459.00
1011	90512	07/06/17	4169	FIRE STATS, LLC	00160006120	FIRE DATA-OCT16/MAR17	0.00	918.00
TOTAL CHECK							0.00	1,377.00
1011	90513	07/06/17	5291	FRANCESCA ZUCCOLA	00170007110	REMB-CPR TRAINING	0.00	110.00
1011	90514	07/06/17	1349	JIM GREENSTEIN	50998336510	REMS-HAND FEE CIP-14	0.00	50.00
1011	90515	07/06/17	5289	HA PHAN	001	RFND-6/17 FCCC RTNL	0.00	500.00
1011	90516	07/06/17	2315	INFRASTRUCTURE ENGINEERI	50999356510	9935 RCLM WTR-PE 5/26	0.00	553.00
1011	90517	07/06/17	5164	INTERNATIONAL CODE COUNC	00160006120	CALI INSFT GUIDE-FIRE	0.00	144.39
1011	90518	07/06/17	5035	KABNON, LLC	00160006170	SUNGLASSES-JASON/ROB	0.00	236.14
1011	90519	07/06/17	4165	KANE BALLMER & BERKMAN	55278007810	SA PROF SVC PE 05/31	0.00	1,831.37
1011	90519	07/06/17	4165	KANE BALLMER & BERKMAN	55278007810	SA PROF SVC PE 05/31	0.00	5,218.63
TOTAL CHECK							0.00	7,050.00
1011	90520	07/06/17	172	LEE'S LOCK & SAFE INC	00160006170	INSTL KNOBS/DEADBOLTS	0.00	732.17
1011	90521	07/06/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.56
1011	90521	07/06/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	6.25
1011	90521	07/06/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	7.03

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90521	07/06/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	90521	07/06/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	12.50
TOTAL CHECK							0.00	34.38
1011	90522	07/06/17	191	NAPA AUTO PARTS INC	00160006120	ANTI FREEZE/BLUE DF	0.00	89.32
1011	90523	07/06/17	4522	NISSHO OF CALIFORNIA	00165006560	LC-REPAIR MAINLINE	0.00	139.90
1011	90524	07/06/17	4767	PARTNERSHIPS WITH INDUST	00165006570	TRASH ABTMT PE 06/15	0.00	1,369.41
1011	90525	07/06/17	416	REGIONAL COMMS SYS, MS 0	00160006120	CAP CODE-MAY	0.00	32.50
1011	90526	07/06/17	4920	ROCKY MOUNTAIN SUNSCREEN	25560006180	GALLON SUNSCREEN	0.00	265.03
1011	90527	07/06/17	1073	SEASIDE HEATING & AIR CO	00165006570	HVAC UNSPECIFD RPR-CH	0.00	719.00
1011	90528	07/06/17	3199	SOUTH COAST EMERGENCY VE	00160006120	FD APPARATS PIE/FREIG	0.00	958.25
1011	90529	07/06/17	4196	SPECTRA ASSOCIATES, INC	00150005150	CUSTOM MINUTE BOOK	0.00	216.50
1011	90530	07/06/17	4959	TELECOM LAW FIRM	21355005550	1716.04/990 HIGHLAND	0.00	12.20
1011	90530	07/06/17	4959	TELECOM LAW FIRM	21355005550	1716.04/990 HIGHLAND	0.00	38.20
TOTAL CHECK							0.00	50.40
1011	90531	07/06/17	4534	TRAFFIC SUPPLY, INC	00165006540	PAINT/WOOD/BATRY/LIGH	0.00	778.66
1011	90532	07/06/17	2097	UT SAN DIEGO - NRTH COUN	00155005550	PUB HRNG-1716.30 DRP	0.00	174.13
1011	90532	07/06/17	2097	UT SAN DIEGO - NRTH COUN	00155005550	PUB HRNG-1717.24 DRP	0.00	181.20
1011	90532	07/06/17	2097	UT SAN DIEGO - NRTH COUN	00155005550	NOTICE INTENT/S. NARD	0.00	190.63
1011	90532	07/06/17	2097	UT SAN DIEGO - NRTH COUN	00155005550	EIR/959 GENEVIEVE ST	0.00	292.79
TOTAL CHECK							0.00	838.75
1011	90533	07/10/17	2162	FRIENDS OF SOLANA BEACH	00150005100	FY16/17 SB LIB CNTRBT	0.00	10,000.00
1011	90534	07/13/17	4786	12MILESOUT.COM	00150005450	COUNCIL WEB STRM-JUN	0.00	800.00
1011	90535	07/13/17	2159	ADMINISTRATIVE SERVICES,	00170007100	DIAL-A-RIDE 06/20/17	0.00	32.60
1011	90536	07/13/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/29	0.00	484.92
1011	90536	07/13/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/24	0.00	727.38
1011	90536	07/13/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/29	0.00	942.90
1011	90536	07/13/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 06/24	0.00	1,185.36
TOTAL CHECK							0.00	3,340.56
1011	90537	07/13/17	4832	AT&T CALNET 3	00160006120	9391050348-05/20-6/19	0.00	82.12
1011	90538	07/13/17	4832	AT&T CALNET 3	00160006120	9391012280 05/24-6/23	0.00	334.45
1011	90539	07/13/17	4832	AT&T CALNET 3	00160006150	9391012275 05/24-6/23	0.00	164.24
1011	90540	07/13/17	3069	JOSHUA BLEA	00165006560	MILEAGE-06/25/17	0.00	26.75

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90541	07/13/17	4621	BLUE PACIFIC ENGINEERING	42093866510	9386.05-CRT RESTRATON	0.00	1,330.00
1011	90541	07/13/17	4621	BLUE PACIFIC ENGINEERING	42093866510	9386.05-CRT REST RET	0.00	70.00
1011	90541	07/13/17	4621	BLUE PACIFIC ENGINEERING	420	9386.05-CRT REST RET	0.00	-70.00
TOTAL CHECK							0.00	1,330.00
1011	90542	07/13/17	2555	BOB HOFFMAN VIDEO PRODU	00150005450	COUNCIL MTG-5/10-6/28	0.00	3,680.00
1011	90543	07/13/17	5173	BARBARA A BOSWELL	45999055550	9905.02 PROF SVC-JUN	0.00	2,496.20
1011	90544	07/13/17	3480	BUSINESS PRINTING COMPAN	00160006120	BUS CARD-REHFELD	0.00	79.68
1011	90545	07/13/17	1561	CDW GOVERNMENT INC	00150005450	BATTERIES	0.00	73.05
1011	90545	07/13/17	1561	CDW GOVERNMENT INC	00150005450	FIRESTATION UPS	0.00	700.36
TOTAL CHECK							0.00	773.41
1011	90546	07/13/17	3551	CITY NATIONAL BANK	32000007220	FIRE TRK:15-010-07/03	0.00	11,941.66
1011	90546	07/13/17	3551	CITY NATIONAL BANK	32000007220	FIRE TRK:15-010-07/03	0.00	120,002.65
TOTAL CHECK							0.00	131,944.31
1011	90547	07/13/17	1295	CITY OF DEL MAR	00150005450	IT MAINT SUPPORT-MAY	0.00	1,650.00
1011	90548	07/13/17	338	COUNTY OF SAN DIEGO, DEH	00160006150	FACILITY PRMT-FS7/2018	0.00	469.00
1011	90549	07/13/17	4100	DA KINE'S PLATE LUNCHES	25560006180	JR GRD BANQUET 07/14	0.00	1,800.01
1011	90550	07/13/17	108	DEL MAR BLUE PRINT COMPA	00155005550	CLIMATE ACT PLN PACK	0.00	1,157.86
1011	90551	07/13/17	4898	STEVEN DENYES	25055005570	CONCERT-07/06/17	0.00	200.00
1011	90552	07/13/17	4218	DICK MILLER, INC	220	9327 ST IMP RT PEG/30	0.00	-5,108.32
1011	90552	07/13/17	4218	DICK MILLER, INC	228	9327 ST IMP RT PEG/30	0.00	-1,409.50
1011	90552	07/13/17	4218	DICK MILLER, INC	22093276510	9327 STRT IMP PEG/30	0.00	97,057.99
1011	90552	07/13/17	4218	DICK MILLER, INC	22093276510	9327 ST IMP RT PEG/30	0.00	5,108.32
1011	90552	07/13/17	4218	DICK MILLER, INC	22893276510	9327 STRT IMP PEG/30	0.00	26,780.50
1011	90552	07/13/17	4218	DICK MILLER, INC	22893276510	9327 ST IMP RT PEG/30	0.00	1,409.50
TOTAL CHECK							0.00	123,838.49
1011	90553	07/13/17	5293	ELIZABETH PICEL	001	RFND-6/25/17 FCCC RNT	0.00	500.00
1011	90554	07/13/17	1985	EXTERIOR PRODUCTS INC	00170007100	29 COUNTY FAIR BANNER	0.00	1,276.00
1011	90555	07/13/17	223	FEDEX	00150005150	SHIPPING-6/29 & 7/03	0.00	71.14
1011	90556	07/13/17	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 07/13/17	0.00	6,822.63
1011	90556	07/13/17	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 07/14/17	0.00	9,186.94
TOTAL CHECK							0.00	16,009.57
1011	90557	07/13/17	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 07/14/17	0.00	1,936.56
1011	90558	07/13/17	5098	JOSE GARCIA	00165006560	MILEAGE-07/04/17	0.00	35.31
1011	90559	07/13/17	5234	JOSEPH D KRUPP	001	RLS EP3169/460 S NARD	0.00	5,000.00

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1011	90560	07/13/17	99	LAWNMOWERS PLUS	00160006120	CHAINSAW CHAIN	0.00	294.69
1011	90560	07/13/17	99	LAWNMOWERS PLUS	13560006120	ROATARY SAW	0.00	861.96
	TOTAL CHECK						0.00	1,156.65
1011	90561	07/13/17	5292	MONA HOWELL	001	RFND-6/24/17 FCCC RNT	0.00	500.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.14/986 AVOCADO	0.00	625.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1714.07/533 S RIOS	0.00	250.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.08/520 N GRANADO	0.00	250.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.05/425 S RIOS	0.00	250.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1716.26/502 MAR VISTA	0.00	250.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1716.31/826 SEABRIGHT	0.00	375.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.23/809 SEABRIGHT	0.00	375.00
1011	90562	07/13/17	4797	PAMELA ELLIOTT LANDSCAPE	21355005550	1717.10/301 W CLIFF	0.00	375.00
	TOTAL CHECK						0.00	2,750.00
1011	90563	07/13/17	4080	JENNIFER REED	00150005350	ADMIN SVC-JUN	0.00	432.00
1011	90564	07/13/17	141	SANTA FE IRRIGATION DIST	00160006120	M#P004085 05/02-06/30	0.00	496.46
1011	90564	07/13/17	141	SANTA FE IRRIGATION DIST	00165006530	M#81967699 6/02-6/30	0.00	130.38
	TOTAL CHECK						0.00	626.84
1011	90565	07/13/17	153	SHELL FLEET MANAGEMENT	00160006120	CR EXEMPT TAX-MAY	0.00	-84.47
1011	90565	07/13/17	153	SHELL FLEET MANAGEMENT	00160006120	AUTO FUEL-MAY	0.00	927.93
	TOTAL CHECK						0.00	843.46
1011	90566	07/13/17	1459	JASON SHOOK	00150005400	TUITN REIMB-COMP APPL	0.00	277.32
1011	90567	07/13/17	13	SOLANA BEACH FIREFIGHTER 001		FD DUES PD 07/14/17	0.00	823.50
1011	90568	07/13/17	5295	STACY ANTONEL	25055005570	CONCERT-07/13/17	0.00	200.00
1011	90569	07/13/17	3066	SUMMIT ENVIRONMENTAL GRO	21355005550	1714.29/SOL HGHLD-JUN	0.00	1,540.00
1011	90569	07/13/17	3066	SUMMIT ENVIRONMENTAL GRO	00155005550	PROF SVC JUN	0.00	440.00
1011	90569	07/13/17	3066	SUMMIT ENVIRONMENTAL GRO	45999036190	9903 PROF SVC LCP-JUN	0.00	3,410.00
1011	90569	07/13/17	3066	SUMMIT ENVIRONMENTAL GRO	45099266190	9926 PROF SVC SND-JUN	0.00	880.00
	TOTAL CHECK						0.00	6,270.00
1011	90570	07/13/17	12	UNITED WAY OF SAN DIEGO 001		UNITED WY PD 07/14/17	0.00	70.00
1011	90571	07/13/17	30	VERIZON WIRELESS-SD	00160006120	FIRE CELL 05/29-06/28	0.00	271.67
1011	90571	07/13/17	30	VERIZON WIRELESS-SD	00160006140	CODES CELL 05/29-6/28	0.00	39.45
1011	90571	07/13/17	30	VERIZON WIRELESS-SD	00150005450	IT CELL 05/24-06/23	0.00	114.03
	TOTAL CHECK						0.00	425.15
1011	90572	07/13/17	4925	MADISON WILLIAMS 001		REISSUE V230948-6/30	0.00	74.58
1011	90573	07/20/17	2379	AA FARNSWORTH'S BACKFLOW	00165006560	BACKFLOW REPAIR	0.00	85.00
1011	90574	07/20/17	5137	ABLE PATROL & GUARD, INC	00160006140	JULY 4TH SECURITY	0.00	750.00

SELECTION CRITERIA: transact_gl_cash='1011' and transact_ck_date between '20170624 00:00:00.000' and '20170804 00:00:00.000'
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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90575	07/20/17	4979	ACTON MOBILE	25560006180	JG RENT 08/04/17	0.00	319.11
1011	90576	07/20/17	174	AMERICAN PUBLIC WORKS AS	50900007700	17/18 MEMBERSHIP-ENG	0.00	140.00
1011	90576	07/20/17	174	AMERICAN PUBLIC WORKS AS	00165006510	17/18 MEMBERSHIP-ENG	0.00	300.00
1011	90576	07/20/17	174	AMERICAN PUBLIC WORKS AS	00165006520	17/18 MEMBERSHIP-ENG	0.00	300.00
	TOTAL CHECK						0.00	740.00
1011	90577	07/20/17	5297	ANDREW HEMMERICH	001	RFND FCCC 6/30 DPST	0.00	500.00
1011	90577	07/20/17	5297	ANDREW HEMMERICH	001	FCCC 6/30 CLN FEE RFN	0.00	70.00
	TOTAL CHECK						0.00	570.00
1011	90578	07/20/17	3	ANTHEM BLUE CROSS	00150005400	EAP-NOV16-JUN17	0.00	1,043.84
1011	90579	07/20/17	5286	ARMON INTERNATIONAL, INC	00160006170	SCUBA SET	0.00	1,820.15
1011	90580	07/20/17	4832	AT&T CALNET 3	00150005450	9391012282 05/24-6/23	0.00	18.47
1011	90581	07/20/17	4832	AT&T CALNET 3	00150005450	9391012278 05/24-6/23	0.00	205.60
1011	90581	07/20/17	4832	AT&T CALNET 3	00150005450	9391012278 05/24-6/23	0.00	1,999.53
	TOTAL CHECK						0.00	2,205.13
1011	90582	07/20/17	4832	AT&T CALNET 3	00150005450	9391053641 05/24-6/23	0.00	164.24
1011	90583	07/20/17	4815	ATLAS ENVIRONMENTAL SERV	00165006530	ARBRST SVC-659 N GRAN	0.00	384.00
1011	90584	07/20/17	2975	BABI-KINI/MICHELSON INC	25560006180	JRIG SWM SUIT/BRDSHRTS	0.00	358.56
1011	90585	07/20/17	5029	BILL SMITH FOREIGN CAR S	00165006530	F-250-OIL/FILTER	0.00	35.88
1011	90586	07/20/17	2424	BJ'S RENTALS	00165006560	TILLER	0.00	71.85
1011	90587	07/20/17	3480	BUSINESS PRINTING COMPAN	00165006520	BUS CARD-BORRAMEO	0.00	79.66
1011	90588	07/20/17	1561	CDW GOVERNMENT INC	00150005450	3 ADOBE ACROBAT PRO	0.00	1,097.79
1011	90589	07/20/17	4279	CITY PLACE PLANNING, INC	21355005550	1714.08 AAT SOLANA 101	0.00	1,100.00
1011	90590	07/20/17	2631	CLEAN STREET	00165006550	STREET SWP-JUN	0.00	3,173.00
1011	90591	07/20/17	4482	CONNECTIVITY LLC/MAKAI S	00160006170	RESCUE BOARD HANDLES	0.00	64.50
1011	90592	07/20/17	1964	CSAC EXCESS INSURANCE AU	12050005460	EXIGIS IMPLMNTTN 1/2	0.00	2,766.67
1011	90592	07/20/17	1964	CSAC EXCESS INSURANCE AU	00150005400	FY17/18 EAP JUL-SEP	0.00	361.35
	TOTAL CHECK						0.00	3,128.02
1011	90593	07/20/17	4684	DIVISION OF THE STATE AR	001	DAE FEE: APR-JUN 2017	0.00	36.30
1011	90594	07/20/17	134	DIXIELINE LUMBER CO INC	00165006510	BUNGEE CORDS	0.00	12.18
1011	90594	07/20/17	134	DIXIELINE LUMBER CO INC	00165006530	COIL CHAIN	0.00	46.63
1011	90594	07/20/17	134	DIXIELINE LUMBER CO INC	00165006570	HOOKS/NUTDRIVER SET	0.00	51.89
	TOTAL CHECK						0.00	110.70

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90595	07/20/17	5296	DOG WASTE DEPOT	00165006520	34 MULT-MITT CARTONS	0.00	2,197.73
1011	90596	07/20/17	4989	DRO MANAGEMENT CONSULTANT	00150005200	PROF SVC-MAR-JUN	0.00	750.00
1011	90597	07/20/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 06/26-06/30	0.00	8,927.92
1011	90597	07/20/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 06/05-06/09	0.00	11,083.85
1011	90597	07/20/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 06/19-06/23	0.00	12,701.27
1011	90597	07/20/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 06/12-06/16	0.00	14,064.02
1011	90597	07/20/17	94	ESGIL CORPORATION	00155005560	BLDG PRMT 06/26-06/30	0.00	8,255.68
1011	90597	07/20/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 06/05-06/09	0.00	517.54
1011	90597	07/20/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 06/12-06/16	0.00	1,161.04
1011	90597	07/20/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 06/26-06/30	0.00	1,364.15
1011	90597	07/20/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 06/19-06/23	0.00	1,797.24
1011	90597	07/20/17	94	ESGIL CORPORATION	00160006120	FIRE PRMT 06/19-06/23	0.00	59,872.71
TOTAL CHECK								425.00
1011	90598	07/20/17	87	ISLA VERDE HOA	20575007530	LANDSCAPE MAINT-JUN	0.00	4,781.37
1011	90599	07/20/17	4165	KANE BALLMER & BERKMAN	65278007810	SA PROF SVC PE 06/30	0.00	4,091.44
1011	90599	07/20/17	4165	KANE BALLMER & BERKMAN	65278007810	SA PROF SVC PE 06/30	0.00	8,872.81
TOTAL CHECK								7,988.00
1011	90600	07/20/17	4962	FORREST KNOWLTON	001	RFND: SEGR296/533 S RI	0.00	43.75
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	20475007520	SNTA FE HILLS APR-JUN	0.00	23.75
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	20775007550	SAN ELJO HILLS APR-JUN	0.00	22.50
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	20575007530	ISLA VERDE APR-JUN	0.00	631.25
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	20375007510	OLD HGHWY 101 APR-JUN	0.00	500.00
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT APR-JUN	0.00	53.25
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	20375007510	EXPENSES APR-JUN	0.00	390.00
1011	90601	07/20/17	2287	KOPPEL & GRUBER PUBLIC F	67685008560	SO SOL SWR APR-JUN	0.00	1,664.50
TOTAL CHECK								109.91
1011	90602	07/20/17	172	LEE'S LOCK & SAFE INC	00165006570	MASTER LOCKS	0.00	405.00
1011	90603	07/20/17	323	LIEBERT CASSIDY INC	00150005400	FY18 LCW LIB SBSCRPTN	0.00	1,000.00
1011	90604	07/20/17	5298	MELINDA LUKIN	25055005570	CONCERT 7/20	0.00	5,143.74
1011	90605	07/20/17	2106	MIKHAIL OGAWA ENGINEERIN	00165006520	JURMP-APR	0.00	1,972.50
1011	90606	07/20/17	5219	JERUSALEM CONSTRUCTION,	240	9355 ADA RAMP RLS RT	0.00	3,874.05
1011	90606	07/20/17	5219	JERUSALEM CONSTRUCTION,	459	9450.08 PALMTS RLS RT	0.00	10,129.00
1011	90606	07/20/17	5219	JERUSALEM CONSTRUCTION,	45994506510	9450.08 PLMTS CNT6/30	0.00	1,064.00
1011	90606	07/20/17	5219	JERUSALEM CONSTRUCTION,	24093556510	9355 ADARMP CONT 6/30	0.00	17,039.55
TOTAL CHECK								1.63
1011	90607	07/20/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	6.53
1011	90607	07/20/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	7.33
1011	90607	07/20/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.34
1011	90607	07/20/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	13.05
1011	90607	07/20/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	35.88

PENTAMATION
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CITY OF SOLANA BEACH, CA
 CHECK REGISTER - DISBURSEMENT FUND

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 ACCOUNTING PERIOD: 2/18

FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90608	07/20/17	2145	MOBILE MINI, LLC	25560006180	CR JG OFFICE RNT-MAY	0.00	-308.43
1011	90608	07/20/17	2145	MOBILE MINI, LLC	25560006180	JG OFFICE RENT-MAY	0.00	588.58
TOTAL CHECK							0.00	280.15
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	00165006560	LC-REPLACE VALVE	0.00	329.79
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	00165006530	STREET INDSCP SVC-JUN	0.00	1,014.83
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	00165006560	PRKS INDSCP SVC-JUN	0.00	9,404.48
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	20375007510	MID#33 INDSCP SVC-JUN	0.00	6,421.78
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	00165006570	PUBFAC INDSCP SVC-JUN	0.00	1,241.10
1011	90609	07/20/17	4522	NISSHO OF CALIFORNIA	20375007510	MID#33 SVC-JUN	0.00	4,069.04
TOTAL CHECK							0.00	22,481.02
1011	90610	07/20/17	2019	NORTH COUNTY EVS, INC	00160006120	FY17 T2471 REPAIR	0.00	20,100.00
1011	90610	07/20/17	2019	NORTH COUNTY EVS, INC	00160006120	FY17 T2471 REPAIR	0.00	4,864.99
TOTAL CHECK							0.00	24,964.99
1011	90611	07/20/17	50	OFFICE DEPOT INC	00150005300	RULER	0.00	3.19
1011	90611	07/20/17	50	OFFICE DEPOT INC	00150005400	COPY STAMP	0.00	9.90
1011	90611	07/20/17	50	OFFICE DEPOT INC	00160006120	CART	0.00	16.58
1011	90611	07/20/17	50	OFFICE DEPOT INC	00150005350	CORRECTION TAPE/FLDR	0.00	18.15
1011	90611	07/20/17	50	OFFICE DEPOT INC	00150005350	LABEL HOLDER/ STAMP	0.00	33.92
TOTAL CHECK							0.00	81.74
1011	90612	07/20/17	3754	PAL GENERAL ENGINEERING	45994626510	9462.03 PATH CT-06/30	0.00	3,463.74
1011	90612	07/20/17	3754	PAL GENERAL ENGINEERING	45994626510	9460.03 PATH C R-6/30	0.00	156.26
1011	90612	07/20/17	3754	PAL GENERAL ENGINEERING	459	9462.03PEDPTH RLS RT	0.00	794.85
TOTAL CHECK							0.00	4,414.85
1011	90613	07/20/17	4853	PINPOINT PEST CONTROL CO	00165006530	BEE RMVL-1011 SAN PAT	0.00	125.00
1011	90614	07/20/17	4658	PLACEMENTS, INC	21355005550	1714.20/959 GENEVIEVE	0.00	3,464.83
1011	90615	07/20/17	2260	REDFLEX TRAFFIC SYSTEMS,	00165006540	RED LIGHT CAMERA-JUN	0.00	7,159.35
1011	90616	07/20/17	5299	SAN DIEGO COUNTY RECORDER	00155005550	NOB-CLIMATE ACT PLAN	0.00	50.00
1011	90617	07/20/17	257	SAN DIEGO COUNTY SHERIFF	21960006110	LAW ENFORCEMENT-MAY	0.00	12,500.00
1011	90617	07/20/17	257	SAN DIEGO COUNTY SHERIFF	00160006110	LAW ENFORCEMENT-MAY	0.00	297,435.00
1011	90617	07/20/17	257	SAN DIEGO COUNTY SHERIFF	001	CR TOW FEE-MAY	0.00	-711.23
TOTAL CHECK							0.00	309,223.77
1011	90618	07/20/17	1847	SAN DIEGO GAS & ELECTRIC	45999055550	9905.02 FY17 CCA DATA	0.00	3,024.00
1011	90619	07/20/17	86	SAN ELIJO HILLS II HOA	20775007550	LANDSCAPE MAINT-JUN	0.00	6,550.00
1011	90620	07/20/17	88	SANTA FE HILLS HOA	20475007520	LANDSCAPE MAINT-JUN	0.00	12,250.00
1011	90621	07/20/17	4034	SDCPA	27060006120	CSA17.17 HANDBK/CHRT	0.00	239.76
1011	90622	07/20/17	156	SHARP REES-STEADY MEDICA	00150005400	PRE-EMPLOYMNT SCREEN	0.00	3,129.00

CITY OF SOLANA BEACH, CA
CHECK REGISTER - DISBURSEMENT FUND

PENTAMATION
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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90623	07/20/17	4281	SIEMENS INDUSTRY, INC	21100007600	ST LIGHT REPAIR-JUN	0.00	1,224.41
1011	90623	07/20/17	4281	SIEMENS INDUSTRY, INC	00165006540	TRAFFIC SGNL MNT-JUN	0.00	974.40
1011	90623	07/20/17	4281	SIEMENS INDUSTRY, INC	00165006540	TRAFFIC CALL OUT-JUN	0.00	162.43
	TOTAL CHECK						0.00	2,361.24
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPERCLIPS	0.00	5.38
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPER/FILE JACKET	0.00	87.56
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005200	TONER-CM	0.00	158.09
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	KIT SUPPLIES/PENS/DUS	0.00	175.88
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00160006120	CALC SCALE	0.00	75.41
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	79.09
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005200	PENCILS	0.00	3.22
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	DESK ORGANIZER	0.00	26.93
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PENS	0.00	29.08
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	KIT SUPPLIES	0.00	32.31
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	FLOOR MAT	0.00	59.39
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	64.63
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	64.63
1011	90624	07/20/17	1231	STAPLES CONTRACT & COMME	00150005350	PAPER	0.00	64.63
	TOTAL CHECK						0.00	926.23
1011	90625	07/20/17	3810	SUPERIOR PRESS	00150005300	LASER CHECKS-AP	0.00	240.59
1011	90626	07/20/17	4606	T & T JANITORIAL, INC	00165006570	JANITORIAL SVC-JUN	0.00	3,975.00
1011	90627	07/20/17	40	UNDERGROUND SVC ALERT OF	00165006510	DIG ALERT-JUNE	0.00	94.50
1011	90628	07/20/17	2896	URBAN FUTURES INC	50900007700	WSTWR BND CONT DISC	0.00	2,150.00
1011	90628	07/20/17	2896	URBAN FUTURES INC	50900007700	SWR REVENUE BND CD	0.00	1,250.00
1011	90628	07/20/17	2896	URBAN FUTURES INC	65278007820	TA BONDS CONT DISCL	0.00	2,150.00
	TOTAL CHECK						0.00	5,550.00
1011	90629	07/20/17	2097	UT SAN DIEGO - NRTH COUN	00150005150	ORD 478-AMND 1760.190	0.00	51.20
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	00165006510	PW CELL 06/02-07/01	0.00	6.60
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	00165006520	PW CELL 06/02-07/01	0.00	6.60
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	21100007600	PW CELL 06/02-07/01	0.00	6.60
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	50900007700	PW CELL 06/02-07/01	0.00	6.60
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	00165006530	PW CELL 06/02-07/01	0.00	13.20
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	00165006540	PW CELL 06/02-07/01	0.00	13.20
1011	90630	07/20/17	30	VERIZON WIRELESS-SD	00165006560	PW CELL 06/02-07/01	0.00	13.20
	TOTAL CHECK						0.00	66.00
1011	90631	07/20/17	178	VISTA PAINT CORPORATION	00165006570	PAINT/RECYCLE-FCCC	0.00	244.11
1011	90632	07/20/17	3723	WAGERWORKS	00150005400	FSA ADMIN-JUN	0.00	113.00
1011	90633	07/20/17	4844	WARWICK GROUP CONSULTANT	45099266190	9926 PROF SVC-JUNE	0.00	5,375.00
1011	90634	07/20/17	2823	WELLS FARGO BANK	67185008510	BRB/GRN UUG 6/17-6/18	0.00	1,750.00
1011	90634	07/20/17	2823	WELLS FARGO BANK	67285008520	PACIFIC UUG 6/17-6/18	0.00	750.00
	TOTAL CHECK						0.00	2,500.00

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-MAY	0.00	499.00
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-APR	0.00	499.00
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-JAN	0.00	499.00
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-FEB	0.00	499.00
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-JUN	0.00	499.00
1011	90635	07/20/17	4763	WESTERN AUDIO VISUAL	00150005450	CHAMBERS TECH-MAR	0.00	499.00
TOTAL CHECK							0.00	2,994.00
1011	90636	07/20/17	2189	WILLDAN	67385008530	MARSOLAN APR-JUN	0.00	254.29
1011	90636	07/20/17	2189	WILLDAN	67185008510	BARB/GRAN APR-JUN	0.00	268.52
1011	90636	07/20/17	2189	WILLDAN	67285008520	PACIFIC APR-JUN	0.00	255.46
TOTAL CHECK							0.00	778.27
1011	90637	07/27/17	4711	ABEL PEREZ	00165006530	MILEAGE-7/15-7/16	0.00	6.42
1011	90637	07/27/17	4711	ABEL PEREZ	00165006560	MILEAGE-7/15-7/16	0.00	6.42
TOTAL CHECK							0.00	12.84
1011	90638	07/27/17	5137	ABLE PATROL & GUARD, INC	00170007110	FCCC SECURITY-JUN	0.00	575.00
1011	90639	07/27/17	1135	AFFORDABLE PIPELINE SERV	50900007700	I-SEWER CLEANING	0.00	325.00
1011	90639	07/27/17	1135	AFFORDABLE PIPELINE SERV	50900007700	J-SEWER CLEANING	0.00	550.00
TOTAL CHECK							0.00	875.00
1011	90640	07/27/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 07/08	0.00	929.43
1011	90641	07/27/17	5301	LARRY BLOCK ENTERPRISES	00160006170	TIE DOWN STRAPS	0.00	26.96
1011	90646	07/27/17	1914	US BANK	00155005550	PARKING-SANDAG MTG	0.00	1.75
1011	90646	07/27/17	1914	US BANK	00150005150	BINDER CLIPS	0.00	3.81
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-BREAKFAST	0.00	6.95
1011	90646	07/27/17	1914	US BANK	00150005350	STAMP PADS	0.00	7.37
1011	90646	07/27/17	1914	US BANK	45999055550	9905.02CAP WRKSHIP SUP	0.00	7.46
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-BREAKFAST	0.00	8.10
1011	90646	07/27/17	1914	US BANK	00150005450	SCREWDRIVER	0.00	8.26
1011	90646	07/27/17	1914	US BANK	00165006530	PWI WATER	0.00	8.98
1011	90646	07/27/17	1914	US BANK	00150005450	HOSTING DOMAINS-JUN	0.00	9.95
1011	90646	07/27/17	1914	US BANK	00150005450	SCREWDRIVER	0.00	9.96
1011	90646	07/27/17	1914	US BANK	00170007110	REBON-LC DEDICATION	0.00	10.75
1011	90646	07/27/17	1914	US BANK	00150005200	CLOSED SESSION-6/14	0.00	13.00
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-LUNCH	0.00	14.00
1011	90646	07/27/17	1914	US BANK	00150005200	CLOSED SESSION-5/24	0.00	14.25
1011	90646	07/27/17	1914	US BANK	00150005250	CLOSED SESSION-5/24	0.00	14.25
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-BREAKFAST	0.00	14.77
1011	90646	07/27/17	1914	US BANK	00150005250	CLOSED SESSION-6/14	0.00	16.00
1011	90646	07/27/17	1914	US BANK	45999055550	9905.02CAP WRKSHIP SUP	0.00	16.25
1011	90646	07/27/17	1914	US BANK	00155005560	CA ACCESSIBILITY CARD	0.00	18.73
1011	90646	07/27/17	1914	US BANK	25560006180	ICE BAGS/WATER	0.00	19.46
1011	90646	07/27/17	1914	US BANK	00155005550	CHOPYK-SB 743	0.00	20.00
1011	90646	07/27/17	1914	US BANK	45999055550	9905.02CAP WRKSHIP SUP	0.00	23.77
1011	90646	07/27/17	1914	US BANK	00150005150	PENS	0.00	25.75
1011	90646	07/27/17	1914	US BANK	25560006180	DOOR MATS/CHAIR WHLS	0.00	26.14

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90646	07/27/17	1914	US BANK	001650006530	PW BBO-SODA	0.00	27.42
1011	90646	07/27/17	1914	US BANK	00160006170	LABEL TAPE	0.00	28.00
1011	90646	07/27/17	1914	US BANK	00170007110	STAFF TRAINING EVENT	0.00	30.00
1011	90646	07/27/17	1914	US BANK	13560006120	ALTIMETER-NEW ENGINE	0.00	30.48
1011	90646	07/27/17	1914	US BANK	00165006570	CH FRIDGE FILTER	0.00	32.12
1011	90646	07/27/17	1914	US BANK	00160006170	MAGNETS	0.00	33.62
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-TAXI-CLK CONF	0.00	36.76
1011	90646	07/27/17	1914	US BANK	00150005450	CONSTANT CONTACT-JUN	0.00	40.00
1011	90646	07/27/17	1914	US BANK	00150005150	CCAC-BAVIN-ELECTN LAW	0.00	40.00
1011	90646	07/27/17	1914	US BANK	00165006570	FCCC LIGHTS	0.00	51.59
1011	90646	07/27/17	1914	US BANK	00150005200	LA TIMES SUB PE 9/2	0.00	51.87
1011	90646	07/27/17	1914	US BANK	00160006120	FORD FUEL	0.00	52.63
1011	90646	07/27/17	1914	US BANK	00160006120	FDRS STRKTM PACKETS	0.00	54.92
1011	90646	07/27/17	1914	US BANK	25570007110	CRAFT SUPPLIES-CAMP	0.00	62.80
1011	90646	07/27/17	1914	US BANK	25560006180	BARRELS/BUCKETS/SPRAY	0.00	63.43
1011	90646	07/27/17	1914	US BANK	00150005450	RAM UPGRADE	0.00	66.79
1011	90646	07/27/17	1914	US BANK	00150005150	BINDERS/PENS	0.00	70.01
1011	90646	07/27/17	1914	US BANK	50900007700	PW BBO SUPPLIES	0.00	70.88
1011	90646	07/27/17	1914	US BANK	00160006120	FORD FUEL	0.00	73.69
1011	90646	07/27/17	1914	US BANK	00160006120	FORD FUEL	0.00	73.90
1011	90646	07/27/17	1914	US BANK	25560006180	JG TONER	0.00	78.59
1011	90646	07/27/17	1914	US BANK	25560006180	TOW 2483 TO SERVICE	0.00	80.00
1011	90646	07/27/17	1914	US BANK	00165006570	FCCC LAMPS	0.00	81.00
1011	90646	07/27/17	1914	US BANK	00160006170	DRY ERASE BOARDS	0.00	82.58
1011	90646	07/27/17	1914	US BANK	00150005100	CLOSED SESSION-6/14	0.00	93.36
1011	90646	07/27/17	1914	US BANK	25560006180	PST IT/PPR/PENS/STMP	0.00	97.83
1011	90646	07/27/17	1914	US BANK	00160006170	TRSH BTN/WNDM FLM/TTE	0.00	102.40
1011	90646	07/27/17	1914	US BANK	00150005100	CLOSED SESSION-5/24	0.00	109.27
1011	90646	07/27/17	1914	US BANK	00160006170	LOG BOOKS	0.00	111.44
1011	90646	07/27/17	1914	US BANK	00160006180	FILL STN CONNECTION	0.00	113.20
1011	90646	07/27/17	1914	US BANK	25560006180	FIRST AID SUPPLIES	0.00	128.50
1011	90646	07/27/17	1914	US BANK	12050005460	CAMERAS-ACCIDENT PKTS	0.00	132.78
1011	90646	07/27/17	1914	US BANK	00160006170	B/W PRINTING	0.00	137.66
1011	90646	07/27/17	1914	US BANK	13560006120	2411-WILDLAND TOOLS	0.00	146.81
1011	90646	07/27/17	1914	US BANK	25560006180	BALLS/PUMP/COOLR/TENT	0.00	149.00
1011	90646	07/27/17	1914	US BANK	001	AP TRAIN-KYLE	0.00	149.00
1011	90646	07/27/17	1914	US BANK	00150005300	AP TRAIN-THAYER	0.00	149.00
1011	90646	07/27/17	1914	US BANK	001	KERR-APWA FWX-8/27	0.00	149.50
1011	90646	07/27/17	1914	US BANK	001	KERR-APWA FWX-8/27	0.00	149.50
1011	90646	07/27/17	1914	US BANK	00170007110	MEM DAY SUPPLIES	0.00	161.36
1011	90646	07/27/17	1914	US BANK	25560006180	JG BANQUET RENTL 7/14	0.00	175.00
1011	90646	07/27/17	1914	US BANK	25560006180	JG BANQUET RENTL 8/11	0.00	175.00
1011	90646	07/27/17	1914	US BANK	25560006180	LUNCH-JG TRAINING	0.00	192.47
1011	90646	07/27/17	1914	US BANK	00160006170	HOTSCHEDULES SETUP	0.00	198.00
1011	90646	07/27/17	1914	US BANK	00150005150	INK-MAIL MACHINE	0.00	215.48
1011	90646	07/27/17	1914	US BANK	00150005450	PHOTOSHOP-MOSHI	0.00	239.88
1011	90646	07/27/17	1914	US BANK	00160006120	RADIO ANTENNA	0.00	244.75
1011	90646	07/27/17	1914	US BANK	00160006120	BTRY/CLNR/DTRGNT/TWL	0.00	252.32
1011	90646	07/27/17	1914	US BANK	00165006560	LC PARK GRILL	0.00	264.95
1011	90646	07/27/17	1914	US BANK	13560006120	TOOLS FOR NEW ENGINE	0.00	295.17
1011	90646	07/27/17	1914	US BANK	00160006170	SUNSCREEN	0.00	312.83
1011	90646	07/27/17	1914	US BANK	00160006120	TWLS/TRSH BGS/DTRGNT	0.00	332.48

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90646	07/27/17	1914	US BANK	25560006180	STAFF HATS	0.00	386.82
1011	90646	07/27/17	1914	US BANK	45999055550	9905 02CAP WRKSH SUP	0.00	428.53
1011	90646	07/27/17	1914	US BANK	001	JEMISON-MODULE 1 CRSE	0.00	460.00
1011	90646	07/27/17	1914	US BANK	00160006170	FIRST AID SUPPLIES	0.00	471.51
1011	90646	07/27/17	1914	US BANK	001	CHOPYK-HOTEL-AEP 5/18	0.00	484.21
1011	90646	07/27/17	1914	US BANK	00160006170	SWIM FLAGS	0.00	486.74
1011	90646	07/27/17	1914	US BANK	001	SWIM FLAGS REFUND PEN	0.00	486.74
1011	90646	07/27/17	1914	US BANK	001	KERR-APWA PWX-8/27	0.00	500.00
1011	90646	07/27/17	1914	US BANK	001	EDSON-LCC CONF-9/13	0.00	525.00
1011	90646	07/27/17	1914	US BANK	001	WADE-LCC CONF-9/13	0.00	525.00
1011	90646	07/27/17	1914	US BANK	00150005450	SERVER MAINTENANCE	0.00	595.92
1011	90646	07/27/17	1914	US BANK	001	PAVOLAS-HOTEL-CLK CNF	0.00	632.56
1011	90646	07/27/17	1914	US BANK	13560006120	GAS DETECTOR-NEW ENG	0.00	679.05
1011	90646	07/27/17	1914	US BANK	13560006120	GAS DETECTOR-NEW ENG	0.00	679.05
1011	90646	07/27/17	1914	US BANK	00160006120	ROPE/ROPE BAGS	0.00	682.37
1011	90646	07/27/17	1914	US BANK	25560006180	STAFF HATS	0.00	807.75
TOTAL CHECK							0.00	15,406.65
1011	90647	07/27/17	1561	CDW GOVERNMENT INC	00150005450	ROUTER	0.00	48.90
1011	90648	07/27/17	5303	CHRISTINA ZEITLER	001	REFND: FCCC 7/16/17	0.00	500.00
1011	90649	07/27/17	5051	CINTAS CORPORATION NO. 2	00165006570	FIRST AID SUPPLIES-CH	0.00	184.10
1011	90650	07/27/17	693	.CODE PUBLISHING COMPANY	00150005150	MUNI CODE UPDATE-7/14	0.00	179.50
1011	90650	07/27/17	693	CODE PUBLISHING COMPANY	00150005150	MUNI CODE UPDATE-7/06	0.00	137.50
TOTAL CHECK							0.00	317.00
1011	90651	07/27/17	5171	CORELOGIC SOLUTIONS, LLC	00155005550	PROPERTY PRO DATA	0.00	96.83
1011	90652	07/27/17	3902	CORODATA RECORDS MANAGEM	00150005150	RECORDS STRG-JUN	0.00	310.85
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	FY18 GEN LIABILITY	0.00	75,912.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	FY18 EXCESS LIAB	0.00	11,868.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005465	FY18 EXCESS WRKS COMP	0.00	158,539.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	FY18 CYBER INSURANCE	0.00	1,196.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	FY18 MASTER CRIME PROG	0.00	1,492.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	50900007700	FY18 PROPERTY PROG	0.00	22,095.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	FY18 PROPERTY PROG	0.00	100,866.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	PROPERTY INS 3/16-3/17	0.00	-124,621.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	50900007700	PROPERTY INS 3/16-3/17	0.00	20,001.00
1011	90653	07/27/17	1964	CSAC EXCESS INSURANCE AU	12050005460	PROPERTY INS 3/16-3/17	0.00	104,620.00
TOTAL CHECK							0.00	371,968.00
1011	90654	07/27/17	2629	D & D DISPOSAL INC	00160006130	ANIMAL DISPOSAL-JUN	0.00	195.00
1011	90655	07/27/17	4100	DA KINE'S PLATE LUNCHES	25560006180	JR GRD BANQUET 08/11	0.00	1,400.00
1011	90656	07/27/17	108	DEL MAR BLUE PRINT COMPA	00155005550	SB CAPACITY MAP	0.00	11.96
1011	90657	07/27/17	4898	STEVEN DENYES	00170007110	CONCERT-08/05/17	0.00	225.00

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90658	07/27/17	38	DEPARTMENT OF CONSERVATI	001	SMIP FEES APR17-JUN17	0.00	2,342.29
1011	90658	07/27/17	38	DEPARTMENT OF CONSERVATI	001	SMIP FEES APR17-JUN17	0.00	-0.06
	TOTAL CHECK						0.00	2,342.23
1011	90659	07/27/17	739	DEPARTMENT OF JUSTICE	001500005400	FINGERPRINT APPS-JUN	0.00	384.00
1011	90660	07/27/17	5210	COUNTY OF SAN DIEGO	001600006140	PRKNG CITE ADMIN-JUN	0.00	2,489.75
1011	90661	07/27/17	213	DEPARTMENT OF TRANSPORTA	001650006540	MAINT 04/17-06/17	0.00	578.53
1011	90661	07/27/17	213	DEPARTMENT OF TRANSPORTA	001650006540	ELECT 04/17-06/17	0.00	376.87
	TOTAL CHECK						0.00	955.40
1011	90662	07/27/17	134	DIXIELINE LUMBER CO INC	001650006560	TRASH CANS/PHOTO CELL	0.00	100.81
1011	90662	07/27/17	134	DIXIELINE LUMBER CO INC	001650006570	SUPER GLUE PEN	0.00	2.14
1011	90662	07/27/17	134	DIXIELINE LUMBER CO INC	001650006570	TOILET CONNECTOR	0.00	8.71
1011	90662	07/27/17	134	DIXIELINE LUMBER CO INC	001650006530	WORK GLOVES	0.00	11.84
	TOTAL CHECK						0.00	123.50
1011	90663	07/27/17	269	DUDEK & ASSOCIATES INC.	50998336510	9833 PUMP STN PE-6/30	0.00	275.00
1011	90664	07/27/17	1257	ELECTRO SPECIALTY SYSTEM	001500005400	EE SECURITY BADGES	0.00	173.13
1011	90665	07/27/17	322	FIRE ETC.	13560006120	4 FIRE HOSES	0.00	2,499.80
1011	90665	07/27/17	322	FIRE ETC.	13560006120	HOSES/PLUGS/ADAPTER	0.00	1,986.37
	TOTAL CHECK						0.00	4,486.17
1011	90666	07/27/17	4932	RACHEL FRIEDMAN	250550005570	MOVIE NIGHT SUPPLIES	0.00	26.64
1011	90667	07/27/17	4987	FUNFLICKS OUTDOOR MOVIES	250550005570	MOVIE NGT SCRIN-8/26	0.00	805.00
1011	90668	07/27/17	2593	GOLDFARB & LIPMAN	001500005250	1575-1 PROF SVC-MAY	0.00	616.00
1011	90668	07/27/17	2593	GOLDFARB & LIPMAN	652780007810	SA PROF SVC PE 05/31	0.00	3,388.00
	TOTAL CHECK						0.00	4,004.00
1011	90669	07/27/17	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 07/28/17	0.00	8,629.65
1011	90670	07/27/17	3859	ICMA RETIREMENT TRUST-RH	001	ICMA PD 07/28/17	0.00	2,022.05
1011	90671	07/27/17	3873	J.P. COOKE COMPANY	001600006120	SBFD CUST STAMP	0.00	132.55
1011	90672	07/27/17	5302	MARGARET STERMON	001	RFND: FCCC 09/22/17	0.00	970.90
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	85.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	153.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	255.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	120500005460	CLM.1702 PE 05/31/17	0.00	731.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	340.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	374.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	1,037.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	2,060.40
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	2,159.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	2,374.00

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	5,350.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	5,500.00
1011	90673	07/27/17	1130	MCDUGAL LOVE ECKIS SMIT	001500005250	PROF SERV PE 05/31/17	0.00	9,159.52
	TOTAL CHECK						0.00	29,577.92
1011	90674	07/27/17	1531	PARROTT SCREEN PRINTG &	255700007110	DAY CAMP T-SHIRTS	0.00	348.84
1011	90675	07/27/17	4767	PARTNERSHIPS WITH INDUST	00165006570	TRASH ABTMT PE06/30	0.00	1,222.67
1011	90676	07/27/17	2807	JAMES PATTON	25055005570	CONCERT-7/27/17	0.00	250.00
1011	90677	07/27/17	113	PITNEY BOWES GLOBAL FINA	001500005150	POSTAGE MTR-4/30-7/29	0.00	609.06
1011	90678	07/27/17	1008	PSC, LLC	00165006520	HHW-JUN	0.00	79.00
1011	90678	07/27/17	1008	PSC, LLC	00165006520	HHW-JUN	0.00	970.30
	TOTAL CHECK						0.00	1,049.30
1011	90679	07/27/17	3307	PURE FLO WATER-LC	001700007110	DRINK WATER-JUN	0.00	21.19
1011	90680	07/27/17	4080	JENNIFER REED	001700007100	SHORELINE-SUMMER	0.00	913.50
1011	90681	07/27/17	287	SALIENT NETWORKS (FXA DI	001500005450	RCPTN PHONE LIC/MAINT	0.00	1,194.00
1011	90682	07/27/17	257	SAN DIEGO COUNTY SHERIFF	21900006110	LAW ENFORCEMENT-JUN	0.00	12,499.90
1011	90682	07/27/17	257	SAN DIEGO COUNTY SHERIFF	00160006110	LAW ENFORCEMENT-JUN	0.00	297,432.48
1011	90682	07/27/17	257	SAN DIEGO COUNTY SHERIFF	001	CR TOW FEE-JUNE	0.00	-382.97
	TOTAL CHECK						0.00	309,549.41
1011	90683	07/27/17	141	SANTA FE IRRIGATION DIST	00165006560	M#15370042 05/02-6/30	0.00	308.12
1011	90683	07/27/17	141	SANTA FE IRRIGATION DIST	00165006570	M#7688798 05/02-06/30	0.00	102.30
1011	90683	07/27/17	141	SANTA FE IRRIGATION DIST	20375007510	M#13185146 05/02-6/30	0.00	504.83
	TOTAL CHECK						0.00	915.25
1011	90684	07/27/17	153	SHELL FLEET MANAGEMENT	00160006120	AUTO FUEL-JUNE	0.00	945.07
1011	90684	07/27/17	153	SHELL FLEET MANAGEMENT	00160006120	CR EXEMPT TAX-JUNE	0.00	-86.19
	TOTAL CHECK						0.00	858.88
1011	90685	07/27/17	13	SOLANA BEACH FIREFIGHTER	001	FD DUES PD 07/28/17	0.00	823.50
1011	90686	07/27/17	1231	STAPLES CONTRACT & COMME	00155005550	HAND SANITIZER	0.00	24.67
1011	90686	07/27/17	1231	STAPLES CONTRACT & COMME	00155005550	BINDERS	0.00	30.14
1011	90686	07/27/17	1231	STAPLES CONTRACT & COMME	00155005550	WIRE MESH DRWRS (6)	0.00	62.43
1011	90686	07/27/17	1231	STAPLES CONTRACT & COMME	50900007700	TONER	0.00	71.64
1011	90686	07/27/17	1231	STAPLES CONTRACT & COMME	00165006510	TRAY/DUSTER	0.00	19.91
	TOTAL CHECK						0.00	208.79
1011	90687	07/27/17	4465	SUN LIFE FINANCIAL	001	JUN 17 SUPP LIFE INS	0.00	267.10
1011	90687	07/27/17	4465	SUN LIFE FINANCIAL	001	JUN 17 LIFE & ADD INS	0.00	988.11
1011	90687	07/27/17	4465	SUN LIFE FINANCIAL	001	JUN 17 LTD	0.00	1,291.63
	TOTAL CHECK						0.00	2,546.84
1011	90688	07/27/17	4842	SUPPLYWORKS, INC	00165006560	BLEACH/ CAN LINERS	0.00	234.15

CITY OF SOLANA BEACH, CA
CHECK REGISTER - DISBURSEMENT FUND

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	90688	07/27/17	4842	SUPPLYWORKS, INC	00165006570	BLEACH/ CAN LINERS	0.00	234.16
TOTAL CHECK							0.00	468.31
1011	90689	07/27/17	4606	T & T JANITORIAL, INC	00170007110	FCCC 06/17, 24, 25	0.00	210.00
1011	90690	07/27/17	1147	TRAFFIC SAFETY SOLUTIONS	00165006540	BLADE CAP/BLADE CROSS	0.00	201.45
1011	90691	07/27/17	12	UNITED WAY OF SAN DIEGO	001	UNITED WY PD 07/28/17	0.00	70.00
1011	90692	07/27/17	2097	UT SAN DIEGO - NRTH COUN	00150005150	ORD 479 TRNSPRT IMPCT	0.00	48.63
1011	90693	07/27/17	4705	WEBQA, INC	00150005150	RECRDS RQST SFTWR	0.00	3,420.00
1011	90694	07/27/17	5300	WESELOH CHEVROLET	25560006180	2012 CHEVY REPAIR	0.00	1,887.70
1011	90695	07/27/17	4503	WESS TRANSPORTATION SERV	25560006180	JG FLD TRIP-06/27/17	0.00	573.38
1011	90695	07/27/17	4503	WESS TRANSPORTATION SERV	25560006180	JG FLD TRIP-06/28/17	0.00	1,071.75
TOTAL CHECK							0.00	1,645.13
1011	90696	07/27/17	662	WEST COAST ARBORISTS, IN	00165006560	TREE RMVL LC PARK	0.00	1,800.00
1011	90697	08/03/17	4706	24 HOUR ELEVATOR, INC	00165006570	ELVTR MAINT-JUL	0.00	157.48
1011	90698	08/03/17	2137	AFLAC	001	JULY 17	0.00	980.68
1011	90699	08/03/17	5308	ALLIANCE COMMUNITES INC	001	RFND: BC#7308 LATE FE	0.00	17.00
1011	90700	08/03/17	1122	APPLE ONE, INC	00150005150	TEMP HELP PE 07/15	0.00	969.84
1011	90701	08/03/17	4832	AT&T CALNET 3	00160006120	9391059865 06/01-6/30	0.00	392.36
1011	90701	08/03/17	4832	AT&T CALNET 3	00160006120	9391059865 05/01-5/31	0.00	392.36
1011	90701	08/03/17	4832	AT&T CALNET 3	00160006120	9391059865 04/01-4/30	0.00	392.36
TOTAL CHECK							0.00	1,177.08
1011	90702	08/03/17	263	BOOT WORLD, INC.	50900007700	BOOTS-PUBLIC WORKS	0.00	100.00
1011	90702	08/03/17	263	BOOT WORLD, INC.	00165006520	BOOTS-PUBLIC WORKS	0.00	152.40
1011	90702	08/03/17	263	BOOT WORLD, INC.	00165006530	BOOTS-PUBLIC WORKS	0.00	152.41
1011	90702	08/03/17	263	BOOT WORLD, INC.	00165006560	BOOTS-PUBLIC WORKS	0.00	152.41
TOTAL CHECK							0.00	557.22
1011	90703	08/03/17	5307	CALIFORNIA COMMUNITY CHO	00150005200	FY17/18 CAL CCA DUES	0.00	1,500.00
1011	90704	08/03/17	1561	CDW GOVERNMENT INC	13550005450	HP DL380 GEN9 SVR	0.00	6,632.01
1011	90704	08/03/17	1561	CDW GOVERNMENT INC	13550005450	4 32GB RAM	0.00	2,099.48
1011	90704	08/03/17	1561	CDW GOVERNMENT INC	13550005450	SALES TAX	0.00	676.69
TOTAL CHECK							0.00	9,408.18
1011	90705	08/03/17	4168	CHEN RYAN ASSOCIATES	45999055550	9905.01 TRFFC PE06/30	0.00	24,981.05
1011	90706	08/03/17	5304	CAROL CHILDS	001	RFND: 7/27 FCCC RNFL	0.00	500.00
1011	90707	08/03/17	310	CITY OF ENCINITAS	00160006120	FIRE SFTWR/TRN/KRONOS	0.00	2,388.58

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	-----DESCRIPTION-----	SALES TAX	AMOUNT
1011	90707	08/03/17	310	CITY OF ENCINITAS	00160006120	FIRE OPS SUPPLY TEST	0.00	89.26
1011	90707	08/03/17	310	CITY OF ENCINITAS	00160006120	FIRE OPS SUPPLIES	0.00	371.49
1011	90707	08/03/17	310	CITY OF ENCINITAS	00165006520	WTRSHD MGT FY17/18 Q1	0.00	874.25
	TOTAL CHECK						0.00	3,723.58
1011	90708	08/03/17	4252	DEWEY PEST CONTROL INC	00165006570	PEST CNTRL-JULY	0.00	175.00
1011	90709	08/03/17	2462	EMBROIDERY IMAGE	00165006520	6 HATS	0.00	51.89
1011	90709	08/03/17	2462	EMBROIDERY IMAGE	00165006560	6 HATS	0.00	51.90
	TOTAL CHECK						0.00	103.79
1011	90710	08/03/17	223	FEDEX	00150005150	SHIPPING-7/17, 7/18	0.00	53.88
1011	90710	08/03/17	223	FEDEX	00150005150	SHIPPING-07/11	0.00	26.81
	TOTAL CHECK						0.00	80.69
1011	90711	08/03/17	4601	FIREWATCH	00165006570	INSPCT SPRKLR-LC	0.00	263.93
1011	90711	08/03/17	4601	FIREWATCH	00165006570	FIRE SPRKLR RPR-LC	0.00	941.83
	TOTAL CHECK						0.00	1,205.76
1011	90712	08/03/17	11	ICMA RETIREMENT TRUST-45	001	ICMA PD 08/03/17	0.00	6,822.63
1011	90713	08/03/17	4189	KNOTT'S SOAK CITY	25560006180	JG FIELD TRIP 07/11	0.00	4,140.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	20875007580	CRT ADMIN APR-JUN	0.00	341.84
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	20875007580	CRT FEE ASSESSMENT	0.00	2,300.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	21100007600	ST LGT ADMIN APR-JUN	0.00	605.06
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT JUL-SEP	0.00	-500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT OCT-DEC	0.00	-500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT JAN-MAR	0.00	-500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT APR-JUN	0.00	-500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT APR-JUN	0.00	500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT JAN-MAR	0.00	500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT OCT-DEC	0.00	500.00
1011	90714	08/03/17	2287	KOPPEL & GRUBER PUBLIC F	00150005300	FIRE BENEFIT JUL-SEP	0.00	500.00
	TOTAL CHECK						0.00	3,246.90
1011	90715	08/03/17	2562	LALLEY CONSTRUCTION	00165006570	AS NEEDED REPAIR-JUL	0.00	900.00
1011	90715	08/03/17	2562	LALLEY CONSTRUCTION	00165006570	AS NEEDED REPAIR-JUN	0.00	360.00
	TOTAL CHECK						0.00	1,260.00
1011	90716	08/03/17	99	LAWNMOVERS PLUS	00160006120	CR: CHAINSAW BAR	0.00	-25.86
1011	90716	08/03/17	99	LAWNMOVERS PLUS	00160006120	CHAINSAW/CUTTING WHL	0.00	678.03
	TOTAL CHECK						0.00	652.17
1011	90717	08/03/17	172	LEE'S LOCK & SAFE INC	00165006560	RPR FCP RESTROOM LOCK	0.00	526.76
1011	90718	08/03/17	2102	LEGAL SHIELD CORP	001	PPD LEGAL-JUL 17	0.00	90.65
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	VISION JULY	0.00	452.45
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	00150005400	ROUNDING - JULY	0.00	-0.22
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	EE# - JULY	0.00	9.03
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	EE# - JULY	0.00	11.28

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	EE# - JULY	0.00	20.33
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	FY17 VISION RECONCILI	0.00	-42.88
1011	90719	08/03/17	4738	MEDICAL EYE SERVICES	001	FY17 VISION RECONCILI	0.00	42.88
TOTAL CHECK							0.00	492.87
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.56
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.56
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	21100007600	LAUNDRY-PUB WORKS	0.00	1.56
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	6.25
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	6.25
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	50900007700	LAUNDRY-PUB WORKS	0.00	6.25
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	7.03
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	7.03
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006560	LAUNDRY-PUB WORKS	0.00	7.03
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006520	LAUNDRY-PUB WORKS	0.00	7.04
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	12.50
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	12.50
1011	90720	08/03/17	111	MISSION LINEN & UNIFORM	00165006530	LAUNDRY-PUB WORKS	0.00	12.50
TOTAL CHECK							0.00	103.14
1011	90721	08/03/17	5309	MODERN WEST	001	RFND: BC#7734 LATE FE	0.00	17.00
1011	90722	08/03/17	4522	NISSHO OF CALIFORNIA	00165006560	PW-VALVE REPAIR	0.00	177.94
1011	90722	08/03/17	4522	NISSHO OF CALIFORNIA	50999356510	9935 RMVL OF BACKFLOW	0.00	473.66
TOTAL CHECK							0.00	651.60
1011	90723	08/03/17	4908	NOAH WILLIAMS PHOTOGRAPH	25560006180	JRLG PROMO DVD 1A&1P	0.00	1,000.00
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	DENTAL JULY 17	0.00	2,912.36
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	00150005400	ROUNDING JULY 17	0.00	-0.07
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	EE# TIMING JULY 17	0.00	25.10
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA JULY 17	0.00	46.80
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA JULY 17	0.00	46.80
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA JULY 17	0.00	84.00
1011	90724	08/03/17	1087	PREFERRED BENEFIT INS AD	001	EE# COBRA JULY 17	0.00	3,114.99
TOTAL CHECK							0.00	78.00
1011	90725	08/03/17	1112	RANCHO SANTRA FE SECURITY	00165006570	LCP ALARM SVC/REPAIR	0.00	710.00
1011	90726	08/03/17	5305	RICK GILLETT	001	RFND: CXL FCCC 7/29	0.00	750.00
1011	90727	08/03/17	391	REGIONAL TRAINING CENTER	00150005200	CCMA FEE FY17/18	0.00	758.00
1011	90727	08/03/17	391	REGIONAL TRAINING CENTER	00150005400	CCPA TRNG FY17/18	0.00	1,508.00
TOTAL CHECK							0.00	5,215.20
1011	90728	08/03/17	5177	SAN DIEGUITO ENGINEERING	12050005460	CLM.1704 LAND SURVEY	0.00	69,022.00
1011	90729	08/03/17	115	SAN DIEGUITO RIVER VALLE	00150005100	FY17/18 MEMBER ASSESS	0.00	2,233.00
1011	90730	08/03/17	60	SAN DIEGO ASSOC OF GOVER	00150005100	FY18 SANDAG MEMBERSHIP	0.00	623.00
1011	90730	08/03/17	60	SAN DIEGO ASSOC OF GOVER	00160006110	FY18 CRIMINAL JUSTICE	0.00	

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90730	08/03/17	SAN DIEGO ASSOC OF GOVER	45099266190	9926 FY18 SHORELINE	0.00	4,695.00
TOTAL CHECK						0.00	7,551.00
1011	90731	08/03/17	SANTA FE IRRIGATION DIST	00165006560	M#1166687 05/16-7/14	0.00	276.18
1011	90731	08/03/17	SANTA FE IRRIGATION DIST	20375007510	M#13185128 05/16-7/14	0.00	464.83
1011	90731	08/03/17	SANTA FE IRRIGATION DIST	00165006560	GRP#3-12 05/16-07/14	0.00	479.66
1011	90731	08/03/17	SANTA FE IRRIGATION DIST	20375007510	GRP#3-12 05/16-07/14	0.00	239.33
1011	90731	08/03/17	SANTA FE IRRIGATION DIST	20875007580	GRP#3-12 05/16-07/07	0.00	353.15
TOTAL CHECK						0.00	1,813.15
1011	90732	08/03/17	SDG&E CO INC	00165006540	UTILITIES-06/07-07/10	0.00	909.21
1011	90732	08/03/17	SDG&E CO INC	00165006530	UTILITIES-06/07-07/10	0.00	1,147.00
1011	90732	08/03/17	SDG&E CO INC	20375007510	UTILITIES-06/07-07/10	0.00	2,022.27
1011	90732	08/03/17	SDG&E CO INC	00165006570	UTILITIES-06/07-07/10	0.00	2,277.12
1011	90732	08/03/17	SDG&E CO INC	00165006570	UTILITIES-06/07-07/10	0.00	5,997.89
1011	90732	08/03/17	SDG&E CO INC	21100007600	UTILITIES-06/07-07/10	0.00	6,480.36
1011	90732	08/03/17	SDG&E CO INC	00165006540	UTILITIES-06/07-07/10	0.00	417.23
1011	90732	08/03/17	SDG&E CO INC	00165006530	UTILITIES-06/07-07/10	0.00	446.42
TOTAL CHECK						0.00	19,697.50
1011	90733	08/03/17	SHARP REES-STEALY MEDICA	00150005400	PRE-EMPLOYMNT SCREEN	0.00	431.00
1011	90734	08/03/17	SHURLOCK FENCE COMPANY	00165006560	RPR PIPE GATE-FCP	0.00	400.00
1011	90735	08/03/17	SOLANA BEACH CHAMBER OF	25055005570	Q4 VISITOR CENTER	0.00	3,750.00
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	AUG 17 SUPP LIFE INS	0.00	267.10
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	JUL 17 SUPP LIFE INS	0.00	267.10
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	JUL 17 LIFE & ADD INS	0.00	988.75
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	AUG 17 LIFE & ADD INS	0.00	1,025.46
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	JUL 17 LTD	0.00	1,291.63
1011	90736	08/03/17	SUN LIFE FINANCIAL	001	AUG 17 LTD	0.00	1,325.77
TOTAL CHECK						0.00	5,165.81
1011	90737	08/03/17	THE UNIFORM SPECIALIST	00160006120	4 SHIRTS/PANTS-FORD	0.00	1,158.19
1011	90738	08/03/17	UT SAN DIEGO - NRTH COUN	20293626510	9362.17PUB NTC-BIDS	0.00	623.24
1011	90739	08/03/17	VAN DYKE LANDSCAPE ARCHI	42094386510	9438.10-SKT PARK 6/30	0.00	4,514.85
1011	90740	08/03/17	WAGWORKS	00150005400	FSA ADMIN-JUL	0.00	113.00
1011	90741	08/03/17	WARDELL BUILDERS	001	RFND:SBGR#308/259 HIL	0.00	67,179.00
1011	90742	08/03/17	WELLS FARGO BANK N.A.	671	LESS REV FUND 9/2/17	0.00	-3.80
1011	90742	08/03/17	WELLS FARGO BANK N.A.	67285008520	PACIFIC BND INT9/2/17	0.00	10,800.01
1011	90742	08/03/17	WELLS FARGO BANK N.A.	67285008520	PACIFIC BND PRN9/2/17	0.00	15,000.00
1011	90742	08/03/17	WELLS FARGO BANK N.A.	67185008510	BARB BND INT 9/2/17	0.00	31,913.76
1011	90742	08/03/17	WELLS FARGO BANK N.A.	67185008510	BARB BND PRN 9/2/17	0.00	40,000.00
TOTAL CHECK						0.00	97,709.97
1011	90744	08/03/17	XEROX CORPORATION	00150005350	W7830PT UPSTRS-MAY	0.00	162.81

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FUND - 001 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	DESCRIPTION	SALES TAX	AMOUNT
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-JUN	0.00	199.60
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK-06/06-6/21	0.00	39.48
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK-04/22-6/06	0.00	99.21
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-MAY	0.00	36.79
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR-06/06-6/21	0.00	449.90
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR-04/22-6/06	0.00	450.54
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	D95CP PLNG LEASE-JUN	0.00	555.18
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS COPIES/21-6/30	0.00	154.88
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-JUN	0.00	218.99
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK-05/21-6/21	0.00	43.83
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR-05/21-6/21	0.00	125.46
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-DEC	0.00	-219.50
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT UPSTRS-MAY	0.00	-218.99
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR11/21-12/21	0.00	-404.17
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK11/21-12/21	0.00	-45.31
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK11/21-12/21	0.00	-31.97
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK11/21-12/21	0.00	43.27
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR-4/22-5/21	0.00	-236.16
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR11/21-12/21	0.00	255.17
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-DEC	0.00	-200.06
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-DEC	0.00	219.50
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR11/21-12/21	0.00	-255.17
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK11/21-12/21	0.00	-43.27
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK11/21-12/21	0.00	31.97
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR11/21-12/21	0.00	404.17
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	W7830PT CLRKS-MAY	0.00	218.99
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS BLK-4/22-5/21	0.00	45.31
1011	90744	08/03/17	37	XEROX CORPORATION	00150005350	EXCESS CLR-04/22-5/21	0.00	236.16
TOTAL CHECK							0.00	2,536.67
1011	97045	08/03/17	5310	THE ROCKADEMY, LLC	25055005570	CONCERT-8/03/17	0.00	200.00
TOTAL CASH ACCOUNT							0.00	2,309,394.65
TOTAL FUND							0.00	2,309,394.65
TOTAL REPORT							0.00	2,309,394.65



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Finance
SUBJECT: Report on Changes Made to the General Fund Adopted Budget for Fiscal Year 2017-2018

BACKGROUND:

Staff provides a report at each Council meeting that lists changes made to the current Fiscal Year (FY) General Fund Adopted Budget.

The information provided in this Staff Report lists the changes made through July 12, 2017.

DISCUSSION:

The following table reports the revenue, expenditures, and transfers for 1) the Adopted General Fund Budget approved by Council on June 14, 2017 (Resolution 2017-095) and 2) any resolutions passed by Council that amended the Adopted General Fund Budget.

GENERAL FUND - ADOPTED BUDGET PLUS CHANGES					
As of July 12, 2017					
Action	Description	Revenues	Expenditures	Transfers from GF	Net Surplus
Reso 2017-195	Adopted Budget	17,611,600	(16,932,700)	(372,400) (1)	\$ 306,500
Reso 2017-122	Marine Safety MOU	-	(11,340)	-	295,160
Reso 2017-123	Salary and Comp Plan	-	(75,500)	-	219,660
Reso 2017-126	Miscellaneous MOU	-	(53,600)	-	166,060
(1)	Transfers to:				
	Debt Service for Public Facilities		152,400		
	City CIP Fund		220,000	372,400	

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA

COUNCIL ACTION:

FISCAL IMPACT:

N/A

WORK PLAN:

N/A

OPTIONS:

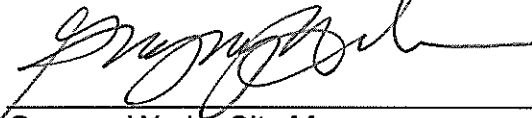
- Receive the report.
- Do not accept the report

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council receive the report listing changes made to the FY 2017-2018 General Fund Adopted Budget.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: City Manager
SUBJECT: **Consideration of Resolution 2017-134 Ratifying and Adopting the Memorandum of Understanding between the City and the Miscellaneous Employee Group**

BACKGROUND:

Employer-Employee Relations for the City of Solana Beach are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act (MMBA). Under the MMBA, the City's Negotiation Team (City) met and conferred in good faith with the Solana Beach Employees' Association-Miscellaneous Group (SBEA-MISC), the recognized bargaining unit for the Miscellaneous Employees of the City, for a successor Memorandum of Understanding (MOU) to the Fiscal Year 2015/17 MOU that ended June 30, 2017.

During the meet and confer process, the City and SBEA-MISC reached a tentative agreement on a three-year MOU for Fiscal Years (FY) 2017/18, 2018/19, and 2019/20. The Letter of Intent was approved by City Council on July 12, 2017 along with the new Salary and Compensation Plan.

This item is before City Council to consider adoption of Resolution 2017-134 (Attachment 1) which would ratify the MOU for the SBEA-MISC group and incorporate the modifications agreed to in the Letter of Intent (Attachment 1).

DISCUSSION:

The Letter of Intent (Attachment 2) adopted by City Council on July 12, 2017 listed the significant modifications agreed upon by the City and SBEA-MISC group. The key elements of the negotiated terms are listed below.

Solana Beach Employees' Association-Miscellaneous Group

A copy of the FY 2015/17 MOU (Attachment 3) is attached to this Staff Report in strike-out format to more clearly highlight the newly negotiated terms. The key elements of the newly negotiated MOU between the City and the SBEA-MISC group are as follows:

CITY COUNCIL ACTION:

- 1) **Term**: Three (3) year MOU covering Fiscal Year (FY) 2017/18, FY 2018/19, and FY 2019/20; and
- 2) **Salary Increases**: 3.0% salary increase in FY 2017/18, 2.5% salary increase in FYs 2018/19 and 2019/20 across all tiers. The salary increase will take effect the first full pay period in July of each fiscal year; and
- 3) **Additional Salary Adjustments**: One-time salary adjustment to six SBEA-MISC positions over the first or first and second years of the MOU as detailed in the following table effective the first full pay period in July of each fiscal year; and

	<u>2017/18</u>	<u>2018/19</u>	<u>Total</u>
Sr. Code Compliance Officer	0.30%	0.00%	0.30%
Sr. Engineering Technician	0.66%	0.00%	0.66%
Assistant Civil Engineer	1.05%	1.05%	2.10%
Associate Planner	1.15%	1.15%	2.30%
Assistant Planner	1.75%	1.75%	3.50%
Associate Civil Engineer	3.10%	3.10%	6.20%

- 4) **Health Benefits**: 10% health benefit flex credit increase in FY 2017/18, and 5% health benefit flex credit increase in FYs 2018/19 and 2019/20. The health benefit flex credit increase will take effect on July 1 of each fiscal year; and
- 5) **Holidays**: Christmas Eve and New Year's Eve will become a full day holiday closure (9 hours). If either holiday falls on a Friday, the employee will be credited with 8 hours pay; and
- 6) **Sick Leave Conversion**: The conversion rate will be increased to 60 hours. An employee may convert 60 hours of sick leave to vacation leave when he/she has not used up more than 60 hours of sick leave during the prior year and maintains at least 168 hours of sick leave bank after the conversion is made and further provided that the employee has less than the maximum permitted vacation time accrual. All other provisions and requirements regarding sick leave conversion remain unchanged; and
- 7) **Call Back and Standby Pay**: Updated language as reflected in Section 22 of the new MOU; and
- 8) **Bilingual Pay**: Updated language as reflected in Section 23 of the new MOU.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The fiscal impact of the MOU was detailed in the Staff Report presented at the July 12, 2017 City Council meeting where the City Council approved the Letter of Intent to enter into a MOU with the SBEA-MISC.

The fiscal impact of the MOU with the SBEA-MISC for FY 2018/20 was estimated at a cumulative cost of \$349,000 over the three years of the MOU as detailed in the following table:

Fiscal Year	Incremental	Cumulative
2017/18	\$ 67,000	\$ 67,000
2018/19	51,000	185,000
2019/20	46,000	349,000

To accommodate the above financial terms, the City Council adopted Resolution 2017-126 approving the Letter of Intent and appropriating \$53,600 to the General Fund and \$13,400 to non-General Fund funds including Sanitation, Highway 101 MID, and Street Lighting funds for a total appropriation of \$67,000 to the FY 2017/18 Adopted Budget.

WORK PLAN:

N/A

OPTIONS:

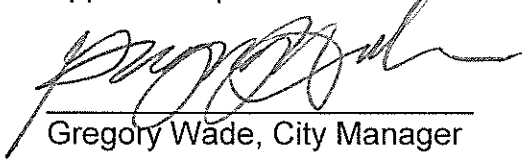
- Approve Staff recommendation.
- Do not approve Staff recommendation and provide direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2017-134 approving a Three-Year Memorandum of Understanding (Attachment 4) between the City and the SBEA-MISC group for Fiscal Years 2017/18, FY 2018/19, FY 2019/20.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-134
2. SBEA-MISC Group Signed Letter of Intent
3. SBEA-MISC Group MOU FY 2015/17(strike out version)
4. SBEA-MISC Group New MOU FY 2017/20 (clean version)

RESOLUTION 2017-134

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING AND ADOPTING A MEMORANDUM OF UNDERSTANDING WITH SOLANA BEACH EMPLOYEES' ASSOCIATION-MISCELLANEOUS GROUP FOR FISCAL YEARS 2017/2020

WHEREAS, Employer-Employee Relations for the City of Solana Beach (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act; and

WHEREAS, the Solana Beach Employees' Association-Miscellaneous Group is the Recognized Employee Organization (under Solana Beach Resolution No. 92-52) for full-time and regular part-time Miscellaneous Group employees; and

WHEREAS, the Memorandum of Understanding ("MOU") between the City and the SBEA-MISC for Fiscal Years 2015/17 expired on June 30, 2017; and

WHEREAS, the parties held "meet and confer" sessions in an effort to reach an agreement on a new MOU; and

WHEREAS, during the meet and confer process, the City and the SBEA-MISC reached tentative agreements on several provisions and signed a Letter of Intent, on July 3, 2017; and

WHEREAS, the City Council passed and adopted the tentative agreement and Letter of Intent, on July 12, 2017; and

WHEREAS, the attached Memorandum of Understanding for Fiscal Years 2017/20 has been ratified and approved by the SBEA-MISC membership; and

WHEREAS, the City Council passed and adopted the Miscellaneous Salary Schedule (Schedule 3) for Fiscal Year 2017/18 on July 12, 2017.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitals are true and correct.
2. That the City Council hereby approves the Memorandum of Understanding for Fiscal Years 2017/20 with the Solana Beach Employees' Association-Miscellaneous Group as agreed-upon terms and conditions of employment of members of the bargaining unit.
3. That the City Council directs the City Manager, or his designee, to take any and

all necessary and appropriate actions to implement these agreed-upon terms and conditions of employment.

