



MINUTES

Wednesday, May 24, 2017

6:30 P.M. Open Session

**SPECIAL MEETING
CITY COUNCIL, AIRPORT COMMISSION,
MARINA ABRAMS B NON-PROFIT CORPORATION, AND SUCCESSOR AGENCY OF
THE FORMER MARINA REDEVELOPMENT AGENCY**

Council Chambers
211 Hillcrest Avenue
Marina, California

TELECONFERENCE LOCATIONS:¹

Fern Creek Lodge
4828 Boulder Dr.
June Lake, CA 93529

¹ Note: Pursuant to Government Code Section 54953(b), this meeting will include teleconference participation by Mayor Bruce C. Delgado from the address above. This Notice and Agenda will be posted at the teleconference location

1. CALL TO ORDER
2. ROLL CALL & ESTABLISHMENT OF QUORUM: (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Successor Agency of the Former Redevelopment Agency Members)

MEMBERS PRESENT: Nancy Amadeo, , Gail Morton, Frank O'Connell, Mayor Pro-Tem/Vice Chair David W. Brown, Mayor/Chair Bruce C. Delgado
3. CLOSED SESSION: *As permitted by Government Code Section 54956 et seq., the (City Council, Airport Commissioners, Marina Abrams B Non-Profit Corporation, and Redevelopment Agency Members) may adjourn to a Closed or Executive Session to consider specific matters dealing with litigation, certain personnel matters, property negotiations or to confer with the City's Meyers-Milias-Brown Act representative.*
4. MOMENT OF SILENCE & PLEDGE OF ALLEGIANCE (Please stand)

SPECIAL ANNOUNCEMENTS AND COMMUNICATIONS FROM THE FLOOR:

- Paula Pelot – June 3, 2017 at 7:00 PM will be a public Forum at the Marina Library on Sustainable Groundwater Management and how this will affect your water bill. Speakers are General Manager of Marina Coast Water District and Dr. Thomas Moore, VP of Marina Coast Water District Board.
- Mike Owen – Commented on Public Works Recognition Month and a BBQ that was held at the Marina Corp. Yard where outgoing commissioners Garth Ridler and Jim Perrine were presented with Certificates of Recognition; Commented on picking up trash along Lapis Road where he came

upon a cross and wondered if it was put up by the County, after speaking to a motorhome owner found out that the cross was put there by a member of the public for no particular reason and thinks that it might relate to “Sanctuary”.

- Council Member O’Connell – Town Hall Meeting on Monday, August 14, 2017 at 6:30 PM at the Marina Library. Topic for discussion is Immigration and City and County policy related to immigration.

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

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

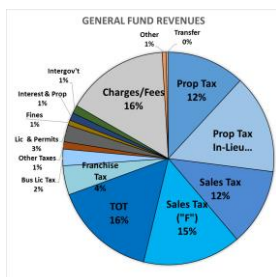
- a. City Council consider adopting **Resolution No. 2017-49**, receiving the General Fund 2017-18 proposed budget, receiving staff presentation thereof, providing direction towards budget adoption, and authorizing staff to amend the 2016-17 budget for select administrative items.

Budget presentation by Lauren Lai, Finance Director

FY 16-17 Budget – General Fund Summary = Financial discipline and sustainability remain key priorities; Balanced Budget for Day-to-Day Ops; City financial position is improving with general economic uptick and construction of long-term dev. Projects; Mayor and City Manager Comments; Council FY17-18 Strategic Planning; Financial Summary; Unfunded Needs

Council Strategic Planning = Identified Urgent & Important Priorities; Focus Areas (*Economic & Financial Sustainability, Quality of Life, Public Health & Safety, Infrastructure and Transportation, Sustainability, City Government Operations*); FY17-18 Proposed GF budget incorporates some of the above Council priorities

FY 17-18 Budget – General Fund Revenue = \$20.4 million (\$1.1M or 6%+)



FY 17-18 Budget – General Fund Economic Development =

Economic Development Projects - Enhanced FY17/18 prop tax, sales tax and TOT

FY15-16 = CSUMB Promontory Student Housing - 178 units; Cinemark Theater– Construction Completed.

