

RESOLUTION NO. 2023-128

A RESOLUTION OF THE CITY OF MARINA AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT BETWEEN THE CITY AND WCP DEVELOPERS, INC. FOR THE FAIR-SHARE CONTRIBUTION TO THE SALINAS AVENUE IMPROVEMENT PROJECT SUBJECT TO FINAL REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES

WHEREAS, Condition No. 32(d) to the City's approval of the Tentative Subdivision Map for the Marina Heights Development Project Subdivision states: The applicant (Developer) shall dedicate the Salinas Avenue right-of-way area as shown on Official Plan Line Sheet 21 and the applicant shall post a bond for or make other financial arrangements satisfactory to the City Attorney and agree to pay for their fair share improvements as required by the Public Works Department for the future improvement of Salinas Avenue, and;

WHEREAS, on October 20, 2022, City staff provided a letter to the Developer regarding the cost estimate for Salinas Avenue and the fair-share calculations (Exhibit A). Based on contributing traffic volumes to Salinas Avenue, the City has calculated the contributing costs for the Developer to be approximately 30.18% of the total project costs, and;

WHEREAS, on April 19, 2023, City staff provided a letter to the Developer further detailing the design costs for the Project and requesting a portion of their contribution be provided shortly to expedite the design of Salinas Avenue (Exhibit B). The remainder of their fair share contribution would be calculated and paid to the City prior to the award of the bid for the actual project. The Developer will satisfy the condition of approval once the payment is actually made to the City for their fair share of the widening of Salinas Avenue, and;

WHEREAS, on December 1, 2023, the Developer provided a draft letter of Agreement to establish the fair-share contribution percentage, the initial contribution for design costs totaling \$317,050, and the final contribution mechanisms to the City once the Project is ready to advertise for construction (Exhibit C). However, since the Developer's fair share cannot be calculated until the design of the project is completed, the agreement will address the implementation of the condition of approval, and;

WHEREAS, should the City Council approve this request, the Developer shall contribute their fair-share costs to the Project totaling 30.18% of the final awarded contract minus the design costs already deposited to the City at the time of agreement execution. The remaining 69.82% of the City's contribution to the Project costs shall be allocated from approved funding established by Council. This action is not a project as defined by the California Environmental Quality Act (CEQA) per Article 20 Section 15378 and under General Rule Article 5 Section 15061.

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

1. Authorize the City Manager to enter into to enter into an agreement between the City and WCP Developers, Inc. for the Fair-Share contribution to the Salinas Avenue Improvement Project subject to final review and approval by the City Attorney, and;
2. Authorize the Finance Director to make necessary accounting and budgetary entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 5th day of December 2023, by the following vote:

AYES: COUNCIL MEMBERS: Visscher, McCarthy, Biala, Medina Dirksen, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

Bruce Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

EXHIBIT A TO STAFF REPORT

City of Marina



City of Marina
211 HILLCREST AVENUE
MARINA, CA 93933
831- 884-1212; FAX 831- 384-0425
www.cityofmarina.org

October 20, 2022

Dan Garsoon
735 Tank Farm Rd Suite 100,
San Luis Obispo, CA 93401

RE: Developer's Fair Share Amount for Salinas Avenue widening Project

According to the condition of approval 32.d. and the following traffic analysis conducted by City engineers the developer is required to pay the fair share amount of \$1,570,000 to compensate the traffic impact of Sea Haven development on the Salinas Ave.

"Condition of Approval 32.d. The applicant shall dedicate the Salinas Ave right-of-way area as shown on Official Plan Line Sheet 21 and the applicant shall post a bond for or make other financial arrangements satisfactory to the City Attorney and agree to pay for their fair share improvements as required by the Public Works Department for the future improvement of Salinas Avenue."

The above stated fair share amount has been increased from \$1,350,000 as stated in a letter dated March 14th, 2022. Upon receipt of the letter, the Sea Haven developer asked for a detailed cost estimate. A current line-item cost estimate is included with this letter as **Attachment 1**. The estimate is based upon recent construction bids adjusted by the Engineering News Record Construction Cost Estimate when appropriate. The previous estimate was based on an estimate dating from 2007 for which the City was not able to locate detailed costs.

