



# CITY OF CARMEL-BY-THE-SEA

## CITY COUNCIL AGENDA

Mayor Steve Dallas  
Council Members Jan Reimers,  
Bobby Richards, and Carrie Theis

All meetings are held in the City Council Chambers  
East Side of Monte Verde Street  
Between Ocean and 7<sup>th</sup> Avenues

Contact: 831.620.2000 [www.ci.carmel.ca.us/carmel](http://www.ci.carmel.ca.us/carmel)

### **SPECIAL MEETING WEDNESDAY, JUNE 1, 2016 3:30 P.M.**

#### **CALL TO ORDER, ROLL CALL, & PLEDGE OF ALLEGIANCE**

#### **PUBLIC APPEARANCES**

Matters not appearing on the City Council's agenda will not receive action at this meeting but may be referred to staff for a future meeting. Presentations will be limited to three (3) minutes, or as otherwise established by the City Council. Persons are not required to give their names, but it is helpful for speakers to state their names in order that the City Clerk may identify them in the minutes of the meeting. Always speak into the microphone, as the meeting is recorded

#### **ORDERS**

Orders of Council are agenda items that require City Council discussion, debate and/or direction.

1. Consideration of a recommendation by the Ad Hoc City Council Vacancy Committee to appoint a City Council Member to fill the current vacancy.

#### **EXTRAORDINARY BUSINESS**

2. Administration of the Oath of Office to the appointed member of City Council by the City Clerk.

#### **ORDERS**

Orders of Council are agenda items that require City Council discussion, debate and/or direction.

3. Consideration of Fiscal Year 2016-2017 budget and discussion of questions submitted to staff from Council and members of the public.

#### **ADJOURNMENT**

## **SPECIAL NOTICES TO PUBLIC**

The City Council of Carmel-by-the-Sea meets in Regular Session on the First Tuesday of each month at 4:30 p.m., unless otherwise noticed. The City Council may also meet on the First Monday of each month in a Special Meeting and/or a Workstudy Session at 4:30 p.m., unless otherwise noticed. City Council agenda packets are available for public review on the City website at [www.ci.carmel.ca.us](http://www.ci.carmel.ca.us) and in the Clerk's Office on the Friday prior to the scheduled meeting. Any writings or documents provided to a majority of the City Council regarding any item on the agenda will be made available for public inspection. Interested members of the public may subscribe to the Council Agenda by submitting a request to the City Clerk. Meetings are open to the public and the City Council welcomes your participation. Any member of the public may comment on any item on the agenda. Testimony is limited to three (3) minutes per speaker, or as otherwise established by the City Council. Meetings are streamed live on-line and archived for easy access anytime day or night. Visit the City's website at [www.ci.carmel.ca.us](http://www.ci.carmel.ca.us) to view the meetings or watch a television rebroadcast on the first Sunday after the City Council meeting at 8:00 a.m. on MCAET Channel 26. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at 831-620-2007 at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting (28CFR 35.102-35.104 ADA Title II).

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## MEMO

**DATE:** May 27, 2016  
**TO:** Members of the City Council and public  
**FROM:** Ashlee Wright, City Clerk  
**SUBJECT:** Consideration of a recommendation by the Ad Hoc City Council Vacancy Committee to appoint a City Council Member to fill the current vacancy.

This item will be provided under separate cover in advance of the Special City Council Meeting, to be held June 1, 2016 at 3:30PM.



# CITY OF CARMEL-BY-THE-SEA

## AGENDA BILL

AB 1127  
June 1, 2016  
Orders

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Paul Wood  
**SUBJECT:** Consideration of Fiscal Year 2016-2017 budget and discussion of questions submitted to staff from Council and members of the public.

<b>AMOUNT OF EXPENDITURE</b>	\$ N/A
<b>AMOUNT BUDGETED</b>	\$ N/A
<b>APPROPRIATION REQUIRED</b>	\$ N/A

### RECOMMENDATION

Receive annual budget, discuss and direct staff to make necessary changes (if any) so that annual budget can be approved by the City Council at the June 7, 2016 meeting.

### SUMMARY

The City Council received the staff's balanced budget proposal on May 2, 2016. The Council was asked to review and ask questions of staff related to the budget proposal. Questions from Council and the public were compiled on May 20, 2016 and responded to herein.

There are a number of issues that are important, may require City funding and that the City Council and the public should address in this meeting. Some of those items are (1) the current and future structure of the marketing strategy of the City, (2) the level of funding of the Sunset Center, (3) the use of Measure D revenues, (4) extending the Library hours of operation and the related funding, and (5) city event fee waivers.

A short budget presentation will be given, followed by discussion, questions and Council direction.

### PRIOR CITY COUNCIL ACTION

Received DRAFT budget document and request for budget questions.

### ATTACHMENTS

1. Letter requests from organizations asking for City support
2. Reconciliation of changes made to DRAFT budget document since May 2, 2016
3. All budget related questions received from City Council and the public, along with responses from staff

**APPROVED:**

\_\_\_\_\_

**Date:** \_\_\_\_\_

Chip Rerig, City Administrator



EDUCATING + INSPIRING THROUGH  
ENVIRONMENTAL STEWARDSHIP

## MEARTH STAFF

Tanja Roos  
Merrie Potter  
Kristin Adams  
Rose Ashbach  
Cassie Chapple  
Katy Crockett  
Kelley Lefmann  
Melissa Lopez  
Alicia Tao

April 29, 2016

Mr. Chip Rerig, City Administrator  
Mr. Paul Wood, Finance Manager  
Carmel-by-the-Sea City Hall  
P.O. Box CC  
Carmel-by-the-Sea, CA 93921

Dear Mr. Rerig and Mr. Wood:

We are very grateful to the City of Carmel-by-the-Sea for the ongoing opportunities afforded to MEarth to support restoration activities with local students and community members at the beautiful forests and beaches of Carmel. This is a letter to provide the final numbers from our efforts this year and to respectfully request the \$12,000 of Council discretionary funding approved in the City's Fiscal Year 2015/16 budget.

## MEARTH BOARD OF DIRECTORS

Mark Shelley  
Kimberly Briggs  
Nicole Saulnier  
Kimberly Briggs  
Charles Franklin  
Jenn Gerard  
Shelby Lambert  
Lewis Leader  
Andrea Lewis  
Bernard Trainor  
Sarah Yee

As outlined in our original proposal, we successfully hosted **FOUR** community out-planting/weed pull events and **FIVE** school field trips to work in the North Dunes, Mission Trails Nature Preserve and The Lester Rowntree Native Plant Garden (with an additional visit planned for approx. 130 high school students on May 16<sup>th</sup>, 2016). At the end of this fiscal year, we project that a total of **504 community members** -of all ages- will have donated **619 hours** towards the City's ongoing restoration efforts. To date, under the guidance of MEarth staff, these volunteers pulled **9,285 lbs** of invasive plants from your forests and beaches, while planting **250 native plants** that were propagated by students/volunteers in our nursery (please see attached data sheet for breakdown).

The intangible value of having young people from across our community volunteering to support the beautification of Carmel-by-the-Sea is tremendous! Through their hands-on experiences they learned the value of hard work, responsibility, appreciation of the natural world and the satisfaction of giving back to something that is bigger than themselves. We also had a large number of local children and their families volunteer together, sowing the seeds of intergenerational stewardship that will go on to serve the City for years to come.

Given the success of this year's project, we would like to request that the \$12,000 once again be included in the City's 2016/17 Fiscal Year budget with a similar scope, as outlined below:

- **Native Plant Propagation + Nursery Management** | We would like to propagate up to 250 seedlings in support of the ongoing beautification of the landscape. This will include site-specific seed collection, propagation and

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## MEarth at the Hilton Bialek Habitat

PO Box 223702 Carmel CA 93922 | [www.MEarthCarmel.org](http://www.MEarthCarmel.org) | 831-624-1032

EIN 26-2973625

MEarth is an independent, 501(c)(3) corporation separate from Carmel Unified School District.



EDUCATING + INSPIRING THROUGH  
ENVIRONMENTAL STEWARDSHIP

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management by MEarth staff, interns, student and volunteers, to be out-planted at various sites in the City. Plant list will be determined in collaboration with City Forester Mike Branson and City Contractor/Dune Expert Joey Dorrell-Canepa. (Year-round)

- **Three, 2-hour community out planting + "weed pull" events (for up to 30 people/event)** | This includes the scheduling, marketing, volunteer coordination, planning meetings with site partners, procurement of materials/snacks/water, transport of tools/plants/other necessary materials to site by MEarth staff, interns and volunteers. (October-May)
- **Six field trips for local school students** | This includes the scheduling and coordination of, at the minimum, six field trips for local students to participate in community service and environmental stewardship projects at various locations (October-May).