FY16-17 = Marriott Springhill Suite Hotel (107 rooms) – construction completed; Sea Haven housing – construct 8 model homes; Dunes housing – construct 70 units of residential homes; Dunes Restaurants – construction completed.

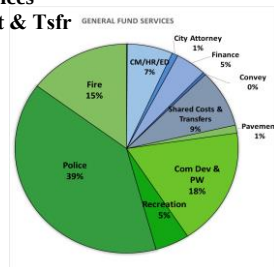
FY17-18 = Veterans Admin Clinic - anticipate opening, serving (20,000 patients/yr); Sea Haven housing – anticipate 120 units of residential homes; Dunes housing – anticipate 71 units of residential homes; Dunes retail promenade – continue progress; Airport Specific Plan and Master Plan; Downtown Specific Plan – update; General Plan – update; Housing Plan – update; Local Coastal Plan – update.

FY 17-18 Budget General Fund Revenue Summary = Taxes – (FY17-18 vs FY16-17) +\$1.4M or 10% (TOT/Hotel Tax +\$480k new Marriott Springhill Suite Hotel w/50% transfer to Public Facility Impact Fee; Property Tax + \$300k or 5% per M. Co. Assessor; Business Lic Tax (“BLT”) + \$400k voter approved Measure U, w/\$250k going to pavement repairs; Sales Tax + \$200k new restaurants, general economy, w/Marriott & VA opening)

Lic & Permits – (FY17-18 vs FY16-17) +\$176k or 52% (Residential +\$250k Dune & Sea Haven; Commercial (-\$115k) no large project anticipated.)

Charges for Services – Engineering Svcs +\$117k or 47% from three different project (Regional Urban Water Augmentation Project, Marina Townhouse, and a few in-fill projects); State/Federal Grants – Police grant expires (-\$280k). Retain two (2) police officers paid w/General Fund; Fines (-\$47k) or (-23%) Police staffing focused on responses to calls for services; Transfer from NPS (-\$55k) remove staff charges to NPS and pay with General Fund.

FY 17-18 Budget General Fund Services/Expenditures: \$20.4 million-Consistent with FY 16-17
78% Core Services
22% Gen Gov't & Tsfr



Expenditure Summary = Maintain Financial Discipline & Sustainability - Staffing – reduced - \$480k or (-3%) (Pension Debt Payment & Worker's Comp Insurance both down significantly, Retain two(2) Police Officers \$280k Police Grant expired, Part-time +GIS coord., planning intern, interim recr leader, Evaluate professional contracts Engineering & Bdg Svc Dept.)

Services & Supplies – increased \$312k or 7% (Shared Services Public Safety (911 & ACJIS) both up, NPDES Compliance \$260k in Fy17-18, Council Priorities - FORA transition, CALAM, cannabis ordinance, City branding, fee update, Update Plans & Surveys - downtown specific plan, general plan update, local coastal program, traffic survey, Technology- GIS, Permit System, Recreation System.)

Vehicle Purchases = \$292k (Five (5) Police Vehicle: 2 patrol, 2 admin, 1 CSO, One (1) Fire Vehicle: command vehicle.)

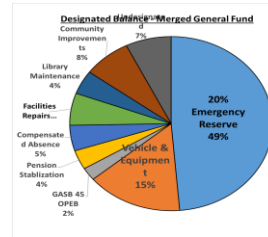
Transfers Out = \$1 million (Public Facility Impact Fee \$240k from GF for Marriott development agreement (50% of TOT revenue), Pavement repairs \$250k of Bus. Lic Tax, Measure U, Vehicle & Equipment Fund – Increase funding to \$213k, which is amortized cost of vehicle purchases 2014 - 18, Pension Stabilization Fund - \$300k take reduced pension debt payment and set aside in pension stabilization fund.)

Council Priority = Financial Discipline and Sustainability (Fund Balance Preservation to weather long-term challenges, needs and mitigate risks.)