PASSED AND ADOPTED this 23rd day of August, 2017, at a scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



**Letter of Intent between the City of Solana Beach
and
The Solana Beach Employees' Association- Miscellaneous Unit (SBEA-MISC)**

WHEREAS, Employer-Employee Relations for the City of Solana Beach (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act; and

WHEREAS, the Solana Beach Employees' Association-Miscellaneous Unit (SBEA-MISC) is the recognized bargaining unit for the Miscellaneous employees of the City of Solana Beach; and

WHEREAS, the City and SBEA-MISC entered into a Memorandum of Understanding ("MOU") effective July 1, 2015 through June 30, 2017; and

WHEREAS, the parties met and conferred in good faith in an effort to reach an agreement on a new MOU; and

WHEREAS, during the meet and confer process, the City and SBEA-MISC reached a tentative agreement on a three year MOU for Fiscal Years 2017/2018, 2018/2019 and 2019/2020; and

WHEREAS, the SBEA-MISC membership approved the tentative agreement for a three year MOU by a vote on July 3, 2017; and

NOW THEREFORE, the City and SBEA-MISC mutually agree as follows:

1. Three (3) year MOU covering FYs 2017/2018, 2018/2019, and 2019/2020; and
2. Salary Increases: 3.0% salary increase in FY 2017/2018, 2.5% salary increase in FYs 2018/2019 and 2019/2020 across all tiers. The salary increase will take effect the first full pay period in July of each fiscal year; and
3. Additional Salary Adjustments: One-time salary adjustment to six SBEA-MISC positions over the first or first and second years of the MOU as detailed in the following table effective the first full pay period in July of each fiscal year; and

	2017/18	2018/19	Total
Sr. Code Compliance Officer	0.30%	0.00%	0.30%
Sr. Engineering Technician	0.66%	0.00%	0.66%
Assistant Civil Engineer	1.05%	1.05%	2.10%
Associate Planner	1.15%	1.15%	2.30%
Assistant Planner	1.75%	1.75%	3.50%
Associate Civil Engineer	3.10%	3.10%	6.20%

4. **Health Benefits:** 10% health benefit flex credit increase in FY 2017/2018, and 5% health benefit flex credit increase in FYs 2018/2019 and 2019/2020. The health benefit flex credit increase will take effect on July 1 of each fiscal year; and
5. **Holidays:** Christmas Eve and New Year's Eve will become a full day holiday closure (9 hours). If either holiday falls on a Friday, the employee will be credited with 8 hours pay; and
6. **Sick Leave Conversion:** The conversion rate will be increased to 60 hours. An employee may convert 60 hours of sick leave to vacation leave when he/she has not used up more than 60 hours of sick leave during the prior year and maintains at least 168 hours of sick leave bank after the conversion is made and further provided that the employee has less than the maximum permitted vacation time accrual. All other provisions and requirements regarding sick leave conversion remain unchanged; and
7. **Bilingual Pay:** SBEA-MISC agrees to the proposed modified language.
8. **Call Back and Standby Pay:** SBEA-MISC agrees to the proposed modified language.
9. The parties will continue to meet and confer to finalize the language of the MOU within a reasonable time period after execution of the Letter of Intent. Upon completion, the MOU will be brought back before the City Council on August 23, 2017 for approval; and
10. The provisions in this Letter of Intent shall go into effect upon City Council approval on July 12, 2017.

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Executed in Solana Beach, California by:

SBEA-MISC:



Mikki Eggum, SBEA-MISC


7/3/17
Date



Vanessa Rivera, SBEA-MISC

7/3/2017
Date

CITY OF SOLANA BEACH:



Dan King, Assistant City Manager

7/3/2017
Date



Pouneh Sammak, HR Manager

7/3/2017
Date

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF SOLANA BEACH AND
THE SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS UNIT**

JULY 1, ~~2015~~ 2017 THROUGH JUNE 30, ~~2020~~ 17

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**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SOLANA BEACH
AND
THE SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS UNIT**

JULY 1, ~~2015-2017~~ THROUGH JUNE 30, ~~2017~~2020

1. PREAMBLE

This Memorandum of Understanding (MOU) is made and entered into pursuant to Solana Beach Resolution No. 92-52 (Employer-Employee Relations Resolution), and applicable State law between the designated management representatives of the City of Solana Beach (CITY), and the Solana Beach Employees' Association (SBEA), the Recognized Employee Organization (under Solana Beach Resolution No. 92-52) for full-time and regular part-time Miscellaneous Unit employees represented herein.

This MOU is the result of good faith negotiations regarding wages, hours and other terms and conditions of employment under the provisions of the California Meyers-Milias-Brown Act. The parties to this MOU hereto have met and conferred in good faith exchanging various proposals in an attempt to reach agreement. The parties affirm their mutual commitment to the goals of effective and efficient public service, high employee morale, sound and responsible management of CITY business, and amicable employer-employee relations. The parties encourage the highest possible degree of friendly, cooperative relationships between their respective representatives at all levels and with and between all employees.

2. RECOGNITION

Pursuant to Solana Beach Resolution No. 92-52 (Employer-Employee Relations Resolution), and applicable State law, the CITY acknowledges SBEA as the Recognized Employee Organization for Miscellaneous Unit employees for purposes of employer-employee relations.

Nothing in this Article is intended to amend, alter, modify or supersede the provisions of Resolution No. 92-52, or the rights of employees thereunder, or the rights of individual employees under the provisions of the Meyers-Milias-Brown Act.

3. APPROVAL BY THE CITY COUNCIL

This MOU constitutes a mutual recommendation to be jointly submitted to the City Council for its consideration and action. It is agreed that if this memorandum is approved by the City Council, the CITY will act in a timely manner to make the changes in City ordinances, resolutions, rules, policies and procedures necessary to implement this MOU.

Upon approval by the City Council, this MOU, along with the Solana Beach Personnel Rules and Regulations (as existing on the date of this MOU or as modified by or pursuant to this MOU), and other Policies or Directives established by the CITY (as existing on the date of this MOU or as modified by or pursuant to this MOU), will govern the wages, hours and terms and conditions of employment of the employees represented by the SBEA, subject to the

provisions and limitations of Chapter 2.44 (Personnel System) of the Solana Beach Municipal Code.

4. AUTHORIZED AGENTS/REPRESENTATIVES

CITY's principal authorized agent shall be the City Manager or the City Manager's authorized designee, unless a particular officer or employee is specifically designated in connection with the performance of a specific function or obligation set forth in the MOU.

The SBEA's principal authorized agent shall be its president or a duly authorized designee of the president.

5. CITY MANAGEMENT RIGHTS

The CITY retains and has the exclusive decision-making authority to manage municipal services and the work force performing those services so long as the CITY exercises such exclusive authority in conformance with the express specific terms of this MOU.

The CITY has, except as expressly and lawfully restricted by specific provisions of this MOU, the exclusive decision-making authority to:

- (a) Determine and modify the organization of city government and its constituent work units.
- (b) Determine the nature, standards, levels and mode of delivery of services to be offered to the public; provided, however, should the CITY determine to change the mode of delivery of services to be offered to the public, it shall first notify SBEA and if an effect on represented employees is identified, shall meet and confer with SBEA regarding the effect of such decision on represented employees.
- (c) Determine the budget, to allocate funds and resources, and determine revenue sources.
- (d) Determine methods, means, and the numbers and kinds of personnel by which services are to be provided.
- (e) Determine whether goods or services shall be made, purchased or contracted for; provided, however, should the CITY determine to contract out bargaining unit work, it shall first meet and confer with SBEA regarding the effect of such decision on represented employees.
- (f) Determine employees, including scheduling and assignment of work and overtime.
- (g) Establish employee performance standards and require compliance therewith.
- (h) Promote or hire employees and establish job qualifications, descriptions and requirements.
- (i) Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees subject to the requirements of applicable law.

(j) Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.

(k) Implement rules, regulations and directives consistent with law and the specific provisions of this MOU.

(l) Take all necessary actions to protect the public and carry out its mission in emergencies.

6. EMPLOYEE RIGHTS

Non-discrimination. As a result of this MOU, no person shall be favored or discriminated against, by either the CITY or the SBEA, to the extent provided by law because of political or religious opinions or affiliations, or because of racial or national origin, or because of age, sex, sexual orientation or disability.

Neither CITY nor SBEA shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this MOU because of the exercise of rights to engage or not engage in SBEA activity or because of the exercise of any right provided to the employees by this MOU or the Meyers-Milias-Brown Act.

Individual Rights. Nothing in this MOU shall be construed as a waiver of any of the following rights of individual employees which may be exercised in compliance with applicable laws, ordinances, and rules and regulations.

(a) The right to form, join and participate in the activities of employee organizations of the employee's own choosing for the purpose of representation on matters of employer/employee relations or not to join or participate in the activities of any organization as provided in Solana Beach Resolution No. 92-52. All employees have a right to be free from interference, intimidation, restraint, coercion, discrimination, or reprisal on the part of the management representatives, the supervisor, other employees, or employee organizations, with respect to his or her membership or non-membership in any employee organization.

(b) Pursuant to the Meyers-Milias-Brown Act, the right to represent himself or herself individually in employer/employee relations with the CITY or to be represented through a representative designated by the employee.

(c) The right to review his or her individual personnel file at times convenient to the employee and the CITY.

SBEA Rights:

(a) CITY recognizes the right of SBEA to govern its internal affairs.

(b) The CITY shall provide bulletin boards to be placed in CITY offices at a place convenient to SBEA and approved by the City Manager for the use of SBEA. Material placed on the bulletin board shall be at the discretion of SBEA. SBEA agrees not to post any literature that is offensive, defamatory or violates the rights of employees to a work place free of discrimination or harassment.

(c) SBEA may, with the prior approval of the City Manager, use CITY facilities for off-duty meetings of SBEA members. Use by SBEA of CITY equipment and supplies other than items normally used in business meetings such as desks, chairs, blackboards, and dry boards, despite the presence of such equipment and supplies, is prohibited.

(d) The representatives of SBEA shall have reasonable access to the members of SBEA for the purposes of providing representation and consultation. The access shall be subject to approval by the City Manager and shall not interfere with the convenient operation of the CITY's Departments. Access by personal visit to CITY offices shall be subject to reasonable prior notice to the City Manager.

(e) A representative of SBEA shall be allowed to be present at the request of any employee at any meeting with management involving a grievance, at appeals of employee performance evaluations, and at any pre-disciplinary or disciplinary meetings.

(f) The CITY agrees to provide reasonable time off, without loss of pay, during scheduled work hours for up to two (2) representatives of SBEA when said representatives are meeting and conferring on matters within the scope of representation.

(g) SBEA may designate one employee representative to assist an employee in preparing and presenting materials for disciplinary or grievance procedures. The employee's representative so designated shall be allowed reasonable release time from regularly scheduled duties for the purpose of investigating and preparing materials for such procedures. Supervisors shall be given at least one day prior written notice in the event release time is requested, unless the supervisor agrees otherwise. Employee representatives who investigate, prepare, or present materials during off-duty time shall do so on their own time. Employee representatives and employees who attend personnel hearings during the off-duty time shall do so on their time; providing, however, that off-duty employees who are ordered or subpoenaed to attend such hearings shall be compensated in accordance with the overtime provisions of this MOU.

(h) A designated employee representative requesting time off under this Article shall direct such request to the City Manager in writing within a reasonable time prior to the date requested, in order to assure that the department meets its staff needs and to assure sufficient coverage of departmental assignments. The City Manager shall respond to the request as soon as feasible, but not later than the end of business on the next business day following the request. If the City Manager does not respond to the request, the Department Head of the affected department may grant the release time. If the City Manager or Department Head cannot grant the release time because of workload or other scheduling reasons, the City Manager or Department Head shall give notice to the employee of a date or dates when the release time will be provided.

7. FULL UNDERSTANDING, MODIFICATION, WAIVER

It is the intent of the parties that this MOU set forth the full and entire understanding of matters agreed to upon conclusion of meet and confer sessions which resulted in this MOU. Any other matters, not contained herein, which were addressed during the course of the meet and confer process resulting in this MOU, are superseded and terminated in their entirety. Any understanding or agreement, not contained herein, whether formal or informal, which occurred during the course of meet and confer sessions, resulting in this MOU, are terminated or

superseded in their entirety. Any amendment to the provisions of this MOU shall not be effective unless made in writing executed by the parties.

It is the intent of the parties that this MOU be administered in its entirety in good faith during its full term. It is recognized that if during such term it is necessary for the CITY to propose changes in matters within the scope of representation not contained in this memorandum, the CITY shall notify SBEA, indicating the proposed change prior to its implementation. If SBEA wishes to consult or meet and confer with the CITY regarding the matter, SBEA shall notify the CITY within ten (10) working days from the receipt of such notice. Upon receipt of such notice, the parties shall meet promptly in an earnest effort to reach a mutually satisfactory resolution of any problem arising as a result of the change instituted by the CITY.

Nothing herein shall limit the authority to the CITY to make changes required during emergencies. However, the CITY shall notify SBEA of such changes as soon as practicable. Such emergency assignments shall not extend beyond the period of emergency. "Emergency" shall be defined as an unforeseen circumstance requiring immediate implementation of the change.

Failure by the SBEA to request consultation or negotiations pursuant to this Article shall not be deemed as approval of any action taken by the CITY, but only as a waiver of the right to consult and meet and confer.

The consent to, or waiver of, any breach, provision, or condition of this MOU by either party shall not constitute a precedent in the future enforcement of all the provisions of this MOU, nor a consent, or waiver of, any future breach, provision or condition, unless otherwise expressly stated to the contrary in writing.

8. PEACEFUL PERFORMANCE OF CITY SERVICES

No Strike. During the life of this MOU, neither the employees nor any employee's agents or representatives will instigate, promote, sponsor, engage in, or condone any strike (including sympathy strike), slowdown, concerted stoppage of work, sickouts, or any other intentional disruption of the operations of the CITY, regardless of the reason for so doing.

Penalty. Any employee engaging in activity prohibited by "No Strike" under this Article, or who instigates or gives leadership to such activity, shall be subject to disciplinary action.

No Lockout. During the term of this MOU, the CITY will not instigate a lockout over a dispute with the employees so long as there is no breach of "No Strike" under this Article.

Association Official Responsibility. Each employee or other person who holds the position of officer of the Recognized Employee Organization occupies a position of special trust and responsibility in maintaining and bringing about compliance with the provisions of this Article; therefore, such employees or other persons agree to inform its members of their obligations under "No Strike" of this Article, and to inform them of the penalty for failure to comply.

Enforcement. In the event the CITY is required to enforce the provisions of the Article "Peaceful Performance of CITY Services" by court action, or in the event that SBEA is required to enforce the provisions of said Article by court action, an injunction may be issued.

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9. PRIOR AGREEMENTS

The provisions of this MOU shall supersede and replace the provisions of the Memorandum of Understanding last executed between SBEA and the CITY.

The benefits and other terms and conditions of employment provided pursuant to the CITY's Personnel Rules and Regulations shall continue to apply except to the extent modified by this MOU.

10. NEGOTIATIONS FOR A SUCCESSOR AGREEMENT

The parties agree that negotiations for a successor Memorandum of Understanding shall begin by the submission by either party of a proposal or a written notice of intent to bargain not later than February 1 of the final year of the MOU. If a proposal or notice of intent to bargain is submitted, meeting and conferring sessions shall begin and shall continue until agreement is reached or until an inability to reach agreement (impasse) is declared. The parties agree to use their best efforts to conclude meet and confer sessions before May 31 of the final year of the MOU. If neither party submits at least a notice of intent to bargain, all conditions of this MOU shall continue in full force and effect for one year from the date it otherwise would have terminated.

11. RULES AND REGULATIONS

The City of Solana Beach Personnel Rules and Regulations shall remain in full force and effect during the term of this MOU subject only to the provisions of this MOU and to the amendments necessary to implement the terms of this MOU. During the term of this MOU, any amendments proposed by CITY Management to the City of Solana Beach Personnel Rules and Regulations pursuant to the rights reserved to the CITY under this MOU shall be made after providing notice and an opportunity for input to the designated representatives of SBEA.

12. HOURS OF WORK

Hours of work and work schedules shall be determined according to the City Personnel Rules and Regulations.

13. SALARY ADJUSTMENT

The parties jointly agree that the following salary increase shall be applicable for the term of this MOU for all SBEA classifications as specified on the salary schedule in Appendix B:

- Effective the first full pay period after July 1, 2017: three percent (3%) salary increase for employees represented by SBEA, Miscellaneous Group.
- Effective the first full pay period after July 1, 2018: two and a half percent (2.5%) salary increase for employees represented by SBEA, Miscellaneous Group.
- Effective the first full pay period after July 1, 2019: two and a half percent (2.5%) salary increase for employees represented by SBEA, Miscellaneous Group.

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Additional Salary Adjustments: One-time salary adjustment to six SBEA-MISC positions over the first or first and second years of the MOU as detailed in the following table effective the first full pay period in July of each fiscal year; and

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	2017/18	2018/19	Total
Sr. Code Compliance Officer	0.30%	0.00%	0.30%
Sr. Engineering Technician	0.66%	0.00%	0.66%
Assistant Civil Engineer	1.05%	1.05%	2.10%
Associate Planner	1.15%	1.15%	2.30%
Assistant Planner	1.75%	1.75%	3.50%
Associate Civil Engineer	3.10%	3.10%	6.20%

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Pay increases resulting from employee-employer negotiations will become effective on the specific date negotiated between the CITY and SBEA. Increases in salary resulting from merit increases will become effective on the employee's anniversary date, as approved by the City Manager in accordance with the City of Solana Beach Personnel Rules and Regulations.

The proposed salary schedule implementing this Article is attached as Appendix B. to this MOU.

5.14. CAFETERIA BENEFIT PLAN

All regular employees in the Miscellaneous Unit Group shall be entitled to receive health, dental and vision insurance in accordance with the group insurance policies acquired by the CITY. ~~Effective July 1, 2015-2017 thru June 30, 2016~~ Effective July 1, 2016 ~~2018~~, the CITY will contribute Flexible Plan Credits in the amount of \$1,966.44 ~~231.74~~ per full-time employee, per month ~~for Fiscal Year (FY) 2015/2016~~ toward the medical, dental and vision insurance options offered through the City's Flexible Benefit Cafeteria Plan. ~~and effective~~ Effective July 1, 2016 ~~2018 thru June 30, 2019~~, the ~~total amount~~ City's contribution will increase by 5% for a total of \$1,293.33 per month ~~the City will contribute~~ per full-time employee, and effective July 1, 2019 thru June 30, 2020 the City's contribution will increase for an additional 5% for a total of \$1,358.00 per month per full-time employee will be \$1,449.76 for FY 2016/2017 ~~toward the medical, dental, and vision insurance options offered through the CITY's Flexible Benefit Plan (Cafeteria Plan).~~

Under this Plan, the CITY will make available medical, dental, and vision insurance plans for employees in this Unit. The Plan also provides for employee participation in health care and dependent care reimbursements. This Flexible Benefit Plan is established under Section 125 of the Internal Revenue Code and will be administered by the Personnel Officer. Employees will have the choice of applying Flexible Plan Credits to:

- (a) Medical, Dental, and Vision Insurance.—; Amounts designated by employee shall be applied to these insurance costs.
- (b) Health Care and Dependent Care Reimbursement ~~Flexible Spending Accounts.—;~~ Amounts designated by employee shall be applied to these reimbursement accounts.
- (c) Cash.—; Employees shall have the option of cash benefit in accordance with the City of Solana Beach Flexible Benefit Plan Document.

At a minimum, all employees must elect medical insurance for employee only. Exceptions shall be made for an employee who provides proof of medical insurance coverage through another non-CITY group plan. Requests for exception must be made by the employee and approved by the CITY's ~~Personnel Officer~~Human Resources Manager. After the CITY's initial verification of employee coverage under another non-CITY group medical plan, the ~~Personnel Officer~~Human Resources Manager may request proof of coverage as often as deemed necessary to ensure employee's continued medical insurance coverage. All costs of insurance coverage for the employee or dependents in excess of the CITY contribution shall be borne by the employee.

All Cafeteria Plan elections must be made on forms approved by the ~~Personnel Officer~~City. Elections must be made prior to the beginning of the Plan ~~year~~Year and must remain in effect unless there is a qualifying event as defined under IRS regulations and the City of Solana Beach Flexible Benefit Plan, and approved by the ~~Personnel Officer~~Human Resources Manager.

15. RETIREMENT SYSTEM CONTRIBUTIONS

Retirement benefits are subject to the Public Employees Pension Reform Act (PEPRA) and related Public Employees' Retirement Law (PERL). If there is a conflict between this MOU and requirements pursuant to PEPRA and/or PERL, PEPRA and PERL shall prevail.

A. Employees hired prior to January 1, 2011:

1. The City will continue to participate in the California Public Employees Retirement System (CalPERS) and provide a 2.5% at 55 retirement benefit with the use of the employee's single highest year salary. The cost of the program will continue to be shared between City and SBEA represented employees. Employees shall pay the entire CalPERS Retirement employee share of 8%.
2. Cost Sharing of Employer Contribution: Per CalPERS contract amendment which went into effect on October 29, 2016, SBEA-Miscellaneous Group employees will continue to contribute 1.04% of pay towards the normal cost in addition to paying their entire employee share of the CalPERS retirement contribution for a total of 9.04%.

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B. For classic employees (as defined by CalPERS) hired on or after January 1, 2011:

1. The CalPERS formula for employees shall be 2% at 60, with the use of the average of the employee's highest-three-year-salary. Employees shall pay the entire CalPERS Retirement employee share of the CalPERS retirement contribution.
2. Cost Sharing of Employer Contribution: Per CalPERS contract amendment which went into effect on October 29, 2016, SBEA-Miscellaneous Group employees will continue to contribute 0.19% of pay towards the normal cost in addition to paying their entire employee share of the CalPERS retirement contribution.

C. Employees hired on or after January 1, 2013, and defined by CalPERS as new members:

1. The CalPERS formula for employees shall be 2% at 62, with the use of the average of the employee's highest-three-year-salary. Employees shall pay 50% of the normal cost contribution.

The CITY will continue to provide provisions of Government Code Section 20636(c)(4) pursuant to Section 20691 for reporting the value of Employer Paid Member Contributions (EPMC).

All benefits and amendments to the Retirement system provided in previous MOUs between the City and the SBEA-Miscellaneous Group, shall remain in full force unless otherwise annulled by this MOU.

16. RETIREE HEALTH BENEFITS

During the term of this MOU, the City agrees to remain in CalPERS in order to provide healthcare coverage to active employees and retiree healthcare benefits to retired employees. The City agrees to pay Retiree Health Benefits as follows:

Staff members currently employed who retire from the City at a future date, and who elect to continue their health insurance at the time of their retirement with the City shall receive the following additional compensation as supplemental benefits in recognition of their vested rights and service to the City:

1. Staff members hired prior to January 1, 2007 shall receive maximum of \$290.00 per month, minus the minimum PEMCHA contribution provided upon retirement to offset medical insurance costs.
2. Staff members with a date of hire on or after January 1, 2007, who subsequently retire from the City, will receive only the "minimum" retirement benefit contribution amount required under PEMCHA to offset medical insurance costs.

17. LIFE INSURANCE

All employees of the CITY governed by this MOU shall be entitled to receive life insurance. The CITY shall pay the cost of the basic coverage for the employee. The life insurance policy shall continue to provide basic coverage at an amount equal to one times the employee's annual salary.

18. LONG TERM DISABILITY INSURANCE (LTD)

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Employees are eligible to participate in the City's LTD Plan. LTD premiums will be paid by the City on behalf of all SBEA represented employees.

19. LEAVE PROVISIONS

Employees shall be entitled to leaves of absence as provided in the City's Personnel Rules and Regulations.

19.1 Vacation

SBEA-Miscellaneous Group employees shall be entitled to vacation usage, accrual, and payoff as provided in the CITY Personnel Rules and Regulations.

Part-time SBEA-Miscellaneous Group employees shall be entitled to vacation at a rate that is representative of their part-time status (50%, 75%, etc).

19.2 Holidays

"Holiday Leave" "Holidays" and "Holiday Pay" are governed by the provisions of the City Personnel Rules and Regulations, except for the following amendments:

(a) Holiday Leave

Holiday Leave shall be "leave with pay" credited to employees in the amount of hours the employee(s) would have worked (either eight (8), or nine (9)) for full-time SBEA-Miscellaneous Group employees. For example, if a holiday occurs on a Friday, employees will be credited with eight hours of Holiday Leave, whereas if a holiday occurs Monday through Thursday, employees will be credited with nine hours of Holiday Leave. If a holiday occurs on a weekend day, employees will be credited with nine hours of Holiday Leave. Employees will not be credited with Holiday Leave that exceeds the number of hours they would have worked.

Part-time SBEA-Miscellaneous Group employees will be credited with Holiday Leave at a rate that is representative of their part-time status (e.g., 50% or 75%).

(b) Christmas and New Year's Holidays:

SBEA-Miscellaneous Group employees are entitled to a full-day holiday for Christmas Eve Day, and New Year's Eve Day. City administrative offices will close in observance of these holidays when they fall during the regular work week.

If a Christmas Eve holiday or New Year's Eve holiday falls on a day when City administrative offices are closed or on an employee's regularly scheduled day off, regular full-time SBEA-Miscellaneous Group employees shall be credited with nine (9) or eight (8) hours of Holiday fixed leave, as outlined in section 19.2(a) in observance of these holidays.

Permanent Part-time SBEA-Miscellaneous Group employees shall be entitled to Holiday Leave representative of their part-time status (e.g., 50% or 75%).

The CITY reserves the right to determine the most efficient manner in which to provide the Christmas, Christmas Eve, New Year's Eve and New Year's Day holidays.

(c) Work on a Holiday:

SBEA-Miscellaneous Group employees who are required to work on an official CITY holiday shall be compensated at the rate of time and one-half (1.5) the regular rate of pay for hours actually worked.

Such compensation shall either be paid or, at the employee's option, be provided in compensatory time off (comp time) if the employee is eligible to receive comp time and if the comp time would not exceed the maximum number of hours permitted (50 hours). The affected employee shall also receive holiday credit in the amount of hours that the employee worked (either eight or nine).

(d) Floating Holiday Leave

SBEA-Miscellaneous Group employees shall be credited with floating holiday leave consisting of eighteen (18) hours of floating holiday leave credited on July 1st of each year ("July Floating Holiday") and nine (9) hours of floating holiday leave credited on January 1st of each year ("January Floating Holiday"). Newly-hired employees shall be credited with July Floating Holiday and January Floating Holiday in the following manner:

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July Floating Holiday:

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1. Employees hired in the months of July through September shall receive 18 hours of floating holiday leave when hired.
2. Employees hired in the months of October through December shall receive 12 hours of floating holiday leave when hired.
3. Employees hired in the months of January through March shall receive 6 hours of floating holiday leave when hired.
4. Employees hired in the months of April through June shall receive 3 hours of floating holiday leave when hired.

January Floating Holiday:

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1. Employees hired in the months of January through March shall receive 9 hours of floating holiday leave when hired.
2. Employees hired in the months of April through June shall receive 6 hours of floating holiday leave when hired.
3. Employees hired in the months of July through December shall receive 3 hours of floating holiday leave when hired.

July Floating Holiday shall be capped at a maximum accrual of eighteen (18) hours per fiscal year and January Floating Holiday shall be capped at a maximum accrual of nine (9) hours

per calendar year for a maximum total accrual of floating holiday leave of twenty-seven (27) hours.

Part-time SBEA-Miscellaneous Group employees will be credited with floating holiday leave at a rate that is representative of their part-time status (e.g., 50%, 75%, etc.).

19.3 Bereavement

In the event of the death of a member of the employee's immediate family, the employee shall be granted bereavement leave, without loss of pay, for up to three working days. The employee may take up to an additional two days bereavement leave, not deducted from sick leave, if the funeral is more than 300 miles from the CITY. Immediate family shall be defined as: spouse, child (including stepchild), parent, grandparent, grandchild, step-parent, step-child, legal guardian (or former legal guardian), mother-in-law, father-in-law, son-in-law, daughter-in-law, or sibling. Employee must provide documentation of location/memorial service upon request of the City.

19.4 Jury Duty / Witness Duty

Employees shall be compensated for jury duty according to the City Personnel Rules and Regulations. Employees shall be compensated for witness duty according to the City Personnel Rules and Regulations.

19.5 Special Leaves of Absence Without Pay

An employee who has been employed by the CITY for at least 12 months and who has been employed for at least 1250 hours of service during the 12-month period immediately preceding the commencement of leave shall be entitled to a leave or leaves of absence, without pay, with right to return to the position, as specified by the Family Leave and Medical Act of 1993 (California Government Code 12945.2).

19.6 Sick Leave

Employees shall be entitled to accrue sick leave based upon the City Personnel Rules and Regulations. Part-time employees shall be entitled to accrue sick leave at a rate that is representative of their part-time status (e.g., 50%, 75%). Sick leave accrual, usage and pay-off shall be subject to the provisions the City Personnel Rules and Regulations.

(a) Sick Leave Conversion: Personnel Rules and Regulations Section 10.02(E) will be revised to reflect 60 hours of sick leave may be converted to vacation leave when an employee has not used up more than 60 hours of sick leave during the previous year. All other provisions and requirements regarding Sick Leave will remain unchanged.

19.7 Sick Leave Payoff at Retirement

The CITY will provide sick leave payoff at retirement as follows:

Sick leave payoff would occur when an employee either voluntarily separates from City service in good standing or retires (non-disability) from the City. Payoff shall be in cash at the rate of twenty percent (20%) of the sick leave balance at the time of retirement or separation up to a maximum payoff of ninety-six (96) hours. To qualify for payoff, an employee is required to have a minimum of ten (10) years of service with the CITY. There shall be no payoff at termination.

The provisions of the City of Solana Beach Personnel Rules and Regulations shall govern all other terms and conditions of employment.

20. OVERTIME

Employees shall be entitled to overtime pay or compensatory time off in lieu of overtime pay (comp time) as provided in the City Personnel Rules and Regulations. If a holiday falls within the normal work week, the employee shall be paid overtime pay (not comp-in-lieu time) for any hours worked in excess of 40 hours in a workweek and the holiday would count as hours worked. This provision only applies to City recognized holidays and shall not apply to sick or vacation time taken.

Overtime work shall first be offered on a rotating basis to qualified employees in a department who desire overtime work and have notified the Department Head in writing of their desire.

Nothing in this MOU or the Personnel Rules shall be construed as guaranteeing that overtime work will be available.

21. CALL BACK – Non Public Works Employees

Non Public Works Miscellaneous Group employees shall be entitled to call back pay as provided in the CITY Personnel Rules and Regulations.

22. CALL BACK and STAND-BY PAY - Public Works Employees

(a) Call back work is defined as work required by the City of an employee who, following completion of the employee's work day or work week and departure from the employee's work site, is unexpectedly ordered to report back to duty to perform necessary work. Public Works Employees who are called back shall receive a minimum of three (3) hours compensation at time and one-half unless employee is called back less than two hours before start of employee's next regular shift or work day.

(b) Whenever an employee is called back, the employee shall receive the minimum provided above or pay for hours actually worked, whichever is greater. Hours worked shall be calculated beginning at the time the call back is received by the employee and ending when the employee is relieved of duty.

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(c) If an employee, who was called back to work and has completed his/her assignment and left work, is again called back to work, he/she will not receive another minimum if the time of return is within the previous call back minimum.

(d) Public Works employees shall be paid for mileage to and from the Public Works Yard during call back duty.

(e) Stand-by pay will be compensated at one hour at time and a half their straight time pay, at the employee's base rate for each day the employee is on "Stand-by," for represented Public Works employees.

23. MILEAGE ALLOWANCE

Employees shall receive a mileage allowance as provided in the City Personnel Rules and Regulations.

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6.24. BILINGUAL PAY

The City agrees to provide additional compensation in the amount of \$100 per month to those employees who regularly use their bilingual skills in the performance of their duties. The employee must successfully pass a Bilingual Performance Examination as determined appropriate by the Human Resources Manager.

(a) Eligible employees must successfully pass a Bilingual Performance Examination every three (3) years, as determined appropriate by the Human Resources Manager.

(b) Eligible languages are Spanish and American Sign Language.

(c) Bilingual pay for permanent part-time employees shall be prorated.

(d) Bilingual pay will not accrue during any leave (paid or unpaid) of more than thirty (30) days.

The Bilingual Pay Program will begin the first full pay period after ratification of the MOU and will include the following components:

- (a) Eligible employees must pass a test of the City's choice and recertify every 3 years thereafter;
- (b) Qualified employees will receive a premium of \$100 per month;
- (c) Eligible languages are Spanish and American Sign Language;
- (d) Eligible Classifications are: Public Works Inspector, Sr. Engineering Tech, Admin Asst II and III, Sr. Code Compliance Officer, Code Compliance Specialist.

25. TUITION REIMBURSEMENT

Each SBEA-Miscellaneous Group employee shall be eligible for a maximum reimbursement each fiscal year up to, but not to exceed, \$2,000.

26. SEVERANCE PAY

The CITY shall provide severance pay for Miscellaneous Unit employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations as follows:

- (a) Employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations shall receive severance pay in an amount of the employee's base salary for a period of forty-five days after the date of the employee's termination; provided however, in the event the period from the date of giving notice of proposed layoff to the date of termination pursuant to that notice is greater than thirty days, then the days for which severance pay is received shall be reduced by one day for each day the notice period exceeds thirty days, and further provided that the minimum amount of severance pay shall be equivalent to thirty days base salary. Severance pay shall cease if the employee obtains employment prior to the expiration of the severance pay period. If the employee obtains unemployment insurance benefits, the amount of severance pay shall be limited to the difference between the employee's base salary and the amount of the unemployment insurance benefit payment.
- (b) Severance pay shall be payable in installments. The first installment shall be made on the second Friday following the date of termination. Subsequent payments shall be at two week intervals thereafter.
- (c) An employee shall provide the CITY with a certification of continuing eligibility to receive severance pay and receipt or non-receipt of unemployment insurance benefits prior to each severance pay installment. The certification shall be under penalty of perjury.
- (d) In addition to the severance pay, the CITY will continue to pay the monthly premium for health, dental and vision insurance paid by the CITY on the date of termination in order to continue coverage for a period of 90 days from the date of termination.
- (e) An employee receiving severance pay shall not be considered to be an employee of the CITY after the date of termination. Severance pay shall not be considered salary for the purposes of the Public Employees Retirement System.
- (f) Employees who are subject to layoff because the exercise of "bumping" or "retreat" rights by another employee pursuant to the City Personnel Rules and Regulations shall receive the same notice of layoff and shall have the same rights to bump less senior employees as the employee originally receiving the notice of proposed layoff.

27. SAFETY COMMITTEE

The employees represented by SBEA, Miscellaneous Unit, shall have the right to appoint one employee member to the Safety Committee. The appointment shall be subject to the approval of the City Manager, which approval shall not be unreasonably withheld.

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28. SAFETY PROVISIONS

28.1 Safety Shoes

The CITY will reimburse full-time Public Works employees, as defined below, for the purchase of steel-toe safety shoes in an amount not to exceed a total of one hundred fifty dollars (\$150) per fiscal year. This amount may be divided by the employee during the course of the fiscal year if the employee decides to purchase more than one pair of steel-toed shoes. All Public Works employees shall wear steel-toe safety shoes while performing work within the scope of their employment for the CITY.

Public Works Employees:

Lead Maintenance Worker

Maintenance Worker I/II

28.2 Sunscreen

The CITY will purchase, in bulk, sunscreen and provide such sunscreen on an as-needed basis to all CITY employees who perform work outdoors.

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29. REOPENER

During the duration of this MOU the City may reopen negotiations to discuss the following items for citywide implementation:

- New City Personnel Rules
- Comprehensive Leave Balance Program
- New Performance Standards

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30. SAVINGS CLAUSE

If any provisions of this MOU should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other provisions of this MOU shall remain in full force and effect for the duration of this MOU.

In the event of invalidation of any provisions, the CITY and the Association agree to meet within thirty (30) days of notice by either to the other for the purpose of renegotiating said provision.

31. SEVERABILITY

It is understood and agreed that this MOU is subject to all current and future applicable federal and state laws, or federal and state regulations. If any part or provision of this MOU is in conflict or inconsistent with such laws, rules and regulations, or is otherwise held to be invalid or unenforceable by a tribunal or competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this MOU shall not be affected.

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32. TERM

The term of this agreement shall be retroactive to July 1, 2017, subject to formal approval by the City Council, and shall expire at midnight, June 30, 2020.

~~7. CALL BACK~~

~~Miscellaneous Unit employees shall be entitled to call back pay as provided in the CITY Personnel Rules and Regulations.~~

~~8. CITY MANAGEMENT RIGHTS~~

~~The CITY retains and has the exclusive decision-making authority to manage municipal services and the work force performing those services so long as the CITY exercises such exclusive authority in conformance with the express specific terms of this MOU.~~

~~The CITY has, except as expressly and lawfully restricted by specific provisions of this MOU, the exclusive decision-making authority to:~~

- ~~(a) Determine and modify the organization of city government and its constituent work units.~~
- ~~(b) Determine the nature, standards, levels and mode of delivery of services to be offered to the public; provided, however, should the CITY determine to change the mode of delivery of services to be offered to the public, it shall first notify SBEA and if an effect on represented employees is identified, shall meet and confer with SBEA regarding the effect of such decision on represented employees.~~
- ~~(c) Determine the budget, to allocate funds and resources, and determine revenue sources.~~
- ~~(d) Determine methods, means, and the numbers and kinds of personnel by which services are to be provided.~~
- ~~(e) Determine whether goods or services shall be made, purchased or contracted for; provided, however, should the CITY determine to contract out bargaining unit work, it shall first meet and confer with SBEA regarding the effect of such decision on represented employees.~~
- ~~(f) Determine employees, including scheduling and assignment of work and overtime.~~
- ~~(g) Establish employee performance standards and require compliance therewith.~~
- ~~(h) Promote or hire employees and establish job qualifications, descriptions and requirements.~~
- ~~(i) Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits, or otherwise discipline employees subject to the requirements of applicable law.~~
- ~~(j) Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.~~

- ~~(k) Implement rules, regulations and directives consistent with law and the specific provisions of this MOU.~~
- ~~(l) Take all necessary actions to protect the public and carry out its mission in emergencies.~~

9. EMPLOYEE RIGHTS

~~**Non-discrimination.** As a result of this MOU, no person shall be favored or discriminated against, by either the CITY or the SBEA, to the extent provided by law because of political or religious opinions or affiliations, or because of racial or national origin, or because of age, sex, sexual orientation or disability.~~

~~Neither CITY nor SBEA shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this MOU because of the exercise of rights to engage or not engage in SBEA activity or because of the exercise of any right provided to the employees by this MOU or the Meyers-Millas-Brown Act.~~

~~**Individual Rights.** Nothing in this MOU shall be construed as a waiver of any of the following rights of individual employees which may be exercised in compliance with applicable laws, ordinances, and rules and regulations.~~

- ~~(a) The right to form, join and participate in the activities of employee organizations of the employee's own choosing for the purpose of representation on matters of employer/employee relations or not to join or participate in the activities of any organization as provided in Solana Beach Resolution No. 92-52. All employees have a right to be free from interference, intimidation, restraint, coercion, discrimination, or reprisal on the part of the management representatives, the supervisor, other employees, or employee organizations, with respect to his or her membership or non-membership in any employee organization.~~
- ~~(b) Pursuant to the Meyers-Millas-Brown Act, the right to represent himself or herself individually in employer/employee relations with the CITY or to be represented through a representative designated by the employee.~~
- ~~(c) The right to review his or her individual personnel file at times convenient to the employee and the CITY.~~

~~**SBEA Rights**~~

- ~~(a) CITY recognizes the right of SBEA to govern its internal affairs.~~
- ~~(b) The CITY shall provide bulletin boards to be placed in CITY offices at a place convenient to SBEA and approved by the City Manager for the use of SBEA. Material placed on the bulletin board shall be at the discretion of SBEA. SBEA agrees not to post any literature that is offensive, defamatory or violates the rights of employees to a work place free of discrimination or harassment.~~

- ~~(c) SBEA may, with the prior approval of the City Manager, use CITY facilities for off-duty meetings of SBEA members. Use by SBEA of CITY equipment and supplies other than items normally used in business meetings such as desks, chairs, blackboards, and dry boards, despite the presence of such equipment and supplies, is prohibited.~~
- ~~(d) The representatives of SBEA shall have reasonable access to the members of SBEA for the purposes of providing representation and consultation. The access shall be subject to approval by the City Manager and shall not interfere with the convenient operation of the CITY's Departments. Access by personal visit to CITY offices shall be subject to reasonable prior notice to the City Manager.~~
- ~~(e) A representative of SBEA shall be allowed to be present at the request of any employee at any meeting with management involving a grievance, at appeals of employee performance evaluations, and at any pre-disciplinary or disciplinary meetings.~~
- ~~(f) The CITY agrees to provide reasonable time off, without loss of pay, during scheduled work hours for up to two (2) representatives of SBEA when said representatives are meeting and conferring on matters within the scope of representation.~~
- ~~(g) SBEA may designate one employee representative to assist an employee in preparing and presenting materials for disciplinary or grievance procedures. The employee's representative so designated shall be allowed reasonable release time from regularly scheduled duties for the purpose of investigating and preparing materials for such procedures. Supervisors shall be given at least one day prior written notice in the event release time is requested, unless the supervisor agrees otherwise. Employee representatives who investigate, prepare, or present materials during off-duty time shall do so on their own time. Employee representatives and employees who attend personnel hearings during the off-duty time shall do so on their time; providing, however, that off-duty employees who are ordered or subpoenaed to attend such hearings shall be compensated in accordance with the overtime provisions of this MOU.~~
- ~~(h) A designated employee representative requesting time off under this Article shall direct such request to the City Manager in writing within a reasonable time prior to the date requested, in order to assure that the department meets its staff needs and to assure sufficient coverage of departmental assignments. The City Manager shall respond to the request as soon as feasible, but not later than the end of business on the next business day following the request. If the City Manager does not respond to the request, the Department Head of the affected department may grant the release time. If the City Manager or Department Head cannot grant the release time because of workload or other scheduling reasons, the City Manager or Department Head shall give notice to the employee of a date or dates when the release time will be provided.~~

~~10. FULL UNDERSTANDING, MODIFICATION, WAIVER~~

~~It is the intent of the parties that this MOU set forth the full and entire understanding of matters agreed to upon conclusion of meet and confer sessions which resulted in this MOU. Any other matters, not contained herein, which were addressed during the course of the meet and confer process resulting in this MOU, are superseded and terminated in their entirety. Any~~

~~understanding or agreement, not contained herein, whether formal or informal, which occurred during the course of meet and confer sessions, resulting in this MOU, are terminated or superseded in their entirety. Any amendment to the provisions of this MOU shall not be effective unless made in writing executed by the parties.~~

~~It is the intent of the parties that this MOU be administered in its entirety in good faith during its full term. It is recognized that if during such term it is necessary for the CITY to propose changes in matters within the scope of representation not contained in this memorandum, the CITY shall notify SBEA, indicating the proposed change prior to its implementation. If SBEA wishes to consult or meet and confer with the CITY regarding the matter, SBEA shall notify the CITY within ten (10) working days from the receipt of such notice. Upon receipt of such notice, the parties shall meet promptly in an earnest effort to reach a mutually satisfactory resolution of any problem arising as a result of the change instituted by the CITY.~~

~~Nothing herein shall limit the authority to the CITY to make changes required during emergencies. However, the CITY shall notify SBEA of such changes as soon as practicable. Such emergency assignments shall not extend beyond the period of emergency. "Emergency" shall be defined as an unforeseen circumstance requiring immediate implementation of the change.~~

~~Failure by the SBEA to request consultation or negotiations pursuant to this Article shall not be deemed as approval of any action taken by the CITY, but only as a waiver of the right to consult and meet and confer.~~

~~The consent to, or waiver of, any breach, provision, or condition of this MOU by either party shall not constitute a precedent in the future enforcement of all the provisions of this MOU, nor a consent, or waiver of, any future breach, provision or condition, unless otherwise expressly stated to the contrary in writing.~~

~~11. HOURS OF WORK~~

~~Hours of work and work schedules shall be determined according to the City Personnel Rules and Regulations.~~

~~12. LEAVE PROVISIONS~~

~~Employees shall be entitled to leaves of absence as provided in the City's Personnel Rules and Regulations.~~

~~12.1 Vacation~~

~~Miscellaneous Unit employees shall be entitled to vacation usage, accrual, and payoff as provided in the CITY Personnel Rules and Regulations.~~

~~Part time employees shall be entitled to vacation at a rate that is representative of their part time status.~~

~~12.2 Holidays~~

~~"Holiday Leave" "Holidays" and "Holiday Pay" are governed by the provisions of the City Personnel Rules and Regulations, except for the following amendments:~~

~~(a) Holiday Leave~~

~~Holiday Leave shall be "leave with pay" credited to employees in the amount of hours the employee(s) would have worked (either eight, or nine) for regular full-time employees. For example, if a holiday occurs on a Friday, employees will be credited with eight hours of Holiday Leave, whereas if a holiday occurs Monday through Thursday, employees will be credited with nine hours of Holiday Leave. If a holiday occurs on a weekend day, employees will be credited with nine hours of Holiday Leave. Employees will not be credited with Holiday Leave that exceeds the number of hours they would have worked.~~

~~Part-time employees will be credited with Holiday Leave at a rate that is representative of their part-time status (e.g., 50% or 75%).~~

~~(b) Christmas and New Year's holidays:~~

~~Employees are entitled to a one-half day holiday on Christmas Eve Day, and a one-half day holiday on New Year's Eve Day. City administrative offices will close at 12:30 p.m. in observance of these holidays when they fall during the regular work week. If a New Year's or Christmas Eve holiday falls on a day when City administrative offices are closed or on an employee's regularly scheduled day off, regular full-time SBEA represented employees shall be credited with 4 hours of Holiday fixed leave in observance of these holidays.~~

~~Part-time employees shall be entitled to Holiday Leave representative of their part-time status (e.g., 50% or 75%). The CITY reserves the right to determine the most efficient manner in which to provide the Christmas, Christmas Eve, New Year's Eve and New Year's Day holidays.~~

~~(c) Work on a holiday:~~

~~Regular employees who are required to work on official CITY holidays shall be compensated at the rate of time and one-half (1.5) the regular rate of pay for hours actually worked. Such compensation shall either be paid or, at the employee's option, be provided in compensatory time off (comp time) if the employee is eligible to receive comp time and if the comp time would not exceed the maximum number of hours permitted (50 hours). The affected employee shall also receive holiday credit in the amount of hours that the employee worked (either eight or nine).~~

~~(d) Floating Holiday Leave~~

~~Employees shall be credited with floating holiday leave consisting of eighteen (18) hours of floating holiday leave credited on July 1st of each year ("July Floating Holiday") and nine (9) hours of floating holiday leave credited on January 1st of each year ("January Floating Holiday"). Newly hired employees shall be credited with July Floating Holiday and January Floating Holiday in the following manner:~~

~~July Floating Holiday:~~

- ~~1. Employees hired in the months of July through September shall receive 18 hours of floating holiday leave when hired.~~
- ~~2. Employees hired in the months of October through December shall receive 12 hours of floating holiday leave when hired.~~
- ~~3. Employees hired in the months of January through March shall receive 6 hours of floating holiday leave when hired.~~
- ~~4. Employees hired in the months of April through June shall receive 3 hours of floating holiday leave when hired.~~

~~January Floating Holiday:~~

- ~~1. Employees hired in the months of January through March shall receive 9 hours of floating holiday leave when hired.~~
- ~~2. Employees hired in the months of April through June shall receive 6 hours of floating holiday leave when hired.~~
- ~~3. Employees hired in the months of July through December shall receive 3 hours of floating holiday leave when hired.~~

~~July Floating Holiday shall be capped at a maximum accrual of eighteen (18) hours per fiscal year and January Floating Holiday shall be capped at a maximum accrual of nine (9) hours per calendar year for a maximum total accrual of floating holiday leave of twenty seven (27) hours. Part time employees will be credited with floating holiday leave at a rate that is representative of their part time status (e.g., 50%, 75%, etc.).~~

~~12.3 Bereavement~~

~~In the event of the death of a member of the employee's immediate family, the employee shall be granted bereavement leave, without loss of pay, for up to three working days. The employee may take up to an additional two days bereavement leave, not deducted from sick leave, if the funeral is more than 300 miles from the CITY. Immediate family shall be defined as: spouse, child (including stepchild), parent, grandparent, grandchild, step parent, step child, legal guardian (or former legal guardian), mother-in-law, father-in-law, son-in-law, daughter-in-law, or sibling. Employee must provide documentation of location/memorial service upon request of the City.~~

~~12.4 Jury Duty / Witness Duty~~

~~Employees shall be compensated for jury duty according to the City Personnel Rules and Regulations. Employees shall be compensated for witness duty according to the City Personnel Rules and Regulations.~~

~~12.5 Special Leaves of Absence Without Pay~~

~~An employee who has been employed by the CITY for at least 12 months and who has been employed for at least 1250 hours of service during the 12-month period immediately preceding the commencement of leave shall be entitled to a leave or leaves of absence, without pay, with right to return to the position, as specified by the Family Leave and Medical Act of 1993 (California Government Code 12945.2).~~

~~12.6 Sick Leave~~

~~Employees shall be entitled to accrue sick leave based upon the City Personnel Rules and Regulations. Part-time employees shall be entitled to accrue sick leave at a rate that is representative of their part-time status (e.g., 50%, 75%). Sick leave accrual, usage and pay-off shall be subject to the provisions the City Personnel Rules and Regulations.~~

~~(a) Sick Leave Conversion: Personnel Rules and Regulations Section 10.02(E) will be revised to reflect 40 hours of sick leave may be converted to vacation leave when an employee has not used up more than 40 hours of sick leave during the previous year. All other provisions and requirements regarding Sick Leave will remain unchanged.~~

~~12.7 Sick Leave Payoff at Retirement~~

~~The CITY will provide sick leave payoff at retirement as follows:~~

~~Sick leave payoff would occur when an employee either voluntarily separates from City service in good standing or retires (non-disability) from the City. Payoff shall be in cash at the rate of twenty percent (20%) of the sick leave balance at the time of retirement or separation up to a maximum payoff of ninety-six (96) hours. To qualify for payoff, an employee is required to have a minimum of ten (10) years of service with the CITY. There shall be no payoff at termination.~~

~~The provisions of the City of Solana Beach Personnel Rules and Regulations shall govern all other terms and conditions of employment.~~

~~13. LIFE INSURANCE~~

~~All employees of the CITY governed by this MOU shall be entitled to receive life insurance. The CITY shall pay the cost of the basic coverage for the employee. The life insurance policy shall continue to provide basic coverage at an amount equal to one times the employee's annual salary.~~

~~14. MILEAGE ALLOWANCE~~

~~Employees shall receive a mileage allowance as provided in the City Personnel Rules and Regulations.~~

~~15. NEGOTIATIONS FOR A SUCCESSOR AGREEMENT~~

~~The parties agree that negotiations for a successor Memorandum of Understanding shall begin by the submission by either party of a proposal or a written notice of intent to bargain~~

~~not later than February 1 of the final year of the MOU. If a proposal or notice of intent to bargain is submitted, meeting and conferring sessions shall begin and shall continue until agreement is reached or until an inability to reach agreement (impasse) is declared. The parties agree to use their best efforts to conclude meet and confer sessions before May 31 of the final year of the MOU. If neither party submits at least a notice of intent to bargain, all conditions of this MOU shall continue in full force and effect for one year from the date it otherwise would have terminated.~~

16. OVERTIME

~~Employees shall be entitled to overtime pay or compensatory time off in lieu of overtime pay (comp time) as provided in the City Personnel Rules and Regulations. If a holiday falls within the normal work week, the employee shall be paid overtime pay (not comp in lieu time) for any hours worked in excess of 40 hours in a workweek and the holiday would count as hours worked. This provision only applies to City recognized holidays and shall not apply to sick or vacation time taken.~~

~~Overtime work shall first be offered on a rotating basis to qualified employees in a department who desire overtime work and have notified the Department Head in writing of their desire.~~

~~Nothing in this MOU or the Personnel Rules shall be construed as guaranteeing that overtime work will be available.~~

17. PEACEFUL PERFORMANCE OF CITY SERVICES

~~No Strike. During the life of this MOU, neither the employees nor any employee's agents or representatives will instigate, promote, sponsor, engage in, or condone any strike (including sympathy strike), slowdown, concerted stoppage of work, sickouts, or any other intentional disruption of the operations of the CITY, regardless of the reason for so doing.~~

~~Penalty. Any employee engaging in activity prohibited by "No Strike" under this Article, or who instigates or gives leadership to such activity, shall be subject to disciplinary action.~~

~~No Lockout. During the term of this MOU, the CITY will not instigate a lockout over a dispute with the employees so long as there is no breach of "No Strike" under this Article.~~

~~Association Official Responsibility. Each employee or other person who holds the position of officer of the Recognized Employee Organization occupies a position of special trust and responsibility in maintaining and bringing about compliance with the provisions of this Article; therefore, such employees or other persons agree to inform its members of their obligations under "No Strike" of this Article, and to inform them of the penalty for failure to comply.~~

~~Enforcement. In the event the CITY is required to enforce the provisions of the Article "Peaceful Performance of CITY Services" by court action, or in the event that SBEA is required to enforce the provisions of said Article by court action, an injunction may be issued.~~

18. PRIOR AGREEMENTS

~~The provisions of this MOU shall supersede and replace the provisions of the Memorandum of Understanding last executed between SBEA and the CITY.~~

The benefits and other terms and conditions of employment provided pursuant to the CITY's Personnel Rules and Regulations shall continue to apply except to the extent modified by this MOU.

19. REOPENER

During the duration of this MOU the City may reopen negotiations to discuss the following items for citywide implementation:

- New City Personnel Rules
- Comprehensive Leave Balance Program
- New Performance Standards

20. RETIREMENT SYSTEM CONTRIBUTIONS

Retirement benefits are subject to the Public Employees Pension Reform Act (PEPRA) and related Public Employees' Retirement Law (PERL). If there is a conflict between this MOU and requirements pursuant to PEPRA and/or PERL, PEPRA and PERL shall prevail.

A. Employees hired prior to January 1, 2011:

1. The City will continue to participate in the California Public Employees Retirement System (CalPERS) and provide for a 2.5%@55 retirement program. The cost of the program will continue to be shared between City and SBEA represented employees. Employees shall pay the entire CalPERS Retirement employee share of 8%.
2. Cost Sharing of Employer Contribution: Employees agree to pay 50% of the normal cost contribution, provided that:
 - i. Effective July 1, 2015, or as soon as the City's contract with CalPERS can be amended, employee contributions of the employer's share for Fiscal Year 2015-2016, shall be 0.84% (in addition to the employee paying the entire employee share).
 - ii. For Fiscal Year 2016-2017, effective July 1, 2016, or as soon as the City's contract with CalPERS is amended, whichever is later, employee contributions of the employer's share shall be capped at either a 1% increase or 1% decrease (in addition to the employee paying the entire employee share).

B. For classic employees (as defined by CalPERS) hired on or after January 1, 2011:

1. The CalPERS formula for employees shall be 2% at 60, with the use of the average of the employee's highest three-year salary. Employees shall pay the entire employee portion of the CalPERS retirement contribution.
2. Cost Sharing of Employer Contribution: Employees agree to pay 50% of the normal cost contribution, provided that:

~~i. For Fiscal Year 2015-2016, employees will not pay any portion of the employer's retirement contribution.~~

~~ii. For Fiscal Year 2016-2017, effective July 1, 2016, or as soon as the City's contract with CalPERS is amended, whichever is later, employee contributions of the employer's share shall be capped at a 1% increase or decrease (in addition to the employee paying the entire employee share).~~

~~C. Employees hired on or after January 1, 2013, and defined by CalPERS as new members:~~

~~1. The CalPERS formula for employees shall be 2% at 62, with the use of the average of the employee's highest three-year salary. Employees shall pay 50% of the normal cost contribution.~~

~~The CITY will continue to provide provisions of Government Code Section 20636(c)(4) pursuant to Section 20691 for reporting the value of Employer Paid Member Contributions (EPMC).~~

~~All benefits and amendments to the Retirement system provided in previous MOUs between the City and the SBEA, Miscellaneous Unit, shall remain in full force unless otherwise annulled by this MOU.~~

~~21. RETIREE HEALTH BENEFITS~~

~~During the term of this MOU, the City agrees to remain in CalPERS in order to provide healthcare coverage to active employees and retiree healthcare benefits to retired employees. The City agrees to pay Retiree Health Benefits as follows:~~

~~(a) Staff members currently employed who retire from the City at a future date, and who elect to continue their health insurance at the time of their retirement with the City shall receive the following additional compensation as supplemental benefits in recognition of their vested rights and service to the City:~~

~~1. Staff members hired prior to January 1, 2007 shall receive maximum of \$290.00 per month, minus the minimum PEMCHA contribution provided upon retirement to offset medical insurance costs.~~

~~2. Staff members with a date of hire on or after January 1, 2007, who subsequently retire from the City, will receive only the "minimum" retirement benefit contribution amount required under PEMCHA to offset medical insurance costs.~~

22. — RULES AND REGULATIONS

~~The City of Solana Beach Personnel Rules and Regulations shall remain in full force and effect during the term of this MOU subject only to the provisions of this MOU and to the amendments necessary to implement the terms of this MOU. During the term of this MOU, any amendments proposed by CITY Management to the City of Solana Beach Personnel Rules and Regulations pursuant to the rights reserved to the CITY under this MOU shall be made after providing notice and an opportunity for input to the designated representatives of SBEA.~~

23. — SAFETY COMMITTEE

~~The employees represented by SBEA, Miscellaneous Unit, shall have the right to appoint one employee member to the Safety Committee. The appointment shall be subject to the approval of the City Manager, which approval shall not be unreasonably withheld.~~

24. — SAFETY PROVISIONS

24.1 Safety Shoes

~~The CITY will reimburse full-time Public Works employees, as defined below, for the purchase of steel toe safety shoes in an amount not to exceed a total of one hundred fifty dollars (\$150) per fiscal year. This amount may be divided by the employee during the course of the fiscal year if the employee decides to purchase more than one pair of steel-toed shoes. All Public Works employees shall wear steel toe safety shoes while performing work within the scope of their employment for the CITY.~~

Public Works Employees:

~~Lead Maintenance Worker
Maintenance Worker III~~

24.2 Sunscreen

~~The CITY will purchase, in bulk, sunscreen and provide such sunscreen on an as-needed basis to all CITY employees who perform work outdoors.~~

25. — SALARY ADJUSTMENT

~~The parties jointly agree that the following salary increase shall be applicable for the term of this MOU for all SBEA classifications as specified on the salary schedule in Appendix B:~~

- ~~• Effective the first full pay period after July 1, 2015: two and a half percent (2.5%) salary increase for employees represented by SBEA, Miscellaneous Unit.~~
- ~~• Effective the first full pay period after July 1, 2016: two and a half percent (2.5%) salary increase for employees represented by SBEA, Miscellaneous Unit.~~

~~Pay increases resulting from employee-employer negotiations will become effective on the specific date negotiated between the CITY and SBEA. Increases in salary resulting from merit increases will become effective on the employee's anniversary date, as approved by the City Manager in accordance with the City of Solana Beach Personnel Rules and Regulations.~~

The proposed salary schedule implementing this Article is attached as Appendix B to this MOU.

26. SAVINGS CLAUSE

If any provisions of this MOU should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other provisions of this MOU shall remain in full force and effect for the duration of this MOU.

In the event of invalidation of any provisions, the CITY and the Association agree to meet within thirty (30) days of notice by either to the other for the purpose of renegotiating said provision.

27. SEVERABILITY

It is understood and agreed that this MOU is subject to all current and future applicable federal and state laws, or federal and state regulations. If any part or provision of this MOU is in conflict or inconsistent with such laws, rules and regulations, or is otherwise held to be invalid or unenforceable by a tribunal or competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this MOU shall not be affected.

28. SEVERANCE PAY

The CITY shall provide severance pay for Miscellaneous Unit employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations as follows:

- (a) Employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations shall receive severance pay in an amount of the employee's base salary for a period of forty five days after the date of the employee's termination; provided however, in the event the period from the date of giving notice of proposed layoff to the date of termination pursuant to that notice is greater than thirty days, then the days for which severance pay is received shall be reduced by one day for each day the notice period exceeds thirty days, and further provided that the minimum amount of severance pay shall be equivalent to thirty days base salary. Severance pay shall cease if the employee obtains employment prior to the expiration of the severance pay period. If the employee obtains unemployment insurance benefits, the amount of severance pay shall be limited to the difference between the employee's base salary and the amount of the unemployment insurance benefit payment.
- (b) Severance pay shall be payable in installments. The first installment shall be made on the second Friday following the date of termination. Subsequent payments shall be at two-week intervals thereafter.
- (c) An employee shall provide the CITY with a certification of continuing eligibility to receive severance pay and receipt or non receipt of unemployment insurance benefits prior to each severance pay installment. The certification shall be under penalty of perjury.

- ~~(d) In addition to the severance pay, the CITY will continue to pay the monthly premium for health, dental and vision insurance paid by the CITY on the date of termination in order to continue coverage for a period of 90 days from the date of termination.~~
- ~~(e) An employee receiving severance pay shall not be considered to be an employee of the CITY after the date of termination. Severance pay shall not be considered salary for the purposes of the Public Employees Retirement System.~~
- ~~(f) Employees who are subject to layoff because the exercise of "bumping" or "retreat" rights by another employee pursuant to the City Personnel Rules and Regulations shall receive the same notice of layoff and shall have the same rights to bump less senior employees as the employee originally receiving the notice of proposed layoff.~~

29. — STAND-BY PAY

~~Stand by pay will be compensated at one and one-half hours of straight time pay, at the employee's base rate for each day the employee is on "Stand-by," for represented employees. Any phone calls handled while on stand by pay shall be paid at the overtime rate in 6 minute increments and shown separately on the time card. This provision shall become effective the first full pay period after ratification of the MOU by the City Council.~~

30. — TERM

~~The term of this agreement shall be retroactive to July 1, 2016, subject to formal approval by the City Council, and shall expire at midnight, June 30, 2017.~~

31. — TUITION REIMBURSEMENT

~~Each SBEA represented employee shall be eligible for a maximum reimbursement each year up to, but shall not exceed, the amount of \$2,000.~~

32. — LONG TERM DISABILITY INSURANCE (LTD)

~~Employees are eligible to participate in the City's LTD Plan. LTD premiums will be paid by the City on behalf of all SBEA represented employees.~~

APPENDIX A

SBEA represents that this Memorandum of Understanding has been duly ratified by its membership. Following approval by the City Council, its terms and conditions shall be implemented by appropriate ordinance, resolution, or other appropriate lawful action.

SOLANA BEACH EMPLOYEES ASSOCIATION (SBEA)

By: _____ Date: _____
| DANNY HERNANDEZMIKKI EGGUM, SBEA-MISC.

By: _____ Date: _____
| RUSSELL BROWN VANESSA RIVERA, SBEA-MISC.

APPROVED AS TO LEGAL FORM:

CITY COUNCIL:

By: _____
JOHANNA CANLAS
CITY ATTORNEY

Date: _____

ATTEST:

By: _____
ANGELA IVEY
CITY CLERK

Date: _____

By: _____
~~LESA HEEBNER~~ MIKE NICHOLS
MAYOR

Date: _____

CITY:

By: _____
GREGORY WADE
CITY MANAGER

Date: _____

**APPENDIX B
APPENDIX B**

**SALARY SCHEDULE EFFECTIVE FIRST FULL PAY PERIOD IN JULY 2017
SOLANA BEACH EMPLOYEES ASSOCIATION,
MISCELLANEOUS GROUP**

**Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective July 2017**

**Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective July 2018**

**Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective July 2019**

**SALARY SCHEDULE EFFECTIVE FIRST FULL PAY PERIOD IN
JULY
2015 SOLANA BEACH EMPLOYEES ASSOCIATION
MISCELLEANOUS UNIT**

Pay Schedule	Grade	Job Classification	Hourly				
			Step A	Step B	Step C	Step D	Step E
MIS (MS)	44	Administrative Assistant I	\$ 14.58	\$ 15.30	\$ 16.07	\$ 16.87	\$ 17.72
MIS (MS)	63	Maintenance Worker I	\$ 17.61	\$ 18.49	\$ 19.41	\$ 20.38	\$ 21.40
MIS (MS)	64	Administrative Assistant II	\$ 17.78	\$ 18.67	\$ 19.61	\$ 20.59	\$ 21.62
MIS (MS)	75	Maintenance Worker II	\$ 19.84	\$ 20.83	\$ 21.88	\$ 22.97	\$ 24.12
MIS (MS)	84	Code Compliance Specialist	\$ 21.70	\$ 22.79	\$ 23.93	\$ 25.12	\$ 26.38
MIS (MS)	85	Junior Planner	\$ 21.92	\$ 23.01	\$ 24.16	\$ 25.37	\$ 26.64
MIS (MS)	86	Administrative Assistant III	\$ 22.14	\$ 23.24	\$ 24.41	\$ 25.63	\$ 26.91
		Community Services Coordinator					
MIS (MS)	89	Lead Maintenance Worker	\$ 22.81	\$ 23.95	\$ 25.15	\$ 26.40	\$ 27.72
MIS (MS)	94	Code Compliance Officer	\$ 23.97	\$ 25.17	\$ 26.43	\$ 27.75	\$ 29.14
MIS (MS)	101	Assistant Planner	\$ 25.70	\$ 26.99	\$ 28.33	\$ 29.75	\$ 31.24
MIS (MS)	103	Senior Engineering Technician	\$ 26.22	\$ 27.53	\$ 28.90	\$ 30.35	\$ 31.87
MIS (MS)	106	Environmental Specialist	\$ 27.01	\$ 28.36	\$ 29.78	\$ 31.27	\$ 32.83
		Senior Code Compliance Officer					
MIS (MS)	109	Public Works Inspector	\$ 27.83	\$ 29.22	\$ 30.68	\$ 32.22	\$ 33.83
MIS (MS)	114	Associate Planner	\$ 29.25	\$ 30.71	\$ 32.25	\$ 33.86	\$ 35.55
MIS (MS)	117	Assistant Civil Engineer	\$ 30.14	\$ 31.64	\$ 33.22	\$ 34.89	\$ 36.63
MIS (MS)	131	Associate Civil Engineer	\$ 34.64	\$ 36.37	\$ 38.19	\$ 40.10	\$ 42.11

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF SOLANA BEACH
AND
THE SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS EMPLOYEE GROUP
JULY 1, 2017 to JUNE 30, 2020**



**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF SOLANA BEACH AND
THE SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS GROUP**

JULY 1, 2017 THROUGH JUNE 30, 2020

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**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF SOLANA BEACH
AND
THE SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS GROUP**

JULY 1, 2017 THROUGH JUNE 30, 2020

1. PREAMBLE

This Memorandum of Understanding (MOU) is made and entered into pursuant to Solana Beach Resolution No. 92-52 (Employer-Employee Relations Resolution), and applicable State law between the designated management representatives of the City of Solana Beach (CITY), and the Solana Beach Employees' Association, the Recognized Employee Organization (under Solana Beach Resolution No. 92-52) for full-time and regular part-time Miscellaneous Unit employees represented herein.

This MOU is the result of good faith negotiations regarding wages, hours and other terms and conditions of employment under the provisions of the California Meyers-Milias-Brown Act. The parties to this MOU hereto have met and conferred in good faith exchanging various proposals in an attempt to reach agreement. The parties affirm their mutual commitment to the goals of effective and efficient public service, high employee morale, sound and responsible management of CITY business, and amicable employer-employee relations. The parties encourage the highest possible degree of friendly, cooperative relationships between their respective representatives at all levels and with and between all employees.

2. RECOGNITION

Pursuant to Solana Beach Resolution No. 92-52 (Employer-Employee Relations Resolution), and applicable State law, the CITY acknowledges SBEA-MISCELLANEOUS EMPLOYEE GROUP as the Recognized Employee Organization for Miscellaneous Unit employees for purposes of employer-employee relations.

Nothing in this Article is intended to amend, alter, modify or supersede the provisions of Resolution No. 92-52, or the rights of employees thereunder, or the rights of individual employees under the provisions of the Meyers-Milias-Brown Act.

3. APPROVAL BY THE CITY COUNCIL

This MOU constitutes a mutual recommendation to be jointly submitted to the City Council for its consideration and action. It is agreed that if this memorandum is approved by the City Council, the CITY will act in a timely manner to make the changes in City ordinances, resolutions, rules, policies and procedures necessary to implement this MOU.

Upon approval by the City Council, this MOU, along with the Solana Beach Personnel Rules and Regulations (as existing on the date of this MOU or as modified by or pursuant to this MOU), and other Policies or Directives established by the CITY (as existing on the date of this MOU or as modified by or pursuant to this MOU), will govern the wages, hours and terms and conditions of employment of the employees represented by the SBEA-MISCELLANEOUS EMPLOYEE GROUP , subject to the provisions and limitations of Chapter 2.44 (Personnel System) of the Solana Beach Municipal Code.

4. AUTHORIZED AGENTS/REPRESENTATIVES

CITY's principal authorized agent shall be the City Manager or the City Manager's authorized designee; unless a particular officer or employee is specifically designated in connection with the performance of a specific function or obligation set forth in the MOU.

The SBEA-MISCELLANEOUS EMPLOYEE GROUP's principal authorized agent shall be its president or a duly authorized designee of the president.

5. CITY MANAGEMENT RIGHTS

The CITY retains and has the exclusive decision-making authority to manage municipal services and the work force performing those services so long as the CITY exercises such exclusive authority in conformance with the express specific terms of this MOU.

The CITY has, except as expressly and lawfully restricted by specific provisions of this MOU, the exclusive decision-making authority to:

- a) Determine and modify the organization of city government and its constituent work units.
- b) Determine the nature, standards, levels and mode of delivery of services to be offered to the public; provided, however, should the CITY determine to change the mode of delivery of services to be offered to the public, it shall first notify SBEA-MISCELLANEOUS EMPLOYEE GROUP and if an effect on represented employees is identified, shall meet and confer with SBEA-MISCELLANEOUS EMPLOYEE GROUP regarding the effect of such decision on represented employees.
- c) Determine the budget, to allocate funds and resources, and determine revenue sources.
- d) Determine methods, means, and the numbers and kinds of personnel by which services are to be provided.
- e) Determine whether goods or services shall be made, purchased or contracted for; provided, however, should the CITY determine to contract out bargaining unit work, it

shall first meet and confer with SBEA-MISCELLANEOUS EMPLOYEE GROUP regarding the effect of such decision on represented employees.

- f) Determine employees, including scheduling and assignment of work and overtime.
- g) Establish employee performance standards and require compliance therewith.
- h) Promote or hire employees and establish job qualifications, descriptions and requirements.
- i) Discharge, suspend, demote, reduce in pay, reprimand, withhold salary increases and benefits or otherwise discipline employees subject to the requirements of applicable law.
- j) Relieve employees from duty because of lack of work or lack of funds or for other legitimate reasons.
- k) Implement rules, regulations and directives consistent with law and the specific provisions of this MOU.
- l) Take all necessary actions to protect the public and carry out its mission in emergencies.

6. EMPLOYEE RIGHTS

Non-discrimination: As a result of this MOU, no person shall be favored or discriminated against, by either the CITY or the SBEA-MISCELLANEOUS EMPLOYEE GROUP, to the extent provided by law because of political or religious opinions or affiliations, or because of racial or national origin, or because of age, sex, sexual orientation or disability.

Neither CITY nor SBEA-MISCELLANEOUS EMPLOYEE GROUP shall interfere with, intimidate, restrain, coerce, or discriminate against employees covered by this MOU because of the exercise of rights to engage or not engage in SBEA-MISCELLANEOUS EMPLOYEE GROUP activity or because of the exercise of any right provided to the employees by this MOU or the Meyers-Milias-Brown Act.

Individual Rights: Nothing in this MOU shall be construed as a waiver of any of the following rights of individual employees which may be exercised in compliance with applicable laws, ordinances, and rules and regulations.

- a) The right to form, join and participate in the activities of employee organizations of the employee's own choosing for the purpose of representation on matters of employer/employee relations or not to join or participate in the activities of any organization as provided in Solana Beach Resolution No. 92-52. All employees have a right to be free from interference, intimidation, restraint, coercion, discrimination, or

reprisal on the part of the management representatives, the supervisor, other employees, or employee organizations, with respect to his or her membership or non-membership in any employee organization.

- b) Pursuant to the Meyers-Milias-Brown Act, the right to represent himself or herself individually in employer/employee relations with the CITY or to be represented through a representative designated by the employee.
- c) The right to review his or her individual personnel file at times convenient to the employee and the CITY.

Miscellaneous Employee Group Rights:

- a) CITY recognizes the right of SBEA-MISCELLANEOUS EMPLOYEE GROUP to govern its internal affairs.
- b) The CITY shall provide bulletin boards to be placed in CITY offices at a place convenient to SBEA-MISCELLANEOUS EMPLOYEE GROUP and approved by the City Manager for the use of SBEA-MISCELLANEOUS EMPLOYEE GROUP. Material placed on the bulletin board shall be at the discretion of SBEA-MISCELLANEOUS EMPLOYEE GROUP. SBEA-MISCELLANEOUS EMPLOYEE GROUP agrees not to post any literature that is offensive, defamatory or violates the rights of employees to a work place free of discrimination or harassment.
- c) SBEA-MISCELLANEOUS EMPLOYEE GROUP may, with the prior approval of the City Manager, use CITY facilities for off-duty meetings of SBEA-MISCELLANEOUS EMPLOYEE GROUP members. Use by SBEA-MISCELLANEOUS EMPLOYEE GROUP of CITY equipment and supplies other than items normally used in business meetings such as desks, chairs, blackboards, and dry boards, despite the presence of such equipment and supplies, is prohibited.
- d) The representatives of SBEA-MISCELLANEOUS EMPLOYEE GROUP shall have reasonable access to the members of SBEA-MISCELLANEOUS EMPLOYEE GROUP for the purposes of providing representation and consultation. The access shall be subject to approval by the City Manager and shall not interfere with the convenient operation of the CITY's Departments. Access by personal visit to CITY offices shall be subject to reasonable prior notice to the City Manager.
- e) A representative of SBEA-MISCELLANEOUS EMPLOYEE GROUP shall be allowed to be present at the request of any employee at any meeting with management involving a grievance, at appeals of employee performance evaluations, and at any pre-disciplinary or disciplinary meetings.
- f) The CITY agrees to provide reasonable time off, without loss of pay, during scheduled work hours for up to two (2) representatives of SBEA-MISCELLANEOUS EMPLOYEE

GROUP when said representatives are meeting and conferring on matters within the scope of representation.