Again, thank you for this unique opportunity to assist the City with restoration projects and involve our community in meaningful environmental stewardship activities. Please do not hesitate to get in touch if you have questions or need any clarifications or further information: [Tanja@MEarthCarmel.org](mailto:Tanja@MEarthCarmel.org) or (831) 624-1032.

Sincerely,

Tanja Roos, Executive Director

Thank you! I look forward  
to meeting you both in  
person soon!

CC: Ms. Sharon Friedrichsen, Special Projects

Attachments: Summary of Accomplishments (YTD)

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EIN 26-2973625

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www.chservices.org  
831.658.3811 phone  
831.658.3815 fax

Administration Office  
P.O. Box 3076  
Monterey, CA 93942-3076



**community  
human services**

hope. help. here.

March 31, 2016

Jason Burnett, Mayor  
City Council Members  
City of Carmel  
P.O. Box CC  
Carmel, CA 93921

**RE: COMMUNITY HUMAN SERVICES JPA ALLOCATION FY 2016-17**

Dear Mayor Burnett & City Council Members,

Each year in March, Community Human Services' Board of Directors approves a specific allocation amount to be requested of cities and school districts that are members of CHS's Joint Powers Agency. Allocation requests are then sent to JPA member entities for consideration during budget deliberations for the coming fiscal year.

One of the many benefits of belonging to the JPA is having an Agency nimble enough to respond quickly to emerging community needs. For example, this fiscal year we opened two new outpatient drug treatment programs, one in Monterey and one in Salinas, to address the rise of heroin and other drug addiction in Monterey County, especially among 18 – 25 year olds. As one doctor at CHOMP puts it, they are seeing a “tidal surge” of overdoses in the emergency room. We also opened a temporary winter warming shelter for homeless youth ages 18 – 25 in Monterey, where there is a high concentration of homeless youth, and have plans to make it permanent and year-round.

Another advantage of JPA membership is the leveraging of resources that Community Human Services accomplishes. Last year, JPA allocations represented less than 2% of our \$4,275,000 budget, with other funding sources like Medi-Cal, federal, state and county grants, private contributions and fees for service making up the rest.

We remain committed to providing vital safety net services to the residents of Monterey County. With your support we anticipate providing mental health, substance abuse, homeless and family services to over 3,000 people next fiscal year. **Therefore, the allocation request for City of Carmel for fiscal year 2016-17 is \$14,500.** This increase is based on the Consumer Price Index for the San Francisco, Oakland, San Jose region.

I've enclosed our brochure for your information. If you have any questions or would like a brief presentation at an upcoming meeting, please feel free to contact me or your JPA representative.

Sincerely,

A handwritten signature in blue ink that reads "Robin McCrae". The signature is written in a cursive style with a horizontal line underlining the name.

Robin McCrae  
Chief Executive Officer

cc: Chip Rerig, City Administrator  
Paul Tomasi, CHS Board Alternate



March 14, 2016

Mr. Chip Rerig  
City Administrator  
City of Carmel-by-the Sea  
P.O.Box CC  
Carmel-by-the-Sea, CA 93921

**SUBJECT: CONGESTION MANAGEMENT**  
**Local Agency Contribution for**  
**FISCAL YEAR 16/17**

Dear Mr. Rerig:

The purpose of this letter is to provide you with information on your agency's contribution to TAMC's congestion management and traffic monitoring work in fiscal year 16/17. The DRAFT budget that was reviewed by the TAMC Board at its February 24, 2016 meeting contains the amount of \$1344.00 for your agency's share of TAMC congestion management costs for fiscal year 16/17.

Final approval of the fiscal year 16/17 TAMC budget will occur at the May 25, 2016 meeting. The total annual amount of congestion management revenue contributed by all the TAMC member agencies remains the same as in past years at \$243,076.

TAMC Bylaws state that member agencies shall contribute to congestion management and traffic monitoring activities in proportion to California Streets and Highway Code Highway User Tax Account Section 2105 funds received by each agency. The attached table indicates each agency's share according to their receipt of Highway Users Tax.

If you have any questions, please call me at 775-4408.

Sincerely,

Dave Delfino  
Financial Officer

DD:lt

Enclosures: Congestion Management Revenue Table

FISCAL YEAR 2016-2017 LOCAL CONTRIBUTIONS  
 Congestion Analysis and Level of Service Management (CALM)  
 TRAFFIC CONGESTION MANAGEMENT PROGRAM (CMP)

	(1) Sec.2105 FY 30-Jun State Allocation	(2) Share of Sec.2105 Revenue	(3) FY 16-17 CMP Contri- bution
CARMEL	22,219	0.00553	<b>\$1,344</b>
DEL REY OAKS	9,019	0.00224	<b>\$544</b>
GONZALES	49,367	0.01228	<b>\$2,985</b>
GREENFIELD	96,947	0.02411	<b>\$5,861</b>
KING	71,559	0.01780	<b>\$4,327</b>
MARINA	152,402	0.03790	<b>\$9,213</b>
MONTEREY CITY	165,971	0.04127	<b>\$10,032</b>
MONTEREY COUNTY	2,176,380	0.54122	<b>\$131,557</b>
PACIFIC GROVE	84,949	0.02113	<b>\$5,136</b>
SALINAS	847,787	0.21083	<b>\$51,247</b>
SAND CITY	1,858	0.00046	<b>\$112</b>
SEASIDE	189,137	0.04703	<b>\$11,432</b>
SOLEDAD	153,621	0.03820	<b>\$9,286</b>
TOTALS	4,021,216	1.00000	<b>\$243,076</b>



**TO:** Chip Rerig, City Administrator

**FROM:** Jeanie Sumners, Board Chair  
Graeme Robertson, Past Board Chair  
Monta Potter, Chief Executive Officer

**DATE:** April 11, 2016

**SUBJECT:** Chamber of Commerce Budget Request

We appreciate the City of Carmel-by-the-Sea's financial support of the Carmel Chamber of Commerce this last year and in years past. As you know, the Chamber is located on the west side of San Carlos Street between 5<sup>th</sup> and 6<sup>th</sup>. The Visitor Center is on the ground floor and the administrative offices are on the second floor. The Visitor Center provides an essential resource to both our residents and our visitors. Outlined below is a brief overview of the Visitor Center:

<u>Visitor Center Stats</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
# of walk-in visitors	23,162	25,000	27,000
# of phone calls	6,386	6,400	6,400
# of rooms booked	566	613	625 est.

The fully allocated cost to run and operate the Visitor Center are as follows:

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Visitor Center Costs	\$132,071	\$133,526	\$141,849

This includes:

- Two part-time paid managers
- Rent, insurance, utilities, phones, cleaning, office supplies
- Computers, copy & fax machines, website costs
- Distribution of Visitor Guides, Wedding & Relocation brochures, Wine Walk passports, brochures, and event information

In addition, the Chamber will continue to be involved the Carmel-by-the-Sea's 100<sup>th</sup> Anniversary project by selling lanterns and other Anniversary branded items at the Visitor Center.

We also have attached a copy of our Annual Report which highlights, among other value added amenities to our visitors, the shuttle services during the AT&T and Concour events.

The current allocations from the City of Carmel-by-the-Sea for marketing over the last 3 years are broken down as follows:

	<u>City Allocations for Marketing</u>		
	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>
Carmel Chamber	\$40,000	\$57,000	\$40,000
Regional Marketing	\$179,337	\$120,000	\$120,000
MCCVB(3% of TOT)	<u>\$125,987</u>	<u>\$142,260</u>	<u>\$146,528</u>
Total	\$345,324	\$319,260	\$306,528

For the 2016/17 budget year the Carmel Chamber of Commerce requests \$55,000 of support the Visitor Center. While this represents only 39% of the fully allocated cost of running the

operation, we feel that it is a fair and reasonable request given the value added services that the Visitor Center offers to our guests and residents while not placing an undue burden on the City.