Traffic Impact Study – Salinas Avenue

This is a report on the evaluation of the traffic impact of Sea Haven development on Salinas Avenue. The "Environmental Impact Report of Abrams B Housing Project" was used as a reference document for finding the traffic volumes. This document was prepared by Lamphier-Gregory for the Planning Department of City of Marina in 2003. [1]

Two scenarios are selected to analyze and calculate the traffic impact before and after the project:

1. Cumulative Conditions Without Project: Traffic conditions with Year 2020 traffic volumes and street network as identified in the FORA Capital Improvement Program (CIP), without traffic generated from the Specific Plan Area.

2. Cumulative Conditions With Project: Traffic conditions with the complete occupation of the Specific Plan area, added to the Cumulative Conditions without Project traffic volumes.

Figure 2 and figure 3 show the traffic volume in Salinas Avenue, respectively for "Cumulative Conditions Without Project" and "Cumulative Conditions With Project" scenarios. Each figure includes two collections for AM and PM peaks. Also, the data collection was conducted in the following two intersections as shown in figure 1:

1. Salinas Avenue and Carmel Avenue
2. Salinas Avenue and Reservation Road



Figure 1. Location of two intersections at the north and south side of Salinas Avenue

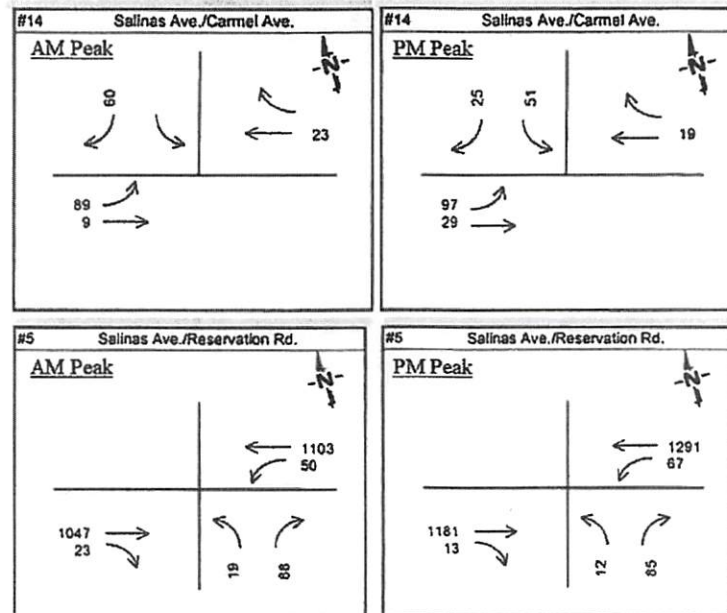


Figure 2. Traffic volumes for two intersections in Salinas Avenue for "Cumulative Conditions Without Project"

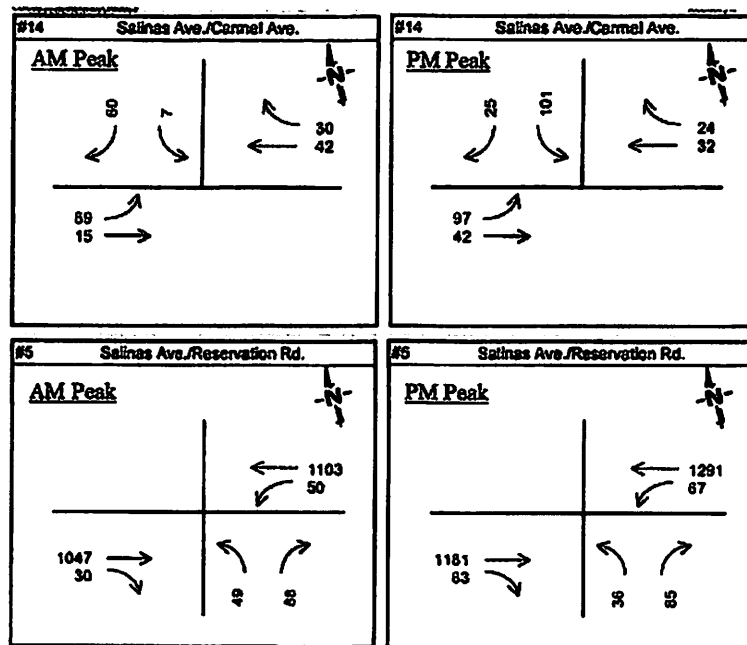


Figure 3. Traffic volumes for two intersections in Salinas Avenue for "Cumulative Conditions With Project"