- g) SBEA-MISCELLANEOUS EMPLOYEE GROUP may designate one employee representative to assist an employee in preparing and presenting materials for disciplinary or grievance procedures. The employee's representative so designated shall be allowed reasonable release time from regularly scheduled duties for the purpose of investigating and preparing materials for such procedures. Supervisors shall be given at least one day prior written notice in the event release time is requested, unless the supervisor agrees otherwise. Employee representatives, who investigate, prepare, or present materials during off-duty time shall do so on their own time. Employee representatives and employees who attend personnel hearings during the off-duty time shall do so on their time; providing, however, that off-duty employees who are ordered or subpoenaed to attend such hearings shall be compensated in accordance with the overtime provisions of this MOU.
- h) A designated employee representative requesting time off under this Article shall direct such request to the City Manager in writing within a reasonable time prior to the date requested, in order to assure that the department meets its staff needs and to assure sufficient coverage of departmental assignments. The City Manager shall respond to the request as soon as feasible, but not later than the end of business on the next business day following the request. If the City Manager does not respond to the request, the Department Head of the affected department may grant the release time. If the City Manager or Department Head cannot grant the release time because of workload or other scheduling reasons, the City Manager or Department Head shall give notice to the employee of a date or dates when the release time will be provided.

7. FULL UNDERSTANDING, MODIFICATION, WAIVER

It is the intent of the parties that this MOU set forth the full and entire understanding of matters agreed to upon conclusion of meet and confer sessions which resulted in this MOU. Any other matters, not contained herein, which were addressed during the course of the meet and confer process resulting in this MOU, are superseded and terminated in their entirety. Any understanding or agreement not contained herein, whether formal or informal, which occurred during the course of meet and confer sessions, resulting in this MOU, are terminated or superseded in their entirety. Any amendment to the provisions of this MOU shall not be effective unless made in writing executed by the parties.

It is the intent of the parties that this MOU be administered in its entirety in good faith during its full term. It is recognized that if during such term it is necessary for the CITY to propose changes in matters within the scope of representation not contained in this memorandum, the CITY shall notify SBEA-MISCELLANEOUS EMPLOYEE GROUP, indicating the proposed change prior to its implementation. If SBEA-MISCELLANEOUS EMPLOYEE GROUP wishes to consult or meet and confer with the CITY regarding the matter, SBEA-MISCELLANEOUS

EMPLOYEE GROUP shall notify the CITY within ten (10) working days from the receipt of such notice. Upon receipt of such notice, the parties shall meet promptly in an earnest effort to reach a mutually satisfactory resolution of any problem arising as a result of the change instituted by the CITY.

Nothing herein shall limit the authority to the CITY to make changes required during emergencies. However, the CITY shall notify SBEA-MISCELLANEOUS EMPLOYEE GROUP of such changes as soon as practicable. Such emergency assignments shall not extend beyond the period of emergency. "Emergency" shall be defined as an unforeseen circumstance requiring immediate implementation of the change.

Failure by the SBEA-MISCELLANEOUS EMPLOYEE GROUP to request consultation or negotiations pursuant to this Article shall not be deemed as approval of any action taken by the CITY, but only as a waiver of the right to consult and meet and confer.

The consent to, or waiver of, any breach, provision, or condition of this MOU by either party shall not constitute a precedent in the future enforcement of all the provisions of this MOU, nor a consent, or waiver of, any future breach, provision or condition, unless otherwise expressly stated to the contrary in writing.

8. PEACEFUL PERFORMANCE OF CITY SERVICES

No Strike - During the life of this MOU, neither the employees nor any employee's agents or representatives will instigate, promote, sponsor, engage in, or condone any strike (including sympathy strike), slowdown, concerted stoppage of work, sickouts, or any other intentional disruption of the operations of the CITY, regardless of the reason for so doing.

Penalty - Any employee engaging in activity prohibited by "No Strike" under this Article, or who instigates or gives leadership to such activity, shall be subject to disciplinary action.

No Lockout - During the term of this MOU, the CITY will not instigate a lockout over a dispute with the employees so long as there is no breach of "No Strike" under this Article.

Association Official Responsibility - Each employee or other person who holds the position of officer of the Recognized Employee Organization occupies a position of special trust and responsibility in maintaining and bringing about compliance with the provisions of this Article; therefore, such employees or other persons agree to inform its members of their obligations under "No Strike" of this Article, and to inform them of the penalty for failure to comply.

Enforcement - In the event the CITY is required to enforce the provisions of the Article "Peaceful Performance of CITY Services" by court action, or in the event that SBEA-MISCELLANEOUS EMPLOYEE GROUP is required to enforce the provisions of said Article by court action, an injunction may be issued.

9. PRIOR AGREEMENTS

The provisions of this MOU shall supersede and replace the provisions of the Memorandum of Understanding last executed between SBEA-MISCELLANEOUS EMPLOYEE GROUP and the CITY.

The benefits and other terms and conditions of employment provided pursuant to the CITY's Personnel Rules and Regulations shall continue to apply except to the extent modified by this MOU.

10. NEGOTIATIONS FOR A SUCCESSOR AGREEMENT

The parties agree that negotiations for a successor Memorandum of Understanding shall begin by the submission by either party of a proposal or a written notice of intent to bargain not later than February 1 of the final year of the MOU. If a proposal or notice of intent to bargain is submitted, meeting and conferring sessions shall begin and shall continue until agreement is reached or until an inability to reach agreement (impasse) is declared. The parties agree to use their best efforts to conclude meet and confer sessions before May 31 of the final year of the MOU. If neither party submits at least a notice of intent to bargain, all conditions of this MOU shall continue in full force and effect for one year from the date it otherwise would have terminated.

11. RULES AND REGULATIONS

The City of Solana Beach Personnel Rules and Regulations shall remain in full force and effect during the term of this MOU subject only to the provisions of this MOU and to the amendments necessary to implement the terms of this MOU. During the term of this MOU, any amendments proposed by CITY Management to the City of Solana Beach Personnel Rules and Regulations pursuant to the rights reserved to the CITY under this MOU shall be made after providing notice and an opportunity for input to the designated representatives of SBEA-MISCELLANEOUS EMPLOYEE GROUP.

12. HOURS OF WORK

Hours of work and work schedules shall be determined according to the City Personnel Rules and Regulations.

13. SALARY ADJUSTMENT

The parties jointly agree that the following salary increase shall be applicable for the term of this MOU for all SBEA-MISCELLANEOUS EMPLOYEE GROUP classifications as specified on the salary schedule in Appendix B:

- a) Effective the first full pay period after July 1, 2017: three percent (3%) salary

increase for employees represented by SBEA-MISCELLANEOUS EMPLOYEE GROUP, Miscellaneous Group.

- b) Effective the first full pay period after July 1, 2018: two and a half percent (2.5%) salary increase for employees represented by SBEA-MISCELLANEOUS EMPLOYEE GROUP, Miscellaneous Group.
- c) Effective the first full pay period after July 1, 2019: two and a half percent (2.5%) salary increase for employees represented by SBEA-MISCELLANEOUS EMPLOYEE GROUP, Miscellaneous Group.

Additional Salary Adjustments: One-time salary adjustment to six SBEA-MISCELLANEOUS EMPLOYEE GROUP -MISC positions over the first or first and second years of the MOU as detailed in the following table effective the first full pay period in July of each fiscal year.

	<u>2017/18</u>	<u>2018/19</u>	<u>Total</u>
Sr. Code Compliance Officer	0.30%	0.00%	0.30%
Sr. Engineering Technician	0.66%	0.00%	0.66%
Assistant Civil Engineer	1.05%	1.05%	2.10%
Associate Planner	1.15%	1.15%	2.30%
Assistant Planner	1.75%	1.75%	3.50%
Associate Civil Engineer	3.10%	3.10%	6.20%

Pay increases resulting from employee-employer negotiations will become effective on the specific date negotiated between the CITY and SBEA-MISCELLANEOUS EMPLOYEE GROUP. Increases in salary resulting from merit increases will become effective on the employee's anniversary date, as approved by the City Manager in accordance with the City of Solana Beach Personnel Rules and Regulations.

The proposed salary schedule implementing this Article is attached as Appendix B to this MOU.

14. CAFETERIA BENEFIT PLAN

All regular employees in the SBEA-MISCELLANEOUS EMPLOYEE GROUP shall be entitled to receive health, dental and vision insurance in accordance with the group insurance policies acquired by the CITY.

The CITY will contribute the following to each full-time employee for the purchase of medical, dental and vision insurance options offered through the City's Flexible Benefit Cafeteria Plan:

- a) Effective July 1, 2017 thru June 30, 2018, the CITY will contribute Flexible Plan Credits in the amount of \$1,231.74 per month, per full-time employee.

- b) Effective July 1, 2018 thru June 30, 2019, the City's contribution will increase by 5% for a total of \$1,293.33 per month, per full-time employee.
- c) Effective July 1, 2019 thru June 30, 2020 the City's contribution will increase an additional 5% for a total of \$1,358.00 per month, per full-time employee
- d) Contributions for Part-Time SBEA-Miscellaneous Employees will be prorated at a rate that is representative of their part-time status (e.g. 50% or 75%)

Under this Plan, the CITY will make available medical, dental, and vision insurance plans all employees in the SBEA-MISCELLANEOUS EMPLOYEE GROUP. The Plan also provides for employee participation in Health Care and Dependent Care Flexible Spending Accounts. The Flexible Spending Account is established under Section 125 of the Internal Revenue Code and will be administered by the CITY.

Employees will have the choice of applying Flexible Plan Credits to:

- a) Medical, Dental, and Vision Insurance: Plans selected by employee shall be applied to these insurance costs.
- b) Health Care and Dependent Care Flexible Spending Accounts: Amounts designated by employee shall be applied to these accounts.
- c) Cash: Employees shall have the option of cash benefit in accordance with the City of Solana Beach Flexible Benefit Plan Document.

At a minimum, all employees must elect medical insurance for employee only. Exceptions shall be made for an employee who provides proof of medical insurance coverage through another non-CITY group plan. Requests for exception must be made by the employee and approved by the CITY's Human Resources Manager. After the CITY's initial verification of employee coverage under another non-CITY group medical plan, the Human Resources Manager may request proof of coverage as often as deemed necessary to ensure employee's continued medical insurance coverage. All costs of insurance coverage for the employee or dependents in excess of the CITY contribution shall be borne by the employee.

All Cafeteria Plan elections must be made on forms approved by the City. Elections must be made prior to the beginning of the Plan Year and must remain in effect unless there is a qualifying event as defined under IRS regulations and the City of Solana Beach Flexible Benefit Plan, and approved by the Human Resources Manager.

15. RETIREMENT SYSTEM CONTRIBUTIONS

Retirement benefits are subject to the Public Employees' Pension Reform Act (PEPRA) and related Public Employees' Retirement Law (PERL). If there is a conflict between this MOU and requirements pursuant to PEPRA and/or PERL, PEPRA and PERL shall prevail.

A. Employees hired prior to January 1, 2011:

- i. The City will continue to participate in the California Public Employees Retirement System (CalPERS) and provide a 2.5% at 55 retirement benefit with the use of the employee's single highest year salary. The cost of the program will continue to be shared between City and SBEA-MISCELLANEOUS EMPLOYEE GROUP employees. Employees shall pay the entire CalPERS Retirement employee share of 8%.
- ii. Cost Sharing of Employer Contribution: Per CalPERS contract amendment which went into effect on October 29, 2016, SBEA-MISCELLANEOUS EMPLOYEE GROUP employees will continue to contribute 1.04% of pay towards the normal cost in addition to paying their entire employee share of the CalPERS retirement contribution for a total of 9.04%.

B. For classic employees (as defined by CalPERS) hired on or after January 1, 2011:

- i. The CalPERS formula for employees shall be 2% at 60, with the use of the average of the employee's highest-three-year-salary. Employees shall pay the entire CalPERS Retirement employee share of the CalPERS retirement contribution.
- ii. Cost Sharing of Employer Contribution: Per CalPERS contract amendment which went into effect on October 29, 2016, SBEA-MISCELLANEOUS EMPLOYEE GROUP employees will continue to contribute 0.19% of pay towards the normal cost in addition to paying their entire employee share of the CalPERS retirement contribution.

C. Employees hired on or after January 1, 2013, and defined by CalPERS as new members:

- i. The CalPERS formula for employees shall be 2% at 62, with the use of the average of the employee's highest-three-year-salary. Employees shall pay 50% of the normal cost contribution.

All benefits and amendments to the Retirement system provided in previous MOUs between

the City and the SBEA-MISCELLANEOUS EMPLOYEE GROUP, shall remain in full force unless otherwise annulled by this MOU.

16. RETIREE HEALTH BENEFITS

During the term of this MOU, the City agrees to remain in CalPERS in order to provide healthcare coverage to active employees and retiree healthcare benefits to retired employees. The City agrees to pay Retiree Health Benefits as follows:

Staff members currently employed who retire from the City at a future date, shall receive the following Retiree Health benefits in recognition of their vested rights and service to the City:

- a) Staff members hired prior to January 1, 2007 shall receive maximum of \$290.00 per month. If the retired employee elects to enroll in the CalPERS Retiree Health Plan, the City will subtract the required minimum PEMCHA contribution amount and pay that amount to CalPERS directly. Any left-over balance will be provided to the retired employee.

If the retired employee does not elect to enroll in the CalPERS Retiree Health Plan, the retiree will directly receive the entire \$290 per month.

- b) Staff members with a date of hire on or after January 1, 2007, who subsequently retire from the City AND enroll in the CalPERS Retiree Health Plan, will only receive the "minimum" retirement benefit contribution amount required under PEMCHA to offset their CalPERS Retiree Health Plan costs.

If the retired employee does not enroll in the CalPERS Retiree Health Plan, no Retiree Health Benefit payments will be made to the retiree by the City.

17. LIFE INSURANCE

All employees of the CITY governed by this MOU shall be entitled to receive life insurance. The CITY shall pay the cost of the basic coverage for the employee. The life insurance policy shall continue to provide basic coverage at an amount equal to one times the employee's annual salary.

18. LONG TERM DISABILITY INSURANCE (LTD)

Employees are eligible to participate in the City's LTD Plan. LTD premiums will be paid by the City on behalf of all SBEA-MISCELLANEOUS EMPLOYEE GROUP employees.

19. LEAVE PROVISIONS

Employees shall be entitled to leaves of absence as provided in the City's Personnel Rules and Regulations.

19.1 Vacation

SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees shall be entitled to vacation usage, accrual, and payoff as provided in the CITY Personnel Rules and Regulations.

Part-time SBEA-MISCELLANEOUS EMPLOYEE GROUP employees shall be entitled to vacation at a rate that is representative of their part-time status (50%, 75%, etc).

19.2 Holidays

"Holiday Leave" "Holidays" and "Holiday Pay" are governed by the provisions of the City Personnel Rules and Regulations, except for the following amendments:

a) Holiday Leave

Holiday Leave shall be "leave with pay" credited to employees in the amount of hours the employee(s) would have worked (either eight (8), or nine (9)) for full-time SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees. For example, if a holiday occurs on a Friday, employees will be credited with eight hours of Holiday Leave, whereas if a holiday occurs Monday through Thursday, employees will be credited with nine hours of Holiday Leave. If a holiday occurs on a weekend day, employees will be credited with nine hours of Holiday Leave. Employees will not be credited with Holiday Leave that exceeds the number of hours they would have worked.

Part-time SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees will be credited with Holiday Leave at a rate that is representative of their part-time status (e.g., 50% or 75%).

b) Christmas and New Year's Holidays

SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees are entitled to a full-day holiday for Christmas Eve Day, and New Year's Eve Day. City administrative offices will close in observance of these holidays when they fall during the regular work week.

If a Christmas Eve holiday or New Year's Eve holiday falls on a day when City administrative offices are closed or on an employee's regularly scheduled day off, regular full-time SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees shall be credited with nine (9) or eight (8) hours of Holiday fixed leave, as outlined in section 19.2(a) in observance of these holidays.

Permanent Part-time SBEA-MISCELLANEOUS EMPLOYEE GROUP - Miscellaneous Group employees shall be entitled to Holiday Leave representative of their part-time status (e.g., 50% or 75%). The CITY reserves the right to determine the most efficient manner in which to provide the Christmas, Christmas Eve, New Year's Eve and New Year's Day holidays.

c) **Work on a Holiday**

SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees who are required to work on an official CITY holiday shall be compensated at the rate of time and one-half (1.5) the regular rate of pay for hours actually worked.

Such compensation shall either be paid or, at the employee's option, be provided in compensatory time off (comp time) if the employee is eligible to receive comp time and if the comp time would not exceed the maximum number of hours permitted (50 hours). The affected employee shall also receive holiday credit in the amount of hours that the employee worked (either eight or nine).

d) **Floating Holiday Leaves**

SBEA-MISCELLANEOUS EMPLOYEE GROUP -Miscellaneous Group employees shall be credited with floating holiday leave consisting of eighteen (18) hours of floating holiday leave credited on July 1st of each year ("July Floating Holiday") and nine (9) hours of floating holiday leave credited on January 1st of each year ("January Floating Holiday"). Newly-hired employees shall be credited with July Floating Holiday and January Floating Holiday in the following manner:

July Floating Holidays:

- a) Employees hired in the months of July through September shall receive 18 hours of floating holiday leave when hired.
- b) Employees hired in the months of October through December shall receive 12 hours of floating holiday leave when hired.
- c) Employees hired in the months of January through March shall receive 6 hours of floating holiday leave when hired.
- d) Employees hired in the months of April through June shall receive 3 hours of floating holiday leave when hired.

January Floating Holiday:

- a) Employees hired in the months of January through March shall receive 9 hours of floating holiday leave when hired.
- b) Employees hired in the months of April through June shall receive 6 hours of floating holiday leave when hired.
- c) Employees hired in the months of July through December shall receive 3 hours of floating holiday leave when hired.

July Floating Holiday shall be capped at a maximum accrual of eighteen (18) hours per fiscal year and January Floating Holiday shall be capped at a

maximum accrual of nine (9) hours per calendar year for a maximum total accrual of floating holiday leave of twenty-seven (27) hours.

Part-time SBEA-MISCELLANEOUS EMPLOYEE GROUP employees will be credited with floating holiday leave at a rate that is representative of their part-time status (e.g., 50%, 75%, etc.).

19.3 Bereavement Leave

In the event of the death of a member of the employee's immediate family, the employee shall be granted bereavement leave, without loss of pay, for up to three working days. The employee may take up to an additional two days bereavement leave, not deducted from sick leave, if the funeral is more than 300 miles from the CITY. Immediate family shall be defined as: spouse, child (including stepchild), parent, grandparent, grandchild, step-parent, step-child, legal guardian (or former legal guardian), mother-in-law, father-in-law, son-in-law, daughter-in-law, or sibling. Employee must provide documentation of location/memorial service upon request of the City.

19.4 Jury Duty / Witness Duty

Employees shall be compensated for jury duty according to the City Personnel Rules and Regulations. Employees shall be compensated for witness duty according to the City Personnel Rules and Regulations.

19.5 Special Leaves of Absence without Pay

An employee who has been employed by the CITY for at least 12 months and who has been employed for at least 1250 hours of service during the 12-month period immediately preceding the commencement of leave shall be entitled to a leave or leaves of absence, without pay, with right to return to the position, as specified by the Family Leave and Medical Act of 1993 (California Government Code 12945.2).

19.6 Sick Leave

Employees shall be entitled to accrue sick leave based upon the City Personnel Rules and Regulations. Part-time employees shall be entitled to accrue sick leave at a rate that is representative of their part-time status (e.g., 50%, 75%). Sick leave accrual, usage and pay-off shall be subject to the provisions the City Personnel Rules and Regulations.

- a) Sick Leave Conversion: Personnel Rules and Regulations Section 10.02(E) will be revised to reflect 60 hours of sick leave may be converted to vacation leave when an employee has not used up more than 60 hours of sick leave during

the previous year. All other provisions and requirements regarding Sick Leave will remain unchanged.

19.7 Sick Leave Payoff at Retirement

The CITY will provide sick leave payoff at retirement as follows:

Sick leave payoff would occur when an employee either voluntarily separates from City service in good standing or retires (non-disability) from the City. Payoff shall be in cash at the rate of twenty percent (20%) of the sick leave balance at the time of retirement or separation up to a maximum payoff of ninety-six (96) hours. To qualify for payoff, an employee is required to have a minimum of ten (10) years of service with the CITY. There shall be no payoff at termination.

The provisions of the City of Solana Beach Personnel Rules and Regulations shall govern all other terms and conditions of employment.

20. OVERTIME

Employees shall be entitled to overtime pay or compensatory time off in lieu of overtime pay (comp time) as provided in the City Personnel Rules and Regulations. If a holiday falls within the normal work week, the employee shall be paid overtime pay (not comp-in-lieu time) for any hours worked in excess of 40 hours in a workweek and the holiday would count as hours worked. This provision only applies to City recognized holidays and shall not apply to sick or vacation time taken.

Overtime work shall first be offered on a rotating basis to qualified employees in a department who desire overtime work and have notified the Department Head in writing of their desire.

Nothing in this MOU or the Personnel Rules shall be construed as guaranteeing that overtime work will be available.

21. CALL BACK – Non Public Works Employees

Non Public Works Miscellaneous Group employees shall be entitled to call back pay as provided in the CITY Personnel Rules and Regulations.

22. CALL BACK and STAND-BY PAY - Public Works Employees

- a) Call back work is defined as work required by the City of an employee who, following completion of the employee's work day or work week and departure from the employee's work site, is unexpectedly ordered to report back to duty to perform necessary work. Public Works Employees who are called back shall receive a minimum

of three (3) hours compensation at time and one-half unless employee is called back less than two hours before start of employee's next regular shift or work day.

- b) Whenever an employee is called back, the employee shall receive the minimum provided above or pay for hours actually worked, whichever is greater. Hours worked shall be calculated beginning at the time the call back is received by the employee and ending when the employee is relieved of duty.
- c) If an employee, who was called back to work and has completed his/her assignment and left work, is again called back to work, he/she will not receive another minimum if the time of return is within the previous call back minimum.
- d) Public Works employees shall be paid for mileage to and from the Public Works Yard during call back duty.
- e) Stand-by pay will be compensated at one hour at time and a half their straight time pay, at the employee's base rate for each day the employee is on "Stand-by," for represented Public Works employees.

23. MILEAGE ALLOWANCE

Employees shall receive a mileage allowance as provided in the City Personnel Rules and Regulations.

24. BILINGUAL PAY

The City agrees to provide additional compensation in the amount of \$100 per month to those employees who regularly use their bilingual skills in the performance of their duties. The employee must successfully pass a Bilingual Performance Examination as determined appropriate by the Human Resources Manager.

- a) Eligible employees must successfully pass a Bilingual Performance Examination every three (3) years, as determined appropriate by the Human Resources Manager.
- b) Eligible languages are Spanish and American Sign Language.
- c) Bilingual pay for permanent part-time employees shall be prorated.
- d) Bilingual pay will not accrue during any leave (paid or unpaid) of more than thirty (30) days.

25. TUITION REIMBURSEMENT

Each SBEA-MISCELLANEOUS EMPLOYEE GROUP employee shall be eligible for a maximum reimbursement each fiscal year up to, but not to exceed, \$2,000.

26. SEVERANCE PAY

The CITY shall provide severance pay for Miscellaneous Unit employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations as follows:

- a) Employees with five or more years of CITY service who are laid off from employment pursuant to the City Personnel Rules and Regulations shall receive severance pay in an amount of the employee's base salary for a period of forty-five days after the date of the employee's termination; provided however, in the event the period from the date of giving notice of proposed layoff to the date of termination pursuant to that notice is greater than thirty days, then the days for which severance pay is received shall be reduced by one day for each day the notice period exceeds thirty days, and further provided that the minimum amount of severance pay shall be equivalent to thirty days base salary. Severance pay shall cease if the employee obtains employment prior to the expiration of the severance pay period. If the employee obtains unemployment insurance benefits, the amount of severance pay shall be limited to the difference between the employee's base salary and the amount of the unemployment insurance benefit payment.
- b) Severance pay shall be payable in installments. The first installment shall be made on the second Friday following the date of termination. Subsequent payments shall be at two week intervals thereafter.
- c) An employee shall provide the CITY with a certification of continuing eligibility to receive severance pay and receipt or non-receipt of unemployment insurance benefits prior to each severance pay installment. The certification shall be under penalty of perjury.
- d) In addition to the severance pay, the CITY will continue to pay the monthly premium for health, dental and vision insurance paid by the CITY on the date of termination in order to continue coverage for a period of 90 days from the date of termination.
- e) An employee receiving severance pay shall not be considered to be an employee of the CITY after the date of termination. Severance pay shall not be considered salary for the purposes of the Public Employees Retirement System.

- f) Employees who are subject to layoff because the exercise of "bumping" or "retreat" rights by another employee pursuant to the City Personnel Rules and Regulations shall receive the same notice of layoff and shall have the same rights to bump less senior employees as the employee originally receiving the notice of proposed layoff.

27. SAFETY COMMITTEE

The employees represented by SBEA-MISCELLANEOUS EMPLOYEE GROUP, shall have the right to appoint one employee member to the Safety Committee. The appointment shall be subject to the approval of the City Manager, which approval shall not be unreasonably withheld.

28. SAFETY PROVISIONS

28.1 Safety Shoes

The CITY will reimburse full-time Public Works employees, as defined below, for the purchase of steel-toe safety shoes in an amount not to exceed a total of one hundred fifty dollars (\$150) per fiscal year. This amount may be divided by the employee during the course of the fiscal year if the employee decides to purchase more than one pair of steel-toed shoes. All Public Works employees shall wear steel-toe safety shoes while performing work within the scope of their employment for the CITY.

Public Works Employees:

Lead Maintenance Worker

Maintenance Worker I/II

28.2 Sunscreen

The CITY will purchase, in bulk, sunscreen and provide such sunscreen on an as-needed basis to all CITY employees who perform work outdoors.

29. REOPENER

During the duration of this MOU the City may reopen negotiations to discuss the following items for citywide implementation:

- a) New City Personnel Rules

30. SAVINGS CLAUSE

If any provisions of this MOU should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other provisions of this MOU shall remain in full force and effect for the duration of this MOU.

In the event of invalidation of any provisions, the CITY and the Association agree to meet within thirty (30) days of notice by either to the other for the purpose of renegotiating said provision.

31. SEVERABILITY

It is understood and agreed that this MOU is subject to all current and future applicable federal and state laws, or federal and state regulations. If any part or provision of this MOU is in conflict or inconsistent with such laws, rules and regulations, or is otherwise held to be invalid or unenforceable by a tribunal or competent jurisdiction, such part or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this MOU shall not be affected.

32. TERM

The term of this agreement shall be retroactive to July 1, 2017, subject to formal approval by the City Council, and shall expire at midnight, June 30, 2020.

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APPENDIX A

SBEA-MISCELLANEOUS EMPLOYEE GROUP represents that this Memorandum of Understanding has been duly ratified by its membership. Following approval by the City Council, its terms and conditions shall be implemented by appropriate ordinance, resolution, or other appropriate lawful action.

**SOLANA BEACH EMPLOYEES ASSOCIATION
(SBEA-MISCELLANEOUS EMPLOYEE GROUP)**

By: M. Eggum

Date: 8/10/17

MIKKI EGGUM
SBEA-MISCELLANEOUS EMPLOYEE GROUP

By: Vanessa M. Rivera

Date: 8/10/17

VANESSA RIVERA
SBEA-MISCELLANEOUS EMPLOYEE GROUP

APPROVED AS TO LEGAL FORM:

CITY COUNCIL:

By: _____

JOHANNA CANLAS
CITY ATTORNEY

By: _____

MIKE NICHOLS
MAYOR

Date: _____

Date: _____

ATTEST:

CITY:

By: _____

ANGELA IVEY
CITY CLERK

By: _____

GREGORY WADE
CITY MANAGER

Date: _____

Date: _____

APPENDIX B

SOLANA BEACH EMPLOYEES' ASSOCIATION
MISCELLANEOUS GROUP
SALARY SCHEDULE 3

Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective First Full Pay Period in July 2017

Pay Schedule	Grade	Job Classification	Hourly					Monthly				
			Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
MIS (MS)	44	Administrative Assistant I	\$ 15.39	\$ 16.16	\$ 16.97	\$ 17.81	\$ 18.70	\$ 2,667.21	\$ 2,800.57	\$ 2,940.60	\$ 3,087.63	\$ 3,242.01
MIS (MS)	63	Maintenance Worker I	\$ 18.59	\$ 19.52	\$ 20.50	\$ 21.52	\$ 22.60	\$ 3,222.28	\$ 3,303.40	\$ 3,552.57	\$ 3,730.19	\$ 3,916.70
MIS (MS)	64	Administrative Assistant II	\$ 18.78	\$ 19.72	\$ 20.70	\$ 21.74	\$ 22.82	\$ 3,254.51	\$ 3,417.23	\$ 3,588.09	\$ 3,767.50	\$ 3,955.87
MIS (MS)	75	Maintenance Worker II	\$ 20.95	\$ 22.00	\$ 23.10	\$ 24.25	\$ 25.46	\$ 3,630.95	\$ 3,812.50	\$ 4,003.12	\$ 4,203.28	\$ 4,413.44
MIS (MS)	84	Code Compliance Specialist	\$ 22.91	\$ 24.06	\$ 25.26	\$ 26.52	\$ 27.85	\$ 3,971.11	\$ 4,169.67	\$ 4,378.15	\$ 4,597.06	\$ 4,826.91
MIS (MS)	85	Junior Planner	\$ 23.14	\$ 24.30	\$ 25.51	\$ 26.79	\$ 28.13	\$ 4,010.83	\$ 4,211.37	\$ 4,421.94	\$ 4,643.03	\$ 4,875.18
MIS (MS)	86	Administrative Assistant III Management Assistant	\$ 23.37	\$ 24.54	\$ 25.77	\$ 27.06	\$ 28.41	\$ 4,050.93	\$ 4,253.48	\$ 4,466.16	\$ 4,689.46	\$ 4,923.94
MIS (MS)	89	Lead Maintenance Worker	\$ 24.08	\$ 25.28	\$ 26.55	\$ 27.87	\$ 29.27	\$ 4,173.68	\$ 4,382.37	\$ 4,601.48	\$ 4,831.56	\$ 5,073.14
MIS (MS)	94	Code Compliance Officer	\$ 25.31	\$ 26.57	\$ 27.90	\$ 29.30	\$ 30.76	\$ 4,386.58	\$ 4,605.91	\$ 4,836.21	\$ 5,078.02	\$ 5,331.92
MIS (MS)	102A	Assistant Planner	\$ 27.61	\$ 28.99	\$ 30.44	\$ 31.96	\$ 33.56	\$ 4,785.66	\$ 5,024.95	\$ 5,276.19	\$ 5,540.00	\$ 5,817.00
MIS (MS)	103A	Senior Engineering Technician	\$ 27.86	\$ 29.25	\$ 30.72	\$ 32.25	\$ 33.87	\$ 4,829.20	\$ 5,070.66	\$ 5,324.20	\$ 5,590.41	\$ 5,869.93
MIS (MS)	106	Environmental Specialist	\$ 28.52	\$ 29.94	\$ 31.44	\$ 33.01	\$ 34.66	\$ 4,942.91	\$ 5,190.06	\$ 5,449.56	\$ 5,722.04	\$ 6,008.14
MIS (MS)	106A	Senior Code Compliance Officer	\$ 28.60	\$ 30.03	\$ 31.53	\$ 33.11	\$ 34.77	\$ 4,957.74	\$ 5,205.63	\$ 5,465.91	\$ 5,739.20	\$ 6,026.16
MIS (MS)	109	Public Works Inspector	\$ 29.38	\$ 30.85	\$ 32.39	\$ 34.01	\$ 35.71	\$ 5,092.68	\$ 5,347.32	\$ 5,614.66	\$ 5,895.42	\$ 6,190.19
MIS (MS)	115A	Associate Planner	\$ 31.24	\$ 32.80	\$ 34.44	\$ 36.16	\$ 37.97	\$ 5,414.10	\$ 5,684.80	\$ 5,969.04	\$ 6,267.49	\$ 6,580.87
MIS (MS)	118A	Assistant Civil Engineer	\$ 32.15	\$ 33.76	\$ 35.45	\$ 37.22	\$ 39.08	\$ 5,572.58	\$ 5,851.21	\$ 6,143.77	\$ 6,450.96	\$ 6,773.50
MIS (MS)	134A	Associate Civil Engineer	\$ 37.72	\$ 39.60	\$ 41.58	\$ 43.66	\$ 45.85	\$ 6,537.55	\$ 6,864.43	\$ 7,207.65	\$ 7,568.03	\$ 7,946.44

Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective First Full Pay Period in July 2018

Pay Schedule	Grade	Job Classification	Hourly					Monthly				
			Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
MIS (MS)	44	Administrative Assistant I	\$ 15.77	\$ 16.56	\$ 17.39	\$ 18.28	\$ 19.17	\$ 2,733.69	\$ 2,870.59	\$ 3,014.12	\$ 3,164.82	\$ 3,323.06
MIS (MS)	63	Maintenance Worker I	\$ 19.06	\$ 20.01	\$ 21.01	\$ 22.06	\$ 23.16	\$ 3,302.84	\$ 3,467.98	\$ 3,641.39	\$ 3,823.45	\$ 4,014.62
MIS (MS)	64	Administrative Assistant II	\$ 19.25	\$ 20.21	\$ 21.22	\$ 22.28	\$ 23.39	\$ 3,335.87	\$ 3,502.66	\$ 3,677.79	\$ 3,861.68	\$ 4,054.77
MIS (MS)	75	Maintenance Worker II	\$ 21.47	\$ 22.55	\$ 23.67	\$ 24.86	\$ 26.10	\$ 3,721.72	\$ 3,907.81	\$ 4,103.20	\$ 4,308.36	\$ 4,523.78
MIS (MS)	84	Code Compliance Specialist	\$ 23.48	\$ 24.66	\$ 25.89	\$ 27.19	\$ 28.54	\$ 4,070.39	\$ 4,273.91	\$ 4,487.61	\$ 4,711.99	\$ 4,947.59
MIS (MS)	85	Junior Planner	\$ 23.72	\$ 24.90	\$ 26.15	\$ 27.46	\$ 28.83	\$ 4,111.10	\$ 4,316.65	\$ 4,532.48	\$ 4,759.11	\$ 4,997.06
MIS (MS)	86	Administrative Assistant III Management Assistant	\$ 23.96	\$ 25.15	\$ 26.41	\$ 27.73	\$ 29.12	\$ 4,152.21	\$ 4,359.82	\$ 4,577.81	\$ 4,806.70	\$ 5,047.03
MIS (MS)	89	Lead Maintenance Worker	\$ 24.68	\$ 25.92	\$ 27.21	\$ 28.57	\$ 30.00	\$ 4,278.02	\$ 4,491.92	\$ 4,716.52	\$ 4,952.35	\$ 5,199.95
MIS (MS)	94	Code Compliance Officer	\$ 25.94	\$ 27.24	\$ 28.60	\$ 30.03	\$ 31.53	\$ 4,496.25	\$ 4,721.06	\$ 4,957.11	\$ 5,204.97	\$ 5,465.21
MIS (MS)	103A	Senior Engineering Technician	\$ 28.56	\$ 29.99	\$ 31.49	\$ 33.06	\$ 34.71	\$ 4,949.93	\$ 5,197.43	\$ 5,457.30	\$ 5,730.17	\$ 6,016.67
MIS (MS)	103B	Assistant Planner	\$ 28.80	\$ 30.24	\$ 31.75	\$ 33.34	\$ 35.00	\$ 4,987.06	\$ 5,236.41	\$ 5,498.23	\$ 5,773.14	\$ 6,051.80
MIS (MS)	106	Environmental Specialist	\$ 29.23	\$ 30.69	\$ 32.23	\$ 33.84	\$ 35.53	\$ 5,066.48	\$ 5,319.81	\$ 5,585.80	\$ 5,865.09	\$ 6,158.34
MIS (MS)	106A	Senior Code Compliance Officer	\$ 29.32	\$ 30.78	\$ 32.32	\$ 33.94	\$ 35.64	\$ 5,081.68	\$ 5,335.77	\$ 5,602.55	\$ 5,882.68	\$ 6,176.82
MIS (MS)	109	Public Works Inspector	\$ 30.12	\$ 31.62	\$ 33.20	\$ 34.86	\$ 36.61	\$ 5,220.00	\$ 5,481.00	\$ 5,755.05	\$ 6,042.80	\$ 6,344.94
MIS (MS)	116A	Associate Planner	\$ 32.39	\$ 34.09	\$ 35.70	\$ 37.49	\$ 39.36	\$ 5,604.94	\$ 5,885.19	\$ 6,179.45	\$ 6,484.42	\$ 6,812.84
MIS (MS)	119A	Assistant Civil Engineer	\$ 33.30	\$ 34.97	\$ 36.71	\$ 38.55	\$ 40.48	\$ 5,769.01	\$ 6,057.46	\$ 6,360.34	\$ 6,678.35	\$ 7,012.27
MIS (MS)	137A	Associate Civil Engineer	\$ 39.87	\$ 41.87	\$ 43.96	\$ 46.16	\$ 48.46	\$ 6,904.04	\$ 7,249.24	\$ 7,611.70	\$ 7,992.29	\$ 8,391.90

Miscellaneous Employee Group Pay Structure Salary Schedule 3
Effective First Full Pay Period in July 2019

Pay Schedule	Grade	Job Classification	Hourly					Monthly				
			Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
MIS (MS)	44	Administrative Assistant I	\$ 16.17	\$ 16.98	\$ 17.82	\$ 18.72	\$ 19.65	\$ 2,802.24	\$ 2,942.35	\$ 3,089.47	\$ 3,243.94	\$ 3,406.14
MIS (MS)	63	Maintenance Worker I	\$ 19.53	\$ 20.51	\$ 21.53	\$ 22.61	\$ 23.74	\$ 3,385.41	\$ 3,554.68	\$ 3,732.42	\$ 3,919.04	\$ 4,114.99
MIS (MS)	64	Administrative Assistant II	\$ 19.73	\$ 20.71	\$ 21.75	\$ 22.84	\$ 23.98	\$ 3,419.26	\$ 3,590.23	\$ 3,769.74	\$ 3,958.23	\$ 4,156.14
MIS (MS)	75	Maintenance Worker II	\$ 22.01	\$ 23.11	\$ 24.26	\$ 25.48	\$ 26.75	\$ 3,814.77	\$ 4,005.50	\$ 4,205.78	\$ 4,416.07	\$ 4,636.87
MIS (MS)	84	Code Compliance Specialist	\$ 24.07	\$ 25.27	\$ 26.54	\$ 27.86	\$ 29.26	\$ 4,172.15	\$ 4,380.76	\$ 4,599.60	\$ 4,829.79	\$ 5,071.28
MIS (MS)	85	Junior Planner	\$ 24.31	\$ 25.53	\$ 26.80	\$ 28.14	\$ 29.55	\$ 4,213.87	\$ 4,424.57	\$ 4,645.80	\$ 4,878.09	\$ 5,121.99
MIS (MS)	86	Administrative Assistant III Management Assistant	\$ 24.55	\$ 25.78	\$ 27.07	\$ 28.42	\$ 29.85	\$ 4,256.01	\$ 4,468.81	\$ 4,692.25	\$ 4,926.87	\$ 5,173.21
MIS (MS)	89	Lead Maintenance Worker	\$ 25.30	\$ 26.56	\$ 27.89	\$ 29.29	\$ 30.75	\$ 4,384.97	\$ 4,604.22	\$ 4,834.43	\$ 5,076.16	\$ 5,329.96
MIS (MS)	94	Code Compliance Officer	\$ 26.59	\$ 27.92	\$ 29.31	\$ 30.78	\$ 32.32	\$ 4,808.65	\$ 4,839.08	\$ 5,081.04	\$ 5,335.09	\$ 5,601.65
MIS (MS)	103A	Senior Engineering Technician	\$ 29.27	\$ 30.74	\$ 32.27	\$ 33.89	\$ 35.58	\$ 5,073.68	\$ 5,327.37	\$ 5,593.73	\$ 5,873.42	\$ 6,167.09
MIS (MS)	103B	Assistant Planner	\$ 29.52	\$ 30.99	\$ 32.54	\$ 34.17	\$ 35.88	\$ 5,111.73	\$ 5,367.32	\$ 5,635.69	\$ 5,917.47	\$ 6,213.34
MIS (MS)	106	Environmental Specialist	\$ 29.96	\$ 31.46	\$ 33.03	\$ 34.66	\$ 36.42	\$ 5,193.14	\$ 5,452.80	\$ 5,725.44	\$ 6,011.71	\$ 6,312.30
MIS (MS)	106A	Senior Code Compliance Officer	\$ 30.05	\$ 31.55	\$ 33.13	\$ 34.79	\$ 36.53	\$ 5,208.72	\$ 5,469.16	\$ 5,742.62	\$ 6,029.75	\$ 6,331.24
MIS (MS)	109	Public Works Inspector	\$ 30.87	\$ 32.41	\$ 34.03	\$ 35.73	\$ 37.52	\$ 5,350.50	\$ 5,618.03	\$ 5,898.93	\$ 6,193.87	\$ 6,503.57
MIS (MS)	116A	Associate Planner	\$ 33.19	\$ 34.85	\$ 36.60	\$ 38.43	\$ 40.35	\$ 5,745.07	\$ 6,032.32	\$ 6,333.94	\$ 6,650.63	\$ 6,993.16
MIS (MS)	119A	Assistant Civil Engineer	\$ 34.13	\$ 35.84	\$ 37.63	\$ 39.51	\$ 41.49	\$ 5,913.24	\$ 6,208.90	\$ 6,519.34	\$ 6,845.31	\$ 7,187.58
MIS (MS)	137A	Associate Civil Engineer	\$ 40.87	\$ 42.91	\$ 45.06	\$ 47.31	\$ 49.68	\$ 7,076.64	\$ 7,430.47	\$ 7,801.99	\$ 8,192.09	\$ 8,601.70



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution No. 2017-132 Amending the Solana Beach Pump Station Design Agreement to Add Ground Water Sampling, NPDES Permitting Assistance and Construction Bid Support**

BACKGROUND:

On October 8, 2014, the City Council authorized an agreement with Dudek in the amount of \$277,810 to design and prepare construction documents for the Solana Beach Pump Station Phase 2 Upgrades. This is the second and final phase of major upgrades to the aging pump station, which will include construction of a new underground emergency overflow storage structure and replacing the existing wet-well, pumps, piping and other supplementary mechanical equipment. Electrical upgrades were performed in 2014.

The design and construction documents have been completed. Bidding and construction has been delayed by the North County Transit District (NCTD) double tracking project which has caused construction activity around the pump station.

To construct the underground structures, the excavation will need to be dewatered by pumping down and disposing the ground water. To perform this work, the contractor will need to obtain a National Pollutant Discharge Elimination System (NPDES) permit. The NPDES permit is a long and uncertain process. The City's consultant, Michael Welch, recommends that the City apply for the NPDES permit before advertising the project for bids. This option would remove the contractor from the permitting process and potentially eliminate any uncertainties during construction which would typically result in significant cost savings. Michael Welch also recommends discharging the ground water directly to the ocean. Discharging to the lagoon would require a more elaborate and expensive treatment system.

COUNCIL ACTION:

The NPDES permit application will require groundwater sampling by drilling a small diameter wet well (piezometer). This item is before the City Council to authorize the City Manager to execute an amendment to Dudek's professional services agreement for an additional amount of \$10,000 and to include installation of the piezometer and to implement the corresponding water sampling program.

DISCUSSION:

The design agreement with Dudek was for an amount not to exceed \$277,810. Of that original amount, a balance of \$6,600 remains on the purchase order. The original design agreement did not include any tasks for NPDES permitting or installation of a piezometer. It was initially anticipated these tasks would be performed by the contractor as part of the bidding process; however, in an effort to minimize the ultimate project costs, it has been determined that the City should obtain the NPDES permit first and then solicit for construction bids. While this option adds cost and time to the design phase, Staff is confident the overall construction cost and potential for change orders would be reduced. Further, due to uncertainty of the NPDES permit requirements, it has been Staff's experience that contractors typically assume the worst case scenario and submit their bids accordingly.

The drilling contractor provided a quote of \$5,700 for drilling, setting the well, disposing the drill cuttings and other services required to perform the water sampling. Staff is requesting City Council's approval to amend the agreement with Dudek to include the water sampling, NPDES permitting assistance and construction bid support. Staff recommends increasing the agreement for an additional amount of \$10,000 which includes \$5,700 for the installation of the piezometer and the remaining balance for technical support for the water sampling, including laboratory testing, NPDES permitting assistance, and construction bid support.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15301(b) and 15302(c) of the State CEQA Guidelines.

FISCAL IMPACT:

The Fiscal Year 2017/2018 Adopted Budget appropriated \$5,200,000 for the Solana Beach Pump Station project. No additional appropriation is needed for the design consultant amendment.

WORK PLAN:

Environmental Sustainability/Capital Projects/Item 1

OPTIONS:

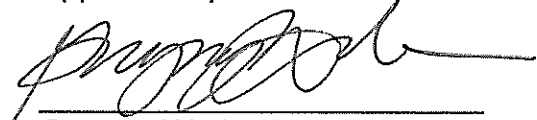
- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2017-132 approving an amendment to the Solana Beach Pump Station professional services agreement with Dudek for an increase of \$10,000 and an amended total contract amount of \$287,810.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-132

RESOLUTION 2017-132

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING AN AMENDMENT TO DUDEK AGREEMENT FOR THE SOLANA BEACH PUMP STATION DESIGN

WHEREAS, on October 8, 2014, the City Council authorized an agreement with Dudek in the amount of \$277,810 to design and prepare construction documents for the Solana Beach Pump Station Phase 2 Upgrades; and

WHEREAS, the City desires to amend the agreement with Dudek to include water sampling, NPDES permitting assistance and construction bid support.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council approves an amendment to the Solana Beach Pump Station professional services agreement with Dudek for an increase of \$10,000 and an amended total of \$287,810.

PASSED AND ADOPTED this 23rd day of August, 2017, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: City Manager
SUBJECT: **Consideration of Resolution 2017-133 Reclassifying the Community Services Coordinator Position to Management Assistant and Adopting the Senior Accountant Job Description**

BACKGROUND:

It is the responsibility of the City Manager to consistently engage in organizational analysis of various City operations to improve efficiency and effectiveness and ensure the most economical means of conducting business is achieved. Section 2.08.070, Section D, of the City's Municipal Code, "Powers and Duties (of City Manager)" Administrative Reorganization of Offices, states:

"It shall be the duty and responsibility of the City Manager to conduct studies and effect such administrative reorganization of offices, positions or units under the City Manager's direction as may be indicated in the interest of efficient, effective and economical conduct of the City's business."

Typically, when positions are vacated within the City, it provides the City Manager an opportunity to examine the efficiency and effectiveness of the position and determine if there is an opportunity to improve City operations. On February 17, 2017, the City's Community Service Coordinator retired after eighteen years of service at the City of Solana Beach. Upon her retirement, the City hired a Temporary Management Assistant to fill the vacancy in the short term and to assess the current Community Services Coordinator position. After an evaluation, it was determined that a permanent Management Assistant position would best fit the City's current operations and needs in order to improve efficiency and effectiveness within the Community Services and City Manager departments and the City.

On July 13, 2016, City Council approved a Senior Accountant classification as part of the FY 2016-2017 budget and added it to the Mid-Management Pay Structure at Pay Grade M-3. At this time, a formal job description has been created for adoption to include in the list of City's formal job descriptions.

This item is before City Council to consider approval of Resolution 2017-133

CITY COUNCIL ACTION:

(Attachment 1) which would reclassify the Community Services Coordinator position and would adopt the Senior Accountant job description.

DISCUSSION:

The City Manager is proposing a reclassification of the Community Services Coordinator position to a Management Assistant position in order to better fit the needs of the City and to allow more flexibility and versatility of responsibilities and duties in the position (Attachment 2). The new Management Assistant position will have the capacity to handle previous Community Services Coordinator tasks and duties as well as other various duties in the City Manager's Office. In the capacity of a Management Assistant, the incumbent under general supervision will work on project and program management in a variety of areas throughout the City organization. The Management Assistant position is classified as a FLSA non-exempt hourly position with prorated benefits and will remain as a part of the Miscellaneous Employee Group Salary Schedule 3 (Attachment 3). Upon reclassification, the City will begin its recruitment process for a part-time (75%) Management Assistant to fill the vacancy.

Senior Accountant Job Description

A Senior Accountant position was included in the FY 2016-2017 Adopted Budget and was approved to the Mid-Management Pay Structure at Pay Grade M-3; however, at that time a formal job description was not adopted.

The newly created Senior Accountant job description (Attachment 4) outlines and identifies the requirements for an advanced accounting professional, including the necessary skills, knowledge and abilities of the position. Some of the noteworthy responsibilities of the Senior Accountant position include, but are not limited to, participation in the City's annual and ongoing budget process and the preparation of the Comprehensive Annual Financial Report (CAFR); serving as the liaison with auditors; grant accounting and reconciliation responsibilities; preparation of quarterly investments reports; preparation of assigned staff reports; and providing coverage for the Finance Manager as needed. As noted above, the Senior Accountant position would be compensated at the Grade M-3 of the Mid-Management Pay Structure (Attachments 5 & 6)

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The Community Services Coordinator position is currently an hourly position with a salary range of \$23.37 to \$28.41 per hour as part the SBEA Miscellaneous Employees pay structure (MIS-86) - Salary Schedule 3. This range reflects the newly adopted salary schedule for Fiscal Year (FY) 2017/2018.

The new Management Assistant position will remain in the same salary range (MIS-86) as the Community Services Coordinator position, and the Senior Accountant position is listed under the Management Salary Schedule 1, Grade M-3.

WORK PLAN:

N/A

OPTIONS:

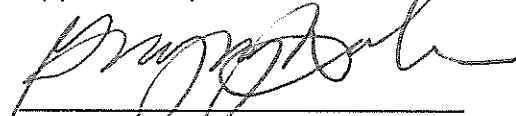
- Adopt Resolution 2017-133 reclassifying the Community Services Coordinator position to a Management Assistant position, amending Salary Schedule 3 accordingly and adopting the Senior Accountant job description.
- Do not approve Resolution 2017-133, and provide direction to Staff.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2017-133 reclassifying the Community Services Coordinator position to a Management Assistant position, amending the Salary Schedule 3 accordingly and adopting the Senior Accountant job description.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-133
2. Management Assistant Job Description
3. SBEA FY 2017-2018 Miscellaneous Salary Schedule 3
4. Senior Accountant Job Description
5. Management Employees Salary Schedule 1 – FY 2017/18
6. Management Employees Salary Schedule 1 - FY 2016/17

RESOLUTION 2017-133

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, TO APPROVE THE RECLASSIFICATION OF THE COMMUNITY SERVICES COORDINATOR POSITION TO MANAGEMENT ASSISTANT POSITION AND TO ADOPT THE SENIOR ACCOUNTANT JOB DESCRIPTION AS RECOMMENDED BY THE CITY MANAGER

WHEREAS, the Solana Beach Municipal Code Chapter 2.08.070 states, *"it is the duty and responsibility of the City Manager to conduct studies and effect such administrative reorganization of offices, positions, or units under the City Managers' direction as may be indicated in the interest of efficient, effective and economical conduct of the City's business"*; and

WHEREAS, on February 17, 2017, the City's Community Services Coordinator retired after eighteen years of service at the City; and

WHEREAS, upon thorough organizational review, the City Manager recommends the reclassification of the Community Services Coordinator position to a Management Assistant position; and

WHEREAS, the duties and responsibilities of the Community Services Coordinator will be combined with the Management Assistant position, providing more flexibility and versatility of duties, which will improve efficiency, operations and service to the community; and

WHEREAS, the Senior Accountant position was included in the FY 2016-2017 adopted budget and approved to the mid-management pay structure; and

WHEREAS, the newly created Senior Accountant job description outlines and identifies the requirements of an advanced accounting professional, including the necessary skills, knowledge and abilities of the position.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the reclassification in the City Manager's Department (Community Services Division) as recommended by the City Manager is approved.
3. That the Community Services Coordinator position is reclassified as a Management Assistant position in the City Manager's Department.

4. The newly created Senior Accountant job description is approved and adapted to the list of City's official job descriptions.

PASSED AND ADOPTED this 23rd day of August, 2017, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

CITY OF SOLANA BEACH MANAGEMENT ASSISTANT

Class specifications are intended to present a descriptive list of the range of duties performed by employees in the class. Specifications are not intended to reflect all duties performed within the job.

DEFINITION

Under general supervision, provides responsible para-professional assistance in implementation, and monitoring of assigned programs; administers the City's Public Art Program, coordinates cultural and community special events; provides information and assistance to the public regarding community service events and various community services; researches grant opportunities, completes grant applications, and monitors awarded grants; provides responsible administrative staff assistance including conducting routine analyses of a wide range of department activities; participates in coordinating assigned activities with other divisions, outside agencies, and the general public; processes and maintains a variety of documents, forms, and records; and performs a variety of research duties in support of assigned department.

CLASS CHARACTERISTICS

This position is expected to exercise initiative and independent judgment within established guidelines in providing technical and para-professional administrative support in a variety of areas. Assignments are typically received in broad outline form, and require incumbents to use judgment in selecting appropriate procedures to solve routine to non-routine problems based on knowledge gained through experience. Projects may include analysis, procedures, budget development, regulatory analysis, community engagement or other areas specific to the assignment. This position may have access to confidential information. The Management Assistant is an hourly classified FLSA non-exempt position.

ESSENTIAL JOB FUNCTIONS

The following duties are typical for positions in this classification. Incumbents may not perform all listed job functions, nor are all listed duties necessarily performed by everyone in this class depending upon business need and changing business practices:

- Provides responsible para-professional and technical assistance in the analysis, implementation, and monitoring of assigned projects and programs.
- Collects and compiles relevant data in support of departmental policy, goals and procedures.

MANAGEMENT ASSISTANT

- Assists in the development of new program elements and program modifications as necessary to meet stated goals and objectives.
- Plans and coordinates special events sponsored by the City.
- Compiles materials and assists in the preparation of reports, and publications; prepares agenda items for City Council meetings as necessary.
- Coordinates activities with other City departments, public jurisdictions, and organizations.
- Coordinates the City Hall Art Gallery program including researching and selecting appropriate artists; provides information to artists in the utilization of City Hall as an art gallery; and coordinates art-gallery openings.
- Provides solutions to routine problems of limited scope and complexity.
- May assist staff advisor or serve as staff advisor to the Public Arts Committee; posts PAC agenda and takes minutes at the PAAC meeting; serves as liaison to the PAC as needed.
- Assists in coordinating marketing and public relations programs; prepares, oversees and disseminates the City newsletter; prepares news releases, public service announcements, and promotional maps and fliers.
- Assists in coordinating the City's social media accounts, including preparing and disseminating community eBlasts.
- Assists in managing the City's website, including updating the design and content on the homepage and individual department pages.
- Organizes, attends and participates in Special Events as assigned, including community groups and public meetings/workshops; educates the public on assigned programs.
- Plans and implements informational programs to stimulate and maintain community interest in the City's Public Art Program.
- Monitors and coordinates the daily operation of assigned projects and programs; performs administrative work and maintains appropriate records and statistics.
- Assists in the preparation of departmental budget; prepares budget recommendations relative to assigned areas of responsibility; researches past expenditures and projects next year increases.
- Responds to inquiries in a courteous manner; provides information within the areas of assignment; resolves complaints in an efficient and timely manner.

MANAGEMENT ASSISTANT

- Provides responsible para-professional and technical assistance in the analysis, development, and writing of city grants; keeps informed on a wide range of grant opportunities and identifies potential local, state, and federal funding sources.
- Determines grant requirements and perform initial grant assessment prior to transmittal to appropriate departments; assist City staff in identifying resource needs that are consistent with the City's objectives and goals.
- Coordinates the submission of grant applications, tracking of applications, and receipt of grants; monitors grant applications through approval process and negotiate contract with grant agency; prepares grant monitoring reports for submission to grantee and/or other regulatory agencies.
- Monitors and evaluates awarded grant projects to assure grant compliance.
- Assists the City Manager's Department with various tasks as assigned. This includes Community Services, Human Resources, Environmental Sustainability and Public Safety.
- Performs other related duties as assigned.

QUALIFICATIONS GUIDELINES

Education, Experience and Training

Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Education:

A two-year degree with course work in the field of art, community services, public relations, communications, public administration or a similar field. A Bachelor's degree is highly desirable.

Experience:

1-2 years of experience involving project management skills including art production, public relations, interaction with media relations, community services and activities, community recreation programs, or similar experience.

Knowledge, Skills and Abilities

Knowledge of:

- Principles of visual arts and the City of Solana Beach Public Art Program
- The organizational structure of the City and the roles and responsibilities of related functions.
- Principles of organization, administration, office management and budgeting
- Use and operation of computers and standard business software, including MS Office

MANAGEMENT ASSISTANT

- Basic principles and practices of public administration
- Basic research methods and analysis techniques
- Federal, state and local laws and regulations applicable to assigned areas of responsibility
- Proper English usage, punctuation, grammar, and spelling and business letter writing
- Effective methods and techniques in customer service and telephone caller handling
- General arts legislation and programs
- Community outreach, marketing and relations
- Media relations and public service announcement procedures and principles
- Knowledge of public meeting laws and practices in accordance with the Brown Act

Ability to:

- Perform a variety of para-professional administrative and routine analytical duties in support of assigned programs and functions
- Learn the operation, policy and procedures of assigned department or office
- Implement community public relations programs, announcements and relationships
- Arrange, coordinate and manage special events, community events, and city activities
- Manage and oversee the City's Public Art Program in accordance with established guidelines and principles
- Exercise good judgment and flexibility in response to dealing with the public, the City's Public Art program, in representing the City, or in response to changing situations
- Analyze situations accurately and develop effective courses of action
- Provide responsible para-professional and technical assistance in the analysis, development, and writing of city grants
- Identify local, state, and federal funding sources
- Coordinate and oversee assigned programs and functions
- Maintain records and perform assigned program activities in accordance with established practices and general instructions; perform detailed and multi-task activities
- Operate modern office equipment, including a multi-line telephone system and computers and computer software
- Adapt to changing technologies and learn functionality of new equipment and systems
- Receive the public in person and/or over the telephone
- Transcribe recorded meetings
- Use correct English grammar, punctuation and spelling
- Understand and carry out oral and written instructions
- Communicate clearly and concisely, both orally and in writing
- Interpret, apply and explain pertinent federal, state and local codes, laws and regulations

MANAGEMENT ASSISTANT

- Establish and maintain effective working relationships with those contacted in the course of work
- Work independently

Special Requirements

Possession of a valid Class "C" California driver's license with a satisfactory driving record

PHYSICAL AND MENTAL DEMANDS/WORKING CONDITIONS

The physical and mental demands herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform these essential job functions.

- **Mental function:** Includes reading, writing, mathematical computations, operating a computer, problem solving, managing multiple projects, calmly handling complaints and problems from irate citizens or contractors, and decision making under stressful conditions.
- **Productivity:** Incumbents must perform work in an efficient, effective and timely manner with minimal direction.
- **Mobility:** Incumbents require sufficient mobility to work in an office setting and operate office equipment. Incumbents may be required to perform light lifting and carrying, file documents in various locations and heights, and sit, stand, walk, remain seated, and work at a video display terminal for prolonged periods of time.
- **Vision:** Vision sufficient to read small print, computer screens, and printed documents, and to operate assigned equipment.
- **Hearing:** Incumbents are required to hear in the normal audio range with or without correction.
- **Environment:** Normal office setting with some travel to attend meetings. Incumbents may be required to work at both indoor and outdoor environments; individuals may be exposed to noise, dust and inclement weather conditions.
- **Other factors:** Incumbents may be required to work extended hours including evenings and weekends. Incumbents may be required to travel outside City boundaries to attend meetings and to use a personal vehicle in the course of employment.

Adopted: August 23, 2017

CITY OF SOLANA BEACH - SBEA Miscellaneous Employees Pay Structure
 Salary Schedule 3
 Effective July 1, 2017

Pay Schedule	Grade	Job Classification	Hourly					Monthly				
			Step A	Step B	Step C	Step D	Step E	Step A	Step B	Step C	Step D	Step E
MIS (MS)	44	Administrative Assistant I	\$ 15.39	\$ 16.16	\$ 16.97	\$ 17.81	\$ 18.70	\$ 2,667.21	\$ 2,800.57	\$ 2,940.60	\$ 3,087.63	\$ 3,242.01
MIS (MS)	63	Maintenance Worker I	\$ 18.59	\$ 19.52	\$ 20.50	\$ 21.52	\$ 22.60	\$ 3,222.28	\$ 3,383.40	\$ 3,552.57	\$ 3,730.19	\$ 3,916.70
MIS (MS)	64	Administrative Assistant II	\$ 18.78	\$ 19.72	\$ 20.70	\$ 21.74	\$ 22.82	\$ 3,254.51	\$ 3,417.23	\$ 3,588.09	\$ 3,767.50	\$ 3,955.87
MIS (MS)	75	Maintenance Worker II	\$ 20.95	\$ 22.00	\$ 23.10	\$ 24.25	\$ 25.46	\$ 3,630.95	\$ 3,812.50	\$ 4,003.12	\$ 4,203.28	\$ 4,413.44
MIS (MS)	84	Code Compliance Specialist	\$ 22.91	\$ 24.06	\$ 25.26	\$ 26.52	\$ 27.85	\$ 3,971.11	\$ 4,169.67	\$ 4,378.15	\$ 4,597.06	\$ 4,826.91
MIS (MS)	85	Junior Planner	\$ 23.14	\$ 24.30	\$ 25.51	\$ 26.79	\$ 28.13	\$ 4,010.83	\$ 4,211.37	\$ 4,421.94	\$ 4,643.03	\$ 4,875.18
MIS (MS)	86	Administrative Assistant III	\$ 23.37	\$ 24.54	\$ 25.77	\$ 27.06	\$ 28.41	\$ 4,050.93	\$ 4,253.48	\$ 4,466.16	\$ 4,689.46	\$ 4,923.94
MIS (MS)	89	Management Assistant	\$ 24.08	\$ 25.28	\$ 26.55	\$ 27.87	\$ 29.27	\$ 4,173.68	\$ 4,382.37	\$ 4,601.48	\$ 4,831.56	\$ 5,073.14
MIS (MS)	94	Lead Maintenance Worker	\$ 25.31	\$ 26.57	\$ 27.90	\$ 29.30	\$ 30.76	\$ 4,386.58	\$ 4,605.91	\$ 4,836.21	\$ 5,078.02	\$ 5,331.92
MIS (MS)	102A	Assistant Planner	\$ 27.61	\$ 28.99	\$ 30.44	\$ 31.96	\$ 33.56	\$ 4,785.66	\$ 5,024.95	\$ 5,276.19	\$ 5,540.00	\$ 5,817.00
MIS (MS)	103A	Senior Engineering Technician	\$ 27.86	\$ 29.25	\$ 30.72	\$ 32.25	\$ 33.87	\$ 4,829.20	\$ 5,070.66	\$ 5,324.20	\$ 5,590.41	\$ 5,869.93
MIS (MS)	106	Environmental Specialist	\$ 28.52	\$ 29.94	\$ 31.44	\$ 33.01	\$ 34.66	\$ 4,942.91	\$ 5,190.06	\$ 5,449.56	\$ 5,722.04	\$ 6,008.14
MIS (MS)	106A	Senior Code Compliance Officer	\$ 28.60	\$ 30.03	\$ 31.53	\$ 33.11	\$ 34.77	\$ 4,957.74	\$ 5,205.63	\$ 5,465.91	\$ 5,739.20	\$ 6,026.16
MIS (MS)	109	Public Works Inspector	\$ 29.38	\$ 30.85	\$ 32.39	\$ 34.01	\$ 35.71	\$ 5,092.68	\$ 5,347.32	\$ 5,614.68	\$ 5,895.42	\$ 6,190.19
MIS (MS)	115A	Associate Planner	\$ 31.24	\$ 32.80	\$ 34.44	\$ 36.16	\$ 37.97	\$ 5,414.10	\$ 5,684.80	\$ 5,969.04	\$ 6,267.49	\$ 6,580.87
MIS (MS)	118A	Assistant Civil Engineer	\$ 32.15	\$ 33.76	\$ 35.45	\$ 37.22	\$ 39.08	\$ 5,572.58	\$ 5,851.21	\$ 6,143.77	\$ 6,450.96	\$ 6,773.50
MIS (MS)	134A	Associate Civil Engineer	\$ 37.72	\$ 39.60	\$ 41.58	\$ 43.66	\$ 45.85	\$ 6,537.55	\$ 6,864.43	\$ 7,207.65	\$ 7,568.03	\$ 7,946.44

**CITY OF SOLANA BEACH
SENIOR ACCOUNTANT**

DEFINITION

Under general direction, this mid-management position performs a wide range of advanced-level and complex professional accounting and financial analyses related to municipal fund accounting. Performs a full range of duties involving all aspects of professional accounting, financial administration and maintenance of records, financial reporting, and budgetary analysis; and provides assistance to the Finance Manager in various accounting and financial analysis activities. Performs related duties as assigned.

CLASS CHARACTERISTICS

Positions in this class are considered mid-management and perform advanced-level work as a professional accountant. This class is distinguished from the Accountant by the complexity of analytical and high-level assignments and requires a broad range of knowledge related to all areas of accounting and budgeting, consequence of error, responsibility to obtain objectives, greater use of independence and judgement in decision making and execution of duties. This class may supervise and serve as a technical resource to Fiscal Services Specialists.

ESSENTIAL FUNCTIONS

The duties listed below are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related to or a reasonable assignment to this position.

- Provides day-to-day leadership and works with staff to ensure a high performance, customer service-oriented work environment that supports achieving the Department's and the City's mission, objectives and values.
- Assists in the planning and development of City accounting and financial record-keeping procedures and systems; maintains accounts and records in a complex automated system; prepares or reviews source documents for entry; prepares or reviews expenditure source documents for payment; classifies revenue and cash receipt items; prepares journal entries and approves journal entries of other Finance staff.
- Assists in developing and compiling the annual City budget; assists in the preparation and review of budget estimates, budget schedule preparation and compliance; provides financial and budget information to other departments and assists in

City of Solana Beach - SENIOR ACCOUNTANT

resolving questions and issues; reviews budget requests submitted by other departments; compiles information; monitors variances monthly and yearly and as needed; makes recommendations as necessary.

- Coordinates the internal and external audit the City's financial statements and accounting records; prepares all audit schedules and work papers;
- Prepares comprehensive annual financial statements and supporting supplemental schedules for the State Controller's Report; assists and participates in preparing and presenting quarterly periodic financial reports to the City Manager, City Council and City departments; assists in compiling the Comprehensive Annual Financial Report, including developing the statistical section; conducts special expenditure analyses.
- Maintains and reconciles the City's general ledger accounting system; prepares monthly and year-end journal entries; performs monthly accounting reconciliations; prepares and distributes departmental reports.
- Prepares and records investment transactions and prepares the City's monthly investment report and performs monthly bank/investment reconciliations; updates and maintains fixed assets information and disposal of surplus City equipment
- Prepares a variety of complex financial and statistical reports; locates and compiles information; researches and analyzes complex financial data; determines proper format for finished reports; analyzes accounts and presents results.
- Participates in the development and implementation of goals, objectives, policies and priorities related to Finance; contributes to the development of and monitors performance against the annual department budget; supervises and participates in recommending, developing, implementing and evaluating plans, work processes, internal control systems and procedures to achieve annual goals, objectives and work standards; implements changes in accounting systems and procedures as necessary.
- Responds to inquiries in person or by phone, providing explanation of established procedures and work unit policies which requires use of judgement.
- Corresponds with vendors, businesses, or the public according to established procedure; coordinates and manages miscellaneous billings and collections.
- Provides backup support to other staff in the Finance Department, and acts as the Department Manager in the absence of the Finance Manager.

City of Solana Beach - SENIOR ACCOUNTANT

QUALIFICATIONS GUIDELINES

Education, Experience and Training

Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Education:

A Bachelor's degree from an accredited college or university with major course work in public or business administration, accounting, or closely related field.

Experience:

Five (5) years of progressively responsible professional accounting experience, preferably in a governmental agency

Knowledge and Abilities

Knowledge of:

- Principles and practices of general, fund, and governmental accounting including financial statement preparation and methods of financial control and reporting
- Principles and practices of cost and fixed asset accounting
- Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB), and Government Finance Officers' Association (GFOA) accounting standards and requirements; internal control and audit principles and practices
- Principles and practices of municipal budgeting
- Laws and ordinances relating to the financial administration of public agencies
- Public purchasing and contracting principles and practices, including competitive bidding procedures
- Principles and practices of effective supervision
- The City's personnel policies and Employee Labor Group practices
- Internal control methods and procedures
- MS Office Suite
- Auditing principles, standards and procedures used in examining accounts and records

Ability to:

- Operate a computer and spreadsheet software
- Analyze, interpret and make sound recommendations on complex financial data and operations
- Plan and evaluate financial programs/record-keeping systems and make sound recommendations for improvement

City of Solana Beach - SENIOR ACCOUNTANT

- Exercise sound independent judgment within general policy guidelines
- Understand and apply laws, rules and regulations to specific accounting and financial transactions
- Communicate effectively both orally and in writing
- Conduct departmental audits
- Operate a variety of office equipment
- Remain seated and work at a video display terminal for prolonged periods and file documents in various locations and heights
- Work independently
- Establish and maintain effective working relationships with all levels of City management, staff and outside auditors

Special Requirements

- Possession of or ability to obtain a Class C California driver's license and a satisfactory driving record.

Date Adopted: 08/23/2017

Management Pay Structure
Schedule 1
Effective July 1, 2017

Pay Grade	Job Classifications	Payment Schedule	Range Minimum	Range 25th Percentile	Range Midpoint	Range 75th Percentile	Range Maximum
M1	Deputy City Clerk Management Analyst Human Resources Analyst Recreation Supervisor	Annual Monthly Bi-weekly Hourly	\$59,634 \$4,970 \$2,485 \$28.67	\$68,579 \$5,715 \$2,857 \$32.97	\$77,524 \$6,460 \$3,230 \$37.27	\$86,469 \$7,206 \$3,603 \$41.57	\$95,415 \$7,951 \$3,976 \$45.87
M2	Senior Human Resources Analyst	Annual Monthly Bi-weekly Hourly	\$68,221 \$5,685 \$2,843 \$32.80	\$76,749 \$6,396 \$3,198 \$36.90	\$85,277 \$7,106 \$3,553 \$41.00	\$93,804 \$7,817 \$3,909 \$45.10	\$102,332 \$8,528 \$4,264 \$49.20
M3	Principal Planner Marine Safety Captain Recreation Manager Network System Engineer Senior Accountant	Annual Monthly Bi-weekly Hourly	\$75,044 \$6,254 \$3,127 \$36.08	\$84,424 \$7,035 \$3,518 \$40.59	\$93,804 \$7,817 \$3,909 \$45.10	\$103,185 \$8,599 \$4,299 \$49.61	\$112,565 \$9,380 \$4,690 \$54.12
M4	Information Technology Manager Principal Civil Engineer Public Works Operations Manager Human Resources Manager	Annual Monthly Bi-weekly Hourly	\$82,548 \$6,879 \$3,439 \$39.69	\$92,866 \$7,739 \$3,869 \$44.65	\$103,185 \$8,599 \$4,299 \$49.61	\$113,503 \$9,459 \$4,729 \$54.57	\$123,822 \$10,318 \$5,159 \$69.53
M4-A	Fire Battalion Chief (2912 annual hours)	Annual Monthly Bi-weekly Hourly	\$90,225 \$7,519 \$3,759 \$30.98	\$101,504 \$8,459 \$4,229 \$34.86	\$112,782 \$9,398 \$4,699 \$38.73	\$124,060 \$10,338 \$5,169 \$42.60	\$135,338 \$11,278 \$5,639 \$46.48
M5	Assistant to the City Manager / Sr Management Analyst	Annual Monthly Bi-weekly Hourly	\$90,803 \$7,587 \$3,783 \$43.66	\$102,153 \$8,513 \$4,256 \$49.11	\$113,503 \$9,459 \$4,729 \$54.57	\$124,854 \$10,404 \$5,202 \$60.03	\$136,204 \$11,350 \$5,675 \$66.48
M6	City Clerk	Annual Monthly Bi-weekly Hourly	\$99,883 \$8,324 \$4,162 \$48.02	\$112,368 \$9,364 \$4,682 \$54.02	\$124,854 \$10,404 \$5,202 \$60.03	\$137,339 \$11,445 \$5,722 \$68.03	\$149,824 \$12,485 \$6,243 \$72.03
M7	Deputy Fire Chief Finance Manager/City Treasurer	Annual Monthly Bi-weekly Hourly	\$105,645 \$8,804 \$4,402 \$50.79	\$121,492 \$10,124 \$5,062 \$58.41	\$137,339 \$11,445 \$5,722 \$68.03	\$153,186 \$12,765 \$6,383 \$73.65	\$169,033 \$14,086 \$7,043 \$81.27
M8	City Engineer/Public Works Director Community Development Director Fire Chief Finance Director Administrative Services Director/Assistant City Manager	Annual Monthly Bi-weekly Hourly	\$116,210 \$9,684 \$4,842 \$55.87	\$133,641 \$11,137 \$5,568 \$64.25	\$151,073 \$12,589 \$6,295 \$72.63	\$168,504 \$14,042 \$7,021 \$81.01	\$185,936 \$15,495 \$7,747 \$93.39

Pay Structure Legend:

Range Spread =	60%
Pay Structure Aging: 07/01/14 =	3.0%
Constant Grade Differential =	10%

CITY OF SOLANA BEACH
 Management Pay Structure
 Schedule 1
 Proposed July 1, 2016

Pay Grade	Job Classifications	Payment Schedule	Range			75th Percentile	Range Maximum
			Minimum	25th Percentile	Midpoint		
M1	Deputy City Clerk Management Analyst Human Resources Analyst Recreation Supervisor	Annual	\$7,897	\$6,582	\$75,266	\$83,951	\$92,636
		Monthly	\$4,825	\$5,548	\$6,272	\$6,996	\$7,720
		Bi-weekly	\$2,412	\$2,774	\$3,136	\$3,498	\$3,860
		Hourly	\$27.84	\$32.01	\$36.19	\$40.36	\$44.54
M2	Senior Human Resources Analyst	Annual	\$66,234	\$74,514	\$82,793	\$91,072	\$99,352
		Monthly	\$5,520	\$6,208	\$6,899	\$7,589	\$8,279
		Bi-weekly	\$2,760	\$3,105	\$3,450	\$3,795	\$4,140
		Hourly	\$31.84	\$35.62	\$39.80	\$43.78	\$47.77
M3	Principal Planner Marine Safety Captain Recreation Manager Network System Engineer Senior Accountant	Annual	\$72,858	\$81,965	\$91,072	\$100,180	\$109,287
		Monthly	\$6,071	\$6,830	\$7,589	\$8,348	\$9,107
		Bi-weekly	\$3,036	\$3,415	\$3,795	\$4,174	\$4,554
		Hourly	\$35.03	\$39.41	\$43.78	\$48.16	\$52.54
M4	Fire Battalion Chief Information Technology Manager Principal Civil Engineer Public Works Operations Manager Human Resources Manager	Annual	\$80,144	\$90,162	\$100,180	\$110,197	\$120,215
		Monthly	\$6,679	\$7,513	\$8,348	\$9,183	\$10,018
		Bi-weekly	\$3,339	\$3,757	\$4,174	\$4,592	\$5,009
		Hourly	\$38.53	\$43.35	\$48.16	\$52.98	\$57.80
M5	Assistant to the City Manager / Sr Management Analyst	Annual	\$86,168	\$99,178	\$110,197	\$121,217	\$132,237
		Monthly	\$7,346	\$8,265	\$9,183	\$10,101	\$11,020
		Bi-weekly	\$3,673	\$4,132	\$4,592	\$5,051	\$5,510
		Hourly	\$42.38	\$47.68	\$52.98	\$58.28	\$63.58
M6	City Clerk	Annual	\$96,974	\$109,095	\$121,217	\$133,339	\$145,461
		Monthly	\$8,081	\$9,091	\$10,101	\$11,112	\$12,122
		Bi-weekly	\$4,041	\$4,546	\$5,051	\$5,556	\$6,061
		Hourly	\$46.62	\$52.45	\$58.28	\$64.11	\$69.93
M7	Deputy Fire Chief Finance Manager/City Treasurer	Annual	\$102,568	\$117,954	\$133,339	\$148,724	\$164,109
		Monthly	\$8,547	\$9,829	\$11,112	\$12,394	\$13,676
		Bi-weekly	\$4,274	\$4,915	\$5,556	\$6,197	\$6,838
		Hourly	\$49.31	\$56.71	\$64.11	\$71.50	\$78.90
M8	City Engineer/Public Works Director Community Development Director Fire Chief Finance Director Assistant City Manager Deputy City Manager	Annual	\$112,825	\$129,749	\$146,673	\$163,597	\$180,520
		Monthly	\$9,402	\$10,812	\$12,223	\$13,633	\$15,043
		Bi-weekly	\$4,701	\$5,406	\$6,111	\$6,817	\$7,522
		Hourly	\$54.24	\$62.38	\$70.52	\$78.65	\$86.79

Pay Structure Legend:
 Range Spread = 60%
 Pay Structure Aging: 07/01/14 = 3.0%
 Constant Grade Differential = 10%



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Finance
SUBJECT: **Consideration of Resolution 2017-121 Approving a Risk Management Contract for Worker Compensation Claims Administration with Tri-Star**

BACKGROUND:

Between October 2004 and June 2016, the City of Solana Beach (City) contracted for workers compensation claims administration as a member of the San Diego Pooled Insurance Program Authority (SANDPIPA). SANDPIPA contracted with Tri-Star Risk Management (Tri-Star) to provide these services. SANDPIPA dissolved effective July 1, 2016, and the SANDPIPA contract with Tri-Star expired July 31, 2016.