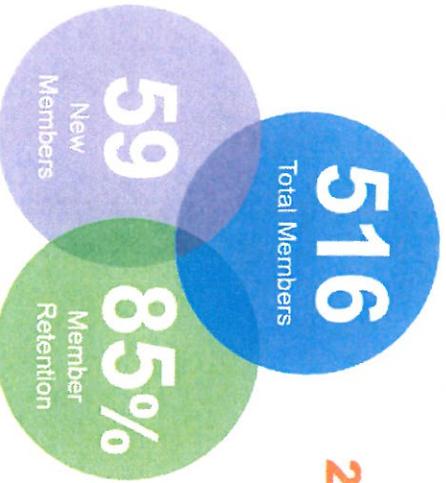
As 2016/17 progresses, we believe there could be on-going synergies, efficiencies and closer alignment with the other two marketing partners the City supports. To that end, we would welcome a discussion with the other marketing partners, the City and residents sometime after the budget is approved.

We appreciate your consideration of our request. We are happy to answer any questions you might have.

# ANNUAL REPORT

# 2015

## MEMBERSHIP



## VISITOR CENTER STATISTICS



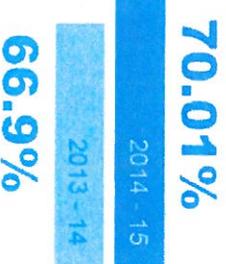
## TOT



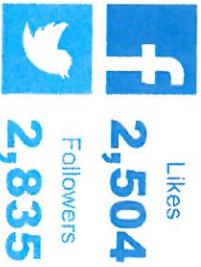
## COMMUNITY EVENTS



## County Occupancy



## ONLINE



## AND MORE



Promoting the Community | Providing Opportunities to Build Business Relationships | Representing Business to Government | Working to Build a Strong Local Economy

**CARMEL CHAMBER OF COMMERCE  
2016 VISITOR SERVICES COST**

**PERSONNEL COSTS**

Annual Salary	Visitor Serving Portion	Appropriation
\$264,660	\$63,580	Total Salaries (Excludes Commission)

Annual Benefits & Payroll Taxes	Visitor Serving Portion	Appropriation
\$57,348	\$6,719	Total Benefits & Payroll Taxes

<b>\$70,299</b>	<b>Total Personnel Costs for Visitor Services</b>
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**ADMINISTRATION**

Annual Budget	Visitor Serving Portion	Appropriation
\$2,500	\$375	Office Supplies (15%)
\$1,000	\$50	Office Postage (5%)
\$1,500	\$1,500	Guide Shipping - First Class (100%)
\$4,000	\$4,000	Guide Shipping - Storage & Delivery service
\$3,800	\$3,800	Guide Shipping - Cases (100%)
\$29,400	\$29,400	Rent (100%)
\$5,000	\$3,750	Telephone (75%)
\$2,300	\$1,150	Utilities (50%)
\$5,000	\$2,500	Repairs/Maintenance (50%) (Non-Equip: Carpet Cleaning, Pressure Washing, Deck & Kiosk Mtnc, etc.)
\$9,350	\$4,675	Insurance (50%)
\$4,000	\$4,000	Maps and other informational materials (100%)
\$20,500	\$10,250	Equipment (50%) (Maintenance/Lease/Purchase)
<b>\$88,350</b>	<b>\$65,450</b>	<b>Total Administration Costs for Visitor Center</b>

<b>\$65,450</b>	<b>Total Administration Costs for Visitor Center</b>
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**OTHER RELATED COSTS**

Annual Budget	Visitor Serving Portion	Appropriation
\$8,000	\$1,200	Website Redesign/Updates (15%)
\$8,000	\$4,000	Website Expenses (50%)
\$900	\$900	Furniture and computer purchase (100%)
<b>\$16,900</b>	<b>\$6,100</b>	<b>Total Other Related Costs for Visitor Center</b>

<b>\$141,849</b>	<b>Total Costs for Visitor Center</b>
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March 3, 2015

Mr. Chip Rerig, City Administrator  
City of Carmel-by-the-Sea  
P.O. Box CC  
Carmel-by-the-Sea, CA 93921

Dear Mr. Rerig,

As the official destination marketing organization of Monterey County, we are very excited to continue our partnership with the City of Carmel-by-the-Sea. Our year-to-date results show that our partnership continues to provide an outstanding return on investment for the City and its residents and is critical to maximizing the economic, cultural and social benefits of tourism.

The City of Carmel-by-the-Sea's 2015-2016 return on investment as of December 31, 2015 (based on incremental visits only) with the Monterey County Convention & Visitors Bureau (MCCVB) is \$114:1, bringing almost \$9 Million dollars of economic impact for the City.

We are on pace to achieve, and in some cases exceed, our FY15-16 Business Plan goals. This year we have seen significant strides in inspiring the world to experience our extraordinary destination. We've included our most recent scorecard for your reference as well as the most recent jurisdiction quarterly report.

We promote Carmel-by-the-Sea by integrating the assets and stories of the city throughout our extensive advertising campaigns, designing inspirational and robust content for our web pages, working directly with journalists and bloggers to write engaging stories and by utilizing electronic and social media touch points that speak directly to meeting and vacation travel planners. This year we have continued to implement research based strategies into our sales and marketing initiatives with great results.

FY 15-16 successes to date include:

- Executed meeting planner relationship development initiatives including Tradeshows, Client Events, Site Inspections and Familiarization (FAM) Tours inviting co-operative participation with our hotel partner teams in Carmel
- Collaborated with our HID partners to update and refine the SeeMonterey.com website to highlight in greater emphasis the options and availability in Carmel-by-the-Sea.
- Hosted the first China-Ready training for Monterey County's hospitality industry in Carmel-by-the-Sea.
- Showcased our destination's culinary talent by working with Chef Justin Cogley of L'Auberge in the BrandUSA promotion, "30 Chefs in 30 Days" which ran on Food Network in the UK and other International Markets.

SeeMonterey.com

Big Sur | Carmel-by-the-Sea | Carmel Valley | Del Rey Oaks | Marina | Monterey  
Moss Landing | Pacific Grove | Pebble Beach | Salinas | Salinas Valley | Sand City | Seaside

e | [info@seemonterey.com](mailto:info@seemonterey.com)  
p | 800.555.6290 | 831.657.6400  
f | 831.648.5373

787 Munras Ave, Suite 110  
Monterey, CA 93940

- Continued to leverage our extensive destination brand campaign based on primary research resulting in additional travel from regional markets totaling \$6.8 Million in incremental visitor spending for Carmel-by-the-Sea and \$75.8 Million total for the County for the first half of the fiscal year.
- Showcased a members in several fall and winter promotions including “Fly Up and Away From LA to Monterey” sweepstakes and the BuzzFeed social promotion, “13 ways to Ruin your Diet In Monterey,”
- Hosted media FAM trips and pitched stories resulting in extensive coverage with an advertising equivalency worth \$30 Million for the County and \$17.5 Million for Carmel-by-the-Sea
- Influenced visitor center guests to stay longer resulting in 6,127 incremental room nights for Carmel-by-the-Sea for the first half of the fiscal year with an estimated \$1.98 million in incremental visitor spending

Based on the investment formula calculated at 3% of the fiscal year 2014-2015 Tourism Occupancy Tax (TOT) revenue, we respectfully request \$167,656 for sales and marketing initiatives in fiscal year 2016-2017.

These monies and that of the Tourism Improvement District will be leveraged with the jurisdiction investments of Monterey County and the cities of Monterey, Pacific Grove, Salinas, Seaside and Marina, as well as other private revenues in MCCVB’s 2016-2017 Business and Marketing Plan. We are committed to bringing a greater share of the economic impact that tourism delivers to Carmel and we look forward to doing this together with you.

