

6f.

REPORT TO THE CITY COUNCIL

July 10, 2018



PREPARED BY:
Philip F. Sinco, City Attorney



APPROVED BY:
Cruz Ramos, City Administrator

SUBJECT: RETENTION OF LIEBERT, CASSIDY & WHITMORE TO REPRESENT CITY IN *LIMON, ET AL. V. CITY OF GUADALUPE* AND APPROVAL OF LEGAL SERVICES AGREEMENT

RECOMMENDATION:

That the City Council approve the legal services agreement between the City and LCW (attached hereto as Exhibit 1) and authorize the Mayor to sign the agreement on behalf of the City.

DISCUSSION:

Fifteen employees of the Guadalupe Police Department are the named plaintiffs in a lawsuit against the City recently filed in federal district court in Los Angeles. The plaintiffs allege violations of the Fair Labor Standards Act; specifically, that the City has not paid overtime rates for all hours worked in excess of the overtime threshold, and have not paid overtime hours worked at the correct rate of pay.

The Fair Labor Standards Act (FLSA) is a complex area of the law and the City's interests would best be served by retaining legal counsel with experience in this area. The City has researched law firms with experience litigating FLSA issues in federal court and have identified the law firm of Liebert, Cassidy & Whitmore (LCW) as a qualified law firm to represent the City in this matter. Staff recommends that the City Council approve a legal services agreement with LCW and authorize the Mayor to sign the agreement on behalf of the City.

ALTERNATIVE:

The City Council may decline to execute the legal services agreement and direct staff to select other legal counsel, but the City must file its answer in the lawsuit no later than August 3, 2018, and a qualified law firm may not be selected in time for a legal services agreement to be executed and an answer filed by the deadline.

FISCAL IMPACT:

Retaining LCW will result in potentially significant fiscal impacts as a result of litigation but there is no other option than to incur these costs to defend the City's interest in this lawsuit.

ATTACHMENTS:

- 1) Agreement for Special Services between the City of Guadalupe and the Law Firm of Liebert, Cassidy & Whitmore

AGREEMENT FOR SPECIAL SERVICES

This Agreement is entered into between the law firm of LIEBERT CASSIDY WHITMORE, A Professional Corporation (“Attorney”), and the CITY OF GUADALUPE, A Municipal Corporation (“City”).

1. Conditions

This Agreement will not take effect, and Attorney will have no obligation to provide services, until City returns a properly signed and executed copy of this Agreement.

2. Attorney’s Services

Attorney agrees to provide City with consulting, representational and legal services pertaining to employment relations matters, including representation in negotiations and in administrative and court proceedings, as requested by City or otherwise required by law.

3. Fees, Costs, Expenses

City agrees to pay Attorney the sums billed monthly for time spent by Attorney in providing the services, including reasonable travel time.

The current range of hourly rates for Attorney time is from Two Hundred to Three Hundred Fifty Dollars (\$200.00 - \$350.00), One Hundred Ninety-Five Dollars to Two Hundred Thirty Dollars (\$195.00 - \$230.00) for time of Labor Relations/HR Consultant and from Seventy-Five to One Hundred Seventy Dollars (\$75.00 - \$170.00) for time of paraprofessional and litigation support staff. Attorney reviews its hourly rates on an annual basis and, if appropriate, adjusts them effective July 1. Attorney will provide the City with written notification of any adjustment in the range of rates. Attorneys,

paraprofessional and litigation support staff bill their time in minimum units of one-tenth of an hour.

City agrees to reimburse Attorney for necessary costs and expenses incurred by Attorney on behalf of City. Attorney bills photocopying charges at Fifteen Cents (\$0.15) per page and facsimile charges at Twenty-Five Cents (\$0.25) per page. A Public Agency Fee Schedule is attached to this Agreement.

Payment by City against monthly billings is due upon receipt of statements, and is considered delinquent if payment is not received within thirty (30) days of the date of the invoice.

The California Business & Professions Code requires us to inform you whether we maintain errors and omissions insurance coverage applicable to the services to be rendered to you. We hereby confirm that the firm does maintain such insurance coverage.

4. Arbitration of Professional Liability or Other Claims

Disputes. If a dispute between City and Attorney arises over fees charged for services, the controversy will be submitted to binding arbitration in accordance with the rules of the California State Bar Fee Arbitration Program, set forth in California Business and Professions Code, sections 6200 through 6206. The arbitrator or arbitration panel shall have the authority to award to the prevailing party attorneys' fees, costs and interest incurred. Any arbitration award may be served by mail upon either side and personal service shall not be required.

If a dispute arises between City and Attorney over any other aspect of the attorney-client relationship, including, without limitation, a claim for breach of

professional duty, that dispute will also be resolved by arbitration. It is understood that any dispute as to any alleged breach of professional duty (that is, as to whether any legal services rendered under this agreement were allegedly unnecessary, unauthorized, omitted entirely, or were improperly, negligently or incompetently rendered) will be determined by submission to arbitration as provided by California law, and not by a lawsuit or resort to court process except as California law provides for judicial review of arbitration proceedings. **Both parties to this agreement, by entering into it, are giving up their constitutional right to have any such dispute decided in a court of law before a jury, and instead are accepting the use of arbitration.** Each party is to bear its own attorney's fees and costs.

5. File Retention

After our services conclude, Attorney will, upon City's request, deliver the file for the matter to City, along with any funds or property of City's in our possession. If City requests the file for the matter, Attorney will retain a copy of the file at the City's expense. If City does not request the file for this matter, we will retain it for a period of seven (7) years after this matter is closed. If City does not request delivery of the file for this matter before the end of the seven (7) year period, we will have no further obligation to retain the file and may, at our discretion, destroy it without further notice to City. At any point during the seven (7) year period, City may request delivery of the file.

6. Assignment

This Agreement is not assignable without the written consent of City.

7. Independent Contractor

It is understood and agreed that Attorney, while engaged in performing the terms of this Agreement, is an independent contractor and not an employee of City.

8. Authority

The signators to this Agreement represent that they hold the positions set forth below their signatures, and that they are authorized to execute this Agreement on behalf of their respective parties and to bind their respective parties hereto.

9. Term

This Agreement is effective June 20, 2018, ongoing and may be modified by mutual agreement of the parties. This agreement shall be terminable by either party upon thirty (30) days written notice.

LIEBERT CASSIDY WHITMORE,
A Professional Corporation

CITY OF GUADALUPE,
A Municipal Corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

I. PUBLIC AGENCY FEE SCHEDULE

Hourly Rates (As of Agreement Effective Date)

Partners	\$350.00
Senior Counsel	\$305.00
Associates	\$200.00 - \$285.00
Labor Relations/HR Consultant	\$195.00 - \$230.00
Paraprofessionals & Litigation Support	\$75.00 - \$170.00

II. COST SCHEDULE

1. Photocopies	\$0.15 per copy
2. Facsimile Transmittal	\$0.25 per page

69



**Application Certification
State of California
DRMT Federal Programs
Application**

Applicant: City of Guadalupe

FTA Program: FTA 5311 Program

Fiscal Year: 2019

I hereby certify that I am the authorized signee for the above listed applicant. I also hereby certify that I have reviewed the organizational information and application forms submitted in the BlackCat system and all statements, information, and representations made are true and correct to the best of my knowledge. I also hereby certify that adequate local share as described in herein will be available to execute this project(s).

Please Enter Name & Title of Authorized Signee Below:

Name: CRUZ RAMOS

Title: CITY ADMINISTRATOR

Sign Here: _____
(Please Sign in Blue Ink)

Date: 7/10/2018



Sample Authorizing Resolution for FTA Funds
State of California
Division of Rail and Mass Transportation

RESOLUTION NO. 2018-38

RESOLUTION AUTHORIZING THE FEDERAL FUNDING UNDER FTA SECTION 5311 (49 U.S.C. SECTION 5311) WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION

WHEREAS, the U. S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support capital/operating assistance projects for non-urbanized public transportation systems under Section 5311 of the Federal Transit Act (FTA C 9040.1F and FTA C 9050.1); and

WHEREAS, the California Department of Transportation (Department) has been designated by the Governor of the State of California to administer Section 5311 grants for transportation projects for the general public for the rural transit and intercity bus; and

WHEREAS, The City of Guadalupe desires to apply for said financial assistance to permit operation of service in the County of Santa Barbara; and

WHEREAS, the City of Guadalupe has, to the maximum extent feasible, coordinated with other transportation providers and users in the region (including social service agencies).

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Guadalupe City Council does hereby Authorize the City Administrator, to file and execute applications on behalf of with the Department to aid in the financing of capital/operating assistance projects pursuant to Section 5311 of the Federal Transit Act (FTA C 9040.1F and FTA C 9050.1), as amended.

That the City Administrator is authorized to execute and file all certification of assurances, contracts or agreements or any other document required by the Department.

That the City Administrator is authorized to provide additional information as the Department may require in connection with the application for the Section 5311 projects.

That the City Administrator is authorized to submit and approve request for reimbursement of funds from the Department for the Section 5311 project(s).

PASSED AND ADOPTED by the Guadalupe City Council of the County of Santa Barbara, State of California, at a regular meeting of said Commission or Board Meeting held on the by the following vote:

- MOTION:
AYES:
NOES:
ABSENT:

(Please Print)


Name: _____

Title: _____

Signature: _____

Date: _____

**REPORT TO CITY COUNCIL
Council Agenda of 7/10/18**



Richard Jamar, Public Works Director



Cruz Ramos, City Administrator

SUBJECT

Contract extension for ongoing consultant services at Guadalupe Wastewater Treatment Plant (WWTP) to comply with recent State Water Resources Control Board (SWRCB) changes in WWTP requirements.

RECOMMENDATION

Staff recommends the City Council approve the contract extension for consultant Grade-V Wastewater Treatment Operator, and future consideration of full staffing at the WWTP.

DISCUSSION

On April 18, 2018, the State Water Resources Control Board (SWRCB) upgraded the classification for the Guadalupe WWTP to a Grade-III Plant. On May 4, 2018, during a routine inquiry, staff learned the WWTP classification had been upgraded, and the SWRCB had removed the City’s Chief Plant Operator (CPO) from the lead position. The City was allowed 30-days from date of issuance to comply with the SWRCB order.

Issue- The effect of the new Grade-III plant classification requires the Chief Plant Operator (CPO) to have an equivalent (Grade-III) operating license to meet SWRCB minimum requirements (see chart). Also, it requires the Designated Operator-In-Charge (DOIC, like a second in command) to have no less than one grade from the WWTP classification.

WWTP Classification	Minimum Grade Level of CPO	Minimum Grade Level of DOIC
I	I	I
II	II	I
III	III	II
IV	IV	III
V	V	III

The City currently employees two WWTP operators, grades II and I, respectively. With the plant classification upgrade, the incumbents are no longer legally qualified to manage and operate the plant without upgraded operator licenses. SWRCB’s order requires a minimum of Grade-III or higher operator in the position of CPO, and the only option at the time was to hire the consultant.

Failure to comply is a violation of state law and subjects the WWTP/City Officers to fines/penalties until compliance requirements are met.

Options- There are several options available.

1. Immediately recruit for a Grade-III operator, and replace current Grade-V Consultant to comply with SWRCB's plant classification orders. This position will be costly and challenging to fill due to the very tight market for these operators.
2. Allow the opportunity for existing employees to learn from the Grade-V consultant and test for the Grade-II and Grade-III licenses in October. Maintains institutional knowledge of local systems. **(Recommended)**
3. Possibly recruit and permanently hire the Grade-V consultant, or similar, at nearly twice the hourly rate of a Grade-III. This is believed to be the most costly option.
4. Take no action. Although listed as an option, this not a feasible solution because there will be fines issued by the CCRWQCB (Central Coast district) for violations, and legal costs would be incurred by the City if the Council takes no action.

FISCAL IMPACT

Option 1: Estimated hourly at \$30-\$40/hr, DOE, + benefits; approximately \$62,400-\$83,200 annually, plus benefits & overtime; recruitment costs are estimated at \$3,000.

Option 2: Approximately \$2,400 per month for consulting fees from 6/14 – 10/18, for a total of \$10,800. Staff recommends that Council authorize the City Administrator to extend for one or two months if necessary, pending operator exam results (Gr. II&III) in October/November for the two incumbent operators. **(Recommended)**

Option 3: Recruit and hire the Grade-V operator. Estimate \$45-\$60/hr + benefits; approximately \$93,600-\$124,800 annually, plus benefits; No recruitment costs anticipated.

Option 4: Fines and legal costs unknown.

ATTACHMENTS

SWRCB Letter – April 18, 2018

Copy – CPO Acknowledgement Form – Clemons

SWRCB Responsibilities – Brochure

Email Correspondence



State Water Resources Control Board

April 18, 2018

City of Guadalupe
Owner – Guadalupe Wastewater Treatment Plant
P.O. Box 908
Guadalupe, CA 93434

WASTEWATER TREATMENT PLANT CLASSIFICATION AND OPERATOR CERTIFICATION

Dear Owner:

We have reviewed the plant classification information submitted to our office. Enclosed is a wastewater treatment plant (WWTP) classification and operator certification levels form that specifies the minimum certification requirements for the operations personnel at the following wastewater treatment plant:

- Guadalupe WWTP

Since the Guadalupe WWTP is classified as a Class III, Activated Sludge WWTP, the Chief Plant Operator (CPO) must be a Grade III or higher certified operator. The current CPO listed, Luis Gudino, is a certified Grade II operator, and therefore cannot serve as CPO for this WWTP. Luis Gudino may operate the plant, but a new Chief Plant Operator Acknowledgement Form, enclosed, must be completed and submitted by a Grade III or higher certified operator.

These requirements are imposed in accordance with the Sections 3675 and 3680, Title 23 of the California Code of Regulations (CCR). Section 3676 requires an agency to notify the State Water Resources Control Board within 30 days of the following:

1. Change in employment of the person designated as chief plant operator.
2. Change in the plant's treatment processes or design flow, which may affect the classification of the plant.
3. Any final disciplinary action resulting in suspension, demotion or discharge of a certified operator or operator-in-training if the disciplinary action is related to performance of operator duties.

This is a final Wastewater Operator Certification program decision. If you disagree with this decision, you may request a Final Division Decision in accordance with Operator Certification Regulations, section 3711.

FELICIA MARCUS, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, 17th Floor, Sacramento, CA 94244-2120 | Mailing Address: P.O. Box 944212, Sacramento, CA 94244-2120
Phone: (916) 341-5819, Fax: (916) 341-5734 | Email: wwopcertprogram@waterboards.ca.gov





EDMUND G. BROWN JR.
GOVERNOR



MARTIN RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

If you have any questions, please contact Neal Funston at WWOpcertprogram@waterboards.ca.gov or (916) 341-5909.

Sincerely,

A handwritten signature in black ink, appearing to read "Wes Wilkinson".

Wes Wilkinson
Staff Services Manager I
Wastewater Operator Certification
Division of Financial Assistance

Enclosures

FELICIA MARQUEZ, CHAIR EILEEN SOBEC, EXECUTIVE DIRECTOR

1001 I Street, 11th Floor, Sacramento, CA 94244-2120 Mailing Address: P.O. Box 94212, Sacramento, CA 94211-0112
Phone: (916) 341-5919 Fax: (916) 341-5733 Email: WWOpcertprogram@waterboards.ca.gov



EDWARD G. BROWN JR.
GOVERNOR



MATTHEW ROJAS-GUZZO
COMMISSIONER FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

**WASTEWATER TREATMENT PLANT CLASSIFICATION AND OPERATOR
CERTIFICATION LEVELS**

**Pursuant to Title 23, California Code of Regulations
Divisions 3, Chapter 26, Sections 3670-3719.16**

April 18, 2018

Name of facility: Guadalupe Wastewater Treatment Plant

Plant Classification: III

Treatment Process: Activated Sludge

Plant Flows:

**Design Peak
Wet Weather: .93 MGD**

**Design Average
Dry Weather: .93 MGD**

**Current Average
Dry Weather: .73 MGD**

Minimum Certification Grade Required

Chief Plant Operator: Must be Grade III or above

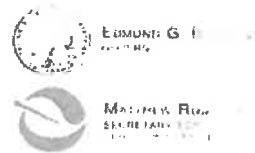
Designated Operator-in- Charge: Grade II or above

**AT CLASS IV AND V WASTEWATER TREATMENT PLANTS, AT LEAST 50 PERCENT OF
THE OPERATORS SHALL POSSESS VALID OPERATOR OR OPERATOR-IN-TRAINING
CERTIFICATES AT THE GRADE II LEVEL OR HIGHER.**

FELIX MARQUEZ, CHAIR ELLEN S. LEBEK, EXECUTIVE DIRECTOR

Office: 1701 Scott Sacramento, CA 95834-2100 Mailing Address: P.O. Box 244212, Sacramento, CA 95834-2100
Phone: (916) 341-5419 Fax: (916) 341-5734 Email: www.waterboards.ca.gov





State Water Resources Control Board

WASTEWATER TREATMENT PLANT
CHIEF PLANT OPERATOR ACKNOWLEDGEMENT FORM
(Please fill out a separate form for each plant)

As defined by the California Code of Regulations, title 23, division 3, chapter 26, section 3671:

"Chief plant operator" means any of the following:

- (1) the operator responsible for the overall operation of a wastewater treatment plant including compliance with effluent limitations established in the wastewater treatment plant's waste discharge requirements and ensuring that operators-in-training are supervised directly as required by section 3682; or
(2) the provisional operator who is solely responsible for the operation of a Class I wastewater treatment plant whose owner has received approval to use a provisional operator in accordance with section 3680.2.

I, John L. Clemons III, am the chief plant operator of:
(Name)

City of Guadalupe, CA Wastewater Treatment Plant

(Name of Wastewater Treatment Plant)

Owner Name: City of Guadalupe
Facility Address: 5125 W. Main St, Guadalupe, CA. 93434
CPO's Email Address: jlclemmons111@yahoo.com
CPO's Telephone Number: 661 348-7196 ext.

SIGNATURE OF CHIEF PLANT OPERATOR:

I, the undersigned, certify that I am the chief plant operator of the above-named wastewater treatment plant. I have read and understand the definition of "chief plant operator" set forth in section 3671 of title 23 of division 3 of chapter 26 of California Code of Regulations and I acknowledge and accept the responsibilities of "chief plant operator" of the above-named wastewater treatment plant.

Print Name: John L. Clemons III Grade: V

Certification Number: 28752

Original Signature: [Handwritten Signature] Date: 6/27/2015

*PLEASE SIGN IN BLUE INK and mail the original form to:

MAILING ADDRESS:

State Water Resources Control Board
Wastewater Operator Certification Program
P.O. Box 944212
Sacramento, CA 94244-2120

OVERNIGHT MAILING ADDRESS:

State Water Resources Control Board
Wastewater Operator Certification Program
1001 I Street, 17th Floor
Sacramento, CA 95814

DIRECT SUPERVISION

"Direct supervision" means the supervising operator shall oversee and inspect the work performed by an OIT and provide adequate training to ensure the safe and proper operation and maintenance of the plant. Direct supervision must be carried out by a certified operator at the same or higher grade level as the OIT. The supervising operator must be present at the WWTP or otherwise readily available to consult with, including reasonable distance to come to the plant if needed, to provide immediate assistance.

EXAMPLES OF OPERATIONAL DUTIES

- ❖ adjusting pump and valve controls
- ❖ collecting water quality samples
- ❖ adjusting chemical controls
- ❖ monitoring and adjusting SCADA systems
- ❖ reading and monitoring meters
- ❖ visual inspections of operational equipment

DISCIPLINARY ACTION REQUIREMENTS

If a WWTP issues a disciplinary action, are they obliged to report it to the WWQCP? The facility owner (or CPO representing the facility owner) is required to provide written notification to the WWQCP within thirty (30) days of any final disciplinary action. Disciplinary action includes reprimanding or placing on probation, suspending, demoting, or discharging an operator, provisional operator, OIT, or contract operator for performing, or allowing or causing another to perform, any act of violation. Only final disciplinary actions that violate the WWTP Operator Certification Regulations and/or the Water Code are reportable to the WWQCP. Owners do not have to report disciplinary actions due to a DUI or other action that does not have any bearing on the operation of the WWTP. The notice must include the name of the operator, provisional operator, OIT, or contract operator, the specific violations, and the final disciplinary action taken. The notice also must include the operator's certificate number or the contract operator's registration number. Any person (e.g., a CPO, operator, OIT, or member of the public) who has reason to suspect a violation of the WWTP Operator Certification Regulations and/or the Water Code is encouraged to contact the WWQCP or the Office of Enforcement directly at (916) 341-5272 or reportfraud@waterboards.ca.gov. Reports can be made anonymously.

For more information, please see section 3676(g) of the WWTP Operator Certification Regulations. If you have any questions regarding reporting disciplinary actions call (916) 341-5819 or email at wwoccertprogram@waterboards.ca.gov.

REQUEST FOR MAILING LIST OF CERTIFIED WASTEWATER TREATMENT PLANT OPERATORS

The WWQCP will release the names, addresses, and grades of certified operators who have authorized us to release their personal information to owners of WWTPs for recruitment purposes. Owners should submit a mailing list request by using the Request for Mailing List of Certified Operators form. If a private company is recruiting on behalf of an owner, the owner must submit the form and indicate in the *Special Instructions* section, the name and email address or physical address where the WWQCP should send the mailing list. The WWQCP may send the mailing list via email or by mail. The WWQCP only is authorized to provide and release this information to owners or authorized designated representatives of WWTPs.

The Request for Mailing List form can be accessed at the following:

http://www.waterboards.ca.gov/water_issues/program/s/operator_certification/docs/forms/requestmailinglist.pdf

FOR ADDITIONAL INFORMATION AND PROGRAM UPDATES VISIT THE WASTEWATER OPERATOR CERTIFICATION WEBSITE AT:

http://www.waterboards.ca.gov/water_issues/program/s/operator_certification/operator_certification.shtml

CONTACT INFORMATION

State Water Resources Control Board
Wastewater Operator Certification

P. O. Box 944212

Sacramento, CA 94244-2120

Main Telephone: (916) 341-5819

Fax: (916) 341-5734

Email: wwoccertprogram@waterboards.ca.gov



Wastewater Treatment Plant
Operator Certification Program

CHIEF PLANT OPERATOR (CPO)

RESPONSIBILITIES



STATE WATER RESOURCES CONTROL BOARD
REGIONAL WATER QUALITY CONTROL BOARDS

CHIEF PLANT OPERATOR (CPO) RESPONSIBILITIES

The Chief Plant Operator (CPO) is responsible for the overall operation of a wastewater treatment plant (WWTP) including compliance with effluent limitations established in the WWTP's waste discharge requirements and ensuring that operators-in-training (OITs) are supervised directly in accordance with the WWTP Operator Certification Regulations. The CPO has a unique position among all certified operators. The CPO's management and supervisory responsibilities at the WWTP include:

- Overall operation of the WWTP and compliance with the regulations regardless of the facility organizational hierarchy.
- Notification to the Wastewater Operator Certification Program (WWOCP) regarding any modifications including process changes at a WWTP by submitting a Plant Classification Form, available on the WWOCP home webpage under "Forms" or at: http://www.waterboards.ca.gov/water_issues/programs/operator_certification/docs/forms/planclass/formation.pdf
- Development, review and use of Standard Operating Procedures (SOPs) for all operators to ensure reasonable care and judgment covering operations, maintenance, and compliance at the plant including:
 - 1) Operator SOPs (short, clear and concise step-by-step procedures for operators, to be used on a daily and/or weekly basis for ensuring consistent work tasks at the plant).
 - 2) Reference SOPs (narrative descriptions for operators, to be used covering operational and maintenance requirements for the plant - major treatment unit processes).
- Submitting a Chief Plant Operator Acknowledgement Form to the WWOCP within 30 days of becoming a CPO, or change of CPO. The form is available on the website under "Forms" at http://www.waterboards.ca.gov/water_issues/programs/operator_certification/docs/forms/cpo_acknowledgement.pdf
- Notify WWOCP when there is a change in CPO status. For example, when a CPO is no longer working at the WWTP

DESIGNATED OPERATOR-IN-CHARGE

The DOIC is a certified operator appointed by the CPO to be responsible for the overall operation of a WWTP, including compliance with the applicable waste discharge requirements when the CPO is unable to carry out the responsibilities of the position. The DOIC reports directly to the CPO who is responsible for documenting the DOIC work details and timeframe (see above).

The DOIC's minimum required certification level depends on the WWTP classification. Please see the chart listed below.