On June 22, 2016, the City Council adopted Resolution 2016-086 authorizing the City Manager to negotiate and execute a contract with Tri-Star for worker compensation claims administration services for an interim one-year period beginning August 1, 2016.

The purpose of an interim one-year contract was to provide sufficient time for Staff to evaluate whether to prepare and release a Request for Proposals (RFP) for Third Party Administrator services for Workers Compensation claims. Staff conducted an evaluation of its worker compensation needs and determined that proficient services were being provided by Tri-Star and an RFP was not needed.

A contract with Tri-Star was executed on August 1, 2016 by the City. The contract is an ongoing contract that automatically renews each fiscal year with the contract cost remaining the same unless Tri-Star provides the City notice of a fee increase. The current contract's fee is set at \$25,000 per fiscal year through June 30, 2018. This fee has remained the same since July 1, 2014.

Though the contract renews automatically each fiscal year, Staff is requesting that Council ratify the executed contract through June 30, 2018.

This item is before the City Council to consider adoption of Resolution 2017-121 (Attachment 1) which would ratify the Tri-Star contract executed by the City on August 1, 2016, through June 30, 2018.

CITY COUNCIL ACTION: _____

DISCUSSION:

The City Council authorized the City Manager to negotiate a one year contract with Tri-Star for worker compensations claims administration services that would begin August 1, 2016. The purpose of the one year contract was to allow Staff sufficient time to evaluate its workers compensation claims processing needs.

In reviewing the processing of claims by Tri-Star, Staff believes that Tri-Star is providing competent processing of the City's worker compensation claims. The California State Association of Counties-Excess Insurance Authority (CSAC-EIA), which covers the City for its excess worker compensation liability, gave Tri-Star a 96% competency rating in its most recent audit of City claims being processed by Tri-Star.

Staff is satisfied with the processing of the City's workers compensation claims and is recommending that the City remain with Tri-Star as its worker compensation claims processor.

The contract that was executed to begin on August 1, 2016 has a fee established at \$25,000 per fiscal year through June 30, 2018. Though the contract renews automatically each fiscal year, Staff is recommending that Council ratify the contract through June 30, 2018, as we have gone beyond the one-year authorization originally approved by Council.

If the service provided by Tri-Star continues as expected, Staff is expecting to return to Council in early 2018 to request ratification of a new one year contract with four, one year extensions.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The City's current contract with Tri-Star is for an annual amount of \$25,000 plus 15% of the cost of medical case reviews. The Adopted Budget for FY 2017/18 has appropriated sufficient funds to cover the cost of this contract with Tri-Star.

WORK PLAN:

N/A

OPTIONS:

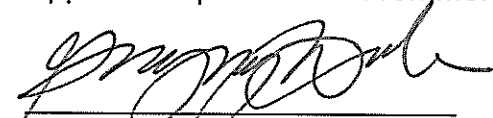
- Approve Staff recommendation.
- Deny Staff recommendation and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council adopt Resolution 2017-121 ratifying the Tri-Star contract that was executed by the City on August 1, 2016 through June 30, 2018.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-121
2. Contract with Tri-Star

RESOLUTION 2017-121

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, RATIFYING THE AGREEMENT BETWEEN TRI-STAR RISK MANAGEMENT AND THE CITY OF SOLANA BEACH TO PROVIDE WORKER COMPENSATION CLAIMS ADMINISTRATION SERVICES THAT HAS A TERMINATION DATE OF JUNE 30, 2018

WHEREAS, between October 2004 and June 2016, the City of Solana Beach contracted for worker compensation claims services as a member of the San Diego Pooled Insurance Program Authority (SANDPIPA); and

WHEREAS, SANDPIPA contracted with Tri-Star Risk Management (Tri-Star) to provide these services; and

WHEREAS, SANDPIPA dissolved as of July 1, 2016 and the City needed to contract directly with Tri-Star for worker compensation claims services; and

WHEREAS, on June 22, 2016, the City Council adopted Resolution 2016-086 authorizing the City Manager to negotiate and execute a one year contract beginning August 1, 2016 with Tri-Star Risk Management; and

WHEREAS, the agreement with Tri-Star that was executed by the City on August 1, 2016 is on an ongoing contract that renews annually each fiscal year; and

WHEREAS, Staff is recommending that Council approve the contract through June 30, 2018.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council ratifies the agreement with Tri-Star that was executed by the City on August 1, 2016 through June 30, 2018.

PASSED AND ADOPTED this 23rd day of August, 2017, at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

Claims Services Agreement

AGREEMENT made this 15th day of Aug., 2016 by and between **TRISTAR Risk Management**, a California corporation having its principal place of business at 100 Oceangate, Suite 700, Long Beach CA 90802 ("TRISTAR"), and the **City of Solana Beach** a municipal corporation having its principal place of business at 635 South Highway 101, Solana Beach, CA 92075 ("Customer").

WHEREAS, Customer has a self-insured retention program with respect to workers' compensation claims and claim expenses pertaining to Customer's business ("SIR Program") with a retention level of One Hundred Twenty-Five Thousand (\$125,000) dollars ("Retention Level"); and

WHEREAS, Customer represents and warrants that it is a qualified self-insured under applicable state law; and

WHEREAS, Customer has the sole responsibility to provide for competent claims administration and claims funding with respect to claims and/or losses and claims expenses arising within the SIR Program; and

WHEREAS, Customer desires to engage TRISTAR as the claims administrator with respect to those claims and/or losses arising under the SIR Program, including certain claims that were previously handled by Customer or any other entity; and

WHEREAS, TRISTAR desires to accept such engagement pursuant to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the terms, conditions and other agreements set forth herein, TRISTAR and Customer hereby agree as follows:

1. Term

The term ("Term") of this Agreement shall commence at 12:00 A.M. on August 1, 2016 ("Effective Date") and shall remain in effect unless and until terminated in accordance with the provisions of Section 9 of this Agreement.

2. Engagement, Duties, and Authority of TRISTAR

2.1 Customer hereby engages TRISTAR and TRISTAR hereby accepts such engagement as the claims administrator to represent and act for Customer with respect to all claims arising under the SIR Program, reported to TRISTAR during the Term, and assigned to TRISTAR by Customer ("Claims"). Claims shall consist of:

- i) "Takeover Claim(s)" which shall be defined as any Claim reported to TRISTAR that has been handled by Customer or any preceding manager or administrator prior to being assigned to TRISTAR and is open and pending as of the Effective Date; and
- ii) "Newly Reported Claim(s)" which shall be defined as any Claim other than Takeover Claims.

2.2 The terms and conditions of this Agreement will continue to apply during the Term and during any period Claims continue to be handled by TRISTAR. In consideration of payment of the agreed-upon fees as set forth in this Agreement, TRISTAR agrees to perform the following services ("Services") during the Service Period as defined in

Schedule A attached hereto and any extension or renewal thereof, if applicable, with respect to the Claims. Subject to the authority limits stated below, TRISTAR shall:

- 2.2.1** Provide to Customer the following basic services ("Basic Services"):
- i) Establish and maintain an electronic file with respect to each Claim ("Claim File"); such Claim Files shall include accurate records and accounts of all transactions with respect to Claims; and be maintained in accordance with prudent standards of record keeping;
 - ii) Conduct analysis of Claims to determine their validity and compensability in accordance with Claims' guidelines as set forth in Attachment A attached hereto and in accordance with all applicable federal and state laws and regulations;
 - iii) Establish case-specific reserves, adjust, resist, deny and/or settle Claims at the direction of and with the approval of the Customer;
 - iv) Make all payments for Claim and Allocated Loss Adjustment Expenses (as defined in Section 12) on checks drawn against a Claim payment checking account ("Account") maintained by Customer pursuant to Subsections 3.1.4 and 4.1;
 - v) Upon approval or at the direction of Customer, use legal counsel where appropriate and assist legal counsel in the preparation of cases for hearings, trials and/or appeals subject to TRISTAR's litigation management guidelines set forth in Attachment B attached hereto
 - vi) Pursue, as deemed appropriate by TRISTAR, reasonable possibilities of subrogation, contribution, or indemnity (not insurance or reinsurance recoveries) on behalf of Customer and deposit all recovery amounts in an account until paid over to Customer;
 - vii) Refer all regulatory complaints to Customer and cooperate with Customer to resolve such complaints;
 - viii) Report cases involving suspected fraud to the appropriate state mandated agency and when reporting to the state insurance department is required, use an internal special investigative unit or contract with an entity to provide such services;
 - ix) Provide TRISTAR's standard claims reports to Customer; and
 - x) Make timely requests for payments of valid claims for compensation, rehabilitation expenses, and other required benefits payable under applicable insurance laws, together with Allocated Loss Adjustment Expenses to Customer pursuant to Sections 3 and 4 hereof subject to the limitations and requirements of this Agreement.
- 2.2.2** Provide to Customer services in accordance with the provisions of Schedule B attached hereto ("Information Services"); and
- 2.2.3** Provide, or use vendors to provide, specialty services ("Specialty Services") such as [early intervention, nurse case management, managed care, utilization review, medical bill review, PPO network, Specialty Carve-out PPO networks for Diagnostic Services and Durable Medical Equipment (collectively "Managed Care Services"),] claim call-in reporting (telephonic, electronic, fax or internet), Special Investigation (SIU), and index bureau reports. Specialty Services are charged as Allocated Loss Adjustment Expenses or, where required by state law, as loss.

3. Duties of Customer

3.1 Customer shall:

- 3.1.1 Promptly forward, or cause to be forwarded to TRISTAR, all claims, claim forms, demands, notices, inquiries or correspondence concerning or related to Claims;
- 3.1.2 At the time that Claims are assigned to TRISTAR, provide TRISTAR with a copy of any investigative and pertinent material;
- 3.1.3 Not comment upon, discuss with third parties, or independently adjust, attempt to settle, or otherwise process Claims without prior written notice to TRISTAR;
- 3.1.4 Maintain the Account from which TRISTAR shall issue payments for Claims and Allocated Loss Adjustment Expenses;
- 3.1.5 Cooperate with TRISTAR with respect to the performance of Claim services, including, but not limited to: responding promptly to TRISTAR's requests for information; providing timely direction to TRISTAR for matters exceeding its authority; meeting with TRISTAR, as may be needed; and making decisions as required by this Agreement and within such time periods as to meet all legal requirements applicable to the obligations under this Agreement;
- 3.1.6 Report to any and all insurers, reinsurers or intermediaries all facts, notices, documents, and information sufficient to comply with reporting requirements of said insurers or reinsurers regarding the Claims hereunder. TRISTAR shall make no such reports unless specifically requested in writing by Customer, or as specifically provided in this Agreement. TRISTAR shall however cooperate with Customer with respect to Customer's obligations to insurers and reinsurers;
- 3.1.7 Be responsible for managing the vendors (managed care, other third party administrators, and other services) Customer has contracted with and meeting all requirements in connections therewith. TRISTAR will have no responsibility or liability for the obligations of vendors or Customer in connection with the services provided by such vendors and Customer shall indemnify, hold harmless, and defend TRISTAR against any such liability, except that TRISTAR shall cooperate with the vendors Customer contracted with and assist Customer with respect to such vendor requirements; and
- 3.1.8 Perform all such other actions and things reasonably necessary or otherwise required to enable TRISTAR to perform its services under this Agreement.

4. Payment of Claims and Allocated Loss Adjustment Expense(s)

- 4.1 In addition to the invoices for Fees and Expenses (as defined in Subsection 5.5) addressed in Section 5 below, all Claims obligations, including loss, indemnity, and Allocated Loss Adjustment Expenses and other Claim-related expenses, are the obligations of Customer. Customer shall assume all responsibility for the funding of the Account, including all bank charges and penalties imposed by reason of any failure to fund the Account. Customer acknowledges that at no time will TRISTAR be obligated to make any payments out of TRISTAR funds.
- 4.2 Unless otherwise agreed by TRISTAR and Customer, Specialty Services which are listed on Schedule C attached hereto shall be provided by TRISTAR's Preferred Provider network, which may include TRISTAR, its affiliates and subsidiaries (including TRISTAR Managed Care, Inc.), or third parties. Specialty Services will be charged to

Customer as Allocated Loss Adjustment Expenses or, where required by state law, as loss. Customer understands and agrees that TRISTAR may receive compensation in connection with the Specialty Services, either by retaining a portion of the fees and expenses charged, or by receiving fees from preferred providers. The amount TRISTAR retains or receives will vary depending upon the preferred provider, and may be calculated based on percentage of savings, percentage of revenue to the provider, or TRISTAR's mark-up of provider fees. The amounts retained or received by TRISTAR in connection with Specialty Services are in addition to the Fees and Expenses (as defined in Subsection 5.5) paid to TRISTAR by Customer under Section 5 of this Agreement. The fees set forth on Schedule C may be adjusted from time to time with notice provided to Customer.

5. Payment of Fees, Expenses, and Taxes

- 5.1** For Basic Services and Information Services performed, TRISTAR shall be entitled to and Customer shall pay the fees and expenses, including Reimbursable Expenses (as defined in Subsection 5.2), calculated and earned in accordance with this Section 5 and Schedule A.
- 5.2** TRISTAR shall be reimbursed for those expenses which are incurred by TRISTAR in the rendering or performance of services and not incorporated in the Basic Fee ("Reimbursable Expenses"). Reimbursable Expenses include, but are not limited to, any data processing or telecommunications charges, hotel, travel, living and out-of-pocket expenses related to the provision of services pursuant to this Agreement.
- 5.3** For all services other than Basic Services, Information Services, and Specialty Services provided under this Agreement, Customer shall compensate TRISTAR in accordance with this Section 5 and Schedule A ("Additional Services Fees"), plus Reimbursable Expenses. Additional Services Fees and expenses charged pursuant to this Subsection 5.3 are in addition to those fees and expenses charged under Subsections 5.1 and 5.2.
- 5.4** Customer shall be responsible to pay directly to the applicable taxing authority or to TRISTAR, if imposed on TRISTAR, all federal, state and local taxes (other than net income taxes) which TRISTAR may be required to pay or collect or which may be incurred or assessed against TRISTAR or Customer, under any existing or future law, relating to the sale, delivery, rendering or provision of services by TRISTAR to Customer ("Taxes").
- 5.5** TRISTAR shall submit itemized invoices to Customer for all fees, Reimbursable Expenses, and, if applicable, Additional Services Fees and Taxes ("Fees and Expenses") incurred in accordance with this Section 5 on a monthly basis and such invoice shall be paid by Customer to TRISTAR upon receipt of same. Amounts which remain unpaid in excess of thirty (30) days from the date of receipt of the invoice shall be subject to an interest charge of one and one-half (1.5%) percent per month, such charge to be effective beginning thirty (30) days after the date due until paid.

6. Records: Inspection, Access, and Ownership

- 6.1** Customer shall at all times retain the ownership of the Claim Files and Claims data (collectively, "Claim File Information"). Customer acknowledges that TRISTAR has a right of continuing possession and access to the Claim File Information, including any accessing software, hardware, and systems to permit TRISTAR to fulfill all of its

obligations under this Agreement, whether before or after termination, including in the event of any dispute or legal action between the parties.

- 6.2 Claim File Information shall, upon thirty (30) days prior written notice to TRISTAR, be available for on-site audit, review, and/or inspection by duly authorized representatives of Customer and by regulatory authorities having appropriate jurisdiction. The parties agree that if there are more than four (4) audits, reviews, and/or inspections including reasonable follow-up of the activities of TRISTAR by Customer, regulatory authorities or other parties, or any combination thereof during each twelve (12) month period of the Term, TRISTAR shall be compensated in accordance with Subsection 5.3 for its involvement with any such additional audit(s), reviews, and/or inspections.
- 6.3 At the conclusion of TRISTAR's obligation to handle Claims and subject to the payment of all Fees and Expenses due TRISTAR, TRISTAR shall send directly to Customer or a third party selected by Customer i) an electronic copy in TRISTAR's then current format of the Claim File Information, and ii) all open and closed physical Claim Files, if any (collectively, "Transfer Services") in accordance with Subsection 9.3. Customer hereby acknowledges that Customer, such third party selected by Customer, or any succeeding administrator is responsible for retaining Claim File Information that is transferred to it for the longest of the following time periods:
- i) For five (5) years from the closing of the Claim;
 - ii) For the duration of any applicable regulatory requirement or state law; or
 - iii) For the duration of the applicable Statute of Limitations.

7. Indemnification, Limitation of Liability

- 7.1 TRISTAR agrees to hold Customer harmless, defend, and indemnify Customer against any and all losses, claims, expenses (including reasonable attorneys' fees), fines, penalties, damages, judgments or liabilities ("Liabilities") asserted against Customer by a third party but only insofar as the same have arisen as a proximate result of the actual fraud, negligence or willful misconduct of TRISTAR in the provision of services under this Agreement.
- 7.2 Customer agrees to hold TRISTAR harmless, defend, and, upon demand, indemnify TRISTAR against any and all Liabilities whatsoever to which TRISTAR may be subject, other than those which TRISTAR is obligated to indemnify Customer pursuant to Subsection 7.1. Furthermore, without limiting the generality of the foregoing, Customer shall indemnify and hold TRISTAR harmless against any liability arising out of or related to (i) any act or omission of TRISTAR taken or omitted to be taken at the request, direction, or approval of the Customer, (ii) any act or omission of the Customer or any preceding manager or administrator or of any third party providing services for Claims except those third parties contracted by TRISTAR to provide services for Claims pursuant to this Agreement, (iii) TRISTAR being named in litigation as being responsible for the payment of Claims, and (iv) Customer's failure to pay any Claim or Allocated Loss Adjustment Expense(s) on a timely basis.
- 7.3 Customer and TRISTAR agree that all costs and expenses related to the obligation of a party to defend or indemnify the other under Subsections 7.1 or 7.2 shall be paid as Allocated Loss Adjustment Expenses attributable to the Claim which gave rise to the Liability, pending agreement by the parties or by final determination by a court of competent jurisdiction as to a party's obligations under Section 7, if any.

- 7.4 Pursuant to this Section 7, when the indemnified party receives notice of a claim or suit with respect to claims resulting from the assertion of liability by a third party for which indemnification is provided by this Section, the indemnified party will promptly notify the indemnifying party and provide a copy of the claim notice, summons and complaint, or other relevant documents. The indemnified party shall cooperate fully with the defense of any such claim. The indemnifying party shall consult with the indemnified party concerning counsel retained. Should the parties fail to reach agreement on selection of counsel, the opinion of the indemnifying party shall govern the selection. The indemnifying party shall control the conduct of the litigation and of other proceedings. The indemnifying party shall request counsel to keep both parties apprised of the status of the proceedings by promptly reporting all significant developments and, in addition, by providing general status reports on a timely basis. With regard to any claim for which indemnification is sought hereunder, the parties shall mutually agree as to the acceptance of any settlement offer(s), or alternatively, the indemnifying party shall decide whatever action is to be taken regarding any settlement offer(s), provided, that, the indemnifying party in such case shall obtain the complete and written release of the indemnified party with respect thereto.
- 7.5 Notwithstanding anything in this Agreement to the contrary, UNDER NO CIRCUMSTANCES AND UNDER NO LEGAL THEORY (TORT, WARRANTY, CONTRACT, OR OTHERWISE) SHALL TRISTAR BE LIABLE TO CUSTOMER, OR ANY OTHER PERSON, OR ENTITY FOR ANY ACT PERFORMED, OR ANY FAILURE TO ACT, ON BEHALF OF CUSTOMER OR ANY OTHER PERSON OR ENTITY OR IN THEIR INTEREST, FOR ANY FINES OR PENALTIES, THE MULTIPLIED PORTION OF ANY MULTIPLIED DAMAGES, INDIRECT, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, EXTRA-CONTRACTUAL, PUNITIVE, OR SPECIAL DAMAGES OF ANY CHARACTER, OR ANY DAMAGES FOR WHICH THE LAW OR PUBLIC POLICY PROHIBITS INDEMNIFYING OR INSURING EVEN IF TRISTAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 7.6 As used in this Section 7, the terms "TRISTAR" and "Customer" shall include, respectively, the directors, officers, employees, contractors, subcontractors, agents and other representatives of TRISTAR or Customer.
- 7.7 The provisions of this Section 7 shall survive the termination of this Agreement.

8. Confidentiality, Privacy of Claim File Information

- 8.1 The parties acknowledge that in the course of dealings between each other:
- 8.1.1 Each party will acquire from the other information about business activities and operations, technical information and trade secrets, all of which are highly confidential and proprietary ("Confidential Business Information"). Confidential Business Information shall not include (i) information already known to a party; (ii) information which now is or hereafter becomes publicly known through no wrongful act of a party, (iii) information received by a party from a third party without similar restriction and without breach of this Agreement; (iv) information independently developed by a party; (v) information approved for release by written authorization of the other party; and (vi) information which, after notice to a party providing a reasonable opportunity to contest disclosure, must be disclosed pursuant to the requirements of a governmental agency or a final binding order of a court of competent jurisdiction; and

- 8.1.2 Each party may gain access to and/or generate information of Customer's consumers, customers, insureds or claimants which may include personally identifiable, financial and/or health information which may be protected by federal, state and local laws ("Protected Information").
- 8.2 In the event a party provides its Confidential Business Information and/or Protected Information (collectively "Confidential Information") to the other party ("Receiving Party"), such Confidential Information shall be provided subject to the following confidentiality terms:
- 8.2.1 A party's Confidential Information shall be safeguarded by the Receiving Party with at least as great a degree of care as the Receiving Party uses to safeguard its own most confidential materials or information relating to its own business.
- 8.2.2 The Confidential Information must be circulated, quoted, disclosed, or distributed solely on a "need to know basis" and only to employees, attorneys, or consultants of the Receiving Party ("Representatives") after such Representatives have been informed of and agreed to be bound by this duty of confidentiality. Further, a Receiving Party agrees to obligate each of its Representatives to a level of care sufficient to protect the Confidential Information from unauthorized use or disclosure.
- 8.2.3 A Receiving Party and its Representatives shall not further circulate, quote, disclose or distribute any of the Confidential Information except as permitted under this Section 8.
- 8.3 The provisions of this Section 8 shall survive the termination of this Agreement.

9. Termination

- 9.1 This Agreement shall be terminated in accordance with any of the following subsections of this Section 9:
- 9.1.1 Either party may terminate this Agreement by giving at least one hundred twenty (120) days prior written notice of termination to the other party, such termination to be effective no sooner than the first (1st) anniversary of the Effective Date.
- 9.1.2 Upon a material breach by TRISTAR or Customer in the performance of its duties or responsibilities as provided in this Agreement, the non-breaching party may advise the breaching party of said material breach by written notice. Except for breach by Customer for failure to pay Fees and Expenses or a breach by Customer for failure to fund Claims and Allocated Loss Adjustment Expenses as required in this Agreement ("Monetary Breach"), the breaching party shall then have thirty (30) days from the date of written notice within which to cure said breach. For Monetary Breach, the Customer shall have five (5) business days from date of written notice within which to pay overdue Fees and Expenses to TRISTAR or to fund Claims and Allocated Loss Adjustment Expenses as required. The non-breaching party shall have the right to terminate this Agreement upon written notice to the breaching party if the breaching party fails to cure said material breach within the specified time period.
- 9.1.3 This Agreement shall immediately terminate at the election of either party upon the occurrence of any of the following events with respect to the other party: its insolvency, its inability to meet its debts as they mature, its filing of a petition of voluntary bankruptcy under any chapter of the US bankruptcy laws, institution of proceedings to adjudge it bankrupt in an involuntary proceeding, filing of a petition for rehabilitation or

liquidation, execution of an assignment for the benefit of creditors, its appointment by a court of a receiver, trustee, rehabilitator or liquidator, or its dissolution.

- 9.2 If this Agreement is terminated, TRISTAR shall cease the handling of all Claims as of the effective date of termination ("Termination Date") and TRISTAR shall have no more obligations with respect thereto.
- 9.3 Upon termination of this Agreement:
- 9.3.1 TRISTAR and Customer shall perform all of their respective obligations in accordance with the terms of this Agreement whether to be performed before or after the Termination Date until the conclusion of TRISTAR's obligation to handle Claims as set forth in Section 9.2 and Schedule A. At that time and upon TRISTAR's receipt of payment of all earned but unpaid Fees and Expenses, TRISTAR shall provide the Transfer Services in accordance with Subsections 6.3 and 9.3.2.
- 9.3.2 Unless this Agreement has been terminated by Customer for cause pursuant to either Subsection 9.1.2 or 9.1.3, Customer shall reimburse TRISTAR for all fees and expenses incurred by TRISTAR ("Transfer Fees") in connection with the Transfer Services. These Transfer Fees shall be considered Additional Services Fees and calculated in accordance with Section 5.3. Transfer Fees shall include, but not be limited to:
- i) The actual costs incurred (examples: packing materials and shipping expenses in the event there are physical Claim Files); plus
 - ii) TRISTAR's fees for its services in effecting such transfer (examples: hourly fees for clerical labor to inventory, sort, pack, and ship such Claim Files; hourly fees for data processing labor to perform data extract and testing with receiving vendor; fees for production of notification letters to claimants, attorneys, and medical providers).
- 9.3.3 With respect to all Claims, Customer shall remain liable for the payment of all Claims and Allocated Loss Adjustment Expenses in accordance with Section 4 and the payment of all Fees and Expenses in accordance with Section 5 that they would have been liable for had the Agreement not been terminated.

10. Independent Contractor

TRISTAR and its affiliates, shall act as an independent contractor(s) in providing services to Customer hereunder. Neither this Agreement nor the performance thereof by TRISTAR shall create nor be deemed to create any employer-employee, joint venture or partnership relationship between TRISTAR or any of its affiliates, officers, directors or employees, on the one hand, and Customer or any of its affiliates, officers, directors or employees, on the other hand.

11. Force Majeure

If any cause or condition shall occur beyond the control of TRISTAR which wholly or partially prevents the performance by TRISTAR of its obligations hereunder, including, without limitation, any act of God or the public enemy, fire, explosion, flood, earthquake, war, riot, adverse weather conditions, breakdowns in equipment or facilities, strike, slowdown, work stoppage or other labor trouble, then TRISTAR shall be excused from its obligations hereunder to the extent made necessary by such cause or condition and during the continuance thereof, and TRISTAR shall incur no liability by reason of its failure to perform the obligations so excused. Such cause or condition shall not, however, relieve

Customer of the obligation to pay to TRISTAR fees and charges due to TRISTAR for services rendered and expenses incurred hereunder prior to such stoppage.

12. Definition "Allocated Loss Adjustment Expense"

12.1 For the purposes of this Agreement, Allocated Loss Adjustment Expense(s) ("Allocated Loss Adjustment Expense(s)") shall mean any fee or expense which is chargeable or attributable to the investigation, coverage analysis, adjustment, negotiation, settlement, defense or general handling of any Claim(s) or action(s) related thereto, or to the protection and/or perfection of the Customer's right of subrogation, contribution or indemnification, all as reasonably determined by TRISTAR.

12.2 Allocated Loss Adjustment Expense(s) may be incurred for services provided by TRISTAR, its affiliates and subsidiaries, or third parties and include, but are not limited to, the following:

12.2.1 Attorney's fees and disbursements incurred in connection with the determination of coverage and/or the adjustment, defense, negotiation or settlement of any Claim; attorney's fees incurred for representation at depositions, hearings, pretrial conferences and/or trials;

12.2.2 Fees and expenses incurred for: handling any Alternative Dispute Resolution proceeding ("ADR"); legal actions, including trials or appeals; pursuing any declaratory judgment action, including deposition fees; cost of appeal bonds; court reporter or stenographic services, filing fees, and other court costs, fees and expenses; transcript or printing services and all discovery expenses; service of process; witnesses' testimony, opinions, or attendance at hearings or trial;

12.2.3 Fees and expenses for attendance at or participation in ADR proceedings, hearings, trials or other proceedings by TRISTAR personnel or its subcontractors;

12.2.4 Statutory fines or penalties; pre- and post-judgment interest paid as a result of litigation, unless regulatory or reporting requirements define such interest as loss or indemnity payments;

12.2.5 Subcontractors' fees and travel expenses, including independent adjusters, automobile and property appraisers, to the extent that same are incurred in the adjustment, negotiation, settlement or defense of any Claim;

12.2.6 Fees and expenses incurred in conjunction with the telephonic, web, or other electronic methods of reporting Claims as set forth on Schedule C;

12.2.7 Experts' fees and expenses including reconstruction experts, engineers, photographers, accountants, economists, metallurgists, cartographers, architects, hand-writing experts, physicians, appraisers and other natural and physical science experts, plus the fees and expenses associated with preparation of expert reports, depositions, and testimony;

12.2.8 Fees and expenses for surveillance, undercover operative and detective services or any other investigations;

12.2.9 Fees and expenses for: medical examinations, or autopsies, including diagnostic services, and related transportation services; durable medical equipment; and medical reports and rehabilitation evaluations, unless regulatory or reporting requirements define such fees and expenses as loss or indemnity payments;

- 12.2.10** Fees and expenses for any public records, medical records, credit bureau reports, index bureau reports, and other like reports as set forth on Schedule C;
- 12.2.11** Fees and expenses incurred where TRISTAR determines it is reasonable to pursue the rights of contribution, indemnification or subrogation of the Customer, including attorney and collection agency fees and/or expenses;
- 12.2.12** Medical or vocational rehabilitation fees and expenses, and all other medical cost containment services, including, but not limited to utilization review and management, pre-audit admission authorization, hospital bill audit or adjudication, provider bill audit or adjudication, and medical case management, if applicable, unless regulatory or reporting requirements define such expenses as loss or indemnity payments as set forth on Schedule C; and
- 12.2.13** Extraordinary travel and related fees and expenses incurred by TRISTAR at the express request of Customer, which are not otherwise payable under this Agreement.
- 12.3** With respect to TRISTAR's determination that a fee or an expense incurred pursuant to this Agreement is an Allocated Loss Adjustment Expense, TRISTAR makes no representation or warranty and assumes no responsibility that such determination (i) is in compliance with or meets the requirements of any statistical plan filing, statutory, regulatory, or insurance industry reporting scheme or the definition of "Allocated Loss Adjustment Expense" thereunder; (ii) is or could be characterized as payment of loss or indemnity; or (iii) is or is not subject to insurance or reinsurance coverage or limits. Customer agrees that it is responsible for making all such judgments and for complying with any and all such requirements.

13. MMSEA

- 13.1** Section 111 of the Medicare, Medicaid, and SCHIP (State Children's Health Insurance Programs) Extension Act of 2007 (all of which together shall be referred to as "MMSEA") (P.L. 110-173), contains mandatory reporting requirements ("MIR") for group health plan arrangements and for liability insurance (including self-insurance), no-fault insurance, and workers' compensation (see 42 U.S.C. 1395y(b)(7) & (8)). With respect to compliance with MMSEA under this Agreement:
- 13.1.1** Customer has the obligation to perform MIR requirements with respect to Claims, register with the Centers for Medicare and Medicaid Services ("CMS") as a Responsible Reporting Entity ("RRE"), and provide to TRISTAR all relevant information including the RRE Identification Number(s) assigned. Customer has appointed the reporting agent(s) identified on Schedule A for the purpose of meeting MMSEA obligations including MIR requirements ("Reporting Agent(s)").
- 13.1.2** Reporting Agent services include determining Medicare eligibility, reporting to CMS eligible Claims using the mandated format for a determination of Medicare eligibility, processing error corrections, and providing quarterly reports. Where applicable, Reporting Agent should also respond to all inquiries and requests for conditional payments, comply with settlement approvals, negotiate and prepare claim set-aside agreements ("CSA's") and Medicare set-aside agreements ("MSA's").
- 13.1.3** Customer consents to the disclosure by TRISTAR of Claims information required by MIR to Reporting Agent or others for the purpose of providing MIR pursuant to this Agreement. Customer and TRISTAR agree that Claim data reported to or by CMS is

confidential and each shall take reasonably necessary steps to protect the confidentiality of this data.

- 13.1.4 Customer agrees that fees and charges by Reporting Agent incurred for compliance with MMSEA and other related services shall be paid by Customer and charged against the Claim Files as Allocated Loss Adjustment Expenses. Such fees and charges are listed on Schedule C.

14. Non-Hire

- 14.1 Without the written consent of the other, Customer and TRISTAR shall not:

- i) Solicit for employment or employ any employee of the other who is or has been directly engaged in the performance of this Agreement; and
- ii) For a period of six (6) months following the termination of any employee who had been directly engaged in the performance of this Agreement, solicit for employment or employ such employee of the other.

- 14.2 Customer agrees that: (i) the prohibition against solicitation and employment of TRISTAR employees by Customer in Section 14.1 without TRISTAR's written consent shall also apply to any affiliates of Customer; and (ii) that violation of this prohibition by Customer shall be deemed to be a material breach of this Agreement by Customer. For purposes of this Section 14.2, "Affiliates of Customer" includes any entity controlling, controlled by, or in common control with Customer or any entity in which Customer has an interest during the Term or with which Customer has entered into a contract.

- 14.3 This provision shall not apply to any offer of employment by TRISTAR or Customer arising from a general employment solicitation to the public and not specifically directed at any employee of the other party who is directly engaged in the performance of this Agreement.

- 14.4 The provisions of this Section 14 shall apply during the Term and the six (6) month period immediately following the Term.

15. Notices

- 15.1 All notices or other communications required pursuant to Section 9 shall be in writing and sufficient if i) delivered personally; ii) sent by a nationally recognized overnight carrier; or iii) sent by registered or certified mail return receipt requested, postage prepaid and via facsimile; and addressed as follows:

TRISTAR: TRISTAR Risk Management
100 Oceangate, Suite 700
Long Beach, CA 90802
Attn.: Thomas J. Veale

With a copy to: TRISTAR Insurance Group, Inc.
2540 Route 130, Suite 109
Cranbury, NJ 08512
Attn.: General Counsel's Office

Customer: City of Solana Beach
635 South Highway 101
Solana Beach, CA 92075
Attn.: Marie Marron Berkuti, Finance Manager/Treasurer

15.2 When required or issued pursuant to this Agreement, notices shall be deemed to have been given at the time i) when personally delivered, ii) upon the day following the day sent by overnight carrier, or iii) if mailed, upon the third (3rd) day after the date such notice is postmarked.

16. State Amendment Requirements

16.1 The Agreement shall be deemed to incorporate any and all provisions required by applicable state insurance laws, relating to insurance administrators or third party administrators, insofar as such provisions relate to the services performed by TRISTAR pursuant to the Agreement.

17. General

17.1 This Agreement constitutes the entire agreement of the parties and supersedes all previous agreements and/or contracts whether oral or written between them with respect to the subject matter hereof.

17.2 If any provision of this Agreement shall contravene or be invalid under the laws of the United States, the state in which enforcement is sought, or the regulatory requirements of such state, it is agreed that such provision shall not invalidate the whole Agreement but the Agreement shall be construed as if not containing the particular provision or provisions held to be invalid.

17.3 This Agreement may only be amended by a written instrument signed by the parties hereto.

17.4 The parties shall not disclose to any third party the terms and conditions of this Agreement, except as may be required by law, reasonable advice of its counsel, or the written consent of the non-disclosing party. Notwithstanding the aforementioned, this Agreement may be disclosed to the parties' representatives, accountants, attorneys, and advisors and to insurers of Customer, including excess insurers to and reinsurers of the SIR Program.

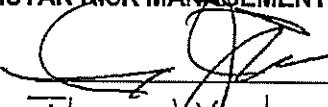
17.5 This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns. A party may not assign this Agreement or the services required herein without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, except that TRISTAR may assign this Agreement to an affiliate or subsidiary company, or a successor in interest by acquisition or merger provided that such succeeding company shall assume all rights and obligations under this Agreement.

17.6 Except as otherwise provided herein, nothing in this Agreement is intended or shall be construed to give any person, other than the parties hereto, their respective successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

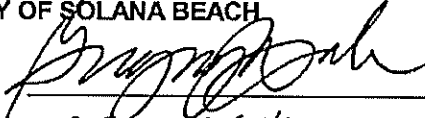
- 17.7 A party hereto shall not be deemed to have waived any rights or remedies accruing to it hereunder unless such waiver is in writing and signed by such party. No delay or omission by a party hereto in exercising any right shall operate as a waiver of said right on any further occasion.
- 17.8 Wherever approval of a party is required under this Agreement, it shall not be unreasonably withheld or delayed.
- 17.9 The captions are for convenience of reference only and shall not control or affect the meaning or construction of any provision of this Agreement.
- 17.10 This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument.
- 17.11 The exchange of copies of this Agreement and of signature pages by e-mail transmission shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original for all purposes. Signatures of the parties transmitted by e-mail shall be deemed to be their original signatures for all purposes.
- 17.12 This Agreement shall be interpreted and construed in accordance with the internal laws of the State of California without regard to conflicts of law.
- 17.13 Each party represents to the other that it is authorized to enter into this Agreement and that its entry into this Agreement does not and will not violate the terms of any judgment, decree or ruling or any contract with any third party.

TRISTAR AND CUSTOMER CERTIFY BY THEIR UNDERSIGNED AUTHORIZED OFFICERS THAT THEY HAVE READ THIS AGREEMENT, INCLUDING ALL SCHEDULES AND EXHIBITS HERETO, AND AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

TRISTAR RISK MANAGEMENT

By: 
Name: Thomas J. Veale
Title: President
Date: December 22, 2016

CITY OF SOLANA BEACH

By: 
Name: GREGORY WADE
Title: CITY MANAGER
Date: 1-9-2017

Schedule A

Reporting Agent; Service Period; Fees and Expenses

This Schedule A shall be effective August 1, 2016 and it shall: i) apply to all Claims reported and all Information Services provided on or after that date, and ii) remain in effect until the parties agree on new rates.

The terms and conditions of the Agreement apply unless and to the extent modified or supplemented by the specific terms and conditions of this Schedule A.

A.1 Reporting Agent(s)

A.1.1 Reporting Agent(s):

- i) for MMSEA reporting to CMS: TRISTAR Risk Management (an affiliate of TRISTAR).
- ii) for MMSEA compliance and other related services: TRISTAR's Preferred Provider, unless Customer directs the use of a different vendor.

A.2 Service Period

A.2.1 In consideration of payment by Customer of the fees described in Section A.3, TRISTAR will provide the Services for the periods set forth below ("Service Period"):

Basic Services. TRISTAR will provide Basic Services for each Claim beginning on the date the Claim is reported to TRISTAR and ending on the sooner of:

- i) the date the Claim is closed; or
- ii) the Termination Date, if this Agreement is terminated in accordance with any provision of Section 9.

Information Services. TRISTAR will provide Information Services beginning on the Effective Date and ending on the date TRISTAR is no longer obligated to provide Basic Services as set forth above.

A.3 Basic Fees

A.3.1 Annual Service Fee(s). In consideration for the Basic Services and Information Services performed by TRISTAR during the Service Period, TRISTAR shall be entitled to and Customer shall pay TRISTAR in accordance with Section A.6, subject to any adjustments made in accordance with Subsections A.3.3 and A.3.4:

- i) For all Basic Services and Information Services including up to two (2) users of the TRISTAR System (as defined in Schedule B): the following fees ("Services Fee(s)") in quarterly installments ("Quarterly Installment(s)") in advance, except that the first (1st) such installment shall be pro-rated to cover the initial two-month period as set forth below:

<u>Services Fee(s)</u>	<u>Time Period</u>	<u>Quarterly Installment</u>
<i>Initial 11 Month Period (August 1, 2016 to June 30, 2017):</i>		
\$22,916.67	8/1/16 to 9/30/16.....	\$4,166.67
	10/1/16 to 12/31/16.....	\$6,250.00
	1/1/17 to 3/31/17.....	\$6,250.00
	3/31/17 to 6/30/17.....	\$6,250.00
<i>Subsequent 12 Month Periods beginning July 1, 2017:</i>		
\$25,000.00	July 1 to Sept. 30	\$6,250.00
	Oct. 1 to Dec. 31	\$6,250.00
	Jan. 1 to Mar. 31	\$6,250.00
	Apr. 1 to June 30	\$6,250.00

- ii) For each additional user of the TRISTAR System: an annual rate per user of Two Thousand dollars (\$2,000) per year (“Additional User Rate(s)”).

The Additional User Rates shall be pro-rated for each user added at any time other than as of August 1.

A.3.2 Fees for optional services requested by Customer. In consideration for the services listed below (collectively, “Optional Service(s)”) rendered during the Service Period upon the request of Customer and in accordance with this Agreement, Customer agrees to pay TRISTAR at the following rates (“Optional Rates”) in accordance with Section A.6, subject to any increases made in accordance with Subsections A.3.3 and A.3.4, for as long as the Optional Services are provided:

If requested by Customer:

- i) **OSHA Reports:** Four Thousand dollars (\$4,000) per year (“OSHA Rate”);
- ii) **Standard Data File (monthly):** One Thousand Two Hundred dollars (\$1,200) per year (“Data File Rate”);
- iii) **Self-Insured Reports:** in accordance with TRISTAR’s rates, which vary by state, then in effect (“SIR Report Rate”); and
- iv) **Customized Interface:** on a Time and Expense basis at the hourly rate of One Hundred Forty-Five dollars (\$145) (“Customized Interface Rate”).

The Additional User Rate, OSHA Rate, and Data File Rate each shall be pro-rated for each applicable Optional Service added at any time other than as of the Effective Date or a subsequent Increase Date, as hereinafter defined.

A.3.3 Annual Increases. As long as the Agreement applies to any Claims being handled by TRISTAR and with the prior written consent of the Customer, the Service Fee, Additional User Rate, and Optional Rates (collectively, “Basic Fees”) may be increased at any time on or after July 1, 2017 (“Increase Date”) subject to the following:

- i) Each such increase shall apply to all Claims reported and all Information Services provided on or after each such Increase Date;

- ii) There shall only be one (1) increase in each twelve (12) month period beginning on July 1 of each year; and
- iii) For Information Services rendered after the termination of this Agreement, the Annual IS Fee may be modified by TRISTAR to reflect the then level of Information Services provided by TRISTAR under this Agreement.

A.3.4 Increases due to Material Change in business terms. In addition to the foregoing, Customer agrees that TRISTAR, in its sole discretion, reserves the right to make adjustments to the Basic Fees as it deems necessary in the event any of the following occurs:

- i) a material discrepancy is discovered in the historical data and any other information provided to TRISTAR by Customer or its representatives that is used by TRISTAR to develop the Basic Fees and this Agreement; and
- ii) there is a material change in the scope of services to be provided by TRISTAR that both Customer and TRISTAR agree to in writing, including the use of TRISTAR's Preferred Provider network.

A.4 Additional Services Fees

A.4.1 The Basic Fees shall apply to Basic Services and Information Services rendered during the Service Period for Claims. Should TRISTAR be engaged by Customer to provide any other service, Customer shall pay TRISTAR for such services, in accordance with Section A.6, on a Time and Expense basis at TRISTAR's then current hourly rates unless other rates are mutually agreed upon ("Additional Services Fees").

A.5 Expenses

A.5.1 Reimbursable Expenses. Customer shall reimburse TRISTAR for Reimbursable Expenses.

A.5.2 Taxes. Customer shall pay Taxes.

A.6 Payment

A.6.1 Notwithstanding any expiration or sooner termination of this Agreement:

- i) the Services Fee each shall be deemed fully earned, due, and nonrefundable upon the first (1st) day of each eleven (11) month or twelve (12) month period, as appropriate, for which it is incurred.
- ii) the Additional User Rate shall be deemed fully earned, due and non-refundable as of the date a new user is added and each subsequent Increase Date; and

Optional Rates (if Optional Services requested by Customer and provided by TRISTAR):

- iii) the OSHA Rate and Data File Rate shall be deemed fully earned, due and non-refundable as of the date an Optional Service is provided, and each subsequent annual anniversary of the Increase Date; and
- iv) the SIR Report Rate and Customized Interface Rate each shall be deemed fully earned, due, and nonrefundable when it is incurred.

A.6.2 All Fees and Expenses shall be payable in advance by Customer to TRISTAR in accordance with Section 5.5 of the Agreement and invoiced as follows:

- i) The pro-rated portion of the first Quarterly Installment shall be invoiced by TRISTAR as of the Effective Date; thereafter, Quarterly Installments shall be invoiced by TRISTAR quarterly, in advance; and
- ii) Additional User Rates (if any), Optional Rates (if any), Additional Services Fees (if any), Reimbursable Expenses, and Taxes shall be invoiced by TRISTAR at the end of the month in which they are incurred and/or assessed.

Schedule B

Information Services

The terms and conditions of the Agreement apply unless and to the extent modified or supplemented by the specific terms and conditions of this Schedule B.

B.1 Scope of Services

In consideration of the payment of the applicable fees calculated in accordance with Schedule A, TRISTAR shall furnish the following to Customer ("Information Services"):

- online access to TRISTAR's claim system ("TRISTAR System"); and
- related materials.

B.2 Limited Warranty

TRISTAR MAKES NO WARRANTY OR REPRESENTATION RELATING TO TRISTAR SYSTEM, THE INFORMATION SERVICES, OR ANY OTHER SERVICES, OR MATERIALS PROVIDED IN CONNECTION THEREWITH. THE TRISTAR SYSTEM AND MATERIALS ARE FURNISHED AND ALL INFORMATION SERVICES ARE RENDERED ON AN "AS IS" BASIS WITHOUT ANY WARRANTY WHATSOEVER. TRISTAR DISCLAIMS AND EXCLUDES ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

B.3 Limitation of Liability

- B.3.1 Customer's exclusive remedy for damage or loss in any way connected with any Information Services furnished by TRISTAR, whether by breach of warranty, negligence or any breach of any other duty, shall be for TRISTAR to refund the amount paid for the Information Services, for which a claim is made.
- B.3.2 Customer assumes sole responsibility for the selection of the Information Services, to achieve its intended results and for the use made and the result obtained. EXCEPT AS PROVIDED IN THIS SCHEDULE C, TRISTAR SHALL NOT BE LIABLE FOR DIRECT DAMAGES OR SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EVEN IF TRISTAR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. WITHOUT LIMITING THE FOREGOING, TRISTAR IS NOT RESPONSIBLE FOR ANY COSTS INCURRED AS A RESULT OF THE USE OF THE INFORMATION SERVICES, INCLUDING WITHOUT LIMITATION, LOST PROFITS OR REVENUE, LOSS OF DATA, COSTS OF RECREATING DATA, THE COST OF ANY SUBSTITUTE EQUIPMENT OR PROGRAM, OR CLAIMS BY ANY THIRD PARTY. TRISTAR'S AGGREGATE LIABILITY ARISING FROM OR RELATING TO THIS AGREEMENT OR THE INFORMATION SERVICES IS LIMITED TO THE AMOUNT OF FEES THAT CUSTOMER HAS PAID IN CONNECTION WITH THE SERVICE FOR WHICH CUSTOMER CLAIMS TRISTAR'S BREACH OF THIS AGREEMENT. THE PROVISIONS OF THIS AGREEMENT THAT LIMIT TRISTAR'S WARRANTIES AND CUSTOMER'S REMEDIES REPRESENT AN ALLOCATION OF RISK BETWEEN TRISTAR AND CUSTOMER. TRISTAR'S PRICING REFLECTS THIS ALLOCATION OF RISK AND THE LIMITATION OF LIABILITY SPECIFIED HEREIN.

B.4 Proprietary Rights

- B.4.1** Customer's rights to Information Services under this Agreement may not be transferred, leased, assigned, or sublicensed except by written consent of TRISTAR, which TRISTAR may grant or withhold at its discretion.
- B.4.2** Customer acknowledges that the Information Services contain proprietary and confidential information and materials of TRISTAR which are protected as TRISTAR trade secrets and as copyrighted works, and which Customer may not copy, modify, or distribute except as authorized by TRISTAR. Customer agrees not to remove or deface any titles, trademarks, copyright notices, "restricted rights" or other proprietary legends affixed to or incorporated in the TRISTAR System or the Information Services.
- B.4.3** All systems created or utilized by TRISTAR in the performance of activities under this Agreement shall belong to, and shall remain the property of, TRISTAR and its affiliates, and Customer shall have no ownership interest therein. The term "systems" as used herein shall include, but shall not be limited to, computer programs, computer equipment, formats, risk data report formats, procedures, documentation and internal reports of TRISTAR and its affiliates, but such term shall not include Claims File Information.

B.5 Internet Use

Information transmitted and received through the internet may be neither secure nor confidential and TRISTAR cannot and does not guarantee the privacy, security, authenticity, and non-corruption of any information so transmitted or stored in any system connected to the internet. TRISTAR shall not be responsible for any adverse consequences whatsoever of Customer's connection to or use of the internet, and TRISTAR shall not be responsible for any use by Customer of Customer's internet connection in violation of any law, rule, or regulation or any violation of the intellectual property rights of another.

B.6 Privacy

- B.6.1** In the course of providing Information Services, TRISTAR may provide to Customer or Customer may gain access to or generate personally identifiable, financial and/or health information of consumers, insureds or claimants which may include confidential information (hereinafter collectively "Protected Information") which may be subject to federal, state and local laws. Customer acknowledges and agrees that it (i) shall at all times comply with all federal, state and local laws and regulations applicable to Protected Information and (ii) shall only use the Protected Information for the purposes for which it was provided under this Agreement and for no other purpose. Except as permitted by applicable law or as necessary to carry out its obligations under this Agreement, Customer shall not disclose, license, sell or otherwise transfer Protected Information to a third party.
- B.6.2** Customer shall immediately notify TRISTAR of any violations of any such law or regulation applicable to provision of services under the Agreement or of any complaint or judicial or administrative proceeding initiated concerning any actual or alleged violation of such law or regulation. Notwithstanding the termination or expiration of the Agreement, Customer shall comply with this Section 6 with respect to all Protected Information in Customer's possession or in the possession of Customer's subcontractors or any other third party over which it has control.

Schedule C Preferred Provider Specialty Services

Schedule C is effective as of August 1, 2016 and is subject to change from time to time thereafter upon notice to Customer. These Preferred Provider Specialty Services fees are paid as Allocated Loss Adjustment Expenses or, where required by state law, as loss.

SERVICES	FEES
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MANAGED CARE

BILL REVIEW: MEDICAL AND PHARMACY	
Bill Review	\$7.50 per bill, <i>plus</i>
PPO Network Access: PPO Network Discount	25% of the difference between the state fee schedule (or U&C, if no state fee schedule) and the final bill
Hospital Inpatient & Outpatient Fee	12% of the difference between the original bill and the final bill, capped at \$25,000 per bill
Specialty Bill Review	30% of the difference between <i>either</i> : <ul style="list-style-type: none"> • if applicable, the state fee schedule (or U&C, if no state fee schedule) and the final bill; <i>or</i> • the original bill and the final bill
Duplicate Bills, Duplicate Line items, Courier Service, Attendance at WCAB Hearings	No Charge
UTILIZATION REVIEW	
Flat Fee (In-Patient & Out-Patient)	\$95 flat rate (includes review to treatment protocols, negotiating treatment, directing into PPO, preparing file for Peer Review, sending all parties documentation and noting the file)
Hourly	\$95 - \$105 per hour
PEER REVIEW (PHYSICIAN ADVISOR)	
Level 1 (Physician Advisor Determination)	\$200 flat rate (includes review of medical records and communication of decision in writing to all parties)
Level 2 (Physician Appeal/Same Specialty)	\$250 flat rate (includes review of medical records and communication of decision in writing to all parties)
MEDICAL CASE MANAGEMENT	
Early Intervention	\$95 per hour
Telephonic	\$95 per hour
Field	\$95 per hour, plus Mileage at IRS mileage rate
Wellness Program (hourly)	\$95 per hour
Wellness Program (with HCA screening, follow-up & quarterly maintenance, as appropriate)	\$10 per month, per employee
Medical Provider Networks (MPN) (California)	Standard: No charge Customized: \$500 per month (includes filing State reports, web access)

OTHER	
Special Investigations	Based on assignment, typically \$65 per hour
Legal Bill Review	5% of total originally billed by attorney
Central Index Bureau	Actual cost (as of 1/1/15, it is \$8.75 per report)
Claim Reporting: Telephonic	\$18 per report
Claim Reporting: Fax or Internet	\$9 per report
MMSEA Reporting	\$8.20 (additional fees apply for MMSEA Compliance & Other Related Services)
Mileage	IRS allowance rate

Attachment A

Claims Administration Guidelines

Best Practices - General Guidelines

TRISTAR's Quality Assurance process provides a consistent basis for continuous and incremental improvement on leakage reduction, as well as constant re-evaluation of best-in-class practices. As such, it has developed Best Practices guidelines for each phase of the claims process, including:

- **Coverage:** Prompt written confirmation and/or analysis of coverage.
- **Contact:** Same-day contact with all parties involved in the loss, including plaintiff's counsel.
- **Investigation:** Timely and adequate documentation of facts and the development of an initial investigation strategy plan.
- **Recovery, Contribution, Deductible Collection:** Constant, effective recognition, investigation and pursuit of recovery and/or contribution possibilities, as well as deductible collection.
- **Evaluation:** Appropriate analysis of liability and damages. The claim file must reflect the development, strategy and action plan necessary to resolve the claim, while complying with Home Office Technical Claims reporting requirements.
- **Workers' Compensation Medical, Disability, Rehabilitation Management:** Aggressive management of the medical care and treatment of the injured employee, utilizing a wide range of techniques designed to return the injured employee to gainful employment as quickly as possible.
- **Negotiation/Disposition:** Disposition of claims, using good judgment to obtain the best possible timely result.
- **Litigation Management:** The defense team, composed of the handling claim professional and the handling defense counsel, committed to providing high-quality representation in a results-oriented, cost-conscious environment.
- **Supervision:** Substantive supervisory file handling guidance and coaching throughout the life of the file to efficiently channel the claim toward an effective resolution.
- **Customer Service:** Service times for initial and subsequent contact with our clients, responses to correspondence and status requests.

By definition, Best Practices are not static, but are subject to improvement. They are continuously reviewed and updated to help TRISTAR achieve and sustain world-class performance.

**Workers' Compensation
Best Practices Overview**

- **Coverage**
 - Prompt confirmation that policy information is accurate and applicable
 - Reinsurance determined and reported where applicable
- **Contact**
 - Same-day contact with employee, employer and a doctor to determine compensability and injury
 - Regular aggressive follow-up with contacts throughout the life of the file
- **Investigation**
 - Recorded statements on back injuries, with others at the discretion of supervisor
 - Wage information obtained and appropriate rate determined
 - Outside investigation completed when necessary
 - Indexing on all lost time cases
 - Fraud indicators checked and referred for Special Investigation (SIU) when appropriate
 - Regulatory requirements and turnaround times met and/or exceeded
 - Initial diary set at 30 days with subsequent follow-up no more than 90 days
- **Recovery/Contribution**
 - All new losses reviewed by a supervisor for potential subrogation
 - Potential sources of recovery identified and placed on notice immediately
 - Other sources of recovery, such as SIF or other state funds, pursued aggressively
- **Evaluation**
 - All losses evaluated for potential financial impact immediately upon receipt
 - Initial reserves established within five days (30 days on major cases) and changes within 30 days
 - Home Office referral for guidance and direction on all files meeting established criteria
- **Medical/Disability/Rehabilitation Management**
 - Lost time cases involve aggressive Return to Work/Light Duty availability
 - Disabilities and restrictions determined in a timely manner
 - Medical reports obtained promptly and reviewed by adjuster for early disposition
 - Medical management aggressively followed with Early Intervention nurse and medical provider
 - Prior to releasing TTD checks contact made to confirm employee is disabled
 - Independent medical exams set up when appropriate
 - Assignment to approved rehabilitation vendors when appropriate and close follow-up and direction
- **Negotiation/Disposition**
 - Claim adjuster to review settlement strategy and plan with supervisor
 - Negotiation conducted promptly and aggressively and documented in file

- **Supervision**
 - Supervisors initiate all new losses, reassignments and litigation referrals
 - Initial diary of all cases within 30 days and subsequent reviews at no more than 90 days
 - Supervisors do not carry pending files
 - All reviews and evaluations documented

- **Customer Service**
 - Contacts and return phone calls made same day
 - Claim Handling Instructions (“CHI”) followed
 - Reserve increases and settlements discussed with Customer as required

Attachment B

Litigation Management

Litigation Management

Best Practices Overview

Litigation results in increased costs and delays the eventual resolution and closure of claims. Legal management begins with professional, timely claims handling, as well as establishing a line of communication with the claimant. Frustration, confusion and distrust of the claims system are some of the primary reasons that claimants seek representation.

If a claimant obtains representation, the adjuster continues to manage the claim in a professional and proactive manner. Litigated claims are managed in-house when appropriate. TRISTAR will adhere to the Customer's handling instructions regarding the assignment of representation, including employment of Customer-selected attorneys if desired. Referral may be made to defense counsel for:

- Disputed claims requiring depositions and/or trial
- Claims involving subrogation with a high paid amount and good chance of recovery
- Disputed issues such as apportionment, earnings, extent of permanent disability, coverage, or co-defendants
- One time deposition or appearance at a hearing
- In accordance with individual Customer Servicing Instructions

Once assignment is made, TRISTAR will supervise the Customer's legal obligations, protect, and preserve the Customer's interests. We closely monitor legal expenses to ensure that all service providers supply the most cost effective results for our clients, and we design, recommend, implement, and maintain cost containment programs. The TRISTAR adjuster is responsible to:

- Handle non-disputed litigated files internally
- When assignment is indicated, make legal assignments on specific task basis only, unless otherwise directed by the Customer
- Utilize pre-approved legal panel with negotiated hourly rates, unless otherwise directed by the Customer

Upon assignment to counsel, the adjuster will:

- Prepare a summary and recommended strategy of the case
- Monitor the defense attorney's activity
- Coordinate legal efforts between the Customer and the defense attorney
- Monitor legal costs, approve or deny legal invoices
- Set up medical/legal evaluations
- Arrange for outside investigation, including Sub-Rosa
- Share medical and personnel records with appropriate parties to avoid unnecessary subpoena and photocopy costs
- Arrange for agreed independent medical evaluations (IME)
- Arrange for permanent disability evaluations

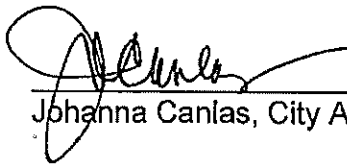


CITY OF SOLANA BEACH

635 SOUTH HIGHWAY 101 • SOLANA BEACH, CA 92075 • (858) 720-2400 • Fax (858) 720-2455

www.cityofsolanabeach.org

The attached Claims Service Agreement between **TRISTAR Risk Management** and the City of Solana Beach has been reviewed and approved as to form by:



Johanna Canlas, City Attorney

1/4/17

Date



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Engineering
SUBJECT: **Consideration of Resolution No. 2017-130 Amending the Traffic Service Maintenance Agreement to Increase Funding for Additional Services**

BACKGROUND:

In April 2013, Staff issued a Request for Proposals (RFP) via an electronic bid site (ebidboard.com) to solicit proposals from firms qualified to provide repairs, maintenance and installation of the City's safety lighting and traffic signals. After evaluating all proposals that were received, the City entered into an agreement with Siemens Industry, Inc., (Siemens) effective July 1, 2013, in an amount not to exceed \$24,700 per year (the "Agreement"). This Agreement included an option for the City to renew the Agreement for four additional years subject to the sole discretion of the City. On July 1, 2017, Amendment 4 to the Agreement was executed which extended the term of the Agreement to June 30, 2018. Amendment 4 did slightly increase the compensation at a price not to exceed twenty-five thousand five hundred seventy-two dollars (\$25,572) per the Agreement.

Under the terms of this Agreement, during the past twelve months, Siemens performed regular and required maintenance services as well as any emergency services on the City's traffic signals and safety lights. As part of the Fiscal Year (FY) 2017/18 Adopted Budget, \$80,000 has been allocated to provide upgrades to existing traffic signal cabinets and/or controllers to accommodate new technology.

This item is before the City Council to consider adoption of Resolution 2017-130 (Attachment 1), authorizing the City Manager to execute Amendment 5 (Attachment 2) to the Professional Services Agreement with Siemens for Safety Lighting and Traffic Signal Maintenance and Repair for a one time increase to the compensation by eighty thousand dollars (\$80,000) at an amount not to exceed one hundred five thousand five hundred seventy-two dollars (\$105,572) which includes the previous Amendment 4 compensation.

CITY COUNCIL ACTION:

DISCUSSION:

The Agreement with Siemens provides for on-going scheduled traffic signal service, as-needed traffic signal repair and replacement of signal head lights, controllers and other equipment as scheduled by City Staff. The Agreement includes line items for additional work, such as replacement of the controller boxes. Some of these additional tasks have been performed during previous years depending on funding availability. This year, the City Council authorized additional funding for renovation of several control boxes in an effort to incorporate new technologies. Siemens is very familiar with the City's traffic signal system and Staff is pleased with their performance.

Every year as funding becomes available, the City requests the service provider to perform additional work such as replacing traffic signal heads, cabinets and controllers. This year, under Capital Improvement Program Project No. 20, and pending City Council authorization, the following intersections will have new cabinets and/or controllers installed to accommodate new technology. After a comprehensive evaluation of the City's inventory by the City Staff and the service provider, the following list of locations is being submitted for approval:

- Lomas Santa Fe @ Nardo: install new 332 Cabinet and 170E Controller
- Lomas Santa Fe @ Rios: install new 170E Controller only
- Lomas Santa Fe @ Cedros: install new 332 Cabinet and 170E Controller
- Lomas Santa Fe @ Highway 101: install new 332 Cabinet only
- Stevens @ San Rodolfo: install new 170E Controller only

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

The FY 2017/18 Adopted Budget has allocated \$80,000 for the upgrades of this project in the City CIP Fund for the Traffic Signal Controller Upgrades project. No additional appropriation is needed.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments or modifications.
- Deny Staff recommendation and provide direction.

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council Adopt Resolution 2017-130 authorizing the City Manager to execute Amendment 5 to the Professional Services Agreement with Siemens Industry, Inc. for traffic signal maintenance services for FY 2017/18 to increase the compensation by \$80,000 for a contract total amount not to exceed \$105,572. The following are the requested locations for the upgraded cabinets and or controllers:

- Lomas Santa Fe @ Nardo: 332 cabinet and 170E Controller
- Lomas Santa Fe @ Rios: 170E Controller only; Cabinet ok
- Lomas Santa Fe @ Cedros: 332 cabinet and 170E Controller
- Lomas Santa Fe @ HWY 101: 332 cabinet
- Stevens @ San Rodolfo: 170E Controller only; Cabinet ok

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-130
2. Amendment 5 to the PSA with Siemens

RESOLUTION NO. 2017-130

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SOLANA BEACH, CALIFORNIA, AMENDING THE
PROFESSIONAL SERVICES AGREEMENT AMENDMENT
WITH SIEMENS INDUSTRY, INC FOR TRAFFIC SIGNAL
MAINTENANCE AND UPGRADES**

WHEREAS, effective July 1, 2013, the City entered into a Professional Services Agreement with Siemens Industry, Inc., (Siemens) for repairs, maintenance and installation of the City's safety lighting and traffic signals; and

WHEREAS, the City has executed four amendments to the agreement, with Amendment 4 being executed on July 1, 2017 and extending the term of the agreement to June 30, 2018; and

WHEREAS, under the terms of the agreement, during the past twelve months, Siemens performed regular and required maintenance services as well as any emergency services on the City's traffic signals and safety lights; and

WHEREAS, while the contract included line items for conversion of signal lights to LED technology and installation of battery back-up for the traffic signals, the City had not performed this work in the past due to a lack of funding.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the City Council authorizes the City Manager to execute Amendment 5 to the Professional Services Agreement with Siemens Industry, Inc. for traffic signal maintenance services for Fiscal Year 2017/18 to increase the compensation by \$80,000 for a contract total amount not to exceed \$105,572. The following are the requested locations for the upgraded cabinets and/or controllers.
 - Lomas Santa Fe @ Nardo: install new 332 Cabinet and 170E Controller
 - Lomas Santa Fe @ Rios: install new 170E Controller only
 - Lomas Santa Fe @ Cedros: install new 332 Cabinet and 170E Controller
 - Lomas Santa Fe @ Highway 101: install new 332 Cabinet only
 - Stevens @ San Rodolfo: install new 170E Controller only

PASSED AND ADOPTED this 23rd day of August, 2017, at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

**AMENDMENT NO. 5 TO PROFESSIONAL SERVICES AGREEMENT WITH SIEMENS
INDUSTRY, INC., FOR SAFETY LIGHTING AND TRAFFIC SIGNAL MAINTENANCE,
REPAIR AND INSTALLATION**

This Amendment No. 5 is entered into and effective as of the ____ day of _____, 2017, amending the Agreement for Safety Lighting and Traffic Signal Maintenance, Repair and Installation (the "Agreement") by and between the City of Solana Beach, a municipal corporation, ("City"), and **Siemens Industry, Inc.**, a State of Delaware Corporation ("Contractor") (collectively, the "Parties").

RECITALS

A. On July 1, 2013, the Parties executed the Agreement which included an option for the City to renew the Agreement for a maximum of four (4) additional one-year periods; and

B. On July 1, 2014, the Parties executed Amendment 1 which extended the term of the Agreement to June 30, 2015; and

C. On July 1, 2015, the Parties executed Amendment 2 which extended the term of the Agreement to June 30, 2016 and increased the compensation; and

D. On July 1, 2016, the Parties executed Amendment 3 which extended the term of the Agreement to June 30, 2017; and

E. On July 1, 2017, the Parties executed Amendment 4 which extend the term of the Agreement to June 30, 2018 and increased the compensation at a price not to exceed twenty-five thousand five hundred seventy-two dollars (\$25,572); and

F. After a comprehensive evaluation of the City's inventory, several intersections need to have new cabinets and/or controllers installed to accommodate new technology and these services and costs were not included in Amendment 4 of the Agreement.

G. The City desires to amend the Agreement for a one time increase to the compensation by eighty thousand dollars (\$80,000) at a price not to exceed one hundred five thousand five hundred seventy-two dollars (\$105,572).

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, City and Contractor agree as follows:

1. City will pay Contractor for all work associated with the terms of the Agreement which is amended to increase compensation by eighty thousand dollars (\$80,000) at a price not to exceed not to exceed one hundred five thousand five hundred seventy-two dollars (\$105,572).

2. All requisite insurance policies to be maintained by the Contractor pursuant to the Agreement, as may have been amended from time to time, shall include coverage for this Amendment.

3. All other provisions of the Agreement, as may have been amended from time to time, shall remain in full force and effect.

4. The individuals executing this Amendment and the instruments referenced on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof of this Amendment.

SIEMENS INDUSTRY, INC., Contractor

CITY OF SOLANA BEACH, a municipal corporation of the State of California

By:

(Sign here)

Gregory Wade, City Manager

(Print name/title)

(Date)

(Date)

APPROVED AS TO CONTENT:

Mohammad Sammak, Director of
Engineering and Public Works

APPROVED AS TO FORM:

Johanna Canlas, City Attorney

ATTEST:

Angela Ivey, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution No. 2017-131 Implementing the Trash Amendments to the Statewide Water Quality Control Plan**

BACKGROUND:

In May 2013, the San Diego Regional Water Quality Control Board (RWQCB) adopted new National Pollution Discharge Elimination System (NPDES) Permit requirements through Order No. R9-2013-0001 (MS4 Permit). The MS4 Permit requires municipal agencies which own storm drain systems to implement management programs to limit discharges of non-storm water runoff and pollutants from entering the storm drain systems. The MS4 Permit requires municipal agencies in each of the region's watersheds to develop Water Quality Improvement Plans (WQIP) and Jurisdictional Runoff Management Plans (JRMP) for each jurisdiction. The MS4 Permit also requires permittees to establish a stormwater program to meet core program requirements or elements. The MS4 Permit was last revised in 2016 (effective date of January 7, 2016) and will expire on June 27, 2018.

A reissued MS4 Permit is anticipated to become effective in 2018 and would incorporate recently adopted Trash Amendments. The Trash Amendments are amendments to statewide water quality standards that require trash control through the implementation of trash capturing devices installed in storm drain systems and/or other enhancements to the storm drain maintenance and trash collection programs. Based on the requirements established by the Trash Amendments, the permittee can determine the most cost-effective and feasible approach to achieve compliance within a 10-year timeframe.

COUNCIL ACTION:

This item is before the City Council to consider adopting Resolution 2017-131 (Attachment 1) providing the direction the City will pursue to come into compliance with the Trash Amendments requirement of the statewide water quality standards.

DISCUSSION:

The term “Trash Amendments” refer to amendments to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) and Part I Trash Provisions of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California (ISWEBE Plan), adopted in April 2015 and approved by California Office of Administrative Law (OAL) and the U.S. Environmental Protection Agency (U.S. EPA) in December 2015 and January 2016, respectively. For MS4 permittees (which includes the City of Solana Beach) the Trash Amendments prohibit the discharge of trash generated from priority land uses into surface waters of the State and identify two compliance tracks.

Track 1 requires the installation and periodic maintenance to remove the trash and debris collected in the storm drain inlets by installation of certified structural devices on all storm drains that capture runoff from “priority land uses” or high trash-generating areas. Priority land uses as defined in the trash amendments include high-density residential, industrial, commercial, mixed urban, and public transportation stations. This track is considered as “full-capture system”.

Track 2 requires a combination of the certified structural devices where feasible (e.g., catch basin inserts, pipe screens) and programmatic controls (e.g., catch basin cleanings, street sweepings, trash receptacle programs) to capture all trash generated from priority land uses (“full-capture system equivalency”).

Both tracks have a compliance period of 10 years from the first implementing permit, and both require annual reporting. However, Track 2 requires monitoring and rigorous demonstration of full-capture equivalency as a part of compliance.

The San Diego RWQCB issued a final Investigative Order (IO) on June 2, 2017, initiating the implementation of the Trash Amendments within the San Diego region. The IO requires all agencies, including the City of Solana Beach, to decide which track to pursue (Track 1 or Track 2) and then develop an implementation plan for the chosen track. Based upon an analysis of the two tracks, Staff is recommending that the City select Track 1. By selecting Track 1, the City would install certified structural devices (see Attachment 2 for examples of devices) in storm drains that capture runoff from priority land uses as defined in the Trash Amendments. For the City, implementation of and compliance with Track 1 involves installation and maintenance of up to 168 inlet devices. Track 1 relieves the City of monitoring requirements and compliance ambiguity of demonstrating full-capture equivalency through studies and programmatic trash control tracking and calculations.

The number of devices installed may be reduced by installing neighborhood-wide devices such as a Continuous Deflective Separation (CDS) unit that would be installed downstream of priority land uses and would collect all the trash from a series of inlets/catch basins, thus eliminating the need to install devices at each inlet. As an example, it may be possible to install a CDS unit along Stevens Creek near La Colonia Park that would eliminate the need of approximately 50 inlet devices. Although a CDS unit is much more expensive than an inlet device, the upfront capital costs could be fairly comparable depending on the number of inlet devices the CDS unit can eliminate. In addition, the ongoing maintenance costs of cleaning one CDS unit instead of a series of inlet devices could help justify the higher capital cost.

Both tracks require notification to the RWQCB in writing by September 5, 2017 specifying which track has been chosen. The RWQCB also requires an implementation plan to be submitted by December 2018. The implementation plan for Track 1 requires a map and time schedule for implementation of the certified devices. By comparison, Track 2 requires an implementation plan that describes the proposed controls; rationale for controls; how the controls will meet full-capture equivalency; and monitoring and assessment approaches to be implemented. Monitoring and assessment under Track 2 would require field verification of programmatic control effectiveness and assessments to demonstrate that the combination of devices and programmatic controls captures the equivalent of the trash generated from the priority land uses.

Current analyses estimate Track 1 would result in capital and maintenance costs of approximately \$700,000. This would cover the cost of purchasing and installing up to 168 inlet devices as well as associated maintenance costs of the inlet devices during the 10 year compliance schedule. As mentioned above, it may be possible to install a CDS unit along Stevens Creek that could eliminate a number of inlet devices and associated maintenance costs. At this time, the feasibility and cost savings of installing a CDS unit along Stevens Creek has not been determined. During the development of the chosen implementation plan, field investigations and feasibility studies would be performed to determine how many inlet devices could be eliminated by a CDS unit and identify the cost savings.

For the same time period, Track 2 would require a slightly lower capital investment and maintenance costs of approximately \$650,000. However, programmatic implementation costs included are estimates and have not been fully developed at this time. These costs would be refined during the development of the implementation plan if Track 2 is chosen. The cost to implement Track 2 includes the cost to develop the implementation plan, improve current programmatic efforts (e.g., catch basin cleaning program, street sweeping program, trash receptacle program), perform monitoring assessments, reporting and operations and maintenance.

Based on the preliminary analysis of the effectiveness and costs of each track, Staff is recommending that the City select Track 1 and submit the required written notification to the RWQCB no later than the September 5, 2017 deadline for providing notice.