Sincerely,



Tammy Blount  
President & CEO

cc: Monta Potter  
Bob Buescher  
Rick Aldinger

# City of Carmel-by-the-Sea

Mid-Year Report 2015-16

**MONTEREY**  
Monterey County Convention  
& Visitors Bureau

## MCCVB Scorecard July 1, 2015 – December 31, 2015

YEAR-TO-DATE CITY INVESTMENT: \$77,359  
TOTAL ECONOMIC IMPACT GENERATED BY MCCVB: \$8,930,633  
RETURN ON INVESTMENT: \$114.44: 1

### Monterey County Communication Effectiveness Key Findings

Twice a year, the MCCVB commissions a study to gauge how effective its advertising, marketing, and public relations initiatives are in affecting travel. At mid-year, the campaign has produced great results:

3,041,041 aware households

73,257 households were influenced by the campaign

\$1,036 average Trip spending

\$75,868,365 ad-influenced visitor spending

[For the full study, please click here](#)

**MONTEREY**  
Monterey County Convention  
& Visitors Bureau

### Economic Benefit to the City of Carmel-by-the-Sea

#### Group Sales & Services

Groups Booked: 2

Group Room Nights: 44

#### Economic Impact of Group Bookings: \$103,505

Sales Tax Generated: \$13,410

Jobs Supported by Group booking: 84

Transient Occupancy Tax Generated: \$7,130

#### Marketing & Communications

"GLBTM" Campaign Room Nights: 9,028

Booking.com Room Nights: 62

#### Economic Impact of Activity:

"GLBTM" Campaign Room Nights: \$6,828,153

Booking.com Room Nights: \$13,982

#### Visitor Services

Monterey Visitor Center Incremental Room nights influenced: 6,127

**Economic Impact of Influenced Room nights:  
\$1,984,992**

## 2<sup>nd</sup> Quarter in Review

Carmel-by-the-Sea was well represented in our sweepstakes promotions in the second quarter. Scheid Vineyards and Wine Walk Passport were both included as prizes in the "Fly Up and Away From LA to Monterey" sweepstakes highlighting the new Alaska Air direct flight from LAX and the "Autumn Up" Fall promotion and sweepstakes.

In the BuzzFeed promotion, "13 ways to Ruin your Diet In Monterey," Carmel-by-the-Sea members were featured including Little Napoli and the Wine Walk Passport. The promotion was seen by 24,291 people and had 3,900 social engagements (likes, shares, comments).

In October, the MCCVB worked with the Monterey Regional Airport to install new and update existing MCCVB-branded signage. The new creative presents a cohesive branding and welcoming experience, and reinforces the Grab Life by Moments brand campaign. It also encourages visitors to go to SeeMonterey.com website to get more information on Monterey County attractions and activities. Several images were installed throughout the airport, including the ticketing, arrival and baggage claim areas.

# City of Carmel-by-the-Sea

Mid-Year Report 2015-16

**MONTEREY**  
Monterey County Convention  
& Visitors Bureau

## MCCVB Media Activity Report

### SeeMonterey.com Unique Visitors

- Carmel-by-the-Sea web page unique visitors 11,817
- Carmel-by-the-Sea web pages total referrals 10,739
- Carmel-by-the-Sea web pages total impressions 11,835

### Recent Blog Posts Highlighting Carmel-by-the-Sea (October - December 2015):

[13 Moments to Add to Your Monterey Bucket List](#)

[Things to Do in Monterey this Labor Day Weekend: October 9-11, 2015](#)

[12 Hours in Carmel-by-the-Sea](#)

[12 Moments That Will Put You in "Ahhh" "Awww" and "Awe"](#)

[Things to Do in Monterey This Weekend: October 16-18, 2015](#)

[Best Thanksgiving Dinners in Monterey County 2015](#)

[Things to Do This Weekend in Monterey: October 23-25, 2015](#)

[Things to Do in Monterey this Halloween Weekend: October 30-November 1, 2015](#)

[Things to Do in Monterey This Weekend: November 6-8, 2015](#)

[5 Reasons to Visit Monterey This Winter](#)

[Get a Taste of Naples at Il Tegamino in Carmel-by-the-Sea](#)

[5 NEW Places Every Foodie Needs to Try in Monterey](#)

[10 Awesome Holiday Events in Monterey](#)

[Christmas Dinners in Monterey County 2016](#)

[Guide to the 12 Flavors of Monterey for the Holidays](#)

[Things to Do in Monterey This Weekend: November 13-15, 2015](#)

[Things to Do in Monterey This Weekend: November 20-22, 2015](#)

[Things to Do in Monterey This Thanksgiving Day Weekend: November 26-29, 2015](#)

[Top 10 Selfie Spots in Monterey County](#)

[Things to Do This Weekend in Monterey: December 11-13, 2015](#)

[Things to Do in Monterey This Weekend: December 18-20, 2015](#)

[Things to Do in Monterey This New Year's Weekend: December 31-January 3, 2016](#)

## MCCVB Media Relations Highlights

### Earned Media: Advertising Equivalency \$17,461,277

Publication Name: China.com

Headline: Top Six Destinations with a View in Monterey

Summary: Whether it is picturesque Highway One, or the classic 17 Mile Drive Monterey County is full of beauty and the region is one of the most perfect places for a road trip. Recommendations in this feature include, Ocean Avenue in Carmel, Carmel Beach, Carmel Mission, The Crossroads, and The Barnyard.

Advertising Value: \$39,000 | Unique Monthly Visitors: 220,000,000

Publication Name: Via AAA Magazine Online

Headline: The Best of the Monterey Peninsula

Summary: This article details Monterey County's secluded beaches, picturesque streets, and a superb aquarium, but also covers our thriving dining scene and plenty of inland beauty. Top picks include Alexander-Smith by Paraiso.

Advertising Value: \$10,621 | Unique Monthly Visitors: 23,062

Publication Name: FoodGPS

Headline: Where to Eat Well in Monterey County

Summary: The dining guide article includes 15 food options for foodies in Monterey County, each with accompanying images. Properties mentioned include Cantinetta Luca, Carmel Belle, Katy's Place, La Bicyclette, and Salumeria Lu

Advertising Value: \$6,000 | Unique Monthly Visitors: 114,046

# City of Carmel-by-the-Sea

## Mid-Year Report 2015-16



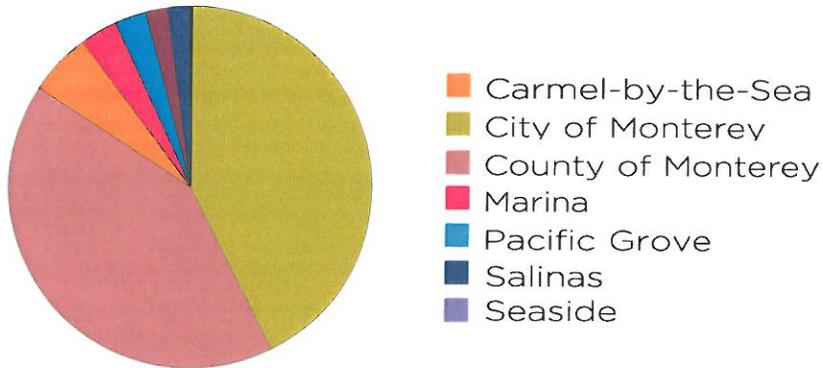
### MCCVB Board and Advisor Representatives from Carmel-by-the-Sea

Lisa Dias, Director  
 Chief Operating Officer  
 Mirabel Hotel & Restaurant Group  
 831-622-5903  
 ldias@laubergecarmel.com

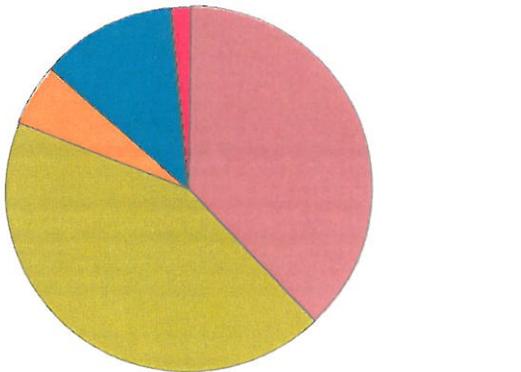
Monta Potter, Advisor  
 Chief Executive Officer  
 Carmel Chamber of Commerce  
 831-624-2522 ext. 203  
 monta@carmelcalifornia.org

### MCCVB 2015-2016 Budget

2015 -2016 Jurisdiction Investment

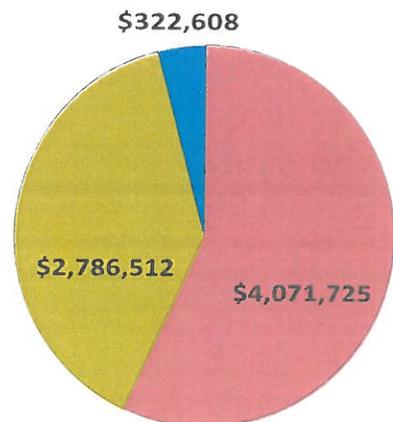


2015 -2016 Expenditures



2015 -2016 Revenue

TID/HID  
 Jurisdiction Investment  
 Private





"Lights, camera,  
and economic action..."