WWTP Classification	Minimum Grade Level of CPO	Minimum Grade Level of DOIC
I	I	I
II	II	I
III	III	II
IV	IV	III
V	V	III

LONE OPERATOR REQUIREMENTS

A lone operator is a certified operator working alone at a WWTP at a grade level lower than the DOIC. The CPO must obtain prior written approval from the WWOCP before allowing an operator to work alone. An OIT can never be a Lone Operator.

The CPO must demonstrate that the owner has had difficulty, despite due diligence, hiring a certified operator of the appropriate grade level to operate the WWTP. The CPO must submit a written plan that includes:

- a.) the name(s) and grade level(s) of the lone operator(s) and the proposed duties of the lone operator(s);
- b.) a work schedule showing when the lone operator(s) will be working alone; and
- c.) the procedure lone operator(s) will use to communicate with the CPO, the DOIC, or an operator at the same or higher grade level as the DOIC when the lone operator(s) needs direction.

An approval for a lone operator is valid for a maximum of 180 days.

- Signing certification applications for OITs and certified operators employed at the WWTP. By signing these applications, the CPO is verifying that the employment information provided is true and correct. The CPO must maintain and/or keep work records of qualifying experience for OITs under its supervision or direction.

- Returning an OIT's original certificate to the WWOCP when an OIT's training at the WWTP ends, along with the documentation stating the total number of hours worked in wastewater operations. The CPO can submit the OIT Qualifying Experience form. The form is available on the website under "Forms" at: http://www.waterboards.ca.gov/water_issues/programs/operator_certification/docs/forms/oit_qualifying_experience.pdf. The CPO could also write a letter on official WWTP letterhead and include the name of the OIT, the start and end date of hours worked, and the total number of hours worked under the supervision of the CPO or another operator at the same or higher grade level as the OIT.

- Post all current certified operator certificate(s) including those for OITs in an area accessible to the public or if not available, posted at the WWTP's headquarters.

- Understanding and acknowledging the wastewater operation certification regulations at: http://www.waterboards.ca.gov/water_issues/programs/operator_certification/docs/ocr_clean.pdf

- Develop a procedure for designating a qualified Designated Operator-In-Charge (DOIC) when the CPO is unable to carry out the responsibilities of the position. DOIC appointments must be properly documented in the SOPs, organization charts, and duty rosters. The DOIC work details including timeframe for coverage at the plant should be documented via email and/or in the plant logbooks.



Richard Jamar

From: Richard Jamar
Sent: Friday, May 4, 2018 11:40 AM
To: Luis Gudino
Cc: Cruz Ramos; Juana Merino
Subject: CPO-Guadalupe WWTP

Luis,

Today I received a call from Mr. Howard Kolb at State Water Board-WW Division, and was informed that a former city employee is claiming the WWTP is operating illegally under his Grade II License. Of course we both know the forms were submitted to the Office of Operator Certification, and you were installed as CPO. Following up with Mr. Neal Funston to see if we would receive notification of the formal CPO change, he informed me the plant is upgraded from Grade II to Grade III, effective 18 April, 2018. I have not received any correspondence on this matter, have you?

Further, we are out of compliance beginning 18 April, 2018 as we must have a Grade III operator connected with the plant. ----

Thanks,

Richard

Richard Jamar
Public Works Director
CITY OF GUADALUPE
918 Obispo Street
Guadalupe, CA 93434
(805) 356-3910 (o)
(805) 356-5054 (c)
(805) 343-5512 (f)

Richard Jamar

From: Funston, Neal@Waterboards <Neal.Funston@Waterboards.ca.gov>
Sent: Friday, May 4, 2018 11:36 AM
To: Richard Jamar
Subject: Classification of Guadalupe WWTP
Attachments: noreply_17-30C@waterboards.ca.gov_20180504_102748.pdf

Richard,

Please see the Classification issued April 18, 2018 for the City of Guadalupe WWTP.

Please let me know if you have any questions.

Thank you,
Neal



Neal Funston

(916) 341-5909 | Neal.Funston@waterboards.ca.gov

Associate Governmental Program Analyst

Wastewater Operator Certification

Division of Financial Assistance

State Water Resources Control Board

1001 "I" Street, 17th Floor, Sacramento, CA 95814



Richard Jamar

From: Richard Jamar
Sent: Friday, May 18, 2018 6:00 PM
To: 'Neal.Funston@Waterboards.ca.gov'
Cc: Luis Gudino; Howard Kolb; Cruz Ramos
Subject: Guadalupe WWTP Classification Change

Hello Neal,

Since the City of Guadalupe did not receive formal notification by mail, we request the 30-day operator compliance be extended an appropriate amount to allow us to finish this search for a CPO.

Update

We have been trying to convince a Grade IV Operator, one we've been working with on a consulting basis, to step in as the CPO until we can make other arrangements, or Luis achieves the Grade III. This Grade IV has been a tremendous mentor to Luis and has imparted a much deeper level of understanding and control of the plant. However, he is unsure whether he should risk license exposure while not being at the plant every day.

Today we received another contact and will try to determine if there is a good match, but we need a solid teacher/mentor, not a dictator. We will be following up on that contact this weekend.

What resources are available with the State? Are there lists of operators by grade and region?

Thank you for any assistance you can provide.

Richard Jamar
Public Works Director
CITY OF GUADALUPE
918 Obispo Street
Guadalupe, CA 93434
(805) 356-3910 (o)
(805) 356-5054 (c)
(805) 343-5512 (f)

Richard Jamar

From: Funston, Neal@Waterboards <Neal.Funston@Waterboards.ca.gov>
Sent: Monday, May 21, 2018 9:35 AM
To: Richard Jamar
Cc: Luis Gudino; Kolb, Howard@Waterboards; Cruz Ramos
Subject: RE: Guadalupe WWTP Classification Change
Attachments: Request_for_mailing_list_of_Certified_Operators.pdf

Good morning Richard,

Thank you for the status update.

Regarding your question about a list, if you complete the attached Request for Mailing list form and email it back, a list of operators that have authorized the release of their contact information for recruitment can be provided.

Thank you,
Neal



Neal Funston

(916) 341-5909 | Neal.Funston@waterboards.ca.gov
Associate Governmental Program Analyst
Wastewater Operator Certification
Division of Financial Assistance
State Water Resources Control Board
1001 "I" Street, 17th Floor, Sacramento, CA 95814



From: Richard Jamar [mailto:rjamar@ci.guadalupe.ca.us]
Sent: Friday, May 18, 2018 6:00 PM
To: Funston, Neal@Waterboards <Neal.Funston@Waterboards.ca.gov>
Cc: Luis Gudino <lgudino@ci.guadalupe.ca.us>; Kolb, Howard@Waterboards <Howard.Kolb@waterboards.ca.gov>; Cruz Ramos <Cramos@ci.guadalupe.ca.us>
Subject: Guadalupe WWTP Classification Change

Hello Neal,

Since the City of Guadalupe did not receive formal notification by mail, we request the 30-day operator compliance be extended an appropriate amount to allow us to finish this search for a CPO.

Update

We have been trying to convince a Grade IV Operator, one we've been working with on a consulting basis, to step in as the CPO until we can make other arrangements, or Luis achieves the Grade III. This Grade IV has been a tremendous mentor to Luis and has imparted a much deeper level of understanding and control of the plant. However, he is unsure whether he should risk license exposure while not being at the plant every day.

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Richard Jamar
Public Works Director
CITY OF GUADALUPE
918 Obispo Street
Guadalupe, CA 93434
(805) 356-3910 (o)
(805) 356-5054 (c)
(805) 343-5512 (f)

**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN
THE CITY OF GUADALUPE
AND**

THIS AGREEMENT FOR CONSULTANT SERVICES (the "**Agreement**") is made and entered into this 29th day of May 2018, by and between the CITY OF GUADALUPE, a municipal corporation ("**City**") and John L. Clemons, a California Grade V Wastewater Operator ("**Consultant**").

In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

Section 1. Term of Agreement. Subject to the provisions of Section 19 (Termination of Agreement) of this Agreement, the term of this Agreement shall be for a period of two (2) weeks, from the date of execution of this Agreement, as first shown above. Such term may be extended upon written agreement of both parties to this Agreement.

Section 2. Scope of Services. Consultant agrees to perform the services set forth in Exhibit A (Clemons Proposal/Scope of Services) and made a part of this Agreement.

Section 3. Additional Services. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or listed in Exhibit A, unless such additional services are authorized in advance and in writing by the City Council or City Administrator of City. Consultant shall be compensated for any such additional services in the amounts and in the manner agreed to by the City Council or City Administrator.

Section 4. Compensation and Method of Payment.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amounts specified in Exhibit A (Compensation) and made a part of this Agreement.

(b) Each month Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by subcategory), travel, materials, equipment, supplies, sub-consultant contracts and miscellaneous expenses. City shall independently review each invoice submitted by Consultant to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement and Scope of Services. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event City disputes any charges or expenses, City shall return the original invoice to Consultant with specific items in dispute identified for correction and re-submission.

All undisputed charges shall be paid in accordance with this Agreement and Scope of Services.

(c) Except as to any charges for work performed or expenses incurred by Consultant, which are disputed by City, City will cause Consultant to be paid within forty-five (45) days of receipt of Consultant's invoice.

(d) Payment to Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

(e) Consultant shall have the right to suspend services if not paid in accordance with this Agreement.

Section 5. Inspection and Final Acceptance. City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed, if the work is found to be defective or not in compliance with the defined Scope of Services. Acceptance of any of the Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement, including but not limited to, Sections 15 and 16, pertaining to indemnification and insurance, respectively. Consultant agrees to cooperate in any such inspection.

Section 6. Ownership of Documents. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. Reuse of any materials outside the scope of this Agreement shall be at the sole risk of the City.

Section 7. Consultant's Books and Records.

(a) Consultant shall maintain any and all documents and records demonstrating or relating to Consultant's performance of services pursuant to this Agreement. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently completed and detailed so as to permit an accurate evaluation of the services provided by Consultant pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to the audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, upon reasonable notice during regular business hours, upon written request by City or its designated representative. Copies of such documents or records shall be provided directly to the

City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Consultant's address indicated for receipt of notices in this Agreement. The City shall compensate the Consultant for all costs associated with providing these materials to the City.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or destroyed due to dissolution or termination of Consultant's business, City may, by written request, require that custody of such documents or records be given to the requesting party and that such documents and records be maintained by the requesting party. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

Section 8. Status of Consultant.

(a) Consultant is and shall at all times during the terms of this Agreement remain a wholly independent Consultant and not an officer, employee or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, employees or agents of City.

(c) Neither Consultant nor any of Consultant's officers, employees or agents shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

Section 9. Standard of Performance. Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

Section 10. Compliance With Applicable Laws, Permits and Licenses. Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement applicable to Consultant. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable at law or in equity as a result of any failure of Consultant to comply with this section.

Section 11. Nondiscrimination. Consultant shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, disability, marital status or sexual orientation in connection with or related to the performance of this Agreement.

Section 12. Unauthorized Aliens. Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. sections 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorney's fees, incurred by City.

Section 13. Conflicts of Interest. Consultant agrees to at all times avoid conflicts of interest with the interests of the City in the performance of this Agreement.

Section 14. Confidential Information; Release of Information.

(a) All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Administrator, except as may be required by law.

(b) Consultant, its officers, employees, agents or subconsultants, shall not, without prior written authorization from the City Administrator or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, responses to interrogatories or other information concerning the work performed under this Agreement. A response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(c) If Consultant, or any officer, employee, agent or subconsultant of Consultant, provides any information or work product in violation of this section, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney's fees, caused by or incurred as a result of Consultant's conduct.

(d) Consultant shall promptly notify City should Consultant, its officers, employees, agents or sub consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response. Consultant shall be compensated for all costs associated with complying with this section.

Section 15. Indemnification.

(a) City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "Indemnitees") shall have no liability to Consultant or any other person for, and Consultant shall indemnify, defend, protect and hold harmless Indemnitees from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorney's fees and disbursements (collectively, "Claims") which Indemnitees may suffer or incur or to which Indemnitees may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of or allegedly caused by Consultant's performance of or failure to perform any services under this Agreement or by the negligent or willfully wrongful acts or omissions of Consultant, its agents, officers, directors, sub consultants or employees, committed in performing any of the services under this Agreement.

(b) If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to indemnification in order to be so indemnified. The insurance required to be maintained by Consultant under Section 16 shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

(c) The provisions of this section do not apply to Claims occurring as a result of the City's sole negligence or willfully wrongful acts or omissions.

(d) City agrees to indemnify Consultant for any such neglect or willfully wrongful acts committed by City or its officers, agents or employees.

Section 16. Insurance. Consultant agrees to obtain and maintain in full force and effect during the term of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work provided by Consultant, its agents, representatives or employees in performance of this Agreement. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver, if so approved in writing by City Administrator. Consultant agrees to provide City with copies of required policies upon request.

Consultant shall provide the following scope and limits of insurance:

A. Minimum Scope of Insurance: Coverage shall be at least as broad as:

(1) Insurance Services Office Form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Insurance Services Office Form No. CA 0001 covering Automobile Liability, including code 1"any auto" and endorsement CA 0025, or equivalent forms subject to written approval of City.

(3) Workers' Compensation insurance as required by the Labor Code of the State of California and Employers' Liability insurance and covering all persons providing services on behalf of the Consultant and all risks to such persons under this Agreement.

(4) Errors and omission liability insurance appropriate to the Consultant's profession.

B. Minimum Limits of Insurance: Consultant shall maintain limits of insurance no less than:

(1) General Liability: \$1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

(3) Workers' Compensation and Employer's Liability: Workers' Compensation as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident.

(4) Errors and Omissions Liability \$1,000,000 per claim.

C. Other Provisions: Insurance policies required by this Agreement shall contain the following provisions:

(1) All Policies: Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, canceled by the insurer or other party to this Agreement, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested has been given to City.

(2) General Liability and Automobile Liability Coverages.

(a) City and its respective elected and appointed officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Consultant performs; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, and its respective elected and appointed officers, officials or employees.

(b) Consultant's insurance coverage shall be primary insurance with respect to City, and its respective elected and appointed officers, officials, employees and volunteers. Any insurance or self insurance maintained by City, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, Consultant's insurance.

(c) Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(d) Any failure to comply with the reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to City, and its respective elected and appointed officers, officials, employees or volunteers.

(3) Workers' Compensation and Employer's Liability Coverage.

Unless the City Administrator otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against City, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by Consultant.

D. Other Requirements: Consultant agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this Agreement have been met. The City Attorney may require that Consultant furnish City with copies of original endorsements effecting coverage required by this section. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies at any time.

(1) Consultant shall furnish certificates and endorsements from each subconsultant identical to those Consultant provides.

(2) Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

(3) The procuring of such required policy or policies of insurance shall not be construed to limit Consultant's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

Section 17. Assignment. The expertise and experience of Consultant are material considerations for this Agreement. City has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon Consultant under the Agreement. In recognition of that interest, Consultant shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Consultant's duties or obligations under this Agreement without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement, entitling City to any and all remedies at law or in equity, including summary termination of this Agreement. City acknowledges, however, that Consultant, in the performance of its duties pursuant to this Agreement, may utilize subconsultants.

Section 18. Continuity of Personnel. Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

Section 19. Termination of Agreement.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days' written notice of termination to Consultant. In the event such notice is given, Consultant shall cease immediately all work in progress.

(b) Consultant may terminate this Agreement at any time upon thirty (30) days' written notice of termination to City.

(c) If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Consultant or City, all property belonging exclusively to City which is in Consultant's possession shall be returned to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in Section 4 of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 of this Agreement.

Section 20. Default. In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

Section 21. Excusable Delays. Consultant shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Consultant. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of the City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

Section 22. Cooperation by City. All public information, data, reports and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in Exhibit A, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

Section 23. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or United States mail, postage prepaid, addressed as follows:

To City: City Administrator
 City of Guadalupe
 918 Obispo Street
 Guadalupe, CA 93434

To Consultant: John L. Clemons
 1465 24th Street
 Oceano, CA 93475
 (661) 348-7196

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

Section 24. Authority to Execute. The person or persons executing this Agreement on behalf of the Consultant represents and warrants that they have the authority to so execute this Agreement and to bind Consultant to the performance of its obligations hereunder.

Section 25. Binding Effect. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

Section 26. Modification of Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

Section 27. Waiver. Waiver by any party to this Agreement of any term, condition or covenant of this Agreement shall not constitute a waiver of any other term, condition or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any provisions of this Agreement.

Section 28. Law to Govern; Venue. This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Santa Barbara. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Los Angeles.

Section 29. Attorney's Fees, Costs and Expenses. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to any award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

Section 30. Entire Agreement. This Agreement, including the attached exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding. No amendment to this Agreement shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

Section 31. Severability. If a term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby, and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

Section 32. Preparation of Agreement. This Agreement is the product of negotiation and preparation by and among the parties and their respective attorneys. The parties, therefore, expressly acknowledge and agree that this Agreement shall not be deemed prepared or drafted by one party or another, or any party's attorney, and will be construed accordingly.

CITY:

CITY OF GUADALUPE

By: *Cruz Ramos*
Cruz Ramos, City Administrator

APPROVED AS TO FORM:

Philip Sinco, City Attorney

CONSULTANT:

By: *Phil Z. Clemon III 5/29/2018*
Title: *Principal Consultant*

By: _____

Title: _____

EXHIBIT A
Clemons Proposal/Scope of Services

May 30, 2018

Good morning Richard,

I am looking forward to working with the City of Guadalupe as a Consultant. My hourly wage is \$51.09 per hour. I will need two full weeks to review plant documents, regulatory documents, current conditions of the processes, and the collections system. (This includes meetings and discussions with staff). Should we extend the contract, I propose to be present at the Plant 8 to 12 hours per week, and we can discuss secondary objectives of plant compliance and performance. Below I have listed the primary objectives for which I will be responsible. I require the City WWTP staff to reasonably cooperate with my direction, and to conduct themselves at all times in a professional manner.

Primary Objectives: Consultant

- Act as CPO for the time required to upgrade staff skills to Grade III and Grade II Wastewater Treatment Operators, respectively.
- Provide direction to improve performance in overall operation of wastewater treatment plant and collection system
- Provide oversight of regulatory compliance through administrative and operational direction
- Track, monitor, and oversee submission of self-monitoring reports as required by the State Regional Water Quality Control Board
- Develop and Implement daily monitoring and response protocols for operations
- Provide input and guidance during interaction with regulatory agencies to ensure regulatory compliance

Provide training for Grade II and Grade I operational and collections system staff to obtain the next level of professional competency

Secondary Objectives (to be determined after initial two weeks)

- Assist Staff with development of Standard Operational Procedures (S.O.P.) to ensure reasonable judgement and care with regard to operations and maintenance procedures in the W.W. Division
- Assist staff with development of a formal preventive maintenance program
- Assist staff with development of equipment replacement schedule
- Assist staff with review of WWTP safety program
- Assist Staff with development of Sewer System Management Plan (SSMP), a Water Board requirement
- Assist staff to improve bio-solids processing
- Assist staff with evaluation of WWTP and collections system needs

Compensation for the two weeks (5/30-6/13/18) and beyond as needed will be as follows:

- 80 hours at \$60.00/hour
- Direct reimbursable expenses, as approved by the City Administrator.

If you have any questions please feel free to contact me at 661-348-7196 or by email at jlclemons111@yahoo.com.

Best regards,

John L. Clemons

John L Clemons

Company Slogan

1465 24th St.
 Oceano, CA, 93445
 661-348-7196

CITY of GUADALUPE

Date Rec'd 6/21/18
 Approved *[Signature]*
 Vendor # _____
 Acct. # 12-4425-2150
 Amt. \$ \$4680

INVOICE

DATE: June 19, 2018
 INVOICE # 100
 FOR: Wastewater Consulting
 Chief-Plant-Operator

BILL TO:
 Public Works Department
 City of Guadalupe
 918 Obispo Street
 Guadalupe, CA, 93434
 805-356-3910

DESCRIPTION	HOURS	RATE	AMOUNT
May 30 2018 On Site-Operations	7.00	\$60.00	\$ 420.00
May 31 2018 On Site-Operations	8.00	\$60.00	\$ 480.00
6/1/2018 On Site-Operations	8.00	\$60.00	\$ 480.00
6/4/2018 On Site-Operations	7.00	\$60.00	\$ 420.00
6/5/2018 On Site-Operations	7.00	\$60.00	\$ 420.00
6/6/2018 On Site-Operations	7.00	\$60.00	\$ 420.00
6/7/2018 On Site-Operations	7.00	\$60.00	\$ 420.00
6/8/2018 On Site-Operations	7.00	\$60.00	\$ 420.00
6/11/2018 On Site-Operations	5.00	\$60.00	\$ 300.00
6/12/2018 On Site-Operations	7.50	\$60.00	\$ 450.00
6/13/2018 On Site-Operations	7.50	\$60.00	\$ 450.00
			\$ -
			\$ -
		SUBTOTAL	\$ 4,680.00
		TAX RATE	
		SALES TAX	\$ -
		OTHER	
		TOTAL	\$ 4,680.00

Make all checks payable to John L Clemons.

[Signature]

EXHIBIT B
Clemons Extension

June 13, 2018

Mr. John L. Clemons
Wastewater Treatment Operator
1465 24th Street
Oceano, CA

Re: Contract Extension

Dear John:

We are pleased to offer a contract extension for the period June 14, 2018 through October 18, 2018, for "consultant" services, as outlined in the May 29, 2018 contract between yourself and the City of Guadalupe. All terms are to remain the same including scope, compensation, and termination clauses.

Below is the scope as presented in Exhibit A of the referenced contract.

Primary Objectives: Consultant

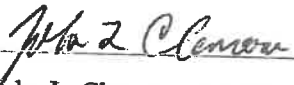
- Act as CPO for the time required to upgrade staff skills to Grade III and Grade II Wastewater Treatment Operators, respectively.
- Provide direction to improve performance in overall operation of wastewater treatment plant and collection system
- Provide oversight of regulatory compliance through administrative and operational direction
- Track, monitor, and oversee submission of self-monitoring reports as required by the State Regional Water Quality Control Board
- Develop and Implement daily monitoring and response protocols for operations
- Provide input and guidance during interaction with regulatory agencies to ensure regulatory compliance

Provide training for Grade II and Grade I operational and collections system staff to obtain the next level of professional competency

Secondary Objectives (to be determined after initial two weeks)

- Assist Staff with development of Standard Operational Procedures (S.O.P.) to ensure reasonable judgement and care with regard to operations and maintenance procedures in the W.W. Division
- Assist staff with development of a formal preventive maintenance program
- Assist staff with development of equipment replacement schedule
- Assist staff with review of WWTP safety program
- Assist Staff with development of Sewer System Management Plan (SSMP), a Water Board requirement
- Assist staff to improve bio-solids processing
- Assist staff with evaluation of WWTP and collections system needs

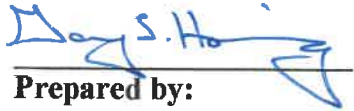
If you have any questions please contact me at 805-343-3892, or by email at cramos@ci.guadalupe.ca.us. If you are in agreement with this proposed extension, please indicate your acceptance below.

 6/14/2018

John L. Clemons, WWTP Operator Date

John Lizalde, Mayor Date

REPORT TO THE CITY COUNCIL OF THE CITY OF GUADALUPE
Agenda of July 10, 2018



Prepared by:
Gary L. Hoving, Director of Public Safety



Approved by:
Cruz Ramos, City Administrator

SUBJECT: **Approval to Participate With the Santa Maria Police Department in a Grant Funded Program Sponsored By the California Department of Alcoholic Beverage Control**

RECOMMENDATION:

It is recommended that the City Council provide approval for City staff to participate in a grant obtained by the Santa Maria Police Department to enforce Alcohol related regulations.

BACKGROUND:

The Santa Maria Police Department sought and obtained a grant from the California Department of Alcoholic Beverage Control to enforce alcohol related crimes, with a target on underage violators. The grant recipient is the City of Santa Maria who has asked us to participate in the program which would provide enhanced enforcement activities in Santa Maria as well as the City of Guadalupe. Overtime necessary to enhance the enforcement would be reimbursed by the grant.

DISCUSSION:

Underage consumption of alcoholic beverages is a concern for Santa Maria as well as Guadalupe. Regular patrol hours are not adequate to dedicate sufficient time for the enforcement of related laws. One of the grant objectives is to monitor retailers who are selling alcohol to underage purchasers.

While the grant is held in the name of the City of Santa Maria, they are able to initiate cooperative enforcement efforts and reimburse participating agencies. The City of Guadalupe has participated in similar grants in past years.