FY 17-18 Budget – Merged General Fund =

	Est. Bal. 6/30/2018
Merged General Fund	
# 100 - General Fund	\$7.8 M
# 110 - Vehicle & Equip	\$1.3 M
# 120 - OPEB	\$0.3 M
# 125 - Pension Stabilization	\$0.2 M
# 130 - Library Maint.	\$0.4 M
# 150 - Development Act	(\$1.6 M)
Est. Bal 6/30/18	\$8.4 M

	Est. Bal. 6/30/2018
Merged General Fund	
20% Emergency Reserve	\$4.1 M
Vehicle & Equipment	\$1.3 M
GASB 45 OPEB	\$0.2 M
Pension Stabilization	\$0.3 M
Compensated Absence	\$0.4 M
Facilities Repairs	\$0.5 M
Library Maintenance	\$0.4 M
Community Improvements	\$0.6 M
Undesignated	\$0.6 M
Est. Bal 6/30/18	\$8.4 M



Unmet Needs = Unmet needs due to lack of funding = Community improvement projects for quality of life (*i.e. downtown, parks and trails*); Health & safety needs; Police & Fire staffing for growth service demands; Street and facility maintenance (*Measure U & X to partially repair pavement*)

Administrative Budget Adjustments = Request Council to Amend FY16-17 Budget: Vehicle & Equipment Fund – Transfer \$1 million from Gen Fund to Veh & Equip fund; Marriott Promissory Note – To record the \$100,000 developer owed to the City; SRU Police Grant – To disburse \$70k of SRU police regional fund to Sand City, the new regional administrator.

Council Questions: unmet needs with Measures U & X didn't the state government pass a Transportation Bill where we receive funding of \$150K in the 1st year for road maintenance; Merged GF and 150 is this associated with all the things the city paid for that was supposed to come from developers, mainly Sea Haven, will any be reduced because of the development this year; what department does the GIS personnel fall under; NPEDS compliance do we know if the NPEDS program will remain in place in the President's budget due to EPA proposed dramatic cuts, if so is the State going to do something else; Council Priorities-City Branding and Signage; Economic Development- is Marina collecting \$5million or is TAMC collecting; VA Clinic property tax; Engineering Service RUWAP funding; FY 16-17 Marriott Springhill not considered completed; TOT transfer of funds to Impact Fee under the present situation something we have to do; Police Grant, will this funding becoming out of the GF Revenue; \$55K NPS into GF Service, are we anticipating still providing those services to NPS; why, if it can be itemized and appropriately explained why would we want to not take the funds out of the NPS and burden the GF when we would not have too; GASB45 OPB that was not designated specifically for FY16-17 or in prior years, why was it not funded; Library Maintenance, is that the fund that was created as a result of the land in Salinas being sold and city receiving \$465,000 and is it restricted to the library; what is the amount of unallocated/undesignated funds for FY 16-17; Fund 150, the \$1.6 million, you are showing this as an obligation as a negative, correct; NPS transferring funds out to the GF-if there is a 100% decrease does that mean that 0% is being proposed to be transferred from the NPS Fund into the GF; for services being provided to the Equestrian Center and Water City where will those funds come from if not from the NPS Fund; Police Overtime is estimated at \$400K, is the overtime for next year considered to be stable; Adopted Fire Department overtime is showing \$200K but estimated cost is \$320K for this year and the following year it's back to \$200K, do we expect the fire department overtime to be closer to the \$200K or might it be as high as \$320K; does the draft budget include any costs for hiring an assistant city manager; Vehicle Fund-does the total \$1.3 million reserve set-aside does that include/exclude any new purchases or do those come directly out of the GF; does the \$1.3 million cover the potential new fire engine or truck as well as all purchases made since 2014, setting money aside so that when they come due for acquisition we won't have to dig into the GF; Marriott- disposition of promissory note would be consistent with the disposition of the impact fees coming or not coming out of the TOT; \$5000 contribution towards the investigation of the orders coming from the west-side of Marina; where does the banner program costs show in the budget; funding for downtown improvements for beautification; who is required to fund for landscaping & irrigation at the Library; Measure U-if modification to the ordinance in its regards to

exemption for rental units or rooms to rent, how might this affect the city; vehicle replacement; Traffic & Engineering Survey do they all expire at the same time or are they staggered; pension liabilities?