Honorary Chairperson  
Clint Eastwood

Director Emeritus  
*In Memoriam*  
Richard Tyler

Board of Directors  
Bob Buescher  
Ron Cacas  
Jeff Clark  
Kathleen Eckerson  
Gloria Gargiulo  
Troy Kingshaven  
Garland Thompson, Jr.  
Alan Vasquez  
Matthew Vignieri

Staff  
Karen Nordstrand  
Director of Marketing  
& Film Production

Moira LaMountain  
Office Administrator

Bianca Mendieta  
Administrative Intern

PO Box 111  
Monterey, CA 93942

801 Lighthouse Ave #104  
Monterey, CA 93940

831-646-0910  
Fax: 831-655-9250

info@FilmMonterey.org

www.FilmMonterey.org

March 23, 2016

Mr. Michael Calhoun  
City Administrator, City of Carmel-By-The-Sea

Dear Mr. Calhoun:

Did you know that an average commercial or film production can leave up to \$50,000 a day in local communities, paying for crew hires, hotel costs, rentals and services, dining and food, gasoline, per diem spending and local taxes? An average of \$3 to \$4 million comes into our area from the film industry annually. The film commission handles more than 500 inquiries a year. We could have an ever greater impact with your financial support for our efforts.

**The Monterey County Film Commission (MCFC) requests a contribution of \$1,000 from the City of Carmel-by-the-Sea for the 2016-17 fiscal year.** This support will help us continue our economic development efforts, and enable us to better promote our area, and staffing to properly assist film production companies. Ultimately keeping us competitive with other statewide jurisdictions wanting to lure the lucrative film business away. We would welcome the opportunity to meet with you or make a presentation about our efforts to the mayor and city council.

Recent productions have put the spotlight on our part of California, and spin-off tourism is another benefit. AMC'S final episode of "Mad Men" filmed in Big Sur. The "Big Blue Live" PBS and BBC collaboration had five million UK viewers on its first airing. And HBO's TV series "Big Little Lies" featured Pacific Grove and Monterey, and will return for more weeks of filming and additional locations. Hundreds of productions—from films to commercials to documentaries and fashion shoots—have found the right looks from South County to Moss Landing and parts in between on ranches, agricultural fields, county roads, and state parks.

We are a small nonprofit organization, not a County department. As a professional film commission, we do not receive compensation from film production companies. Thus, we depend on contributions from local jurisdictions, cities, grants, private donations and fundraising events to more effectively leverage our budget and be more effective in bringing the economic boost of film and media productions here.

MCFC works to attract and assist film and media productions interested in using locations in our Monterey County communities, and serves as liaison to local jurisdictions. We are all about "lights, cameras and economic action."

Please, help us continue to be a revenue producer for the City of Carmel by-the-Sea and residents throughout Monterey County. We appreciate your consideration and support for our nonprofit organization.

Sincerely,



Jeff Clark  
Board President

## What you should know about supporting the non-profit Monterey County Film Commission . . .

When it comes to giving a quick boost to the local economy, there's no business like show business. The Monterey County Film Commission's main mission is to attract and facilitate productions on-location in Monterey County. More than **\$92 million has come into county communities from film and media productions** since the film commission was established by the Board of Supervisors over 25 years ago.

The Board of Supervisors' Development Set-Aside Grant monies help support us in part, but without outside donations, individual and corporate sponsorships, city contributions, and grants, our marketing effectiveness would be very limited and the positive income from film productions would be lost to other well-funded film commissions marketing cities, counties, states and countries. **As a professional film commission, our organization does not receive any compensation from the production companies.**

The film industry brings income to local residents, hundreds of small businesses, plus tourism-related companies.

**The Monterey County Film Commission uses its funding to keep the "lights, camera and economic action" of film productions coming to our communities.**

*We need your contribution to ensure it stays that way.*

The Monterey County Film Commission is a 501(c) 3 nonprofit organization (Tax ID#77-0187025). It was established in 1987 by the Monterey County Board of Supervisors to boost the local economy through on-location film production.



**Thanks to your support, the Monterey County Film Commission  
makes a big \$\$\$ impact locally**

### *How does your contribution help?*

- An average of **\$3 to \$4 million each year comes into our local communities** as a result of the efforts of the Film Commission. Film productions take pictures and leave behind an economic boost. They purchase goods and services, hire locals, keep crew skills updated, fill hotel rooms year-round, and dine in local restaurants.
- A **feature film or large commercial shoot leaves behind an average of \$50,000 a day** in our local communities.
- Proactive marketing is possible, as we target our message to location scouts and managers, film directors and producers, advertising creatives, and more. We work to stay top of mind with those who are key to finding locations for feature films, independent movies, commercials, television and still ads and catalogs. Our film commission staff assists more than **500 inquiries each year**, making referrals for locations, crew, and services, advising about logistics, and providing necessary resources and ongoing personalized attention to make the shoot a positive experience so that production companies want to come back time and time again.

- Tradeshows and personalized sales trips reinforce and promote our area's unique locations. Our staff shows off Monterey County sites at **Film Locations** tradeshows, the **Film in California Conference**, plus the **California On Location Awards** attracting hundreds of film industry professionals and key location scouts and managers. We also bring film professionals here to see the possibilities.
- Advertising and listings are placed in film industry trade journals such as **Hollywood Reporter, Variety, P3 Production, Reel Directory, Locations International magazine, LA411 directory, Director's Guild, Location Managers Guild, Commercial Producers** and more. Our in-house staff also handles media relations and works to get "free publicity" with news and feature stories.
- Our co-operative affiliations with industry organizations such as the **Association of Film Commissioners International, California Film Commission, Film Liaisons in California Statewide, and Greater San Francisco Bay Area Film Commissions** mean we can leverage our marketing monies and participate in co-operative promotional efforts.
- Website development and upgrading is an on-going and vitally important marketing tool. We keep the website content current and relevant. Our state-of-the-art **Reel Scout Location Library** system has a searchable database to help film productions find their way to locations in Monterey County easily and quickly. Also, it allows us to track inquiries and client needs, and more accurately assess the positive economic impact of on-location productions.
- To support film industry education and to encourage the next generation of filmmakers, the Film Commission created a **Film Student Scholarship & Awards Program** in 2008. It was established as a permanent endowment fund with the Community Foundation for Monterey County to provide financial aid and incentive to students of film and beginning filmmakers, helping them work towards a career goal or to complete a film project.

Thanks to your support we can continue to play a critical role in providing the  
 services  
 that make Monterey County a competitive destination for  
 Film and Media Productions in the global marketplace.

*Invest in a positive economic outcome  
 for our local communities with your tax-deductible donation!*



Monterey County Film Commission

# FILMING MATTERS



News from Monterey County Film Commission



**MONTEREY  
COUNTY  
FILM  
COMMISSION**

PO Box 111  
Monterey, CA 93942-0111  
(831) 646-0910  
(831) 594-9410 c  
[Karen@FilmMonterey.org](mailto:Karen@FilmMonterey.org)

[FilmMonterey.org](http://FilmMonterey.org)

[Locations](#)

[Permits](#)

**afci** member



## About Us

The Monterey County Film Commission is a nonprofit organization that markets Monterey County as a destination for the motion picture, television, and related industries, for the purpose of stimulating economic development, creating jobs, providing and supporting educational opportunities in those areas.

**Created in 1987 and  
funded in part by:**



## Welcome to "Filming Matters"

February 2016

When it comes to filming, it matters to us that Monterey County comes to mind. So we're sending our "Filming Matters" news to remind you of our film-friendly area, show off our location's film sites, highlight recent productions, and keep you aware of the resources and diversity in our part of California. Please know that we offer free assistance, saving your production time and money. You may be able to take advantage of California's \$330 million film incentive program and get an extra 5% for filming in Monterey County. Looking forward to seeing you here!

Best,  
Karen Seppa Nordstrand  
AFCI Certified Film Commissioner  
Director of Marketing & Film Production  
Monterey County Film Commission

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## HBO's "Big Little Lies" comes to Monterey County



*Jean-Marc Vallée, Director; Karen Nordstrand, MCFC's Film Commissioner; and Gregory Alpert, Location Manager.*

When producers of an HBO miniseries based on the book "Big Little Lies" were looking for a coastal film location, they found the perfect setting on the Monterey Peninsula. They filmed a week in January, and plan to return in the spring for more. Pacific Grove, Monterey and Carmel Highlands produced the ideal backdrops for actors Nicole Kidman and Reese Witherspoon. Jean-Marc Vallée directs ("Wild").