FISCAL IMPACT

The California Department of Alcoholic Beverage Control will provide funding to the City of Santa Maria. The City of Santa Maria will include the hours of participation by Guadalupe Police Officers and reimburse the City. These reimbursable hours will be through direct billing to Santa Maria. Of the total grant of \$49,500, it is anticipated the Guadalupe would realize about \$5,000 in cost recovery.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

3927 Lennane Drive, Suite 100
Sacramento, CA 95834
(916) 419-2500



May 16, 2018

RECEIVED

MAY 21 2018

SANTA MARIA POLICE DEPT
ADMINISTRATION

Chief Phillip C. Hansen
Santa Maria Police Department
1111 W. Betteravia Road
Santa Maria, CA 93455

Dear Chief Hansen:

Congratulations! Your agency has been selected by the Department of Alcoholic Beverage Control to receive funding for your 2018/2019 Alcohol Policing Partnership grant proposal in the amount of \$49,500. We look forward to working with your department to meet the goals and objectives in your proposal.

A grant contract will be forthcoming within the next couple of weeks which requires a resolution from your agency's governing body. A sample resolution was included in the Request for Proposal packet. **Due to the fact that these resolutions have to be put on your governing body's calendar, we ask that you do this as soon as possible.**

We are planning a two and a half-day training conference July 10 – 12, 2018, at the Embassy Suites by Hilton San Luis Obispo, 333 Madonna Road, San Luis Obispo. The conference can accommodate two attendees from each agency and it is recommended that your Project Director and the officer/deputy assigned to the grant program attend.

This conference will offer valuable training in alcohol enforcement and will also be an excellent opportunity for the officers and deputies from your agency to meet and share information with others. Attendees are encouraged to utilize a pre-registration session on Monday, July 9, 2018, from 4:00 – 5:00 p.m. in order to expedite the registration on the next day.

A block of rooms at a special conference rate of \$159.00 plus tax has been reserved for grant agency participants.¹ **PLEASE NOTE THAT ATTENDEES MUST MAKE RESERVATIONS BY THE HOTEL'S DEADLINE OF JUNE 15, 2018,** to guarantee the special room rate or availability. There will be a \$325.00 registration fee per person for the

¹ Based on the State regulations we are unable to reimburse those agencies that are within a 50 mile radius from the Embassy Suites by Hilton San Luis Obispo. The distance is based on the agency's physical headquarters address. Agency(s) that fall in this category are: **Cal Poly University Police Dept, Grover Beach Police Dept, and Santa Maria Police Dept.** Travel reimbursable costs for the aforementioned agency(s) will be limited to the registration fee only.

May 16, 2018

Page 2

training that is reimbursable through the grant. Space at the hotel is limited and late registrants may be referred to nearby hotels.


Participants must contact the Embassy Suites Hotel **directly** to make reservations. Below are three options:

1. Call (805) 549-0800 and ask for the Alcohol Beverage Control discount rate.
2. Go to www.embassysuitessanluisobispo.com and make a reservation using the Group Code XAB.
3. Go to website: http://embassysuites.hilton.com/en/es/groups/personalized/S/SLOCAES-XAB-20180709/index.jhtml?WT.mc_id=POG

Due to the short time frame for registering at the hotel, your prompt attention is appreciated. The special room rate will only be available until June 15, 2018, or until the group block is sold out, whichever comes first. We have also enclosed a conference registration form to be filled out and returned using the same time frame.

If you have any questions, please call grant Coordinator Suzanne Pascual at (916) 419-2572.

Sincerely,



Jacob Appelsmith
Director

Enclosure

Cc: Officer Ricardo Arias, Project Director



Alcohol Policing Partnership Training Conference July 10 - 12, 2018

Registration Form

Yes, I will attend the 2018 Alcohol Policing Partnership Training Conference held at the location below.

Location:	Embassy Suites by Hilton San Luis Obispo 333 Madonna Road, San Luis Obispo CA 93405 Hotel Main Line 805-549-0800		
Dates/Times:	Monday, July 09 - PreRegistration.....	4:00 pm - 5:00 pm	
	Tuesday, July 10 - Registration	7:30 am - 8:30 am	
	Tuesday, July 10 - Day 1 Class	8:30 am - 5:00 pm	
	Wednesday, July 11 - Day 2 Class.....	8:30 am - 5:00 pm	
	Thursday, July 12 - Day 3 Class	8:30 am - 12:00 pm	
<i>(Times may vary slightly due to Agenda classes.)</i>			

AGENCY NAME _____

Name 1 _____	Title _____
Address _____	City/Zip _____
Daytime Phone _____	Cell _____
Email Address _____	Fax _____

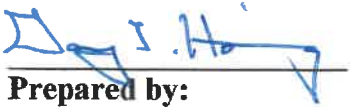
Name 2 _____	Title _____
Address _____	City/Zip _____
Daytime Phone _____	Cell _____
Email Address _____	Fax _____

Instructions:

1. Print/type all information clearly as name and agency will be used for identification badges.
2. Two sworn attendees allowed. We recommend Project Director & Officer assigned to awarded agency.
3. Send Registration Form as soon as possible to Grant Coordinator with or without payment so attendance is placed on conference roster. If attendant(s) has not been selected, enter Officer 1 & Officer 2 and send to secure.
4. Mail/Email/Fax Registration Form attention to Grant Coordinator (see below).
5. **Payment must be received by June 15.** Contact Grant Coordinator if payment will be delayed.
6. Checks only are accepted for payment. Credit Card or Purchase Orders are not accepted.
7. Conference registration fee is \$325 per person.
8. Make checks payable to - Alcoholic Beverage Control.
9. Contact hotel separately for room reservations. This Registration Form does not secure hotel arrangements.

Department of Alcoholic Beverage Control
 Attention: Suzanne Pascual, Grant Coordinator
 3927 Lennane Drive, Suite 100
 Sacramento, CA 95834
 Direct (916) 419-2572; Fax (916) 419-2599
suzanne.pascual@abc.ca.gov

REPORT TO THE CITY COUNCIL OF THE CITY OF GUADALUPE
Agenda of July 10, 2018



Prepared by:
Gary L. Hoving, Director of Public Safety



Approved by:
Cruz Ramos, City Administrator

SUBJECT: **Notice of Addition of a Community Emergency Notification System**

RECOMMENDATION:

It is recommended that the City Council be aware of a newly implemented community emergency notification system in an effort to enhance the safety of Guadalupe.

BACKGROUND:

City-wide notification of emergencies would be a challenge in the event of a major emergency. Public safety personnel could make notification via public address systems from police vehicles or fire apparatus. We could also provide a message to the County of Santa Barbara that could use a reverse 911 system as well as press releases and other notification systems.

DISCUSSION:

Fortunately, the need for city-wide emergency notifications to protect the community is very uncommon in Guadalupe. However, when the need arises, we would be challenged to share life-saving information in a timely manner. Use of the county emergency notification systems is available but in times of multi-jurisdictional emergency events, we may be delayed in providing specific instructions and recommendations to the community.

To enhance our capabilities, the Police Department has partnered with a cell phone app provider known as "See Something, Send Something". This is a free app downloaded to cell phones and can receive emergency notifications directly from police officer in their vehicles in a timely manner. An example may be the need to place a school on lock-down statue during nearby police activity or notifying the eastern portion of the city of an ammonia leak and provide recommendations.

In addition to timely notifications, this system allows for users to respond back via cell phone. An example might be the distribution of a missing child. A community member with additional information about the child's location or other information can be sent directly to patrolling officers.

Use of such an emergency notification system will result in the quicker delivery of emergency communications and result in a safer community.

FISCAL IMPACT

The emergency notification system is free to community user. It does cost \$600 per year for the participating agency. In our case, a community member stepped up and made to the payment to the vendor as a donation to enhance the safety of our community. Mr. Steve Herring of Truss Pro has funded our community participation for which we are grateful.

Payment to Agency Report

A Public Document

PAYMENT TO AGENCY REPORT

1. Agency Name City of Guadalupe		Date Stamp	California Form 801 For Official Use Only
Division, Department, or Region (if applicable) Department of Public Safety			
Street Address 918 Obispo Street, Guadalupe, CA 93434			
Area Code/Phone Number 805-343-2112	Email ghoving@ci.guadalupe.ca.us	<input type="checkbox"/> Amendment (explain in comment section)	
Agency Contact (name and title) Gary L. Hoving, Director of Public Safety		Date of Original Filing: <u>06/28/18</u> (month, day, year)	

2. Donor Name and Address

Individual _____ Other TrusPro Structural Components, Inc.

P.O. Box 850	Guadalupe	CA	93434
Address	City	State	Zip Code

Manufacturer of construction trusses and components

If "Other" is marked, describe the entity's business activity (if business) or its nature and interests.

→ If applicable, identify the name of each source and the amount(s) received by the donor for this payment:

TruPro	\$ 600.00		
Name	Amount	Name	Amount

3. Payment Information (Complete Sections 3.1 (a or b), 3.2, 3.3)

3.1 (a) Travel Payment N/A Location of Travel N/A Dates (month, day, year)

N/A Rail Air Bus Auto Other N/A

Transportation Provider Check Applicable Boxes Name of Lodging Facility

\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Lodging Expenses	Meal Expenses	Transportation Expenses	Other Expenses	Total Expenses

3.1 (b) Payment(s) not related to travel: 6/20/2018 \$ 600.00

Dates (month, day, year) Total Expenses

3.2. Payment Description. Provide a specific description of the payment and its agency purpose and use.

Donor purchased a software subscription to provide a free emergency broadcast and messaging service for one year. The benefit is to the entire community. Payment was made directly to vendor.

3.3. Identify the officials who used the payment in Section 3.1 (See instructions)

Hoving	Gary	Director of Public Safety	Public Safety
Last Name	First Name	Position/Title	Department/Division
Last Name	First Name	Position/Title	Department/Division

4. Verification

I authorized the acceptance of the reported payment(s) as in compliance with FPPC regulations.

	Gary L. Hoving	Director of Public Safety	06/28/18
Signature	Print Name	Title	(month, day, year)

Comment: Donor made payment direct to vendor on behalf of City.

(Use this space or an attachment for any additional information)

Clear Page

**REPORT TO THE CITY COUNCIL
Council Agenda of 7/10/2018**


Amelia M. Villegas, HR


Cruz Ramos, City Administrator

SUBJECT: Chief of Police Recruitment – 3rd Update

BACKGROUND:

An oral board for the Chief of Police vacancy was held on June 28, 2018. Two candidates were recommended by the oral board to go before the City Council for interviews and potential selection of a final candidate. An hour will be scheduled for each candidate with another hour for discussion and wrap up.

RECOMMENDATION:

That the City Council provide direction to staff to determine a date and time to have the final candidates scheduled for interviews before the Council.

**REPORT TO CITY COUNCIL
Council Agenda of 7/10/2018**


Amelia M. Villegas, HR


Cruz Ramos, City Administrator

SUBJECT Continued City Support of the Guadalupe Library

RECOMMENDATION

Adopt Resolution No. 2018-36 to provide funding in the amount of \$6,144.00 to continue support for the Guadalupe Public Library for the period of 8/1/18 through 11/30/18 from an advance of Pasadera development fees.

BACKGROUND

On June 10, 2018 the Council approved Resolution 2018-35, "Resolution of the City Council of the City of Guadalupe Providing Ongoing Support of The Guadalupe Public Library from 7/1/18 Through 11/20/18" with the modification to provide only one month's rent in the amount of \$1264.00 for the period of 7/01/18 through 7/31/18 from an advance of Pasadera development fees pending information on possible financial support from the County of Santa Barbara.

DISCUSSION

Last month the Santa Barbara Board of Supervisors approved an additional allotment for branch libraries in need of financial support. The City reached out to the County to be notified as quickly as possible what the financial support for the Guadalupe Library would be. Because the County is on a fiscal year basis, their support would not extend beyond 6/30/19. The City is waiting for their response.

The lessor had agreed to extend the lease on a month-to-month basis beginning 12/01/18, raising the monthly rent from \$1,800.00 to \$2,000.00, plus an additional amount for the "common area maintenance" rate of \$123.07. The rent would be \$2,123.07 per month. (The tax reduction in the monthly rent will not be known until after April 2019.) There is no Termination clause in either the original lease dated 12/1/13 or the lease extension for the current term other than the month-to-month extension offered by the lessor. The City continues to research temporary/short-term locations for the Library. If sufficient funds or another location aren't found to keep the Library open, the only other option is close the Library.

FISCAL IMPACT

With rent paid through July 31, 2018, the balance for the remaining four months of the current lease is \$6,144.00. As of 5/31/18 Fund 28 – Guadalupe Library has a negative fund balance of \$63,995.43. Approximately 330 homes need to be build to equal that amount.

RESOLUTION NO. 2018-36

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GUADALUPE
PROVIDING CONTINUED SUPPORT OF THE GUADALUPE PUBLIC LIBRARY
FROM 8/1/18 THROUGH 11/30/18**

WHEREAS, the City Council made commitment to provide one month's rent for the Guadalupe Library for the period of 7/1/18 through 7/31/18, and an option to provide additional funding for the period 8/01/18 through 11/30/18; and

WHEREAS, that support was formalized through the approval of Resolution 2018-35; and

WHEREAS, pursuant to Resolution No. 2018-35 the revenue source for the commitment for the period 7/01/18 through 7/31/18 was to come from an advance of Pasadera development fees; and

WHEREAS, the County of Santa Barbara has advised the City that additional funds to support the Guadalupe Library will be forthcoming, the amount is unknown now. The City has provided the County with information relative to past and current support;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Guadalupe that the City of Guadalupe will provide funding for the four months remaining on the current lease, 7/01/18 through 11/30/18, from an advance of Pasadera development fees.

PASSED AND ADOPTED at the regular meeting on the 10th day of July 2018 by the following vote:

Motion:

AYES:

NOES:

ABSENT:

ABSTAIN:

I, JOICE EARLEEN RAGUZ, City Clerk of the City of Guadalupe, DO HEREBY CERTIFY that the foregoing Resolution, being **Resolution No. 2018-36** has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the City Council, held July 10, 2018, and that same was approved and adopted.

ATTEST:

Joice Earleen Raguz, City Clerk

John Lizalde, Mayor



AGENDA REPORT

SUBJECT/TITLE:

A PUBLIC HEARING REGARDING THE ANNUAL ASSESSMENTS FOR THE PASADERA LANDSCAPING AND LIGHTING DISTRICT (THE "DISTRICT"); AND ADOPTION OF THE RESOLUTION APPROVING THE ANNUAL ENGINEER'S REPORT AND ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2018/2019

RECOMMENDATION:

1. **CONDUCT PUBLIC HEARING REGARDING THE PASADERA LANDSCAPING AND LIGHTING DISTRICT AND THE ANNUAL ASSESSMENTS FOR FISCAL YEAR 2018/2019 -- OPEN THE PUBLIC HEARING, ACCEPT PUBLIC TESTIMONY AND ANY WRITTEN PROTESTS, THEN CLOSE THE PUBLIC HEARING; AND,**
2. **ADOPT RESOLUTION NO. 2018-37 --CONFIRMING THE ENGINEER'S REPORT, ASSESSMENT DIAGRAM, AND ASSESSMENTS RELATED THERETO FOR FISCAL YEAR 2018/2019, AND OVERRULING ALL PROTESTS CONCERNING SUCH ASSESSMENTS.**

DISCUSSION:

At the October 10, 2017 City Council Meeting, the City Council formed the Pasadera Landscaping and Lighting District ("District") pursuant to the provisions of the Landscaping and Lighting Act of 1972 after conducting a protest ballot proceeding regarding the assessments for the District, pursuant to the requirements of the California Constitution Article XIID. The District was formed to establish a dedicated revenue source to fund the expenses related to the special benefit to properties in the District for the ongoing maintenance, operation and servicing of the local parks, landscaping, and street lighting improvements established in connection with development of those properties (planned commercial and residential developments) identified in the DJ Farms Specific Plan and commonly referred to as the Pasadera development, which is generally located on the south side of Main Street near Obispo Street and Flower Avenue.

At build-out, it is anticipated that this District will incorporate approximately eight hundred and three (803) single-family residential home sites; twenty-one (21.49) acres of non-residential development (commercial service and commercial neighborhood); a fourteen (14.37) acre school site; and various associated public areas, easements, and rights-of-way.

The formation of the District allows for the levy and collection of annual assessments on the County tax rolls commencing in fiscal year 2018/2019. The proposed annual assessments to

Agenda Item: _____

be levied and collected on the County Tax Roll for Fiscal Year 2018/2019 are presented and more fully described in the attached Engineer's Report and these assessments will provide funding for the net special benefit costs and expenses that are estimated to be necessary to service and maintain the local parks, landscaping, and lighting improvements associated with and resulting from the development of properties within the District for Fiscal Year 2018/2019. At the June 12, 2018 Council Meeting, the City Council adopted the Resolution of Intention and preliminary approved the Engineer's Report for Fiscal Year 2018/2019, and set July 10, 2018 as the Public Hearing regarding the annual levy of assessments for Fiscal Year 2017/2018.

Tonight, staff recommends that the City Council:

(1) Open the Public Hearing to accept public testimony and any written protests regarding the District, the Engineer's Report, and proposed annual assessments described therein for Fiscal Year 2018/2019.

(2) Upon conclusion of the public testimony, the Mayor should close the public hearing and the City Council may adopt the Resolution approving the Annual Engineers Report and Order the levy and collection of assessments on the County tax rolls for fiscal year 2018/2019 as described in the Engineer's Report.

The deadline for submission of the assessment to be included on the County Tax rolls is August 10, 2018.

ATTACHMENTS:

1. Engineer's Report entitled "CITY OF GUADALUPE, Engineer's Report, Pasadera Landscaping and Lighting District, Engineer's Annual Report, Fiscal Year 2018/2019".
2. Resolution 2018-37, Confirming the Engineer's Report, the Assessment Diagram and Assessments related thereto for the Pasadera Landscaping and Lighting District; Overruling all protests concerning the assessments, and Approving the levy and collection of the assessments for Fiscal Year 2018/2019.

Prepared by: Jeff van den Eikhof, City Engineer

Meeting Date: 10 August 2018

City Administrator Approval: _____



Agenda Item: _____

RESOLUTION NO. 2018-37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GUADALUPE, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, CONFIRMING THE ENGINEER'S REPORT, THE ASSESSMENT DIAGRAM AND ASSESSMENTS RELATED THERETO FOR THE PASADERA LANDSCAPING AND LIGHTING DISTRICT, OVERRULING ALL PROTESTS CONCERNING THE ASSESSMENTS, AND APPROVING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL YEAR 2018/2019

The City Council of the City of Guadalupe, California does resolve as follows:

WHEREAS, pursuant to the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (hereafter referred to as the "1972 Act"), the City Council, did by previous Resolution order the Engineer, Willdan Financial Services, to prepare and file a report in accordance with Article 4 of Chapter 1 of the 1972 Act, in connection with the proposed annual levy and collection of special benefit assessments for the Pasadera Landscaping and Lighting District (hereafter referred to as the "District") for the fiscal year commencing July 1, 2018, and ending June 30, 2019; and,

WHEREAS, the Engineer has prepared and filed with the City Clerk of the City of Guadalupe and the City Clerk has presented to the City Council such report entitled "CITY OF GUADALUPE, Engineer's Report, Pasadera Landscaping and Lighting District, Engineer's Annual Report, Fiscal Year 2018/2019" (hereafter referred to as the "Report"); and,

WHEREAS, after fully considering the Report presented, the City Council by resolution at its June 12, 2018 Council Meeting, preliminarily approved said Report and declared its intention to levy and collect the fiscal year 2018/2019 assessments (annual assessments) for the District as set forth in the Report, and set the Public Hearing to be noticed pursuant to applicable law for July 10, 2018 at 6:00 p.m.; and,

WHEREAS, on July 10, 2018, the City Council held the duly noticed Public Hearing to consider all oral statements and written protests, objections, and communication made or filed by any interested person regarding the District and the proposed levy of special benefit assessments for the fiscal year commencing July 1, 2018.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF GUADALUPE, CALIFORNIA FOR THE PASADERA LANDSCAPING AND LIGHTING DISTRICT, PURSUANT TO CHAPTER 4, ARTICLE 1 AND ARTICLE 2 OF THE 1972 ACT, AS FOLLOWS:

SECTION 1. That the foregoing recitals are true and correct.

SECTION 2. Following notice duly given, the City Council has held a full and fair public hearing regarding the levy and collection of the proposed assessment within the District for fiscal year 2018-2019 to pay for the costs and expenses of the improvements described in Section 4 below and the Engineer's Report prepared in connection therewith. All interested persons were afforded the opportunity to hear and be heard. The City Council has considered all oral and written statements, protests and communications made or filed by interested persons.

SECTION 3. Based upon its review of the Engineer's Report and other documents, and information presented at the Public Hearing, the City Council hereby finds and determines that (i) the land within the District will be benefited by the improvements described in the Engineer's Report; (ii) the District includes all of the lands so benefited; (iii) the net amount to be assessed upon the lands within the District for the 2018-2019 fiscal year, in accordance with the Engineer's Report, is apportioned by a formula and method which fairly distributes the net amount among all assessable lots or parcels in

proportion to the estimated benefits to be received by each such lots and parcels from the improvements; (iv) only special benefits are assessed and no assessment is imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel; and (v) the District and Zone assessment rates for fiscal year 2018/2019 are less than or equal to the allowable adjusted maximum assessment rates per Equivalent Benefit Unit approved by the property owners of record at the time the District was established pursuant to the California Constitution Article XIID. These adjusted maximum assessment rates are based on an assessment range formula that includes an annual inflationary adjustment of (3.5%) to the previous fiscal year's maximum assessment rates. This inflation adjustment is applied to the maximum assessment rates each fiscal year whether the annual assessments levied are increased or not.

SECTION 4. The City Council hereby orders the proposed improvements to be made, which improvements may include any improvements, expenses and services authorized pursuant to the 1972 Act including, but not limited to, the maintenance, operation and servicing of local street lighting, parks, and various landscaping improvements established in connection with development of the properties within the District, and which shall be maintained for the special benefit of those properties. The maintenance and servicing of the improvements generally include, but are not limited to, the materials, equipment, utilities, labor, and incidental expenses, including administrative expenses, required for annual operation, as well as the performance of periodic repairs and replacement activities as needed to provide for the growth, health, and beauty of the parks and landscaping within specified public areas, rights-of-way and/or dedicated easements, the proper operation and functioning of related amenities including, irrigation and drainage systems, specified fencing, hardscapes; sports courts and fields; playground equipment and structures; sidewalks, ornamental or safety lighting; benches, trash receptacles; drinking fountains, picnic facilities and any other equipment, structures or facilities related to the parks and/or landscape areas; and the proper operation of the public street lights and street lighting system within the public rights-of-way which may include, but is not limited to the furnishing of electric current or other illuminating agent; as needed maintenance, repair, and replacement of worn out electrical components and light fixtures, including bulbs, ballasts, photoelectric cells, meters, electrical cables; repair or replacement of damaged poles, ground wires, and conduits caused by accidents, vandalism, time, and weather; and monitoring of the Underground Service Alert (USA) network to prevent damage by excavation. The Engineer's Report filed with the City Clerk and presented to the City Council more fully describes the improvements proposed for Fiscal Year 2018/2019.

SECTION 5. The City Council hereby confirms the diagram and assessments, with respect to the parcels in the District, as presented in the Engineer's Report or as amended herein by direction of the City Council.

SECTION 6. The City Council hereby confirms that the assessments as described in the Engineer's Report are in compliance with the provisions of the 1972 Act and Article XIID of the California Constitution and are levied without regard to property valuation and such assessments are levied for the purpose of paying the costs and expenses of the improvements described in SECTION 4 above for the fiscal year commencing on July 1, 2018 and ending on June 30, 2019, and the City Council hereby overrules all protests and objections to the levy and collection of the proposed assessment for the fiscal year 2018/2019.

SECTION 7. The adoption of this Resolution constitutes the levy of assessments for the fiscal year commencing July 1, 2018 and ending June 30, 2019.

SECTION 8. The City Council hereby orders the District improvements to be made as outlined by the Engineer's Report and by these proceedings; and,

SECTION 9. Pursuant to applicable law, City staff or their designee is hereby authorized and directed to file as may be required the annual levy of the District assessments for fiscal year 2018/2019 as approved herein with the Santa Barbara County Auditor/Controller along with a certified

copy of this Resolution; and/or other Resolutions and documents as may be required by the County Auditor/Controller, including copies of the Engineer's Report and/or Assessment Diagram confirmed by this Resolution.