Northbound and southbound traffic volume for Salinas Avenue is written in table 1 by using figure 2 and figure 3. Table 1 shows that in both scenarios before and after the project, during the AM peak most of the traffic is going through the northbound approach from the south of Salinas Avenue toward the Reservation Road. However, the traffic pattern during the PM peak changes after the project. In Cumulative Without Project, the NB approach is greater during the PM peak than the SB approach; however, after the project, this pattern is reversed, specifically in the intersection of Salinas Avenue and Reservation Road.

		Salinas & Carmel Intersection		Salinas & Reservation Intersection	
		Salinas NB	Salinas SB	Salinas NB	Salinas SB
Cumulative Without Project	AM Peak	89	60	107	73
	PM Peak	97	76	97	80
Cumulative Plus Project	AM Peak	119	67	137	80
	PM Peak	121	126	91	130

Values are in vehicle per hour (vph)

Table 1. Traffic volumes at two intersections in Salinas Avenue during AM and PM peak hours

To find the average impact of the project, the maximum value of each approach is considered as the critical volume that needs to be met by the capacity of the corridor.

	Salinas NB	Salinas SB
Cumulative Without Project	107	80
Cumulative Plus Project	137	130

Values are in vehicle per hour (vph)

Table 2. Maximum traffic volume in each approach of two scenarios

Table 2 reveals that the construction of Sea Haven development increases the NB approach 30 *vph*, and the SB approach 50 *vph*. So, on average after the development (cumulative with project condition), 69.82% of traffic volume is not attributed to the development, and 30.18% of traffic is due to the Sea Haven development.

Cost Analysis

The City has estimated the total cost for the widening project of Salinas Avenue to be \$5,200,000. To find the cost that the developer needs to pay for the widening project of Salinas Avenue, first the City's portion is calculated, that is the cost associated with existing traffic volume (before project and stated as "Cumulative Without Project" in table). Then the project's total cost minus the City's portion will result in the developer's portion.

$$\begin{aligned}\text{City's Portion of Traffic (vph)} &= \text{Average} \left(\frac{\text{Cumulative Without Project}}{\text{Cumulative With Project}} \right) \\ &= \text{Average} \left(\frac{107}{137}, \frac{80}{130} \right) = \text{Average}(78.10\%, 61.54\%) = 69.82\%\end{aligned}$$

$$\begin{aligned}\text{City's Portion of Cost (\$)} &= \text{City's Portion of Traffic} \times \text{Total Cost} \\ &= 69.82\% \times \$5,200,000 = \$3,630,000\end{aligned}$$

$$\begin{aligned}\text{Developer's Portion of Cost (\$)} &= \text{Total Cost} - \text{City's Portion of Cost} \\ &= \$5,200,000 - \$3,630,000 = \$1,570,000\end{aligned}$$

Traffic study revealed that 69.82% of the cumulative with project condition is the existing traffic, and 30.18% is the new traffic added from Sea Haven development. Therefore, the developer is required to pay the fair share amount of \$1,570,000 to compensate for the impact that Sea Haven does have on Salinas Avenue.

Sincerely,



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

[1] Lamphier-Gregory, "Marina Heights Specific Plan/Abrams "B" Housing Project," City of Marina, July 2003.