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Stay Connected



### Sand sculptor transforms Carmel Beach for commercial

The little village of Carmel-by-the-Sea is famed for its white sand beaches and coastal charms. In January, Carmel's beach became a canvas for Andres Amador in a web and commercial production. Amador, a noted sand sculptor, raked sand into massive floral patterns. His sweeping artistic creation, so temporary, naturally washed away with the rising tide. But it was preserved for all to see in a commercial by House of 8 Media for Dr. Jeanette Kern.



*Earthscape artist Andres Amador at Carmel Beach.*

### BBC/PBS collaborate on "Big Blue Live"



*"Big Blue Live" crew at Monterey Bay Aquarium set.*

Nearly five million UK viewers watched live scenes from Monterey the first night the TV show "Big Blue Live" aired in late August on BBC One, making it the top-rated show. "Big Blue Live" --a joint production of BBC and PBS -- originated at the Monterey Bay Aquarium. It showcased local marine life with live and pre-recorded segments, spotlighting the bay's amazing creatures from whales to sea lions to orcas and otters. Interviews with local experts and researchers helped explain the environment and the turnaround of Monterey Bay. The DVD is now available.

## Monterey County goes international at FOCUS Tradeshow

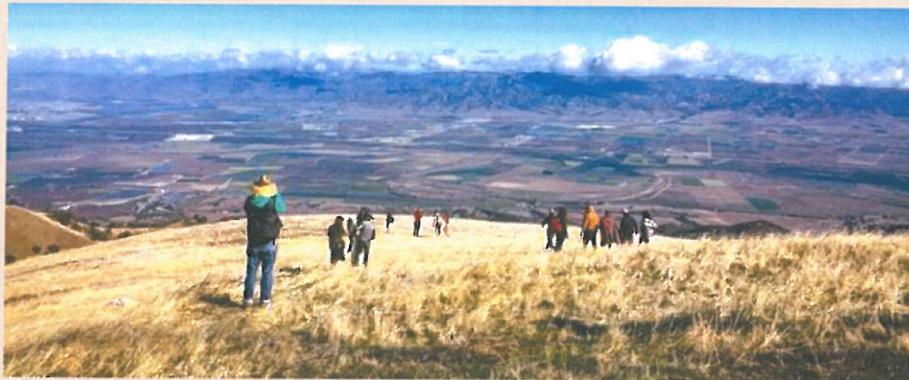


*Monterey County exhibited at London's Islington Design Center for FOCUS Tradeshow.*

A new tradeshow aimed at the commercial, feature film and TV industries put the Monterey County Film Commission in touch with international professionals looking for film locations. The FOCUS exhibition in London was a great opportunity to showcase Monterey County's varied looks and production resources. MCFC shared a booth with FilmLA and the Berkeley Film Office, highlighting the diversity of California.

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## Locations, locations, locations



*Salinas Valley ranch setting for fashion shoots.*

*Photo: [locationsscouting.com](http://locationsscouting.com)*

While Monterey County's dazzling coastal looks are known worldwide, we have to work harder to tell the rest of the story of what filmmakers will find appealing in our area. The rural and ranch looks in the Salinas Valley have a special beauty, and have provided dramatic backgrounds for recent fashion shoots like American Eagle, Old Navy and others. Contact us for ideas for rustic and agricultural settings.

---

Monterey County Visitors  
Convention Center

FY 14-15	FY 15-16		
TID	MARKETING	TID	MARKETING
\$41,415.66	\$34,695.00	\$54,173.79	\$38,679.50
\$42,800.67	\$34,695.00	\$115,541.91	\$38,679.50
\$57,163.59	\$34,695.00	\$34,351.02	\$38,679.50
\$63,036.27	\$34,695.00		\$38,679.50 QTR 4 (Pending)
\$53,511.48			
\$257,927.67	\$138,780.00	\$204,066.72	\$154,718.00

# Second Quarter Report

October – December 2014

## MONTEREY Monterey County Convention & Visitors Bureau

### Sales & Group Services

#### New Group Business Leads



#### Group Room Night Index



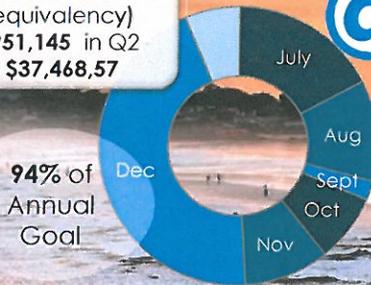
#### Conversion Rate

Oct	Nov	Dec	YTD AVG
27.27%	25%	26%	26%

Goal: 35%  
74% of goal

### Marketing & Communications

**Earned Media**  
(ad equivalency)  
\$24,951,145 in Q2  
YTD: \$37,468,57



64% of Annual Goal

366,368 visitors to SeeMonterey.com in Q2  
YTD: 766,109

12,247 New Facebook Fans in Q2  
YTD: 67,500

Communication Effectiveness  
YTD: 4.1

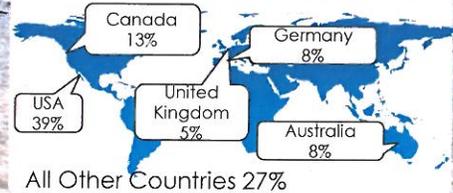
	2014-15 Q2	2014-15 YTD	% Inc YOY
Booking.com			
Total Reservations	258	840	272%
Total Booked Room Nights	465	1,376	273%
Total Revenue	\$64,400	\$200,143	83%

### Visitor Services

19,828 incremental room nights influenced by the Visitor Center in Q2  
YTD: 53,246  
59% of Annual Goal

21,983 total visitor inquiries in Q2  
YTD: 62,759  
51% of Annual Goal

#### Where Do Our Visitors Come From?



Visit California Marketing Planning Workshop & Fall Meeting



Cannery Row FAM



IMEX Las Vegas, NV



Google Trekker starts on Trails



Harvest Media FAM



Helloworld Australia Tour & Travel FAM

October 1-2 9 14-16 15 15-17 21-23

visit California  
Visit California Korea-Cecilia Media FAM  
20-21



Seattle Meets Monterey Event

12-14  
Golf Digest China Media FAM



9-11  
M&C Interact Trade Show Portland, OR

November

December

2  
Tour Operator Reception with SF Travel



4 10  
CAISAE Seasonal Spectacular San Diego, CA

San Francisco Travel  
Int'l Tour and Travel Forum  
4



SITE SoCal Holiday Luncheon

9  
Q3 Member Orientation



Coastal Commission Presentation

10  
LA Asian Tour Operator Luncheon

## Monterey County Convention & Visitors Bureau

### MCCVB's VISION

Inspire the world to experience our extraordinary destination

### MCCVB's MISSION

Drive business growth through compelling marketing and targeted sales initiatives that maximize the benefits of tourism to our guests, members, and community

### Explaining the Scorecard:

**Groups Booked:** Refers to the number of groups who booked a meeting.

**Incremental Spending:** Refers to the visitor spending caused by MCCVB programs.

**Earned Media:** Refers to the value of publicity gained through promotional efforts other than advertising, as opposed to paid media, which refers to publicity gained through advertising.

**Click-through:** The process of a visitor clicking on a web page link or advertisement and going to another Web page. The click rate measures the amount of times an ad is clicked versus the amount of times it's viewed.

### MCCVB Board and Advisor representatives from Carmel-by-the-Sea:

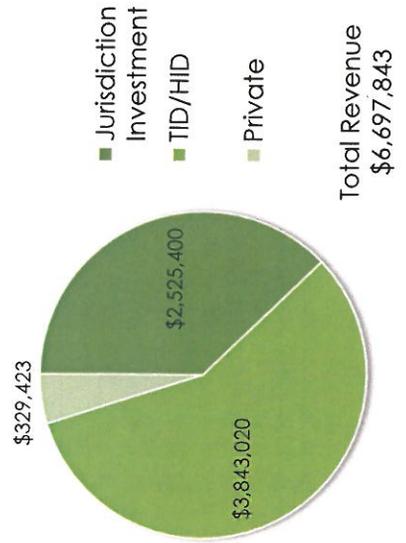
#### Lisa Dias, Director

Chief Operating Officer  
Mirabel Hotel & Restaurant Group  
Phone: 831-622-5903  
Email: [ldias@laubergecarmel.com](mailto:ldias@laubergecarmel.com)