RWQCB staff has stated that switching between tracks during the compliance period is permissible if sufficient rationale is provided.

CEQA COMPLIANCE STATEMENT:

Actions taken as part of this Staff Report are not a project as defined by Section 15378 of the California Environmental Quality Act (CEQA) Guidelines.

FISCAL IMPACT:

Funding for the City's Storm Water Program was included in the Fiscal Year (FY) 2017/18 Adopted Budget. There are no additional costs associated with selecting a specific track and submitting that information to the RWQCB. However, there are costs associated with the development of an implementation plan that must be submitted to the RWQCB no later than December 2018. It is estimated that the implementation plan would cost approximately \$70,000. A consultant would be chosen through a Request for Proposals process and a Professional Services Agreement would be brought before the City Council for approval at the appropriate time. The total cost of the implementation plan and appropriations for this work would be identified as part of the required Council action to approve the future PSA. In addition, the installation of full-capture devices would be phased during subsequent budget years and funding would be appropriated accordingly.

Compliance with the Trash Amendments is expected over a 10-year period. Estimated fiscal impacts for the 10-year compliance period for Tracks 1 and 2 are presented in the below Table 1. One component of the implementation plan would be to determine if the costs could be lowered by installing one or more centrally-located CDS units to eliminate the need for all of the inlet devices identified below.

Track No.	Estimated No. of Inlet Devices	Cost of Implementation Plan	Cost of Inlet Devices	Total Estimated Cost
Track 1	168	\$70,000	\$700,000	\$770,000
Track 2	130	\$90,000	\$650,000	\$740,000

WORK PLAN:

Although the stormwater program is not mentioned in the 2017-2018 Work Plan, this item is consistent with the Environmental Sustainability issues identified in the Work Plan.

OPTIONS:

- Approve Staff recommendation.

- Approve Staff recommendation with alternative amendments/modifications.
- Provide direction/feedback.

DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2017-131:

1. Directing Staff to select Track 1 for implementation of the Trash Amendments to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) and Part I Trash Provisions of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California (ISWEBE Plan), adopted in April 2015 and approved by California Office of Administrative Law (OAL) and the U.S. Environmental Protection Agency (U.S. EPA) in December 2015 and January 2016, respectively.
2. Authorizing Staff to submit the required written notice to the San Diego Regional Water Quality Control Board by September 5, 2017.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2017-131
2. Examples of trash full-capture devices

RESOLUTION 2017 - 131

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, SELECTING THE TRACK FOR IMPLEMENTATION OF THE TRASH AMENDMENTS TO THE STATEWIDE WATER QUALITY CONTROL PLAN

WHEREAS, in May 2013, the San Diego Regional Water Quality Control Board (RWQCB) adopted new National Pollution Discharge Elimination System (NPDES) Permit requirements through Order No. R9-2013-0001 (MS4 Permit) that requires municipal agencies to implement management programs to limit discharges of non-storm water runoff and pollutants from the storm drain systems; and

WHEREAS, the MS4 Permit has been modified to incorporate recently adopted Trash Amendments which are amendments to statewide water quality standards that require trash control through the implementation of trash capture devices installed in storm drain systems and/or programmatic enhancements; and

WHEREAS, based on the requirements established by the Trash Amendments, the City can determine the most cost-effective and feasible approach to achieve compliance within a 10-year timeframe; and

WHEREAS, the City is required to notify the Regional Water Quality Control Board in writing no later than September 5, 2017 which approach it has selected to achieve compliance.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council directs Staff to select Track 1 for implementation of the Trash Amendments to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) and Part I Trash Provisions of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California (ISWEBE Plan), adopted in April 2015 and approved by California Office of Administrative Law (OAL) and the U.S. Environmental Protection Agency (U.S. EPA) in December 2015 and January 2016, respectively.

3. That the City Council authorizes Staff to submit the required written notice to the San Diego Regional Water Quality Control Board by September 5, 2017.

PASSED AND ADOPTED this 23rd day of August, 2017, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

Storm Water Program Implementation of New Statewide Water Quality Trash Standards

Examples Full Capture Devices



Catch Basin Insert: Catch Basin Connector Pipe Screen



Catch Basin Insert: Grate Inlet Skimmer Box



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Engineering Department
SUBJECT: **Consideration of Resolution 2017-005 Appropriating Additional Funding for the Stevens & Valley Avenues Corridor Improvement Project**

BACKGROUND:

On November 16, 2016, the City Council awarded a construction contract to Dick Miller Inc. (DMI) for the Stevens-Valley Avenues Corridor Improvement Project. The project has been under construction since January and is nearing completion. The project includes the following improvements:

1. Construct concrete curb, gutter and sidewalks where none previously existed on Stevens and Valley Avenues;
2. Install traffic calming curb pop-outs and a raised median at the Genevieve/Stevens intersection, including an enhanced crosswalk crossing Stevens Avenue;
3. Resurface the roadways with either an asphalt concrete overlay or slurry seal;
4. Restripe traffic lanes to one lane in each direction and add bike lanes;
5. Install street trees and plantings;
6. Construct storm drain system on Stevens Avenue from San Rodolfo Drive to Stevens Avenue West;
7. Upgrade pedestrian signals at Lomas Santa Fe Drive and San Rodolfo Drive.

During construction, unforeseen and unanticipated conditions were encountered which would require additional funding in order to be corrected. To adequately address these conditions, this item is before the City Council to consider adopting Resolution 2017-005 (Attachment 1) ratifying the City Manager's approval of the extra work recently performed and to request appropriation of additional funding.

COUNCIL ACTION:

DISCUSSION:

Before actions taken as described in this Staff Report, Change Order 1 was approved by the City Manager, as authorized by the City Council at contract award, for additional work performed by the contractor. Change Order 1 includes the following items:

Table 1: Change Order 1

Item	Amount
Remove and replace sidewalk and driveway at southerly boundary of Earl Warren Middle School, adjacent to new sidewalk and storm drain facilities.	\$3,083
Change portion of storm drain from circular pipe to elliptical pipe due to conflict with existing utilities.	\$14,000
Upgrade existing recycled water facilities at the request and reimbursement of San Elijo Joint Powers Authority	\$9,797
Remove and replace curb & sidewalk at 932-944 Valley Ave and replace 2 sidewalk panels at 853 Stevens Ave due to uplifted conditions and trip hazards	\$19,571
Total Change Order 1	\$46,451

Additional unanticipated extra work has been encountered and has been included as part of Change Order 2. Due to time constraints, the City Manager approved the change order before this City Council meeting so that the work could be completed before both Earl Warren Middle School and Santa Fe Christian School open. As part of Resolution 2017-005, the City Council is being asked to ratify the City Manager's decision to move forward with the extra work listed below so that the work could be completed before the opening of the nearby schools.

Table 2: Change Order 2

Item	Amount
Additional Pavement Repairs	\$191,000
Storm Drain Work on Valley at Stevens	\$39,000
Total Change Order 2	\$230,000

Pavement Repairs

The project includes asphalt concrete overlay and slurry seal pavement resurfacing and striping the entire project length (just under one mile long), from Via de la Valle to Lomas Santa Fe Drive. One small segment will not receive any pavement rehabilitation because the 2015 pavement project resurfaced the segment between the Stevens-Valley intersection and La Colonia Park. However, this segment will receive fresh striping. During the design of the project, Staff underestimated the extent and severity of the localized pavement removal and replacement (dig-outs) as well as the potential

for additional roadway deterioration. This is an essential element of any pavement rehabilitation program and must be performed prior to the overlay or slurry seal resurfacings. Dig-outs are conducted in failed pavement areas that, if not removed and replaced, would result in premature failure of the resurfacing efforts. The cracks will reflect through or undermine the resurfaced roadway, if not properly repaired. After all subsurface work was completed, an inspection was performed of the entire roadway surface to determine the exact amount of needed repairs. Staff and the contractor marked failed pavement areas with spray paint and performed an accurate measurement of the dig-out areas. The measured quantity of dig-out areas was significantly greater than the original estimate, indicating the pavement condition was much worse than originally anticipated. The additional deterioration is attributed the fact that the pavement was already in failing condition and, therefore, the rate of deterioration was accelerated due in part to the increased roadway wear from construction activity on Stevens and Valley Avenues for this project, as well as from the construction activities at Earl Warren Middle School. The additional dig-outs account for a significant portion of the proposed change order. TransNet funds may be used to cover for this work.

Storm Drain at the intersection of Valley and Stevens

Record plans show two 18" pipes connecting the curb inlet at the southeast corner of Valley Ave to the 40-foot wide box culvert on the west side of Valley Avenue, next to the Ocean Crest Apartments. During construction, only one pipe was found. The second storm drain system was found partially installed, inconsistent with the record plans. An inspection performed from inside the box culvert revealed a 2 foot by 2 foot square opening on the side of the box culvert covered by deteriorating plywood. No storm drain was connected to this opening. The lack of the second storm drain pipe poses a future risk due to inadequate drainage capacity. Also, the deteriorating plywood cover exposed subgrade soil that could be eroded away which could possibly cause a sink hole in the road. This section of Valley Avenue is to be resurfaced and restriped as part of the Stevens-Valley project and the subsurface work needed to be completed prior to finishing the surface work. It was decided to pothole existing utility conflicts, determine the feasibility of completing the storm drain system, and to install a new storm drain, prior to resurfacing the roadway. The work was performed on a time and material basis.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c) of the State CEQA Guidelines.

FISCAL IMPACT:

The contract amount awarded by the City Council to DMI was \$1,108,159. A construction contingency of \$228,224 was approved. Table 3 shown below lists the funding appropriated for the project:

Table 3: Construction Funding at Award

Source	Amount
Active Transportation Grant CIP-22	500,000
RTIP <i>TransNet</i> Funding CIP-22	250,000
Annual Pavement Management CIP-11 (Gas Tax)	57,800
Storm Drain Improvements CIP-13 (City CIP)	75,200
Palmitas Drainage Project CIP-16 (City CIP)	50,000
Stevens-Valley Developer Accounts (contributions)	58,383
Santa Fe Christian School	15,000
San Dieguito Union High School District	330,000
Total Available Funding	\$1,336,383

As noted previously in Table 1, the San Elijo Joint Powers Authority (SEJPA) has reimbursed the City \$9,797 for work performed at their request. The recommendations below include an appropriation of these funds into the project account.

As shown in Table 4 below, with the added project costs discussed above, including a \$20,000 contingency, the project budget will have a shortfall. Staff is recommending that the budget shortfall of \$83,227 be paid with *TransNet* funding in the amount of \$73,430 and by the reimbursement to the City from the SEJPA in the amount of \$9,797.

Table 4: Budget Shortfall

Item	Amount
Change Order No. 1	\$46,451
Change Order No. 2	\$230,000
Additional Unanticipated Work	\$20,000
Total	\$296,451
Approved Contingency	(\$228,224)
Increase in Contingency	\$68,227
Santa Fe Christian Schools Contribution *	\$15,000
Budget Shortfall	\$83,227

* anticipated contribution from Santa Fe Christian Schools that was not received

WORK PLAN:

This item is consistent with Community Character Priorities, Item B.8 of the FY 2017/18 Work Plan.

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.

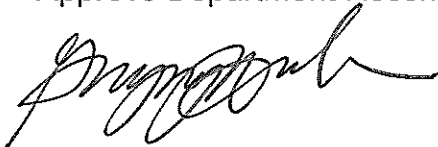
DEPARTMENT RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2017-005:

1. Ratifying the City Manager's decision to approve an increase in Change Order 2 to the construction contract with Dick Miller, Inc. over the contract's approved contingency in the amount of \$48,227 and approving any additional change orders in an amount not to exceed \$20,000 for a total increase in the contract's contingency of \$68,227.
2. Approving an additional amount of \$68,227 for work required to complete the project.
3. Authorizing a transfer of \$15,000, in appropriations in the Stevens-Valley Avenues Corridor Improvements Project from the City CIP fund to the TransNet fund.
4. Authorizing an appropriation of \$58,430 into the Stevens-Valley Avenues Corridor Improvements Project in the TransNet fund.
5. Authorizing an appropriation of \$9,797, to be reimbursed by San Elijo Joint Powers Authority, into the Reimbursement Agreement Revenue Account and appropriating the same amount into the project budget unit in the City CIP fund.
6. Authorizing the City Treasurer to amend the Fiscal Year 2017/18 Adopted Budget accordingly.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-005

RESOLUTION 2017 - 005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROPRIATING ADDITIONAL FUNDING FOR THE STEVENS & VALLEY AVENUES CORRIDOR IMPROVEMENT PROJECT

WHEREAS, on November 16, 2016, the City Council awarded a construction contract to Dick Miller Inc. (DMI) for the Stevens-Valley Avenues Corridor Improvement Project. The project has been under construction since January and is nearing completion; and

WHEREAS, during construction, unforeseen and unanticipated conditions were encountered which would result in additional funding requirements; and

WHEREAS, Change Order No. 2 has been prepared to address the unanticipated extra work that includes storm drain repairs at the Valley/Stevens intersection and increase the amount of asphalt concrete repairs that were not included in the original bid package.

NOW, THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the above recitations are true and correct.
2. That the City Council ratifies the City Manager's decision to approve an increase in Change Order No. 2 to the construction contract with Dick Miller, Inc. over the contract's approved contingency in the amount of \$48,227 and approving any additional change orders in an amount not to exceed \$20,000 for a total increase in the contract's contingency of \$68,227.
3. That the City Council approves an additional amount of \$68,227 for work required to complete the project.
4. That the City Council authorizes a transfer of \$15,000 in appropriations in the Stevens-Valley Avenues Corridor Improvements Project from the City CIP fund to the TransNet fund.
5. That the City Council authorizes an appropriation of \$58,430 into the Stevens-Valley Avenues Corridor Improvements Project in the TransNet fund.
6. That the City Council authorizes an appropriation of \$9,797, to be reimbursed by San Elijo Joint Powers Authority, into the Reimbursement

Agreement Revenue Account and appropriating the same amount into the project budget unit in the City CIP fund.

7. That the City Council authorizes the City Treasurer to amend the Fiscal Year 2017/18 Adopted Budget accordingly

PASSED AND ADOPTED this 23rd day of August, 2017, at a regularly scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT

CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: City Manager's Department
SUBJECT: **Consideration of Resolution 2017-015 Authorizing an Application to the County of San Diego for a Neighborhood Reinvestment Program Grant for the La Colonia Skate Park**

BACKGROUND

The Neighborhood Reinvestment Program (NRP) provides grant funds to County departments, public agencies, and to non-profit community organizations for one-time community, social, environmental, educational, cultural or recreational needs that serve public purposes. The Neighborhood Reinvestment Program began in Fiscal Year 1998-99 with a total budget of \$5.0 million. Beginning with Fiscal Year 1999-00, the allocation was increased from \$5.0 million to \$10.0 million. Resources available for the Program are subject to budget priorities as established by the Board of Supervisors. The total amount of funding is distributed evenly among the five Supervisorial Districts for the purpose of recommending grant awards.

This item is before the City Council to consider adopting Resolution 2017-015 (Attachment 1) authorizing the submittal of a new grant application to the County of San Diego for an NRP to help fund the construction of the La Colonia Skate Park (Skate Park). In order to apply for the NRP grant, the County requires that a resolution from the governing board be included with all grant applications. If approved by Council, Staff will request a grant of \$270,000 for this project.

DISCUSSION:

The City has identified the Skate Park as a project that may qualify for funding through the NRP. To date, including the donations from various special events and the Tony Hawk grant, the City Council has allocated a total of \$541,000 for the design and construction of the Skate Park and private fundraising efforts and donations have raised an additional \$10,000 for a total of \$551,000. The latest estimate from the City's

CITY COUNCIL ACTION:

consultant team projects the total cost of the Skate Park at approximately \$819,000. This includes the skate area, lighting, landscaping, hardscape, drainage improvements, the half basketball court and contingency.

The City has been successful in recent years applying for and securing funding from the NRP. The City received funding for the frontage improvements along Highland Drive adjacent to the San Dieguito Park that included parking and landscaping enhancements as well as securing funding to complete the Veterans Honor Courtyard at La Colonia Park. Although there is no guarantee of success, Staff believes that the Skate Park is a project worthy of consideration for funding through the NRP.

CEQA COMPLIANCE STATEMENT:

The submittal of a grant application is not a project under CEQA. The Skate Park project is currently being evaluated for CEQA compliance and will be brought back to Council separately for project consideration and approval.

FISCAL IMPACT:

Submittal of a grant application to the County as part of the Neighborhood Reinvestment Program does not have a fiscal impact. As mentioned previously in this Staff Report, the total cost of the Skate Park is estimated to be \$819,000.

WORK PLAN:

This item is consistent with Community Character Priorities, Item B.2 of the Fiscal Year 2017/2018 Work Plan.

OPTIONS:

- Adopt Staff recommendation.
- Adopt Staff recommendation with modifications.
- Deny Staff recommendation and provide direction.

DEPARTMENT RECOMMENDATION:

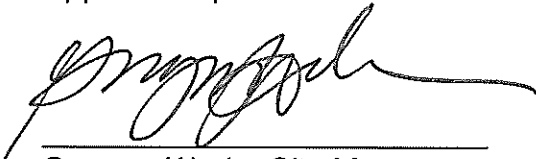
Staff recommends that the City Council:

1. Adopt Resolution No. 2017-015:
 - a. Confirming that the City of Solana Beach is a public agency under the laws of the State of California.

- b. Approving the filing of an application, in the amount of \$270,000, with the County of San Diego for Neighborhood Reinvestment Program funding during the County's 2017-2018 fiscal year.
- c. Authorizing the City Manager to sign a grant agreement with the County of San Diego for Neighborhood Reinvestment Program funds for the 2017-2018 Fiscal Year.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.

A handwritten signature in black ink, appearing to read 'Gregory Wade', written over a horizontal line.

Gregory Wade, City Manager

Attachments:

- 1. Resolution No. 2017-015

RESOLUTION 2017-015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, APPROVING THE SUBMITTAL OF A GRANT APPLICATION TO THE COUNTY NEIGHBORHOOD REINVESTMENT PROGRAM FOR THE LA COLONIA SKATE PARK

WHEREAS, the County of San Diego Neighborhood Reinvestment Program provides funding for non-profit corporations for certain specified purposes; and

WHEREAS, the City of Solana Beach wants to file an application with the County of San Diego for Neighborhood Reinvestment Program funding.

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Solana Beach, California:

1. That the above recitations are true.
2. That the City Council confirms that the City of Solana Beach is a public agency under the laws of the State of California.
3. That the City Council approves the filing of an application, in the amount of \$270,000, with the County of San Diego for Neighborhood Reinvestment Program funding during the County's 2017-2018 Fiscal Year.
4. That the City Council authorizes the City Manager to sign a grant agreement with the County of San Diego for Neighborhood Reinvestment Program funds for the 2017-2018 Fiscal Year.

PASSED AND ADOPTED this 23rd day of August, 2017, at a scheduled meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for DRP and SDP to Construct a
an Addition, Including a New Second-Floor Addition to an
Existing Single-Story Single-Family Residence with an
Attached Two-Car Garage and Perform Associated Site
Improvements at 316 Glencrest Drive (Case # 17-16-41
Applicants: Shai and Rebecca Cherry; APN: 263-243-07;
Resolution No. 2017-127)**

BACKGROUND:

The Applicants, Shai and Rebecca Cherry, are requesting City Council approval of a Development Review Permit (DRP) and a Structure Development Permit (SDP) to construct a 282 square-foot, first-floor addition and construct a new 574 square-foot second-floor addition to an existing single-story, single-family residence with an attached, two-car garage and perform associated site improvements. The 11,588 square-foot lot is located at 316 Glencrest Drive and within the boundaries of the Low Residential (LR) Zone and Scaled Residential Overlay Zone (SROZ).

The project proposes approximately six (6) cubic yards of grading for footings. The maximum building height would be 24.5 feet above the existing grade and 199.5 feet above Mean Sea Level (MSL). The project requires a DRP for construction in excess of 60 percent of the allowable floor area. The project requires a SDP because the proposed development exceeds 16 feet in height above the existing grade.

The issue before the Council is whether to approve, approve with conditions, or deny the Applicants' request as contained in Resolution 2017-127 (Attachment 1).

DISCUSSION:

The lot is located on the east side of Glencrest Drive and is the third property north of the intersection with Lomas Santa Fe Drive. The rear property line abuts the Skyline Elementary School property. The lot is rectangular in shape and consists of a relatively

CITY COUNCIL ACTION:

flat building pad located in the center of the buildable area of the lot where the existing single-story, single-family residence is located. The topography of the lot slopes down approximately 13 feet from the existing building pad to the rear property line. Existing retaining walls run along each side property line, stepping down following the sloping grade of Glencrest Drive down toward Lomas Santa Fe Drive. The attached two-car garage is accessed by a circular driveway off of Glencrest Drive. Overhead powerlines traverse east to west through the center of the property and a power pole is located in the center of the property to the east of the existing residence.

The Applicants propose to construct a 282 square-foot addition to the existing residence and construct a new 574 square-foot second floor addition. The project would also include expansion of the existing first-floor deck on the east side of the residence. The project plans are provided in Attachment 2.

Table 1 (below) provides a comparison of the Solana Beach Municipal Code (SBMC) applicable zoning regulations with the Applicants' proposed design.

Table 1			
LOT INFORMATION			
Property Address:	316 Glencrest Dr.	Zoning Designation:	LR (3 du/ac)
Lot Size:	11,588 ft ²	# of Units Allowed:	1 Dwelling Unit, 1 ADU
Max. Allowable Floor Area:	3,978 ft ²	# of Units Requested:	1 Dwelling Unit
Proposed Floor Area:	2,989 ft ²	Setbacks:	Required Proposed
Below Max. Floor Area by:	989 ft ²	Front (W)	20 ft. 20 ft.
Max. Allowable Height:	25.0 ft.	Interior Side (N)	5 ft. 9 ft.
Max. Proposed Height:	24.5 ft.	Interior Side (S)	5 ft. 11 ft.
Highest Point/Ridge:	199.5 MSL	Rear (E)	25 ft. 57 ft.
Overlay Zone(s):	SROZ		
PROPOSED PROJECT INFORMATION			
Floor Area Breakdown:		Required Permits:	
Existing First Floor	2,043 ft ²	DRP:	A DRP is required for a structure that exceeds 60% of the maximum allowable floor area
Existing Garage	490 ft ²	SDP:	A SDP is required for a new structure that exceeds 16 feet in height from the existing grade.
Proposed First Floor Addition	282 ft ²		
Proposed Second Floor Addition	574 ft ²		
Subtotal:	3,389 ft ²		
Off-Street Parking Exemption	- 400 ft ²		
Total Floor Area:	2,989 ft²		
Proposed Grading: Footings: 6 yd ³			
Proposed Parking:	Attached 2-car Garage	Existing Development:	Single-Story, Single-Family Residence with an Attached Two-Car Garage
Proposed Fences and Walls:	No		
Proposed Accessory Dwelling Unit:	No		
Proposed Accessory Structure:	No		

Staff has prepared draft findings for approval of the project in the attached Resolution 2017-127 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the

Community Development, Engineering, and Fire Departments are incorporated in the Resolution of Approval. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the public hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

The following is a discussion of the findings for a DRP and an administrative SDP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2017-127.

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required because the total proposed square footage would exceed 60 percent of the maximum allowable floor area for the property. The total floor area proposed is 2,989 square feet, which is 989 square feet below the maximum allowable floor area for the property, pursuant to the SROZ.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading
6. Lighting
7. Usable Open Space

The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made. Resolution 2017-127 provides the full discussion of the findings.

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.
4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally

approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the LR Zone. Other nearby properties are also located within the LR Zone and are developed with one and two-story, single-family residences. The property located immediately east of the subject property is located within the Public Institutional (PI) Zone and is currently under construction for the replacement Skyline Elementary School. The project site is currently developed with a single-story, single-family residence.

The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has been evaluated, and could be found to be in conformance with, the regulations of the SROZ, which are discussed further in this report. As a condition of project approval, the Applicants would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

Building and Structure Placement:

The Applicants propose to construct an addition to an existing single-story, single-family residence. The project would expand the existing building footprint of the first floor to the east. The existing deck on the east side of the residence would also be expanded. The project would also include the addition of a new second story over the southeast portion of the residence. The northern approach of the existing circular driveway would be abandoned, while the southern approach and remaining driveway configuration would be maintained.

The Applicants are proposing a 282 square-foot addition to the 2,043 square-foot existing first floor and a new 574 square-foot second floor addition. The first-floor addition would consist of an all-purpose room and stairway access to the new bedroom and bathroom located on the second floor.

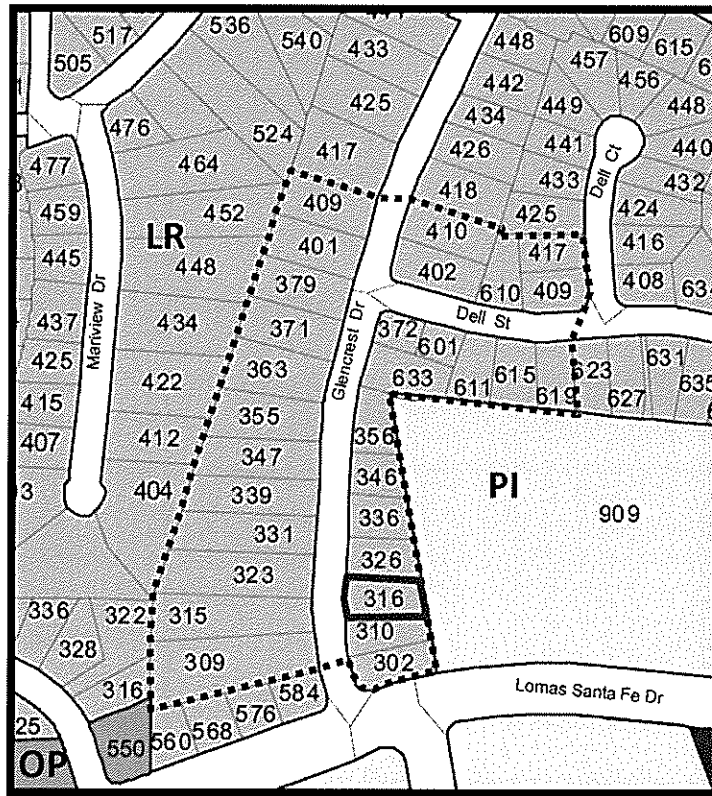
Two off-street parking spaces are required for a single-family residence. When required spaces are provided in a garage, 200 square feet of floor area is exempted for each required space. Therefore, the project is afforded a 400 square-foot exemption. The total proposed floor area would be 2,989 square feet, which is 989 square feet below the maximum allowable Floor Area for the 11,588 square-foot lot, pursuant to the SROZ regulations. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	978 ft ²
Total Allowable Floor Area:	3,978 ft²

The proposed project, as designed, would meet the minimum required setbacks and be 989 square feet below the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 28 other properties within the surrounding area. This area includes properties along both sides of Glencrest Drive and Dell Street as well as properties on the west side of Dell Court as shown on the following Map:



The properties evaluated in this comparison are located in the LR Zone and SROZ. The existing homes range in size from 1,236 square feet to 4,109 square feet, according to the County Assessor records. It should be noted that the County Assessor does not

include the garage, covered porch area, unfinished basement or accessory building area in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the proposed garage as follows:

Project Gross Building Area:	2,989 ft ²
Delete Garage	- 574 ft ²
<u>Project Area for Comparison to Assessor's Data:</u>	<u>2,415 ft²</u>

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot.

#	Property Address	Lot Size in ft ² (GIS)	Existing ft ² Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ² SROZ	Zone
1	409 Glencrest Drive	14,500	2,211		4,488	LR
2	401 Glencrest Drive	15,300	3,017		4,605	LR
3	379 Glencrest Drive	15,600	1,814		4,635	LR
4	371 Glencrest Drive	14,900	1,236		4,558	LR
5	363 Glencrest Drive	17,200	1,902		4,795	LR
6	355 Glencrest Drive	17,700	1,960		4,845	LR
7	347 Glencrest Drive	17,200	1,553		4,795	LR
8	339 Glencrest Drive	18,700	1,952		4,945	LR
9	331 Glencrest Drive	20,200	1,603		5,085	LR
10	323 Glencrest Drive	24,829	1,395		5,316	LR
11	315 Glencrest Drive	25,265	1,375		5,338	LR
12	309 Glencrest Drive	32,670	1,728		5,709	LR
13	410 Glencrest Drive	16,500	3,050		4,725	LR
14	402 Glencrest Drive	14,600	2,066		4,505	LR
15	336 Glencrest Drive	10,000	1,776		3,700	LR
16	326 Glencrest Drive	11,200	2,242		3,910	LR
17	316 Glencrest Drive	11,588	2,043	2,415	3,978	LR
18	310 Glencrest Drive	9,885	2,288		3,680	LR
19	302 Glencrest Drive	11,350	2,520		3,936	LR
20	601 Dell Street	6,100	1,896		3,018	LR
21	346 Glencrest Drive	8,900	1,312		3,508	LR
22	356 Glencrest Drive	10,100	4,109		3,718	LR
23	364 Glencrest Drive	13,100	2,277		4,243	LR
24	619 Dell Street	9,900	1,942		3,683	LR
25	615 Dell Street	10,500	1,874		3,788	LR
26	611 Dell Street	10,200	1,870		3,735	LR

27	610 Dell Street	10,400	2,021		3,770	LR
28	409 Del Court	9,900	1,870		3,683	LR
29	417 Del Court	8,400	1,632		3,420	LR

Fences, Walls and Retaining Walls:

Within the front yard setback area, the SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light. Fences, walls and retaining walls located within the rear and interior side yards are allowed to be up to six feet in height with an additional 24 inches that is 50% open to light and air. However, the SBMC also permits fences or walls to be 5 feet high in the front-yard setback to comply with pool fencing requirements. It should also be noted that fences and walls are measured from the pre-existing grade.

The Applicants do not propose to modify existing fences or walls or construct new fences or walls with this project. If the Applicants decide to modify any of the proposed fences and walls or construct additional fences and walls on the project site, a condition of project approval indicates that they would be required to be in compliance with the Municipal Code.

Landscape:

The project is not subject to the water efficient landscaping regulations of SBMC Chapter 17.56. A new single-family residence with homeowner-provided landscaping, where the landscaped area is greater than or equal to 500 square feet, is required to submit a Landscape Development Package. The Applicants are not proposing to modify or replace the existing landscaping. Therefore, the project is not subject to the Water Efficient Landscape Ordinance. However, a condition of project approval has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems must be incorporated into the landscaping to the extent feasible.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicants are proposing to maintain the existing two-car garage and bring the circular driveway access from Glencrest Drive into compliance with City standards by removing the northern approach. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The garage will provide two parking spaces. Two spaces are required; therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

Grading:

The project includes grading in the amounts of six (6) cubic yards of cut for footings to support the proposed second story.

Lighting:

A condition of project approval is that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

Usable Open Space:

The project consists of the construction of a first-floor addition and new second-floor addition on a developed residential lot; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants were required to complete the SDP process. A final Story Pole Height Certification was issued by a licensed land surveyor on May 12, 2017, which showed a maximum building height of 24.5 feet and the highest point (SP #5) certified at 199.5 MSL as measured above the proposed grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site with a deadline to file for View Assessment by June 19, 2017. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.5 feet above the proposed grade or 199.5 feet above the Mean Sea Level (MSL), which is the maximum proposed structure height reflected on the project plans.

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the public hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on August 10, 2017. As of the date of preparation of this Staff Report, Staff has not received any formal correspondence from neighbors or interested parties in support of, or in opposition to, the proposed project.

Conditions from the Planning, Engineering, and Fire Departments have been incorporated into the Resolution of Approval.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Should the Council determine that the findings can be made to approve the project; the SDP will be issued administratively with the DRP.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2017-127.
- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of a SDP and DRP.
- Deny the project if all required findings for the DRP cannot be made.

DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2017-127 conditionally approving a DRP and an SDP to construct a 282 square-foot, first-floor addition and construct a new 574 square-foot second-floor addition to an existing single-story, single-family residence with an attached,

two-car garage and perform associated site improvements at 316 Glencrest Drive, Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-127
2. Project Plans

RESOLUTION NO. 2017-127

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT FOR THE CONSTRUCTION OF AN ADDITION, INCLUDING A NEW SECOND-FLOOR ADDITION, TO AN EXISTING SINGLE-STORY, SINGLE-FAMILY RESIDENCE WITH AN ATTACHED TWO-CAR GARAGE AND PERFORM ASSOCIATED SITE IMPROVEMENTS ON PROPERTY LOCATED AT 316 GLENCREST DRIVE, SOLANA BEACH

**APPLICANTS: Shai and Rebecca Cherry
CASE NO.: 17-16-41 DRP/SDP**

WHEREAS, Shai and Rebecca Cherry (hereinafter referred to as "Applicants"), have submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the public hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the public hearing on August 23, 2017, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolves as follows:

1. That the foregoing recitations are true and correct.
2. That the request for a DRP and a SDP to construct a 282 square-foot, first-floor addition and construct a new 574 square-foot second-floor addition to an existing single-story, single-family residence with an attached, two-car garage and perform associated site improvements at 316 Glencrest Drive, is conditionally approved based upon the following Findings and subject to the following Conditions:

3. FINDINGS

A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Low Density Residential, which allows for single-family residential development with a maximum density of three dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the Low Residential (LR) Zone and cited by SBMC Section 17.020.030.

The project is consistent with the provisions for minimum yard dimensions (i.e., setbacks) and the maximum allowable Floor Area (FAR), maximum building height, and parking requirements.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and where feasible, complimentary to existing and potential development in the immediate vicinity of the project site. Site planning on the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects, as well as protection of the property from adverse surrounding influences.*

The property is located within the LR Zone. Other nearby properties are also located within the LR Zone and are developed with one and two-story, single-family residences. The property located immediately east of the subject property is

located within the Public Institutional (PI) Zone and is currently under construction for the replacement Skyline Elementary School. The project site is currently developed with a single-story, single-family residence.

The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development is found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the Scaled Residential Overlay Zone (SROZ) and within the Coastal Zone. The project has been evaluated, and is found to be in conformance with, the regulations of the SROZ. The Applicants are required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

- b. Building and Structure Placement: Buildings and structures shall be sited and designed in a manner which visually and functionally enhances their intended use.*

The Applicants propose to construct an addition to an existing single-story, single-family residence. The project will expand the existing building footprint of the first floor to the east. The existing deck on the east side of the residence will also be expanded. The project will also include the addition of a new second story over the southeast portion of the residence. The northern approach of the existing circular driveway will be abandoned, while the southern approach and remaining driveway configuration will be maintained.

The Applicants will construct a 282 square-foot addition to the 2,043 square-foot existing first floor and a new 574 square-foot second floor addition. The first-floor addition will consist of an all-purpose room and stairway access to the new bedroom and bathroom located on the second floor.

Two off-street parking spaces are required for a single-family residence. When required spaces are provided in a garage, 200 square feet of floor area is exempted for each required

space. Therefore, the project is afforded a 400 square-foot exemption. The total proposed floor area would be 2,989 square feet, which is 989 square feet below the maximum allowable Floor Area for the 11,588 square-foot lot, pursuant to the SROZ regulations. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	978 ft ²
Total Allowable Floor Area:	<u>3,978 ft²</u>

The proposed project, as designed, meets the minimum required setbacks and is 989 square feet below the maximum allowable Floor Area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. Trees and other large plantings shall not obstruct significant views when installed or at maturity.*

The project is not subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. A Landscape Documentation Package is required for new development projects with an aggregate landscape equal to or greater than 500 square feet requiring a building permit, plan check or development review. The Applicants are not proposing to modify or replace the existing landscaping. However, a condition of project approval has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems must be incorporated into the landscaping to the extent feasible.

- d. *Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. The Applicants will maintain the existing two-car garage and bring the circular driveway access from Glencrest Drive into compliance with City standards by removing the northern approach. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per

parking space provided in a garage is exempt from the floor area calculation. The garage will provide two parking spaces. Two spaces are required; therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

- e. *Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project includes grading in the amounts of 6 cubic yards for new footings to support the second floor.

- f. *Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

All new exterior lighting fixtures shall comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

- g. *Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of a first-floor addition and new second-floor addition on a developed residential lot; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

- III. *All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits, including a Structure Development Permit, are being processed concurrently with the Development Review Permit.

- IV. *If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.*

The Applicants shall obtain approval from the California Coastal Commission prior to issuance of Building Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants completed the SDP process. A final Story Pole Height Certification was issued by a licensed land surveyor on May 12, 2017, which showed a maximum building height of 24.5 feet and the tallest story pole (SP #5) certified at 199.5 MSL as measured above the existing grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site with a deadline to file for View Assessment by June 19, 2017. No applications for View Assessment were received.

A height certificate prepared by a licensed land surveyor shall be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.5 feet above the proposed grade or 199.5 feet above the Mean Sea Level (MSL), which is the maximum proposed structure height reflected on the approved project plans.

4. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. The Applicants shall pay required Public Facilities Fees, as established by SBMC Section 17.72.020 and Resolution 1987-36.
- II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on August 23, 2017, and located in the project file with a submittal date of August 2, 2017.
- III. Prior to requesting a framing inspection, the Applicants shall be required to submit a height certification, signed by a licensed land surveyor, certifying that the building envelope (which is represented

by the story poles) is in conformance with the plans as approved by the City Council on August 23, 2017 and the certified story pole plot plan, and will not exceed 24.5 feet in height from the proposed grade or 199.5 feet above MSL.

- IV. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and 17.60.070 (Fences and Walls).
 - V. The Applicants shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
 - VI. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
 - VII. Any new exterior lighting fixtures shall be in conformance with the City-Wide Lighting Regulations of SBMC 17.60.060.
 - VIII. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities that render them detrimental to the surrounding area
- B. Fire Department Conditions:
- I. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: All roadways shall be a minimum of 24 feet in width during construction and maintained free and clear, including the parking of vehicles, in accordance with the California Fire Code and the Fire Department.
 - II. ADDRESS NUMBERS: STREET NUMBERS: Approved numbers and/or addresses shall be placed on all new and existing buildings and at appropriate additional locations as to be plainly visible and legible from the street or roadway fronting the property from either direction of approach. Said numbers shall contrast with their background, and shall meet the following minimum standards as to size: 4" high with a ½" inch stroke width for residential buildings, 8" high with a ½" stroke for commercial and multi-family residential buildings, 12" high with a 1" stroke for industrial buildings. Additional numbers shall be required where deemed necessary by the Fire Marshal, such as rear access doors, building corners, and entrances to commercial centers.

- III. AUTOMATIC FIRE SPRINKLERS SYSTEM: ADDITIONS: An automatic sprinkler system installed in accordance with 903.3 may be required to be installed throughout structures when the addition is more than 50% of the existing building or when the altered building will exceed a fire flow of 1,500 gallons per minute as calculated per section 507.3. The fire code official may require an automatic sprinkler system be installed in buildings where no water main exists to provide the required fire flow or where a special hazard exists such as: poor access roads, grade, bluffs and canyon rims, hazardous brush and response times greater than 5 minutes by a fire department.
 - IV. AUTOMATIC FIRE SPRINKLERS: REMODELS: An automatic sprinkler system installed in accordance with section 903.3 may be required if the scope of work includes significant modification to the interior of the dwelling or the roof of the building, and the cost of the installation does not exceed 15 percent of the construction costs of the remodel. This section is not intended to require fire sprinkler retrofits for maintenance or improvements of the infrastructure around the structure. Maintenance shall be defined for this section as the normal replacement of existing fixtures. Examples of maintenance work include items such as flooring, plumbing repairs or windows. Improvements required by legislation such as the Americans with Disabilities Act (ADA) do not require fire sprinkler protection under this section.
 - V. SMOKE DETECTORS/CARBON MONOXIDE ALARMS/FIRE SPRINKLER SYSTEMS: Smoke detectors/carbon monoxide alarms/fire sprinklers shall be inspected by the Solana Beach Fire Department.
 - VI. CLASS "A" ROOF: All structures shall be provided with a Class "A" Roof covering to the satisfaction of the Solana Beach Fire Department.
- C. Engineering Department Conditions:
- I. Obtain an Encroachment permit in accordance with Chapter 11.20 of the Solana Beach Municipal Code, prior to the construction of any improvements within the public right-of way including, but not limited to, demolition and construction of surface improvements. All proposed improvements within the public right-of-way shall comply with City standards including, but not limited to, the Off-Street Parking Design Manual.
 - II. Improvements shall include, but not be limited to, the construction of a 19" swale and 8' width of Stabilized, Compacted, Decomposed Granite (D.G.) at 2% maximum cross slope, along Glencrest Drive as

shown on the Site Plan prepared by D. Scott Hall Designers dated 8/2/17, to the satisfaction of the City Engineer.

- III. The existing non-standard semi-circular driveway shall be modified as follows: The northern access shall be restricted by the placement of a planter strip with vegetation and/or boulders on private property. The existing northern portion of the driveway approach in the public right-of-way shall be removed and replaced with stabilized, compacted, decomposed granite (D.G.). This work shall be designed by a registered civil engineer and the reconstruction of it shall be under a valid encroachment permit.
- IV. Construction fencing shall be located on the subject property unless the Applicants have obtained an Encroachment Permit in accordance with Chapter 11.20 of the Solana Beach Municipal Code, which allows otherwise.
- V. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.
- VI. All new utility services shall be installed underground.
- VII. An Erosion Prevention and Sediment Control Plan shall be prepared. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.
- VIII. No increased cross lot drainage shall be allowed.

5. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

6. EXPIRATION

The Development Review Permit and Structure Development Permit for the project shall expire 24 months from the date of this Resolution, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC

17.72.110.

7. INDEMNIFICATION AGREEMENT

The Applicants shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicants of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicants shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicants regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicants shall not be required to pay or perform any settlement unless such settlement is approved by the Applicants.

NOTICE TO APPLICANTS: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 23rd day of August, 2017, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

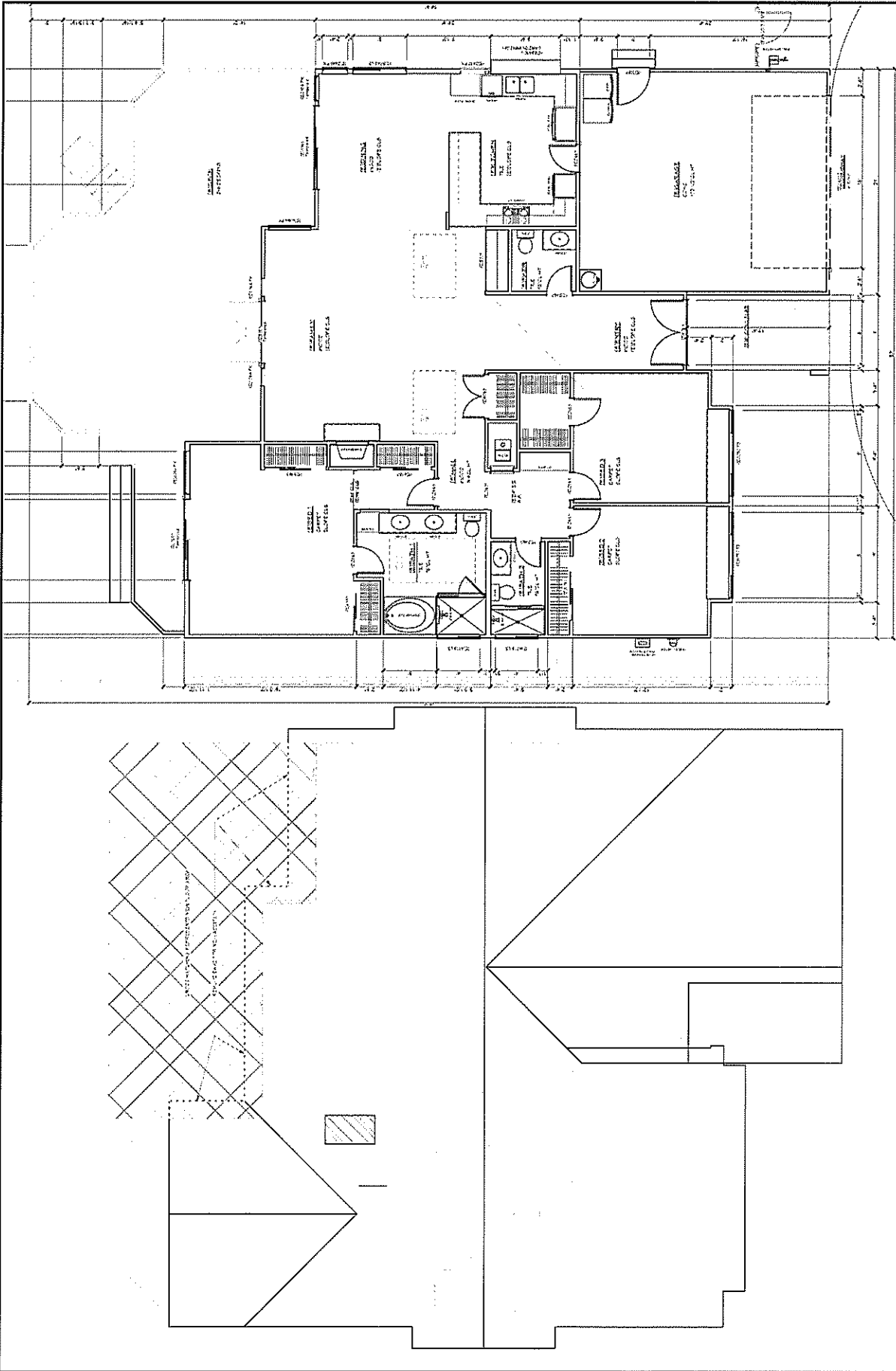
ANGELA IVEY, City Clerk

DEMO ROOF PLAN 1/4 in = 1 ft

DEMO 1ST FLOOR PLAN 1/4 in = 1 ft

PLAN APPROVAL
OWNER
DATE

NOTE THAT THE FINAL PRODUCT WILL NOT LOOK EXACTLY LIKE THESE PLANS AND THE FINAL PRODUCT WILL VARY IN APPEARANCE FROM THE PLANS AND THE ARTIST'S CONCEPTUAL DRAWINGS



CONTRACTOR TO FIELD VERIFY ALL CONDITIONS PRIOR TO BEGINNING CONSTRUCTION AND CONSULT WITH DESIGNER IF THERE ARE ANY INCONSISTENCIES WITH EXISTING CONDITIONS AND THE PLANS

DRP/SDP Set

1553 761-3224

Rebecca & ShalCherry
1516 GARDEN ST. SANTA ANA, CA 92705

DPF DESIGN GROUP
D. DYAK

Plans Forwarded By
D. Scott Hall Designers
15005 P. DENVER DR. #102 S.D., CA. 92121
TEL (619) 200-1623

D. SCOTT HALL
DATE 07/17

NO.	DATE	DESCRIPTION
1		
2		
3		

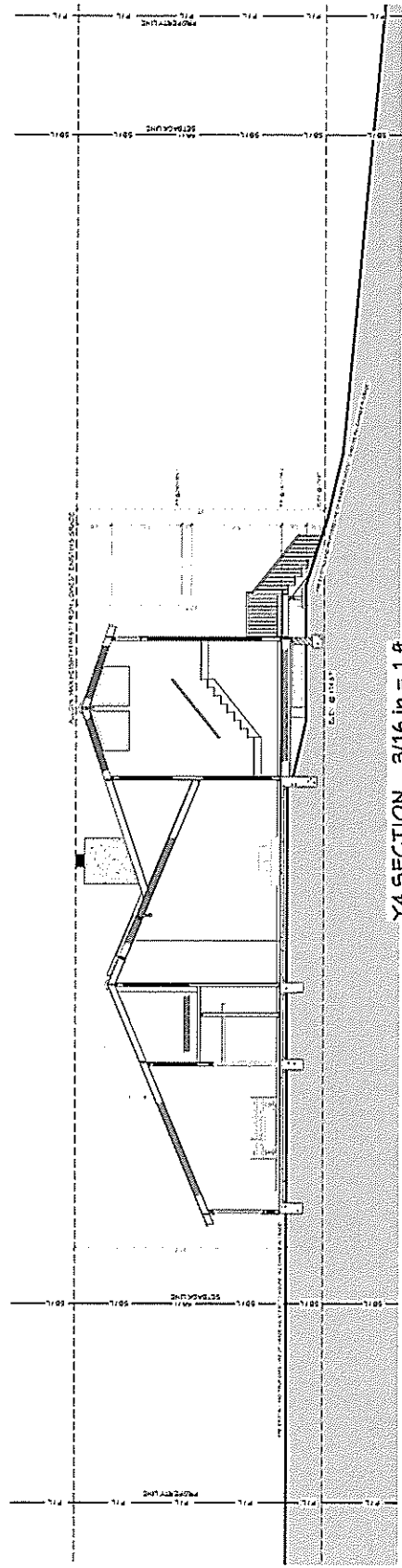
DEMO Plan

3

DEMO Plan

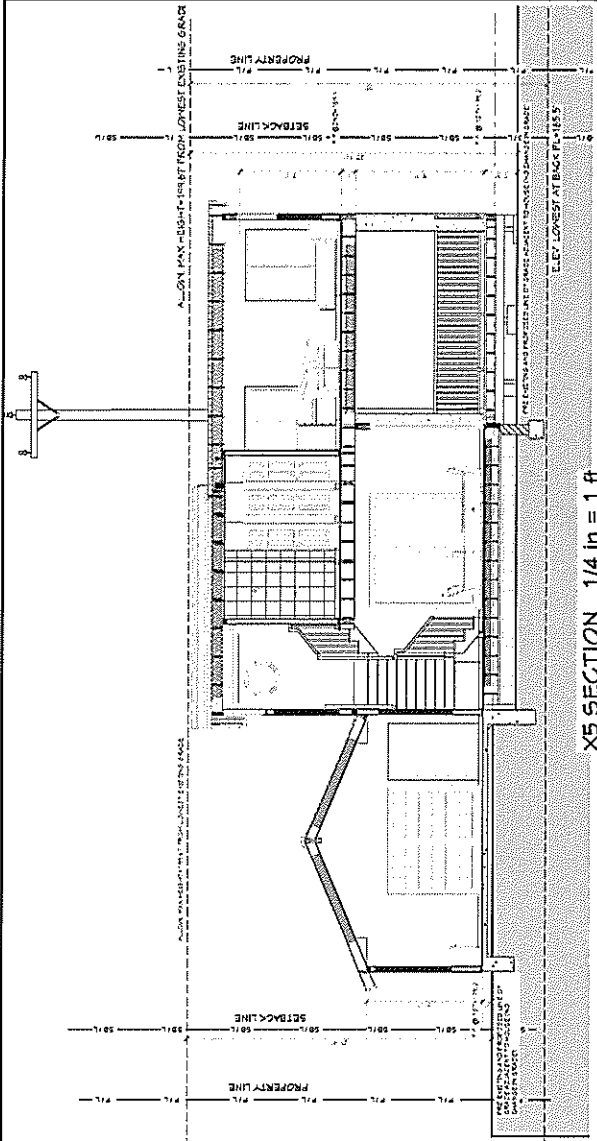
NOTE THAT THE FINAL PRODUCT WILL NOT LOOK EXACTLY LIKE THESE PLANS AND THE FINAL PRODUCT WILL VARY IN APPEARANCE FROM THE PLANS AND THE ARTIST'S CONCEPTUAL DRAWINGS

Y4 SECTION 3/16 in = 1 ft



PLAN APPROVAL
OWNER _____ DATE _____
OWNER _____ DATE _____

X5 SECTION 1/4 in = 1 ft



<p>CONTRACTORS TO FIELD VERIFY ALL CONDITIONS PRIOR TO BEGINNING CONSTRUCTION AND CONSULT WITH DESIGNER IF THERE ARE ANY INCONSISTENCIES WITH EXISTING CONDITIONS AND THE PLANS</p>	
<p>REBECCA & SHAL CHERRY A Home Remodeler 318 Gibraltar Dr. Ste 100, San Diego, CA 92108 (619) 451-3022</p>	
<p>DRP/SDP Set</p>	
<p>DESIGN BUILD D. Scott Hall Designers 16225 W. Bernardo Dr. #102 S.D., CA 92127 (619) 450-1823</p>	
<p>DATE: 08/20/13</p>	

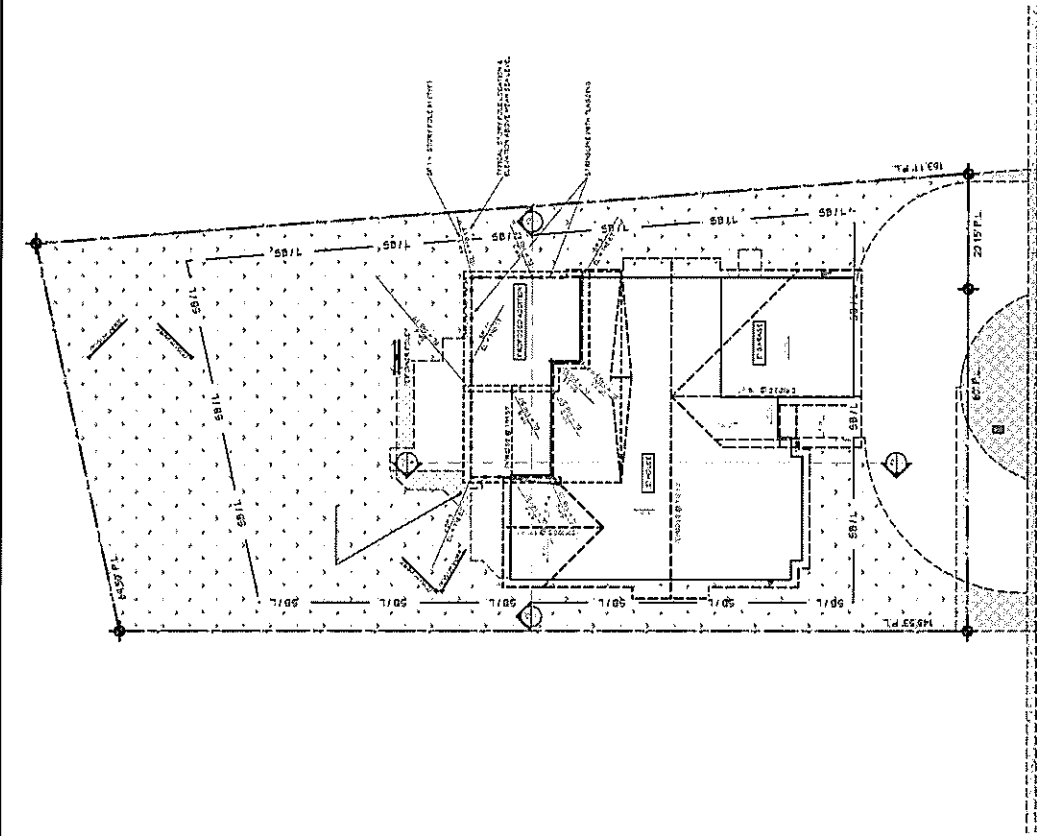
SECTIONS	8
SHEET NO.	
DATE	
OWNER	
DATE	

PROJECT	
DATE	
SCALE	
DESIGNER	
CLIENT	
LOCATION	
DESCRIPTION	
DATE	
BY	
CHECKED	
DATE	

REVISIONS	

NOTE THAT THE FINAL PRODUCT WILL NOT LOOK EXACTLY LIKE THESE PLANS AND THE FINAL PRODUCT WILL VARY IN APPEARANCE FROM THE PLANS AND THE ARCHITECTS CONCEPTUAL DRAWINGS

STORY POLE PLAN 1 in = 10 ft



PLAN APPROVAL	DATE
OWNER	DATE

Story Pole Plan

PROJECT	DATE
SCALE	DATE
DESIGNER	DATE
CHECKER	DATE
DATE	DATE
SHEET NO.	DATE

DRP/DRP Set
 316 GARDEN DR. SANTA ANA, CA 92705
 (949) 761-3222
 REBECCA & SHAL CHERRY
 A HOME REMODELER
 149.53' PL
 50' L
 11.85'
 23.15' PL

CONTRACTORS TO FIELD VERIFY ALL CONDITIONS PRIOR TO BEGINNING CONSTRUCTION AND CONSULT WITH DESIGNER IF THERE ARE ANY INCONSISTENCIES WITH EXISTING CONDITIONS AND THE PLANS

DESIGNER'S SEAL AND SIGNATURE

DESIGNER'S NAME: [Signature]

DATE: 02/28/18

DRP/DRP Set

REBECCA & SHAL CHERRY
 A HOME REMODELER
 316 GARDEN DR. SANTA ANA, CA 92705
 (949) 761-3222

DYAK
 DESIGN BUILD
 14955 W. BERRARDO DR. #102 S.O., CA 92721
 TEL: (619) 200-1523

Plans Prepared By
 D. Scott Hall Designers

REVISIONS

NO.	DESCRIPTION



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Request for DRP and SDP to Demolish an Existing Single-Family Residence and Construct a Split-Level, Single-Family Residence with an Attached Two-Car Garage and an Attached Accessory Dwelling Unit and Perform Associated Site Improvements at 425 South Rios Ave. (Case # 17-17-05 Applicants: Cori and Adam Daniels; APN: 298-076-10; Resolution No. 2017-128)**

BACKGROUND:

The Applicants, Cori and Adam Daniels, are requesting City Council approval of a Development Review Permit (DRP) and a Structure Development Permit (SDP) to demolish an existing single-family residence and construct a replacement split-level, single-family residence with an attached two-car garage and an attached Accessory Dwelling Unit (ADU), and perform associated site improvements. The 9,391 square-foot lot is located at 425 South Rios Avenue and within the Low Residential (LR) Zone and Scaled Residential Overlay Zone (SROZ).

The project proposes grading in the amounts of 600 cubic yards of cut, 300 cubic yards of fill and 300 cubic yards of export. The maximum building height would be 24.78 feet above the proposed (finished) grade and 126.78 feet above Mean Sea Level (MSL). The project meets two thresholds for the requirement of a DRP, including: 1) construction in excess of 60 percent of the allowable floor area; and 2) an aggregate grading quantity in excess of 100 cubic yards. The project requires a SDP because the proposed development exceeds 16 feet in height above the existing grade.

The issue before the Council is whether to approve, approve with conditions, or deny the Applicants' request as contained in Resolution 2017-128 (Attachment 1).

CITY COUNCIL ACTION:

DISCUSSION:

The lot is currently developed with a two-story, single-family residence that would be demolished. The majority of the lot is rectangular in shape with the primary frontage on South Rios Avenue. The lot abuts additional residential properties to the north and south. The lot has two angled rear property lines that abut the residential property to the northwest and front on Rosa Street to the southwest. The topography of the lot slopes down from the front to the rear of the property with an approximate 13-foot change in elevation. The Applicants propose to construct a 3,091 square-foot, replacement, split-level, single-family residence with an attached 498 square-foot garage and an attached 370 square-foot ADU. The project would also include associated site improvements including cut and fill grading, a pool and spa, fencing and retaining walls, hardscaping, and landscaping. The project plans are provided in Attachment 2.

Table 1 (below) provides a comparison of the Solana Beach Municipal Code (SBMC) applicable zoning regulations with the Applicants' proposed design.

Table 1			
LOT INFORMATION			
Property Address:	425 S. Rios Ave.	Zoning Designation:	LR (3 du/ac)
Lot Size (Net):	9,391 ft ²	# of Units Allowed:	1 Dwelling Unit, 1 ADU
Max. Allowable Floor Area:	3,593 ft ²	# of Units Requested:	1 Dwelling Unit, 1 ADU
Proposed Floor Area:	3,559 ft ²	Setbacks:	Required Proposed
Below Max. Floor Area by:	34 ft ²	Front (E)	25 ft. 25 ft.
Max. Allowable Height:	25 ft.	Interior Side (N)	10 ft. 10 ft.
Max. Proposed Height:	24.78 ft.	Interior Side (S)	10 ft. 10 ft.
Highest Point/Ridge:	126.78 MSL	Rear (W)	25 ft. 25 ft.
Overlay Zone(s):	SROZ		
PROPOSED PROJECT INFORMATION			
Floor Area Breakdown:		Required Permits:	
Principal Residence Main Level	1,338 ft ²	DRP:	A DRP is required for a structure that exceeds 60% of the maximum allowable floor area and for grading in excess of 100 cubic yards (aggregate)
Principal Residence Lower Level	1,753 ft ²	SDP:	A SDP is required for a new structure that exceeds 16 feet in height from the existing grade.
Principal Residence Garage	498 ft ²		
Accessory Dwelling Unit	370 ft ²		
Subtotal:	3,959 ft ²		
Off-Street Parking Exemption	- 400 ft ²		
Total Floor Area:	3,559 ft²		
Proposed Grading:	Cut: 600 yd³ Fill: 300 yd³	Export:	300 yd ³
Proposed Parking:	Attached 2-Car Garage	Existing Development:	Two-Story, Single-Family Residence and Two-Car Garage
Proposed Fences and Walls:	Yes		
Proposed Accessory Dwelling Unit:	Yes		
Proposed Accessory Structure:	No		

Staff has prepared draft findings for approval of the project in the attached Resolution 2017-128 for Council's consideration based upon the information in this report. The applicable SBMC sections are provided in italicized text and conditions from the Community Development, Engineering, and Fire Departments are incorporated in the

Resolution of Approval. The Council may direct Staff to modify the Resolution to reflect the findings and conditions it deems appropriate as a result of the public hearing process. If the Council determines the project is to be denied, Staff will prepare a Resolution of Denial for adoption at a subsequent Council meeting.

The following is a discussion of the findings for a DRP and an administrative SDP as each applies to the proposed project as well as references to recommended conditions of approval contained in Resolution 2017-128.

Development Review Permit Compliance (SBMC Section 17.68.40):

A DRP is required for the following reasons: 1) the total proposed square footage would exceed 60 percent of the maximum allowable floor area in a residential zone; and 2) the proposal includes an aggregate grading quantity that exceeds 100 cubic yards of grading. The total floor area proposed is 3,559 square feet, which is 99 percent of the maximum allowable floor area for the property, pursuant to the SROZ. There would be 600 cubic yards of cut, 300 cubic yards of fill, and 300 cubic yards of export or an aggregate grading quantity of 900 cubic yards.

In addition to meeting zoning requirements, the project must also be found in compliance with development review criteria. The following is a list of the development review criteria topics:

1. Relationship with Adjacent Land Uses
2. Building and Structure Placement
3. Landscaping
4. Roads, Pedestrian Walkways, Parking, and Storage Areas
5. Grading
6. Lighting
7. Usable Open Space

The Council may approve, or conditionally approve, a DRP only if all of the findings listed below can be made. Resolution 2017-128 provides the full discussion of the findings.

1. The proposed development is consistent with the general plan and all applicable requirements of the zoning ordinance including special regulations, overlay zones, and specific plans.
2. The proposed development complies with the development review criteria.
3. All required permits and approvals issued by the city, including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.

4. If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.

If the above findings cannot be made, the Council shall deny the DRP. The following is a discussion of the applicable development review criteria as they relate to the proposed project.

Relationship with Adjacent Land Uses:

The property is located within the LR Zone. Other properties located on South Rios Avenue, Palmitas Street and a portion of Rosa Street are also located within the LR Zone and developed with one- and two-story single-family residences. Properties on the western end of Rosa Street and on South Cedros Avenue are located within the Special Commercial (SC) Zone and developed with retail and office commercial buildings. The project site is currently developed with a two-story, single-family residence.

The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the SROZ and within the Coastal Zone. The project has been evaluated, and could be found to be in conformance with, the regulations of the SROZ, which are discussed further in this report. As a condition of project approval, the Applicants would be required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

Building and Structure Placement:

The Applicants propose to construct a new split-level, single-family residence with an attached two-car garage and an attached ADU. Driveway access would be taken from South Rios Avenue along the northern side of the property to the proposed two-car garage located just beyond the front-yard setback line and along the northern interior side-yard setback line. The ADU would be located on the opposite (southern) side of the property along the front-yard setback line and southern interior side-yard setback line. There would be an uncovered entry courtyard located between the garage and ADU. The main level of the principal residence would be attached to the west side of the garage and ADU. The lower level of the principal residence would be located immediately below the main level and would be built into the eastern slope on the

property. The lower living area would open up to the lower, rear yard area that would consist of a paved patio, pool and spa, and lawn area.

Other improvements include: a deck off of the west side of the main level of the principal residence (above the lower level) with a spiral staircase to the lower yard area; a roof deck above the northwestern side of the principal residence with a spiral staircase accessing the main-level deck; a paved patio located to the west of the principal residence; a pool, spa, and pool equipment located in the northwestern side of the rear-yard setback area; and a trash enclosure located in the northern side-yard setback and adjacent to the garage.

The 1,338 square-foot main level of the principal residence would consist of a foyer, great room, kitchen, pantry, office, and one bathroom. The main level would access the 498 square-foot, two-car garage. The 370 square-foot ADU would be attached to the main level of the principal residence, but would have separate, exterior access from the courtyard. The main entry to the principal residence would be taken from the entry courtyard. The 1,753 square-foot lower level of the principal residence would include a master suite, two bedrooms, two bathrooms, and a laundry room.

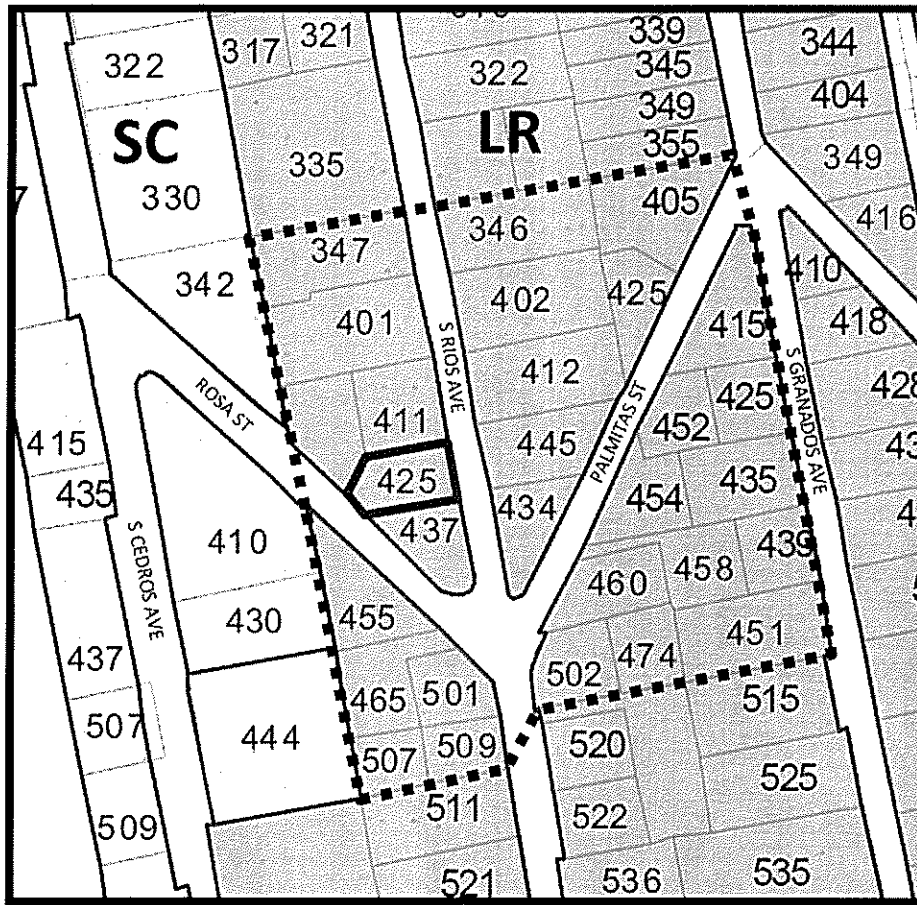
A single-family residence requires two off-street parking spaces. When required spaces are provided in a garage, 200 square feet of floor area is exempted for each required space. Therefore, the project is afforded a 400 square-foot exemption, and the total proposed floor area would be 3,559 square feet, which is 34 square feet below the maximum allowable Floor Area for the 9,391 square-foot lot, pursuant to the SROZ regulations. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	593 ft ²
Total Allowable Floor Area:	<u>3,593 ft²</u>

The proposed project, as designed, meets the minimum required setbacks and is one square-foot below the maximum allowable floor area for the property.

Neighborhood Comparison:

Staff compared the proposed project to 28 other properties within the surrounding area. This area includes properties along both sides of South Rios Avenue, Palmitas Street, and Rosa Street as shown on the following map:



The properties evaluated in this comparison are located in the LR Zone and SROZ. The existing homes range in size from 1,064 square feet to 6,108 square feet, according to the County Assessor records. It should be noted that the County Assessor does not include the garage, covered porch area, unfinished basement or accessory building area in the total square footage. Accordingly, the building area of the proposed project has been calculated for comparison purposes by deleting the area of the proposed garage as follows:

Project Gross Building Area:	3,959 ft ²
Delete Garage	- 498 ft ²
<hr/> Project Area for Comparison to Assessor's Data:	<hr/> 3,461 ft ²

Table 2 is based upon the County Assessor's data and SanGIS data. It contains neighboring lot sizes, the square footage of existing development and the maximum allowable square footage for potential development on each lot.

Table 2:						
#	Property Address	Lot Size in ft ² (GIS)	Existing ft ² Onsite (Assessor's)	Proposed / Recently Approved ft ²	Max. Allowable ft ² S.R.O.Z.	Zone
1	346 S. Rios Ave.	19,291	3,937		5,004	LR
2	405 S. Granados Ave.	20,348	4,353		5,092	LR
3	402 S. Rios Ave.	20,535	1,231	5,009	5,102	LR
4	445 Palmitas St.	14,295	5,559		4,452	LR
5	434 S. Rios Ave.	13,153	1,224		4,252	LR
6	425 Palmitas St.	10,517	3,055		3,790	LR
7	412 S. Rios Ave.	19,438	1,764		5,019	LR
8	347 S. Rios Ave.	18,517	3,394		4,927	LR
9	401 S. Rios Ave.	23,149	2,017		5,232	LR
10	411 S. Rios Ave.	13,033	unavailable		4,231	LR
11	- Rosa St.	unavailable	Vacant		unavailable	LR
12	425 S. Rios Ave.	9,391	2,980	3,461	3,593	LR
13	437 S. Rios Ave.	10,127	2,992		3,722	LR
14	342 S. Cedros Ave.	26,531	6,108		5,402	LR
15	455 Rosa St.	14,593	1,430		4,504	LR
16	501 S. Rios Ave.	9,511	1,496		3,614	LR
17	507 S. Rios Ave.	7,169	2,408		3,205	LR
18	509 S. Rios Ave.	7,987	2,062		3,348	LR
19	465 Rosa St.	12,785	2,192		4,187	LR
20	415 S. Granados Ave.	15,652	3,408		4,640	LR
21	451 S. Granados Ave.	19,914	2,794		5,066	LR
22	439 S. Granados Ave.	9,789	3,170		3,663	LR
23	458 Palmitas St.	12,190	3,078		4,083	LR
24	460 Palmitas St.	12,212	3,262		4,087	LR
25	454 Palmitas St.	11,944	3,986		4,040	LR
26	502 S. Rios Ave.	10,706	3,592		3,824	LR
27	474 Palmitas St.	9,231	3,385		3,565	LR
28	425 S. Granados Ave.	9,667	1,064		3,642	LR
29	452 Palmitas St.	8,929	2,483		3,513	LR

Fences, Walls and Retaining Walls:

Within the front yard setback area, the SBMC Section 17.20.040(O) allows fences and walls, or any combination thereof, to be no higher than 42 inches in height as measured from existing grade, except for an additional two feet of fence that is at least 80% open to light. Fences, walls and retaining walls located within the rear and interior side yards

are allowed to be up to six feet in height with an additional 24 inches that is 50% open to light and air. However, the SBMC also permits fences or walls to be 5 feet high in the front-yard setback to comply with pool fencing requirements. It should also be noted that fences and walls are measured from the pre-existing grade.

The Applicants propose to construct site walls around the front entry courtyard that would be a maximum of 3.5 feet above existing grade, except for an entry structure in compliance with SBMC Section 17.20.040(O). A combination five-foot high fence and retaining wall of varying height would follow the northern and southern property lines. The retaining walls would cut into the existing grade to create walkways from the front to the rear of the property along each side yard. A 5-foot high wooden fence would also be located long the rear property line with a gate accessing Rosa Street.

Currently, the plans show fences and walls that comply with the requirements of SBMC 17.20.040(O) and 17.60.070(C). If the Applicants decide to modify any of the proposed fences and walls or construct additional fences and walls on the project site, a condition of project approval indicates that they would be required to be in compliance with the Municipal Code.

Landscape:

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. A Landscape Documentation Package is required for new development projects with an aggregate landscape equal to or greater than 500 square feet requiring a building permit, plan check or development review. The Applicants provided a conceptual landscape plan that has been reviewed by the City's third-party landscape architect, who has recommended approval. The Applicants will be required to submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect will perform inspections during the construction phase of the project. A separate condition has been added to require that native or drought-tolerant and non-invasive plant materials and water-conserving irrigation systems are required to be incorporated into the landscaping to the extent feasible.

Parking:

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. SBMC Section 17.20.040(D)(n)(i) specifies that no off-street parking shall be required for an ADU located within one-half mile of a public transit stop. Therefore, due to the proximity of the subject property to public transit, a total of two (2) off-street parking spaces are required for the project. The Applicants are proposing to construct an attached, two-car garage in the northeastern corner of the buildable area of the lot. The property would be accessed by a new driveway along the northern side of the property with access off of South Rios Avenue. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The

proposed garage will provide two parking spaces. Two spaces are required, therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

Grading:

The project includes grading in the amount of 600 cubic yards of cut, 300 cubic yards of fill, and 300 cubic yards of export. The majority of the proposed cut would occur within the building footprint to excavate for the proposed lower level of the principal residence. The grade would be increased in the courtyard and front-yard setback to be at approximately the same elevation as the South Rios Avenue public right-of-way.

Lighting:

A condition of project approval is that all new exterior lighting fixtures comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

Usable Open Space:

The project consists of the construction of a replacement single-family residence with an attached garage and ADU on a developed residential lot, therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

Structure Development Permit Compliance:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants were required to complete the SDP process. A final Story Pole Height Certification was issued by a licensed land surveyor on June 1, 2017, which showed a maximum building height of 24.78 feet and the tallest story poles (SP #17 and #18) certified at 126.78 MSL as measured above the proposed grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site with a deadline to file for View Assessment by July 10, 2017. No applications for View Assessment were received. Therefore, if the Council is able to make the required findings to approve the DRP, the SDP would be approved administratively.

It should be noted that the proposed chimney would exceed the 25-foot maximum height limit for the property, which is permissible pursuant to SMBC Section 17.08 (Building Height). The chimney is depicted by two story poles (#12-13), which were certified at 129.09 MSL or 27.09 feet above the adjacent grade.

As a condition of approval, a height certificate prepared by a licensed land surveyor will be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.78 feet above the proposed grade or 126.78 feet

above the Mean Sea Level (MSL), which is the maximum proposed structure height reflected on the project plans.

Public Hearing Notice:

Notice of the City Council Public Hearing for the project was published in the Union Tribune more than 10 days prior to the public hearing. The same public notice was mailed to property owners and occupants within 300 feet of the proposed project site on August 10, 2017. As of the date of preparation of this Staff Report, Staff has not received correspondence regarding this project.

Conditions from the Planning, Engineering, and Fire Departments have been incorporated into the Resolution of Approval.