Attachment 1

Item #	Items	Source Material	Unit	Description	Estimate	Contract Unit Price	Bid Amount	CCI Adj.
1	Fence Removal	CHAPIN FEE SCHEDULE	LF	Removal and Disposal of Fence and Gates	1360	\$30.00	\$40,800.00	\$49,922.70
2	Tree Protection	CHAPIN FEE SCHEDULE	LF	Tree Protection with Fencing (Chain-link)	330	\$5.00	\$1,648.50	\$2,017.10
3	Tree Protection	CHAPIN FEE SCHEDULE	Hr	Tree Protection Labor Premium	7	\$85.00	\$595.00	\$728.04
4	Clearing and Grubbing	CHAPIN FEE SCHEDULE	SF	Clearing and Grubbing (Bushes)	54400	\$3.00	\$163,200.00	\$199,690.79
5	Clearing and Grubbing	CHAPIN FEE SCHEDULE	EA	Tree Removal and Disposal (12" Diameter Base Bid)	7	\$1,500.00	\$10,500.00	\$12,847.75
6	Earthwork	CHAPIN FEE SCHEDULE	CF	Earthwork off haul and Disposal	122486	\$3.50	\$428,700.56	\$524,556.08
7	Earthwork	CHAPIN FEE SCHEDULE	CF	Earthwork and Import Backfill (Furnish, Place, Compact)	61286	\$3.00	\$183,857.63	\$224,967.36
8	Curb and Gutter	PMP Phase 2 Bid Results	LF	Form, Place and Finish (CG)	1700	\$70.00	\$119,000.00	\$119,000.00
9	Curb and Gutter	CHAPIN FEE SCHEDULE	EA	Sawcut (CG)	12	\$30.00	\$360.00	\$440.49
10	Curb and Gutter	CHAPIN FEE SCHEDULE	LF	Demolition and Disposal (CG)	270	\$50.00	\$13,500.00	\$16,518.54
11	Curb and Gutter	CHAPIN FEE SCHEDULE	SF	Furnish, Place and Compact Class II Aggregate Base (under CG, 6" Thick Base Dowel (CG)	3754	\$2.00	\$7,508.33	\$9,187.16
12	Curb and Gutter	CHAPIN FEE SCHEDULE	EA	Dowel (CG)	24	\$20.00	\$480.00	\$587.33
13	Vertical Curb	PMP Phase 2 Bid Results	LF	Form, Place and Finish (VC)	1370	\$60.00	\$82,200.00	\$82,200.00
14	Concrete Sidewalk	PMP Phase 2 Bid Results	SF	Form, Place and Finish (SW)	2950	\$20.00	\$59,000.00	\$59,000.00
15	Concrete Sidewalk	CHAPIN FEE SCHEDULE	LF	Sawcut (SW, 4" Thick Base Bid)	20	\$25.00	\$500.00	\$611.80
16	Concrete Sidewalk	CHAPIN FEE SCHEDULE	SF	Furnish, Place and Compact BaseSand Cushion (under SW, 2" Thick Base Bid)	2950	\$1.00	\$2,950.00	\$3,609.61
17	Concrete Sidewalk Crossing / Driveway Approach	CHAPIN FEE SCHEDULE	SF	Form, Place and Finish (SWX)	520	\$17.00	\$8,840.00	\$10,816.58
18	Concrete Sidewalk Crossing / Driveway Approach	CHAPIN FEE SCHEDULE	SF	Furnish, Place and Compact Class II Aggregate Base (under SWX, 6" Thick Base Dowel (SWX)	520	\$8.00	\$4,160.00	\$5,090.16
19	Concrete Sidewalk Crossing / Driveway Approach	CHAPIN FEE SCHEDULE	EA	Dowel (SWX)	28	\$25.00	\$700.00	\$856.52
20	Concrete Curb Ramps	CHAPIN FEE SCHEDULE	SF	Form, Place and Finish (CR)	1040	\$40.00	\$41,600.00	\$50,901.57
21	Concrete Curb Ramps	CHAPIN FEE SCHEDULE	SF	Install Truncated Domes (City, outside Right of Way, Federal Yellow)	150	\$85.00	\$12,750.00	\$15,600.84
22	Existing Pavement Demolition	PMP Phase 2 Bid Results	CF	Demolition and Disposal (PP, 6" ThickMaximum)	20400	\$3.00	\$61,200.00	\$61,200.00
23	Pavement Base	PMP Phase 2 Bid Results	CY	Furnish, Place and Compact Class II Aggregate Base (under PP, 6" Thick)	982	\$365.00	\$358,511.11	\$358,511.11
24	Surface Course	PMP Phase 2 Bid Results	TON	Furnish, Place and Compact Hot Mix	1297	\$340.00	\$440,821.33	\$440,821.33
25	DG Trail	CHAPIN FEE SCHEDULE	SF	Furnish, Place and Finish (DGSW, 4"Thick)	7480	\$25.00	\$187,000.00	\$228,812.36
26	DG Trail	CHAPIN FEE SCHEDULE	LF	Furnish and Install 2" x 4" Header Board with Stake (DGSW)	2992	\$5.00	\$14,960.00	\$18,304.99
27	Street Light	Inquiry to other jurisdictions	Ea	Furnish and Install Light Post (based on City's standard plan)	8	\$15,000.00	\$120,000.00	\$120,000.00
28	Street Light	CHAPIN FEE SCHEDULE	Ea	Install Conduit	15	\$30.00	\$450.00	\$550.62
29	Street Light	CHAPIN FEE SCHEDULE	Ea	Install Conductor	8	\$12.00	\$96.00	\$117.47
30	Street Light	CHAPIN FEE SCHEDULE	Ea	Install Electric Pull Box	8	\$250.00	\$2,000.00	\$2,447.19
31	Utility Adjustments	Averaging Projects	LS	Utility Manhole Adjustments	1	\$12,000.00	\$12,000.00	\$12,000.00
32	Striping	Averaging Projects	LS	Thermoplastic Striping & Pavement Markers	1	\$23,678.88	\$23,678.88	\$23,678.88
33	Landscape	Del Monte/Beach	15285	Landscaping per Del Monte/Beach Project	1	\$169,357.80	\$169,357.80	\$169,357.80
34	Mobilization/SWPPP/Traffic	Averaging Projects	LS	Traffic Control, SWPPP, Mobilization	1	\$236,788.85	\$236,788.85	\$236,788.85
35	Sign	CHAPIN FEE SCHEDULE	Ea	Salvage and Reinstall Sign and Sign Post	10	\$150.00	\$1,500.00	\$1,835.39
36	Sign	CHAPIN FEE SCHEDULE	Ea	Install New Sign and Sign Post (City Furnished Sign)	5	\$250.00	\$1,250.00	\$1,529.49
37	Retaining Wall	CHAPIN FEE SCHEDULE	LF	Furnish and Construct Wood Retaining Wall, 2' Retaining Wall Height	272	\$55.00	\$14,960.00	\$18,304.99
38	Storm Drain	Inquiry from contractors	LF	construction of storm drain retention system	90	\$1,000.00	\$90,000.00	\$90,000.00
							Total	\$ 2,917,424.00
							Contingency (15%)	\$ 634,682.18
							Total Construction	\$ 3,808,093.07
							Rounded	\$ 3,810,000.00
CCI Adj.	Time	CCI						
	October 2020	7120						
	Oct 2022	8712						
	This CCI is used for Don Chapin's prices	1.22						
Project Cost	Construction	\$	3,810,000.00					
	Design	\$	762,000.00					
	Environmental	\$	120,000.00					
	Right of Way	\$	100,000.00					
	Construction Management	\$	381,000.00					
	Material Testing	\$	30,000.00					
	Total Construction Cost (TCC)	\$	5,203,000.00					