Council concerns: NPS Equestrian Center Concessionaire;

O'CONNELL/MORTON: THAT THE COUNCIL ADOPT A RESOLUTION NO. 2017-49, RECEIVING THE GENERAL FUND 2017-18 PROPOSED BUDGET, RECEIVING STAFF PRESENTATION THEREOF, AND DIRECTION TO THE STAFF TO COME BACK ON THE 13TH WITH MORE INFORMATION RELATING TO FUND 150 DEVELOPMENT ACCOUNT; AND AUTHORIZING STAFF TO AMEND THE 2016-17 BUDGET FOR SELECT ADMINISTRATIVE ITEMS, WHICH ARE THE RECORDING OF THE PROMISSORY NOTE OF \$100,000, THE VEHICLE AND EQUIPMENT FUND TRANSFER OF \$1 MILLION FROM THE GENERAL FUND TO THE VEHICLE AND EQUIPMENT FUND PER COUNCIL DIRECTION FROM 16-17; AND THE SRU POLICE GRANT TO THE FIRST \$70,000 TO SRU POLICE REGIONAL FUND TO SAND CITY; AND ALSO DIRECT STAFF TO COME BACK WITH A DIFFERENT APPROACH TO THE NATIONAL PARK SERVICE \$55,000 PRESENTLY BEING ELIMINATED OR NOT. 5-0-0-0 Motion Passes by Roll Call vote

Public Comments:

- Paula Pelot – Confirming if City Manager say an Assistant City Manager would be hired in the Fall and recalls that monies were already set aside from both Preston and Abrams Park as a direct line item for that position for the year that's already passed, is that correct? Commented on the Business License Tax about giving consideration to persons renting rooms and stated it is not appropriate to give this a special accommodation. Commented on the \$1.6 million on the merged General Fund, the public deserves to know the breakdown of that calculation.

- b. City Council consider adopting **Resolution No. 2017-50**, receiving the proposed 2017-18 Capital Improvement Program (CIP) budget, receiving staff presentation thereof, and providing direction towards the CIP budget adoption.

Capital Improvement Program (CIP) FY 2017-2018 presentation by Brian McMinn

Presentation Outline: Pavement funding need overview, Pavement funding outlook, Proposed pavement project for FY 17/18, New CIP project sheet format, Recommended CIP FY 17/18, and Unmet funding need

Pavement Condition Index (PCI) = 61 – down from 65 in 2013 and streets are still in a decline at in an at-risk category.

Unfunded Pavement Rehabilitation Need = \$30 million maintenance backlog; Minimum annual investment of \$2.5 M over 10 years to attain a PCI of 70.

The Cost of Deferred Maintenance = 2013 minimum annual investment of \$1.2 M over 10 years to attain a PCI of 70; 2017 minimum annual investment of \$2.5 M over 10 years to attain a PCI of 70

Funding Sources = State RMRA (\$120,000 FY 18/19, \$360,000 annual FY 19/20); Measure X (\$500,000/year (30 years)); Measure U (\$250,000/yr)

FY 17/18 Recommended Project

Map of the proposed projects FY 17/18 is recommending cape seals, slurry seals and crack seals at this funding level. The best bang for the dollar at this budget level is to keep the good streets good and maintain those streets so they don't decline.

City IT/Server Room Air Conditioning Upgrade = Currently not reliable need to look at something that's sized and more reliable to keep the city's network and service undisturbed.

Community Center Playground Seating and Amenities = completion of the barbeque area for seating and barbeque grills as well as seating along the parking lot (between the parking lot and the playground). \$15,000 proposed to come from Impact Fees in the next fiscal year

Enterprise Funds from the Airport CIP = \$146,000 to go toward the replacement of airport fuel tanks.

Glorya Jean Tate Park, Park Design and the Equestrian Center = previous funding in impact fees of \$50,000 set-aside for the Veterans trail from the Equestrian Center to the future Dune Park with a request for an additional \$20,000 to go towards design and improvements at Glorya Jean Tate Park.

Reservation Road Median and Streetlight Electrical Outlets = proposed for general fund funding of \$10,000. Look at putting electrical outlets on some existing street lights on the entrance to the downtown along Reservation Road where the roundabouts went in and the median on Del Monte Avenue.

Reservation Road Roundabouts at Beach Road and Cardoza Avenue = proposal for grant funding through TAMC. Project is in design (60%) and anticipated expending money in the next year to finish up design.