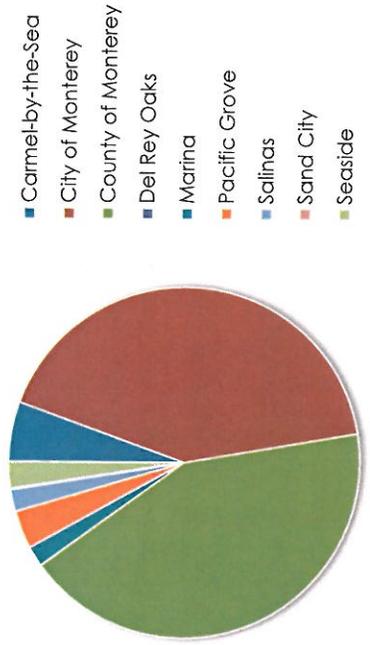
#### Monta Potter, Advisor

Chief Executive Officer  
Carmel Chamber of Commerce  
Phone: 831-624-2522 ext. 203  
Email: [monta@carmelcalifornia.org](mailto:monta@carmelcalifornia.org)

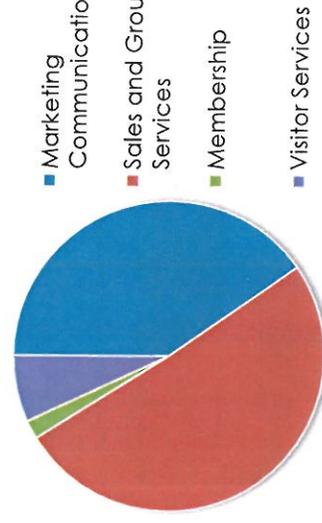
### 2014-2015 Revenue



### Jurisdiction Investment 2014-2015



### 2014-2015 Expenditures



**Year to Date Scorecard**

July 1, 2014 – December 31, 2014

**-Investment-**

	YTD	Annual
City Investment	\$63,390	\$138,780

**-Economic Benefit-**

**Incremental Overnight Stays:**  
 Groups Booked: 9  
 Group Room Nights: 348  
 Monterey VIC Room Nights: 6,264  
 "GLBTM" Campaign Room Nights: 20,731  
 Booking.com Room Nights: 57  
**Total Incremental Room Nights: 27,400**

**Economic Impacts:**  
 Group Bookings: \$192,927  
 Monterey VIC Incremental Spending: \$1,290,541  
 "GLBTM" Campaign Incremental Spending: \$8,710,793  
 Booking.com Room Bookings: \$10,043  
**Total Economic Impact: \$10,204,304**

**Activity:**  
**Earned Media Equivalency:** \$11,879,726

**SeeMonterey.com Unique Visitors:**  
 Carmel-by-the-Sea web pages total views: 45,523  
 Carmel-by-the-Sea web pages total clicks: 20,188

**Return on Investment YTD: \$146:1**

**MCCVB Media Relations Highlights:**

Carmel-by-the-Sea was featured as a "vacation gem" in the article "Escape to Beautiful Carmel-by-the-Sea" that ran the **New York Amsterdam News** in October. This publication receives over 12,500 unique monthly visitors online and has an advertising equivalency of \$5,000.

**Destination Weddings & Honeymoons** magazine highlighted where to stay, play and party in the Monterey region. The article mentions several partners including Cypress Inn and highlights gallery shopping in Carmel-by-the-Sea. This magazine has a circulation of 40,000 and the article has an advertising equivalency of \$14,675.

Carmel-by-the-Sea was highlighted in a feature story in **The Toronto Star** titled, "Wonderful wineries, beautiful beaches and sensational scenery in Carmel, California." The article calls out the wonders of Carmel including the hotels, wine, and scenery of the area. The advertising equivalency for this article is \$245,030 and the publication has a circulation of 361,323.

The MCCVB launched a holiday campaign and sweepstakes to highlight local holiday events and to continue to increase brand awareness during a traditionally slower time of year for business. The campaign featured a holiday recipe book filled the "12 Flavors of Monterey" and highlighted chefs from Aubergine, Andre's Bouchee, Casanova, Anton & Michel, Little Nappoli, Grasings Coastal Cuisine, and Rio Grill among others.



**City of Carmel-by-the-Sea**

Schedule of Changes since DRAFT

FYE 6/30/2017

	account#	Draft amt	changed to	diff
<b>Budget Surplus (Deficit) from draft</b>				5,312
Adjustment to City Council Dues (spreadsheet error)	01-60033	61,422	62,487	(1,065)
MPRWA JPA dues adjustment	01-60033	43,000	32,690	10,310
CHS Sober Grad Night (request change from last year)	01-60207	1,000	3,000	(2,000)
Adjustment to Real Property Taxes Revenue	01-31801	5,301,877	5,410,000	108,123
From Capital Improvement Project Budget:				
Addition of Citywide Network servers	40-	-	120,000	(120,000)
<b>total BUDGET change</b>				<b>(4,632)</b>
<b>NEW Budget Surplus (Deficit)</b>				<b>680</b>

# City of Carmel-by-the-Sea

Capital Expenditure Request Form  
FY2016-2017

## GENERAL

Department:  Division:  Priority (1-3):

Item/Expenditure:

Location:

Description of Project:

Need for Project:

Est. Start/Purchase Date:  Est. Completion/Receipt Date:

### COSTS & FUNDING

**COSTS:**  
Engineering/Design:  Inspection:   
Constr/Proj Management:  Equipment:  Surplussing Existing Assets?   
Construction:  TOTAL:

**FUNDING:**  
Funding Source #1:  Will project produce new revenues?  Will there be additional annual costs?  
Funding Source #2:  If yes, how much?  Year 1:   
Year 2:   
Year 3:

Requesting Director: Joel Staker

City Administrator: \_\_\_\_\_

**QUESTION: 1617-01**

I would like to know why the fire budget is nearly 2.2 million for one engine while the airport pays around 1.1 million for one engine? I also understands Carmel Highlands pays around 1.8 Million for one engine with Rescue Swimmer, Paramedics on the fire truck.

**RESPONSE:**

The Carmel Fire contract with the city of Monterey for fiscal year 16-17 is \$2,130,933 and the other line item expenses in our budget are associated with operational and maintenance costs for our fire station. The question posed is based on costs for one engine compared with similar costs for the Monterey Airport and Carmel Highlands.

Carmel is part of the Monterey Fire response system and therefore the cost of services is based on all resources for fire prevention and emergency response for Carmel, not just one engine.

The Airport pays approximately \$1.7M for their fire services contract. The reason that the Airport pays less is that the City of Monterey shares in the cost of staffing and operating that station. That is because Monterey receives a benefit from the engine in that station as a substantial portion of the responses from that station are into the City of Monterey for the benefit of Monterey residents.

We are not familiar with the costs of the Carmel Highlands Fire Department so we can't answer that part of the question.

**QUESTION SUBMITTED BY:**

Ron Edwards

**QUESTION: 1617-02**

Why are we budgeting \$150k for PD overtime when we have only a few unfilled positions? How do we manage overtime? Same question(s) for ambulance.

Do we really need new vehicles for PD?

**RESPONSE:****Why are we budgeting \$150k for PD overtime when we have only a few unfilled positions?**

Both the Police Department and our Ambulance are full time 24/7 emergency responders. We are required to have staffing on duty at all times to respond to the needs of our City. Unlike other City departments who may be able to run effectively for short periods with reduced staffing both of these departments don't have that ability.

The Police department has two departments that account for a majority of the budgeted overtime. Police Patrol and Dispatch. With Patrol and Dispatch, just like Ambulance we are required to have 24/7 coverage for the City. Patrol has a minimum staffing of 2 officers and Dispatch has 1 dispatcher required at all times.

We have the staffing to cover shifts; however when officers and or dispatchers are out sick, vacation, training or other required leave we are required to fill their positions. We cannot simply go without filling one of these positions.

**How do we manage overtime for ambulance?**

We manage the Ambulance by carefully planning and scheduling vacations, time off requests and training to limit the amount of overtime. We plan for sickness, injury, court appearances, emergencies, extended investigations, or personal tragedies which overtime is used. We utilize our hourly employees as often as possible to save the City overtime costs.

Should an employee become sick, injured or take time off we would need to fill that spot. This is done through three options. Use a hourly employee, which we currently have two. These are certified trained paramedics that are willing to come in and work on the ambulance to help cover shifts. Use of City employees to cover and this requires overtime. We also can use trained City of Monterey Fire Department employees. The overtime budget for ambulance is used to cover the times when Per Diems are not available to cover shifts and we use our own employees who are covering shifts beyond their normal scheduled shifts. Overtime is also used when employees are required to hold over on a call for service, when additional staffing is required or called in on an emergency.