SECTION 10. The County Auditor of Santa Barbara County shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment, and such assessments shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 11. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund for the District and such moneys shall be expended only for the improvements described in SECTION 4 above.

SECTION 12. The City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the City Council's approval and confirmation of the Engineer's Report and Assessment Diagram prepared in connection with the District assessments for fiscal year 2018/2019 so authorized.

PASSED, APPROVED AND ADOPTED at a regular meeting on the 10th day of July 2018 by the following vote:

Motion:

AYES:

NOES:

ABSENT:

ABSTAIN:

I, Joice Earleen Raguz, City Clerk of the City of Guadalupe DO HEREBY CERTIFY that the foregoing Resolution, being C.C. **Resolution No. 2018-37**, has been duly signed by the Mayor and attested by the City Clerk, all at a regular meeting of the City Council, held July 10, 2018, and that same was approved and adopted.

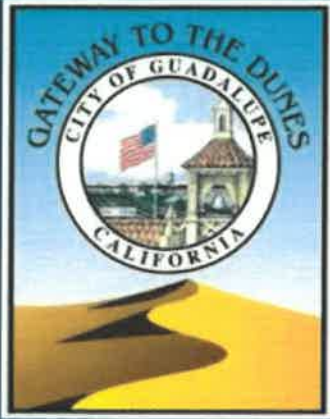
ATTEST:

Joice E. Raguz, City Clerk

John Lizalde, Mayor

APPROVED AS TO FORM:

Philip Sinco, City Attorney



CITY OF GUADALUPE
Engineer's Report
Pasadera Landscaping and Lighting District

Engineer's Annual Report
Fiscal Year 2018/2019

Intent Meeting: June 12, 2018
Public Hearing: July 10, 2018

CITY OF GUADALUPE
918 OBISPO STREET
GUADALUPE, CA 93434

JUNE 2018
PREPARED BY
WILLDAN FINANCIAL SERVICES

27368 Via Industria, Suite 200
Temecula, California 92590
T. 951.587.3500 800.755.6864
F. 951.587.3510 888.326.6864

www.willdan.com/financial



ENGINEER'S REPORT AFFIDAVIT
City of Guadalupe
Pasadera Landscaping and Lighting District

Annual Levy of Assessments for
Fiscal Year 2018/2019

City of Guadalupe,
County of Santa Barbara, State of California

As part of the Resolution of Intention packet presented for the consideration of the Guadalupe City Council, this Report and the enclosed budgets, diagrams, and descriptions outline the improvements, estimated expenses and annual assessments to be collected on the County tax rolls in Fiscal Year 2018/2019 for the Pasadera Landscaping and Lighting District, which includes each lot, parcel, and subdivision of land within said District, as the same existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Santa Barbara County Assessor's maps for a detailed description of the lines and dimensions of each parcel within the Pasadera Landscaping and Lighting District and incorporates all subsequent subdivisions, lot-line adjustments, or parcel changes therein. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2018.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Guadalupe

By: _____

Jim McGuire
Principal Consultant

By: _____

Richard Kopecky
R.C.E. # 16742

Table of Contents

Introduction	1
Report Content and Annual Proceedings.....	2
Part I — Plans and Specifications	5
Description of the District.....	5
Zones of Benefit	5
Zone A Parcels and Improvements	6
Zone B Parcels and Improvements	7
Zone B Sub-Zones.....	8
Description of the District Improvements	9
Proposed Improvements at Build-out	10
Fiscal Year 2018/2019 Improvements.....	13
Part II — Method of Apportionment.....	15
Legislative Authority and Provisions.....	15
1972 Act.....	15
California Constitution.....	15
Benefit Analysis.....	16
Special Benefits.....	16
General Benefit.....	17
Assessment Methodology	20
Land Use Classifications.....	21
Equivalent Benefit Unit Summary.....	26
Part III – Estimate of Costs	27
Calculation of Assessments.....	27
Zone Budgets and Assessments	28
Assessment Range Formula	30
Part IV — District Diagrams	31
Part V — Assessment Roll	35

Introduction

On October 10, 2017 the City Council of the City of Guadalupe, County of Santa Barbara, State of California (the "City"), under the provisions of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "1972 Act") and the provisions of the California Constitution Article XIII D (the "Constitution"), formed the City's maintenance assessment district designated as:

Pasadera Landscaping and Lighting District

(hereafter referred to as the "District"), and established the maximum assessments determined to be necessary to support and maintain various landscaping and lighting improvements that will provide special benefits to properties within the District which includes all lots and parcels of land within the planned non-residential and residential development area identified in the DJ Farms Specific Plan and commonly referred to as the Pasadera development (hereafter referred to as the "Pasadera Development") located on the south side of Main Street near Obispo Street and Flower Avenue.

This Report outlines the District structure, the improvements, and the proposed assessments to be levied in connection with the special benefits the properties will receive from the maintenance and servicing of the District improvements for Fiscal Year 2018/2019. The annual assessments to be levied on properties within the District will provide a funding source for the continued operation and maintenance of the parks, landscaping and lighting improvements within the District and zones of benefit ("Zones") established herein, which provide special benefits to the properties within the District and each respective Zone. Each Zone outlined in this Report is a reflection of the various improvements and the types of improvements and services to be provided by the District for the properties that are directly associated with and benefit from those improvements. The net annual cost to provide the improvements for each Zone are allocated to the benefiting properties within that Zone using a weighted method of apportionment (refer to Assessment Methodology in Section II, Method of Apportionment) that calculates the proportional special benefit and assessment for each parcel as compared to other properties that benefit from the District improvements and services.

The estimated cost of the improvements and the proposed annual assessments budgeted and assessed against properties within the District and each respective Zone may include, but are not limited to the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; the collection of funds for operational reserves or for periodic maintenance and improvement rehabilitation projects; deficits or surpluses from prior fiscal years; and revenues from other sources as authorized by the 1972 Act. Each parcel is to be assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefit. Commencing with Fiscal Year 2018/2019 and in each subsequent fiscal year, the City shall establish the District's assessments based on an estimate of the costs to maintain, operate and service the improvements for that fiscal year and available revenues including fund balances, general benefit contributions, any additional City contributions, and the assessment limits established herein.

The improvements to be provided and funded in whole or in part by the District assessments include parks, landscaping and lighting improvements to be constructed and installed in connection with the development of properties in the Pasadera Development and are consistent with the overall development plans and specifications for the Pasadera Development outlined in the DJ Farms Specific Plan which are on file in the Office of Public Works of the City of Guadalupe and by reference these plans and specifications are made part of this Report. The improvements to be provided by the District and the assessments described herein are made pursuant to the

1972 Act and the provisions of the California Constitution and the District shall incorporate each parcel that will receive special benefits from those improvements.

Report Content and Annual Proceedings

This Engineer's Annual Report (the "Report") has been prepared pursuant to Chapter 1, Article 4 and Chapter 3 of the 1972 Act, and presented to the City Council for their consideration and approval of the proposed improvements and services to be provided within the District and the levy and collection of annual assessments related thereto for fiscal year 2018/2019. If any section, subsection, sentence, clause, phrase, portion, zone, or subzone of this Report is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of the Report and each section, subsection, subdivision, sentence, clause, phrase, portion, zone, or subzone thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, portions, zones, or subzones might subsequently be declared invalid or unconstitutional.

This Report outlines the District Zone structure, the improvements, and the proposed assessments to be levied in connection with the benefits the properties will receive from the maintenance and servicing of the District improvements for fiscal year 2018/2019. The annual assessments to be levied on properties within the District provide a funding source for the continued operation and maintenance of the parks, landscaping and lighting improvements within various zones and sub-zones of benefit (collectively referred to as "Zones") that provide special benefits to the properties within the District and each respective Zone. Each fiscal year, the City establishes the District's assessments based on an estimate of the costs to maintain, operate and service the improvements and based upon available revenues including fund balances, general benefit contributions and additional City contributions and assessment limits. The costs of the improvements and the proposed annual assessments budgeted and assessed against properties within the District may include, but are not limited to the estimated expenditures for regular annual maintenance and repairs; incidental expenditures related to the operation and administration of the District; deficits or surpluses from prior years; revenues from other sources; and the collection of funds for operational reserves or for periodic maintenance and improvement rehabilitation projects as authorized by the 1972 Act. Each parcel is assessed proportionately for only those improvements, services and expenses for which the parcel will receive special benefits.

Each Zone (incorporating the sub-zones therein) outlined in this Report is a reflection of the various improvements and the types of improvements and services to be provided by the District for the properties that are directly associated with and benefit from those improvements. The net annual cost to provide the improvements in each Zone is based on the various improvements and the types of improvements and services to be provided by the District for the properties that are directly associated with and benefit from those improvements and the net cost of providing those improvements and services are allocated to the benefiting properties within the Zones using a weighted method of apportionment (refer to Assessment Methodology in Section II, Method of Apportionment) that calculates the proportional special benefit and assessment for each parcel as compared to other properties that benefit from the District improvements and services.

The word "parcel," for the purposes of this Report, refers to an individual property assigned its own Assessor's Parcel Number ("APN") by the Orange County Assessor's Office. The Orange County Auditor/Controller uses Assessor's Parcel Numbers and specific Fund Numbers to identify properties to be assessed on the tax roll for the District assessments.

At a noticed annual Public Hearing, the City Council will accept all public comments and written protests regarding the District and the annual levy of assessments. Based on those public comments and written protests, the City Council may order amendments to the Report or confirm

the Report as submitted. Following final approval of the Report and confirmation of the assessments the Council will, by Resolution, order the improvements to be made and confirm the levy and collection of assessments for fiscal year 2018/2019 pursuant to the 1972 Act. The assessments as approved will be submitted to the Santa Barbara Auditor/Controller to be included on the property tax roll for each parcel.

As required by the 1972 Act, this Engineer's Report describes the improvements to be provided, maintained and serviced by the District, an estimated budget for the District improvements, and the proposed assessments to be levied upon each assessable lot or parcel within the District for fiscal year 2018/2019.

This Report consists of five (5) parts:

Part I — Plans and Specifications:

This section provides a general description of the District and the improvements for which parcels are assessed. The proposed assessments as outlined in this Report are based on the improvements and appurtenant facilities that provide special benefits to the properties within the District and generally consist of local parks, landscape improvements, street lighting, and related appurtenant facilities and operational expenses authorized pursuant to the 1972 Act. The plans and specifications contained in this Report generally describe the nature and extent of the improvements to be provided at build-out of the District, and specifically those improvements to be accepted and maintained for fiscal year 2018/2019. In conjunction with these general descriptions of the improvements a visual depiction of the overall landscape improvement areas anticipated at build-out is provided in "Part V- Assessment Diagrams" of this Report. More detailed information regarding the specific plans and specifications associated with each Zone are on file in the Office of Public Works of the City of Guadalupe and by reference are made part of this Report.

Part II — Method of Apportionment

This section includes a discussion of the general and special benefits associated with the various improvements to be provided within the District (Benefit Analysis), which includes a discussion of the proportional costs of the special benefits and a separation of costs considered to be of general benefit (and therefore not assessed). This section of the Report also outlines the method of calculating each property's proportional special benefit necessary to calculate the property's annual assessment. This method of apportionment is consistent with the previously adopted method of apportionment for the District at the time the District was formed and approved by the property owners of record in a protest ballot proceeding conducted pursuant to the provisions of the California Constitution Article XIID.

Part III — Estimate of Costs

This section establishes an estimate of the annual costs to operate, maintain, and service the local parks, landscaping, lighting, and appurtenant facilities that are anticipated to be accepted and maintained for the special benefit of properties within the District in fiscal year 2018/2019. The budget for the District and each Zone therein (including the various sub-zones) incorporates an estimate of the maintenance costs and incidental expenses including, but not limited to: labor, materials, utilities, equipment, and administration expenses as well as the collection of other appropriate funding authorized by the 1972 Act and deemed necessary to fully support the improvements. Those improvements and/or costs determined to be of general benefit shall be funded by a City contribution. In addition to the general benefit costs, the City may provide

additional funding to support the maintenance and operation of the improvements considered to be of special benefit, but City staff shall make the determination of which improvements, and the extent of the services and activities that shall be provided based on available revenues.

Part IV — District Diagrams

This section of the Report contains diagram(s) showing the boundaries of the District and applicable Zones within the District established at the time the District was formed and incorporates each of the parcels determined to receive special benefits from the various District improvements at build-out. These diagrams also provide a visual depiction of the location and extent of the improvements anticipated to be maintained at full build-out of the improvements and parcels within the District. The lines and dimensions of each lot, parcel, and subdivision of land contained in these diagrams are inclusive of all parcels listed in "Part V – Assessment Roll" of this Report and the corresponding County Assessor's Parcel Maps for said parcels as they existed at the time this Report was prepared and shall include all subsequent subdivisions, lot-line adjustments, or parcel changes therein. Reference is hereby made to the Santa Barbara County Assessor's maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V — Assessment Roll

A listing of the proposed assessment amounts for parcel within the District. The assessment amounts to be levied and collected in fiscal year 2018/2019 for each parcel is based on the parcel's calculated proportional special benefit as outlined in "Part II - Method of Apportionment" and the annual assessment rates established by the estimated budgets in "Part III - Estimate of Costs" of this Report.

Part I — Plans and Specifications

Description of the District

The territory within the District consists of the lots or parcels of land within the planned non-residential and residential development area identified in the DJ Farms Specific Plan and commonly referred to as the "Pasadera Development" which is located is within the City of Guadalupe on the south side of Main Street near Obispo Street and Flower Avenue. According to the DJ Farms Specific Plan, at build-out, the District is anticipated to incorporate eight hundred and three (803) planned single-family residential home sites; approximately twenty-one (21.49) acres of non-residential development; a fourteen (14.37) acre school site; and various associated public areas, easements, and rights-of-way that are part of the District improvements or otherwise receive no special benefit from the improvements to be provide. At the time this Report was prepared, the lots and parcels of land within the District is comprised of one hundred seventy-one parcels (171) which are inclusive of the following parcels identified on the Santa Barbara County Assessor's Parcel Maps as:

Book 113, Page 01, Parcels 25 and 37;

Book 113, Page 08, Parcel 18;

Book 113, Page 45, Parcels 01 through 04, and 06 through 10;

Book 113, Page 46, Parcels 01 through 57;

Book 113, Page 47, Parcels 01 through 61; and

Book 113, Page 48, Parcels 01 through 41.

Currently the properties immediately west, south and east of these parcels and the boundaries of this District (excluding any streets or other rights-of-way) are outside the City boundaries.

Zones of Benefit

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing various landscaping and lighting improvements, including the acquisition, construction, installation, maintenance, and servicing of those improvements and related facilities. In addition, to ensure an appropriate allocation of the estimated costs to provide various improvements based on proportional special benefits, landscaping and lighting districts often times include benefit zones ("Zones") as authorized pursuant to Chapter 1 Article 4, Section 22574 of the 1972 Act:

"The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements."

While the California Constitution requires that "The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement..."; it is reasonable to conclude that certain landscaping and/or lighting improvements may benefit most if not all properties within a district, while other improvements may only provide special benefits to specific parcels, developments or portions of the district (particularly in larger districts). In addition, some improvements within a district and/or the costs associated with various public improvements are identified as providing some measure of general benefit and because these

general benefit costs cannot be assessed, the cost of those improvements may be proportionately allocated as both special benefits and general benefit.

In accordance with the 1972 Act, it has been determined that it is appropriate and necessary to initially establish two benefit zones (Zones) within this District to be designated as Zone A and Zone B. The boundaries of each Zone are established based on the location, extent and types of improvements or similarities in the types of improvements being maintained through the District assessments as well as the particular and distinct benefits the various developments and properties derive from those improvements based on proximity to those specific improvements and the nexus between the development of the properties that required or facilitated the installation of those improvements. While some improvements may be specifically associated with specific development areas or parcels within the District, many improvements may reasonably be considered shared improvements because the overall development of the properties in the area required or necessitated those improvements. In such cases, the special benefits and cost of providing such improvements are proportionately shared by parcels in each Zone.

The net annual cost to provide the improvements for each Zone are allocated to the benefiting properties within that Zone using a weighted method of apportionment (refer to Assessment Methodology in Section II, Method of Apportionment) that calculates the proportional special benefit and assessment for each parcel as compared to other properties that benefit from the District improvements and services. The following is a brief description and summary of the Zones and improvements associated within each Zone. A visual depiction of the location and extent of the improvements and Zone boundaries are provided on the District Diagrams provided in Part IV of this Report.

Zone A Parcels and Improvements

Zone A Parcels: Comprises that portion of the parcels within District located on the south side of Main Street and north of Buena Vista Road. The properties in this Zone are primarily identified as non-residential properties, but the Zone also incorporates the future drainage basin in the northeast corner of the District which is one of the improvement areas to be maintained and shared by parcels in both Zone A and Zone B. Refer to the "District Boundary Diagram - Planned Development" in the District Diagrams provided in Part IV of this Report for a visual depiction of the properties within Zone A.

Zone A Improvements: The parcels within Zone A will ultimately receive special benefits and will be proportionately assessed in whole or in part for improvements that include, but are not limited to the following:

Shared Improvements (proportionately shared by parcels in Zone A and Zone B)

- street lights on Flower Avenue between Main Street and Buena Vista Road;
- street lights on Buena Vista Road adjacent to both Zone A and Zone B;
- street lights on Obispo Street between Main Street and Buena Vista Road; and
- landscaping improvements associated with the drainage basin site located at the northeast corner of the District.

Zone Specific Improvements (proportionately shared by parcels in Zone A only)

- street lights on the south side of Main Street adjacent to Zone A;

Zone B Parcels and Improvements

Zone B Parcels: Comprises that portion of the parcels within District located south of Buena Vista Road. The properties in this Zone are primarily identified as residential properties (single family residential parcels and planned residential developments), but also includes a future public-school site, various park and recreational areas, and various landscape improvements to be maintained by the District. Refer to the "District Boundary Diagram - Planned Development" in the District Diagrams provided in Part IV of this Report for a visual depiction of the properties within Zone B.

Zone B Improvements: The parcels within Zone B receive special benefit and are proportionately assessed in whole or in part for improvements that include, but are not limited to the following:

Shared Improvements (proportionately shared by parcels in Zone B and Zone A)

- street lights on Flower Avenue between Main Street and Buena Vista Road;
- street lights on Buena Vista Road located between Zone A and Zone B;
- street lights on Obispo Street between Main Street and Buena Vista Road; and
- landscaping improvements associated with the drainage basin site located at the northeast corner of the District.

Zone Specific Improvements (proportionately shared by parcels in Zone B only)

- street lights on Obispo Street between Buena Vista Road and "C" Street which is the end of Obispo street, (proportionately shared by parcels in Zone B only); and
- the remaining street lights (194 street lights not identified above) within the planned residential developments;
- landscaping improvements on both sides of Obispo Street between Buena Vista Road and "C" Street;
- landscaping improvements on both sides of Del Mar Drive between Obispo Street and Fuente Drive;
- landscaping improvements on the west side of Arroyo Seco Road between Buena Vista Road and Manzanita Street;
- landscaping improvements on the west side of Arroyo Seco Road between the park site and the end of Arroyo Seco Road (cul-de-sac);
- landscaping and trail improvements on the east side of Arroyo Seco Road between Buena Vista Road and the end of Arroyo Seco Road (cul-de-sac);
- landscaping improvements on the north side of "B" Street between "C" Street and "F10" Street;
- landscaping and trail improvements on the south side of "B" Street between "C" Street and "F10" Street;
- landscaping and trail improvements on the east side of "F10" Street from "B" Street up to the end of the cu-de-sac on "F10" Street;
- landscaping improvements on the east side of "C" Street between Obispo Street and "B" Street; and
- landscaping and trail improvements on the west side of "C" Street between "B" Street and "D5" Street;

- the paseo (pathway and landscaping) located between the homes on the southwest side of the intersection of "E2" Street and "E3" Street, connecting these streets with the park site near the northeast side of the railroad right-of-way adjacent to the park site;
- the landscape buffer/trail on the northeast/east side of the railroad right-of-way extending from Buena Vista Road south to Obispo Street;
- the landscape buffer/trail on the southwest side of the railroad right-of-way between Obispo Street and the designated well-site located at the northern end of "D1" Street and the paseo (pathway and landscaping) connecting "D1" Street with the landscape buffer/trail area;
- the landscape buffer/trail on the southwest side of the railroad right-of-way between Obispo Street and "F10" Street and the paseo (pathway and landscaping) connecting "F1" Street and "F2" Street with the landscape buffer/trail area;
- the Habitat Area on the south/southeast side of Obispo Street between the railroad rights-of-way and "A" Street and between "A" Street and "C" Street;
- the natural/minimal-maintenance landscaping improvements at the water tank site located north of the cul-de-sac on "D1" Street, between the railroad rights-of-way and the western boundary of the District;
- the park/recreational area improvements located within sixteen planned parks and recreational areas located throughout the residential developments within the District boundaries.

Zone B Sub-Zones

Only a portion of the properties within the District have been fully subdivided and/or developed, and only a portion of the improvements have been installed. Therefore, for administrative purposes and to ensure an equitable apportionment of the annual maintenance and operation expenses, the residential development areas within the District identified as Zone B have been established and grouped into Sub-Zones to reflect the current and anticipated development of the properties and the installation of improvements within Zone B. For Fiscal Year 2018/2019 the Sub-zones which are illustrated on the District Diagrams provided in Part IV of this Report are generally described in the following:

Sub-Zone B1 incorporates the residential developments that have already been subdivided into Single Family Residential lots and associated improvement areas. For Fiscal Year 2018/2019 this Sub-Zone includes the one hundred fifty-two Single Family Residential parcels and the parks and proposed improvement areas within Tract 26,061. These parcels are identified on the Assessor' Parcel Maps Book 113, Pages 46, 47 and 48.

Sub-Zone B2 incorporates the planned development area generally located south of Buena Vista Road, east of Obispo Street, and northeast of the railroad right-of-way. The properties included in this Sub-Zone are currently identified by the County Assessor's Office as Vacant property and has not been fully subdivided and/or developed. The parcels within this Sub-Zone are currently identified on the Assessor' Parcel Maps Book 113, Page 45.

Sub-Zone B3 incorporates the planned residential development area generally located southwest of the railroad right-of-way. The properties included in this Sub-Zone are currently identified by the County Assessor's Office as Vacant property and has not been fully subdivided or developed. The parcels within this Sub-Zone are currently identified on the Assessor' Parcel Maps Book 113, Pages 01 and 08.

By establishing and utilizing a Zone and Sub-Zone structure, similar properties with similar types of improvements will be assessed a proportional amount for the total annual expenses related to the maintenance, operation and servicing of the improvements provided by the District and for which the properties receive special benefits. The use of Sub-Zones allows for each development and the parcels therein to be assessed for the improvements provided as development occurs and/or improvements are installed.

For purposes of establishing the maximum assessments and annual assessments for Zone B, the parcels in Sub-Zone B2 and Sub-Zone B3 are assigned a proportional benefit and land use designation that reflects the current development of those properties and their relationship (proximity) to the improvements to be provided and maintained. For calculating the Fiscal Year 2018/2019 annual assessments, the parcels in Sub-Zone B2 and Sub-Zone B3 are identified as either Vacant Undeveloped Property, Undeveloped Residential Property, and/or Exempt Property and assessed in accordance with the method of apportionment described in "Part II — Method of Apportionment" of this Report. However, in future fiscal years as these parcels are subdivided or developed, and/or as additional improvements for Zone B are accepted for maintenance, at the discretion of the Assessment Engineer and/or City, the land use designation or sub-zone designation for the affected properties may be reclassified

Description of the District Improvements

As authorized by the 1972 Act, the improvements to be provided by the District and associated with each Zone therein incorporate local street lighting, parks, and various landscaping improvements that are to be maintained and serviced for the benefit of real property within the District. The various improvements to be maintained by the District have been or will be installed in direct connection with the development of properties for the benefit of those properties and are considered necessary for the development of those properties to their full and best use. The work to be performed within the District may include, but is not limited to (as applicable), the personnel; materials; equipment; electricity; water; contract services; repair and rehabilitation of the improvements; and incidental expenses required to operate the District and provide the improvements and services. The annual assessments to be levied on properties within the District provide a source of funding to support the continued operation and maintenance of these improvements that provide a particular and distinct benefit (special benefit) to those properties. Each parcel shall be assessed proportionately for only those improvements, services, and expenses for which the parcel receives a special benefit. The improvement plans and specifications for the District are on file in the Office of Public Works of the City of Guadalupe and by reference these plans and specifications are made part of this Report. The District improvements anticipated to be installed and constructed at build-out generally include but are not limited to:

Proposed Improvements at Build-out

Landscape Improvements

The landscape improvements to be funded by the District assessments may include, but are not limited to, turf, ground cover, shrubs and plants; areas of natural vegetation; trees; irrigation and drainage systems; masonry walls, retaining walls, or other fencing; monuments; hardscapes; concrete or decomposed granite trail/pathways; and other related appurtenant facilities within the District that have been dedicated to the City for maintenance including but are not limited to:

- designated parkway side-panels adjacent to the streets and properties within the District, including parkways, entryways, and trails;
- various non-street landscaping and/or vegetation management areas including a drainage basin, dedicated Habitat/Open Space areas, a water tank site, and buffer/greenbelt/trail areas along the railroad right-of way; and
- the planned local park sites and/or recreational areas within the District.