Imjin Parkway Widening Project from Imjin Road to Reservation Road = Project has been programs and funded through state grant, regional project and funding allocation for full funding plan is currently in design and environmental. Funding for construction will come on line closer to FY19/20. We are proposing an allocation of \$1.55 million coming from the state.

Imjin Parkway Gateway Entry Sign = Entry Sign and Landscaping paid for by PG&E as part of the mitigation for their tree removals in the amount of \$250,000.

City Hall and Annex Permit Center Reconfiguration = FY 17/18 proposed allocation of \$20,000 of existing Abrams B funding.

Del Monte Boulevard Extension to 2nd Avenue Project = No new funding is proposed. Existing funding was allocated from roadway impact fees. Working through preliminary alignments for this roadway and estimated projected expenditures for starting environmental phase through grant funding.

Project Scenarios 2017-2025
\$750,000 vs increase to \$1,110,000

	Roundabout Construction	Roundabout Resurfacing	Roundabout Striping	Roundabout Signage	Roundabout Lighting	Roundabout Other
On Budget	10	10	10	10	10	10
Exceeds Budget	10	10	10	10	10	10
Budget remaining to \$1,110,000	10	10	10	10	10	10

Average remaining life in years before average street condition degrades to a PCI of 25

Council Questions: Del Monte extension, this is in the FORA CIP so funding from FORA may not be identified; Roads and Slurry Seal, Measure U projections, are we being asked to allocate a commitment of \$250,000 every year from the General Fund when we prepare this budget; preliminary design of Del Monte & 2nd Avenue extension prior to placement of gateway signage; Street Maintenance, what is a “cape seal”; how long will homeowners have to look for other places to park while cape sealing is being done; Measure X, do we have any idea what percentage of what the costs is administratively to satisfy TAMC & Measure X as far as providing documentation, plans, etc., what portion of the \$500,000 would be used; Neeson Road, is that to be paid from the General Fund or the Airport Enterprise Fund; Del Monte Blvd, what is the projected vision for what Del Monte Blvd will look like a year or two from now between Reindollar Avenue and Reservation Road; what does the condition of Del Monte Blvd contribute to the good or the bad of our functioning downtown; is there room in this process to make modifications in spot locations on Del Monte Blvd with asphalt turn lanes; on the \$250,000 PG&E Mitigation, Gateway & Landscaping monies, what can this money be spent on, are there restrictions; does the money have to be spent at that location or can it be spent in another area; do we have enough public works crew to maintain the streets that are not proposed for improvements, or will we see an increase in potholes; what is its timeline of a cape seal, slurry seal or crack seal before it has to be done again; Reservation Road/Beach Road are heavily trafficked will the Pavement Management Program just ignore those streets; will Cardoza be fixed when they put in the roundabouts; is the “new” gateway area one that is designated by the Regional Urban Design Guidelines; if there is a requirement through the Regional Urban Design Guidelines on Fort Ord, does that mean even though its identifying Marina that we wouldn’t be able to use the gateway signage look that was previously approved (Citywide Public Sign & Identity Program Guidelines); can General Fund monies be mandated for road maintenance?

BROWN/AMADEO: THAT THE CITY COUNCIL ADOPT RESOLUTION NO. 2017-50 RECEIVING THE PROPOSED 2017-18 CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET, RECEIVING STAFF PRESENTATION THEREOF, AND WITH THE UNDERSTANDING THAT COUNCIL MAY BE ABLE TO PROVIDE FURTHER DIRECTION IN THE FUTURE. 5-0-0-0 Motion Passes by Roll Call Vote

Public Comments:

- Mike Owen – Vicechair of Public Works Commission – Public Works Commission recommends that the Council adopt the presentation specifically emphasizing the \$750,000 for pavement repair. Commented on the Town Hall meeting where public works director indicated he was scarred when it came to the Cost of Deferred Maintenance slide. Commented on having an emergency fund and not using it on the bad streets. Emergency fund can be rebuilt with incoming monies from Measures U and X.

6. ADJOURNMENT: The meeting adjourned at 9:59 pm

Anita Sharp, Deputy City Clerk

ATTEST:

David W. Brown, Mayor Pro-Temp