In conclusion, the proposed project, as conditioned, could be found to be consistent with the Zoning regulations and the General Plan. Should the Council determine that the findings can be made to approve the project; the SDP will be issued administratively with the DRP.

CEQA COMPLIANCE STATEMENT:

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 of the State CEQA Guidelines. Class 3 consists of construction and location of limited numbers of new, small facilities or structures. Examples of this exemption include one single-family residence or second dwelling unit in a residential zone. In urbanized areas, up to three-single-family residences may be constructed or converted under this exemption.

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve Staff recommendation adopting the attached Resolution 2017-128.
- Approve Staff recommendation subject to additional specific conditions necessary for the City Council to make all required findings for the approval of a SDP and DRP.
- Deny the project if all required findings for the DRP cannot be made.


DEPARTMENT RECOMMENDATION:

The proposed project meets the minimum zoning requirements under the SBMC, may be found to be consistent with the General Plan and may be found, as conditioned, to meet the discretionary findings required as discussed in this report to approve a DRP and administratively issue a SDP. Therefore, Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the Public Hearing, Report Council Disclosures, Receive Public Testimony, and Close the Public Hearing.
2. Find the project exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and
3. If the City Council makes the requisite findings and approves the project, adopt Resolution 2017-128 conditionally approving a DRP and an SDP to demolish an existing single-family residence and construct a replacement split-level, single-family residence with an attached two-car garage and an attached ADU, and perform associated site improvements at 425 South Rios Avenue, Solana Beach.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-128
2. Project Plans

RESOLUTION NO. 2017-128

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A DEVELOPMENT REVIEW PERMIT AND AN ADMINISTRATIVE STRUCTURE DEVELOPMENT PERMIT FOR THE CONSTRUCTION OF A REPLACEMENT SPLIT-LEVEL, SINGLE-FAMILY RESIDENCE WITH AN ATTACHED TWO-CAR GARAGE AND AN ATTACHED ACCESSORY DWELLING UNIT AND PERFORM ASSOCIATED SITE IMPROVEMENTS ON PROPERTY LOCATED AT 425 SOUTH RIOS AVENUE, SOLANA BEACH

**APPLICANTS: Cori and Adam Daniels
CASE NO.: 17-17-05 DRP/SDP**

WHEREAS, Cori and Adam Daniels (hereinafter referred to as "Applicants"), have submitted an application for a Development Review Permit (DRP) and Structure Development Permit (SDP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the public hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, at the public hearing on August 23, 2017, the City Council received and considered evidence concerning the proposed application; and

WHEREAS, the City Council found the application request exempt from the California Environmental Quality Act pursuant to Section 15303 of the State CEQA Guidelines; and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolves as follows:

1. That the foregoing recitations are true and correct.
2. That the request for a DRP and a SDP to demolish an existing single-family residence and construct a replacement split-level, single-family residence with an attached two-car garage and an attached Accessory Dwelling Unit (ADU), and perform associated site improvements at 425 South Rios Avenue, is conditionally approved based upon the following Findings and subject to the following Conditions:

ATTACHMENT 1

3. FINDINGS

A. In accordance with Section 17.68.040 (Development Review Permit) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The proposed project is consistent with the General Plan and all applicable requirements of SBMC Title 17 (Zoning Ordinance), including special regulations, overlay zones and specific plans.*

General Plan Consistency: The project, as conditioned, is consistent with the City's General Plan designation of Low Density Residential, which allows for single-family residential development with a maximum density of three dwelling units per acre. The development is also consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

Zoning Ordinance Consistency: The project is consistent with all applicable requirements of the Zoning Ordinance (Title 17) (SBMC 17.20.030 and 17.48.040), which delineates maximum allowable Floor Area Ratio (FAR), Permitted Uses and Structures (SBMC Section 17.20.020) which provides for uses of the property for a single-family residence. Further, the project adheres to all property development regulations established for the Low Residential (LR) Zone and cited by SBMC Section 17.020.030.

The project is consistent with the provisions for minimum yard dimensions (i.e., setbacks) and the maximum allowable Floor Area (FAR), maximum building height, and parking requirements.

- II. *The proposed development complies with the following development review criteria set forth in Solana Beach Municipal Code Section 17.68.040.F:*

- a. *Relationship with Adjacent Land Uses: The development shall be designed in a manner compatible with and where feasible, complimentary to existing and potential development in the immediate vicinity of the project site. Site planning on the perimeter of the development shall give consideration to the protection of surrounding areas from potential adverse effects, as well as protection of the property from adverse surrounding influences.*

The property is located within the LR Zone. Other properties located on South Rios Avenue, Palmitas Street and a portion of Rosa Street are also located within the LR Zone and developed with one- and two-story single-family residences. Properties on

the western end of Rosa Street and on South Cedros Avenue are located within the Special Commercial (SC) Zone and developed with retail and office commercial buildings. The project site is currently developed with a two-story, single-family residence.

The project, as designed, is consistent with the permitted uses for the LR Zone as described in SBMC Sections 17.20.010 and 17.12.020. The property is designated Low Density Residential in the General Plan and intended for single-family residences developed at a maximum density of three dwelling units per acre. The proposed development could be found to be consistent with the objectives of the General Plan as it encourages the development and maintenance of healthy residential neighborhoods, the stability of transitional neighborhoods, and the rehabilitation of deteriorated neighborhoods.

The property is not located within any of the City's Specific Plan areas; however, it is located within the boundaries of the Scaled Residential Overlay Zone (SROZ) and within the Coastal Zone. The project has been evaluated, and is found to be in conformance with, the regulations of the SROZ. The Applicants are required to obtain a Coastal Development Permit, Waiver or Exemption from the California Coastal Commission prior to the issuance of a Building Permit.

- b. *Building and Structure Placement: Buildings and structures shall be sited and designed in a manner which visually and functionally enhances their intended use.*

The Applicants propose to construct a new split-level, single-family residence with an attached two-car garage and an attached ADU. Driveway access will be taken from South Rios Avenue along the northern side of the property to the proposed two-car garage located just beyond the front-yard setback line and along the northern interior side-yard setback line. The ADU will be located on the opposite (southern) side of the property along the front-yard setback line and southern interior side-yard setback line. There will be an uncovered entry courtyard located between the garage and ADU. The main level of the principal residence will be attached to the west side of the garage and ADU. The lower level of the principal residence will be located immediately below the main level and would be built into the eastern slope on the property. The lower living area will open up to the lower, rear yard area that will consist of a paved patio, pool and spa, and lawn area.

Other improvements include: a deck off of the west side of the main level of the principal residence (above the lower level) with a spiral staircase to the lower yard area; a roof deck above the northwestern side of the principal residence with a spiral staircase accessing the main-level deck; a paved patio located to the west of the principal residence; a pool, spa, and pool equipment located in the northwestern side of the rear-yard setback area; and a trash enclosure located in the northern side-yard setback and adjacent to the garage.

The 1,338 square-foot main level of the principal residence will consist of a foyer, great room, kitchen, pantry, office, and one bathroom. The main level will access the 498 square-foot, two-car garage. The 370 square-foot ADU will be attached to the main level of the principal residence, but will have separate, exterior access from the courtyard. The main entry to the principal residence will be taken from the entry courtyard. The 1,753 square-foot lower level of the principal residence will include a master suite, two bedrooms, two bathrooms, and a laundry room.

A single-family residence requires two off-street parking spaces. When required spaces are provided in a garage, 200 square feet of floor area is exempted for each required space. Therefore, the project is afforded a 400 square-foot exemption. The total proposed floor area will be 3,559 square feet, which is 34 square feet below the maximum allowable Floor Area for the 9,391 square-foot lot, pursuant to the SROZ regulations. The maximum floor area calculation for this project is as follows:

0.500 for first 6,000 ft ²	3,000 ft ²
0.175 for 6,001 to 15,000 ft ²	593 ft ²
Total Allowable Floor Area:	<u>3,593 ft²</u>

The proposed project, as designed, meets the minimum required setbacks and is below the maximum allowable Floor Area for the property.

- c. *Landscaping: The removal of significant native vegetation shall be minimized. Replacement vegetation and landscaping shall be compatible with the vegetation of the surrounding area. Trees and other large plantings shall not obstruct significant views when installed or at maturity.*

The project is subject to the current water efficient landscaping regulations of SBMC Chapter 17.56. A Landscape Documentation Package is required for new development projects with an aggregate landscape equal to or greater than

500 square feet requiring a building permit, plan check or development review. The Applicants provided a conceptual landscape plan that has been reviewed and recommended for approval by the City's third-party landscape architect. The Applicants shall submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect for conformance with the conceptual plan. In addition, the City's third-party landscape architect shall perform an inspection during the construction phase of the project.

- d. *Roads, Pedestrian Walkways, Parking and Storage Areas: Any development involving more than one building or structure shall provide common access roads and pedestrian walkways. Parking and outside storage areas, where permitted, shall be screened from view, to the extent feasible, by existing topography, by the placement of buildings and structures, or by landscaping and plantings.*

SBMC Section 17.52.040 and the Off-Street Parking Design Manual (OSPDM) require two (2) parking spaces for a single-family residence. SBMC Section 17.20.040(D)(n)(i) specifies that no off-street parking shall be required for an ADU located within one-half mile of a public transit stop. Therefore, due to the proximity of the subject property to public transit, a total of two (2) off-street parking spaces are required for the project. The Applicants will construct an attached, two-car garage in the northeastern corner of the buildable area of the lot. The property will be accessed by a new driveway along the northern side of the property with access off of South Rios Avenue. SBMC Section 17.08.030 indicates that required parking up to 200 square feet per parking space provided in a garage is exempt from the floor area calculation. The garage will provide two parking spaces. Two spaces are required; therefore, 400 square feet of garage area is exempt from the project's floor area calculation.

- e. *Grading: To the extent feasible, natural topography and scenic features of the site shall be retained and incorporated into the proposed development. Any grading or earth-moving operations in connection with the proposed development shall be planned and executed so as to blend with the existing terrain both on and adjacent to the site. Existing exposed or disturbed slopes shall be landscaped with native or naturalized non-native vegetation and existing erosion problems shall be corrected.*

The project includes grading in the amount of 600 cubic yards of cut, 300 cubic yards of fill, and 300 cubic yards of export. The majority of the proposed cut will occur within the building footprint to excavate for the proposed lower level of the principal residence. The grade will be increased in the courtyard and front-yard setback to be at approximately the same elevation as the South Rios Avenue public right-of-way.

- f. *Lighting: Light fixtures for walkways, parking areas, driveways, and other facilities shall be provided in sufficient number and at proper locations to assure safe and convenient nighttime use. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding areas per SBMC 17.60.060 (Exterior Lighting Regulations).*

All new exterior lighting fixtures shall comply with the City-Wide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060). All light fixtures shall be shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities as to be detrimental to the surrounding area.

- g. *Usable Open Space: Recreational facilities proposed within required usable open space shall be located and designed to maintain essential open space values.*

The project consists of the construction of a replacement single-family residence with an attached garage and ADU on a developed residential lot; therefore, usable open space and recreational facilities are neither proposed nor required according to SBMC Section 17.20.040.

- III. *All required permits and approvals including variances, conditional use permits, comprehensive sign plans, and coastal development permits have been obtained prior to or concurrently with the development review permit.*

All required permits, including a Structure Development Permit, are being processed concurrently with the Development Review Permit.

- IV. *If the development project also requires a permit or approval to be issued by a state or federal agency, the city council may conditionally approve the development review permit upon the Applicants obtaining the required permit or approval from the other agency.*

The Applicants shall obtain approval from the California Coastal Commission prior to issuance of Building Permits.

- B. In accordance with Section 17.63.040 (Structure Development Permit) of the Solana Beach Municipal Code, the City Council finds the following:

The proposed structure exceeds 16 feet in height above the existing grade, therefore, the project must comply with all of the View Assessment requirements of SBMC Chapter 17.63 and the Applicants completed the SDP process. A final Story Pole Height Certification was issued by a licensed land surveyor on June 1, 2017, which showed a maximum building height of 24.78 feet and the tallest story pole (SP #17 and #18) certified at 126.78 MSL as measured above the existing grade. Notices to apply for View Assessment were mailed to property owners and occupants within 300 feet of the project site with a deadline to file for View Assessment by July 10, 2017. No applications for View Assessment were received.

The proposed chimney will exceed the 25-foot maximum height limit for the property, which is permissible pursuant to SMBC Section 17.08 (Building Height). The chimney was depicted by two story poles (#12-13), which were certified at 129.09 MSL or 27.09 feet above the adjacent grade.

A height certificate prepared by a licensed land surveyor shall be required prior to the framing inspection certifying that the maximum height of the proposed addition will not exceed 24.78 feet above the proposed grade or 126.78 feet above the Mean Sea Level (MSL), which is the maximum proposed structure height reflected on the approved project plans.

4. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. The Applicants shall pay required Public Facilities Fees, as established by SBMC Section 17.72.020 and Resolution 1987-36.
- II. Building Permit plans must be in substantial conformance with the architectural plans presented to the City Council on August 23, 2017, and located in the project file with a submittal date of August 9, 2017.
- III. Prior to requesting a framing inspection, the Applicants shall be required to submit a height certification, signed by a licensed land surveyor, certifying that the building envelope (which is represented by the story poles) is in conformance with the plans as approved by the City Council on August 23, 2017 and the certified story pole plot plan, and will not exceed 24.78 feet in height from the proposed grade or 126.78 feet above MSL.

- IV. Any proposed onsite fences, walls and retaining walls and any proposed railing located on top, or any combination thereof, shall comply with applicable regulations of SBMC Section 17.20.040 and 17.60.070 (Fences and Walls).
- V. The Applicants shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, Waiver or Exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
- VI. The Applicants shall submit detailed construction landscape drawings that will be reviewed by the City's third-party landscape architect and shall be in substantial conformance with the conceptual plan presented to the City Council on August 23, 2017. In addition, the City's third-party landscape architect will perform a final inspection to verify substantial conformance onsite prior to final occupancy.
- VII. Native or drought tolerant and non-invasive plant materials and water conserving irrigation systems shall be incorporated into any proposed landscaping and compatible with the surrounding area to the extent feasible.
- VIII. Any new exterior lighting fixtures shall be in conformance with the City-Wide Lighting Regulations of SBMC 17.60.060.
- IX. All light fixtures shall be appropriately shielded so that no light or glare is transmitted or reflected in such concentrated quantities or intensities that render them detrimental to the surrounding area.

B. Fire Department Conditions:

- I. OBSTRUCTION OF ROADWAYS DURING CONSTRUCTION: All roadways shall be a minimum of 24 feet in width during construction and maintained free and clear, including the parking of vehicles, in accordance with the California Fire Code and the Fire Department.
- II. ADDRESS NUMBERS: STREET NUMBERS: Approved numbers and/or addresses shall be placed on all new and existing buildings and at appropriate additional locations as to be plainly visible and legible from the street or roadway fronting the property from either direction of approach. Said numbers shall contrast with their background, and shall meet the following minimum standards as to size: 4" high with a ½" inch stroke width for residential buildings, 8" high with a ½" stroke for commercial and multi-family residential buildings, 12" high with a 1" stroke for industrial buildings. Additional numbers shall be required where deemed necessary by the Fire

Marshal, such as rear access doors, building corners, and entrances to commercial centers.

- III. AUTOMATIC FIRE SPRINKLER SYSTEM-ONE AND TWO FAMILY DWELLINGS: Structures shall be protected by an automatic fire sprinkler system designed and installed to the satisfaction of the Fire Department. Plans for the automatic fire sprinkler system shall be approved by the Fire Department prior to installation.
- IV. SMOKE DETECTORS/CARBON MONOXIDE ALARMS/FIRE SPRINKLER SYSTEMS: Smoke detectors/carbon monoxide alarms/fire sprinklers shall be inspected by the Solana Beach Fire Department.
- V. CLASS "A" ROOF: All structures shall be provided with a Class "A" Roof covering to the satisfaction of the Solana Beach Fire Department.

C. Engineering Department Conditions:

- I. Obtain an Encroachment permit in accordance with Chapter 11.20 of the Solana Beach Municipal Code, prior to the construction of any improvements within the public right-of way including, but not limited to, demolition and construction of surface improvements. All proposed improvements within the public right-of-way shall comply with City standards including, but not limited to, the Off-Street Parking Design Manual.
- II. Improvements shall include, but not be limited to, the construction of a G-14 Driveway Approach on South Rios Avenue and the construction of a 19" swale and 10' width of Stabilized, Compacted, Decomposed Granite (D.G.) at 2% maximum cross slope, along South Rios Avenue and Rosa Street as shown on the Preliminary Grading Plan prepared by Rancho Coastal Engineering and Surveying dated 4/13/17, to the satisfaction of the City Engineer.
- III. Construction fencing shall be located on the subject property unless the applicants have obtained an Encroachment Permit in accordance with Chapter 11.20 of the Solana Beach Municipal Code, which allows otherwise.
- IV. The proposed pervious paver driveway approach within the public right-of-way shall be subject to an Encroachment Maintenance Removal Agreement (EMRA).
- V. The Applicants shall record a document holding the City of Solana Beach Harmless in case of sanitary sewer backup into any part of the development due to blockage in the main sewer line and/or in case of storm water entering the property from city streets.

- VI. The Applicants shall dedicate 4' of right-of-way along the property line frontage on South Rios Avenue and Rosa Street prior to Final Inspection.
- VII. All construction demolition materials shall be recycled according to the City's Construction and Demolition recycling program and an approved Waste Management Plan shall be submitted.
- VIII. All new utility services shall be installed underground.

Grading:

- IX. Obtain a Grading Permit in accordance with Chapter 15.40 of the Solana Beach Municipal Code. Conditions prior to the issuance of a grading permit shall include, but not be limited to the following:
 - a. The grading plan shall be prepared by a Registered Civil Engineer and approved by the City Engineer. On-site grading design and construction shall be in accordance with Chapter 15.40 of the Solana Beach Municipal Code.
 - b. A Soils Report shall be prepared by a Registered Soils Engineer and approved by the City Engineer. All necessary measures shall be taken and implemented to assure slope stability, erosion control and soil integrity. The grading plan shall incorporate all recommendations contained in the soils report.
 - c. The Preliminary Grading Plan includes a permeable paver driveway and walkways. Prior to issuance of the occupancy for this project, the Engineer of Record is required to certify the coefficient of runoff and adequacy of the permeability of these surfaces to the satisfaction of the City Engineer. Additionally the project applicant shall record a document on this property that would require maintenance of these surfaces in perpetuity to the satisfaction of the City Engineer.
 - d. All retaining walls and drainage structures shall be shown. Retaining walls shown on the grading plan shall conform to the San Diego Regional Standards or be designed by a licensed civil engineer. Engineering calculations for all designed walls with a surcharge and nonstandard walls shall be submitted at grading plan check. Retaining walls may not exceed the allowable height within the property line setback as determined by the City of Solana Beach Municipal Code. Contact the Community Development department for further information.

- e. The applicant is responsible to protect the adjacent properties during construction. If any grading or other types of construction are anticipated beyond the property lines, the applicant shall obtain a written permission from the adjoining property owners for incidental grading or construction that may occur and submit the letter to the City Engineer prior to the anticipated work.
- f. Pay grading plan check fee in accordance with the current Engineering Fee Schedule at initial grading plan submittal. Inspection fees shall be paid prior to issuance of the grading permit.
- g. Obtain and submit grading security in a form prescribed by the City Engineer.
- h. Obtain haul permit for import / export of soil. The applicant shall transport all excavated material to a legal disposal site.
- i. Submit certification from the Engineer of Record and the Soils Engineer that all public or private drainage facilities and finished grades are functioning and are installed in accordance with the approved plans. This shall be accomplished by the Engineer of record incorporating as-built conditions on the Mylar grading plans and obtaining signatures of the Engineer of Record and the Soils Engineer certifying the as-built conditions.
- j. An Erosion Prevention and Sediment Control Plan shall be prepared. Best management practices shall be developed and implemented to manage storm water and non-storm water discharges from the site at all times during excavation and grading activities. Erosion prevention shall be emphasized as the most important measure for keeping sediment on site during excavation and grading activities. Sediment controls shall be used as a supplement to erosion prevention for keeping sediment on site.
- k. Show all proposed on-site private drainage facilities intended to discharge water run-off. Elements of this design shall include a hydrologic and hydraulic analysis verifying the adequacy of the facilities and identify any easements or structures required to properly convey the drainage. The construction of drainage structures shall comply with the standards set forth by the San Diego Regional Standard Drawings.

I. Post Construction Best Management Practices meeting City and RWQCB Order No. R9-2013-001 requirements shall be implemented in the drainage design.

X. No increased cross lot drainage shall be allowed.

5. ENFORCEMENT

Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.

6. EXPIRATION

The Development Review Permit and Structure Development Permit for the project shall expire 24 months from the date of this Resolution, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council according to SBMC 17.72.110.

7. INDEMNIFICATION AGREEMENT

The Applicants shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicants of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicants shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicants regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicants shall not be required to pay or perform any settlement unless such settlement is approved by the Applicants.

NOTICE TO APPLICANTS: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the

resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 23rd day of August, 2017, by the following vote:

AYES: Councilmembers –

NOES: Councilmembers –

ABSENT: Councilmembers –

ABSTAIN: Councilmembers –

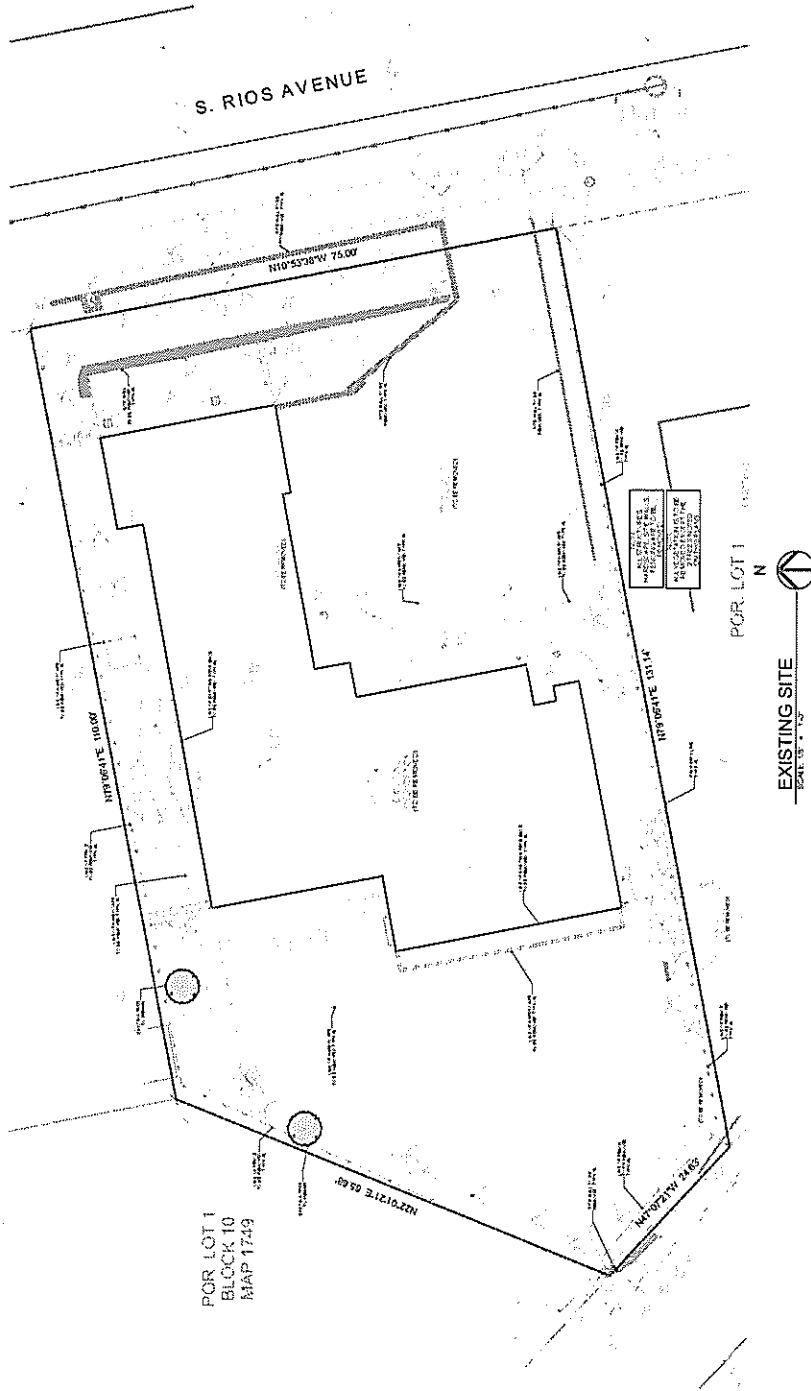
MIKE NICHOLS, Mayor

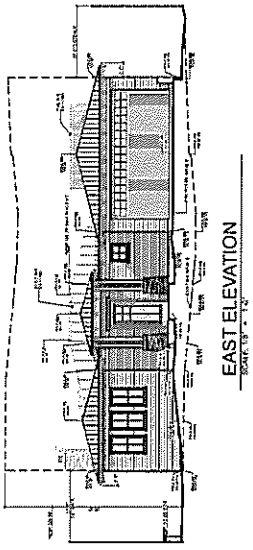
APPROVED AS TO FORM:

ATTEST:

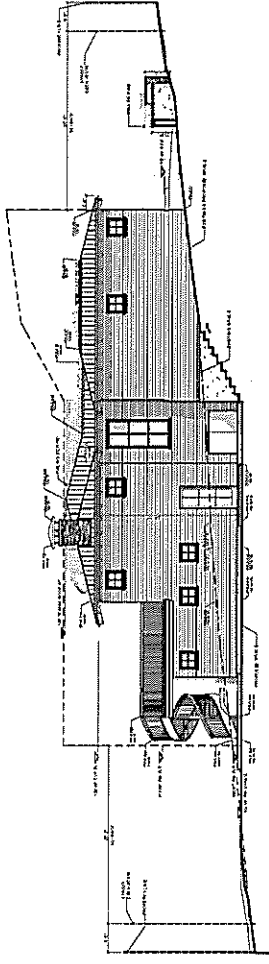
JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

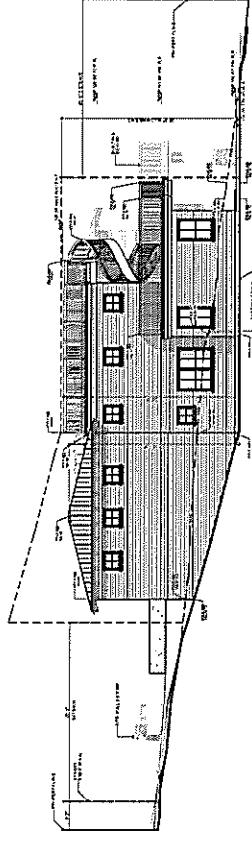




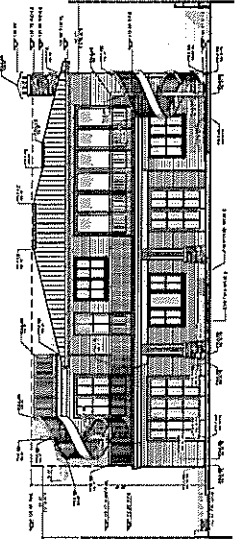
EAST ELEVATION
SCALE: 1/8" = 1'-0"



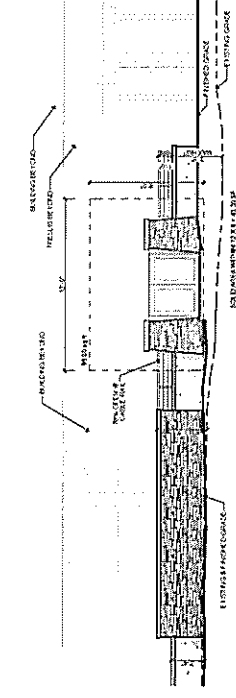
SOUTH ELEVATION
SCALE: 1/8" = 1'-0"



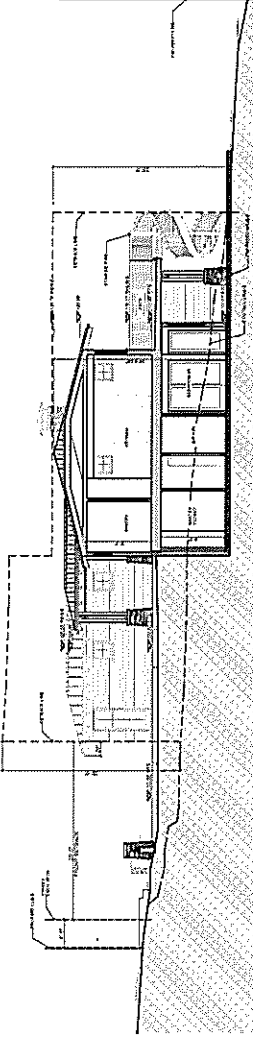
NORTH ELEVATION
SCALE: 1/8" = 1'-0"



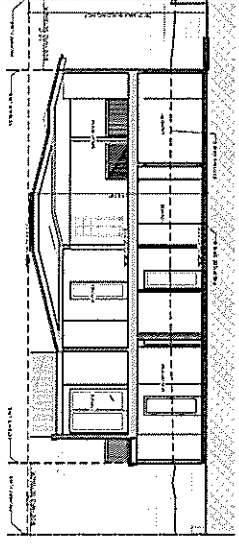
WEST ELEVATION
SCALE: 1/8" = 1'-0"



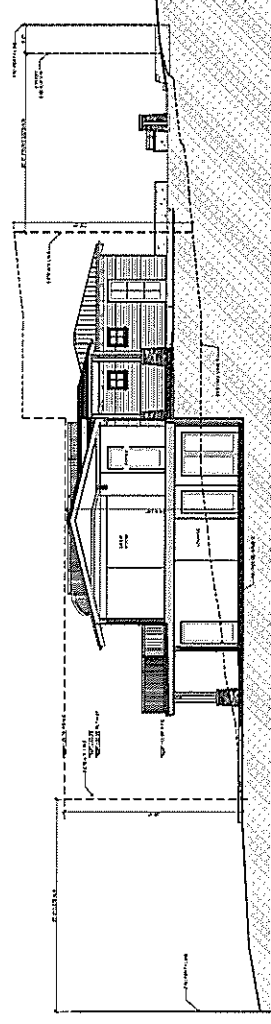
GATE (EAST) ELEVATION
SCALE: 1/8" = 1'-0"



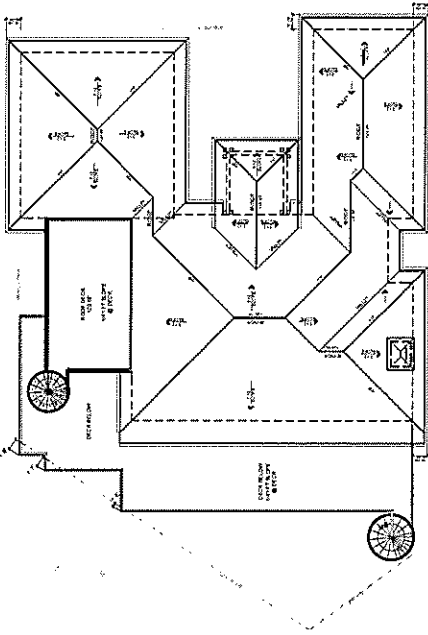
(A) SITE SECTION
SCALE: 1/8" = 1'-0"



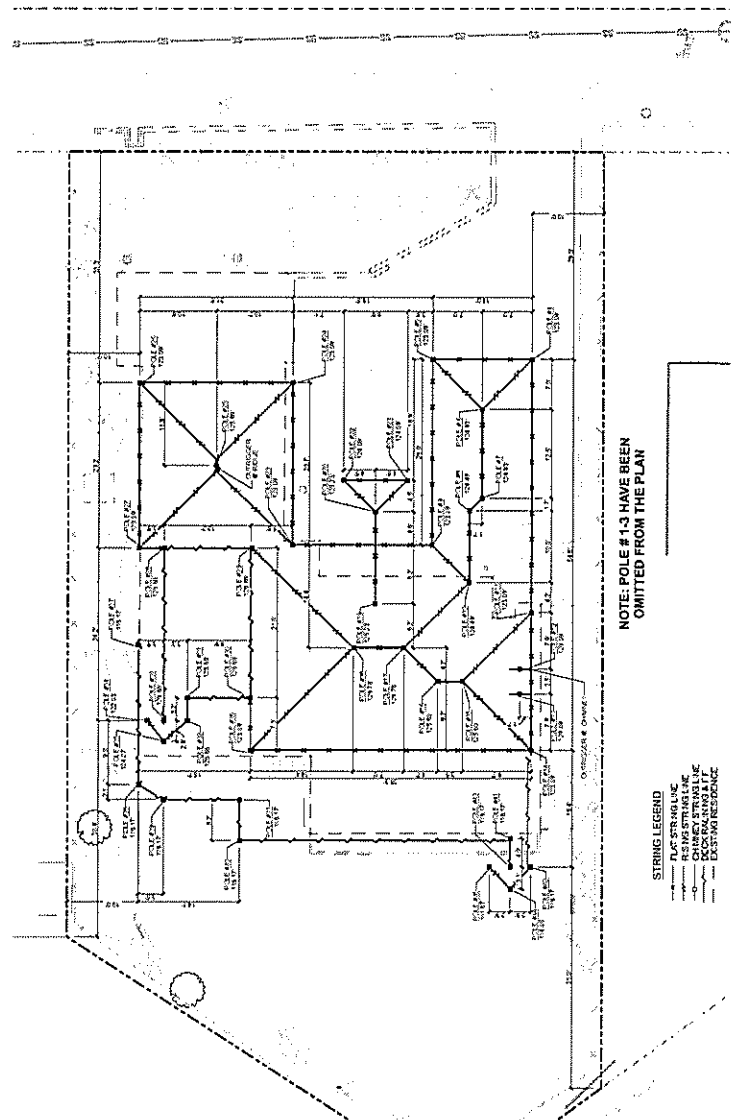
(C) SITE SECTION
SCALE: 1/8" = 1'-0"



(B) SITE SECTION
SCALE: 1/8" = 1'-0"



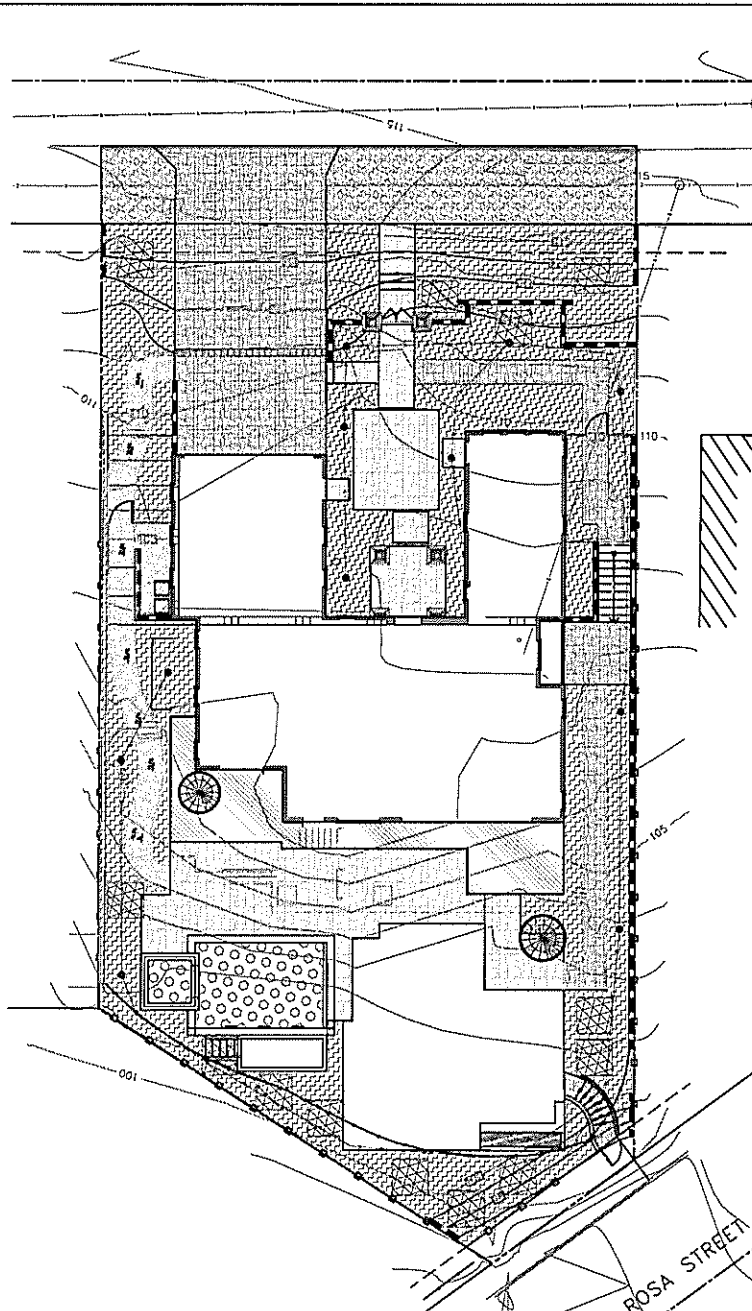
ROOF PLAN
SCALE: 1/8" = 1'-0"



STRING LEGEND
--- FLAG STRING LINE
--- R/S IM STRING LINE
--- R/S EX STRING LINE
--- EXISTING RESIDENCE

NOTE: POLE #1-3 HAVE BEEN OMITTED FROM THE PLAN

Story Pole Plan
SCALE: 1/8" = 1'-0"



- THE TOTAL SHADDED AREA (INCLUDING WATER FOUNTAINS, POOL, AND SPA) IS 3,146.65 SF.
- HYDROZONE 1: DEEP, LOW WATER-USE PLANTING (CLASS SF, 5% OF TOTAL LANDSCAPE AREA)
 - HYDROZONE 2: BAMBUSAS, TREES (362 SF, 8.0% OF TOTAL LANDSCAPE AREA)
 - HYDROZONE 3: UP ROTATORS, MEDIUM WATER-USE PLANTING (804 SF, 21.1% OF TOTAL LANDSCAPE AREA)
 - HYDROZONE 4: POOL AND WATER FEATURE (416 SF, 8.2% OF TOTAL LANDSCAPE AREA)
 - HYDROZONE 5: BIO-RETENTION AREA (722.8 SF, 0.50% OF TOTAL LANDSCAPE AREA)

NOTE:
 CUT SLOPES MORE THAN 5' IN HEIGHT AND ALL SLOPES MORE THAN 3' IN HEIGHT MUST BE STABILIZED WITH REINFORCED STRIP MATING AND PLANTED TO PREVENT EROSION.

POST CONSTRUCTION NOTE:
 ALL SLOPES SHALL BE PLANTED WITH PERMANENT VEGETATION. PLANTINGS SHALL BE MAINTAINED FOR THE FIRST YEAR AFTER INSTALLATION. PLANTINGS SHALL BE MAINTAINED FOR THE FIRST YEAR AFTER INSTALLATION.

Underground Service Alert
 Call: TOLL FREE
 1-800-227-2600

ESTIMATED TOTAL WATER USE (ETWU) WORKSHEET
 The project is estimated to have the following water use characteristics:

ETWU = (ETD)(A)(C) / (E)(F)

ETD = 1.0 (assumes 1.0 gpm per sq ft of floor area)
 A = 4,250 sq ft (total floor area)
 C = 1.0 (assumes 1.0 gpm per sq ft of floor area)
 E = 1.0 (assumes 1.0 gpm per sq ft of floor area)
 F = 1.0 (assumes 1.0 gpm per sq ft of floor area)

Line	Description	Area (sq ft)	ETD (gpm/sq ft)	ETWU (gpm)
1	Living Area	1,200	1.0	1,200
2	Kitchen	800	1.0	800
3	Bathroom	400	1.0	400
4	Bedroom	1,000	1.0	1,000
5	Garage	850	0.5	425
6	Pool	416	1.0	416
7	Spa	416	1.0	416
8	Water Feature	416	1.0	416
9	Planting	3,146.65	0.5	1,573.325
10	TOTAL ETWU			5,247.325

MAXIMUM APPLIED WATER APPLICATION (MAWA) CONTRIBUTION
 MAWA = (ETWU) / (E)(F) = 5,247.325 / (1.0)(1.0) = 5,247.325 gpm



A-1 SECTION OF POOL, WATER FEATURE, AND SPA
 SCALE: 1/4" = 1'-0"



STAFF REPORT CITY OF SOLANA BEACH

TO: Honorable Mayor and City Councilmembers
FROM: Gregory Wade, City Manager
MEETING DATE: August 23, 2017
ORIGINATING DEPT: Community Development Department
SUBJECT: **Public Hearing: Time Extension Request for Conditional Use Permit (CUP) for a New Clay Seam Notch Infill and Maintenance and Repair of Five Existing Sea Cave Infills at 447 S. Sierra Ave. (Case No: 17-15-13) Resolution 2017-129; Applicant: Solana Beach and Tennis Club**

BACKGROUND:

The Applicant, the Solana Beach and Tennis Club, is requesting a 12-month time extension to the Conditional Use Permit (CUP) originally approved on August 25, 2015 for a new clay seam notch infill and to conduct maintenance and repairs on five existing concrete infills located at the base of the lower coastal bluff below 447 South Sierra Avenue. The work would include the removal of protruding seaward concrete edges and additional concrete infilling where undermining and flanking of the existing infills has occurred. The proposed repairs will be constructed out of erodible concrete without steel reinforcement and constructed to have an earth-like appearance which would resemble, as closely as possible, the color and texture of the surrounding bluffs.

The issue before the Council is whether to adopt Resolution 2017-129 (Attachment 1) approving the Applicant's request to formally extend the project approvals as provided under the Solana Beach Municipal Code (SBMC) 17.72.110 for 12 months.

DISCUSSION:

The Solana Beach and Tennis Club consists of several multi-story structures which contain a total of 152 residential condominium units that were constructed in 1973 under the County of San Diego's jurisdiction. In June 1996, the Applicant received the original approval of a Director's Use Permit (DUP) for the plugging/filling of five sea caves to stop the erosion from enlarging and threatening the stability of the coastal bluff. The

COUNCIL ACTION:

California Coastal Commission (CCC) issued a Coastal Development Permit (CDP) for the five sea cave infills in 1996 and they were constructed in 1998.

In 2012, during required monitoring of the sea cave infills, erosion was observed on the side and bottom edge of the concrete infills resulting in concrete edges that protrude beyond the face of the bluff. The Applicant submitted an application for a Development Review Permit (DRP) to perform repair and maintenance on the five existing sea cave infills. In April 2013, the City Council approved Resolution 2013-039 with a vote of 5-0 to allow the Applicant to perform routine maintenance on the five existing concrete infills which included the installation of steel reinforcements and structural shotcrete infill material. When the project was brought before the CCC for approval, the CCC was opposed to allowing high-strength concrete for sea cave and notch infills incorporating steel reinforcement.

It should be noted that at the time of project approval in 2013, the City had adopted the original version of the Local Coastal Plan (LCP) Land Use Plan (LUP). At that time, the preferred method of construction for infill/bluff stabilization was to use high-strength concrete with steel reinforcement known as a dripline infill. When the Applicant submitted their application for CCC approval, CCC staff was strongly opposed to supporting the City's established method of construction.

As recommended by the CCC, in 2014 the City amended the LCP/LUP preferred bluff retention system in Appendix B to include several new shoreline protective device designs including Figure 1A which allows preventative sea cave and notch infills to use erodible concrete in the design. The LUP requires that erodible concrete must exhibit similar erosion characteristics to the surrounding bluff and do not include steel reinforcement. The Applicant revised their plans to comply with the CCC required changes as well as the City's amended LUP, and the Applicant met with City Staff to determine if the project would be found in substantial conformance with the 2013 approval. Staff determined that, because of the proposed modifications and the inclusion of a new infill that was not included in the 2013 City approval, the project required City Council approval of a CUP.

The Applicant submitted the new CUP for a new clay seam notch infill and to conduct maintenance and repairs on five existing concrete infills. The plans for the project are attached (Attachment 2). The CUP was approved with the adoption of Resolution 2015-094 on August 25, 2015. The Applicant brought the revised project back to the CCC for approval and, on January 12, 2016, the CCC denied the project due to concerns that the erodible concrete had not been tested adequately to conclude that it would erode at the same rate as the natural bluff.

The approval under Resolution 2015-094 will expire on August 25, 2017 (Attachment 3). In accordance with SBMC Section 17.72.110, the Applicant applied for the extension on June 8, 2017. SBMC Section 17.72.110(B)(1) indicates that:

One or more (but not more than a total of four) extensions may be granted not exceeding a cumulative total of 24 months after the date the original approval of the project expires. The duration of an extension shall be in an increment of 30 days. The minimum duration of an extension shall be six months. The maximum duration of an extension shall not be more than 12 months. The duration of an extension shall be determined at the discretion of the issuing authority.

The Applicant is requesting to extend the expiration by 12 months to August 25, 2018. The extension would allow the Applicant sufficient time to meet conditions of the approval, including obtaining authorization from the CCC and the associated grading permits required by the City. A memorandum from the Applicant's representative, which provides the request for a CUP extension as well as the Applicant's proposed timeline summarizing how they will use the 12 month extension period to obtain the required permits and commence construction, is included in Attachment 4.

SBMC Section 17.72.110 establishes that Council action is required to review and act on a request for an extension of a CUP when Council was the original approving body. The Council may extend the approval of a project if they are able to make the seven (7) required findings, which are as follows:

- 1. The applicant has presented facts which establish that the applicant has timely and diligently pursued issuance of a building permit during the 24 month period following the issuance of the original approval for the project (or the different period set forth as a condition of approval of the project) or during the then current extension period;*
- 2. Circumstances beyond the applicant's control have intervened and prevented the applicant from obtaining the issuance of a building permit for the project prior to expiration of the 24 month period (or the expiration date established as a condition of the approval) or during the then current extension period;*
- 3. The application for the extension sets forth a reasonable and substantial factual basis for issuance of the extension;*
- 4. There is a substantial factual basis to determine that the applicant will be able to perform the actions necessary to obtain issuance of a building permit prior to expiration of the requested extension;*
- 5. The duration of the extension requested by the applicant is not longer than is reasonably necessary to perform the actions necessary to obtain the issuance of a building permit;*
- 6. There have not been any significant changes in the general plan, applicable specific plan, if any, zoning, or character of the area within which the project*

is located that would cause the approved project to become inconsistent, incompatible, or nonconforming therewith; and

7. *The granting of an extension shall not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.*

If the Council can make the required findings to approve a time extension, the Applicant will complete all of the City of Solana Beach conditions required to obtain CCC authorization and begin construction.

There have not been any substantial changes to the General Plan, Zoning Ordinance or character of the area that would make the previously approved project incompatible or nonconforming. There is also no indication that the project would be detrimental to the public health, safety or welfare of the properties within the surrounding area. The delay in this matter is the result of the project denial by the CCC.

Should the Council approve the extension, the Applicant will be required to comply with the conditions of the project approval from Resolution 2015-094 (Attachment 3) and commence construction no later than August 25, 2018. Should the request for an extension of the project be denied, a new application would then be required for the project.

The draft Resolution of Approval has been prepared by Staff for the consideration of the Council. The draft Resolution is based upon the information provided in this report. The Council may direct Staff to modify Resolution 2017-129 to reflect the findings and conditions it deems appropriate as a part of the public hearing process. In the alternative, if Council determines the request is to be denied, Staff will prepare a Resolution of Denial for an action to be taken at a subsequent Council meeting.

Notices of a public hearing for this project were mailed to property owners and occupants within 300 feet of the project site more than 10 days prior to the Council date. As of the date of preparation of this Staff Report, no phone calls, letters, or emails have been received by Staff in regard to the extension request.

CEQA COMPLIANCE STATEMENT:

Time Extensions are not a project as defined by CEQA. The original project was found exempt pursuant to the 2015 State of California CEQA Guidelines Sections 15301(d) and 15304(c).

FISCAL IMPACT: N/A

WORK PLAN: N/A

OPTIONS:

- Approve the requested time extension and minor modifications.
- Deny the request for a time extension and minor modifications.
- Provide direction to Staff.

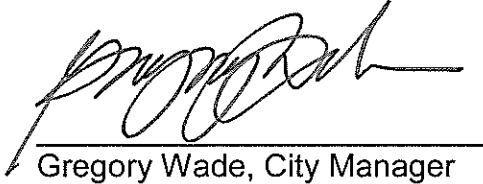
DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council:

1. Conduct the Public Hearing: Open the public hearing, Report Council disclosures, Receive public testimony, Close the public hearing.
2. If the Council can make the required findings, adopt Resolution 2017-129, approving the request for a Time Extension for approvals and entitlements in Case No. 17-15-13 and setting the expiration date on August 25, 2018.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation



Gregory Wade, City Manager

Attachments:

1. Resolution 2017-129
2. Project Plans
3. Resolution 2015-094
4. Applicant's Extension Request/Timeline

RESOLUTION 2017-129

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A TIME EXTENSION TO A PREVIOUSLY APPROVED CONDITIONAL USE PERMIT FOR MAINTENANCE AND REPAIR OF FIVE EXISTING SEA CAVE INFILLS AND A NEW CLAY SEAM NOTCH INFILL AT 447 S. SIERRA AVENUE IN SOLANA BEACH

APPLICANT: Solana Beach and Tennis Club HOA
CASE NO.: 17-15-13 CUP Time Extension

WHEREAS, the Solana Beach and Tennis Club Homeowners Association (hereinafter referred to as "Applicant") has submitted a request for a time extension of the approved Conditional Use Permit (CUP) for the maintenance and repair of five existing sea cave infills and a new clay seam notch infill on the coastal bluff below the Solana Beach and Tennis Club condominium subdivision, pursuant to Title 17 (Zoning), of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the City Council adopted Resolution 2015-094 approving the project at the regularly scheduled August 25, 2015 City Council meeting; and

WHEREAS, the Applicant has requested a 12-month extension of the project approval; and

WHEREAS, on August 23, 2017, the City Council held a duly noticed Public Hearing to consider the time extension request and minor modifications; and

WHEREAS, the Public Hearing was conducted pursuant to the provisions of SBMC 17.72.030 of the Solana Beach Zoning Ordinance; and

WHEREAS, at the Public Hearing, the City Council received and considered evidence concerning the request for a Time Extension; and

WHEREAS, the City Council of the City of Solana Beach found that a Time Extension Request is not a project according to the State California Environmental Quality Act (CEQA) Guidelines; however, the City Council found that the original project was found exempt pursuant to the 20155 State of California CEQA Guidelines Sections 15301(d) and 15304(c); and

WHEREAS, this decision is based upon the evidence presented at the hearing, and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.

2. That the request for a time extension of the approved Conditional Use Permit (CUP) for the maintenance and repair of five existing sea cave infills and a new clay seam notch infill on the coastal bluff below the Solana Beach and Tennis Club condominium subdivision at 477 S. Sierra Avenue setting the new expiration date for August 25, 2018 is conditionally approved based on the following Findings and on all terms and conditions of Resolution 2015-094, which are in effect along with the Time Extension:

3. FINDINGS:

- A. In accordance with Section 17.72.110 (Lapse of Approval and Extensions) of the City of Solana Beach Municipal Code, the City Council finds the following:

- I. *The Applicant has presented facts which establish that the Applicant has timely and diligently pursued issuance of a building permit during the 24-month period following the issuance of the original approval for the project;*
- II. *Circumstances beyond the Applicant's control have intervened and prevented the Applicant from obtaining the issuance of a building permit for the project prior to expiration of the 24-month period following the issuance of the original approval for the project;*
- III. *The application for the extension sets forth a reasonable and substantial factual basis for issuance of the time extension;*
- IV. *There is a substantial factual basis to determine that the Applicant will be able to perform the actions necessary to obtain issuance of a building permit prior to expiration of the requested extension;*
- V. *The duration of the time extension requested by the Applicant is not longer than is reasonably necessary to perform the actions necessary to obtain the issuance of a building permit;*
- VI. *There have not been any significant changes in the general plan, applicable specific plan, if any, zoning, or character of the area within which the project is located that would cause the approved project to become inconsistent, incompatible, or nonconforming therewith; and*
- VII. *The granting of an extension shall not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.*

4. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicants shall provide for and adhere to the conditions of the original project

approval of Resolution 2015-094.

5. ENFORCEMENT: Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.16 and 1.18 in addition to any applicable revocation proceedings.
6. EXPIRATION: The Conditional Use Permit for the project will expire 12 months from the date of adoption of this resolution, unless the Applicants have obtained building permits and have commenced construction prior to that date, and diligently pursued construction to completion. No additional extensions of the application may be granted by the City Council.
7. INDEMNIFICATION AGREEMENT: The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify the Applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, the Applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Applicant shall not be required to pay or perform any settlement unless such settlement is approved by the Applicant.

NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this Resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this Resolution you must comply with the provisions of Government Code Section 66020. Generally the Resolution is effective upon expiration of the tenth day following the date of adoption of this Resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Solana Beach, California, held on the 23rd day of August 2017, by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSENT: Councilmembers –
ABSTAIN: Councilmembers –

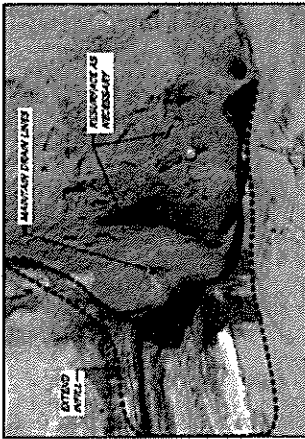
MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

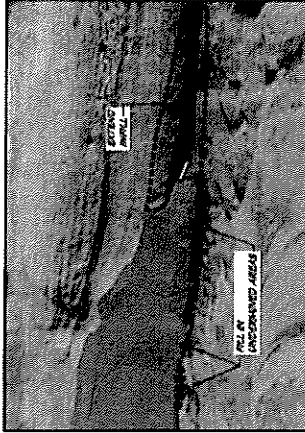
ATTEST:

JOHANNA N. CANLAS, City Attorney

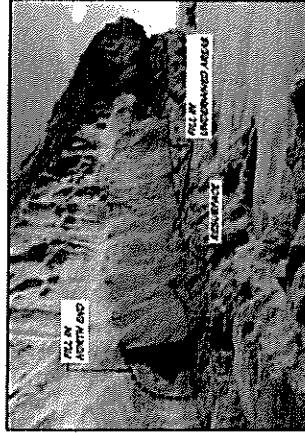
ANGELA IVEY, City Clerk



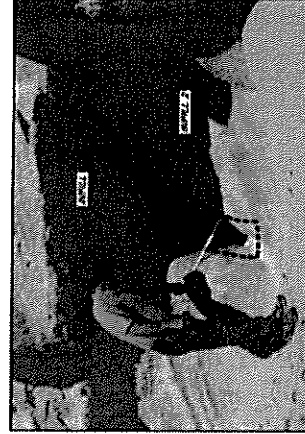
INFILL 1 - NORTH END
 NOT TO SCALE
 PHOTO DATE: 04-2-2005



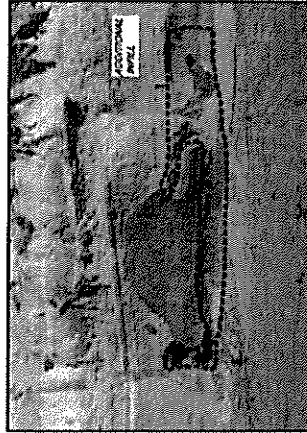
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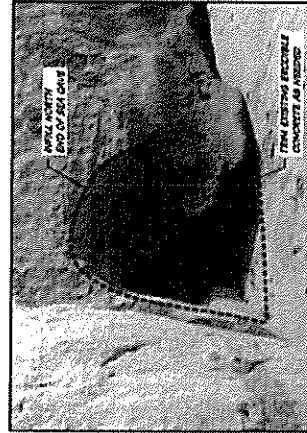
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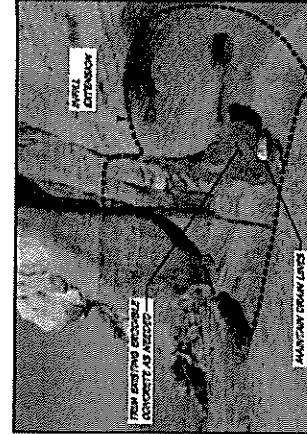
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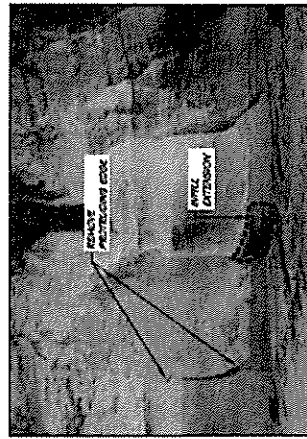
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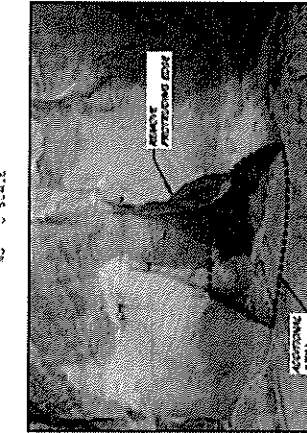
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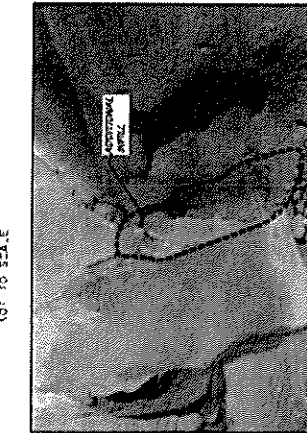
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 NOT TO SCALE
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INFILL 4
 NOT TO SCALE
 COASTAL COMMISSION PERMIT NO. 6-96-102-41
 PHOTO DATE: 04-2-2005

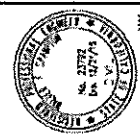


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 PHOTO DATE: 04-2-2005



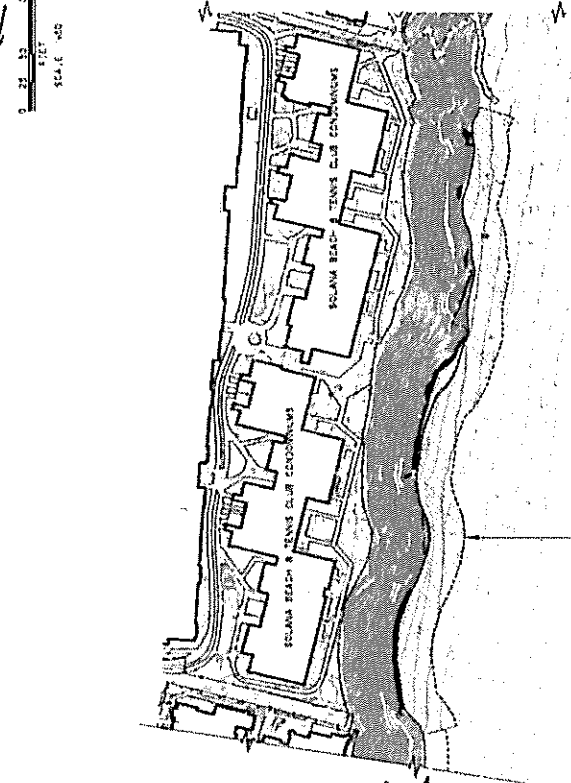
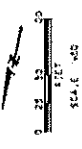
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 PHOTO DATE: 04-2-2005

PROPOSED INFILL 6
 SEE SHEET 5

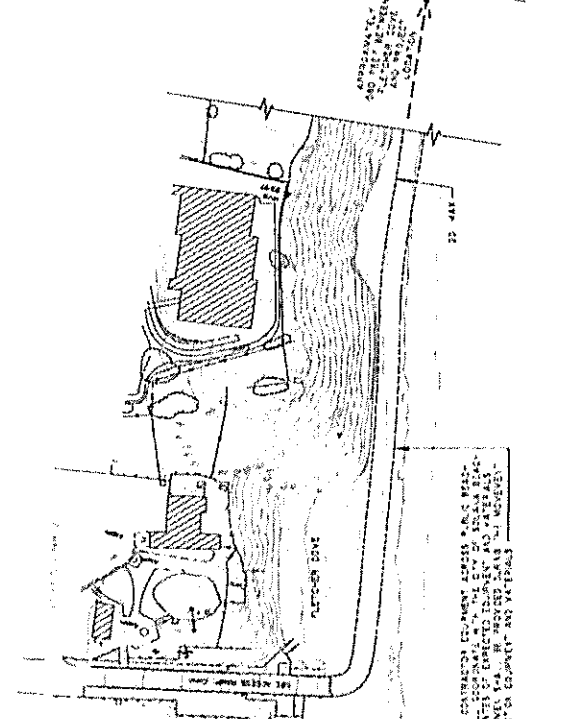


TERRACOSTA CONSULTING GROUP
 ENGINEERS & GEOLOGISTS
 3851 W. PALM BEACH BLVD. SUITE 200
 PALM BEACH, FLORIDA 33411-3900

CITY OF SOLANA BEACH ENGINEERING DEPARTMENT PHOTO MONITORING OF SOLANA BEACH & TENNIS CLUB NOTCH INFILL MAINTENANCE & CONSTRUCTION SHEET NO. SBOR- PAGE 3 OF 7	
APPROVED FOR CONSTRUCTION By: [Signature] Date: [Date]	REVIEWED FOR MINOR By: [Signature] Date: [Date]
APPROVED FOR MINOR By: [Signature] Date: [Date]	APPROVED FOR CONSTRUCTION By: [Signature] Date: [Date]
ENGINEER'S WORK By: [Signature] Date: [Date]	APPROVED CHANGES APPROVED FOR MINOR APPROVED FOR CONSTRUCTION APPROVED FOR CONSTRUCTION
COASTAL COMMISSION PERMIT NO. 6-96-102-41 DATE: 11/17/04	DATE: 11/17/04



NO WORK SHALL BE DONE IN THE NOTCH AREA UNTIL THE NOTCH WALL IS COMPLETED. ALL ACCESS SHALL BE PROVIDED EAST OF THE NOTCH.



SITE ACCESS FOR CONSTRUCTION EQUIPMENT, ACCESS TO MATERIALS, AND MAINTENANCE ACCESS TO ALL AREAS SHALL BE PROVIDED AT ALL TIMES. VEHICLES AND PUBLIC AREAS SHALL BE KEPT CLEAR OF ALL CONSTRUCTION EQUIPMENT AND MATERIALS.

SITE ACCESS & STAGING AREA NOTES

1. CONSTRUCTION SHALL MAINTAIN ACCESS TO ALL AREAS, SIDEWALKS, DRIVEWAYS AND PUBLIC AREAS AT ALL TIMES.
2. CONSTRUCTION SHALL MAINTAIN ACCESS TO THE SANDY BEACH AREA SHALL BE RESTRICTED TO PUBLIC ACCESS.
3. SITE ACCESS IS AVAILABLE APPROXIMATELY 100 FEET TO THE SOUTH OF LOT 100 REGARDING CONSTRUCTION EQUIPMENT AND SITE ACCESS.
4. ACCESS CORRIDORS SHALL BE LOCATED IN A MANNER THAT HAS THE LEAST IMPACT ON PUBLIC ACCESS TO AND ALONG THE SHORELINE.
5. TO OVERSEE STORAGE OF EQUIPMENT OR MATERIALS SHALL OCCUR ON SANDY BEACH OR IN PARKING SPACES AT LOT 100. THE CONSTRUCTION MATERIALS SHALL BE STORED IN A MANNER THAT DOES NOT OBSTRUCT THE DRIVEWAY, WALKWAY AND SIDEWALK. IN ADDITION, MATERIALS SHALL BE STORED IN A MANNER THAT DOES NOT OBSTRUCT THE DRIVEWAY FOR CONSTRUCTION EQUIPMENT TO BE MOVED TO THE BEACH OR IN THE LOT 100 DRIVE PARKING OR ON ACCESS ROAD.
6. NO WORK SHALL BE DONE ON THE BEACH OR IN AREAS WITHIN 50 FEET OF THE BEACH UNLESS THE BEACH IS OPEN TO THE PUBLIC.
7. THE STAGING SITE SHALL BE RESTORED AND/OR RESTORED IMMEDIATELY FOLLOWING COMPLETION OF THE DEVELOPMENT.

SITE SAFETY
 THE CONTRACTOR IS ADVISED THAT THE OWNER SHALL BE CONSIDERED A HAZARDOUS MATERIALS AND SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PUBLIC AND THE ENVIRONMENT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PUBLIC AND THE ENVIRONMENT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF THE PUBLIC AND THE ENVIRONMENT.



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 (619) 571-8800

COASTAL COMMISSION PERMIT NO. 6-95-102-41		ENGINEER OF WORK		CITY APPROVED CHANGES		APPROVED FOR CONSTRUCTION		CITY OF SOLANA BEACH		CONTRACT NUMBER	
ISSUED TO: THE CONTRACTOR		DATE: 11/13/17		BY: [Signature]		DATE: 11/13/17		PROJECT NAME: SOLANA BEACH TENNIS CLUB		PROJECT NUMBER: SBGR-17-001	
PROJECT NAME: SOLANA BEACH TENNIS CLUB		PROJECT NUMBER: SBGR-17-001		PROJECT LOCATION: SOLANA BEACH, CALIFORNIA		PROJECT DESCRIPTION: NOTCH WALL MAINTENANCE & CONSTRUCTION		PROJECT OWNER: CITY OF SOLANA BEACH		PROJECT DATE: 11/13/17	
PROJECT OWNER: CITY OF SOLANA BEACH		PROJECT DATE: 11/13/17		PROJECT LOCATION: SOLANA BEACH, CALIFORNIA		PROJECT DESCRIPTION: NOTCH WALL MAINTENANCE & CONSTRUCTION		PROJECT NUMBER: SBGR-17-001		PROJECT STATUS: IN PROGRESS	

RESOLUTION 2015-094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH, CALIFORNIA, CONDITIONALLY APPROVING A CONDITIONAL USE PERMIT FOR MAINTENANCE AND REPAIR OF FIVE EXISTING CONCRETE INFILLS AND ONE NEW NOTCH INFILL LOCATED AT THE BASE OF THE LOWER COASTAL BLUFF BELOW 447 S. SIERRA AVENUE.

**APPLICANT: Solana Beach and Tennis Club
CASE NO.: 17-15-13 CUP**

WHEREAS, the Solana Beach and Tennis Club (hereinafter referred to as "Applicant") has submitted an application for a Conditional Use Permit (CUP) pursuant to Title 17 (Zoning) of the Solana Beach Municipal Code (SBMC); and

WHEREAS, the City Council adopted Resolution 2013-039 approving a Development Review Permit for the maintenance of five seacave infills and the California Coastal Commission was opposed to the project design; and

WHEREAS, the City Council adopted the Amended Local Coastal Plan (LCP) and Land Use Plan (LUP) in June 2014 modifying the design of proposed bluff retention systems for Seacave/Notch Infills; and

WHEREAS, the Applicant revised the proposed project and included a new notch infill to the proposed maintenance of the five existing seacave infills to be in compliance with the preferred bluff retention systems and policies of the LCP LUP, and

WHEREAS, a Geotechnical Investigation Notch Infill Maintenance Report prepared by TerraCosta Consulting Group on March 9, 2010 and revised on April 27, 2012 and March 17, 2015 which has been reviewed and confirmed by Geopacifica Geotechnical Consultants (Geopacifica), the City's third party independent geotechnical consultant, in a final revision dated June 18, 2015, entitled *Third Party Review of Geotechnical Reports and Repair Plan, Solana Beach and Tennis Club 447 South Sierra Avenue, Solana Beach, CA*, indicating that maintenance and repair of the existing seawall at the property is required; and

WHEREAS, at the duly noticed public hearing held on August 25, 2015, the City Council received and considered evidence concerning the proposed application as received; and

WHEREAS, the public hearing was conducted pursuant to the provisions of Solana Beach Municipal Code Section 17.72.030; and

WHEREAS, the City Council of the City of Solana Beach found the application request exempt from the California Environmental Quality Act pursuant to State CEQA guidelines sections 15301(d) and 15304(c); and

WHEREAS, the proposed Coastal Structure will be designed and constructed with erodible concrete that exhibits similar erosion characteristics to the surrounding bluff and will not include steel reinforcement; and

WHEREAS, this decision is based upon the evidence contained in the subject application, testimony of Geopacifica, evidence presented at the hearing and any information the City Council gathered by viewing the site and the area as disclosed at the hearing.

NOW THEREFORE, the City Council of the City of Solana Beach, California, does resolve as follows:

1. That the foregoing recitations are true and correct.
2. That the project is categorically exempt from the requirements of CEQA pursuant to 2013 State California CEQA Guidelines 15301(d) and 15304(c).
3. That the request for a Conditional Use Permit for the maintenance and repair of five existing concrete infills and one new clay seam notch infill located at the base of the lower coastal bluff below 447 S. Sierra Avenue is conditionally approved based upon the following Findings and subject to the following Conditions:

4. FINDINGS

A. In accordance with Section 17.62.100 (Permits to Plug or Fill Seacaves) of the City of Solana Beach Municipal Code and the findings of the Local Coastal Plan and Land Use Plan Policies, the City Council finds the following:

- 1. According to SBMC 17.62.100, a special use permit for the plugging or filling of a seacave may be issued only if the City Council on appeal finds:*

A. Plugging or filling a seacave is:

- 1. A necessary preventative measure to stop erosion from enlarging the cave, crack, fissure, joint, or fault which if enlarged would eventually threaten the stability of the bluff; or*
- 2. Necessary to protect structures on top of the bluff threatened by the collapse of a cave large enough to impair bluff stability; or*
- 3. Necessary to eliminate an actual public nuisance including, without limitation, an attractive nuisance.*

B. The plug is designed with a "leaner" cement mix on the external facade and a "stronger/greater" mix internally to facilitate plug erosion to match

the rate of natural erosion of the adjacent coastal bluff. The external facade will resemble as closely as possible the natural color and texture of the adjacent bluffs and be of sufficient depth to replicate the retreat of the adjacent bluff due to weathering anticipated to be experienced over the next 75 years.

C. The project as approved or conditionally approved will not adversely affect adjacent public or private property and will not unreasonably affect the public use of the beach.

II. Policy 4.48: A Seacave/Notch Infill shall be approved only if all the findings set forth below can be made and the stated criteria satisfied.

(a) Based upon the advice and recommendation of a licensed Geotechnical or Civil Engineer, the City makes the findings set forth below:

(1) The Seacave/Notch Infill is more likely than not to delay the need for a larger coastal structure or upper bluff retention structure, that would, in the foreseeable future, be necessary to protect an existing principal structure, City facility, and/or City infrastructure, from danger of erosion. Taking into consideration any applicable conditions of previous permit approvals for development at the site, a determination must be made based on a detailed alternatives analysis that none of the following alternatives to the coastal structure are currently feasible, including:

• Controls of surface water and site drainage;

• A smaller coastal structure; or

• Other non-beach and bluff face stabilizing measures, taking into account impacts on the near and long term integrity and appearance of the natural bluff face, and contiguous bluff properties; and,

(2) The bluff property owner did not create the necessity for the Seacave/Notch Infill by unreasonably failing to implement generally accepted erosion and drainage control measures, such as reasonable management of surface drainage, plantings and irrigation, or by otherwise unreasonably acting or failing to act with respect to the bluff property. In determining whether or not the bluff property owner's actions were "reasonable," the City shall take into account whether or not the bluff property owner acted intentionally, with or without knowledge, and shall consider all other relevant credible scientific evidence as well as relevant facts and circumstances.

(3) *The location, size, design and operational characteristics of the proposed Seacave/Notch Infill will not create a significant adverse effect on adjacent public or private property, natural resources, or public use of, or access to, the beach, beyond the environmental impact typically associated with a similar bluff retention device and the Seacave/Notch Infill is the minimum size necessary to protect the principal structure, has been designed to minimize all environmental impacts, and provides mitigation for all coastal and environmental impacts as provided for in this LCP.*

(b) *The Seacave/Notch Infill shall be designed and constructed:*

- (1) *To avoid migration of the Seacave/Notch Infill onto the beach;*
- (2) *To be re-contoured to the face of the bluff, as needed, on a routine basis, through a CDP or exemption, to ensure the Seacave/Notch Infill conforms to the face of the adjoining natural bluff over time, and continues to meet all relevant aesthetic, and structural criteria established by the City;*
- (3) *To serve its primary purpose which is to delay the need for a larger coastal structure, and designed to be removable, to the extent feasible, provided all other requirements under the LCP are satisfied; and,*
- (4) *To satisfy all other relevant LCP and City Design Standards, set forth for Bluff Retention Devices.*

III. *Policy 4.60: Existing bluff retention devices which are not considered preferred bluff retention solutions and do not conform to the provisions of the LCP, including the structural or aesthetic requirements may be repaired and maintained to the extent that such repairs and/or maintenance conform to the provisions of the LCP.*

The infill maintenance and construction project has been reviewed and has been found to be designed consistent with LUP, Appendix B, Figure 1A. Based on a review of the geotechnical report (Terra Costa, March 17, 2015), the existing bluff top structures are not in imminent danger as the Factors of Safety onsite have been determined by Terra Costa to be above 1.5. Therefore, as this proposed project design is the minimum design solution in the LUP, an alternatives analysis is not required at this time.

The proposed bluff stabilization has been designed to address sea caves and undercut portions of the lower dense sandstone bluff where the clean sand lens is not yet exposed. If left uncorrected, the sea cave/undercut may eventually lead to block failures of the lower sandstone, exposure of the clean sand lens and landward bluff retreat. This failure exposes the clean sand lens

of the upper bluff terrace deposits triggering rapid erosion and landward retreat of the upper bluff, which eventually endangers the structures at the top of the bluff. If treated at this stage, the Bluff Retention Device will minimize the need for a future higher seawall and future upper bluff repair. This alternative is not designed as a structural wall, is not reinforced, does not include tiebacks, and uses only erodible concrete which shall erode at the same erosion rate as the surrounding natural bluff material. The infill is required to maintain a textured and colored face mimicking the existing bluff material. Erodible concrete sea cave/notch infills are designed to erode with the natural bluff and, when maintained to do so, are not subject to the sand supply mitigation, public access and recreation mitigation, encroachment/removal agreement, or authorization timeline policies of the LUP.

The City's geotechnical engineering consultant, James Knowlton of Geopacifica, has reviewed the proposed plans, visited the site and reviewed the Geotechnical Investigation, Notch infill Maintenance Report revised on March 17, 2015 and provided by the Applicant. Mr. Knowlton has indicated that based on his review of all of the submitted documents, it is his opinion that the subject application and reports are consistent with current approved repairs within the City of Solana Beach and are necessary to protect the existing structures. Mr. Knowlton also indicates in his report that the geotechnical and structural repairs shown on the repair plans for the site meet the current requirements of the City of Solana Beach for geotechnical and structural repairs and are approved by him.

5. CONDITIONS

Prior to use or development of the property in reliance on this permit, the Applicant shall provide for and adhere to the following conditions:

A. Community Development Department Conditions:

- I. Building Permit plans must be in substantial conformance with the plans presented to the City Council on August 25, 2015 and located in the project file with a submittal date of April 20, 2015.
- II. The Applicant shall obtain required California Coastal Commission (CCC) approval of a Coastal Development Permit, waiver or exemption as determined necessary by the CCC, prior to the issuance of a grading or building permit.
- III. The repairs to will be constructed and maintained to incorporate an earth-like appearance, which will resemble, as closely as possible, the color and texture of the surrounding bluffs.
- IV. Any new exterior lighting fixtures shall be in conformance with the

Citywide Lighting Regulations of the Zoning Ordinance (SBMC 17.60.060).