The following provides a summary description of the landscape improvements anticipated to be constructed as part of the development of properties within the District and ultimately maintained through the District at build-out. For reference purposes, in conjunction with these descriptions of the improvements a visual depiction of the landscape improvement areas is provided on the diagrams contained in Part V of this Report. At build-out, it is anticipated that the District's landscape improvements will generally include, but is not limited to approximately:

Obispo Street

- 41,785 square feet of irrigated landscape improvements located on both sides of Obispo Street between Buena Vista Road and the railroad rights-of-way; and
- 20,463 square feet of irrigated landscape improvements located on both sides of Obispo Street between the railroad rights-of-way and "C" Street.

Del Mar Drive

- 5,192 square feet of irrigated landscape improvements located on both sides of Del Mar Drive between Obispo Street and Fuente Drive.

Arroyo Seco Road

- 4,720 square feet of irrigated landscape improvements located on the west side of Arroyo Seco Road between Buena Vista Road and Manzanita Street;
- 3,196 square feet of irrigated landscape improvements located on the west side of Arroyo Seco Road between the southern end of the park site (just north of "E1" Street) and the end of Arroyo Seco Road (cul-de-sac); and
- 68,660 square feet of maintained improvements located on the east side of Arroyo Seco Road between Buena Vista Road and the end of Arroyo Seco Road (cul-de-sac). These maintained improvements incorporate 45,702 square feet of irrigated landscaping and 22,958 square feet of trail/pathway improvements.

"B" Street

- 33,627 square feet of irrigated landscape improvements located on the north side of "B" Street between "C" Street and "F10" Street; and
- 60,494 square feet of maintained improvements located on the south side of "B" Street between "C" Street and "F10" Street. These maintained improvements incorporate 40,342 square feet of irrigated landscaping and 20,152 square feet of trail/pathway improvements.

"F10" Street

- 6,813 square feet of maintained improvements located on the east side of "F10" Street from "B" Street up to the end of the cu-de-sac on "F10" Street. These maintained improvements incorporate 4,830 square feet of irrigated landscaping and 1,983 square feet of trail/pathway improvements.

"C" Street

- 8,045 square feet of irrigated landscape improvements located on the east side of "C" Street between Obispo Street and "B" Street; and
- 33,353 square feet of maintained improvements located on the west side of "C" Street between "B" Street and "D5" Street. These maintained improvements incorporate 24,932 square feet of irrigated landscaping and 8,421 square feet of trail/pathway improvements.

Non-Streetscape Areas

- 2,277 square feet of non-streetscape trail/pathway improvements located between the homes on the southwest side of the intersection of "E2" Street and "E3" Street, connecting these streets with the park site near the northeast side of the railroad right-of-way adjacent to the park;
- 22,850 square feet of improvement area (landscape buffer/trail) located on the northeast/east side of the railroad right-of-way behind the homes on the west and southwest side of Las Flores Drive extending from Buena Vista Road south to Obispo Street. It is anticipated that much of this improvement area will be irrigated landscaping, but all or a portion of the area may ultimately be installed with minimal/modified irrigation or no irrigation;
- 15,778 square feet of improvement area (landscape buffer/trail) located on the southwest side of the railroad right-of-way behind the homes on the northeast side of "D1" Street between Obispo Street and the designated well-site located at the northern end of "D1" Street. This square footage includes the estimated 2,147 square feet of paseo (pathway) connecting "D1" Street with the landscape buffer/trail area. It is anticipated that much of this improvement area will be irrigated landscaping, but all or a portion of the area may ultimately be installed with minimal/modified irrigation or no irrigation;
- 39,437 square feet of improvement area (landscape buffer/trail) located on the southwest side of the railroad right-of-way behind the homes on the northeast side of "F1" Street and at the cul-de-sacs of "F9" Street and "F10" Street, between Obispo Street and "F10" Street. This square footage includes the estimated 2,205 square feet of paseo (pathway) connecting "F1" Street and "F2" Street with this landscape buffer/trail area. It is anticipated that much of this improvement area will be irrigated landscaping, but all or a portion of the area may ultimately be installed with minimal/modified irrigation or no irrigation;
- 280,770 square feet of natural/minimal-maintenance landscape improvements (Habitat Area) located on the south/southeast side of Obispo Street between the railroad rights-of-way and "A" Street and between "A" Street and "C" Street;

- 37,244 square feet of natural/minimal-maintenance landscape improvements (open space water tank site) located north of the cul-de-sac on "D1" Street, between the railroad rights-of-way and the western boundary of the District; and
- 67,388 square feet of maintained improvements (open space drainage basin site) located at the northeast corner of the Zone, east of Flower Avenue between Main Street and Buena Vista Road. These maintained improvements incorporate 30,842 square feet of irrigated landscaping and 36,546 square feet of non-irrigated natural/minimal-maintenance landscaped area.

Parks

- 659,633 square feet of park and recreational area improvements located within sixteen planned park sites or recreational areas located throughout the residential development area within the District boundaries. While it is anticipated that much of this improvement area will be irrigated landscaping (mostly turf), this overall square footage also incorporates the non-landscaped areas within the parks including play areas, sports courts, sidewalks and other hardscape areas, but does not include any parking areas associated with these park/recreational areas.

Park Facilities

In addition to the landscape improvements within the park/recreational areas, the improvements and facilities to be funded may include, but are not limited to maintenance and servicing of the sports courts and fields; playground equipment and structures; sidewalks, ornamental or safety lighting; benches, trash receptacles; drinking fountains, picnic facilities and any other equipment, structures or facilities related to the foregoing.

Lighting Improvements

Lighting improvements to be funded by the District assessments may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and appurtenant facilities associated with the street lights, traffic signals, and lighting within public areas within the District. Maintenance, operation, and servicing of these lighting improvements may include, but is not limited to the furnishing of electric current or other illuminating agent; as needed maintenance, repair, and replacement of worn out electrical components and light fixtures, including bulbs, ballasts, photoelectric cells, meters, electrical cables; repair or replacement of damaged poles, ground wires, and conduits caused by accidents, vandalism, time, and weather; and monitoring of the Underground Service Alert (USA) network to prevent damage by excavation. At build-out, it is anticipated that the District's lighting improvements will generally include, but is not limited to:

- Thirteen (13) street lights located on the south side of Main Street adjacent to the proposed non-residential development area within the District;
- Two (2) street lights on Flower Avenue between Main Street and Buena Vista Road;
- Fourteen (14) street lights on the north side of Buena Vista Road which is between the proposed residential developments and the proposed non-residential development area;
- Twenty (20) street lights on Obispo Street;

- Five (5) street lights located between Main Street and Buena Vista Road;
- Ten (10) street lights located between Buena Vista Road and the railroad right-of-way;
- Five (5) street lights located between the railroad right-of-way and "C" Street;
- One hundred ninety-four (194) street lights within the planned residential developments;
- The safety/security lights, recreational lights (fields and courts) and/or ornamental lighting associated with the park/recreational areas; and
- Any other public lighting facilities including future traffic signals that may be deemed necessary or desired for the safe ingress or egress to the properties within the District.

Excluded Improvements

Improvements that are not a part of the District improvements include, privately owned street lights and landscaping improvements located on private property and/or areas designated as Homeowner Association or Business Association properties or easements. Such improvements and facilities including street trees shall be provided and maintained by the individual property owners, property management group or association established in connection with the development of properties within the District.

Fiscal Year 2018/2019 Improvements

The following improvement are anticipated to be accepted by the City for maintenance during fiscal year 2018/2019 and will be funded in whole or in part by the annual assessments:

The following improvement provide special benefits and are proportionately shared and allocated to all properties within the District:

- Fifteen (15) street lights on Obispo Street;
 - Five (5) street lights located between Main Street and Buena Vista Road; and
 - Ten (10) street lights located between Buena Vista Road and the railroad right-of-way.

The following improvement provide special benefits and are proportionately shared and allocated to all properties within Zone B (Sub-Zones B1, B2, and B3):

- 41,785 square feet of irrigated landscape improvements located on both sides of Obispo Street between Buena Vista Road and the railroad rights-of-way.

The following improvement provide special benefits and are proportionately shared and allocated to all properties within Zone B1 and the properties within Zone A located west of Obispo Street:

- Five (5) street lights on the north side of Buena Vista Road, west of Obispo Street, situated between the residential development of Zone B1 and the proposed non-residential development property of Zone A.

The following improvement provide special benefits and are proportionately shared and allocated to all the residential properties within Zone B1:

- Approximately 5,192 square feet of irrigated landscape improvements located on both sides of Del Mar Drive between Obispo Street and Fuente Drive.
- Approximately 46,906 square feet of park and recreational area improvements located within the two park sites and recreational areas located within the boundaries Zone B1 (Tract 29,061). Most of this park improvement area is irrigated landscaping (mostly turf), this overall

square footage also incorporates the non-landscaped areas within the parks including play areas, sports courts, sidewalks and other hardscape areas.

- Approximately 22,850 square feet of improvement area (landscape buffer/trail) located on the northeast/east side of the railroad right-of-way behind the homes on the west and southwest side of Las Flores Drive extending from Buena Vista Road south to Obispo Street. This specific improvement area within Zone B1 is a portion of the overall 465,744 square feet of non-streetscape improvements that will be shared by the developed properties in the District. However, until more of the connecting or similar non-streetscape improvements are installed and/or properties in the other Zones/Sub-Zones are developed, it has been determined that this improvement area provides special benefits to only the properties in Zone B1.
- Twenty-six (26) street lights within the Zone B1 residential development area including lights on Fuente Drives, Castillo Drive, Las Flores Drive, Del Mar Drive, Esperanza Drive, and Gusto Court,

Part II — Method of Apportionment

Legislative Authority and Provisions

1972 Act

The 1972 Act permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, including the acquisition, construction, installation and servicing of landscaping and lighting improvements and related facilities. The 1972 Act requires that the cost of these improvements be levied according to benefit rather than assessed value:

Section 22573 defines the net amount to be assessed as follows:

“The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.”

Section 22574 provides for zones as follows:

“The diagram and assessment may classify various areas within an assessment district into different zones where, by reason of variations in the nature, location, and extent of the improvements, the various areas will receive differing degrees of benefit from the improvements. A zone shall consist of all territory which will receive substantially the same degree of benefit from the improvements.”

The formulas used for calculating assessments and the designation of Zones and Sub-Zones as established herein reflect the composition of parcels within the District and the improvements and activities to be provided, and have been designed to fairly apportion the cost of providing those improvements based on a determination of the proportional special benefits to each parcel, consistent with the requirements of the 1972 Act and the provisions of Article XIII D of the California Constitution (Proposition 218).

California Constitution

The costs to operate and maintain the District improvements are identified and allocated to properties within each Zone and/or Sub-Zone within the District based on special benefit. The improvements provided and for which properties are to be assessed are identified as local landscaping and lighting improvements and related amenities that were installed in connection with the development of the properties and/or would otherwise be required for the development of properties within each respective Zone and/or Sub-Zone. The District assessments and method of apportionment is based on the premise that these improvements would otherwise not have been required without the development or planned development of those parcels.

Article XIII D Section 2d defines District as follows:

“District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service”;

Article XIII D Section 2i defines Special Benefit as follows:

“Special benefit” means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute “special benefit.”

Article XIII D Section 4a defines proportional special benefit assessments as follows:

"An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Benefit Analysis

The improvements provided by this District and for which properties will be assessed have been identified as necessary, desired and/or required for the orderly development of the properties within the District to their full potential, consistent with the development plans and applicable portions of the City's General Plan.

Special Benefits

The ongoing maintenance of landscaped areas within the District will provide aesthetic benefits to the properties within the District and each respective Zone and/or Sub-Zone therein, and are intended to provide a more pleasant environment to walk, drive, live, and work. The primary function of these improvements and related amenities is to serve as an aesthetically pleasing enhancement and green space for the benefit of the immediately surrounding properties and developments for which the improvements are constructed and installed and/or are facilitated by the development or potential development of properties within the District. These improvements are an integral part of the physical environment associated with the parcels in the District and while some of these improvements may in part be visible to properties outside the District and/or the respective Zones and Sub-Zones, collectively if these improvements are not properly maintained, it is the parcels within the District and/or the respective Zones and Sub-Zones that would be aesthetically burdened. Additionally, the many of the landscape improvements include parks, green spaces, and trails that provide visually pleasing open space areas that serve as an extension of the physical attributes of the parcels assessed, such as their front or rear yards and may also provide a greater opportunity for recreation as well as serving as a physical buffer and/or sound reduction buffer between the roadways and the properties in the District. Thus, the maintenance of these landscaped improvements provides particular and distinct benefits to the properties and developments associated with those improvements.

Likewise, street lighting in the District is primarily useful for illuminating the streets that provide access to the properties in the District as well as the sidewalks and parking lanes associated with those properties. While it is recognized that street lights and traffic signals serve in part to enhance traffic safety, installation and construction of these improvements are for the most part, required by the development of properties within the district and these improvements provide three main special benefits to those properties: (i) property security benefit, (ii) pedestrian safety benefit, and (iii) parkway/roadway access benefit. Furthermore, because traffic circulation in the City is largely the result of local traffic to and from these properties by the property owners and guests, it is reasonable to assume that these properties derive a particular and distinct benefit from the streetlighting that support the safe access to the properties and essentially all pedestrians and parking vehicles in the lit areas will, after dark, be directly associated with the assessed properties. As a result, the maintenance of these lighting improvements is a particular and distinct benefit to the properties and developments within the District and the Zones and Sub-Zones therein.

Collectively these landscaping and lighting improvements and related assessments enhance the security, overall use, presentation and marketability of the properties, and ensure the long-term cost-efficiency of services that is obtained through the City provided maintenance (economy of scale), and the regulatory restrictions on future cost increases.

General Benefit

Landscaping General Benefit

In reviewing the location and extent of the specific landscaped areas and improvements to be funded by District assessments and the proximity and relationship to properties to be assessed, it is evident these improvements have been or will be installed as part of the development of properties within the District or are improvements that would otherwise be shared by and required for development of those properties. Although the District improvements are located on public streets or public areas that are typically visible and/or accessible to the general public, it is evident that the ongoing maintenance of these improvements are only necessary for the appearance and advantage of the properties within the District that are directly associated with those improvements and these improvements (particularly the level of maintenance and servicing) are not required nor necessarily desired by any properties outside the District and/or the respective Zones and/or Sub-Zones associated with those various improvements. It is also evident that the maintenance these improvements and the level of maintenance provided has a direct and particular impact (special benefit) only on those properties in proximity to those improvements and such maintenance beyond that which is required to ensure the safety and protection of the general public and property in general, has limited (if any) indirect or incidental benefit to the public at large or properties outside each respective Zone.

In the absence of a special funding Zone, the City's maintenance of these improvements would for the most part, be limited to tree management, weed abatement, rodent control, and erosion control services for the various landscape areas. This basic or baseline level of service would typically provide for periodic servicing of these areas on an as-needed basis. This baseline level of service would provide for public safety and essential property protection to avoid negative impacts on adjacent roadways and vehicles traveling on those roadways and potential property damage, but results in a far less visually pleasing environment than is created with the enhanced levels of services associated with the regular landscape maintenance that can be provided through the District assessments.

On average, the cost to provide this baseline level of service for the District' planned landscape areas is estimated to be approximately \$0.01150 per square foot (approximately \$500 per acre) which includes a five percent (5%) cost factor for City overhead and administration. This baseline service cost per square foot represents approximately five percent (5%) of the overall cost per square foot for the annual operation and maintenance of the landscape areas.

Other Landscaping General Benefits

In addition to the general benefit identified above, it is recognized that there are indirect or incidental general benefits to properties within the District as well as the general public that are associated with regular landscape maintenance services, including:

- Minimization of dust and debris; and
- Decreased potential water runoff from both properties and the landscaped areas.

Although these types of benefits might best be characterized as indirect consequences of the special benefit of the landscape maintenance provided to parcels served by the District, for the

purposes of calculating proportional benefits, we assume these types of benefits to be general benefits, albeit general benefits that are extremely difficult to quantify. We estimate that the costs associated with these indirect benefits do not exceed one percent (1%) of the annual maintenance expenditures for the landscaping improvements.

The baseline general benefit costs and the indirect/incidental general benefit costs identified above shall be excluded from the special benefit assessment funding and not assessed to the parcels within the District. The total calculated general benefit cost for the landscaping improvements associated with each Zone and/or Sub-Zone is summarized in the table at the end of this section and is also identified in the budgets contained in Part III of this Report.

Lighting General Benefit

In reviewing the location and extent of the specific lighting improvements to be funded by District assessments and the proximity and relationship to properties to be assessed, like the landscaping improvements it is evident these improvements are being installed as a direct result of the development of the properties within the District or are lighting improvements that would otherwise be shared by and required for the development of those properties. It is also evident that the maintenance and servicing of these improvements has a direct and particular impact (special benefit) on those properties in proximity to those street lighting improvements and these street lighting improvements are for the most part, lighting improvements that exceed what would otherwise be required for traffic circulation or to ensure the safety and protection of the general public and property in general.

Because these District lighting improvements are directly associated with the development or anticipated development of the properties within each respective District Zone and clearly provide a special benefit to those properties that is not shared by all properties in the City, it is certainly reasonable to conclude that the maintenance and operation of these improvements is largely if not entirely a special benefit to those properties to be assessed. Based on the special benefits previously identified for street lights, it is apparent that within residential developments (Zone B which is comprised initially as Sub-Zones B1, B2, and B3), the internal residential development street lights are installed solely for the use and benefit those residential properties and there is no quantifiable general benefit to other properties or to the public at large.

In addition to the internal residential street lights within the various developments in Zone B, the properties in Zone B (both the residential parcels and the school site) are accessed from and/or are adjacent to Obispo Street and/or Flower Avenue and Buena Vista Road and the street lights on these secondary/collector streets are collectively and proportionately shared by the properties in Zone B as well as the non-residential properties in Zone A which are adjacent to these streets and associated street lights. Collectively, these secondary/collector street lights represent approximately 15% of the total street lights to be installed within the District. While these secondary/collector lights are clearly the result of the development of properties within the District, it is also reasonable to conclude that these types of streets are often accessed by the general-public (possibly in route to the school or parks) and to some extent the street lighting on these streets may also enhance general nighttime traffic safety and circulation for other properties and the public at large. Based on various traffic circulation studies related data, it is estimated that less than forty percent (40%) of these secondary/collector street lights would be required for similar streets in less concentrated development areas. Therefore, it has been determined that the general benefit related to the overall operation and maintenance of these shared street lights is no more than six percent (6 %) of the street light operating costs for these particular street lights. However, to ensure that no parcel is assessed for more than its proportional special benefit

for these shared street lights, the City will contribute for general benefit an amount equal to ten percent (10%) of the budgeted regular annual maintenance expenditures (maintenance and energy costs). These general benefit costs shall be excluded from the special benefit assessment funding and not assessed to the parcels within the District.

In addition to the internal residential street lights and secondary/collector street lights discussed above, the non-residential properties within Zone A will directly benefit from the street lights to be installed on Main Street (a primary/arterial street) adjacent to those properties. Similar to the lights on secondary/collector streets, it is certainly reasonable to recognize that the street lights on this primary/arterial street provides a measure of general benefit to the public and to properties in general resulting from nighttime traffic safety and circulation. The American National Standard Practice for Roadway Lighting and various related traffic and street lighting studies suggest that over ninety percent (90%) of the street lights installed on primary/arterial streets in urban areas are directly the result of property development (both residential and non-residential development). In turn these developments increase traffic circulation and ultimately dictate the type of lighting, spacing and number of lights required and without such development, both the need and quantity of those lights would be dramatically reduced, which is reflected by the very limited lighting that currently exists in this area on Main Street. Therefore, like the secondary/collector street lights associated with this District, it has been determined that the general benefit related to the operation and maintenance of the street lights on Main Street is ten percent (10%) of the regular annual maintenance expenditures (maintenance and energy costs). These general benefit costs shall be excluded from the special benefit assessment funding and not assessed to the parcels within Zone A of the District.

The total calculated general benefit cost for the street lighting improvements associated with each Zone and/or Sub-Zone is summarized in the table below and is also identified in the budgets contained in Part III of this Report.

Utilizing the general benefit service costs outlined above and the improvements proposed at build-out, the following table summarizes the estimated general benefit costs calculated for each Zone and Sub-Zone within District:

Estimated General Benefit for Street Lighting, Landscaping, and Parks

Zone	Sub-Zone	Street Lighting General Benefit	Landscaping and Parks General Benefit	Total ⁽¹⁾ General Benefit
Zone A		(\$30)	\$0	(\$30)
	Sub-Zone B1	(\$211)	(\$1,286)	(\$1,497)
	Sub-Zone B2	(\$67)	(\$175)	(\$243)
	Sub-Zone B3	(\$7)	(\$18)	(\$25)
Zone B	Zone B Total	(\$285)	(\$1,479)	(\$1,764)
Total	General Benefit	(\$315)	(\$1,479)	(\$1,794)

⁽¹⁾ As with most maintenance costs, the General Benefit Costs shown above will be impacted by inflation and in subsequent fiscal years the General Benefit Cost contributions will be adjusted for inflation.

Assessment Methodology

To calculate and identify the proportional special benefit received by each parcel and ultimately each parcel's proportionate share of the improvement costs it is necessary to consider not only the improvements and services to be provided, but the relationship each parcel has to those improvements as compared to other parcels in the District

Article XIIID Section 4a reads in part:

"...The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement or the maintenance and operation expenses of a public improvement or for the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

Landscaping and lighting improvements like most public improvements, provide varying degrees of benefit (whether they be general or special) based largely on the extent of such improvements, the location of the improvements in relationship to properties associated with those improvements. To establish the proportional special benefit and ultimately the assessment obligation for each parcel, these factors need to be addressed and formulated in the method of apportionment by the use of benefit zones that reflect the extent and location of the improvements in relationship to the properties, as well as the specific use of the property and characteristics that reflects each parcel's proportional special benefit as compared to other properties that benefit from those same improvements.

The method of apportionment (method of assessment) developed for this District is based on the premise that each of the property to be assessed receives a particular and distinct benefit (special benefit) from the improvements, services and facilities to be financed by the District assessments and to assess benefits equitably it is necessary to calculate each property's relative share of the special benefits conferred by the funded improvements and service. The Equivalent Benefit Unit (EBU) method of assessment apportionment is utilized in this District and establishes a basic unit of benefit (base value) and then calculates the benefit derived by each assessed parcel as a multiple (or a fraction) of that basic unit. This EBU method of apportioning special benefits is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of comparable property characteristics. The base value and assessment formula utilized in each Zone may be different, but is established for each Zone to reflect the improvements and properties that benefit from those improvements utilizing property characteristics that may include but is not limited to the type of development (property land use), property's development status, and size of the property (acreage or units).

For the purposes of this Engineer's Report, an EBU is the quantum of benefit derived from the various Zone improvements by a single family residential parcel. The single family residential parcel has been selected as the basic value for calculation of assessments since at build-out this land use will represent over 98% of the parcels in the District and over 70 % of the total acreage developed. Thus, the "benchmark" property (the single family residential parcel) derives one EBU of benefit and is assigned 1.00 Equivalent Benefit Unit.

The following outlines the land use classifications that are associated with or may be associated with the parcels in the District and the proportional Equivalent Benefit Units established for those land use classifications.

Land Use Classifications

Single-Family Residential -- This land use classification is defined as a fully subdivided residential home site with or without a structure. This land use may include, but is not limited to subdivided residential tract lots, condominiums, or other individual residential units or subdivided lots assigned an Assessor's Parcel Number. As previously noted, the single family residential parcel has been selected as the basic value for calculation of assessments and each is assigned 1.00 Equivalent Benefit Unit.