Item #	Notes
1	1360 ft length of existing fence on the east side of the street
2	7 trees is assumed to be protected / Root radius is assumed to be 7.5 ft
3	It is assumed 7 trees will be protected. 1 hour per tree
4	Width of the project area is approximately 60 ft and minus the existing pavement's width which is 20 ft comes to 40 ft for grubbing. length of the street is 1360 ft.
5	7 Trees is assumed to be removed
6	Earth works includes 3 inch of (excavation and compacting for the entire area of project minus (existing sidewalk & future medians & existing pavement area)
7	Earth works includes 3 inch of (excavation and compacting for the entire area of project minus (existing sidewalk & future medians & future pavement area)
8	Length of project 1360 ft / width of project minus existing sidewalk 55 ft / minus protected trees with 7.5 ft radius of protection / minus medians area
9	(65 ft per each bulb-out / 6 bulb-outs) + (curb and gutter needed for median with total length of 325 ft and width of 7 ft per each) + (new sidewalk on the west side)
10	6 existing curb and gutter / length of each is 45 ft
11	(6 bulb-outs / 65 lf per each / 26.5 inch width of the curb and gutter) + (curb and gutter needed for median with total length of 325 ft and width of 7 ft per each) + (590 ft of new sidewalk)
12	6 bulb-outs/ 2 connections per each/ 2 dowel per each connection
13	Curb of the east side of the street with length of 1370 ft
14	Portion of the street without sidewalk
15	Four start and end points with 5ft width
16	Portion of the street without sidewalk
17	104 ft total length of 7 driveways on the portion of street with the new sidewalk / 5 ft width
18	104 ft total length of 7 driveways on the portion of street with the new sidewalk / 5 ft width
19	7 driveways / 2 sides / 2 dowel per each side
20	10 curb ramp is required / 8*8 (flares) + 8*5 (ramp) = 104 sq-ft per each ramp / data taken from sample files of Cardoza Resurfacing project
21	10 ramps / 15 sq-ft per each
22	1360 ft length of street / 15 ft width of existing pavement
23	31 ft width of street / 8 ft width of bike lane / 1360 ft length of street / 6 inch depth
24	1 ton = 13.5 cb-ft / Cubic feet volume of asphalt needed for bike lane and travel lane 1360*39*0.33
25	Length=1360ft / Width=5ft / 10% contingency
26	Length of trail 1360 ft / two sides
27	Approximately every 225 ft one light / 1360 ft length / 8 lights needed
28	two for each gap / 8 lights / 15 conduits
29	Approximately every 225 ft one light / 1360 ft length / 8 lights needed
30	Approximately every 225 ft one light / 1360 ft length / 8 lights needed
31	
32	5% of Mobilization/SWPPP/Traffic
33	\$11.08 per SF / Section with 7 ft wide median and 5 ft wide landscape near trail for 325 ft long / Section without median with 11 ft wide landscape near trail
34	10% of associated items that need mobilization
35	Salvage and reinstall 10 existing signs
36	Install 5 anticipated new signs for the trail and the roadway
37	It's assumed for 20% length of the trail retaining wall will be needed near the landscape
38	1400lf x 60ft is approximately 3,100cf / \$1000 per lf