- V. The Applicant shall remove or cap any permanent irrigation system within 100 feet of the bluff edge in connection with issuance of discretionary permits for new development, redevelopment, or shoreline protection, or bluff erosion, unless the bluff property owner demonstrates to the satisfaction of the Public Works Director, or the CCC if the project is appealed, that such irrigation has no material impact on bluff erosion (e.g., watering hanging plants over hardscape which drains to the street).
- VI. All storm water drain systems that currently drain or previously drained towards the west over the bluff shall be capped. These systems should be redesigned to drain directly, or through a sump system, and then pumped to the street in compliance with SWP 2007-0001 and consistent with SUSMP requirements.
- VII. Any bluff retention device shall be reasonably maintained and repaired by the bluff property owner on an "as needed" basis, at the bluff property owner's expense, in accordance with the implementing ordinances and any permit issued by the City. Any authorized assessing entity in which the project lies shall ensure such payments are reimbursed to the City if the bluff property owner fails to perform such work and the City elects to do so, subject to mandatory reimbursement. However, in all cases, after inspection, it is apparent that repair and maintenance is necessary, including maintenance of the color of the structures to ensure a continued match with the surrounding native bluffs, the bluff property owner or assessing entity shall contact the City or CCC office to determine whether permits are necessary, and, if necessary, shall subsequently apply for a coastal development permit for the required maintenance.
- VIII. No stockpiling of dirt or construction materials shall occur on the beach.
- IX. All grading shall be properly covered and sandbags and/or ditches shall be used to prevent runoff and siltation.
- X. Measures to control erosion shall be implemented at the end of each day's work.
- XI. No machinery shall be allowed in the intertidal zone at any time to the extent feasible.
- XII. All construction debris shall be properly collected and removed from the beach. Shotcrete/concrete shall be contained through the use of

tarps or similar barriers that completely enclose the application area and that prevent shotcrete/concrete contact with beach sands and/or coastal waters.

- B. Engineering Department Conditions: Prior to obtaining any building or grading permits pursuant to this colored concrete seacave infill maintenance project, the Applicant shall:
- I. Prepare, execute and record a declaration of restrictions on real property approved by the City Attorney whereby the Applicant or the Applicant's successors in interest to the property will construct and maintain the shoreline defense structure in accordance with Conditions of this approval.
 - II. Execute a waiver of all claims against the City of Solana Beach for future liability or damage resulting from permission to build as granted under this permit. Said waiver shall be acknowledged and recorded in the office of the County Recorder.
 - III. Obtain required California Coastal Commission Permits prior to the issuance of any structure and grading permits or present evidence that an emergency waiver has been granted.
 - IV. Obtain any other permits or emergency waivers, which may be required from State and Federal agencies including the State Lands Commission and the U.S. Army Corps of Engineers.
 - V. The project shall be designed and shall provide appropriate data to confirm the submitted design to the satisfaction of the City Engineer. This shall include, but is not limited to, a geotechnical report.
 - VI. The property owners shall post securities to guarantee proper care and use of the Fletcher Cove Beach Access Ramp. No construction materials to be off-loaded on the ramp or at the end of the ramp. No washing off equipment shall occur unless a containment system is properly utilized.
 - VII. For all projects on which equipment is driven on the Fletcher Cove Beach Access Ramp, the access ramp and adjacent parking lot must be swept daily to remove sand that has been tracked onto the ramp and parking lot. At least once a week, the access ramp and parking lot must be swept with a street sweeper that is capable of cleaning the streets and parking lots of paper, glass, dirt, silt, sand, rocks, litter and miscellaneous debris. The street sweeper shall be equipped with dual gutter brooms, and vacuum equipment may be used. If any sand is traced outside the parking lot, these areas (including City streets) must also be cleaned weekly with a street sweeper.

- VIII. The property owners shall pay all inspection and plan check fees as required by the City.
- IX. Plans and specifications for the project shall be approved by the City Engineer in addition to approvals from the Community Development Director as may be required, and shall subsequently conform to the plans submitted by the Applicant. All bluff stabilization devices shall produce a natural appearing bluff to the satisfaction of the City Engineer and the Community Development Director. Project implementation shall provide a final product mimicking a naturally appearing bluff in terms of colors, textures, forms and angles.
- X. A grading/drainage plan shall be prepared by a registered Civil Engineer in accordance with the current Grading Ordinance and be submitted to the City Engineer for approval and permit issuance.
- XI. Plans and specifications for the project shall be approved by the Planning Department prior to the submittal to the Engineering Department.
- XII. The Applicant shall post with the City a Performance Bond equal to the full amount of the work to be completed to guarantee that once started, construction will be completed per approved plans.
- XIII. The Applicant shall submit a Certificate of Insurance naming the City of Solana Beach as an additional insured in the amount of \$1,000,000 on a policy of general liability insurance issued by an insurance company licensed to do business in California, and meeting the requirements established by City Council Resolution for insurance companies doing business with the City, covering injuries to persons and property during the construction period.
- XIV. The Applicant shall obtain a Special Use (Marine Safety) Permit specifying the conditions governing use of vehicles, use of the access ramp, and entry upon and use of areas of the public beach for construction equipment and vehicles. Evidence of permit issuance shall be submitted to the City Engineer before issuance of the permit for the project.
- XV. The Applicant shall have on file evidence from the Captain of Marine Safety and City Engineer, City of Solana Beach, that arrangements have been made to satisfy the following criteria:
 - a. Prior to usage of the Solana Beach Fletcher Cove Ramp or parking lot, a cash deposit, bond or other secured agreement to cover the following impact charges shall be deposited:

- i. A five-dollar and thirty-cents (\$5.30) per round trip vehicle charge for all construction related vehicles using the ramp.
 - ii. A two-dollar and seventy cents (\$2.70) per ton fee, or less if approved by the City Council, based on the estimated weight of the vehicle and load for all vehicles in excess of $\frac{3}{4}$ ton capacity, excluding any vehicles solely transporting beach grade replenishment sand.
 - iii. A twenty-seven dollar (\$27) per day charge for the first 30 days escalating to fifty-three dollars (\$53) per day for the 31st and subsequent days charge shall be collected to encourage a timely completion of all projects, unless otherwise modified for good cause by the City Council or City Manger.
 - iv. Any damage caused to the Solana Beach Fletcher Cove Ramp and parking lot.
- b. At least one City of Solana Beach Lifeguard shall be contracted, at the Applicant's expense, through the Captain of Marine Safety to monitor all activities in order to ensure full compliance with the conditions of this permit. The Lifeguards(s) shall be on duty at all times when any construction activity takes place. Additional lifeguards may be required at the discretion of the Captain of Marine Safety. In addition to the lifeguard staffing cost, the Applicant shall also pay a Marine Safety equipment use fee of four-dollar and sixty-four cents (\$4.64) per hour, based on the number of hours the Lifeguards are contracted for the project.
- c. If construction access is from Fletcher Cove Park, precautions shall be taken to avoid damage to the beach access ramp during construction and repairs. If damage to the ramp occurs, it shall be repaired to a condition equivalent to the condition at the start of construction activity to the satisfaction of the City Engineer. All City owned work areas including Fletcher Cove Park and access ramp shall be videotaped prior to the commencement of the project. The videotape shall establish the "as-is" condition. In any areas missed by the videotape, the City Engineer will determine "as-is" condition.

If access is from the State Park at the north end of Solana Beach, precautions shall be taken to avoid damage to the hard layer of fossiliferous sandstone that forms on the beach surface at the north end of the coastal bluffs. Such access may necessitate State approval. Proof of such access shall be provided to the City Engineer before construction begins.

- d. The Applicant and/or contractor shall obtain a haul route permit from the City Engineering Department.
- XVI. Beach quality sand from the excavation for the proposed project shall be deposited and spread on the beach in front of this site unless unique and or inappropriate conditions are encountered. The Applicant should reference this condition to other permitting agencies.
- XVII. An encroachment permit from the Engineering Department is required if a crane, construction materials, etc. are envisioned to be stationed in the public right-of-way. The City does not guarantee that an encroachment permit will be approved.
- XVIII. Any grout mixture used on the project that may be visible from the beach or surrounding areas shall be of similar strength, erosion properties, and color as the surrounding natural bluffs. Color samples shall be submitted and approved by the City prior to placing the grout.
- XIX. The structure and any exposed construction shall mimic the natural contours, color and texture to the maximum extent practicable, as determined by the City Engineer and Community Development Director.
- XX. A carved, colored textured façade on the face of the structure matching the adjacent bluff areas shall be constructed. The façade shall match the contours, both vertically and horizontally, and the texture of the adjacent natural bluffs. Coastal bluff colored grouting shall be used and shall be considered an erodible mix. An erodible concrete mix design shall be submitted to the City Engineer before approval of the plans. A test prism shall be cast and delivered to a testing lab during construction.
- XXI. A qualified, licensed and insured contractor shall perform all required work as outlined by certified/registered engineering geologist or Registered Civil Engineer on the construction plans. Special and general notes on said plans shall be followed to the satisfaction of the City Engineer or his designee.
- XXII. Lateral pedestrian and Marine Safety vehicular access through the construction area shall be provided past the site at all times, subject to high tides and safety issues. A 30-foot wide safety/construction work zone shall be provided during work hours to separate the work zone from the open public beach.

XXIII. No construction activities may occur during the busier recreational season, which is defined as the period between Memorial Day and Labor Day each year. The contractor shall obtain approval from the City of Solana Beach Engineering and Marine Safety Departments regarding the use and timing of the Fletcher Cove parking lot and beach access ramp for all construction related access, staging and parking issues if such use becomes required.

C. Prior to Final Inspection of the project, the Applicant shall:

- I. Submit certification to the City Engineer from the Geotechnical Engineer and the Civil Engineer of Record for the project that they have inspected the project and certify that it was constructed per the approved plan, specifying the date of the plan.
- II. The Applicant and/or contractor shall repair any damage caused to the Solana Beach property and facilities including, but not limited to, Fletcher Cove Ramp and parking lot to the satisfaction of the City Engineer.

D. The Applicant shall provide for and adhere to the following conditions:

- I. All development on the site shall substantially conform to the final Development Review Permit Plan approved by the City Council.
- II. The property owner shall be responsible to immediately remove, in perpetuity, any graffiti or other markings should they appear on the project exterior face. The property owner shall be responsible for the removal of the structure or any portion thereof.
- III. If requested by the City Manager or his designee, the property owner or their successor in interest shall install and maintain signage about unstable bluffs fronting their property.
- IV. The Applicant shall provide "as-built" plans and all certifications required to the City before the City will release the performance bond as indicated in Condition 1.XII.
- V. Pursuant to SBMC Section 7.34.100, Construction hours are limited to 7:00 a.m. to 7:00 p.m., Monday through Friday, and 8:00 a.m. to 7:00 p.m. on Saturday. No work is allowed on Sunday or holidays unless specifically approved pursuant to SBMC Section 7.34.100(B). Engines shall not be started, no construction-related materials shall be moved, or any other construction-related activities occur outside these hours. Work is not permitted on the beach on Saturdays without the written approval of the City Manager.

6. ENFORCEMENT: Pursuant to SBMC 17.72.120(B) failure to satisfy any and all of the above-mentioned conditions of approval is subject to the imposition of penalties as set forth in SBMC Chapters 1.1.6 and 1.18 in addition to any applicable revocation proceedings.
7. EXPIRATION: The Conditional Use Permit for the project will expire on August 25, 2017, unless the Applicant has obtained building/grading permits and commenced construction prior to that date, and diligently pursued construction to completion. An extension of the application may be granted by the City Council.
8. INDEMNIFICATION AGREEMENT: The Applicant shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify applicant of any claim, action, or proceeding. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, applicant shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and applicant regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the applicant shall not be required to pay or perform any settlement unless such settlement is approved by applicant.

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9. NOTICE TO APPLICANT: Pursuant to Government Code Section 66020, you are hereby notified that the 90-day period to protest the imposition of the fees, dedications, reservations or other exactions described in this resolution commences on the effective date of this resolution. To protest the imposition of any fee, dedications, reservations or other exactions described in this resolution you must comply with the provisions of Government Code Section 66020. Generally the resolution is effective upon expiration of the tenth day following the date of adoption of this resolution, unless the resolution is appealed or called for review as provided in the Solana Beach Zoning Ordinance.

PASSED AND ADOPTED at a special meeting of the City Council of the City of Solana Beach, California, held on the 25th day of August, 2015, by the following vote:

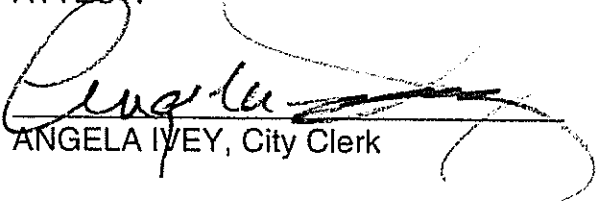
AYES: Councilmembers – Heebner, Zito, Zahn, Marshall
NOES: Councilmembers – None
ABSENT: Councilmembers – Nichols
ABSTAIN: Councilmembers – None


LESA HEEBNER, Mayor

APPROVED AS TO FORM:


JOHANNA N. CANLAS, City Attorney

ATTEST:

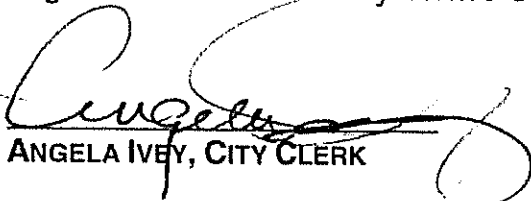

ANGELA IVEY, City Clerk



RESOLUTION CERTIFICATION

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } §
CITY OF SOLANA BEACH }

I, ANGELA IVEY, City Clerk of the City of Solana Beach, California, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of **Resolution 2015-094** *conditionally approving a Conditional Use Permit (CUP) at 447 S. Sierra Ave, Case No. 17-15-13, Applicant: Solana Beach and Tennis Club* as duly passed and adopted at a Special Solana Beach City Council meeting held on the 25th day of August 2015 and the original is on file in the City Clerk's Office.


ANGELA IVEY, CITY CLERK

CERTIFICATION DATE: September 1, 2015



TO: COREY ANDREWS, CITY OF SOLANA BEACH
FROM: SUE MEYER; JOHN ERSKINE
DATE: August 4, 2017
SUBJECT: APPLICATION FOR CUP EXTENSION – SOLANA BEACH & TENNIS CLUB, 447 SOUTH SIERRA AVE., CUP 17-15-13; ADDITIONAL INFORMATION

As a follow-up to recent discussions with City of Solana Beach (“City”) staff, we are providing additional information to support the Solana Beach & Tennis Club’s (“SB&TC”) June 8, 2017 Application for Extension of its Conditional Use Permit (“CUP”) for a Clay Seam Notch Infill and Maintenance / Repair of Five Existing Sea Cave Infills. To confirm, SB&TC is requesting a one-year extension of the previously issued CUP in order that SB&TC may reapply for a Coastal Development Permit (“CDP”) from the California Coastal Commission (“CCC” or “Commission”). The sea cave and notch infill project is necessary to provide bluff stabilization and prevent further erosion that could potentially lead in the near future to catastrophic bluff failure. SB&TC has prepared, and will be submitting, this reapplication for a CDP immediately following the City’s anticipated approval of the CUP Extension.

In addition to the overarching point that these infills can secure the bluff and obviate the need for an actual seawall, we have two reasons for believing the Commission will render a favorable determination on the CDP application: (1) The CCC’s denial of SB&TC’s CDP application in January 2016 was contrary to Commission staff’s recommendation for approval with conditions, and was based on a disagreement over the appropriate erodible concrete testing and apparent confusion about implementation of a similar condition imposed by the CCC two years earlier; and (2) SB&TC has retained Nossaman LLP to lead the CDP reapplication effort, including assisting SB&TC in developing, with SB&TC’s geotechnical engineer, a feasible and environmentally protective testing condition that we expect will garner approval from the CCC. Nossaman is a statewide law firm with an experienced coastal law practice and has successfully represented both private and public clients on CDP applications, LCP Amendments and Commission enforcement matters. John Erskine and Bonnie Neely co-chair the Nossaman coastal law practice.

The CCC’s 2016 Consideration of SB&TC’s CDP Application.

As stated above, the CCC Staff Report had recommended approval of the CDP. However, at the January 14, 2016 hearing, based on the objections of project opponents (Surfrider Foundation) who inappropriately described the notch/sea cave infill project as a “sea wall,” some Commissioners appeared unsure that erodible concrete could meet specifications, even though assured that the process was sound by the Commission geotechnical expert, Dr. Lesley Ewing, and would have to be removed if the materials were installed and then failed to pass the required testing. SB&TC’s geotechnical engineer, Walt Crampton, opposed the condition requiring testing and removal of infill materials as infeasible, which ultimately led to denial of the CDP.

Nossaman has commenced working with CCC staff, and has discussed the re-application with Dr. Ewing and Diana Lilly of the San Diego Commission office. We have also discussed potential acceptable conditions with legal counsel for another City sea cave infill project applicant, to address the CCC's concerns and identify "best practice" testing protocols. CCC staff has encouraged SB&TC to submit its new application and we are engaged in continued productive discussions to develop an acceptable testing procedure. Notably, the project did not benefit from this level of experienced legal advocacy during the January 2016 CDP Commission hearing process.

We trust that this provides the additional information City staff needs to allow our client's application to be agendaized and approved at the City Council's August 23 meeting. Please note that Commission staff will not review SB&TC's CDP application until the CUP Extension is approved by the City.

Timeline.

CDP Application Filing with Coastal Commission *

August 30 - September 11

Meetings with Coastal Commission San Diego Staff and CCC Geologist

September 18 - October 6

Coastal Commission Hearing

December 2017 or February 2018 (both meetings in Southern California - OC or LA)

Required Construction Permits

January 2018 - March 2018

Or March 2018 - June 2018 (depending on date of CCC hearing)

*Note - This schedule allows for CDP Approval and testing protocols to occur, prior to the expiration of the CUP Extension. If more time is needed, the City's code allows for one additional one(1) year CUP extension.

*City Must Approve CUP Extension Prior to CDP Application Being Deemed Complete.



STAFF REPORT

CITY OF SOLANA BEACH/SOLANA BEACH SUCCESSOR AGENCY

TO: Honorable Mayor/Chair and City Councilmembers/Directors
FROM: Gregory Wade, City Manager/Executive Director
MEETING DATE: August 23, 2017
ORIGINATING DEPT: City Manager/Finance
SUBJECT: **Consideration of Resolution 2017-103 Authorizing Refunding of Successor Agency Tax Allocation Bonds**

BACKGROUND:

In 2006, the former Solana Beach Redevelopment Agency (RDA), now the Successor Agency to the RDA (SA), issued Tax Allocation Bonds (TABs) in the amount of \$3,555,000 to assist with the financing of various redevelopment projects throughout the City's RDA Project Areas.

At the May 10, 2017 City Council meeting, Staff requested authorization to move forward with the refinancing of the TABs and were directed to proceed. At the May 24, 2017 City Council meeting, the SA Board of Directors requested that the Oversight Board to the Successor Agency (OB) direct the SA to refund the bonds and authorized the Executive Director to execute Professional Services Agreements (PSAs) with consultants for the possible refinancing of the TABs, contingent on OB and DOF approval.

At the June 1, 2017 OB meeting, the OB directed the SA to commence refunding of the TABs and approved and authorized the Executive Director to execute the PSAs between the SA and the consultants.

Based on the prior SA and OB actions, on July 14, 2017 the California Department of Finance (DOF) sent two approvals:

- (1) DOF approved OB Resolution No. OBSA-033 directing the Agency to commence the refunding for cost savings and authorizing the Agency to recover its costs.
- (2) DOF approved OB Resolutions Nos. OBSA-034 through OBSA-037 hiring the various team members.

COUNCIL ACTION:

Debt service on the TABs has been and is repaid solely with tax increment revenues generated within the former RDA Project Areas. As of June 1, 2017, the TABs are outstanding in the amount of \$2,820,000, with annual principal maturities ranging from June 1, 2018 through June 1, 2036. These principal bond maturities were eligible to be prepaid on June 1, 2011, and on any subsequent date thereafter, without a "premium" (i.e., "prepayment penalty"). The TABs have interest rates ranging from 4.6% to 5.1%.

Pursuant to Assembly Bill No. X1 26 (AB 26) and Assembly Bill No. 1484 (AB 1484) (collectively referred to as the Dissolution Act), the SA may cause the refinance or refunding of the TABs for debt service savings by issuing, or causing the issuance of refunding bonds in accordance with the Dissolution Act. Health & Safety Code section 34177.5 requires that the refunding provide cost savings and meet certain specific tests. Any refunding must be approved by the OB and DOF. The SA wishes to accomplish this through the issuance of Tax Allocation Refunding Bonds, Series 2017 (the "Series 2017 Refunding Bonds").

This item is before the SA and the City Council to seek approval of Resolution 2017-103 (Attachment 1) and Resolution No. SA-018 (Attachment 2) authorizing the issuance and sale of the Series 2017 Refunding Bonds. Upon SA approval, the item will be forwarded to the OB for their review. Upon OB approval, the item will be forwarded to DOF for their review. Upon DOF approval, there will be no more governing body approvals necessary to consummate the refunding.

DISCUSSION:

According to the SA's municipal advisor Del Rio Advisors, LLC, based on market conditions as of May 2017, refunding the TABs by issuing the Series 2017 Refunding Bonds is estimated to result in net total savings of \$338,882 and over \$19,720 per year from FY 2017-2018 through FY 2035-2036. Accounting for the time value of money, the net present value (NPV) savings are approximately \$262,639, which is equivalent to 9.31% of the \$2,820,000 of the TABs to be refunded. Actual savings is dependent on the final interest rate applicable to the 2017 TABs.

Generally, NPV savings in excess of 3.00% are considered significant. The Government Finance Officers Association, in its best practices white paper titled "Analyzing and Issuing Bonds" from February 2011, reports that "one test often used by issuers to assess the appropriateness of a refunding is the requirement specifying the achievement of a minimum net present value (NPV) savings. A common threshold is that the savings (net of all issuance costs and any cash contribution to the refunding), as a percentage of the 2017 TABs, exceeds 3-5%."

Given the short term remaining on the TABs (+/- 18 years), the relatively small amount that remains outstanding and the demand for SA debt, Del Rio Advisors, LLC has recommended a direct placement for this bond issuance. A full public offering of these 2017 TABs would incur much greater time and expense to complete the process. While the interest rates can be lower on a public offering, when all the costs involved in a public offering are included, a direct placement makes better economic sense.

It is estimated that the Series 2017 Refunding Bonds would be issued in an estimated amount of \$2.63 million. The amount of the Series 2017 Refunding Bonds to be issued is smaller than the \$2.82 million outstanding because the existing TABs have a reserve fund that would have been used to partially make the final payment on TABs. This makes the effective final maturity date on the TABs December 1, 2035. The reserve fund dollars will be contributed to the refunding and used to downsize the amount of the Series 2017 Refunding Bonds issued and, since direct placement investors no longer require a reserve fund, a reserve fund will not be funded as part of issuing the Series 2017 Refunding Bonds. The final maturity of the existing TABs is June 1, 2036 and the final maturity of the Series 2017 Refunding Bonds is estimated to be shortened to December 1, 2035. An overview of the Bond Refunding is provided in Attachments 3 and 4.

The City and the other affected taxing entities, including the County, school districts, and special districts, will benefit from the issuance of the Series 2017 Refunding Bonds because the SA's ongoing debt service payments will be less than currently scheduled. This means fewer funds from the Redevelopment Property Tax Trust Fund (RPTTF) will be held to pay for debt service, leaving greater funds to be distributed to all affected taxing entities under Health and Safety Code section 34183(a) of the Dissolution Law.

The other affected taxing entities will not be asked to subordinate their payments to the Series 2017 Refunding Bonds. Tax increment revenues are 4.69 times bond payments and, with such strong coverage, it is unlikely that subordination will be needed.

Because of these anticipated savings, on May 24, 2017, the SA approved Resolution No. SA-017, among other actions, requesting that the OB direct the SA to proceed with preparation of documents and analysis required to refund the TABs and issue the Series 2017 Refunding Bonds pursuant to and in accordance with Health and Safety Code section 34177.5(f) of the Dissolution Act. Resolution No. SA-017 also authorized the SA to recover its costs incurred as Enforceable Obligations to be recovered on its Recognized Obligation Payment Schedule (ROPS).

At the June 1, 2017 OB meeting, the OB directed the SA to commence refunding of the TABs and approved and authorized the Executive Director to execute the PSAs between the SA and the consultants.

Based on the prior SA and OB actions, and as previously noted, on July 14, 2017 DOF sent two approvals:

- (1) DOF approved OB Resolution No. OBSA-033 directing the Agency to commence the refunding for cost savings and authorizing the Agency to recover its costs.
- (2) DOF approved OB Resolutions Nos. OBSA-034 through OBSA-037 hiring the various team members

The SA's issuance of the Series 2017 Refunding Bonds will require one more round of approvals from the SA, the OB and the DOF. Upon SA and OB approval and during the DOF review period, the Placement Agent, Brandis Tallman LLC (Placement Agent), will

draft a term sheet and upon team review will send the term sheet to direct placement lenders, generally commercial banks that purchase similar obligations. The Financing Team would then review the term sheet responses, decide on a lender, negotiate any deal terms, and finalize the documents. The final interest rate will not be determined until a lender has been identified, has agreed to all deal terms, and has formally locked the rate on the bonds prior to closing the transaction. The attached resolution provides authority for the City Manager / Executive Director or their appointee to finalize all deal terms and execute all documents to consummate the transaction.

Presented below are targeted key activities and preliminary dates:

\$2,700,000^(*)
SUCCESSOR AGENCY TO THE SOLANA BEACH RDA
REFUNDING TAX ALLOCATION BONDS, SERIES 2017
 (*) Preliminary, Subject to Change

FINANCING SCHEDULE
 (Revised August 10, 2017)

Date	✓	Event / Task	Party(ies)
Week of May 15 th	✓	Hire Fiscal Consultant / Assemble Financing Team	IS, MA
Wed May 17 th	✓	Agenda Deadline for Successor Agency Meeting of May 24 th	ALL
Week of May 22 nd	✓	Draft Savings Analysis Released	MA
Wed May 24 th	✓	Successor Agency Meeting (Contracts for Consultants, Request OB Refunding Review)	ALL
Week of May 29 th	✓	<ul style="list-style-type: none"> • First Draft Bond Documents Released • Final Draft Savings Analysis Released 	BC MA
Thu Jun 1	✓	Oversight Board Meeting	ALL
Week of Jun 26 th	✓	<ul style="list-style-type: none"> • Second Draft Bond Documents Released • First Draft Fiscal Consultant's Report 	BC FC
Wed Aug 9 th		Agenda Deadline for Successor Agency Meeting of Aug 23 rd	ALL
Wed Aug 23 rd		Successor Agency Meeting (Approve Documents and Related Actions)	ALL
Thu Aug 31 st		Oversight Board Meeting	ALL
Week of Sept 4 th		Package Sent to DOF	IS
Week of Sep 11 th		First Draft Term Sheet Released	PA, MA
Week of Sep 18 th		<ul style="list-style-type: none"> • Final Fiscal Consultant's Report • Final Draft Term Sheet 	FC PA, MA
Week of Sep 25 th		Term Sheet Sent to Lenders	PA
Week of Oct 9 th		Lender Selected / Rate Lock (if applicable)	IS, PA, MA
Week of Oct 16 th		Revised Draft Documents (Lender and Lender Legal Review)	BC, LDR. LEG
Week of Nov 6 th		DOF Approval Deadline	ALL
Week of Nov 13 th		Document Finalized and Executed	IS, BC, LDR
Week of Nov 20 th		Pre-Closing and Closing	IS, PA, BC, LDR

IS	Issuer:	SA to the Solana Beach RDA
BC	Bond Counsel:	Quint & Thimmig LLP
MA	Municipal Advisor:	Del Rio Advisors, LLC
PA	Placement Agent:	Brandis Tallman LLC
LDR	Lender:	[To Come]
LEG:	Lender Legal:	[To Come]
FC	Fiscal Consultant:	Fraser & Associates

The primary goal of the refunding is to generate savings to the various affected taxing entities, including the City. The issuance of the Series Refunding Bonds will not move forward unless the minimum savings threshold of 3.0% can be achieved, and subject to the SA authorization. The Refunding Bond Documents including the Indenture of Trust, the Escrow Agreement and the Bond Purchase and Rate Lock Agreement are included as Attachments 5, 6, and 7 to this Staff Report.

CEQA COMPLIANCE STATEMENT:

Not a project as defined by CEQA.

FISCAL IMPACT:

As illustrated above, current estimated total savings of \$338,882, or over \$19,700 per year, for a net present value benefit of \$262,639 can be realized by refunding the existing TABs. Savings would be distributed among various affected taxing entities, one of which is the City. The level of savings will depend upon market conditions at the time the rate is locked.

The 2017 TABs would not be an obligation of the City, but rather an obligation of the SA. Debt Service on the Series 2017 Refunding Bonds will be supported by tax increment revenues (i.e. property tax) collected by the County of San Diego and deposited into the RPTTF maintained for the SA. Property tax savings accruing to the City's General Fund and to those of the County of San Diego, school districts, and other special districts will increase based upon such agency's percentage share of property taxes.

In addition to the direct economic benefit of the bond refunding, the SA will no longer be required to prepare and file the Annual Continuing Disclosure to the Electronic Municipal Market Access system, saving both time and dollars. In addition, depending on the selected lender, the Successor Agency may no longer need to pay the annual costs of a Trustee or Paying Agent.

The fees and expenses of Del Rio Advisors, LLC acting as Municipal Advisor to the Successor Agency are contingent upon closing and are currently estimated at \$22,500. The fees and expenses for Brandis Tallman, LLC acting as Placement Agent to the Successor Agency are also contingent upon closing and are currently estimated at \$22,500. The fees and expenses of Quint & Thimmig, LLP acting as Bond Counsel are also contingent upon closing and are currently estimated at \$25,000. The fees for Frasier & Associates acting as Fiscal Consultant to the Successor Agency are not contingent and are estimated at \$17,500, excluding expenses. As discussed above, such fees and expenses can be recovered as Enforceable Obligations on a ROPS and payable from RPTTF if the refunding does not proceed since the OB approved the consultant contracts and the Department of Finance has provided their approval.

WORK PLAN:

N/A

OPTIONS:

- Approve Staff recommendation.
- Approve Staff recommendation with alternative amendments / modifications.
- Deny Staff recommendation

DEPARTMENT RECOMMENDATION:

Staff recommends that the City Council approve:

1. Resolution SA-018 authorizing the issuance and sale of Tax Allocation Refunding Bonds and approving certain other actions in connections therewith.
2. Resolution 2017-103 approving the issuance of Tax Allocation Refunding Bonds by the SA.

CITY MANAGER'S RECOMMENDATION:

Approve Department Recommendation.



Gregory Wade, City Manager

Attachments:

1. Resolution No. 2017-103
2. Resolution No. SA-018
3. Refunding Plan and Savings Analysis
4. Full Set of Refunding Numbers
5. Indenture of Trust
6. Escrow Agreement
7. Bond Purchase Agreement

RESOLUTION NO. 2017-103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLANA BEACH APPROVING THE ISSUANCE AND SALE BY THE SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY OF TAX ALLOCATION BONDS TO REFUND THE OUTSTANDING SOLANA BEACH REDEVELOPMENT AGENCY (SOLANA BEACH REDEVELOPMENT PROJECT) TAX ALLOCATION BONDS, SERIES 2006

WHEREAS, pursuant to section 34172(a) of the California Health and Safety Code (unless otherwise noted, all section references hereinafter being to such Code), the Solana Beach Redevelopment Agency (the "Former Agency"), has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to section 34173 the Successor Agency of the Solana Beach Redevelopment Agency (the "Successor Agency") has become the successor entity to the Former Agency; and

WHEREAS, a redevelopment plan for the Former Agency's Solana Beach Redevelopment Project in the City of Solana Beach (the "City") has been adopted in compliance with all requirements of the Code (the "Redevelopment Project"); and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued its \$3,555,000 original principal amount of Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006 (the "2006 Bonds"), to finance redevelopment activities within and for the benefit of the Redevelopment Project; and

WHEREAS, section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in section 34177.5(a)(1) (the "Savings Parameters"); and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its tax allocation refunding bonds (the "Refunding Bonds"), the Successor Agency has caused its municipal advisor, Del Rio Advisors, LLC (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to repay or refund all or a portion of the 2006 Bonds (the "Debt Service Savings Analysis"); and

WHEREAS, the Debt Service Savings Analysis has demonstrated that a refunding of the 2006 Bonds will satisfy the Savings Parameters;

WHEREAS, the Successor Agency desires at this time to authorize the issuance of its Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017, to refund the 2006 Bonds (the "2017 Refunding Bonds"), pursuant to an indenture of trust, by and between the Successor Agency and Wells Fargo Bank, National Association, as trustee; and

WHEREAS, the Council wishes at this time to approve the issuance and sale of the 2017 Refunding Bonds by the Successor Agency.

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of the Bonds. The issuance and sale of the 2017 Refunding Bonds by the Successor Agency is hereby approved.

Section 2. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

Section 3. Certification. The City Clerk shall certify to the passage and adoption hereof.

PASSED AND ADOPTED this 23rd day of August, 2017, at a regular meeting of the City Council of the City of Solana Beach, California by the following vote:

AYES: Councilmembers –
NOES: Councilmembers –
ABSTAIN: Councilmembers –
ABSENT: Councilmembers –

MIKE NICHOLS, Mayor

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, City Attorney

ANGELA IVEY, City Clerk

RESOLUTION NO. SA-018

RESOLUTION OF THE SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND THE OUTSTANDING SOLANA BEACH REDEVELOPMENT AGENCY (SOLANA BEACH REDEVELOPMENT PROJECT) TAX ALLOCATION BONDS, SERIES 2006; APPROVING THE FORMS AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AN ESCROW AGREEMENT AND A BOND PURCHASE AGREEMENT RELATING THERETO; REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS; REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD AND PROVIDING FOR OTHER MATTERS RELATING THERETO

WHEREAS, pursuant to section 34172(a) of the California Health and Safety Code (unless otherwise noted, all section references hereinafter being to such Code), the Solana Beach Redevelopment Agency (the "Former Agency"), has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to section 34173 the Successor Agency has become the successor entity to the Former Agency; and

WHEREAS, a redevelopment plan for the Former Agency's Solana Beach Redevelopment Project in the City of Solana Beach (the "City") has been adopted in compliance with all requirements of the Code (the "Redevelopment Project"); and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued its \$3,555,000 original principal amount of Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006 (the "2006 Bonds"), to finance redevelopment activities within and for the benefit of the Redevelopment Project; and

WHEREAS, section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in section 34177.5(a)(1) (the "Savings Parameters"); and

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its tax allocation refunding bonds (the "Refunding Bonds"), the Successor Agency has caused its municipal advisor, Del Rio Advisors, LLC (the "Municipal Advisor"), to prepare an analysis of the potential savings

that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to repay or refund all or a portion of the 2006 Bonds (the "Debt Service Savings Analysis"); and

WHEREAS, the Debt Service Savings Analysis has demonstrated that a refunding of the 2006 Bonds will satisfy the Savings Parameters; and

WHEREAS, the Successor Agency desires at this time to authorize the issuance of its Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017, to refund the 2006 Bonds (the "2017 Refunding Bonds"), pursuant to an indenture of trust (the "Indenture"), by and between the Successor Agency and Wells Fargo Bank, National Association, as trustee; and

WHEREAS, pursuant to section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency; and

WHEREAS, the Successor Agency is now requesting that the Oversight Board approve the issuance of the 2017 Refunding Bonds pursuant to this Resolution; approve the Indenture, an escrow agreement by and between the Successor Agency and Wells Fargo, National Association (the "Escrow Agreement"), and a bond purchase agreement, all related thereto; and

WHEREAS, the Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the 2017 Refunding Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the Successor Agency for the Solana Beach Redevelopment Agency, as follows:

Section 1. Recitals Correct. The Successor Agency finds that the above Recitals are true and correct and have served as the basis for the findings and approvals set forth below.

Section 2. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the 2017 Refunding Bonds to provide funds to refund and defease the 2006 Bonds, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency Secretary, which Debt Service Savings Analysis is hereby approved.

Section 3. Approval of Issuance of the 2017 Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Bonds under the section 34177.5 and the Refunding Law in the aggregate principal amount of not to exceed \$3,000,000, provided that the Bonds are in compliance with the Savings

Parameters at the time of sale and delivery.

Section 4. Approval of Indenture. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the 2017 Refunding Bonds and the application of the proceeds of the 2017 Refunding Bonds in the form on file with the Successor Agency Secretary. The Chair of the Successor Agency, the Executive Director and the Successor Agency Treasurer (each, an "Authorized Officer"), each acting alone, are hereby authorized and directed to execute and deliver, and the Successor Agency Secretary, is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency in such form, together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

Section 5. Approval of Escrow Agreement. The escrow agreement, by and between the Successor Agency and Wells Fargo Bank, National Association, as escrow bank, relating to the defeasance and prepayment of the 2006 Bonds (the "Escrow Agreement"), in the form on file with the Successor Agency Secretary, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Escrow Agreement in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement. The Successor Agency hereby authorizes the delivery and performance of the Escrow Agreement.

Section 6. Approval of Bond Purchase Agreement. The form of bond purchase agreement, by and between the Successor Agency and an institutional purchaser to be selected by Brandis Tallman LLC, as placement agent (the "Purchaser"), pursuant to a competitive process (the "Bond Purchase Agreement"), in the form on file with the Successor Agency Secretary, is hereby approved and the Authorized Officers, each acting alone, are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Bond Purchase Agreement in such form together with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Successor Agency hereby authorizes the delivery and performance of the Bond Purchase Agreement.

Section 7. Oversight Board Approval of the Issuance of the 2017 Refunding Bonds. The Successor Agency hereby requests the Oversight Board, as authorized by section 34177.5(f), to direct the Successor Agency to undertake the refunding proceedings and, as authorized by section 34177.5(f) and section 34180, to approve the issuance of the Bonds pursuant to section 34177.5(a)(1) this Resolution and the Indenture.

Section 8. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Bonds:

(a) The Successor Agency is authorized, as provided in section 34177.5(f), to recover its costs related to the issuance of the 2017 Refunding Bonds from the proceeds of the Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the Bonds;

(b) The application of the proceeds of the 2017 Refunding Bonds by the Successor Agency to the refunding and defeasance of the Former Agency Obligations, as well as the payment by the Successor Agency of costs of issuance of the Bonds, as provided in section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Bonds, notwithstanding section 34177.3 or any other provision of law to the contrary, without the further approval of the Oversight Board, the California Department of Finance, the San Diego County Auditor-Controller or any other person or entity other than the Successor Agency; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under section 34181(a)(3) without any deductions with respect to continuing costs related to the 2017 Refunding Bonds, such as trustee's fees and auditing and fiscal consultant fees (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to section 34183. In addition and as provided by section 34177.5(f), if the Successor Agency is unable to complete the issuance of the Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings for the Former Agency Obligations from such property tax revenues pursuant to section 34183 without reduction in its Administrative Cost Allowance.

Section 9. Filing of Debt Service Savings Analysis and Resolution. The Successor Agency Secretary is hereby authorized to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in section 34180(j) with the San Diego County Administrative Officer, the San Diego County Auditor-Controller and the California Department of Finance.

Section 10. Designation of Consultants. Del Rio Advisors LLC is hereby appointed municipal advisor to the Successor Agency in connection with the issuance of the 2017 Refunding Bonds. Quint & Thimmig LLP is hereby appointed bond counsel to the Successor Agency in connection with the issuance of the 2017 Refunding Bonds. Brandis Tallman LLC is hereby appointed placement agent to the Successor Agency in connection with the issuance of the 2017 Refunding Bonds. Pursuant to this Resolution,

any Authorized Officer is hereby authorized to execute service agreements with the aforementioned three firms, in such form as such Authorized Officer shall deem necessary.

Section 11. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the issuance, sale and delivery of the 2017 Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 12. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

Section 13. Certification. The Secretary shall certify to the passage and adoption hereof.

PASSED, APPROVED, AND ADOPTED by the Solana Beach Redevelopment Agency Successor Agency at its meeting held on the 23rd day of August 2017, by the following vote:

AYES: Board of Directors –
NOES: Board of Directors –
ABSENT: Board of Directors -
ABSTAIN: Board of Directors -

MIKE NICHOLS, Chairperson

APPROVED AS TO FORM:

ATTEST:

JOHANNA N. CANLAS, Agency Counsel

ANGELA IVEY, Secretary



Successor Agency to the Solana Beach Redevelopment Agency

Plan of Refunding and Savings Analysis

**City Council / Successor Agency Meeting
August 23, 2017**



Del Rio Advisors, LLC

Prior Bonds (*)

\$3,555,000

**Solana Beach Redevelopment Agency
Solana Beach Redevelopment Project**

Tax Allocation Bonds

Dated June 8, 2006

- Amount remaining: \$2,820,000
- Final maturity: June 1, 2036
- Interest rates: 4.60% to 5.10%
- Purpose:
 - Financed certain redevelopment activities of the Agency
 - Funded the Escrow Fund(*)
 - Funded the Reserve Fund for the Bonds
 - Paid certain costs related to the issuance of the Bonds

(*) Dollars set aside to be released later growth in assessed values

Refunding Plan and Estimated Results

- **Financing team will draft a formal term sheet to generate lender interest in purchasing the refunding as a direct placement**
- **Financing team and Successor Agency will determine best bid and notify the lender**
- **Financing team will work with the lender to finalize and document any specific deal terms**
- **Issue refunding bonds in the amount of \$2,628,300^(*)**
- **Issue will only defease prior bonds and fund costs of issuance**
- **Final maturity of refunding is estimated to be December 1, 2035 which is six months shorter than the final maturity of the prior bonds of June 1, 2036**
- **Reserve fund for the prior bonds will be contributed to make the refunding issue size smaller than the amount of prior bonds outstanding**

Refunding Results^(*)

Total Savings:	\$338,882
Avg. Annual Savings:	\$19,720/year (2018-2034)
NPV Savings \$:	\$262,639
NPV Savings %:	9.31% (refunded)

Yield Comparisons^(*)

Prior Bonds Avg. Coupon	5.023%
Refunding Bonds Avg. Coupon	4.000%
Prior Bonds Avg. Life	11.387yrs
Refunding Bonds Avg. Life	10.610yrs

^(*) Estimated, subject to change

HSC 34177.5(a) Compliance

34177.5 (a)(1) For the purpose of issuing bonds or incurring other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency or of the successor agency to provide savings to the successor agency, provided that:

(A) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded

Prior Bonds Total Principal and Interest:	\$4,433,155.00
Less: Refunding Bonds Total Principal and Interest:	(\$3,743,758.60)
Gross Savings:	\$689,396.40
Less: Prior Reserve Fund Adjustment w/ Earnings	(\$280,558.40)
Less: Debt Service Due 12/1/17	(\$69,956.00)
Total Net Savings	\$338,882.00

(B) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance

Per the sources and uses, the refunding is only providing sufficient funds to defease the refunding bonds and pay related costs of issuance. No new reserve fund is required on the refunding.

Subordination

The Successor Agency has the option to request subordination of the pass through payments paid to taxing entities. The table below shows the most recent debt service coverage from the Continuing Disclosure Annual Report for Fiscal Year Ended June 30, 2016 as posted on the Electronic Municipal Market Access System (“EMMA”):

SUCCESSOR AGENCY OF THE FORMER SOLANA BEACH REDEVELOPMENT AGENCY Taxable Value, Tax Revenues, and Debt Service Coverage for All Bonds

Fiscal Year	Taxable Valuations ⁽¹⁾	Gross Tax Revenues ⁽²⁾	Less: County Admin. ⁽²⁾	Less: Senior Pass-Throughs ⁽²⁾⁽³⁾	Net Tax Revenues	Total Debt Service for All Bonds ⁽⁴⁾	Debt Service Coverage
2015-16	\$180,934,717	\$1,093,483	\$23,264	\$277,151	\$793,068	\$232,923	4.69

(1) Per San Diego County Auditor-Controller.

(2) Based on actual amounts as shown in the County's Redevelopment Property Tax Trust Fund (“RPTTF”) distributions.

(3) Excludes City and County Pass-Through amounts which are subordinate to debt service.

(4) Figures are based on scheduled debt service on the 2006 Escrowed Bonds and the non-escrowed portion of the Bonds for the Bond Year.

Source: Urban Futures, Inc. with information from the San Diego County Auditor-Controller.

Based on the very strong debt service coverage shown above, the Successor Agency will not be requesting subordination of the pass through payments paid to the taxing entities.

Estimated Sources and Uses of Funds

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)

Sources and Uses of Funds (Direct Placement)

Sources of Funds	
Par Amount of Bonds	2,628,300.00
Less: (OID) Plus: OIP	-
Less: Underwriter's Discount ⁽¹⁾	-
Net Proceeds at Closing	2,628,300.00
Prior Issue Reserve Fund	235,840.00
Debt Service Due 12/1/17	69,956.25
Total Other Funds	305,796.25
Total Sources of Funds	2,934,096.25
Uses of Funds	
Cost to Payoff Prior Issue	2,831,659.38
Beginning Escrow Cash Balance	-
Reserve Fund ⁽²⁾	-
Reserve Fund Surety ⁽³⁾	-
Costs of Issuance ⁽⁴⁾	102,436.87
Bond Insurance Premium ⁽⁵⁾	-
Other Use of Funds	-
Total Uses of Funds	2,934,096.25
Rounding Adjustment	-

Assumptions

- (1) Not Applicable
- (2) Not Applicable
- (3) Not Applicable
- (4) See Estimated Schedule
- (5) Not Applicable

Estimated Costs of Issuance

**Successor Agency to the Solana Beach RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2006)**

Estimated Costs of Issuance

Bond Counsel	25,000.00
Placement Agent	22,500.00
Financial Advisor	22,500.00
Fiscal Consultant	17,500.00
Lender Counsel	10,000.00
Escrow Agent	750.00
Verification Report	1,500.00
CDIAC	657.08
Miscellaneous	2,000.00
Rounding Adjustment	29.79
Total	102,436.87

Estimated Refunding Debt Service

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)

Gross Debt Service Schedule

Tax Year Ending	Principal	Rate	Interest	Annual Debt Service
12/1/2018	80,600	4.000	127,338.60	207,938.60
12/1/2019	107,100	4.000	100,848.00	207,948.00
12/1/2020	111,500	4.000	96,520.00	208,020.00
12/1/2021	116,000	4.000	92,016.00	208,016.00
12/1/2022	120,600	4.000	87,330.00	207,930.00
12/1/2023	125,500	4.000	82,458.00	207,958.00
12/1/2024	130,600	4.000	77,386.00	207,986.00
12/1/2025	135,900	4.000	72,110.00	208,010.00
12/1/2026	141,400	4.000	66,620.00	208,020.00
12/1/2027	147,100	4.000	60,908.00	208,008.00
12/1/2028	153,000	4.000	54,966.00	207,966.00
12/1/2029	159,200	4.000	48,784.00	207,984.00
12/1/2030	165,600	4.000	42,352.00	207,952.00
12/1/2031	172,300	4.000	35,662.00	207,962.00
12/1/2032	179,300	4.000	28,700.00	208,000.00
12/1/2033	186,500	4.000	21,458.00	207,958.00
12/1/2034	194,100	4.000	13,922.00	208,022.00
12/1/2035	202,000	4.000	6,080.00	208,080.00
Totals	2,628,300		1,115,458.60	3,743,758.60

Note

The debt service payments on the refunding bonds are paid June 1 and December 1 each year. For comparison purposes, the above schedule has been converted to show annual debt service each tax year ending December 1.

Prior Bonds Debt Service

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)
 Prior Issue Debt Service Schedule

Tax Year Ending	Principal	Rate	Escrowed Principal	Rate	Total Principal	Interest	Annual Debt Service
12/1/2017	-	-	-	-	-	69,956.25	69,956.25
12/1/2018	45,000	4.600	50,000	4.750	95,000	137,690.00	232,690.00
12/1/2019	45,000	4.650	55,000	4.750	100,000	133,115.00	233,115.00
12/1/2020	50,000	4.700	55,000	4.750	105,000	128,281.25	233,281.25
12/1/2021	50,000	4.750	55,000	4.750	105,000	123,306.25	228,306.25
12/1/2022	55,000	4.850	60,000	4.850	115,000	118,023.75	233,023.75
12/1/2023	55,000	4.850	65,000	4.850	120,000	112,325.00	232,325.00
12/1/2024	60,000	4.850	65,000	4.850	125,000	106,383.75	231,383.75
12/1/2025	65,000	4.850	65,000	4.850	130,000	100,200.00	230,200.00
12/1/2026	65,000	4.850	70,000	4.850	135,000	93,773.75	228,773.75
12/1/2027	70,000	5.000	75,000	5.000	145,000	86,875.00	231,875.00
12/1/2028	70,000	5.000	80,000	5.000	150,000	79,500.00	229,500.00
12/1/2029	75,000	5.000	80,000	5.000	155,000	71,875.00	226,875.00
12/1/2030	80,000	5.000	85,000	5.000	165,000	63,875.00	228,875.00
12/1/2031	85,000	5.000	90,000	5.000	175,000	55,375.00	230,375.00
12/1/2032	90,000	5.100	90,000	5.100	180,000	46,410.00	226,410.00
12/1/2033	95,000	5.100	95,000	5.100	190,000	36,975.00	226,975.00
12/1/2034	100,000	5.100	100,000	5.100	200,000	27,030.00	227,030.00
12/1/2035	100,000	5.100	110,000	5.100	210,000	16,575.00	226,575.00
12/1/2036	110,000	5.100	110,000	5.100	220,000	5,610.00	225,610.00
Totals	1,365,000		1,455,000		2,820,000	1,613,155.00	4,433,155.00

Note

The principal payment dates are June 1 each year on the prior bonds. For comparison purposes, the above schedule has been converted to show annual debt service each tax year ending December 1.

Net Debt Service Schedule and Savings Calculation

(Cash Flow NPV Basis)

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)
 Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis)

New Issue Reserve Fund		Investment Yield		235,840.00		1.00			
Tax Year	Annual Debt Service	Less: RF Earnings	Net Annual Debt Service	Prior Issue Annual Debt Service	Less: RF Earnings	Less: Contributed Funds	Prior Issue Annual Debt Service	Annual (Savings) / Cost	Annual Present Value
12/1/2017	-	-	-	69,956.25	(1,179.20)	(69,956.25)	(1,179.20)	1,179.20	1,169.13
12/1/2018	207,938.60	-	207,938.60	232,690.00	(2,358.40)	-	230,331.60	(22,393.00)	(22,479.88)
12/1/2019	207,948.00	-	207,948.00	233,115.00	(2,358.40)	-	230,756.60	(22,808.60)	(22,038.64)
12/1/2020	208,020.00	-	208,020.00	233,281.25	(2,358.40)	-	230,922.85	(22,902.85)	(21,311.71)
12/1/2021	208,016.00	-	208,016.00	228,306.25	(2,358.40)	-	225,947.85	(17,931.85)	(16,236.27)
12/1/2022	207,930.00	-	207,930.00	233,023.75	(2,358.40)	-	230,665.35	(22,735.35)	(19,635.58)
12/1/2023	207,958.00	-	207,958.00	232,325.00	(2,358.40)	-	229,966.60	(22,008.60)	(18,339.94)
12/1/2024	207,986.00	-	207,986.00	231,383.75	(2,358.40)	-	229,025.35	(21,039.35)	(16,929.70)
12/1/2025	208,010.00	-	208,010.00	230,200.00	(2,358.40)	-	227,841.60	(19,831.60)	(15,428.77)
12/1/2026	208,020.00	-	208,020.00	228,773.75	(2,358.40)	-	226,415.35	(18,395.35)	(13,858.62)
12/1/2027	208,008.00	-	208,008.00	231,875.00	(2,358.40)	-	229,516.60	(21,508.60)	(15,488.30)
12/1/2028	207,966.00	-	207,966.00	229,500.00	(2,358.40)	-	227,141.60	(19,175.60)	(13,408.84)
12/1/2029	207,984.00	-	207,984.00	228,875.00	(2,358.40)	-	226,516.60	(16,532.60)	(11,273.80)
12/1/2030	207,952.00	-	207,952.00	228,875.00	(2,358.40)	-	226,516.60	(18,564.60)	(12,112.69)
12/1/2031	207,962.00	-	207,962.00	230,375.00	(2,358.40)	-	228,016.60	(20,054.60)	(12,558.22)
12/1/2032	208,000.00	-	208,000.00	226,410.00	(2,358.40)	-	224,051.60	(16,051.60)	(9,885.46)
12/1/2033	207,958.00	-	207,958.00	226,975.00	(2,358.40)	-	224,616.60	(16,658.60)	(9,878.97)
12/1/2034	208,022.00	-	208,022.00	227,030.00	(2,358.40)	-	224,671.60	(16,649.60)	(9,542.36)
12/1/2035	208,080.00	-	208,080.00	226,575.00	(13,676.40)	-	212,898.60	(4,818.60)	(3,400.69)
12/1/2036	-	-	-	225,610.00	(225,610.00)	-	-	-	-
Totals	3,743,758.60	-	3,743,758.60	4,433,155.00	(280,558.40)	(69,956.25)	4,082,640.35	(338,881.75)	(262,639.31)

Savings % New 9.99%
 Savings % Prior 9.31%

Note

The debt service payments on the refunding bonds are paid June 1 and December 1 each year. For comparison purposes, the above schedule has been converted to show annual debt service each tax year ending December 1.

Refunding Steps

- The Successor Agency formally appoints the municipal advisor, bond counsel, placement agent and the fiscal consultant and requests the Oversight Board review and consider a refunding
- The Oversight Board considers the savings and formally requests the Successor Agency pursue the refunding
- The Successor Agency adopts a resolution approving the issuance of refunding bonds and all related documents moving the item to the Oversight Board for review
- The Oversight Board adopts a resolution approving the issuance of refunding bonds and all related documents
 - Determination of significant potential savings
 - Approve filing of Plan of Refunding and Savings Analysis
 - San Diego County Administrative Officer
 - San Diego County Auditor-Controller
 - State of California Department of Finance
 - Approve bond documents
 - Authorize other actions to expedite California Department of Finance review and approval
- The State of California Department of Finance (“DOF”) has five (5) days to respond to receipt of the OB Resolution, bond documents and the Plan of Refunding and Savings Analysis and another sixty (60) days to review and approve the refunding

Financing Team

- City/Successor Agency Staff
 - Gregory Wade, City Manager / Executive Director
 - Marie Marron Berkuti, Finance Officer / Treasurer
 - Johanna Canlas, City Attorney
 - Bond Counsel
 - Placement Agent
 - Municipal Advisor
 - Fiscal Consultant
- Quint & Thimmig LLP
Brandis Tallman LLC
Del Rio Advisors, LLC
Fraser & Associates

Refunding Schedule(*)

Date	✓	Item
May - July 2017	✓	1st Draft Bond Documents and Resolutions
	✓	Draft Refunding Plan and Savings Analysis
	✓	Draft Fiscal Consultant's Report
	✓	SA, OB and DOF Move on Refunding and Hire Consultants
		SA Approval for OB Submittal
August 23, 2017		OB Approval for DOF Submittal
August - October 2017		DOF Review and Approval
		Term Sheet Sent to Lender
		Review Term Sheet Responses and Select Lender
November 2017(*)		Finalize Documents
		Close Transaction

* Tentative, Subject to Timing of DOF Approval

**Successor Agency to the Solana Beach RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2006)**

Summary Calculations

Arbitrage Yield	3.99854 %
True Interest Cost (TIC)	3.99854 %
"All-In" True Interest Cost (AIC)	4.48501 %
Average Coupon	4.00000 %
Net Interest Cost (NIC)	4.00000 %
Average Life	10.610 Years

Successor Agency to the Solana Beach RDA
Tax Allocation Refunding Bonds, Series 2017
(Tax Allocation Bonds, Series 2006)

Gross Debt Service Schedule

Tax Year Ending	Principal	Rate	Interest	Annual Debt Service
9/13/2017				
12/1/2018	80,600	4.000	127,338.60	207,938.60
12/1/2019	107,100	4.000	100,848.00	207,948.00
12/1/2020	111,500	4.000	96,520.00	208,020.00
12/1/2021	116,000	4.000	92,016.00	208,016.00
12/1/2022	120,600	4.000	87,330.00	207,930.00
12/1/2023	125,500	4.000	82,458.00	207,958.00
12/1/2024	130,600	4.000	77,386.00	207,986.00
12/1/2025	135,900	4.000	72,110.00	208,010.00
12/1/2026	141,400	4.000	66,620.00	208,020.00
12/1/2027	147,100	4.000	60,908.00	208,008.00
12/1/2028	153,000	4.000	54,966.00	207,966.00
12/1/2029	159,200	4.000	48,784.00	207,984.00
12/1/2030	165,600	4.000	42,352.00	207,952.00
12/1/2031	172,300	4.000	35,662.00	207,962.00
12/1/2032	179,300	4.000	28,700.00	208,000.00
12/1/2033	186,500	4.000	21,458.00	207,958.00
12/1/2034	194,100	4.000	13,922.00	208,022.00
12/1/2035	202,000	4.000	6,080.00	208,080.00
Totals	2,628,300		1,115,458.60	3,743,758.60

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)

Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis)

New Issue Reserve Fund		-		Prior Issue Reserve Fund		235,840.00			
Investment Yield		-		Investment Yield		1.00			
Tax Year	Annual	Less:	Net	Prior Issue	Annual	Less:	Net	Prior Issue	Annual
Ending	Debt Service	RF Earnings	Annual	Debt Service	Debt Service	RF Earnings	Annual	Debt Service	Debt Service
9/13/2017									
12/1/2017	-	-	-	69,956.25	(1,179.20)	(1,179.20)	(1,179.20)	(1,179.20)	1,179.20
12/1/2018	207,938.60	-	207,938.60	232,690.00	(2,358.40)	(2,358.40)	230,331.60	230,331.60	(22,393.00)
12/1/2019	207,948.00	-	207,948.00	233,115.00	(2,358.40)	(2,358.40)	230,756.60	230,756.60	(22,808.60)
12/1/2020	208,020.00	-	208,020.00	233,281.25	(2,358.40)	(2,358.40)	230,922.85	230,922.85	(22,902.85)
12/1/2021	208,016.00	-	208,016.00	228,306.25	(2,358.40)	(2,358.40)	225,947.85	225,947.85	(17,931.85)
12/1/2022	207,930.00	-	207,930.00	233,023.75	(2,358.40)	(2,358.40)	230,665.35	230,665.35	(22,735.35)
12/1/2023	207,958.00	-	207,958.00	232,325.00	(2,358.40)	(2,358.40)	229,966.60	229,966.60	(22,008.60)
12/1/2024	207,986.00	-	207,986.00	231,383.75	(2,358.40)	(2,358.40)	229,025.35	229,025.35	(21,039.35)
12/1/2025	208,010.00	-	208,010.00	230,200.00	(2,358.40)	(2,358.40)	227,841.60	227,841.60	(19,831.60)
12/1/2026	208,020.00	-	208,020.00	228,773.75	(2,358.40)	(2,358.40)	226,415.35	226,415.35	(18,395.35)
12/1/2027	208,008.00	-	208,008.00	231,875.00	(2,358.40)	(2,358.40)	229,516.60	229,516.60	(19,175.60)
12/1/2028	207,966.00	-	207,966.00	229,500.00	(2,358.40)	(2,358.40)	227,141.60	227,141.60	(16,532.60)
12/1/2029	207,984.00	-	207,984.00	226,875.00	(2,358.40)	(2,358.40)	224,516.60	224,516.60	(18,564.60)
12/1/2030	207,952.00	-	207,952.00	228,875.00	(2,358.40)	(2,358.40)	226,516.60	226,516.60	(18,564.60)
12/1/2031	207,962.00	-	207,962.00	230,375.00	(2,358.40)	(2,358.40)	228,016.60	228,016.60	(20,054.60)
12/1/2032	208,000.00	-	208,000.00	226,410.00	(2,358.40)	(2,358.40)	224,051.60	224,051.60	(16,051.60)
12/1/2033	207,958.00	-	207,958.00	226,975.00	(2,358.40)	(2,358.40)	224,616.60	224,616.60	(16,658.60)
12/1/2034	208,022.00	-	208,022.00	227,030.00	(2,358.40)	(2,358.40)	224,671.60	224,671.60	(16,649.60)
12/1/2035	208,080.00	-	208,080.00	226,575.00	(13,676.40)	(13,676.40)	212,898.60	212,898.60	(4,818.60)
12/1/2036	-	-	-	225,610.00	(225,610.00)	(225,610.00)	-	-	-
Totals	3,743,758.60	-	3,743,758.60	4,433,155.00	(280,558.40)	(280,558.40)	4,082,640.35	4,082,640.35	(338,881.75)
									9.99%
									9.31%

Savings % New
Savings % Prior

Successor Agency to the Solana Beach RDA
 Tax Allocation Refunding Bonds, Series 2017
 (Tax Allocation Bonds, Series 2006)
 Prior Issue Debt Service Schedule

Tax Year Ending	Principal	Rate	Escrowed Principal	Rate	Total Principal	Interest	Annual Debt Service	10/13/2017 Called Bonds	0.00% Call Premium	Debt Service	Defeasance Debt Service
9/13/2017	-	-	-	-	-	-	-	-	-	-	-
10/13/2017	-	-	-	-	-	-	-	-	-	-	-
12/1/2017	45,000	4.600	50,000	4.750	95,000	69,956.25	232,690.00	95,000	-	11,659.38	2,831,659.38
12/1/2018	45,000	4.650	55,000	4.750	100,000	137,690.00	233,115.00	100,000	-	-	-
12/1/2019	50,000	4.700	55,000	4.750	105,000	133,115.00	233,281.25	105,000	-	-	-
12/1/2020	50,000	4.750	55,000	4.750	105,000	128,281.25	228,306.25	105,000	-	-	-
12/1/2021	55,000	4.850	60,000	4.850	115,000	123,306.25	233,023.75	115,000	-	-	-
12/1/2022	55,000	4.850	65,000	4.850	120,000	118,023.75	232,325.00	120,000	-	-	-
12/1/2023	60,000	4.850	65,000	4.850	125,000	112,325.00	231,383.75	125,000	-	-	-
12/1/2024	65,000	4.850	65,000	4.850	130,000	106,383.75	230,200.00	130,000	-	-	-
12/1/2025	65,000	4.850	70,000	4.850	135,000	100,200.00	228,773.75	135,000	-	-	-
12/1/2026	70,000	4.850	75,000	4.850	145,000	93,773.75	231,875.00	145,000	-	-	-
12/1/2027	70,000	5.000	80,000	5.000	150,000	86,875.00	229,500.00	150,000	-	-	-
12/1/2028	75,000	5.000	80,000	5.000	155,000	79,500.00	226,875.00	155,000	-	-	-
12/1/2029	80,000	5.000	85,000	5.000	165,000	71,875.00	228,875.00	165,000	-	-	-
12/1/2030	85,000	5.000	90,000	5.000	175,000	63,875.00	230,375.00	175,000	-	-	-
12/1/2031	90,000	5.100	90,000	5.100	180,000	55,375.00	226,410.00	180,000	-	-	-
12/1/2032	95,000	5.100	95,000	5.100	190,000	46,410.00	226,975.00	190,000	-	-	-
12/1/2033	100,000	5.100	100,000	5.100	200,000	36,975.00	227,030.00	200,000	-	-	-
12/1/2034	100,000	5.100	110,000	5.100	210,000	27,030.00	226,575.00	210,000	-	-	-
12/1/2035	100,000	5.100	110,000	5.100	220,000	16,575.00	225,610.00	220,000	-	-	-
12/1/2036	110,000	5.100	110,000	5.100	220,000	5,610.00	225,610.00	220,000	-	-	-
Totals	1,365,000		1,455,000		2,820,000	1,613,155.00	4,433,155.00	2,820,000	-	11,659.38	2,831,659.38

INDENTURE OF TRUST

by and between the

**SUCCESSOR AGENCY OF THE
SOLANA BEACH REDEVELOPMENT AGENCY**

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

dated as of September 1, 2017

relating to:

\$ _____

**Successor Agency of the
Solana Beach Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2017**

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EXHIBIT A FORM OF BOND
EXHIBIT B FORM OF PURCHASER'S LETTER

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture"), dated as of September 1, 2017, is by and between the SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY, a public entity duly organized and existing under the laws of the State of California (the "Successor Agency"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

RECITALS:

WHEREAS, pursuant to section 34172(a) of the California Health and Safety Code (unless otherwise noted, all section references hereinafter being to such Code), the Solana Beach Redevelopment Agency (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to section 34173, and the Successor Agency of the Redevelopment Agency of the City of Solana Beach (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, a redevelopment plan for the Former Agency's Solana Beach Redevelopment Project in the City of Solana Beach (the "City") has been adopted in compliance with all requirements of the Code (the "Redevelopment Project");

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued its \$3,555,000 original principal amount of Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006 (the "2006 Bonds"), to finance redevelopment activities within and for the benefit of the Redevelopment Project;

WHEREAS, section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in section 34177.5(a)(1) (the "Savings Parameters");

WHEREAS, to provide moneys to refund the 2006 Bonds, the Successor Agency determined in its Resolution No. _____ (the "Successor Agency Resolution") to issue its bonds, designated as the Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017 (the "Bonds"), under the provisions of section 34177.5 of the Law and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (collectively, the "Refunding Bond Law"), so long as the requirements of section 34177.5(a) of the Law are satisfied in connection with the refunding transaction;

WHEREAS, on _____, 2017, the Oversight Board to the Successor Agency of the Solana Beach Redevelopment Agency (the "Oversight Board") adopted its Resolution No. _____ (the "Oversight Board Resolution"), pursuant to which the Oversight Board approved the issuance of the Bonds, and approved the other actions of the Successor Agency contemplated by the Successor Agency Resolution; and

WHEREAS, on _____, 2017, the Successor Agency submitted the Oversight Board's Resolution No. _____ to the California Department of Finance (the "DOF") for approval pursuant to section 34179(h) of the Law; and

WHEREAS, on _____, 2017, the DOF provided a letter to the Successor Agency approving the Oversight Board Resolution, conditioned upon the Bonds satisfying the requirements of section 34177.5(a) of the Law; and

WHEREAS, section 34177.5(f) of the Law provides, in relevant part, that “[i]f, under the authority granted to it by subdivision (h) of section 34179, the Department of Finance either reviews and approves or fails to request review within five business days of an oversight board approval of an action authorized by this section, the scheduled payments on the bonds or other indebtedness shall be listed in the Recognized Obligation Payment Schedule and shall not be subject to further review and approval by the department or the Controller”; and

WHEREAS, the total net interest cost to maturity of the Bonds plus the principal amount of the Bonds will not exceed the total net interest cost to maturity of the 2006 Bonds to be refunded plus the principal amount of the 2006 Bonds to be refunded; and

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency has determined that all acts and proceedings required by law necessary to make the Bonds when executed by the Successor Agency and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken.

A G R E E M E N T :

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled, and (b) the principal or sinking fund amount of the Outstanding Bonds payable by their terms in such Bond Year.

"Bonds" means the \$_____ Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017.

"Bond Year" means any twelve-month period beginning on December 2 in any year and ending on the next succeeding December 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on December 1, 2017.

"Business Day" means a day of the year, other than a Saturday or Sunday, on which banks in Los Angeles and San Francisco, California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"City" means the City of Solana Beach, California.

"Closing Date" means September __, 2017, being the date on which the Bonds are delivered by the Successor Agency to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, operating expenses, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, fiscal consultants, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

"County" means the County of San Diego, California.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"Date of Taxability" means the date from and for which interest on the Bonds is subject to federal income taxation as a result of a Determination of Taxability.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Default Rate" means ___% per annum based on a 360-day year of twelve thirty day months.

"Defeasance Obligations" means any one or more of the following:

(a) U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGS").

(b) Direct obligations of the Treasury which have been stripped by the Treasury itself.

(c) Resolution Funding Corp. (REFCORP) - Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

(d) Pre-refunded municipal bonds rated both Aaa by Moody's and AAA by S&P

(e) Obligations issued by the following agencies which are backed by the full faith and credit of the United States:

- 1) U.S. Export-Import Bank (Eximbank)
 - i. Direct obligations or fully guaranteed certificates of beneficial ownership
- 2) Federal Financing Bank
- 3) General Services Administration
 - i. Participation certificates
- 4) U.S. Department of Housing and Urban Development (HUD)
 - i. Project Notes
 - ii. Local Authority Bonds
 - iii. New Communities Debentures - U.S. government guaranteed debentures
 - iv. U.S. Public Housing Notes and Bonds - U.S. government guaranteed public housing notes and bonds

"Determination of Taxability" means any determination, decision, or decree made by the Commissioner or any District Director of the Internal Revenue Service, or by any court of

competent jurisdiction, that as a result of any actions or omissions of the Successor Agency or the Former Agency with respect to the Bonds the interest payable on the Bonds is includable in the gross income for federal income tax purposes of the Owner, provided, however, that no such Determination of Taxability shall be deemed to have occurred if the Successor Agency is contesting such determination in good faith and is diligently proceeding to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, or (b) abandonment of such appeal by the Successor Agency.

"Dissolution Act" means Parts 1.8 (commencing with section 34161) and 1.85 (commencing with section 34170) of Division 24 of the California Health and Safety Code, as amended.

"Escrow Agreement" means that certain Escrow Agreement, dated September __, 2017, by and between the Successor Agency and the Escrow Bank, pursuant to which provision will be made for the defeasance of the 2006 Bonds.

"Escrow Bank" means Wells Fargo Bank, National Association, as escrow bank under the Escrow Agreement, or any successor thereto appointed as escrow bank thereunder.

"Escrow Fund" means the Escrow Fund held by the Escrow Bank under and pursuant to the Escrow Agreement.

"Event of Default" means any of the events described in Section 8.01.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (a) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (b) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (c) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Former Agency" means the Former Solana Beach Redevelopment Agency.

"Indenture" means this Indenture of Trust, by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency; and (c) is not connected with the Successor Agency as an

officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Financial Consultant" means any financial consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom: (a) is in fact independent and not under domination of the Successor Agency; (b) does not have any substantial interest, direct or indirect, with the Successor Agency, other than as original purchaser of the Bonds; and (c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom: (a) is judged by the Successor Agency to have experience in matters relating to the collection of Tax Revenues or otherwise with respect to the financing of redevelopment projects; (b) is in fact independent and not under domination of the Successor Agency; (c) does not have any substantial interest, direct or indirect, with the Successor Agency; and (d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means June 1 and December 1 in each year, commencing December 1, 2017, so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the California Health and Safety Code, and the acts amendatory thereof and supplemental thereto.

"Material Adverse Effect" means an event or occurrence which adversely affects in a material manner (a) the assets, liabilities, condition (financial or otherwise), business, facilities or operations of the Successor Agency, (b) the ability of the Successor Agency to carry out its business in the manner conducted as of the date of this Indenture or to meet or perform its obligations under this Indenture on a timely basis, (c) the validity or enforceability of this Indenture, or (d) the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes.

"Material Litigation" means any action, suit, proceeding, inquiry or investigation against the Successor Agency in any court or before any arbitrator of any kind or before or by any Governmental Authority, (i) if determined adversely to the Successor Agency, may have a Material Adverse Effect, (ii) seek to restrain or enjoin any of the transactions contemplated by this Indenture, or (iii) may adversely affect (A) the exclusion of interest on the Bonds from gross income for federal income tax purposes or the exemption of such interest for state income tax purposes or (B) the ability of the Successor Agency to perform its obligations under this Indenture.

"Moody's" means Moody's Investors Service, its successors and assigns.

"Negotiated Pass-Through Amounts" means amounts paid to affected taxing agencies pursuant to the Pass-Through Agreements.

"Original Purchaser" means _____, the original purchaser of the Bonds upon their delivery by the Trustee on the Closing Date.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

"Oversight Board" means the oversight board of the Successor Agency duly constituted from time to time pursuant to section 34179 of the Dissolution Act.

"Owner" or *"Bondowner"* or *"Bond Owner"* means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Pass-Through Agreements" means (a) the agreements entitled "Agreement No. 4652, Pass Through Agreement," dated as of July 9, 1987, between the Agency and the County of San Diego; "Pass-Through Agreement," dated July 14, 1987, by and between the Agency and the County of San Diego Water Conservation and Flood Control District, predecessor of the San Diego County Water Resources Agency; "Pass-Through Agreement," dated July 14, 1987, between the Agency and the San Diego County Library; "Agreement for Cooperation Between the San Diego Peninsula Community College District, the Redevelopment Agency for the City of Solana Beach and the City of Solana Beach," dated July 14, 1987; "Agreement for Cooperation between the San Diego Peninsula Unified School District, the Redevelopment Agency of the City of Solana Beach and the City of Solana Beach," dated August 2, 1987; "Agreement Between the Redevelopment Agency of Solana Beach and the Northern Salinas Valley Mosquito Abatement District Regarding Pass-Through of Tax Increments Pursuant to Health and Safety Code Section 33401, dated July 9, 1987; and "Pass-Through Agreement Between the Solana Beach Redevelopment Agency and the Seaside County Sanitation District," dated July 9, 1987, and all amendments to such agreements, and (b) payments to affected taxing agencies pursuant to Chapter 942 of the Law, together with any amendments thereof hereafter duly authorized pursuant to the Law.

"Permitted Investments" means the following, but only to the extent that the same are acquired at Fair Market Value:

(a) Direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury) or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself):

- (1) U.S. Export-Import Bank (Eximbank)
 - i. Direct obligations or fully guaranteed certificates of beneficial ownership
- (2) Federal Financing Bank
- (3) Federal Housing Administration Debentures (FHA)

- (4) General Services Administration
 - i. Participation certificates
- (5) General Services Administration
 - i. GNMA- guaranteed mortgage-backed bonds
 - ii. GNMA - guaranteed pass-through obligations
 - iii. not acceptable for certain cash-flow sensitive issues
- (6) Bonds or notes issued by any state or municipality whose underlying ratings from Moody's and S&P are in the highest rating categories assigned by such agencies.
 - i. Project Notes
 - ii. Local Authority Bonds
 - iii. New Communities Debentures - U.S. government guaranteed debentures
 - iv. U.S. Public Housing Notes and Bonds- U.S. government guaranteed public housing notes and bonds
- (c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself):
 - (1) Federal Home Loan Bank System Senior debt obligations
 - (2) Resolution Funding Corp. (REFCORP) obligations
 - (3) Farm Credit System Consolidated system wide bonds and notes
- (d) Certificates of deposit secured at all times by collateral described in (a) and/or (b) above. Such certificates must be issued by commercial banks, savings and loan associations or mutual savings banks. The collateral must be held by a third party and the Bondholders must have a perfected first security interest in the collateral.
- (e) Certificates of deposit, savings accounts, deposit accounts or money market deposits which are fully insured by FDIC, including BIF and SAIF.
- (f) Bonds or notes issued by any state or municipality whose underlying ratings from Moody's and S&P are in the highest rating categories assigned by such agencies.
- (g) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of Prime- 1 or A3 or better by Moody's and A-1 or A or better by S&P.
- (h) Repurchase Agreements for 30 days or less, subject to the following criteria:

(1) Repos must be between the municipal entity and a dealer bank or securities firm

i. Primary dealers on the Federal Reserve reporting dealer list which are rated A or better by S&P and Moody's, or

ii. Banks rated "A" or above by S&P and Moody's.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03.