Multi-Family Residential -- This land use classification is defined as properties that are primarily used for residential purposes, but contain more than a single residential unit on the parcel (parcels with more than one dwelling) including apartments, duplexes, or other multi-unit structures. Due in part to the development and population densities associated with these types of dwelling units (reduced unit size compared to the typical density and size of single-family properties), studies have consistently shown that the average apartment unit impacts infrastructure approximately 80% as much as a single-family residence. (Sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition, 1991; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Edition, 1991). Therefore, it is reasonable to conclude that the proportional special benefit these properties receive from the public improvements funded by the District assessments has a similar proportionality and these parcels shall be assigned a weighted proportional special benefit of 0.80 EBU per unit.

Developed Non-Residential -- This land use is defined as a parcel and/or development (group of parcels) that has been developed primarily with a non-residential use including, but not limited to (both publicly owned and privately owned) commercial retail or service, office or professional service, hotel or motel, manufacturing, warehousing, parking lot, and/or institutional facilities including hospitals or other medical facilities, private schools or education centers, churches or other non-profit organizations. Based on the planned residential development within this District, it has been determined that these planned single-family residential developments will yield approximately five dwelling units per acre of land. The actual residential development density is 5.43 units per acre. Therefore, since the single family residential parcel (the base value for calculation of assessments) is assigned 1.0 Equivalent Benefit Unit it is reasonable and appropriate to assign the developed non-residential properties a weighted special benefit that reflects a similar and proportional development density. Therefore, the EBU assigned to each developed non-residential property is established by multiplying the parcel's applied acreage by 5.0 EBU per acre (e.g. a developed non-residential parcel of 4.25-acres would be assigned 21.25 EBU, $4.25 \text{ acres} \times 5.0 \text{ EBU/acre} = 21.25 \text{ EBU}$).

Public School Property -- This classification includes the parcel currently identified specifically as public school site. On average, approximately 1/3rd (33.33%) of the total school site acreage is developed with structures and parking facilities, which is similar to what is commonly associated with non-residential developments. The remaining parcel acreage (approximately 66.67%) is generally playground areas and/or sports fields which is similar to the District's park improvements. Recognizing the overall development of this parcel as compared to other properties in the District and the improvements in proximity to this property, it has been determined that proportional special benefit EBU calculated for this parcel is accurately reflected by treating that portion of the parcel with structures and parking facilities (1/3rd of the parcel's acreage) similar to the EBU calculated for Developed Non-Residential properties (33.33% of acreage x 5.0 EBU/acre), with the remaining 2/3rd of the parcel's acreage being excluded (treated similar the District' park facility, although this area is not part of the improvements being maintained by the District). Therefore, this 14.37 acre school site parcel shall be assigned 11.98 EBU for balloting purposes to establish the property's maximum assessment and proportional special benefit ($[14.37 \text{ acres} \times 33.33\% = 4.79 \text{ applied acre}] \times 5.00 \text{ EBU/acre} = 11.98 \text{ EBU}$).

However, for calculation of the annual assessments each fiscal year, the Assessment Engineer shall apply to this parcel an EBU that best reflects the property's development status and proportional special benefit from the exiting improvements and/or new improvements to be installed and accepted during the fiscal year. The Assessment Engineer may treat the parcel as a Vacant Undeveloped Property (assigned 1.00 EBU per acre or 4.79 EBU) or any proportional EBU up to the parcel's maximum EBU described above (11.98 EBU).

Based on the current development of this property and the location and timing of the improvements to be accepted by the City for maintenance during Fiscal Year 2018/2019, this parcel shall be assigned a weighted special benefit per applied acre applicable to Vacant Undeveloped Property.

Planned Residential Development -- This land use classification is defined as a parcel or group of parcels that may currently be identified as vacant undeveloped property or undeveloped residential property, zoned for residential use, and the number of residential units to be developed on the property has been determined or identified as part of a Tentative Development Plan, Tentative Tract Map or Specific Plan.

For balloting purposes to establish each property's maximum assessment and proportional special benefit, these parcels were assigned an EBU that reflected the total EBU's planned for that parcel at build-out (1.00 EBU per single-family residential lot and 0.80 per multi-family residential unit).

However, for calculation of the annual assessments each fiscal year, the Assessment Engineer shall apply to such parcels an EBU that best reflects that parcel's proportional special benefit from the improvements and services provided as compared to other properties in the District, Zone and Sub-Zone based on the type and location of the improvements to be maintained, the proximity of the property to those improvements, and the development status of the property. Because these factors can vary from year to year and from parcel to parcel, the calculated EBU for each parcel originally balloted as Planned Residential Development parcel may be different utilizing either the acreage of the parcel or number of planned units. The Assessment Engineer may identify the parcel and treat the parcel as a Vacant Undeveloped Property (assigned 1.00 EBU per applied acre up to a maximum of 5.0 EBU; as an Undeveloped Residential Property (assigned 1.00 EBU per acre for the parcel's total acreage); or may temporarily identify the parcels as a Special Case Parcel (refer to this land use classification below) assigning the parcel any proportional EBU up to the maximum EBU for which the property was ballot (1.0 EBU per single-family residential lot and 0.80 per multi-family residential unit).

Based on the development of properties within the District (specifically in Zone B) and the location and timing of the improvements to be accepted by the City for maintenance during Fiscal Year 2018/2019, the parcels initially identified as Planned Residential Development properties have each be assigned a weighted special benefit per acre applicable to either Vacant Undeveloped Property or Undeveloped Residential Property.

Planned Non-Residential Development -- This land use classification is defined as a parcel or group of parcels that may currently be identified as vacant undeveloped property or undeveloped non-residential property, zoned for a non-residential use including proposed commercial retail or service, office or professional service, hotel or motel, manufacturing, warehousing, parking lot, and/or institutional facilities including hospitals or other medical facilities, private schools or education centers, churches or other non-profit organizations based on a Tentative Development Plan, Tentative Tract Map or Specific Plan.

For balloting purposes to establish each property's maximum assessment and proportional special benefit, these parcels were assigned an EBU that reflected the total EBU's planned for that parcel at build-out (5.00 EBU per applied acre as applicable to Developed Non-Residential properties).

However, for calculation of the annual assessments each fiscal year, the Assessment Engineer shall apply to such parcels an EBU that best reflects that parcel's proportional special benefit from the improvements and services provided as compared to other properties in the District and Zone based on the type and location of the improvements to be maintained, the proximity of the property to those improvements, and the development status of the property. Because these factors can vary from year to year and from parcel to parcel, the calculated EBU for each parcel originally balloted as Planned Non-Residential Development may be different. The Assessment Engineer may identify the parcel and treat the parcel as a Vacant Undeveloped Property (assigned 1.00 EBU per applied acre up to a maximum of 5.0 EBU); as an Undeveloped Non-Residential Property (assigned 1.00 EBU per acre for the parcel's total acreage); or may temporarily identify the parcel as a Special Case Parcel (refer to this land use classification below) assigning the parcel any proportional EBU up to the maximum EBU for which the property was ballot (5.00 EBU per applied acre as applicable to Developed Non-Residential properties).

Based on the anticipated development of properties within the District (specifically in Zone A) and the location and timing of the improvements to be accepted by the City for maintenance during Fiscal Year 2018/2019, the parcels initially identified as Planned Non-Residential Development properties have each be assigned a weighted special benefit per acre applicable to either Vacant Undeveloped Property or Undeveloped Non-Residential Property.

Vacant Undeveloped Property -- This land use classification includes undeveloped properties that are identified as parcels with no development including residential and non-residential properties, undeveloped school sites, and parcels that may currently be used for agricultural purposes. Although it is recognized that most of the improvements within the various Zones and Sub-Zones of the District will be constructed and accepted for maintenance in large part as properties are developed and these developments will clearly receive a particular and distinct benefit (direct special benefit) from those improvements, it is also recognized that most of the various improvements proposed within the District are considered shared improvements that collectively support the overall development of properties within the District and Zones to their full and best use, including the vacant undeveloped properties. However, it is also recognized that the planned parks, internal (neighborhood) street lights and some of the non-streetscape improvements within the District are in large part specifically related to the residential parcels that have an immediate utilization of those improvements and the special benefit costs associated with these parks, neighborhood street lights and landscape areas should be assessed primarily if

not entirely to the properties which are developed or actively being developed. Likewise, most of the remaining landscaping and lighting improvements within the District will likely be installed and accepted for maintenance as properties are developed and those developing parcels clearly receive a proportionately greater benefit from those improvements than do the undeveloped properties. Therefore, it has been determined that parcels identified as Vacant Undeveloped Property shall be assigned a proportional EBU that is 20% of that assigned to developed properties, which is 1.0 EBU per applied acre (20% of the 5.0 EBU per acre assigned to Developed Non-Residential properties), up to a maximum of 5 acres per parcel or 5.0 EBU per parcel. (e.g. a Vacant Undeveloped Property which is 7.00-acres would be assigned 5.00 EBU [5.0 acre maximum x 1.0 EBU/acre]).

Undeveloped Residential Property -- This land use classification includes undeveloped properties that were originally identified as Planned Residential Development parcels, but have not yet been developed or subdivided, but are either adjacent to or in close proximity to improvements that will be maintained for the current fiscal year, and/or the property is actively being developed. While many of the improvements within the District will be constructed and accepted for maintenance in large part as properties are being subdivided or developed and those properties will clearly receive a particular and distinct benefit (direct special benefits) from those improvements, it is also recognized that certain improvements within the District are installed in advance of property development that are considered shared improvements that collectively support the overall development of properties within the District and Zones to their full and best use, including the vacant undeveloped properties. However, it is also recognized that some of these shared improvements within the District have a more direct and particular benefit to those undeveloped properties directly adjacent to the improvements or in close proximity to those improvements than do the vacant undeveloped properties that are not actively being developed or are further from those shared improvements. Therefore, it has been determined that parcels identified as Undeveloped Residential Property shall be assigned a proportional EBU that is 20% of that assigned to developed properties, which is 1.0 EBU per applied acre (20% of the 5.0 EBU per acre assigned to Developed Non-Residential property), but unlike parcels designated as Vacant Undeveloped Property, there is no acreage cap for the parcel. (e.g. an Undeveloped Residential Property which is 7.00-acres would be assigned 7.00 EBU [7.0 acres x 1.0 EBU/acre]).

Undeveloped Non-Residential Property -- This land use classification includes undeveloped properties that were originally identified as Planned Non-Residential Development parcels, but have not yet been developed or subdivided, but are either adjacent to or in close proximity to improvements that will be maintained for the current fiscal year, and/or the property is actively being developed. While many of the improvements within the District will generally be constructed and accepted for maintenance in large part as properties are being subdivided or developed and those properties will clearly receive a particular and distinct benefit (direct special benefits) from those improvements, it is also recognized that certain improvements within the District are installed in advance of property development that are considered shared improvements that collectively support the overall development of properties within the District and Zones to their full and best use, including the vacant undeveloped properties. However, it is also recognized that some of these shared improvements within the District have a more direct and particular benefit to those undeveloped properties directly adjacent to the improvements or in close proximity to those improvements than do the vacant undeveloped properties that are not actively being developed or are further from those shared improvements. Therefore, it has been determined that parcels identified as Undeveloped Non-Residential Property shall be assigned a proportional EBU that is 20% of that assigned to developed properties, which is 1.0 EBU per applied acre (20% of the 5.0 EBU per acre assigned to Developed Non-Residential property), but unlike parcels

designated as Vacant Undeveloped Property, there is no acreage cap for the parcel. (e.g. an Undeveloped Residential Property which is 7.00-acres would be assigned 7.00 EBU [7.0 acres x 1.0 EBU/acre]).

Special Case Parcels -- In many landscaping and lighting districts (particularly districts that have a wide range of land uses, phased developments, and/or diversity in the location and type of improvements) there may be one or more parcels to be assessed that the standard land use classifications and proportionality identified above do not accurately identify the use and special benefit received from the improvements. Properties that are typically classified as Special Case Parcels usually involve partial or mixed use development of the property or development restrictions whether those restrictions are temporary or permanent and affect the properties proportional special benefit. Examples of such restrictions may include situations where only a portion of the parcel's total acreage is or can be developed. In such a case, the net acreage of the parcel that is utilized rather than the gross acreage of the parcel may be applied to calculate the parcel's proportional special benefit similar to how the Public School site parcel is treated. Each such parcel shall be addressed on a case-by-case basis by the Assessment Engineer and the EBU assigned to such parcels shall be based on the specific issues related to that parcel and its proportional special benefit compared to other properties that receive special benefits from the improvements.

Exempt Properties -- Within most districts, there are lots or parcels of land that do not receive a special benefit from the improvements provided (exempt from assessment), which may include, but is not limited to public streets and other roadways (typically not assigned an APN by the County); dedicated public easements, public rights-of-way, or utility rights-of-way; common areas, bifurcated lots; sliver parcels or any other parcel that has little or no assessed value and cannot be developed independently; parcels that are part of the improvements being maintained by the District or that the City has determined that the parcel cannot be developed. These types of parcels are considered to receive no special benefit from the improvements and are therefore exempted from assessment and are assigned 0.00 EBU.

A summary of the applied Equivalent Benefit Units (EBUs) for the various land use classifications within the District is shown in the following table:

Assessment Land Use	Equivalent Benefit Unit Formula
Single Family Residential	1.00 EBU per Unit
Multi-Family Residential	0.80 EBU per Unit
Developed Non-Residential	5.00 EBU per Acre
Public School Property	5.00 EBU per Adjusted Acreage
Planned Residential Development	0.50 EBU per Unit
Planned Non-Residential Development	2.50 EBU per Acre
Vacant Undeveloped Property	1.00 EBU per Acre (Maximum of 5 Acres)
Undeveloped Residential Property	1.00 EBU per Acre
Undeveloped Non-Residential	1.00 EBU per Acre
Exempt	- EBU per Acre
Special Case	1.00 EBU per Acre

Equivalent Benefit Unit Summary

The following is a summary of the Equivalent Benefit Units applicable to the various land use classifications identified in each District Zone or Sub-Zone:

Zone A

Assessment Land Use	Total Parcels	Units	Applied Acreage	Equivalent Benefit Units (EBU)
Vacant Undeveloped Property	1	-	4.64	4.64
Undeveloped Non-Residential	2	-	16.85	16.85
Exempt	1	-	1.77	-
Totals	4	-	23.26	21.49

Sub-Zone B1

Assessment Land Use	Total Parcels	Units	Applied Acreage	Equivalent Benefit Units (EBU)
Single Family Residential	152	152	-	152.00
Exempt	7	-	1.94	-
Totals	159	152	1.94	152.00

Sub-Zone B2

Assessment Land Use	Total Parcels	Units	Applied Acreage	Equivalent Benefit Units (EBU)
Vacant Undeveloped Property	1	-	4.79	4.79
Undeveloped Residential Property	2	-	43.88	43.88
Exempt	2	-	12.91	-
Totals	5	-	61.58	48.67

Sub-Zone B3

Assessment Land Use	Total Parcels	Units	Applied Acreage	Equivalent Benefit Units (EBU)
Vacant Undeveloped Property	1	-	5.00	5.00
Exempt	2	-	9.58	-
Totals	3	-	14.58	5.00

Part III – Estimate of Costs

Calculation of Assessments

An assessment amount per Equivalent Benefit Unit (Assessment per EBU) is calculated by:

Taking the “Total Annual Expenses” (Total budgeted costs) and subtracting the “Total General Benefit Expenses” (Landscaping General Benefit Expenses and/or Lighting General Benefit Expenses), to establish the “Total Special Benefit Expenses”;

$$\text{Total Annual Expenses} - \text{General Benefit Expenses} = \text{Special Benefit Expenses}$$

To the resulting “Special Benefit Expenses”, various “Funding Adjustments” may be applied that may include, but are not limited to:

- “Reserve Fund Transfer/Deduction”, represents an amount of available existing funds from the “Operational Reserve Fund Balances” being applied to pay a portion of the Special Benefit Expenses for the fiscal year.
- “Additional City Funding”, represents an adjustment that is typically used to address any funding gap between the amount budgeted to provide the improvements and services (“Special Benefit Expenses”); and the amount that will be collected through the assessments. This funding may be addressed by an additional City contribution or loan from the City which is intended to be recovered in future fiscal years.

These adjustments to the Special Benefit Expenses result in the net special benefit amount to be assessed “Balance to Levy”;

$$\text{Special Benefit Expenses} - \text{Funding Adjustments} = \text{Balance to Levy}$$

The amount identified as the “Balance to Levy” is divided by the total number of EBUs of parcels that receive special benefit to establish the Assessment Rate (“Assessment Per EBU”). This Assessment Rate is then applied back to each parcel’s individual EBU to calculate the parcel’s proportionate special benefit and assessment amount for the improvements.

$$\text{Balance to Levy} / \text{Total EBU} = \text{Assessment Per EBU (Assessment Rate)}$$

$$\text{Assessment Per EBU} \times \text{Parcel EBU} = \text{Parcel Assessment Amount}$$

Note: The maximum assessments and proposed assessments for fiscal year 2018/2019 outlined in this Report are intended to fully support the expenses identified as “Special Benefit Expenses”. Consequently, there are no “Funding Adjustments” reflected in the budgets the “Balance to Levy” is equal to the total “Special Benefit Expenses”.

Zone Budgets and Assessments

The zone budgets and assessments outlined on the following page for the District are based on the City's estimate of the expenses and related funding necessary for the operation, maintenance and servicing of the District improvements identified in Part I of this Report for Zone A and Zone B for fiscal year 2018/2019.

The Maximum Assessment per EBU (Maximum Assessment Rates) for Zone A and Zone B (Sub-Zones B1, B2, and B3) represents the calculated authorized maximum assessment rates for Fiscal Year 2018/2019 based on the assessment rates presented to the property owners of record within the District as part of the Ballot Proceeding in fiscal year 2017/2018 adjusted by the authorized Assessment Range Formula of 3.5% per year. Reference is hereby made to the Assessment Range Formula described after the budget.

Refer to the Assessment Roll included herein as Part V for the individual assessment amounts proposed to be levied and collected for each parcel in Fiscal Year 2018/2019.

Zone Budgets & Assessments, Fiscal Year 2018/2019

BUDGET ITEMS	Zone A	Zone B Sub-Zone B1	Zone B Sub-Zone B2	Zone B Sub-Zone B3	TOTAL BUDGET Assessment Fiscal Year 2018/2019
ANNUAL OPERATION & MAINTENANCE EXPENSES					
Annual Lighting Operation & Maintenance Expenses	\$ 397	\$ 6,956	\$ 674	\$ 69	\$ 8,097
Landscape & Park Maintenance	\$ -	\$ 15,612	\$ 2,139	\$ 220	\$ 17,971
Tree Maintenance	-	1,144	214	27	1,385
Irrigation (Water, Electricity, Maintenance & Repair)	-	10,288	1,392	143	11,824
Appurtenant Improvements or Services	1	565	13	1	580
Annual Landscaping Operation & Maintenance Expenses	1	27,611	3,768	391	31,760
TOTAL ANNUAL OPERATION & MAINTENANCE EXPENSES	\$ 398	\$ 34,567	\$ 4,432	\$ 460	\$ 39,857
REHABILITATION/RENOVATION FUNDING & CAPITAL EXPENDITURES					
Lighting Rehabilitation/Renovation Funding	\$ 40	\$ 696	\$ 67	\$ 7	\$ 810
Landscape Improvement Rehabilitation/Renovation Funding	-	4,552	673	74	5,299
Planned Capital Expenditures (For Fiscal Year)	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REHABILITATION/RENOVATION FUNDING & CAPITAL EXPENDITURES	\$ 40	\$ 5,248	\$ 740	\$ 81	\$ 6,108
INCIDENTAL EXPENSES					
Operational Reserves (Collection)	\$ 31	\$ 2,874	\$ 370	\$ 39	\$ 3,313
District Administration Expenses	\$ 238	\$ 22,381	\$ 2,879	\$ 301	\$ 25,800
County Administration Fee	9	815	105	11	939
Annual Administration Expenses	247	23,196	2,984	312	26,739
TOTAL INCIDENTAL EXPENSES	\$ 277	\$ 26,070	\$ 3,354	\$ 351	\$ 30,052
TOTAL ANNUAL EXPENSES	\$ 715	\$ 65,885	\$ 8,526	\$ 891	\$ 76,017
GENERAL BENEFIT EXPENSES					
Lighting General Benefit — City Funded	\$ (30)	\$ (211)	\$ (67)	\$ (7)	\$ (315)
Landscaping General Benefit — City Funded	-	(1,286)	(175)	(18)	(1,479)
TOTAL GENERAL BENEFIT EXPENSES	\$ (30)	\$ (1,497)	\$ (243)	\$ (25)	\$ (1,794)
TOTAL SPECIAL BENEFIT EXPENSES	\$ 685	\$ 64,388	\$ 8,283	\$ 866	\$ 74,223
FUNDING ADJUSTMENTS					
Reserve Fund Transfer/Deduction	\$ -	\$ -	\$ -	\$ -	\$ -
Additional City Funding	-	-	-	-	-
TOTAL FUNDING ADJUSTMENTS / CONTRIBUTIONS	\$ -	\$ -	\$ -	\$ -	\$ -
BALANCE TO LEVY	\$ 685	\$ 64,388	\$ 8,283	\$ 866	\$ 74,223
DISTRICT STATISTICS					
Total Parcels	4	159	5	3	171
Assessed Parcels	3	152	3	1	159
Equivalent Benefit Units (EBU)	21.49	152.00	48.67	5.00	227.16
Assessment Per EBU	\$31.88	\$423.62	\$170.20	\$173.30	
Maximum Assessment Rate Per EBU	\$40.37	\$615.83	\$615.83	\$615.83	
FUND BALANCE					
Estimated Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Operational Reserve & Rehabilitation Funding Collected	70	8,122	1,110	119	9,421
Estimated Ending Fund Balance	\$ 70	\$ 8,122	\$ 1,110	\$ 119	\$ 9,421

Assessment Range Formula

Any new or increased assessment requires certain noticing and meeting requirements by law. The Brown Act defines the terms "new or increased assessment" to exclude certain conditions. These certain conditions included "any assessment that does not exceed an assessment formula or range of assessments previously adopted by the agency or approved by the voters in the area where the assessment is imposed."

Recognizing that the cost of maintaining the improvements will increase over time due to inflation, the maximum assessments (initial maximum assessment amounts and maximum assessment rates established in fiscal year 2017/2018) for Zone A and Zone B, shall include a fixed 3.5% annual inflationary adjustment (Assessment Range Formula). This 3.5% annual adjustment provides for reasonable increases and inflationary adjustment to the initial maximum assessment rates to be approved by the property owners as part of the protest ballot proceeding conducted in connection with the formation of the District.

The adoption of the maximum assessment rates and the Assessment Range Formula described herein does not mean that the annual assessments will necessarily increase each fiscal year nor does it absolutely restrict the assessments to the adjustment maximum assessment amount. Although the maximum assessment rates that may be levied shall be adjusted (inflated) by 3.5% each year, the actual amount to be assessed will be based on the Balance to Levy for that fiscal year. If the calculated assessment is less than the adjusted maximum assessment, then the calculated assessment may be approved by the City Council for collection. If the calculated assessment (based on the proposed budget) is greater than the adjusted maximum assessment for that fiscal year, then the assessment would be considered an increased assessment and would require property owner approval through a protest ballot proceeding before imposing such an increase. Otherwise, it would be necessary to reduce the budget or provide a contribution from the City to reduce the Balance to Levy (amount to be assessed) to an amount that can be supported by an assessment rate less than or equal to the maximum assessment rate authorized for that fiscal year.

The Assessment Range Formula (3.5% annual adjustment) shall be applied to the maximum assessment rates for Zone A and Zone B identified in the District Budgets Establishing Maximum Assessments as presented in this Report, commencing in fiscal year 2018/2019 and all subsequent fiscal years unless the City Council formally suspends its application.