EXHIBIT B TO STAFF REPORT

City of Marina



City of Marina
211 HILLCREST AVENUE
MARINA, CA 93933
831-884-1212; FAX 831-384-0425
www.cityofmarina.org

April 19, 2023

Dan Garson
735 Tank Farm Rd Suite 100
San Luis Obispo, CA 93401

RE: Developer's Fair Share Amount for Salinas Avenue widening Project

According to the condition of approval 32.d. and the following traffic analysis conducted by City engineers the developer is required to pay the fair share amount of \$1,570,000 to compensate the traffic impact of Sea Haven development on Salinas Ave.

"Condition of Approval 32.d. The applicant shall dedicate the Salinas Ave right-of-way area as shown on Official Plan Line Sheet 21 and the applicant shall post a bond for or make other financial arrangements satisfactory to the City Attorney and agree to pay for their fair share improvements as required by the Public Works Department for the future improvement of Salinas Avenue."

The fair share amount was communicated to the Sea Haven developer on October 20, 2022. Upon receipt of the letter, the Sea Haven developer raised concerns about the possibility of paying for fair share through development impact fees in addition to the direct contribution of \$1.57 million. As of this time, Salinas Avenue is not included in the City's mitigation fee program. A nexus study update is currently under way and may take a few months to complete. If Salinas Avenue is added to the mitigation fee program, the Sea Haven developer would only be obligated to pay for the development's contribution to any cumulative impact if any is determined to exist. This would be a proportionate share of cumulative impacts from development that cannot be attributed directly to individual developments.