"Principal Corporate Trust Office" means such principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor Agency, initially being at 333 Market Street, 18th Floor Street, San Francisco, CA 94105, Attention: Global Corporate Trust Services.

"Rating Category" means any generic rating category of Moody's or S&P, without regard to any refinement of such category by plus or minus sign or by numerical or other qualifying designation.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, prepared and approved from time to time pursuant to subdivision (l) of section 34177 of the Dissolution Act.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.03.

"Redevelopment Obligation Retirement Fund" means the fund by that name referenced in Section 4.02 of this Indenture.

"Redevelopment Project" has the meaning given to such term in the second Recital to this Indenture.

"Refunding Bond Law" means, collectively, section 34177.5(a)(1) of the Law and Section 53580 *et seq.* of the California Government Code

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Financial Consultant or an Independent Redevelopment Consultant and including: (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates; (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Responsible Officer" means any Vice President, Assistant Vice President or Trust Officer of the Trustee with responsibility for matters related to this Indenture.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, its successors and assigns.

"Sinking Account" means the account by that name established and held by the Trustee pursuant to Section 4.03.

"State" means the State of California.

"Statutory Pass-Through Amounts" means all amounts required to be paid to affected taxing agencies pursuant to Sections 33607.5 and/or 33607.7 of the Law.

"Successor Agency" means the Successor Agency of the Solana Beach Redevelopment Agency, as successor to the Former Agency, being a public body corporate and politic duly organized and existing under the Law.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Revenues" means the moneys deposited or available for deposit from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (b) of section 34172 of the Law, as provided in section 34170.5 of the Law, excluding (a) Statutory Pass-Through Amounts, except, and to the extent that any amounts so payable are payable on a basis subordinate to the payment of the Bonds, and (b) Negotiated Pass-Through Amounts, except, and to the extent that any amounts so payable are payable on a basis subordinate to the payment of the Bonds. If, and to the extent, that the provisions of section 34172 of the Law or section 34183 of the Law are invalidated by a final judicial decision, then Tax Revenues shall include all tax revenues allocated to the payment of indebtedness of the Successor Agency pursuant to section 33670 of the Law or such other section as may be in effect at the time providing for the allocation of tax increment revenues to the Successor Agency in accordance with Article XVI, Section 16 of the California Constitution.

"Taxable Rate" means ___% per annum based on a 360-day year of twelve thirty day months.

"Term Bonds" means any Bonds the principal of which is payable from sinking fund installments.

"Trustee" means Wells Fargo Bank, National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"2006 Bonds" means the Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006, originally issued in the principal amount of \$3,555,000, of which \$2,820,000 principal amount remains outstanding.

"Written Request of the Successor Agency" or "Written Certificate of the Successor Agency" means a request or certificate, in writing signed by the Chair, the Executive Director or the Treasurer of the Successor Agency or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture,

and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of Bonds. The Bonds in the aggregate principal amount of _____ dollars (\$_____) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Refunding Bond Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The Bonds shall be designated the "Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017."

Section 2.02. Terms of Bonds.

(a) The Bonds shall be issued in fully registered form without coupons in the denomination of \$1,000 or any integral multiple thereof. The Bonds shall mature on December 1, 2035, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate of _____% per annum; *provided, however*, that so long as an Event of Default pursuant to Section 8.01 (a) or Section 8.01 (c) herein shall have occurred and is continuing, the interest rate may, at the option of the Owner, be increased to the Default Rate and *provided further, however*, from and after the Date of Taxability following a Determination of Taxability, the interest rate may, at the option of the Owner, be increased to the Taxable Rate.

The Bonds shall not be (i) assigned a rating by any rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned CUSIP numbers by Standard & Poor's CUSIP Service Bureau.

(b) Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; *provided however*, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee on or before the applicable Record Date. Such instructions shall remain in effect until rescinded in writing by the Owner. Principal of and redemption premium (if any) on any Bond shall be paid upon presentation and surrender thereof, at maturity or redemption, at the Principal Corporate Trust Office. Both the principal of and interest and premium (if any) on the Bonds shall be payable in lawful money of the United States of America.

(c) The Bonds shall be dated as of their date of delivery and shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) the Bonds are authenticated on or before November 15, 2017, in which event they shall bear interest from their date of delivery; *provided, however*, that if, as of the date of authentication of the Bonds, interest

thereon is in default, the Bonds shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

(d) Notwithstanding anything herein to the contrary, so long as the Bonds are owned by the Original Purchaser, (i) the Trustee shall pay principal of and interest and redemption premium on the Bonds when due by wire transfer in immediately available funds to the Original Purchaser in accordance with wire transfer instructions set forth below (or such other wire instructions as shall be filed by the Original Purchaser with the Trustee from time to time), (ii) payments of principal on the Bonds shall be made without the requirement for presentation and surrender of the Bonds by the Original Purchaser, and (iii) the Trustee shall not be required to give notice to the Original Purchaser of the redemption of Bonds under Section 2.03(b):

(e) Notwithstanding anything herein to the contrary, if any Interest Payment Date is not a Business Day, payments of principal and interest shall be due on the next succeeding Business Day with the same force and affect as if such payments were made on the Interest Payment Date.

Section 2.03. Redemption of Bonds.

(a) *Optional Redemption.* The Bonds are subject to redemption, at the option of the Successor Agency on any date on or after December 1, ____, as a whole or in part, by such maturities as shall be determined by the Successor Agency (and, in lieu of such determination, *pro rata* among maturities), and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem Bonds under this subsection (a) at least thirty-five (35), but not more than seventy-five (75) days, prior to the date fixed for such redemption, or such lesser number of days as shall be agreed to by the Trustee.

(b) *Sinking Account Redemption.* The Bonds are subject to mandatory redemption from Sinking Account payments set forth in the following schedule on December 1, 2017, and on each June 1 and December 1 thereafter to and including December 1, 2035, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any Sinking Account redemption date is not a Business Day, such payment shall be made on the next succeeding Business Day with the same force and affect as if such payment was made on the Sinking Fund redemption date.

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
December 1, 2017		June 1, 2027	
June 1, 2018		December 1, 2027	
December 1, 2018		June 1, 2028	
June 1, 2019		December 1, 2028	
December 1, 2019		June 1, 2029	
June 1, 2020		December 1, 2029	
December 1, 2020		June 1, 2030	
June 1, 2021		December 1, 2030	
December 1, 2021		June 1, 2031	
June 1, 2022		December 1, 2031	
December 1, 2022		June 1, 2032	
June 1, 2023		December 1, 2032	
December 1, 2023		June 1, 2033	
June 1, 2024		December 1, 2033	
December 1, 2024		June 1, 2034	
June 1, 2025		December 1, 2034	
December 1, 2025		June 1, 2035	
June 1, 2026		December 1, 2035†	
December 1, 2026			

† Maturity.

(c) *No Notice of Redemption.* A notice of redemption shall not be required in connection with mandatory redemption from Sinking Account payments.

Section 2.04. Form of Bonds. The Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Chair or its Executive Director and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinafter set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds.

(a) The Bonds may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

(b) Ownership of the Bonds may be transferred in whole only, but only to:

(i) a qualified institutional buyer within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended,

(ii) an accredited investor as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, or

(iii) a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to qualified institutional buyers or accredited investors;

in each case that executes and delivers to the Trustee an investor letter in substantially the form attached hereto as Exhibit B.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be

printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office, and the Trustee shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS; PARITY DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee Bonds in the aggregate principal amount of _____ dollars (\$_____) and the Trustee shall authenticate and deliver the Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale. Upon the receipt of the proceeds of the sale of the Bonds on the Closing Date of \$_____ (being the principal amount of the Bonds of \$_____.00) the Trustee shall apply the proceeds of sale thereof as follows:

(a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund; and

(b) The Trustee shall transfer the amount of \$_____ to the Escrow Bank for deposit in the Escrow Fund.

The Trustee may establish, as it deems necessary, a temporary fund or account on its records to facilitate the deposits and transfers set forth herein.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date 180 days following the Closing Date, or upon the earlier Written Request of the Successor Agency stating that all known Costs of Issuance have been paid, all amounts, if any, remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account, and the Trustee shall then close the Costs of Issuance Fund.

Section 3.04. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion to the Community Redevelopment Project or upon the performance by any person of his obligation with respect to the Redevelopment Project.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Sections 4.02 and 6.06, the Bonds shall be equally secured (a) by a pledge of, security interest in and lien on all of the Tax Revenues excluding the Tax Revenues distributed on January 2 in each Bond Year not required for debt service on the Bonds on June 1 of such year, but including all Tax Revenues distributed on January 2 in each Bond Year to be reserved for 50% of the June 1 payment of principal of and interest on the Bonds in such Bond Year; and (b) by a first and exclusive pledge and lien upon all of the moneys in the Debt Service Fund without preference. Except for the Tax Revenues, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall own the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Trustee for the benefit of the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Tax Revenues. There has been established a special trust fund known as the "Redevelopment Obligation Retirement Fund," which shall be held by the Successor Agency pursuant to section 34170.5 of the Dissolution Act. There is hereby established a special trust fund known as the "Debt Service Fund" and the accounts therein referred to below which shall be held by the Trustee. The Successor Agency shall deposit all of the Tax Revenues received in any Bond Year in the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency. Amounts in the Redevelopment Obligation Retirement Fund, shall be promptly transferred to the Debt Service Fund established and held by the Trustee under this Indenture until such time during such Bond Year as the amounts so transferred to the Debt Service Fund hereunder equal the aggregate amounts required to be deposited by the Trustee into the Interest Account, the Principal Account, the Sinking Account and the Redemption Account of the Debt Service Fund in such Bond Year pursuant to Section 4.03 of this Indenture excluding the Tax Revenues distributed on January 2 in each Bond Year not required for debt service on the Bonds on June 1 of such year, but including all Tax Revenues distributed on January 2 in each Bond Year to be reserved for 50% of the December 1 principal of and interest on the Bonds payable in such Bond Year.

Any Tax Revenues received during a Bond Year and held in the Redevelopment Obligation Retirement Fund, to the extent remaining after making the foregoing transfers to the Debt Service Fund in such Bond Year, shall be released from the pledge and lien under this Indenture which secures the Bonds and may be applied for any lawful purposes of the Successor Agency, including but not limited to administrative costs of the Successor Agency.

Section 4.03. Deposit of Amounts by Trustee. There are hereby created accounts within the Debt Service Fund as set forth below, to be known respectively as the Interest Account, the Principal Account, the Sinking Account and the Redemption Account. Moneys in the Debt Service Fund will be transferred by the Trustee in the following amounts at the following times,

for deposit by the Trustee in the following respective accounts within the Debt Service Fund, in the following order of priority:

(a) *Interest Account.* On or before the fifth Business Day preceding each Interest Payment Date or date of redemption of the Bonds, to the extent there are moneys available, the Trustee shall transfer funds from the Debt Service Fund for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date or date of redemption of the Bonds. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds or date of redemption of the Bonds of the interest coming due on the Bonds to be redeemed. Subject to this Indenture, all moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable (including accrued interest on any Bonds Debt redeemed prior to maturity pursuant to this Indenture).

(b) *Principal Account.* On or before the fifth Business Day preceding the final maturity date of the Bonds, to the extent there are moneys available, the Trustee shall transfer funds from the Debt Service Fund for deposit in the Principal Account the principal payments becoming due and payable on Outstanding Bonds such date, to the extent monies on deposit in the Debt Service Fund are available therefor. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal payments to become due on such date. Subject to this Indenture, all moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal payments of the Bonds as it becomes due and payable.

(c) *Sinking Account.* On or before the fifth Business Day preceding each Sinking Fund payment date, commencing November 15, 2017, to the extent there are moneys available, the Trustee shall transfer funds from the Debt Service Fund for deposit in the Sinking Account an amount equal to the sinking account payments becoming due and payable on any Bonds that constitute Term Bonds, to the extent monies on deposit in the Debt Service Fund are available therefor. No such transfer and deposit need be made to the Sinking Account if the amount contained therein is at least equal to the sinking account payments to become due on the next June 1 on all Outstanding Bonds that constitute Term Bonds. Subject to this Indenture, all moneys in the Sinking Account will be used and withdrawn by the Trustee solely for the purpose of paying the aggregate principal amount of the Term Bonds.

(d) *Redemption Account.* On or before the fifth Business Day preceding any date on which Bonds are to be optionally redeemed, the Trustee shall withdraw from the Debt Service Fund and transfer to the Redemption Account an amount required to pay the principal of and premium, if any, on the Bonds to be redeemed on such date, taking into account any funds then on deposit in the Redemption Account. The Trustee shall also deposit in the Redemption Account any other amounts received by it from the Successor Agency designated by the Successor Agency in writing to be deposited in the Redemption Account. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Bonds to be redeemed on the respective dates set for such redemption.

ARTICLE V

OTHER COVENANTS OF THE AGENCY

Section 5.01. Covenants of the Successor Agency. As long as the Bonds are outstanding and unpaid, the Successor Agency shall (through its proper members, officers, agents or employees) faithfully perform and abide by all of the covenants, undertakings and provisions contained in this Indenture or in any Bond issued hereunder, including the following covenants and agreements for the benefit of the Bondowners which are necessary, convenient and desirable to secure the Bonds; *provided, however*, that the covenants do not require the Successor Agency to expend any funds other than the Tax Revenues:

(a) *Use of Proceeds; Management and Operation of Properties*. The Successor Agency covenants and agrees that the proceeds of the sale of the Bonds will be deposited and used as provided in this Indenture and that it will manage and operate all properties owned by it comprising any part to the Redevelopment Project in a sound and businesslike manner.

(b) *No Priority*. The Successor Agency covenants and agrees that it will not issue any obligations payable, either as to principal or interest, from the Tax Revenues which have any lien upon the Tax Revenues prior or superior to the lien of the Bonds. Except as permitted by Section 3.04 hereof, it will not issue any obligations, payable as to principal or interest, from the Tax Revenues, which have any lien upon the Tax Revenues on a parity with the Bonds authorized herein. Notwithstanding the foregoing, nothing in this Indenture shall prevent the Successor Agency (i) from issuing and selling pursuant to law, refunding obligations payable from and having any lawful lien upon the Tax Revenues, if such refunding obligations are issued for the purpose of, and are sufficient for the purpose of, refunding all or a portion of the Outstanding Bonds, (ii) from issuing and selling obligations which have, or purport to have, any lien upon the Tax Revenues which is junior to the Bonds, or (iii) from issuing and selling bonds or other obligations which are payable in whole or in part from sources other than the Tax Revenues. As used herein "obligations" includes, without limitation, bonds, notes, interim certificates, debentures or other obligations.

(c) *Punctual Payment*. The Successor Agency covenants and agrees that it will duly and punctually pay or cause to be paid the principal of and interest on each of the Bonds on the date, at the place and in the manner provided in the Bonds.

(d) *Payment of Taxes and Other Charges*. The Successor Agency covenants and agrees that it will from time to time pay and discharge, or cause to be paid and discharged, all payments in lieu of taxes, service charges, assessments or other governmental charges which may lawfully be imposed upon the Successor Agency or any of the properties then owned by it in the Redevelopment Project, or upon the revenues and income therefrom, and will pay all lawful claims for labor, materials and supplies which if unpaid might become a lien or charge upon any of the properties, revenues or income or which might impair the security of the Bonds or the use of Tax Revenues or other legally available funds to pay the principal of and interest on the Bonds, all to the end that the priority and security of the Bonds shall be preserved; *provided, however*, that nothing in this covenant shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of the payment.

(e) *Books and Accounts; Financial Statements*. The Successor Agency covenants and agrees that it will at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Redevelopment Project and the Tax Revenues and other

funds relating to the Redevelopment Project. The Successor Agency will prepare within one hundred eighty (180) days after the close of each of its Fiscal Years a post-audit of the financial transactions and records of the Successor Agency for the Fiscal Year to be made by an Independent Certified Public Accountant appointed by the Successor Agency, and will furnish a copy of the post-audit to the Trustee and any rating agency which maintains a rating on the Bonds, and, upon written request, to any Bondowner. The Trustee shall have no duty to review such post-audits.

(f) *Eminent Domain Proceeds.* The Successor Agency covenants and agrees that if all or any part to the Redevelopment Project should be taken from it without its consent, by eminent domain proceedings or other proceedings authorized by law, for any public or other use under which the property will be tax exempt, it shall take all steps necessary to adjust accordingly the base year property tax roll of the Redevelopment Project.

(g) *Protection of Security and Rights of Bondowners.* The Successor Agency covenants and agrees to preserve and protect the security of the Bonds and the rights of the Bondowners and to contest by court action or otherwise (i) the assertion by any officer of any government unit or any other person whatsoever against the Successor Agency that (A) the Law is unconstitutional or (B) that the Tax Revenues pledged under this Indenture cannot be paid to the Successor Agency for the debt service on the Bonds or (ii) any other action affecting the validity of the Bonds or diluting the security therefor, including, with respect to the Tax Revenues.

(h) *Tax Covenants.* The Successor Agency covenants and agrees to contest by court action or otherwise any assertion by the United States of America or any departments or agency thereof that the interest received by the Bondowners is includable in gross income of the recipient under federal income tax laws on the date of issuance of the Bonds. Notwithstanding any other provision of this Indenture, absent an opinion of Bond Counsel that the exclusion from gross income of interest with respect to the Bonds will not be adversely affected for federal income tax purposes, the Successor Agency covenants to comply with all applicable requirements of the Tax Code necessary to preserve such exclusion from gross income and specifically covenants, without limiting the generality of the foregoing, as follows:

(i) *Rebate Requirement.* The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government. In the event that the Successor Agency shall determine that any amounts are due and payable to the United States of America hereunder and that the Trustee has on deposit an amount of available moneys (excluding moneys on deposit in the Interest Account, the Principal Account or the Sinking Account and excluding any other moneys required to pay the principal of or interest or redemption premium, if any, on the Bonds) to make such payment, the Successor Agency shall promptly pay from available Tax Revenues or any other source of legally available funds the sum of (A) one hundred percent (100%) of the amounts determined to be due and payable to the United States of America as a result of the investment of amounts on deposit in any fund or account established hereunder, plus (B) all other amounts due and payable to the United States of America.

(ii) *Private Business Use Limitation.* The Successor Agency shall assure that the proceeds of the Bonds are not used in a manner which would cause the Bonds to become "private activity bonds" within the meaning of section 141(a) of the Tax Code.

(iii) *Private Loan Limitation.* The Successor Agency shall assure that no more than five percent (5%) of the net proceeds of the Bonds are used, directly or indirectly, to make or finance a loan (other than loans constituting nonpurpose obligations as defined

in the Tax Code or constituting assessments) to persons other than state or local government units.

(iv) *Federal Guarantee Prohibition.* The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Tax Code.

(v) *No Arbitrage.* The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date of the Bonds, would have caused the Bonds to be "arbitrage bonds" within the meaning of section 148(a) of the Tax Code.

(i) *Compliance with Dissolution Act; Recognized Obligation Payment Schedules.* The Successor Agency covenants that it will comply with all of the requirements of the Dissolution Act applicable to it and to the Bonds. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to take all actions required under the Dissolution Act to prepare and file Recognized Obligation Payment Schedules so as to enable the San Diego County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund (as such term is used in the definition "Tax Revenues" in this Indenture) for deposit in the Redevelopment Obligation Retirement Fund all amounts as shall be required to enable the Successor Agency to timely pay the principal of, and interest on, all Outstanding Bonds coming due in each Fiscal Year.

Without limiting the generality of the foregoing, the Successor Agency shall take all actions required under the Dissolution Act to file a Recognized Obligation Payment Schedule by February 1 in each year, commencing February 1, 2018, in accordance with section 34177 of the Redevelopment Law. "For the semiannual period ending each June 30, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Tax Revenues which is at least equal to 100% of the amount of principal of and interest on the Bonds coming due and payable on the next succeeding June 1 and December 1.

For the semiannual period ending each December 31, the Recognized Obligation Payment Schedule which includes such period shall request the payment to the Successor Agency of an amount of Tax Revenues which is at least equal to the remaining principal and interest due on the Bonds coming due and payable on the next succeeding June 1, and not received or reserved in the period ending June 30.

The foregoing actions shall include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and the California Department of Finance, to the extent required, the amounts to be held by the Successor Agency as a reserve for the timely payment of principal of and interest on the Bonds coming due in the succeeding Fiscal Year.

(j) *Further Assurances.* The Successor Agency covenants and agrees to adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the rights and benefits provided in this Indenture.

(k) *Reporting Requirements.* The Successor Agency hereby covenants and agrees that it will provide to the Owner:

(i) the Financial Statements of the City within nine months after the end of each fiscal year, which shall include audited financial statements of the City, including the Successor Agency, with a standard opinion provided by the auditor in accordance with Generally Accepted Accounting Principles including required supplemental information;

(ii) a copy of the State Department of Finance approved ROPS filing in the event the information cannot be obtained through the State Department of Finance at <http://www.dof.ca.gov/redevelopment/ROPS/view.php>;

(iii) as such documents become available, copies of the Department of Finance Distribution Reports for the prior fiscal year from the County Auditor-Controller; and

(iv) immediately upon the Successor Agency's knowledge thereof, notices of (A) any Event of Default, (B) Material Litigation, (C) Material Adverse Effect, or (D) a Determination of Taxability.

(k) *Costs and Expenses.* Subject to the following sentence, the Successor Agency agrees to pay the reasonable out-of-pocket expenses and disbursements of the Owners and the necessary and reasonable fees, expenses and disbursements of counsel to the Owners in connection with (A) obtaining any waiver or consent under this Indenture (whether or not the transactions contemplated thereby shall be consummated) or any Event of Default hereunder, (B) the preparation, execution, delivery, administration, defense and enforcement or preservation of rights in connection with a workout, restructuring or waiver with respect to the Bonds, and (C) the occurrence of an Event of Default and collection and other enforcement proceedings resulting therefrom.

(l) *Protection of Tax Revenues.* The Successor Agency shall not enter into any agreement with any other governmental entity, or amend any such agreement, if such agreement or amendment would have the effect of reducing the amount of Tax Revenues available to the Successor Agency for the payment of principal or interest payments on the Bonds or other payments required by this Indenture or any Supplemental Indenture without the prior written consent of the Owner.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable person would exercise or use under the circumstances in the conduct of its own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing), or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section 6.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall immediately appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer,

assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section 6.01 in succession to the Trustee shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section 6.01.

Section 6.02. Merger or Consolidation. Any bank, corporation or trust company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank, corporation or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, corporation or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, corporation or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made by a responsible employee or officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or intentional misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a Responsible Officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

The Trustee shall have no liability or obligation to the Bond Owners with respect to the payment of debt service by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and shall be entitled to opinion and advice of counsel concerning all matters of trust and its duties hereunder. The Trustee shall not be responsible for any action taken or not taken on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

Before taking any action under Article VIII or this Article at the written request of a majority of the Owners, the Trustee may require that a satisfactory indemnity bond be

furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Under no circumstances shall the Trustee be liable in its individual capacity for the obligations evidenced by the Bonds. The Trustee shall not be accountable for the use or application by the Successor Agency or any other party of any funds which the Trustee has released in accordance with the terms of this Indenture. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees, agents and attorneys. Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Article VI.

The Trustee shall not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, facsimile transmission, electronic mail, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or Report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

The Trustee agrees to accept and act upon facsimile transmission of written instructions and/or directions pursuant to this Indenture provided, however, that: (a) subsequent to such facsimile transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated person.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities, including legal fees and expenses, which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Subject to the provisions of Article V hereof, all moneys held by the Trustee in the Debt Service Fund, Costs of Issuance Fund or the Redemption Account, shall, at the written direction of the Successor Agency, be invested only in Permitted Investments. If the Trustee receives no written directions from the Successor Agency as to the investment of moneys held in any fund or account, the Trustee shall request such written direction from the Successor Agency and, pending receipt of instructions, shall invest such moneys solely in Permitted Investments described in subsection (d) of the definition thereof.

(a) Moneys in the Redevelopment Obligation Retirement Fund shall be invested by the Successor Agency only in obligations permitted by the Law which will by their terms mature not later than the date the Successor Agency estimates the moneys represented by the particular investment will be needed for withdrawal from the Redevelopment Obligation Retirement Fund.

(b) Moneys in the Interest Account, the Principal Account, the Sinking Account and the Redemption Account of the Debt Service Fund shall be invested only in obligations which will by their terms mature on such dates as to ensure that before each interest and principal payment date, there will be in such account, from matured obligations and other moneys already in such account, cash equal to the interest and principal payable on such payment date.

Obligations purchased as an investment of moneys in any of the funds or accounts shall be deemed at all times to be a part of such respective Fund or Account and the interest accruing thereon and any gain realized from an investment shall be credited to such Fund or Account and any loss resulting from any authorized investment shall be charged to such Fund or

Account without liability to the Trustee. The Successor Agency or the Trustee, as the case may be, shall sell or present for redemption any obligation purchased whenever it shall be necessary to do so in order to provide moneys to meet any payment or transfer from such Fund or Account as required by this Indenture and shall incur no liability for any loss realized upon such a sale. All interest earnings received on any monies invested in the Interest Account, Principal Account, Sinking Account or Redemption Account, to the extent they exceed the amount required to be in such Account, shall be transferred on each Interest Payment Date to the Debt Service Fund. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 6.07. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 6.07 hereof. The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

The value of Permitted Investments shall be determined as follows: (i) as to investments the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not there, then in *The New York Times*): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination; (ii) as to investments the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service; (iii) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and (iv) as to any investment not specified above: the value thereof established by prior agreement between the Successor Agency and the Trustee. If more than one provision of this definition of "value" shall apply at any time to any particular investment, the value thereof at such time shall be determined in accordance with the provision establishing the lowest value for such investment; provided, notwithstanding the foregoing, in making any valuations hereunder, the Trustee may utilize and conclusively rely upon such pricing services as may be regularly available to it, including, without limitation, those within its regular accounting system.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture. The Trustee shall maintain and store such records for a period of one year after the stated maturity of the Bonds.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this

Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate trustee or co-trustee. The following provisions of this Section 6.09 are adopted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them; *provided, however*, in no event shall the Trustee be responsible or liable for the acts or omissions of any co-trustee.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engage in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption, without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of nationally recognized bond counsel.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee shall be entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners and that all conditions precedent for any supplement or amendment has been satisfied.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency, the Owners of such Bonds

shall present such Bonds for that purpose at the Principal Corporate Trust Office, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal or sinking fund payment of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of sixty (60) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 60 day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency within such 60 day period and the Successor Agency thereafter diligently and in good faith cures such failure within 120 days; or

(c) if the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

Notwithstanding the foregoing, in the event the Successor Agency fails to file a Recognized Obligation Payment Schedule within the time required by the Dissolution Act, as it may be amended from time to time, the Owner shall have the right to file a writ of mandate to enforce the Successor Agency's obligation to file such Recognized Obligation Payment Schedule in accordance with Section 5.01(i) hereof and the Dissolution Act.

From and during the continuance of an Event of Default specified in paragraphs (a) or (c) above, the Bonds shall, at the option of the Owner, bear interest at the Default Rate.

If an Event of Default pursuant to Section 8.01 (a) or Section 8.01 (c) herein has occurred and is continuing, the Trustee may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Promptly upon receiving written notice or actual knowledge (of a Responsible Officer) of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone confirmed in writing. With respect to any Event of Default

described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall accrue at the Default Rate (at the option of the Owner); provided that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel) to and any and all other defaults of which the Trustee has notice (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 8.03. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority

in aggregate principal amount of all the Bonds then Outstanding shall have made Written Request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such Written Request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section 8.03 or any other provision of this Indenture.

Section 8.04. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.05. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact; *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or

expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel).

Section 8.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.07. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Successor Agency, the Trustee, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Indenture, or any covenant, condition or stipulation of this Indenture, and all covenants, stipulations, promises and agreements in this Indenture shall be for the sole and exclusive benefit of the Successor Agency, the Trustee, their officers, employees and agents, and the Owners.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(a) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(b) by irrevocably depositing with the Trustee or another fiduciary, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(c) by irrevocably depositing with the Trustee or another fiduciary, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion of (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(c) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without

limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

To accomplish defeasance the Successor Agency shall cause to be delivered (i) a Report of an Independent Accountant verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or earlier redemption date ("Verification"), (ii) an escrow deposit agreement, and (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Indenture; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency and the Trustee.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, *provided, however*, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. Upon request of the Trustee, the Successor Agency shall specify to the Trustee those Bonds disqualified pursuant to this Section 9.05.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal of or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Canceled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or canceled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the

Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by first class, registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Successor Agency: Successor Agency of the
Solana Beach Redevelopment Agency
c/o City of Solana Beach
635 South Highway 101
Solana Beach, CA 92075
Attention: City Manager
Phone: (858) 720-2431

If to the Trustee: Wells Fargo Bank, National Association
333 Market Street, 18th Floor
San Francisco, CA 94105
Attention: Corporate Trust Services
Phone: (415) 801-8583

If to the Original Purchaser: _____

The Successor Agency and the Trustee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the

Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on of such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State applicable to contracts made and performed in the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY, has caused this Indenture to be signed in its name by its officer thereunto duly authorized and attested by its Secretary, and WELLS FARGO BANK, NATIONAL ASSOCIATION in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

SUCCESSOR AGENCY OF THE SOLANA
BEACH REDEVELOPMENT AGENCY

By _____
Name _____
Title _____

Attest:

Secretary

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Vice President

EXHIBIT A
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUYNTY OF SAN DIEGO

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. THIS BOND MAY NOT BE TRANSFERRED EXCEPT IN ACCORDANCE WITH SECTION 2.06 OF THE INDENTURE DESCRIBED HEREIN.
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**SUCCESSOR AGENCY OF THE
SOLANA BEACH REDEVELOPMENT AGENCY
Tax Allocation Refunding Bond, Series 2017**

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____ %	December 1, 2035	September __, 2017	_____

REGISTERED OWNER: _____

PRINCIPAL SUM: _____ DOLLARS

The SUCCESSOR AGENCY TO THE SOLANA BEACH REDEVELOPMENT AGENCY, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before November 15, 2017, in which event it shall bear interest from the Dated Date above; *provided however*, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the interest payment date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on each June 1 and December 1, commencing December 1, 2017, or, if such day is not a Business Day (as such term is defined in the Indenture, hereinafter defined), on the next succeeding Business Day (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months.

From and after a Determination of Taxability the Bonds shall bear interest at the Taxable Rate specified in the Indenture. Further, from and during the continuance of an Event of Default under the Indenture, the Bonds shall, at the option of the Owner, bear interest at the Default Rate specified in the Indenture.

Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the Principal Corporate Trust Office (as such term is defined in the Indenture) of Wells Fargo Bank, National Association, as trustee (the "Trustee"), or at such other place as designated by the Trustee. Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose on or before the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017" (the "Bonds"), of an aggregate principal amount of _____ dollars (\$ _____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption and other provisions) and all issued pursuant to the provisions of section 34177.5 of the California Health and Safety Code and Section 53580 *et seq.* of the California Government Code and pursuant to Resolution No. ____ of the Successor Agency, adopted on June 28, 2017, and Resolution No. _____, adopted by the Oversight Board on _____, 2017, and an Indenture of Trust, dated as of September 1, 2017, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds. Additional bonds, or other obligations may be issued on a parity with the Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Redevelopment Law") for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to (a) refund the outstanding Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006, and (b) pay certain expenses of the Successor Agency in issuing the Bonds.

The Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Tax Revenues being the moneys deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to subdivision (c) of section 34172 the California Health and Safety Code, as provided in paragraph (2) of subdivision (a) of section 34183 of the California Health and Safety Code. If, and to the extent, that the provisions of section 34172 or paragraph (2) of subdivision (a) of section 34183 the California Health and Safety Code are invalidated by a final judicial decision, then Tax Revenues shall include all tax revenues allocated to the payment of indebtedness pursuant to section 33670 of the California Health and Safety Code or such other section as may be in effect at the time providing for the allocation of tax increment revenues in accordance with Article XVI, Section 16 of the California Constitution.

There has been created and will be maintained by the Successor Agency, the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment of the principal of and the interest and redemption premium, if any, on the Bonds when due. As and to the extent set forth in the Indenture, all such Tax Revenues are pledged, in accordance with the terms and provisions of the Indenture and the Redevelopment Law, for the security and payment of the Bonds. In addition, the Bonds are secured by a pledge of, security interest in and lien upon moneys in the Redevelopment Obligation Retirement Fund, the Debt Service Fund, the Interest Account, the Principal Account, the Sinking Account and the Redemption Account (as such terms are defined in the Indenture), all to the extent set forth in the Indenture. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds.

The Bonds are subject to redemption, at the option of the Successor Agency on any date on or after December 1, ____, as a whole or in part, by such maturities as shall be determined by the Successor Agency (and, in lieu of such determination, *pro rata* among maturities), and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

The Bonds are subject to mandatory redemption from Sinking Account payments set forth in the following schedule on December 1, 2017, and on each June 1 and December 1 thereafter to and including December 1, 2035, at a redemption price equal to the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption. If any Sinking Account redemption date is not a Business Day, such payment shall be made on the next succeeding Business Day with the same force and effect as if such payment was made on the Sinking Fund redemption date.

Redemption Date	Principal Amount	Redemption Date	Principal Amount
December 1, 2017		June 1, 2027	
June 1, 2018		December 1, 2027	
December 1, 2018		June 1, 2028	
June 1, 2019		December 1, 2028	
December 1, 2019		June 1, 2029	
June 1, 2020		December 1, 2029	
December 1, 2020		June 1, 2030	
June 1, 2021		December 1, 2030	
December 1, 2021		June 1, 2031	
June 1, 2022		December 1, 2031	
December 1, 2022		June 1, 2032	
June 1, 2023		December 1, 2032	
December 1, 2023		June 1, 2033	
June 1, 2024		December 1, 2033	
December 1, 2024		June 1, 2034	
June 1, 2025		December 1, 2034	
December 1, 2025		June 1, 2035	
June 1, 2026		December 1, 2035+	
December 1, 2026			

† Maturity.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$1,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bonds during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bonds selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

This Bond is not a debt of the City of Solana Beach, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Redevelopment Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Redevelopment Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Solana Beach Redevelopment Agency has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Chair and attested by the facsimile signature of its Secretary, all as of Dated Date stated above.

SUCCESSOR AGENCY OF THE SOLANA
BEACH REDEVELOPMENT AGENCY

By: _____
Chair

Attest:

By: _____
Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint

attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution (banks, stock brokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program) pursuant to Securities and Exchange Commission Rule 17 Ad-15.

NOTICE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

EXHIBIT B
FORM OF PURCHASER'S LETTER

Successor Agency of the Solana Beach Redevelopment Agency
635 South Highway 101
Solana Beach, CA 92075

Re: Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation
Refunding Bonds, Series 2017

Ladies and Gentlemen:

The undersigned (the "Purchaser"), being the purchaser of the above-referenced bonds (the "Bonds") does hereby certify, represent and warrant for the benefit of the Successor Agency of the Solana Beach Redevelopment Agency (the "Successor Agency") and Wells Fargo Bank, National Association, as trustee (the "Trustee") that:

(a) The Purchaser (MARK OR INDICATE APPROPRIATELY):

is a qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"),

is an "accredited investor" as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Accredited Investor"), or

is a trust, partnership, custodial arrangement or similar entity, interests in which are offered and sold in a private placement or limited offering only to Qualified Institutional Buyers or Accredited Investors.

(b) The Purchaser understands that the Bonds have not been registered under the United States Securities Act of 1933, as amended, or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

(c) The Purchaser is not now and has never been controlled by, or under common control with, the Successor Agency. The Successor Agency has never been and is not now controlled by the Purchaser. The Purchaser has entered into no arrangements with the Successor Agency or with any affiliate in connection with the Bonds, other than as disclosed to the Successor Agency.

(d) The Purchaser has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The individual who is signing this letter on behalf of the Purchaser is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the certificates,

representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

(e) The Purchaser has been informed that the Bonds (i) have not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, and (ii) will not be listed on any stock or other securities exchange.

(f) The Purchaser acknowledges that it has the right to sell and transfer the Bonds, subject to compliance with the transfer restrictions set forth in Section 2.06 of the Indenture of Trust, dated as of September 1, 2017, by and between the Successor Agency and the Trustee (the "Indenture"), including in certain circumstances the requirement for the delivery to the Successor Agency and the Trustee of an investor's letter in the same form as this Investor's Letter, including this paragraph. Failure to comply with the provisions of Section 2.06 of the Indenture shall cause the purported transfer to be null and void.

(h) Neither the Trustee nor Bond Counsel, or any of their employees, counsel or agents will have any responsibility to the Purchaser for the accuracy or completeness of information obtained by the Purchaser from any source regarding the Successor Agency or its financial condition, the provision for payment of the Bonds, or the sufficiency of any security therefor. The Purchaser acknowledges that, as between the Purchaser and all of such parties, the Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary or desirable in connection with its decision to purchase the Bonds.

(i) The Purchaser acknowledges that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the Successor Agency has not undertaken to provide any continuing disclosure with respect to the Bonds, except as otherwise provided in the Indenture.

The Purchaser acknowledges that the sale of the Bonds to the Purchaser is made in reliance upon the certifications, representations and warranties herein by the addressees hereto. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Indenture.

[PURCHASER]

By _____
Name _____
Title _____

ESCROW AGREEMENT

by and between the

**SUCCESSOR AGENCY OF THE
SOLANA BEACH REDEVELOPMENT AGENCY**

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Escrow Bank

Dated September __, 2017

Relating to the refunding of the outstanding
Solana Beach Redevelopment Agency
(Solana Beach Redevelopment Project)
Tax Allocation Bonds, Series 2006

ESCROW AGREEMENT

This ESCROW AGREEMENT is made and entered into this ____ day of September, 2017, by and between the SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY, a public entity, organized and existing under the laws of the State of California (the "Successor Agency"), and WELLS FARGO, BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in San Francisco, California, and being qualified to accept and administer the funds and accounts hereby created, as successor trustee with respect to the hereinafter described 2006 Bonds and as escrow agent hereunder (the "Escrow Bank");

WITNESSETH:

WHEREAS, the Solana Beach Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), including the power to issue bonds for any of its corporate purposes;

WHEREAS, the Former Agency has previously issued its Solana Beach Redevelopment Agency (Solana Beach Redevelopment Project) Tax Allocation Bonds, Series 2006, of which \$2,820,000 remains outstanding (the "2006 Bonds");

WHEREAS, the 2006 Bonds were issued pursuant to an indenture of trust, dated as of May 1, 2006 (the "2006 Indenture"), by and between the Former Agency and Wells Fargo Bank, National Association, as trustee (the "2006 Trustee");

WHEREAS, the 2006 Indenture provides that if the Successor Agency shall pay and provide for the entire indebtedness on all or any portion of the 2006 Bonds by irrevocably depositing cash or non-callable Defeasance Obligations (as defined in the 2006 Indenture) with the 2006 Trustee in such amount as will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the 2006 Indenture, be fully sufficient to pay and discharge the indebtedness on all or such portion of the 2006 Bonds (including all principal, interest and redemption premiums) at or before maturity, and if the 2006 Bonds are to be redeemed prior to the maturity thereof, and notice of such redemption is given pursuant to the 2006 Indenture or provision satisfactory to the 2006 Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any 2006 Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues (as defined in the 2006 Indenture) and other funds provided for in the 2006 Indenture and all other obligations of the 2006 Trustee and the Successor Agency under the 2006 Indenture with respect to all or such portion of the 2006 Bonds shall cease and terminate, except only the obligations of the 2006 Trustee to transfer and exchange the 2006 Bonds thereunder and except the obligations of the Successor Agency to pay or cause to be paid to the owners of the 2006 Bonds not so surrendered and paid all sums due thereon and all expenses and costs of the 2006 Trustee; and thereafter Tax Revenues shall not be payable to the 2006 Trustee;

WHEREAS, the Successor Agency has determined that, due to prevailing financial market conditions, it is in the best interests of the Successor Agency at this time to redeem the 2006 Bonds in full on _____, 2017 (the "Redemption Date") at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price");

WHEREAS, to raise a portion of the funds necessary to effectuate the refunding of the 2006 Bonds and for other purposes, the Successor Agency has issued its \$_____ Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017 (the "2017 Bonds"), pursuant to an Indenture of Trust, dated as of September 1, 2017 (the "2017 Indenture"), by and between the Successor Agency and Wells Fargo Bank, National Association, as trustee (the "2017 Trustee");

WHEREAS, the Successor Agency wishes to make a deposit with the Escrow Bank and to enter into this Escrow Agreement for the purpose of providing the terms and conditions for the deposit and application of amounts so deposited; and

WHEREAS, the Escrow Bank has full powers to act with respect to the irrevocable escrow and escrow created herein and to perform the duties and obligations to be undertaken pursuant to this Escrow Agreement;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Appointment of Escrow Bank. The Successor Agency hereby appoints the Escrow Bank as escrow agent for all purposes of this Escrow Agreement and in accordance with the terms and provisions of this Escrow Agreement, and the Escrow Bank hereby accepts such appointment.

Section 2. Establishment of Escrow Fund. There is hereby created by the Successor Agency with, and to be held by, the Escrow Bank, as security for the defeasance and redemption of the 2006 Bonds, as hereinafter set forth, an irrevocable escrow to be maintained by the Escrow Bank on behalf of the Successor Agency and for the benefit of the owners of the 2006 Bonds, said escrow to be designated the "Escrow Fund." All moneys deposited in the Escrow Fund shall constitute a special fund for the defeasance and redemption of the 2006 Bonds in accordance with the provisions of the 2006 Indenture. If at any time the Escrow Bank shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required by Section 4 hereof, the Escrow Bank shall notify the Successor Agency of such fact and the Successor Agency shall immediately cure such deficiency.

Section 3. Deposit into Escrow Fund.

(a) Concurrently with delivery of the 2017 Bonds, the Successor Agency shall cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the amount of \$_____, derived as follows:

(i) from the proceeds of the 2017 Bonds, the sum of \$_____; and

(ii) from amounts on deposit in the reserve fund created for the 2006 Bonds (the "2006 Reserve Fund"), the sum of \$_____.

(b) The Escrow Bank shall hold all amounts deposited in the Escrow Fund in cash, uninvested. Such cash shall be deposited with and held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein.

(c) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Agreement.

(d) Any money left on deposit in the Escrow Fund after payment in full of the 2006 Bonds, and the payment of all amounts due to the Escrow Bank hereunder, shall be paid to the Successor Agency.

Section 4. Instructions as to Application of Deposit; Redemption Notice.

(a) The moneys deposited in the Escrow Fund pursuant to Section 3 shall be applied by the Escrow Bank for the sole purpose of redeeming the 2006 Bonds in full on the Redemption Date at the Redemption Price, all as set forth in Exhibit A attached hereto and by this reference incorporated herein.

(b) The Escrow Bank, in its capacity as 2006 Trustee, has previously been requested, and the Escrow Bank, as 2006 Trustee, has given timely notice of the redemption of the 2006 Bonds on the Redemption Date in accordance with the applicable provisions of the 2006 Indenture.

Section 5. Application of 2006 Funds. On the date of deposit of amounts in the Escrow Fund pursuant to Section 3, the Escrow Bank, as 2006 Trustee, is hereby directed to withdraw a portion of the amounts on deposit in the 2006 Reserve Fund (\$_____) and transfer such sum to the Escrow Fund.

Any amounts remaining on deposit in any fund or account established under the 2006 Indenture relating to the 2006 Bonds, including any investment earnings received after the date of original delivery of the 2017 Bonds, shall be transferred by the Escrow Bank to the Successor Agency for deposit in the Redevelopment Obligation Retirement Fund established under the 2017 Indenture.

Section 6. Application of Certain Terms of 2006 Indenture. All of the terms of the 2006 Indenture relating to the making of payments of principal and interest with respect to the 2006 Bonds are incorporated in this Escrow Agreement as if set forth in full herein. The provisions of the 2006 Indenture relating to the limitations from liability and protections afforded the 2006 Trustee and the resignation and removal of the 2006 Trustee are also incorporated in this Escrow Agreement as if set forth in full herein and shall be the procedure to be followed with respect to any resignation or removal of the Escrow Bank hereunder.

Section 7. Compensation to Escrow Bank. The Successor Agency shall pay the Escrow Bank full compensation for its duties under this Escrow Agreement, including out-of-pocket costs such as publication costs, prepayment or redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

Section 8. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Escrow Agreement unless the Successor Agency shall have deposited sufficient funds with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the Successor Agency or its agents relating to any matter or action as Escrow Bank under this Escrow Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys deposited therein, the sufficiency of the uninvested moneys held hereunder to accomplish the purposes set forth in Section 3 hereof, or any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-

negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statement of the Successor Agency, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the uninvested moneys to accomplish the purposes set forth in Section 3 hereof or to the validity of this Escrow Agreement as to the Successor Agency and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the Successor Agency, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the Successor Agency.

Anything in this Escrow Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Escrow Bank agrees to accept and act upon instructions or directions pursuant to this Escrow Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Bank shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Successor Agency elects to give the Escrow Bank e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Bank in its discretion elects to act upon such instructions, the Escrow Bank's understanding of such instructions shall be deemed controlling. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Successor Agency agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized instructions, and the risk of interception and misuse by third parties.

The Successor Agency hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective successors, assigns, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the retention of the moneys therein and any payment, transfer or other application of moneys by the Escrow Bank in accordance with the provisions of this Escrow Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the Successor Agency shall not

be required to indemnify the Escrow Bank against its own negligence or misconduct. The indemnities contained in this Section 10 shall survive the termination of this Escrow Agreement or the resignation or removal of the Escrow Bank.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to revive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Bank will furnish the Successor Agency periodic cash transaction statements which include detail for all investment transactions made by the Escrow Bank hereunder.

No provision of this Escrow Agreement shall require the Escrow Bank to expend or risk its own funds or otherwise incur any financial liability in the performance or exercise of any of its duties hereunder, or in the exercise of its rights or powers.

The Escrow Bank may execute any of the obligations or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Escrow Agent shall furnish the Successor Agency periodic cash transaction statements which include detail for all investment transactions effected by the Escrow Agent. Upon the Successor Agency's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The Successor Agency further understands that trade confirmations for securities transactions effected by the Escrow Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

Section 9. Amendment. This Escrow Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the 2006 Bonds shall have been filed with the Escrow Bank. This Escrow Agreement may be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the Successor Agency and the Successor Agency, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the 2006 Bonds or the 2017 Bonds, and that such amendment will not cause interest on the 2006 Bonds or the 2017 Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Agreement, prior written notice thereof and draft copies of the applicable legal documents shall be provided by the Successor Agency to each rating agency then rating the 2006 Bonds.

Section 10. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence clause or provision shall not affect any of the remaining provisions of this Escrow Agreement. Notice of any such invalidity or unenforceability shall be provided to each rating agency then rating the 2006 Bonds.

Section 11. Notice of Escrow Bank, Agency and Successor Agency. Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the Principal Corporate Trust Office of the Escrow Bank as specified by the Escrow Bank as

2006 Trustee in accordance with the provisions of the 2006 Indenture. Any notice to or demand upon the Successor Agency shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the 2006 Indenture (or such other address as may have been filed in writing by the Successor Agency with the Escrow Bank).

Section 12. Merger or Consolidation of Escrow Bank. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible to act as trustee under the 2006 Indenture, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

Section 13. Execution in Several Counterparts. This Escrow Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts shall together constitute but one and the same instrument.

Section 14. Governing Law. This Escrow Agreement shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY OF THE SOLANA BEACH REDEVELOPMENT AGENCY has caused this Escrow Agreement to be signed in its name by its Executive Director and WELLS FARGO BANK, NATIONAL ASSOCIATION in token of its acceptance of the escrow created hereunder, has caused this Escrow Agreement to be signed in its corporate name by its officer identified below, all as of the day and year first above written.

SUCCESSOR AGENCY OF THE SOLANA
BEACH REDEVELOPMENT AGENCY

By _____
Name _____
Title _____

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Escrow Bank and 2006
Trustee

By _____
Name _____
Title _____

EXHIBIT A
REDEMPTION SCHEDULE

<u>Date</u>	<u>Scheduled Principal Payment</u>	<u>Called Principal</u>	<u>Interest</u>	<u>Redemption Premium</u>	<u>Total Payment</u>
__/__/17	—	\$2,820,000		—	

§ _____
SUCCESSOR AGENCY OF THE
SOLANA BEACH REDEVELOPMENT AGENCY
Tax Allocation Refunding Bonds, Series 2017

BOND PURCHASE AND RATE LOCK AGREEMENT

September __, 2017

Successor Agency of the Solana Beach Redevelopment Agency
635 South Highway 101
Solana Beach, California 92075

Ladies and Gentlemen:

_____ (the "Purchaser"), offers to enter into this Bond Purchase and Rate Lock Agreement (the "Bond Purchase Agreement") with the Successor Agency of the Solana Beach Redevelopment Agency (the "Successor Agency"), which will be binding upon the Successor Agency and the Purchaser upon the acceptance hereof by the Successor Agency. This offer is made subject to its acceptance by the Successor Agency by execution of this Bond Purchase Agreement and its delivery to the Purchaser on or before 5:00 P.M., California time, on the date hereof.

Terms not otherwise defined herein shall have the same meanings as set forth in the Indenture, described below.

1. *Purchase and Sale.* Upon the terms and conditions and in reliance upon the representations, warranties and covenants herein, the Successor Agency hereby agrees to sell to the Purchaser and the Purchaser hereby agrees to purchase from the Successor Agency, all (but not less than all) of the \$_____ Successor Agency of the Solana Beach Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017 (the "Bonds"), at the purchase price of \$_____ (the "Purchase Price"), being the principal amount of the Bonds. The Purchase Price will be delivered on the Closing Date (as defined in Section 5 below), to Wells Fargo Bank, National Association, as trustee (the "Trustee"), on behalf of the Successor Agency.

The Successor Agency acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Successor Agency and the Purchaser; (ii) in connection with such transaction, including the process leading thereto, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the Successor Agency; (iii) the Purchaser has neither assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering of the Bonds or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the Successor Agency on other matters) nor has it assumed any other obligation to the Successor Agency except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Purchaser has financial and other interests that differ from those of the Successor Agency; and (v) the Successor Agency has consulted with its

own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Bonds.

The Successor Agency hereby acknowledges receipt from Hilltop Securities, Inc. as placement agent (the "Placement Agent"), of disclosures required by the Municipal Securities Rulemaking Board ("MSRB") Rule G-17 (as set forth in MSRB Notice 2012-25 (May 7, 2012), relating to disclosures concerning the Placement Agent's role in the transaction, disclosures concerning the Placement Agent's compensation, conflict disclosures, if any, and disclosures concerning complex municipal securities financing, if any.

The Bonds shall be dated the Closing Date, shall bear interest at the rate, shall mature on the date and in the principal amount and shall be subject to redemption, all as set forth in the Exhibit A attached hereto.

The Bonds are being issued pursuant to the provisions of section 34177.5 of the California Health and Safety Code and section 53580 *et seq.* of the California Government Code, a resolution of the Successor Agency, adopted on June 14, 2017 (the "Successor Agency Resolution"), a resolution of the Oversight Board to the Successor Agency of the Solana Beach Redevelopment Agency, adopted on _____, 2017 (the "Oversight Board Resolution"), and that certain Indenture of Trust, dated as of September 1, 2017 (the "Indenture"), by and between the Successor Agency and the Trustee. The Department of Finance of the State (the "Department of Finance") has issued a letter, dated _____, 2017, approving the issuance of the Bonds. The Bonds are special, limited obligations of the Successor Agency, payable from, and secured by a lien on Tax Revenues.

The Bonds are being issued for the purpose of providing funds to the Successor Agency to (a) refund, on a current basis, the Solana Beach Redevelopment Agency, Solana Beach Redevelopment Project, Tax Allocation Bonds, Series 2006 (the "2006 Bonds"), and (b) pay the costs of issuing the Bonds.

Pursuant to an escrow agreement (the "Escrow Agreement"), by and between the Successor Agency and Wells Fargo Bank, National Association, as escrow bank (the "Escrow Bank"), provision will be made for the redemption of the 2006 Bonds.

2. Private Placement; Bonds Constitute Investment of Purchaser.

(a) The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other obligations of a nature similar to the Bonds to be able to evaluate the risks and merits of the investment represented by the purchase of the Bonds.

(b) The Purchaser is acquiring the Bonds for its own account and not with a view to, or for sale in connection with, any distribution thereof or any part thereof. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Bonds or any part thereof, and the Purchaser has no current intention of reselling or otherwise disposing of the Bonds *provided, however,* such representation shall not preclude the Purchaser from transferring or selling of the Bonds in accordance with the provisions of the Indenture. The Purchaser is not acting in a broker-dealer capacity in connection with its purchase of the Bonds. The Purchaser has required as a condition to the purchase of the Bonds that no application be made for the assignment of CUSIP numbers or to make the Bonds DTC eligible.

(c) As a sophisticated investor, the Purchaser has made its own credit inquiry and analysis with respect to the Successor Agency and the Bonds and has made an independent credit decision based upon such inquiry and analysis and in reliance on the truth, accuracy, and

completeness of the representations and warranties of the Successor Agency set forth in the Indenture and in the information set forth in any materials submitted to the Purchaser by the Successor Agency. The Successor Agency has furnished to the Purchaser all the information which the Purchaser, as a reasonable investor, has requested of the Successor Agency as a result of the Purchaser having attached significance thereto in making its investment decision with respect to the Bonds, and the Purchaser has had the opportunity to ask questions of and receive answers from knowledgeable individuals concerning the Successor Agency and the Bonds. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Bonds.

(d) The Purchaser understands that the Bonds have not been registered under the United States Securities Act of 1933 or under any state securities laws. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Bonds by it, and further acknowledges that any current exemption from registration of the Bonds does not affect or diminish such requirements.

(e) The Purchaser has authority to purchase the Bonds and to execute any instruments and documents required to be executed by the Purchaser in connection with the purchase of the Bonds. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the representations and warranties contained herein on behalf of the Purchaser.

(f) The Purchaser acknowledges that the Bonds are transferable with certain requirements, as described in the Indenture. The Purchaser acknowledges that the Bonds are exempt from the requirements of Rule 15c2-12 of the Securities and Exchange Commission and that the Successor Agency has not undertaken to provide any continuing disclosure with respect to the Bonds but that the Successor Agency has agreed to provide other ongoing information to the Purchaser as set forth in the Indenture and in Exhibit B attached hereto (the "Terms and Conditions").

3. *Representations, Warranties and Agreements of the Successor Agency.* The Successor Agency represents and warrants to the Purchaser that, as of the date hereof and as of the Closing Date:

(a) The Successor Agency is a public entity, organized and existing under the laws of the State of California (the "State"), and is authorized, among other things, (i) to issue the Bonds, and (ii) to secure the Bonds in the manner contemplated by the Indenture.

(b) The Successor Agency has the full right, power and authority (i) to adopt the Successor Agency Resolution, (ii) to enter into the Indenture, the Escrow Agreement and this Bond Purchase Agreement, (iii) to issue, sell and deliver the Bonds to the Purchaser as provided herein, and (iv) to carry out and consummate all other transactions on its part contemplated by each of the aforesaid documents, and the Successor Agency has complied with all provisions of applicable law in all matters relating to such transactions.

(c) The Successor Agency has duly authorized (i) the execution and delivery of the Bonds and the execution, delivery and due performance by the Successor Agency of this Bond Purchase Agreement, the Escrow Agreement and the Indenture, and (ii) the taking of any and all such action as may be required on the part of the Successor Agency to carry out, give effect to and consummate the transactions on its part contemplated by such instruments. All consents or approvals necessary to be obtained by the Successor Agency in connection with the foregoing have been received, and the consents or approvals so received are still in full force and effect.

(d) The Bonds, when issued, authenticated and delivered in accordance with the Successor Agency Resolution and the Indenture, and sold to the Purchaser as provided herein, will constitute legal, valid and binding obligations of the Successor Agency, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State, and are entitled to the benefits of the laws of the State, the Indenture and the Successor Agency Resolution.

(e) Neither the execution and delivery by the Successor Agency of the Indenture, the Escrow Agreement, this Bond Purchase Agreement and of the Bonds nor the consummation of the transactions on the part of the Successor Agency contemplated herein or therein or the compliance with the provisions hereof or thereof will conflict with, or constitute on the part of the Successor Agency a violation of, or a breach of or default under, (i) any statute, indenture, mortgage, note or other agreement or instrument to which the Successor Agency is a party or by which it is bound, (ii) any provision of the State Constitution, or (iii) any existing law, rule, regulation, ordinance, judgment, order or decree to which the Successor Agency (or the members of the Successor Agency or any of its officers in their respective capacities as such) is subject.

(f) The Successor Agency has never been in default at any time, as to principal or interest on any obligation which it has issued and the Successor Agency has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the Tax Revenues pledged to the payment of the Bonds, whether such lien be on a parity with or senior to the lien thereon securing the Bonds.

(g) Except as otherwise specifically disclosed in writing to the Purchaser, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, which has been served on the Successor Agency or, to the best knowledge of the Successor Agency, threatened, which in any way questions the powers of the Successor Agency referred to in paragraph (b) above, or the validity of any proceeding taken by the Successor Agency in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding could materially adversely affect the transactions contemplated by this Bond Purchase Agreement, the Escrow Agreement or the Indenture, or which, in any way, could adversely affect the validity or enforceability of the Indenture, the Escrow Agreement, the Bonds or this Bond Purchase Agreement or, to the knowledge of the Successor Agency, which in any way questions the exclusion from gross income of the recipients thereof the interest on the Bonds for federal income tax purposes or in any other way questions the status of the Bonds under federal or state tax laws or regulations or which in any way could materially adversely affect the availability of Tax Revenues.

(h) The financial statements of, and other financial information regarding the Successor Agency relating to the receipts, expenditures and cash balances of revenues by the Successor Agency as of June 30, 2016, fairly represent the receipts, expenditures and cash balances of such amounts and, insofar as presented, other funds of the Agency as of the dates and for the periods therein set forth. The financial statements of the Successor Agency have been prepared in accordance with generally accepted accounting principles consistently applied. There has not been any materially adverse change in the financial condition of the Successor Agency or in its operations since June 30, 2016, and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(i) Any certificate signed by any official of the Successor Agency and delivered to the Purchaser in connection with the offer or sale of the Bonds shall be deemed a representation

and warranty by the Successor Agency to the Purchaser as to the truth of the statements therein contained.

(j) The Successor Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon.

(k) The Bonds shall not be registered or otherwise qualified under any Blue Sky or other securities laws.

(l) All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the Successor Agency of, its obligations in connection with the Indenture have been duly obtained or made and are in full force and effect.

(m) Between the date of this Bond Purchase Agreement and the Closing Date, the Successor Agency will not offer or issue any bonds, notes or other obligations for borrowed money not previously disclosed to the Purchaser.

(n) The Successor Agency will apply the proceeds of the Bonds in accordance with the Indenture.

(o) As of the time of acceptance hereof and as of the Closing Date, except as otherwise specifically disclosed to the Purchaser, the Successor Agency has complied with the filing requirements of sections 33080 to 33080.6 and with Sections 33334.2, 33334.3 and 33334.6 of the Redevelopment Law.

(p) The Oversight Board has duly adopted the Oversight Board Resolution and no further Oversight Board approval or consent is required for the issuing of the Bonds.

(q) No further Department of Finance approval or consent is required for the issuance of the Bonds. The Successor Agency has received its Finding of Completion from the Department of Finance.

4. *Covenant of the Successor Agency.* The Successor Agency covenants, for the benefit of the Purchaser, that the Successor Agency will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Indenture or which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes or would adversely affect the qualification of the Bonds as "qualified tax exempt obligations" under section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

5. *Closing.* On September __, 2017, or at such other date and times as shall have been mutually agreed upon by the Successor Agency and the Purchaser (the "Closing Date"), the Successor Agency will deliver or cause to be delivered the Bonds to the Purchaser, and the Successor Agency shall deliver or cause to be delivered to the Purchaser the certificates, opinions and documents hereinafter mentioned, each of which shall be dated as of the Closing Date. The activities relating to the execution and delivery of the Bonds, opinions and other instruments as described in Section 7 of this Bond Purchase Agreement shall occur on the Closing Date. The delivery of the certificates, opinions and documents as described herein shall be made at the offices Quint & Thimmig LLP, in Larkspur, California ("Bond Counsel"), or at

such other place as shall have been mutually agreed upon by the Successor Agency and the Purchaser. Such delivery is herein called the "Closing."

The Bonds will be prepared and physically delivered to the Purchaser on the Closing Date in the form of a separate single fully registered bond. The Bonds will be authenticated by the Trustee in accordance with the terms and provisions of the Indenture.

The Purchaser will pay the Purchase Price of the Bonds by delivering to the Trustee, for the account of the Successor Agency a wire transfer in federal funds of the Purchase Price payable to the order of the Trustee.

6. *Closing Conditions.* The obligations of the Purchaser hereunder shall be subject to the performance by the Successor Agency of its obligations hereunder at or prior to the Closing Date and are also subject to the following conditions:

(a) all terms and conditions contained in the Terms and Conditions of the Purchaser, attached hereto as Exhibit B, have been complied with to the Purchaser's satisfaction;

(b) the representations, warranties and covenants of the Successor Agency contained herein shall be true and correct in all material respects as of the Closing Date;

(c) as of the Closing Date, there shall have been no material adverse change in the financial condition of the Successor Agency;

(d) as of the Closing Date, all official action of the Successor Agency relating to this Bond Purchase Agreement, the Escrow Agreement and the Indenture shall be in full force and effect;

(e) as of the Closing Date, the Purchaser shall receive the following certificates, opinions and documents, in each case satisfactory in form and substance to the Purchaser:

(i) a copy of the Indenture, as duly executed and delivered by the Successor Agency and the Trustee;

(ii) copies of the Escrow Agreement, as duly executed and delivered by the Successor Agency and the Escrow Bank;

(iii) an opinion of Bond Counsel, in form acceptable to the Purchaser, dated the Closing Date and addressed to the Successor Agency, with a reliance letter addressed to the Purchaser;

(iv) a certificate, dated the Closing Date, of the Successor Agency executed by the Executive Director (or other duly appointed officer of the Successor Agency authorized by the Successor Agency by resolution of the Successor Agency) to the effect that (A) there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Successor Agency or, to the knowledge of the Successor Agency, threatened against or affecting the Successor Agency to restrain or enjoin the Successor Agency's participation in, or in any way contesting the existence of the Successor Agency or the powers of the Successor Agency with respect to, the transactions contemplated by this Bond Purchase Agreement, the Escrow Agreement or the Indenture, and consummation of such transactions; and (B) the representations and warranties of the Successor Agency contained in this Bond Purchase Agreement are true and correct in all material respects, and the Successor Agency has complied with all agreements and covenants and satisfied all conditions to

be satisfied at or prior to the Closing Date as contemplated by the Indenture, the Escrow Agreement and this Bond Purchase Agreement;

(v) an opinion of counsel to the Successor Agency, dated the Closing Date and addressed to the Successor Agency and the Purchaser to the effect that:

(A) the Successor Agency is a public body, duly organized and existing under the laws of the State;

(B) the Successor Agency has full legal power and lawful authority to enter into the Indenture, the Escrow Agreement and this Bond Purchase Agreement and to undertake the transactions contemplated by such instruments;

(C) the Successor Agency Resolution has been duly adopted at a meeting of the governing body of the Successor Agency, which was called and held pursuant to the law and with all public notice required by law and at which a quorum was present and acting throughout and the Successor Agency Resolution is in full force and effect and has not been modified, amended or rescinded;

(D) the Indenture, the Escrow Agreement and this Bond Purchase Agreement have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereof, constitute the valid, legal and binding agreements of the Successor Agency enforceable in accordance with their terms; and

(E) Except as otherwise specifically disclosed to the Purchaser, there is no litigation, action, suit, proceeding or investigation (or any basis therefor) at law or in equity before or by any court, governmental agency or body, pending by way of a summons served against the Successor Agency or, to our knowledge, threatened against the Successor Agency, challenging the creation, organization or existence of the Successor Agency, or the validity of the Indenture, the Escrow Agreement or this Bond Purchase Agreement or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby or contesting the authority of the Successor Agency to enter into or perform its obligations under the Indenture, the Escrow Agreement or this Bond Purchase Agreement, or under which a determination adverse to the Successor Agency would have a material adverse effect upon the availability of Tax Revenues, or which, in any manner, questions the right of the Successor Agency to enter into, and perform under, the Indenture, the Escrow Agreement or this Bond Purchase Agreement;

(vi) an opinion of counsel to the Trustee, dated the Closing Date and addressed to the Successor Agency and the Purchaser, to the effect that:

(A) The Trustee is a national banking association organized and existing under the laws of the United States of America, having full power to enter into, accept and administer the trust created under the Indenture;

(B) The Indenture has been duly authorized, executed and delivered by the Trustee and the Indenture constitutes a legal, valid and binding obligation of the Trustee enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought; and

(C) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the consummation of the transactions contemplated by the Indenture;

(vii) an opinion of counsel to the Escrow Bank, dated the Closing Date and addressed to the Successor Agency and the Purchaser, to the effect that:

(A) The Escrow Bank is a national banking association organized and existing under the laws of the United States of America, having full power to enter into, accept and administer the Escrow Agreement;

(B) The Escrow Agreement has been duly authorized, executed and delivered by the Escrow Bank and the Escrow Agreement constitutes the legal, valid and binding obligation of the Escrow Bank enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought; and

(C) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Escrow Bank that has not been obtained is or will be required for the execution and delivery of the Escrow Agreement or the consummation of the transactions contemplated by the Escrow Agreement;

(viii) a certificate, dated the Closing Date, of the Trustee, signed by a duly authorized officer of the Trustee, to the effect that (A) the Trustee is duly organized and validly existing as a national banking association, with full corporate power to undertake the trust of the Indenture; (B) the Trustee has duly authorized, executed and delivered the Indenture and by all proper corporate action has authorized the acceptance of the trust of the Indenture; and (C) to the best of such officer's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Trustee (either in state or federal courts), or to the knowledge of the Trustee which would restrain or enjoin the execution or delivery of the Indenture, or which would affect the validity or enforceability of the Indenture, or the Trustee's participation in, or in any way contesting the powers or the authority of the Trustee with respect to, the transactions contemplated by the Indenture, or any other agreement, document or certificate related to such transactions;

(ix) a certificate, dated the Closing Date, of the Escrow Bank, signed by a duly authorized officer of the Escrow Bank, to the effect that (A) the Escrow Bank is duly organized and validly existing as a national banking association, with full corporate power to administer the Escrow Agreement; (B) the Escrow Bank has duly authorized, executed and delivered the Escrow Agreement and by all proper corporate action has authorized the acceptance of the Escrow Agreement; and (C) to the best of such officer's knowledge, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Escrow Bank (either in state or federal courts), or to the knowledge of the Escrow Bank which would restrain or enjoin the execution or delivery of the Escrow Agreement, or which would affect the validity or enforceability of the Escrow Agreement, or the Escrow Bank's participation

in, or in any way contesting the powers or the authority of the Escrow Bank with respect to, the transactions contemplated by the Escrow Agreement, or any other agreement, document or certificate related to such transactions;

(x) a supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency and the Purchaser, to the effect that:

(A) this Bond Purchase Agreement and the Escrow Agreement have been duly authorized, executed and delivered by the Successor Agency and, assuming the valid execution and delivery by the other parties thereto, are valid and binding upon the Successor Agency, subject to the laws relating to bankruptcy, insolvency, reorganization of creditors' rights generally and to the application of equitable principles;

(B) the Bonds are exempt from registration pursuant to Section 3(a)(2) of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended; and

(xi) an Arbitrage Certificate in the form satisfactory to Bond Counsel;

(xii) certified copies of the Successor Agency Resolution and the Oversight Board Resolution;

(xiii) evidence of the bond approval from the Department of Finance and the Finding of Completion from the Department of Finance;

(xiv) the specimen Bond;

(xv) evidence that the federal tax information form 8038-G with respect to the Bonds has been prepared by Bond Counsel for filing;

(xvi) evidence of required filings with the California Debt and Investment Advisory Commission;

(xvii) defeasance opinion of Bond Counsel with respect to the 2006 Bonds, dated the Closing Date and addressed to the Successor Agency, the Trustee, the Escrow Bank and the Purchaser, in form and substance satisfactory to the Purchaser;

(xviii) A certificate of Del Rio Advisors, LLC (the "Municipal Advisor"), dated the date of the Closing, confirming satisfaction of the savings requirements set forth in section 34177.5(a) of the Dissolution Act and that the Savings Parameters have been achieved, as required by Oversight Board Resolution; and

(xix) such additional legal opinions, certificates, instruments and other documents as the Purchaser may reasonably deem necessary to evidence the truth and accuracy as of the time of the Closing Date of the representations and warranties of the Successor Agency contained in this Bond Purchase Agreement and the due performance or satisfaction by the Successor Agency at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Successor Agency pursuant to this Bond Purchase Agreement and the Terms and Conditions.

7. *Termination.* The Purchaser shall have the right to cancel its obligations to purchase the Bonds if between the date hereof and the Closing Date:

(a) a decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in or be passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States, or be enacted or a decision by a federal court of the United States or the United States Tax Court shall have been rendered, or a ruling, release, order, regulation or offering circular by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency shall have been made or proposed to be made having the purpose or effect, or any other action or event shall have occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences of owning the Bonds, including causing interest on the Bonds to be included in gross income for purposes of federal income taxation, or imposing federal income taxation upon revenues other income of the general character to be derived by the Successor Agency or by any similar body under the Indenture or similar documents or upon interest received on obligations of the general character of the Bonds which, in the reasonable opinion of the Purchaser, materially adversely affects the market price of or market for the Bonds; or

(b) legislation shall have been enacted, or considered for enactment with an effective date prior to the Closing Date, or a decision by a court of the United States shall have been rendered, the effect of which is that of the Bonds, including any underlying obligations, or the Indenture, as the case may be, is not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(c) a stop order, ruling, regulation or offering circular by the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any underlying obligations, or the execution of the Indenture, as contemplated hereby, is or would be in violation of any provisions of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) there shall have occurred any outbreak of hostilities or any national or international calamity or crisis, including a financial crisis, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Purchaser, would materially adversely affect the market for or market price of the Bonds; or

(d) there shall be in force a general suspension of trading on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Purchaser, would materially adversely affect the market for or market price of the Bonds; or

(e) a general banking moratorium shall have been declared by federal, New York or California authorities; or

(f) any proceeding shall be pending or threatened by the Securities and Exchange Commission against the Successor Agency; or

(g) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(h) the New York Stock Exchange or other national securities exchange, or any governmental or regulatory authority, shall impose, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of the Purchaser; or

(i) any change, which in the reasonable opinion of the Purchaser, materially adversely affects the marketability of the Bonds or, the financial condition of the Successor Agency.

8. *Contingency of Obligations.* The obligations of the Successor Agency hereunder are subject to the performance by the Purchaser of its obligations hereunder.

9. *Duration of Representations, Warranties, Agreements and Covenants.* All representations, warranties, agreements and covenants of the Successor Agency shall remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Purchaser or the Successor Agency and shall survive the Closing Date.

10. *Expenses.* The Successor Agency will pay or cause to be paid all reasonable expenses incident to the performance of its obligations under this Bond Purchase Agreement, including, but not limited to, mailing or delivery of the Bonds, costs of printing the Bonds, the fees and disbursements of the Trustee, the Placement Agent, the Municipal Advisor, Bond Counsel, counsel to the Successor Agency and counsel to the Purchaser, the fees and expenses of the Successor Agency's accountants and fiscal consultants and the reporting fee to the California Debt and Investment Advisory Commission. In the event this Bond Purchase Agreement shall terminate because of the default of the Purchaser, the Successor Agency will, nevertheless, pay, or cause to be paid, all of the expenses specified above. The Purchaser shall pay all expenses incurred by it in connection with its purchase of the Bonds other than the fees and expenses of its counsel.

11. *Notices.* Any notice or other communication to be given to the Successor Agency under this Bond Purchase Agreement may be given by delivering the same in writing to the City Administrator of the City of Solana Beach on behalf of the Successor Agency, 635 South Highway 101, Solana Beach, CA 92075, and any notice or other communication to be given to the Purchaser under this Bond Purchase Agreement may be given by delivering the same in writing to _____, Attention: _____.

12. *Parties in Interest.* This Bond Purchase Agreement is made solely for the benefit of the Successor Agency and the Purchaser (including the successors or assigns of the Purchaser) and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

13. *Governing Law.* This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of California applicable to contracts made and performed in California.

14. *Headings.* The headings of the paragraphs of this Bond Purchase Agreement are inserted for convenience of reference only and shall not be deemed to be a part hereof.

15. *Severability.* In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

16. *Effectiveness.* This Bond Purchase Agreement shall become effective upon acceptance hereof by the Successor Agency.

17. *Counterparts.* This Bond Purchase Agreement may be executed in several counterparts which together shall constitute one and the same instrument.

Very truly yours,

_____, as Purchaser

By _____
Name _____
Title _____

Accepted and agreed to as of
the date first above written:

SUCCESSOR AGENCY OF THE SOLANA
BEACH REDEVELOPMENT AGENCY

By _____
Name _____
Title _____

Acknowledged:

BRANDIS TALLMAN, LLC., as Placement
Agent

By _____
Name _____
Title _____

[Successor Agency of the Solana Beach Redevelopment Agency
Tax Allocation Refunding Bonds, Series 2017]

**EXHIBIT A TO THE
BOND PURCHASE AGREEMENT**

\$ _____
**SUCCESSOR AGENCY OF THE
 SOLANA BEACH REDEVELOPMENT AGENCY
 Tax Allocation Refunding Bond, Series 2017**

MATURITY SCHEDULE

Maturity Date (December 1)	Principal Amount	Interest Rate
2035	\$ _____	_____ %

REDEMPTION PROVISIONS

Optional Redemption. The Bonds are subject to redemption, at the option of the Successor Agency on any date on or after December 1, _____, as a whole or in part, by such maturities as shall be determined by the Successor Agency (and, in lieu of such determination, *pro rata* among maturities), and by lot within a maturity, from any available source of funds, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium.

Sinking Fund Redemption. The Bonds are subject to mandatory sinking fund redemption in part by lot on December 1, 2017, and on each June 1 and December 1 thereafter, to and including December 1, 2035, from Mandatory Sinking Account Payments made by the Successor Agency at a redemption price equal to the principal amount thereof, without premium, in the aggregate respective amounts and on the respective dates as set forth in the following table.

Redemption Date	Principal Amount	Redemption Date	Principal Amount
December 1, 2017		June 1, 2027	
June 1, 2018		December 1, 2027	
December 1, 2018		June 1, 2028	
June 1, 2019		December 1, 2028	
December 1, 2019		June 1, 2029	
June 1, 2020		December 1, 2029	
December 1, 2020		June 1, 2030	
June 1, 2021		December 1, 2030	
December 1, 2021		June 1, 2031	
June 1, 2022		December 1, 2031	
December 1, 2022		June 1, 2032	
June 1, 2023		December 1, 2032	
December 1, 2023		June 1, 2033	
June 1, 2024		December 1, 2033	
December 1, 2024		June 1, 2034	
June 1, 2025		December 1, 2034	
December 1, 2025		June 1, 2035	
June 1, 2026		December 1, 2035†	
December 1, 2026			

† Maturity.

**EXHIBIT B TO THE
BOND PURCHASE AGREEMENT**

TERMS AND CONDITIONS

ATTACHED