Part IV — District Diagrams

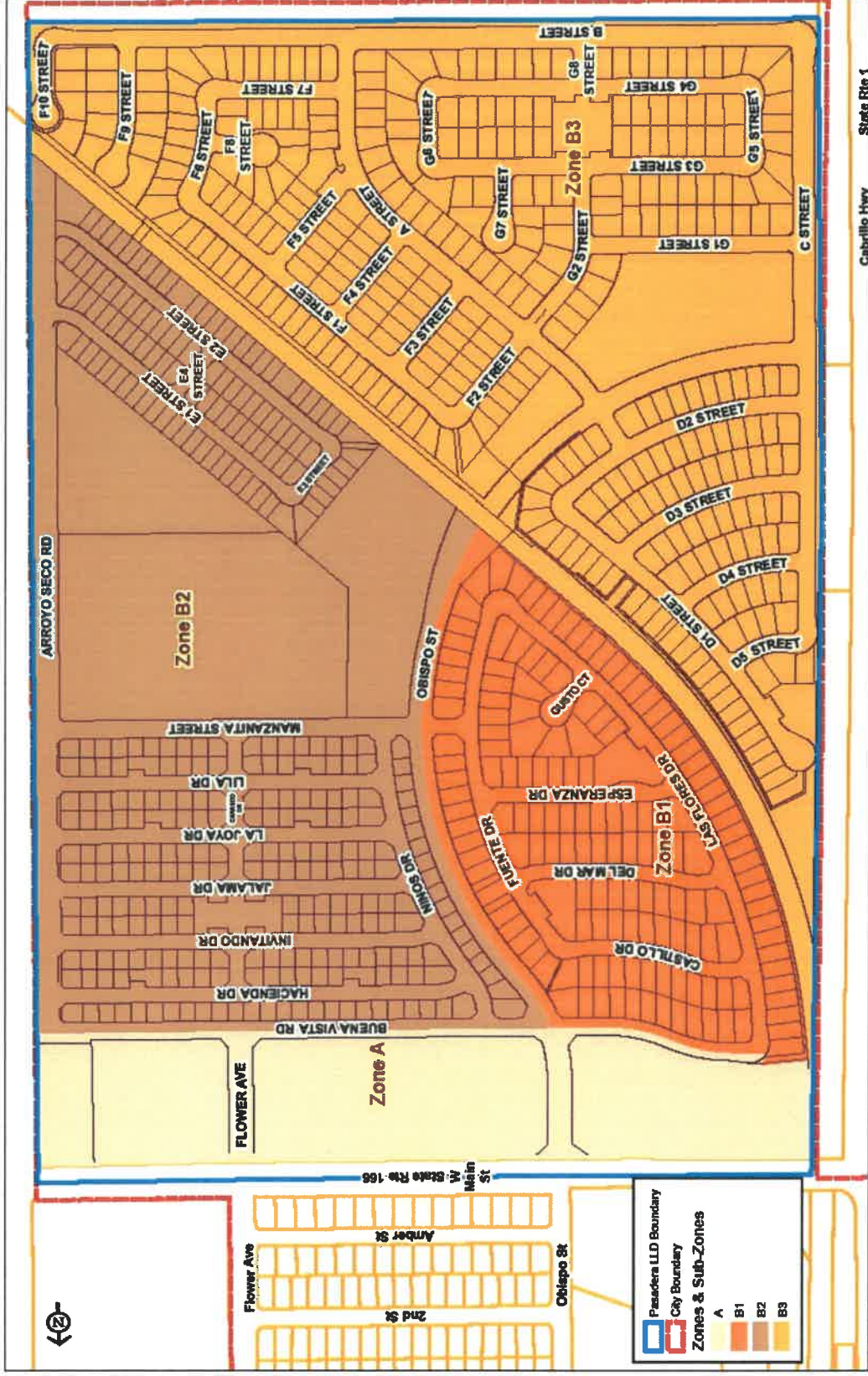
The lots and parcels of land within the Pasadera Landscaping and Lighting District consist of the lots and parcels within the planned non-residential and residential development area identified in the DJ Farms Specific Plan and commonly referred to as the Pasadera development located on the south side of Main Street near Obispo Street and Flower Avenue.

The District Diagrams provided on the following pages provides a visual depiction of the boundaries of the District and the applicable Zones and Sub-Zones established therein and applicable for fiscal year 2018/2019. These diagrams also provide a visual depiction of the location and extent of the improvements to be maintained within the District at build-out. The combination of these Diagrams and the Assessment Roll contained in Part V of this Report constitutes the Assessment Diagram for this District and encompasses all the lots, parcels and subdivisions of land that receive or will receive a special benefit from the improvements to be provided in the District at the time this Report was prepared.

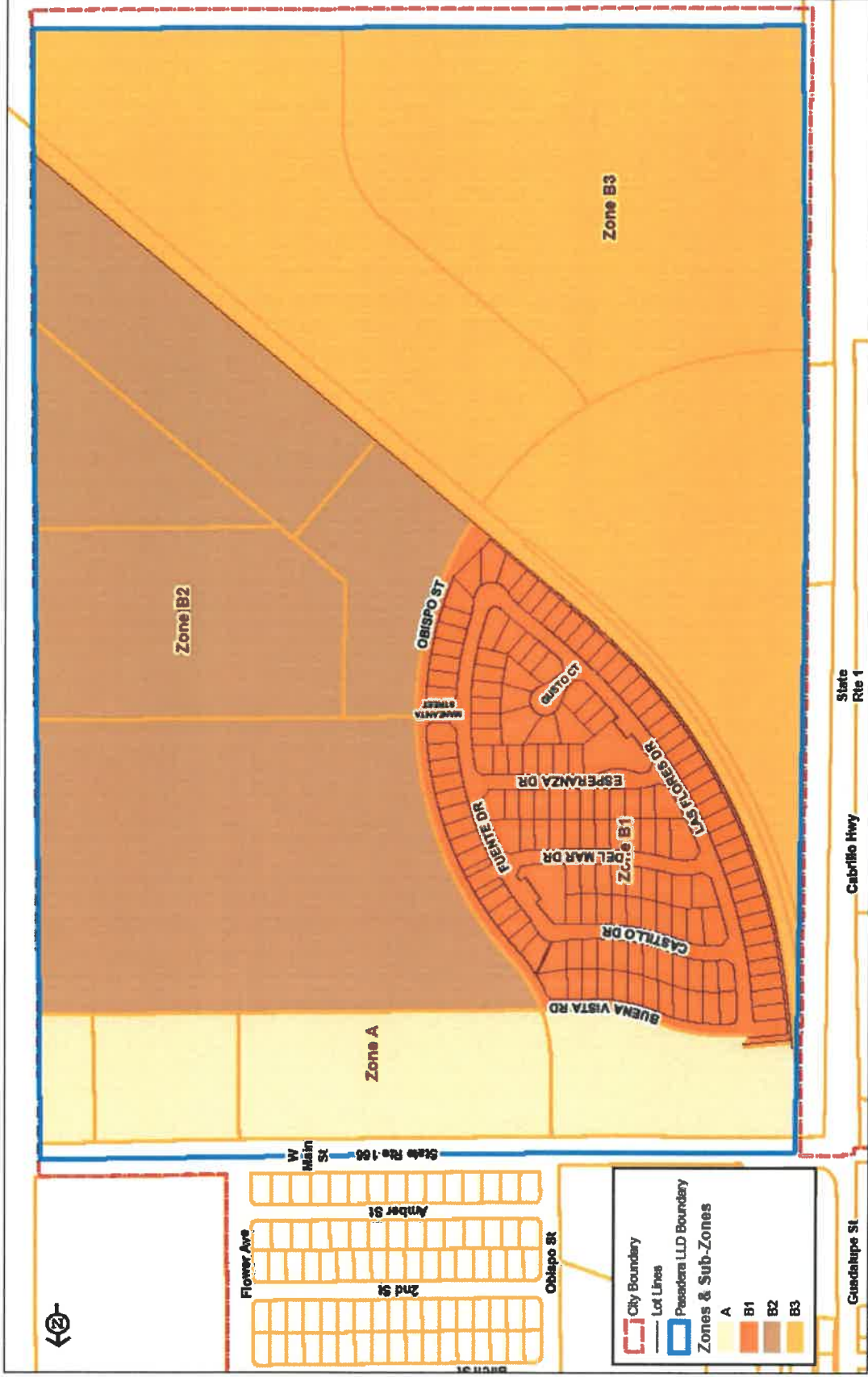
The lines and dimensions of each lot, parcel, and subdivision of land contained in these diagrams are inclusive of the parcels listed in "Part V – Assessment Roll" of this Report as they existed at the time this Report was prepared and shall include all subsequent subdivisions, lot-line adjustments, or parcel changes therein.

Reference is hereby made to the Santa Barbara County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each parcel within the Pasadera Landscaping and Lighting District including all subsequent subdivisions, lot-line adjustments, or parcel changes therein.

District Boundary Diagram - Planned Development



District Boundary Diagram – Current Parcels



District Diagram – Planned Improvements and Development



Part V — Assessment Roll

Parcel identification for each lot or parcel within the District represent the parcels as shown on the Santa Barbara County Secured Roll and reflective of the Assessor's Parcel Maps at the time this Report was prepared and shall incorporate all subsequent parcel changes, lot-line adjustments, and subdivisions of land identified by the Santa Barbara County Assessor's Office. A listing of the lots and parcels to be assessed within the District along with the assessment amounts proposed Fiscal Year 2018/2019 ("FY 2018/2019 Assessment") is provided below.

Assessor's Parcel Number	Zone or Sub-Zone	Land Use	Applied EBU	FY 2018/2019 Assessment
113-010-025	B3	Exempt	0.00	\$ -
113-010-037	B3	Exempt	0.00	\$ -
113-080-018	B3	Vacant Undeveloped Property	5.00	\$ 866.50
113-450-001	A	Undeveloped Non-Residential	6.92	\$ 220.61
113-450-002	A	Undeveloped Non-Residential	9.93	\$ 316.57
113-450-003	A	Vacant Undeveloped Property	4.64	\$ 147.92
113-450-004	B2	Undeveloped Residential Property	31.25	\$ 5,318.75
113-450-006	B2	Exempt	0.00	\$ -
113-450-007	B2	Vacant Undeveloped Property	4.79	\$ 815.26
113-450-008	B2	Exempt	0.00	\$ -
113-450-009	B2	Undeveloped Residential Property	12.63	\$ 2,149.63
113-450-010	A	Exempt	0.00	\$ -
113-460-001	B1	Single Family Residential	1.00	\$ 423.62
113-460-002	B1	Single Family Residential	1.00	\$ 423.62
113-460-003	B1	Single Family Residential	1.00	\$ 423.62
113-460-004	B1	Single Family Residential	1.00	\$ 423.62
113-460-005	B1	Single Family Residential	1.00	\$ 423.62
113-460-006	B1	Single Family Residential	1.00	\$ 423.62
113-460-007	B1	Single Family Residential	1.00	\$ 423.62
113-460-008	B1	Single Family Residential	1.00	\$ 423.62
113-460-009	B1	Single Family Residential	1.00	\$ 423.62
113-460-010	B1	Single Family Residential	1.00	\$ 423.62
113-460-011	B1	Single Family Residential	1.00	\$ 423.62
113-460-012	B1	Single Family Residential	1.00	\$ 423.62
113-460-013	B1	Single Family Residential	1.00	\$ 423.62
113-460-014	B1	Single Family Residential	1.00	\$ 423.62
113-460-015	B1	Single Family Residential	1.00	\$ 423.62
113-460-016	B1	Single Family Residential	1.00	\$ 423.62
113-460-017	B1	Single Family Residential	1.00	\$ 423.62

Assessor's Parcel Number	Zone or Sub-Zone	Land Use	Applied EBU	FY 2018/2019 Assessment
113-460-018	B1	Single Family Residential	1.00	\$ 423.62
113-460-019	B1	Single Family Residential	1.00	\$ 423.62
113-460-020	B1	Single Family Residential	1.00	\$ 423.62
113-460-021	B1	Single Family Residential	1.00	\$ 423.62
113-460-022	B1	Single Family Residential	1.00	\$ 423.62
113-460-023	B1	Single Family Residential	1.00	\$ 423.62
113-460-024	B1	Single Family Residential	1.00	\$ 423.62
113-460-025	B1	Single Family Residential	1.00	\$ 423.62
113-460-026	B1	Single Family Residential	1.00	\$ 423.62
113-460-027	B1	Single Family Residential	1.00	\$ 423.62
113-460-028	B1	Single Family Residential	1.00	\$ 423.62
113-460-029	B1	Single Family Residential	1.00	\$ 423.62
113-460-030	B1	Single Family Residential	1.00	\$ 423.62
113-460-031	B1	Single Family Residential	1.00	\$ 423.62
113-460-032	B1	Single Family Residential	1.00	\$ 423.62
113-460-033	B1	Single Family Residential	1.00	\$ 423.62
113-460-034	B1	Single Family Residential	1.00	\$ 423.62
113-460-035	B1	Single Family Residential	1.00	\$ 423.62
113-460-036	B1	Single Family Residential	1.00	\$ 423.62
113-460-037	B1	Single Family Residential	1.00	\$ 423.62
113-460-038	B1	Single Family Residential	1.00	\$ 423.62
113-460-039	B1	Single Family Residential	1.00	\$ 423.62
113-460-040	B1	Single Family Residential	1.00	\$ 423.62
113-460-041	B1	Single Family Residential	1.00	\$ 423.62
113-460-042	B1	Single Family Residential	1.00	\$ 423.62
113-460-043	B1	Single Family Residential	1.00	\$ 423.62
113-460-044	B1	Single Family Residential	1.00	\$ 423.62
113-460-045	B1	Single Family Residential	1.00	\$ 423.62
113-460-046	B1	Single Family Residential	1.00	\$ 423.62
113-460-047	B1	Single Family Residential	1.00	\$ 423.62
113-460-048	B1	Single Family Residential	1.00	\$ 423.62
113-460-049	B1	Single Family Residential	1.00	\$ 423.62
113-460-050	B1	Single Family Residential	1.00	\$ 423.62
113-460-051	B1	Single Family Residential	1.00	\$ 423.62
113-460-052	B1	Single Family Residential	1.00	\$ 423.62
113-460-053	B1	Single Family Residential	1.00	\$ 423.62

Assessor's Parcel Number	Zone or Sub-Zone	Land Use	Applied EBU	FY 2018/2019 Assessment
113-460-054	B1	Single Family Residential	1.00	\$ 423.62
113-460-055	B1	Single Family Residential	1.00	\$ 423.62
113-460-056	B1	Exempt	0.00	\$ -
113-460-057	B1	Exempt	0.00	\$ -
113-470-001	B1	Single Family Residential	1.00	\$ 423.62
113-470-002	B1	Single Family Residential	1.00	\$ 423.62
113-470-003	B1	Single Family Residential	1.00	\$ 423.62
113-470-004	B1	Single Family Residential	1.00	\$ 423.62
113-470-005	B1	Single Family Residential	1.00	\$ 423.62
113-470-006	B1	Single Family Residential	1.00	\$ 423.62
113-470-007	B1	Single Family Residential	1.00	\$ 423.62
113-470-008	B1	Single Family Residential	1.00	\$ 423.62
113-470-009	B1	Single Family Residential	1.00	\$ 423.62
113-470-010	B1	Single Family Residential	1.00	\$ 423.62
113-470-011	B1	Single Family Residential	1.00	\$ 423.62
113-470-012	B1	Single Family Residential	1.00	\$ 423.62
113-470-013	B1	Single Family Residential	1.00	\$ 423.62
113-470-014	B1	Single Family Residential	1.00	\$ 423.62
113-470-015	B1	Single Family Residential	1.00	\$ 423.62
113-470-016	B1	Single Family Residential	1.00	\$ 423.62
113-470-017	B1	Single Family Residential	1.00	\$ 423.62
113-470-018	B1	Single Family Residential	1.00	\$ 423.62
113-470-019	B1	Single Family Residential	1.00	\$ 423.62
113-470-020	B1	Single Family Residential	1.00	\$ 423.62
113-470-021	B1	Single Family Residential	1.00	\$ 423.62
113-470-022	B1	Exempt	0.00	\$ -
113-470-023	B1	Exempt	0.00	\$ -
113-470-024	B1	Single Family Residential	1.00	\$ 423.62
113-470-025	B1	Single Family Residential	1.00	\$ 423.62
113-470-026	B1	Single Family Residential	1.00	\$ 423.62
113-470-027	B1	Single Family Residential	1.00	\$ 423.62
113-470-028	B1	Single Family Residential	1.00	\$ 423.62
113-470-029	B1	Single Family Residential	1.00	\$ 423.62
113-470-030	B1	Single Family Residential	1.00	\$ 423.62
113-470-031	B1	Single Family Residential	1.00	\$ 423.62
113-470-032	B1	Single Family Residential	1.00	\$ 423.62

Assessor's Parcel Number	Zone or Sub-Zone	Land Use	Applied EBU		FY 2018/2019 Assessment
113-470-033	B1	Single Family Residential	1.00	\$	423.62
113-470-034	B1	Single Family Residential	1.00	\$	423.62
113-470-035	B1	Single Family Residential	1.00	\$	423.62
113-470-036	B1	Single Family Residential	1.00	\$	423.62
113-470-037	B1	Single Family Residential	1.00	\$	423.62
113-470-038	B1	Single Family Residential	1.00	\$	423.62
113-470-039	B1	Single Family Residential	1.00	\$	423.62
113-470-040	B1	Single Family Residential	1.00	\$	423.62
113-470-041	B1	Single Family Residential	1.00	\$	423.62
113-470-042	B1	Single Family Residential	1.00	\$	423.62
113-470-043	B1	Single Family Residential	1.00	\$	423.62
113-470-044	B1	Single Family Residential	1.00	\$	423.62
113-470-045	B1	Single Family Residential	1.00	\$	423.62
113-470-046	B1	Single Family Residential	1.00	\$	423.62
113-470-047	B1	Single Family Residential	1.00	\$	423.62
113-470-048	B1	Single Family Residential	1.00	\$	423.62
113-470-049	B1	Single Family Residential	1.00	\$	423.62
113-470-050	B1	Single Family Residential	1.00	\$	423.62
113-470-051	B1	Single Family Residential	1.00	\$	423.62
113-470-052	B1	Single Family Residential	1.00	\$	423.62
113-470-053	B1	Single Family Residential	1.00	\$	423.62
113-470-054	B1	Single Family Residential	1.00	\$	423.62
113-470-055	B1	Single Family Residential	1.00	\$	423.62
113-470-056	B1	Single Family Residential	1.00	\$	423.62
113-470-057	B1	Single Family Residential	1.00	\$	423.62
113-470-058	B1	Single Family Residential	1.00	\$	423.62
113-470-059	B1	Single Family Residential	1.00	\$	423.62
113-470-060	B1	Exempt	0.00	\$	-
113-470-061	B1	Exempt	0.00	\$	-
113-480-001	B1	Single Family Residential	1.00	\$	423.62
113-480-002	B1	Single Family Residential	1.00	\$	423.62
113-480-003	B1	Single Family Residential	1.00	\$	423.62
113-480-004	B1	Single Family Residential	1.00	\$	423.62
113-480-005	B1	Single Family Residential	1.00	\$	423.62
113-480-006	B1	Single Family Residential	1.00	\$	423.62
113-480-007	B1	Single Family Residential	1.00	\$	423.62

Assessor's Parcel Number	Zone or Sub-Zone	Land Use	Applied EBU	FY 2018/2019 Assessment
113-480-008	B1	Single Family Residential	1.00	\$ 423.62
113-480-009	B1	Single Family Residential	1.00	\$ 423.62
113-480-010	B1	Single Family Residential	1.00	\$ 423.62
113-480-011	B1	Single Family Residential	1.00	\$ 423.62
113-480-012	B1	Single Family Residential	1.00	\$ 423.62
113-480-013	B1	Single Family Residential	1.00	\$ 423.62
113-480-014	B1	Single Family Residential	1.00	\$ 423.62
113-480-015	B1	Single Family Residential	1.00	\$ 423.62
113-480-016	B1	Single Family Residential	1.00	\$ 423.62
113-480-017	B1	Single Family Residential	1.00	\$ 423.62
113-480-018	B1	Single Family Residential	1.00	\$ 423.62
113-480-019	B1	Single Family Residential	1.00	\$ 423.62
113-480-020	B1	Single Family Residential	1.00	\$ 423.62
113-480-021	B1	Single Family Residential	1.00	\$ 423.62
113-480-022	B1	Single Family Residential	1.00	\$ 423.62
113-480-023	B1	Single Family Residential	1.00	\$ 423.62
113-480-024	B1	Single Family Residential	1.00	\$ 423.62
113-480-025	B1	Single Family Residential	1.00	\$ 423.62
113-480-026	B1	Single Family Residential	1.00	\$ 423.62
113-480-027	B1	Single Family Residential	1.00	\$ 423.62
113-480-028	B1	Single Family Residential	1.00	\$ 423.62
113-480-029	B1	Single Family Residential	1.00	\$ 423.62
113-480-030	B1	Single Family Residential	1.00	\$ 423.62
113-480-031	B1	Single Family Residential	1.00	\$ 423.62
113-480-032	B1	Single Family Residential	1.00	\$ 423.62
113-480-033	B1	Single Family Residential	1.00	\$ 423.62
113-480-034	B1	Single Family Residential	1.00	\$ 423.62
113-480-035	B1	Single Family Residential	1.00	\$ 423.62
113-480-036	B1	Single Family Residential	1.00	\$ 423.62
113-480-037	B1	Single Family Residential	1.00	\$ 423.62
113-480-038	B1	Single Family Residential	1.00	\$ 423.62
113-480-039	B1	Single Family Residential	1.00	\$ 423.62
113-480-040	B1	Single Family Residential	1.00	\$ 423.62
113-480-041	B1	Exempt	0.00	\$ -
Totals			227.16	\$74,225.48

10a.

REPORT TO THE CITY COUNCIL
Council Agenda July 10, 2018



PREPARED BY:
Larry Appel, Contract City Planner



APPROVED BY:
Cruz Ramos, City Administrator

SUBJECT: Public Hearing to consider extension of an Interim Urgency Ordinance No. 2018-472 prohibiting the processing of Accessory Dwelling Units, and conduct the second reading of Ordinance No. 2018-473 to repeal and replace Chapter 18.53 of the Guadalupe Municipal Code.

EXECUTIVE SUMMARY:

On January 1, 2017, the State of California codified SB 1069 (Wieckowski) by amending Government Code Section 65852.2, regulating the establishment of accessory dwelling units. The City of Guadalupe had previously adopted a Secondary Housing Unit ordinance as Chapter 18.53 of the Municipal Code. The second reading of the new ordinance was approved on September 27, 2016 and went into effect thirty days later. This ordinance was technically short lived because the amended Sec. 65852.2 stated that any second unit ordinance was null and void if it did not incorporate the amended sections from SB 1069. The amendments presented herein bring the City's ordinance into full compliance with the State regulations. Should the City Council adopt the second reading, then the ordinance would go into effect on August 9, 2018, at which time the urgency ordinance would be deemed repealed and be of no further legal effect.

RECOMMENDATION:

It is recommended that the City Council:

- 1) Receive a presentation from staff; and
- 2) Conduct a public hearing;
- 3) Adopt Ordinance No. 2018-474 to extend the temporary moratorium of Interim Urgency Ordinance No. 2018-472 for an additional 10 months and 15 days; and
- 4) Adopt Ordinance No. 2018-473 on second reading to regulate the processing of Accessory Dwelling Units within the City.

DISCUSSION:

Interim Urgency Ordinance: On June 10, 2018, the City Council placed an immediate, temporary ban on the processing of all applications for ADUs when it adopted Ordinance No.

2018-472 as an interim urgency ordinance. An interim urgency ordinance expires after 45 days, but Government Code §65858 authorizes an interim urgency ordinance to be extended for ten months and fifteen days upon a 4/5ths vote of the City Council.

Replaced Ordinance - At the same meeting, the City Council also introduced Ordinance No. 2018-473, which is a regular ordinance that will regulate the processing of applications for ADU's consistently with State law. Since this ordinance cannot take legal effect until 30 days after the second reading of the ordinance, the interim urgency ordinance will need to be extended to avoid the possibility that the City would have to process and approve an application for an ADU that would not require an owner to reside onsite.

It has been the intent over the years for the State to relax development standards for accessory dwelling units in order to provide more housing for residents of the State. Section 4 of SB 1069 states, "*Accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods.*" With each change by the State, local agencies have less authority to evaluate and permit the ADUs. Although the City had adopted a Secondary Housing Units Ordinance in the past, in part, to address the same concerns the State has concerning housing, the City's ordinance did not comply with recent changes in State law concerning ADU's, and therefore, the City prepared Ordinance No. 2018-473 concerning these accessory dwelling units to be consistent with State law,. The Council introduced this ordinance at the June 10, 2018 meeting, and is now asked to conduct the second reading of this ordinance.

ENVIRONMENTAL REVIEW:

These ordinances have been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA Guidelines, and have been found to be exempt pursuant to Section 15306 of the CEQA Guidelines (information collection) because they does not have the potential to create a physical environmental effect.

FISCAL IMPACT:

Minor reduction in revenues due to the ordinance's prevention of a local agency from assessing planning processing fees and the collection of connection fees for utilities. The City has processed very few applications in the past (one each in 2016 and 2018) so the revenue loss would appear to be minimal.