Given the timing of progress on Phase 4 of the development and subsequent need to open Carmel Avenue to traffic, the City proposes that the Sea Haven developer advance a portion of the \$1.57 million of direct fair share contribution to fund design and completion of the environmental study. The City has obtained proposals for the design effort as listed below.

CEQA environmental determination	\$36,850
Design PS&E	\$270,000
Traffic Analysis	<u>\$10,200</u>
Total	\$317,050

The City will expedite the design of Salinas Avenue upon receipt of a check in the amount of \$317,050. This amount will be credited against the fair share contribution of \$1,570,000. Please reach out to me with any questions or concerns regarding this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'B. McMinn', with a stylized flourish at the end.

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

Cc: Layne Long, City Manager
Edrie De Los Santos, Senior Engineer
Elvie Camacho, Project Manager

December 1, 2023

Brian McMinn
Public Works Director/City Engineer
City of Marina
211 Hillcrest Avenue
Marina, CA 93933

Re: Developer's Fair Share Amount for Salinas Avenue Widening Project

Dear Brian,

This letter follows our November 22nd and November 30th telephone conversations regarding the Wathen Castanos Peterson Homes' ("**Wathen**") fair share of the Salinas Avenue widening ("**Project**"), as addressed in the two letters from the City dated October 20, 2022, and April 19, 2023, respectively; and, upon execution as provide below, will constitute an agreement ("**Agreement**") between the City of Marina ("**City**") and Wathen.

Condition of Approval No. 32.d ("**Condition 32.d**") to the City's approval of the Sea Haven (formerly Marina Heights) Master Planned Community provides:

The applicant shall dedicate the Salinas Ave right-of-way area as shown on Official Plan Line Sheet 21 and the applicant shall post a bond for or make other financial arrangements satisfactory to the City Attorney and agree to pay for their fair share improvements as required by the Public Works Department for the future improvement of Salinas Avenue.

With the recording of the Marina Heights Phase 4b Final Map, Wathen will satisfy the dedication of the Salinas Avenue right-of-way described above.

Additionally, the City has advised that Wathen's fair share financial obligation of the Project is 30.18 % of the actual cost of the Project ("**Wathen's Fair Share**").

Wathen and the City have agreed that Wathen may pay its fair share as follows:

1. Within thirty (30) days of the Effective Date of this Agreement, Wathen will pay to the City the sum of \$317,050.00 in order to facilitate the City's engagement of professionals necessary to complete required environmental studies and design the Project ("**Initial Contribution**"). The Initial Contribution will be credited against Wathen's Fair Share.

2. The balance of Wathen's Fair Share will be subject to the following process:

a. The City estimates that it will commence the Project bidding process near the end of the Third Quarter of 2024.

b. Not later than thirty (30) days prior to the City putting the Project out to bid, City will provide Wathen with a current estimated budget for completion of the entirety of the Project ("**Current Budget**"). The Current Budget will include estimated start and completion dates.

c. Once City has provided Wathen with the Current Budget, City will commence the Project bidding process. City will ensure that it seeks bids for completion of the entirety of the Project and will ensure that all bids are viable for a period of ninety (90) days following submittal

thereof to the City. Upon commencement of the bidding process, City will provide Wathen with written notice thereof ("**Notice of Commencement**").

d. Within thirty (30) days of receipt of the Notice of Commencement, Wathen will produce a performance bond ensuring payment of the balance of Wathen's Fair Share ("**Performance Bond**"). The Performance Bond will in an amount equal to the balance of Wathen's Fair Share based upon the Current Budget.

e. Upon receipt of acceptable bids for the Project, City will invoice Wathen for payment of the balance of Wathen's Fair Share based upon the acceptable bids received ("**Invoice**"). In conjunction with Invoicing Wathen for the balance of Wathen's Fair Share, the City will provide Wathen with written confirmation that the City has secured all funds necessary, other than the balance of Wathen's Fair Share, to complete the Project ("**Confirmation of Funds**"). The balance of Wathen's Fair Share will be due and payable within thirty (30) days of the date of the Invoice or Confirmation of Funds, whichever is later.

f. Upon receipt of the balance of Wathen's Fair Share City will award contracts for the completion of the Project and provide Wathen with written confirmation of full satisfaction of Condition 32.d.

For purposes of this Agreement, the "**Effective Date**" of this Agreement will be the last date set forth opposite the signatures of the parties at the end of this Agreement.

If the above meets with the City's and Wathen's approval, please execute where indicated below.

Sincerely,

Michael P. Slater
General Counsel

Approved:

WATHEN CASTANOS PETERSON HOMES, INC.

By: _____
Joshua E. Peterson, President

Dated: _____

Approved:

CITY OF MARINA

By: _____
Lanye Long, City Manager

Dated: _____, 2023

APPROVED AS TO FORM:

By: _____
_____, City Attorney

Dated: _____, 2023

December 1, 2023

Item No. **10g(4)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of December 5, 2023

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2023-,
AUTHORIZING THE CITY MANAGER TO ENTER INTO AN
AGREEMENT BETWEEN THE CITY AND WCP DEVELOPERS, INC.
FOR THE FAIR-SHARE CONTRIBUTION TO THE SALINAS AVENUE
IMPROVEMENT PROJECT SUBJECT TO FINAL REVIEW AND
APPROVAL BY THE CITY ATTORNEY, AND AUTHORIZING THE
FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND
BUDGETARY ENTRIES**

RECOMMENDATION:

It is recommended that the City Council:

1. Consider adopting Resolution No. 2023-, authorizing the City Manager to enter into an agreement between the City and WCP Developers, Inc. for the Fair-Share contribution to the Salinas Avenue Improvement Project subject to final review and approval by the City Attorney, and;
2. Authorizing the Finance Director to make necessary accounting and budgetary entries.

BACKGROUND:

At the regular meeting of March 3, 2004, the City Council adopted Resolution No. 2004-44, approving the Tentative Subdivision Map for the Marina Heights Development Project Subdivision subject to the Conditions of Approval.

ANALYSIS:

Condition No. 32(d) to the City's approval of the Tentative Subdivision Map for the Marina Heights Development Project Subdivision states:

The applicant (Developer) shall dedicate the Salinas Avenue right-of-way area as shown on Official Plan Line Sheet 21 and the applicant shall post a bond for or make other financial arrangements satisfactory to the City Attorney and agree to pay for their fair share improvements as required by the Public Works Department for the future improvement of Salinas Avenue.

On October 20, 2022, City staff provided a letter to the Developer regarding the cost estimate for Salinas Avenue and the fair-share calculations (**EXHIBIT A**). Based on contributing traffic volumes to Salinas Avenue, the City has calculated the contributing costs for the Developer to be approximately 30.18% of the total project costs.

On April 19, 2023, City staff provided a letter to the Developer further detailing the design costs for the Project and requesting a portion of their contribution be provided shortly to expedite the design of Salinas Avenue (**EXHIBIT B**). The remainder of their fair share contribution would be calculated and paid to the City prior to the award of the bid for the actual project. The Developer

will satisfy the condition of approval once the payment is actually made to the City for their fair share of the widening of Salinas Avenue.

On December 1, 2023, the Developer provided a draft letter of Agreement to establish the fair-share contribution percentage, the initial contribution for design costs totaling \$317,050, and the final contribution mechanisms to the City once the Project is ready to advertise for construction (**EXHIBIT C**). However, since the Developer's fair share cannot be calculated until the design of the project is completed, the agreement will address the implementation of the condition of approval.

FISCAL IMPACT:

Should the City Council approve this request, the Developer shall contribute their fair-share costs to the Project totaling 30.18% of the final awarded contract minus the design costs already deposited to the City at the time of agreement execution. The remaining 69.82% of the City's contribution to the Project costs shall be allocated from approved funding established by Council.

California Environmental Quality Act (CEQA)

This action is not a project as defined by the California Environmental Quality Act (CEQA) per Article 20 Section 15378 and under General Rule Article 5 Section 15061.

CONCLUSION:

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

Respectfully submitted,

Edrie Delos Santos, P.E.
Senior Engineer, Engineering Division
City of Marina

REVIEWED/CONCUR:

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

Layne P. Long
City Manager
City of Marina