PUBLIC NOTICE:

Staff published the required display ad in a newspaper of general circulation on or before May 29, 2018.

ATTACHMENTS:

1. Report Pursuant to Government Code Section 65858(d) as prerequisite to Extension of Urgency Ordinance No. 2018-472
2. Ordinance No. 2018-474, interim urgency ordinance extension
3. Ordinance No. 2018-473

ATTACHMENT 1

**SUBJECT: REPORT PURSUANT TO GOVERNMENT CODE SECTION 65858(d)
AS PREREQUISITE TO EXTENSION OF URGENCY ORDINANCE
NO. 2018-472**

EXECUTIVE SUMMARY:

On June 12, 2018, the City Council adopted Ordinance No. 2018-472, finding there to be a current and immediate threat to the health, safety, and welfare of City residents arising from the processing of Accessory Dwelling Units (ADU) without the ability to require a property owner to live onsite. Without action by the City Council, Ordinance No. 2018-472 will expire forty-five (45) days following its passage, which will occur on July 27, 2018. A regular ordinance amending Chapter 18 of the Guadalupe Municipal Code, Ordinance No. 2018-473, to regulate the processing of ADUs was introduced on a first reading on June 12, 2018 but will not take effect before the urgency ordinance expires, unless it is extended. Government Code §65858(a) authorizes the City Council to extend the urgency ordinance for a period of ten (10) months and fifteen (15) days, following public notice and a hearing. Extension of the urgency ordinance requires issuance of this report describing the measures taken to alleviate the condition which lead to the adoption of the ordinance (Government Code §65858(d)).

RECOMMENDATION:

It is recommended that the City Council receive and accept this report pursuant to Government Code section 65858(d).

REPORT:

On June 12, 2018, the City Council placed an immediate ban on the processing of all applications for ADUs to allow City staff to complete preparation of an ordinance that would be consistent with new State regulations, but still require a condition for the owner to live onsite (as permitted by State law). Without this provision in the ordinance, ADUs where the property owner does not reside onsite could be developed throughout the town and irreparably change the character of single family neighborhoods, rendering them into overcrowded neighborhoods of *de facto* duplexes

Government Code §65858 authorizes the City Council to extend the interim urgency ordinance for ten (10) months and fifteen (15) days to preserve public health, safety, or welfare. Unless the City Council extends the urgency ordinance, it will expire on July 27, 2018.

At the same meeting where the City Council adopted the urgency ordinance on June 12, 2018, the Council also introduced Ordinance No 2018-473 on first reading. This ordinance is a regular ordinance that will repeal and replace Chapter 18.53 of the Guadalupe Municipal Code concerning Secondary Housing Units (which is not consistent with current State law) and which will address the potential threat to public health, safety, and welfare posed by processing ADUs without the ability to require the owner to live onsite. The second reading of this ordinance is scheduled for the Council's July 10, 2018 meeting. The ordinance requires an additional thirty (30) days to go into effect which is after the urgency ordinance, if extended, will be deemed repealed and be of no further legal effect. Unless the urgency ordinance is extended, there will be a gap before the proposed regular ordinance can take effect, which could result in approvals of ADUs where no owner is required to live onsite.

CONCLUSION:

The proposed regular ordinance, Ordinance No. 2018-473, concerning regulations for processing ADUs will be presented to the City Council for its second reading at the July 10, 2018 meeting, which will take effect on August 9, 2018, at which time the temporary moratorium will be lifted and permits for processing ADUs can be issued pursuant to the standards set forth in the regular ordinance.

ORDINANCE NO. 2018-474

**AN INTERIM URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
GUADALUPE, CALIFORNIA, EXTENDING A TEMPORARY MORATORIUM
PROHIBITING THE ISSUANCE OF ANY PERMITS FOR ACCESSORY DWELLING
UNITS IN THE CITY OF GUADALUPE**

WHEREAS, the State Planning and Zoning Law authorizes the legislative body of a city or county to regulate, among other things, the intensity of land use, and also authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multi-family residential zones, as specified. That law makes findings and declarations with respect to the value of accessory dwelling units to California's housing supply; and

WHEREAS, California faces a severe housing crisis and accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods; and

WHEREAS, accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character; and

WHEREAS, Government Code Section 65852.2 (a)(1)(D)(xi)(4) states that a local agency's ordinance, if not in compliance with the State's provisions shall be deemed null and void. As such, the City's previously enacted Secondary Housing Units Ordinance is no longer in effect; and

WHEREAS, the City's previously enacted Secondary Housing Units Ordinance required the property owner to reside on the property where a second unit was established; and because the City's Secondary Housing Units Ordinance is no longer in effect because of preemptive state law, this interim urgency ordinance to prevent applications for accessory dwelling units where the property owner does not intend to reside on the property and maintain the stated intention of the City Council as reflected in the Secondary Housing Units Ordinance; and

WHEREAS, Government Code §65858(b) provides that a City Council may adopt an interim urgency ordinance after public notice given pursuant to Government Code section 65090 and a public hearing which takes effect immediately if passed by a four-fifths vote of the Council, but which expires within forty-five (45) days of its issuance, unless extended; and

WHEREAS, after public notice pursuant to Government Code section 65090 was given on May 27, 2018, the City Council made findings on June 10, 2018, that there was a current and immediate threat to the health, safety, and welfare of City residents arising from the possible negative impact from development of accessory dwelling units where the owner is not required to reside in either the primary or accessory home, and placing a temporary prohibition on the processing of ADU; and

WHEREAS, the City Council adopted Ordinance 2018-472, and interim urgency ordinance prohibiting the processing of any zoning clearances or building permits for any accessory dwelling units for 45 days at its meeting on June 12, 2018, and also introduced on first reading a regular

ordinance (Ordinance No. 2018-473) regulating the processing of applications for accessory dwelling units consistently with state law; and

WHEREAS, the City Council finds that there is a current and immediate threat to the health, safety, and welfare of City residents arising from the possible negative impacts of processing accessory dwelling units for properties where the property owner does not reside or intend to reside.

NOW, THEREFORE, the City Council of the City of Guadalupe does ordain as follows:

SECTION 1. The temporary moratorium imposed pursuant to Ordinance 2018-472 on June 12, 2018 prohibiting the processing of any zoning clearances or building permits for any accessory dwelling units pursuant to Government Code Section 65852 is extended for ten (10) months and fifteen (15) days as provided by Government Code §65858.

SECTION 2. This Ordinance has been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA guidelines, and has been found to be exempt pursuant to §15306 of the CEQA Guidelines (Information Collection) because it does not have the potential to create a physical environmental effect.

SECTION 3. The City Council declares that each section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this Ordinance is severable and independent of every other section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this Ordinance. If any section, subsection, paragraph, subparagraph, sentence, clause, or phrase of this Ordinance is held invalid, the City Council declares it would have adopted the remaining provisions of this Ordinance irrespective of the portion held invalid, and further declares its express intent that the remaining portions of this Ordinance should remain in effect after the invalid portion has been eliminated.

SECTION 4. The City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the City Clerk shall consult with the City Administrator and City Attorney concerning any changes deemed necessary.

PASSED AND ADOPTED at a regular meeting of the City Council held this 10th day of July, 2018, on motion of Councilmember _____, seconded by Councilmember _____, and on the following roll call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Joice Earleen Raguz, City Clerk

John Lizalde, Mayor

APPROVED AS TO FORM:

Philip F. Sinco, City Attorney

ORDINANCE NO. 2018-473

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUADALUPE, CALIFORNIA, REPEALING CHAPTER 18.53 OF THE CITY OF GUADALUPE MUNICIPAL CODE REGARDING SECONDARY HOUSING UNITS IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 18.53 REGARDING ACCESSORY DWELLING UNITS

The City Council of the City of Guadalupe, State of California, does ordain as follows:

WHEREAS, the State Planning and Zoning Law authorizes the legislative body of a city or county to regulate, among other things, the intensity of land use, and also authorizes a local agency to provide by ordinance for the creation of accessory dwelling units in single-family and multi-family residential zones, as specified. That law makes findings and declarations with respect to the value of accessory dwelling units to California's housing supply; and

WHEREAS, California faces a severe housing crisis and accessory dwelling units provide housing for family members, students, the elderly, in-home health care providers, the disabled, and others, at below market prices within existing neighborhoods; and

WHEREAS, accessory dwelling units offer lower cost housing to meet the needs of existing and future residents within existing neighborhoods, while respecting architectural character; and

WHEREAS, Government Code Section 65852.2 (a)(1)(D)(xi)(4) states that a local agency's ordinance, if not in compliance with the State's provisions shall be deemed null and void. As such, the City's previously enacted Second Units Ordinance is no longer in effect; and

WHEREAS, the City's previously enacted Secondary Housing Units Ordinance required the property owner to reside on the property where a second unit was established; and because the City's Secondary Housing Units Ordinance is no longer in effect because of preemptive state law, this ordinance is necessary to maintain the stated intention of the City Council as reflected in the previously enacted Secondary Housing Units Ordinance; and

WHEREAS, public notice pursuant to Government Code section 65090 was given on May 29, 2018.

NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF GUADALUPE

SECTION 1. Chapter 18.53 of the Guadalupe Municipal Code regarding Secondary Housing Units is repealed in its entirety.

SECTION 2. Chapter 18.53 of the Guadalupe Municipal Code regarding Accessory Dwelling Units is hereby added to read as follows:

Chapter 18.53 ACCESSORY DWELLING UNITS

18.53.010 Purpose and intent.

The purpose of this chapter is to comply with Government Code Section 65852.2 which provides for cities to set standards for the development of accessory dwelling units (ADU) so as to increase the supply of smaller and affordable housing while ensuring that they remain compatible with the existing neighborhood. Accessory dwelling units are considered to be a residential use, consistent with the General Plan objectives and zoning regulations, and enhance housing opportunities, including near transit on single family lots. This chapter is intended to implement the City's Housing Element of the General Plan, and is adopted to comply with State law (Government Code Section 65852.2), by allowing accessory dwelling units through ministerial review in all Residential Districts, subject to meeting the standards prescribed below.

18.53.020 Regulations designated.

A. The provisions of this Chapter apply to all lots that are zoned residential (R-1, R-1 (SP), R-1-M, R-2, and R-3) and are occupied with one single family dwelling unit or vacant with approved plans for the construction of a single family dwelling unit.

B. Accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located, and are a residential use that is consistent with the existing general plan and zoning designation for the lot.

C. R-2 and R-3 zones. Property owners living in R-2 and R-3 zones with an existing single family structure on site may elect to build an accessory dwelling unit. In addition, if an R-2 or R-3 lot is vacant and the property owner proposed to construct a single family dwelling on the lot, an accessory dwelling unit may also be constructed. However, if an R-2 or R-3 lot has a single family structure with an accessory dwelling unit or approved plans issued by the Planning Department to construct a single family structure with an accessory dwelling unit, and if the property owner applies to build any additional units, each unit, including the single family structure and the accessory dwelling unit, will be subject to all zoning requirements and development standards for R-2 and/or R-3 zones.

18.53.030 Definitions.

A. An "accessory dwelling unit, (ADU)" is an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons. It includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as a primary dwelling unit is situated. An accessory dwelling unit also includes the following:

1. An efficiency unit, as defined in Section 17958.1 of Health and Safety Code
2. A manufactured home, as defined in Section 18007 of the Health and Safety Code

B. The term "existing structure," for the purposes of defining an allowable space that can be converted to an accessory dwelling unit means, within the four walls and roofline of any structure legally existing on or after January 1, 2017 that can be made safely habitable under local building codes at the determination of the building official.

D. "Living area" means the interior habitable area of a dwelling unit, including basements and attics, not including the garage or any nonhabitable accessory structure.

E. "Passageway" is a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

F. "Public transit" means a public transit corridor as defined by Health and Safety CodeSection 50093.5, which is that area within one-half mile of a route on which the level of service is at or above the average for the transit system as a whole, according to the transit operator serving the area, and on which regularly scheduled public mass transit service stops are located a, or within one-half mile of an existing or planned public mass transit guideway or busway station, or within one-half mile of a multimodal transportation terminal serving public mass transit operations.

G. "Majority owner" means the owner that holds more than an equal share of the property.

18.53.040 Application requirements

A. Application. Requests for an accessory dwelling unit shall be submitted on an application form provided by the Planning Department and shall contain the following information:

1. A plot plan (drawn to scale). Provide dimensions of the perimeter of parcel on which the accessory dwelling unit will be located. Indicate the location and dimensioned setbacks of all existing and proposed structures on the project site and structures located within 50-feet of the project site. All easements, building envelopes, and special requirements of the subdivision as shown on the final map and improvement plans shall be included.

2. Floor Plans. Each room shall be dimensioned and the resulting floor area calculation included. The use of each room shall be identified. The size and location of all windows and doors shall be clearly depicted.

3. Elevation views. Provide north, south, east and west elevations which show all openings, exterior finishes, original and finish grades, stepped footing outline, roof pitch, materials and color board for the existing residence and the proposed accessory dwelling unit.

4. Cross Section. Provide building cross sections including, but not limited to: structural wall elements, roof, foundation, fireplace and any other sections necessary to illustrate earth-to-wood clearances and floor to ceiling heights.

5. Fees. The fee for review shall be as set forth in the currently adopted fee resolution.

6. Copies. One original and five (5) copies of the application package shall be submitted for each ADU request.

Section 18.53.050 Design and development standards.

A. Accessory structures within existing space. An accessory dwelling unit within an existing structure (e.g. the primary dwelling unit, attached or detached garage or other accessory structure) shall be permitted ministerially with a zoning clearance and building permit if it:

1. Complies with building and safety codes;
2. Provides independent exterior access from the existing residence;
3. Provides sufficient side and rear setbacks for fire safety.

B. Accessory structures (attached and detached).

1. General.

a. Sale of Unit. The unit may not be sold separate from the primary dwelling unit. All conditions of the use permit, restrictive covenants, and other contractual agreements with the City apply to the property.

b. Rental of Unit. Rental of the accessory dwelling unit is allowed.

c. Owner-Occupancy. For properties in the R-1 zoning district, either the primary dwelling unit or the Accessory Dwelling Unit shall be owner-occupied as a primary dwelling unit and permanent residence by the property owner(s). Exceptions to the owner-occupied requirement may be considered on a case-by-case basis by the Zoning Administrator or designee after an administrative hearing. Upon making written findings that the purpose of the owner-occupancy requirement is met even though the property owner does not reside in either the primary residence or the Accessory Dwelling Unit, the Zoning Administrator may issue a Zoning Permit pursuant to Guadalupe Municipal Code section 18.12.010.A.

(i) If the Planning Director or designee determines that neither of the units are occupied by the property owner, and no exception has been granted in (c) above, the ministerial approval of the accessory dwelling unit shall terminate immediately and the unit shall not be rented, leased, or occupied as a separate dwelling.

(ii) For the purposes of this Chapter, the property owner is the majority owner of the property as shown in the most recent Santa Barbara County Assessor's roll. If no majority exists, any property owner of record holding an equal share interest in the property may be deemed the majority property owner.

2. Covenant Agreement. A covenant agreement is required prior to issuance of a building permit. The covenant agreement shall state that

a. The accessory dwelling unit shall not be sold separately.

(i) The unit is restricted to the approved size.

(ii) Notwithstanding (b)(1)(c.) above, the property owner is required to reside in the primary dwelling unit or the accessory dwelling unit.

(iii) The use of the accessory dwelling unit shall be in effect only so long as the property is in compliance with the provisions of this chapter.

(iv) The above declarations are binding upon any successor in ownership of the property; lack of compliance shall be cause for zoning enforcement.

(v) The covenant agreement shall terminate upon removal of the accessory dwelling unit.

(vi) The covenant agreement shall be recorded by the County Recorder for the County of Santa Barbara at the expense of the property owner.

C. Zoning District. Accessory dwelling units are only allowed on lots that are zoned for residential uses with an existing legal single-family dwelling, or in connection with a proposed single-family dwelling for a vacant lot.

1. Number of Accessory Dwelling Units. Only one accessory dwelling unit shall be allowed for each lot.

2. Unit Types. The accessory dwelling unit may be within the living area of the existing dwelling, attached to the existing dwelling, or detached from the existing dwelling and shall be located on the same lot as the existing dwelling.

3. Junior accessory dwelling units as defined by Government Code Section 62582.22 are not permitted.

4. Building Codes. Local building code requirements apply to attached and detached accessory dwelling units, as appropriate.

5. Passageway. No passageway shall be required in conjunction with the construction of an accessory dwelling unit.

6. Fire Sprinklers. Fire sprinklers are not required unless the existing residence is equipped with fire sprinklers, or unless the Fire Marshall determines that due to special circumstances sprinklers are necessary for life and safety. Fire sprinklers may be considered as mitigation for sub-standard Fire Department access or water supply.

7. Utility Meters. Accessory dwelling units shall not be considered new residential uses for the purpose of calculating utility connection fees or capacity charges, including water and sewer service. Accessory dwelling units contained within an existing residence or an existing accessory structure are not required to install new or separate utility connections, or pay a related connection fee or capacity charge. For new attached and detached accessory dwelling units, the connection fee and/or capacity charge must be proportionate to the burden of the unit on the water or sewer system based on the size or the number of plumbing fixtures.

8. Growth mitigation fees: Accessory dwelling units are required to pay any applicable growth mitigation fees in effect at the time a zoning clearance and building permit are requested.

9. Access. Two-story detached accessory dwelling units shall limit the major access to stairs, decks, entry doors, and windows to the interior of the lot or an alley, and comply with all development standards. Only one (1) curb cut shall be permitted per parcel and no additional driveways or access points shall be created to accommodate the accessory or main dwelling unit.

10. Openings. If located outside the standard side and rear yard setbacks for the district, windows which face an adjoining residential property shall be designed to protect the privacy of neighbors; alternatively, fencing or landscaping shall be required to provide screening.

11. Private Open Space. The main dwelling unit and the additional dwelling unit shall each be provided with a minimum of fifteen (15) feet by fifteen (15) feet of usable private open yard area.

12. Home Occupations. Home occupations are permitted within an accessory dwelling unit or primary dwelling unit, or both.

D. Building site.

1. Lot Size. The underlying zoning district requirements for the minimum lot size on which an accessory dwelling unit is allowed shall apply.

2. Unit Size.

a. Floor Area. The floor area of an attached accessory dwelling unit shall not exceed 50% of the existing primary dwelling unit's living area.

b. Notwithstanding (2)(a) above, no ADU shall be larger than 1,200 square feet.

c. Minimum size. The minimum total square footage of the accessory dwelling unit shall be 150 square feet.

3. Site Planning. Accessory dwelling units should be located behind or above the existing dwelling on the site, whenever possible. Designs that significantly alter the street appearance of the existing residence shall be discouraged.

4. Lot Coverage. In no case may any combination of buildings occupy more than 50% of the required rear yard for the district in which it is located, except for units which face an alley.

E. Height. A detached accessory dwelling unit shall meet the height requirements of its underlying zoning district. An attached accessory dwelling unit may occupy any level of the primary dwelling unit if it is designed as an integral part of the primary dwelling unit.

F. Setbacks.

1. Setbacks. No setback shall be required for an existing garage that is converted to an accessory dwelling unit

a. An ADU that is constructed above a garage shall be setback a minimum of five (5) feet from the side and rear lot lines.

b. Detached ADU: The side yard and rear yard setbacks for construction of detached single-story structures containing an accessory dwelling unit shall be according to the underlying zoning district.

c. Attached ADU: Attached accessory dwelling units that increase the square footage of the existing single-family dwelling shall meet the same setbacks as the primary dwelling unit in the zoning district.

2. Space between Buildings. The space required between buildings shall be what is required in the underlying zoning district.

G. Parking.

1. Parking for accessory dwelling units shall be provided at a rate of one parking space per ADU. These spaces shall be provided in conformance with Section 18.60.020.I, except that tandem parking is allowed for ADUs as stated in Government Code Section 65852.2(a)(1)(D)(x) unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional topographical or fire and life safety conditions. Notwithstanding the foregoing, tandem parking shall be permitted only if the length of the driveway is sufficient for a vehicle to be parked on the driveway without any encroachment on a sidewalk or street.

2. Parking requirements for an accessory dwelling unit are in addition to the required parking for the primary dwelling unit.

3. ADU parking is not required in the following instances:

- a. The accessory dwelling unit is located within one-half mile of public transit.
- b. The accessory dwelling unit is located within any Historic Overlay District that may be in existence at the time a zoning clearance or building permit for an ADU is requested.
- c. The accessory dwelling unit is part of the existing single family residence, or an existing accessory structure (except as provided in (4) below).

4. Replacement Parking. When a garage, carport, or covered parking structure is demolished or converted in conjunction with the construction of an accessory dwelling unit, replacement parking shall be provided in conformance with this Chapter and Chapter 18.60 (Off Street Parking). Covered parking is not required.

5. Covered Parking Design. Any newly constructed covered parking shall conform to architectural and aesthetic standards of the underlying zone.

H. Architectural and aesthetic standards and compatibility. The accessory dwelling unit's scale, appearance, and character shall be similar to and compatible in design with the primary dwelling unit (e.g. compatible exterior wall materials, window types, door and window trims, roofing materials and roof pitch). Additionally, it shall be visually subordinate to the primary single-family dwelling on the parcel. The exterior entry to the ADU shall clearly appear as a secondary entry when compared to the entry for the primary single-family dwelling.

I. Outside stairways. Any stairways leading to a second story ADU shall not be in the front of the primary single-family dwelling, or in an exterior side yard if visible from the public right-of-way. Access to a first story unit or ADA accessible ramp may be permitted in the front of the primary dwelling.

Section 18.53.060 Permit requirements.

A. Accessory Dwelling Units shall be permitted ministerially through the zoning clearance and building permit process, in compliance with this Chapter within 120 days of the filing of a

complete application. The applicant shall be informed within 30 days after submission of an application if the application is complete. The Planning Director or designee shall issue zoning clearance to establish an accessory dwelling unit in compliance with this Chapter if all applicable requirements in this Chapter are met, as appropriate. An application for building permit may be submitted at any time during the processing of the ADU application, but under no circumstances shall it be issued prior to zoning clearance approval.

B. Planning Director. Requests for an ADU shall be reviewed by the Planning Director or designee.

C. Other Review Authority. Requests for an ADU submitted for concurrent review with a discretionary land use application shall continue to be reviewed by the Director or designee and approved subsequent to the discretionary action.

Section 18.53.070 Findings.

Zoning clearance findings. The ADU shall be consistent with all applicable provisions of Section 18.53. Further, the ADU shall be consistent with applicable provisions of the Guadalupe Municipal Code and applicable sections of the General Plan.

18.53.080 Existing non-conforming ADUs.

This chapter shall not validate any existing illegal additional dwelling unit(s). An application for an administrative permit review may be made to convert an unpermitted additional dwelling unit to a conforming legal accessory dwelling unit, and the standards and requirements for the conversion shall be the same as for a newly proposed accessory dwelling unit.

SECTION 3. This Ordinance has been reviewed for compliance with the California Environmental Quality Act (CEQA), and the CEQA guidelines, and has been found to be exempt pursuant to §15306 of the CEQA Guidelines (Information Collection) because it does not have the potential to create a physical environmental effect.

SECTION 4. The City Council declares that each section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this Ordinance is severable and independent of every other section, subsection, paragraph, subparagraph, sentence, clause, and phrase of this Ordinance. If any section, subsection, paragraph, subparagraph, sentence, clause, or phrase of this Ordinance is held invalid, the City Council declares it would have adopted the remaining provisions of this Ordinance irrespective of the portion held invalid, and further declares its express intent that the remaining portions of this Ordinance should remain in effect after the invalid portion has been eliminated.

SECTION 5. The City Clerk is hereby authorized to make minor changes herein to address clerical errors, so long as substantial conformance of the intent of this document is maintained. In doing so, the City Clerk shall consult with the

City Administrator and City Attorney concerning any changes deemed necessary.

INTRODUCED at a regular meeting of the City Council on the 12th day of June 2018, by the following roll call vote:

MOTION: GINA RUBALCABA / ARISTON JULIAN

AYES: 5 Councilmembers: Ramirez, Ponce, Lizalde, Rubalcaba, Julian
NOES: 0
ABSENT: 0
ABSTAINED: 0

PASSED AND ADOPTED at a regular meeting of the City Council on the 10th of July, 2018, by the following roll call vote:

MOTION:

AYES: Councilmembers:
NOES:
ABSENT:
ABSTAINED:

ATTEST:

Joice Earleen Raguz, City Clerk

John Lizalde, Mayor

APPROVED AS TO FORM:

Philip F. Sinco, City Attorney