**How do we manage overtime for police?**

We manage the police department overtime by carefully planning and scheduling vacations, time off requests and training to limit the amount of overtime. We cannot control sickness, injury, court appearances, emergencies, extended investigations, or personal tragedies which overtime is used.

**Do we really need new vehicles for PD?**

In the FY16/17 budget we requested an investigations vehicle to replace the one we currently have. Unlike patrol vehicles which have a life span of five years, we can get more years out of our administrative vehicles. Our current detective vehicle is a 2006 Ford Fusion, which was originally purchased as a used vehicle seven years ago to replace the 2001 Ford Taurus detective vehicle which had a catastrophic engine failure.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-03**

Do we really need new vehicles for PD?

**RESPONSE:**

In the FY16/17 budget we requested an investigations vehicle to replace the one we currently have. Unlike patrol vehicles which have a life span of five years, we can get more years out of our administrative vehicles. Our current detective vehicle is a 2006 Ford Fusion, which was originally purchased as a used vehicle seven years ago to replace the 2001 Ford Taurus detective vehicle which had a catastrophic engine failure.

In this current budget cycle we also requested a training vehicle to be used by City Staff. This is a vehicle we had in our vehicle fleet five years ago but was never replaced. With an emphasis on training employees in the City, a City used training vehicle could assist with transporting City employees to and from off-site training.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-04**

Is there money being budgeted for butt cans and recycling/garbage cans?

I have been asking about getting recycling on the street for years. Apparently there is a reluctance to go away from the squirrel cans? I hope we can get this on the radar screen soon. The butt cans are especially needed.

**RESPONSE:**

**FROM: Rob Mullane, AICP, Public Works Director**

The Public Works Department has budgeted funds to replace City trash containers. A change in the design of the City's trash containers and/or the addition of butt cans requires review and approval by the Planning Commission, which has conceptually discussed changing these containers and adding butt can containers. This review was put on hold when the City Council was considering a City-wide ban on smoking in the downtown area. Should there be Council direction to resume exploring butt dispensers, the Planning Commission would need to review and approve new dispensers, and additional funding would need to be allocated for any wide-scale replacement of the existing cans and/or installation of new butt dispensers. Staff will be working with the new Council on work program priorities in the next few months.

**QUESTION SUBMITTED BY:**

Monta Potter

**QUESTION: 1617- 05**

Is there a plan for the in-lieu of parking fund?

What if this was used for seed funding for the underground parking that the Pine Inn wants to put in or for the underground parking at the north end of the Sunset Center? I attended a visioning meeting where there was a discussion for the future combination of the two libraries at the Sunset Center with parking below. Just wonder if that fund could get something started.

**RESPONSE:**

**FROM: Mike Calhoun**

Good question. There is no current plan for use of the in-lieu parking fund. The Carmel Municipal Code requires funds collected by the City is to acquire and develop off-street parking however such parking shall be available to the public and shall be in or near the business district. The City would need to evaluate any plans for a parking structure and use of the in-lieu fund but keep in mind it must be for public parking purposes. The in-lieu parking program can be further explained in CMC 17.38.040- Parking In-Lieu Fee Program

**QUESTION SUBMITTED BY:**

Monta Potter

**QUESTION: 1617-06**

Can we spend more than \$27,500 for helping events?

**RESPONSE:**

**FROM: Janet Bombard**

The City's current fee waiver policy specifies a limit of \$27,500 a year in waived special event fees, which is why that amount has been budgeted in past years. The City Council will be considering a new special event policy, which once approved, will rescind the above mentioned policy. The City Council will then determine what amount it wishes to allocate to event help.

**QUESTION SUBMITTED BY:**

Monta Potter

**QUESTION: 1617-07**

1. Estimated Fund Balances—There are only 2 Restricted items for a total of \$453,690, leaving a balance of \$10,330,282. However I always understood that we could not touch (I'll use the far left column numbers for reference) debt service #5 (debt service portion), #8, #16, #17, #18 (required by the Muni Code and Ordinance), #25, #50 and #51. When you subtract these items (without the debt service figure in #5) which total \$5,168,260 this leaves a balance of about half of what is shown once you subtract the amounts noted above which does not include the POB debt service under #5.

Given what many savants are saying is a tricky financial future, this uncommitted reserve figure seems very low.

**RESPONSE:****FROM: Paul Wood**

To issue the Sunset Center bonds, the City was required to set aside \$400,515, which is restricted for this purpose until the bonds are paid off (2031). Grants received from entities, usually the federal or state government, also have strict requirements about what the funding can be used for and a stipulated timeframe to use the funds. Therefore, these two reserves are categorized as restricted.

POB debt services as part of Measure D, mandatory or negotiated post-employment benefit plans, workers compensation, operating reserve, OPEB post-retirement benefit liability, and deposits have been designated as committed, meaning that while the intended use of the fund has been prescribed in the Municipal Code or by Council resolution, Council has the authority to change the policy and redirect these reserves.

Staff concurs with the submitter of the question that it is a fiscally prudent course of action to keep a fund balance within reserves designated for a variety of purposes and to treat many of these reserves as "restricted" by default. Many of these items, such as employee benefits and workers compensation, are known liabilities and the City will be required to pay for these costs so safeguarding these reserves for future use is financially advantageous. Likewise, maintaining 10% of the annual operating revenues in reserves is considered a best practice among governments and required by the Carmel Municipal Code.

We will educate the new Council and seek direction on our existing financial policies.

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-08**

Org chart: Are the positions of Asst City Administrator, Admin/HR/IT and Marketing & Economic Development currently filled? If not assume this means 3 more staff will be added, if I am wrong who fills them now?

**RESPONSE:**

**FROM: Maxine**

The organizational chart reflects the divisions of Assistant City Administrator, Admin/HR/IT and Marketing & Economic Development.

Assistant City Administrator Division

1.0 position (Assistant City Administrator) – Add FY 16/17

Admin / HR / IT Division

Finance Manager – Filled (Paul Wood)

HR Manager – Filled (Maxine Gullo)

IT Manager – Filled (Joel Staker)

Marketing & Economic Development Division

There is not an authorized position in this division and not being filled. There is no position being added for FY 16/17. The responsibility for economic development falls on several City personnel.

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-09**

City Council Department Expenditures – (pg. 1) why \$33,000 increase in fees, also, why has Council discretionary doubled from \$46,000 to \$92,000?

**RESPONSE:**

**FROM: Paul Wood**

The \$30,000 difference between the Adopted Budget and the Proposed Fiscal Year 16-17 Budget is largely due to under estimating the amount of certain fees in Fiscal Year 15-16. Projections for the Monterey Peninsula Regional Water Authority (MPRWA) and the Local Agency Formation Commission (LAFCO) were under budgeted by \$12,000 and \$6,500 respectively. Some of the variance is due to timing as these entities are developing their budgets and the corresponding agency fees at the same time the City is putting together its proposed budget so the best estimate is used when the City's budget is published. Or, changes are made to the respective entities' budget throughout the fiscal year that are outside of the City's control. For Fiscal Year 2016-17, these fees have been increased to reflect more accurate estimates as well as to allow for some contingency funding for future memberships and adjustments in existing membership fees. The attached chart reflects the memberships and corresponding budget.

The Council discretionary line account has increased by \$56,000, from \$46,000 to \$92,000, to reflect the cost of the residential mail delivery service contract. In the current fiscal year budget, this cost of \$54,000 was included under "non-departmental"; however, it was moved under City Council for fiscal year 2016-17.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-09**

City Council Department Expenditures – (pg. 1) why \$33,000 increase in fees, also, why has Council discretionary doubled from \$46,000 to \$92,000?

**RESPONSE:**

**FROM: Paul Wood**

The Table below illustrates the organizations within the event fee/dues/memberships account.

Organization	FY 15-16 Adopted Budget	FY 15-16 Actual Fee	FY 16-17 Proposed Budget	Dollar Change Adopted to Actual	Dollar Change Proposed to Adopted
Monterey Peninsula Regional Water Authority	\$ 25,000	\$ 37,025	\$ 32,690	\$ 12,025	\$ 7,690
Association of Monterey Bay Area Governments	\$ 3,766	\$ 3,766	\$ 3,803	\$ -	\$ 37
League of California Cities	\$ 2,400	\$ 2,391	\$ 2,440	\$ (9)	\$ 40
Fort Ord Reuse Authority	\$ 14,000	\$ 14,000	\$ 14,000	\$ -	\$ -
Monterey County Mayors Association	\$ 1,100	\$ 1,100	\$ 1,100	\$ -	\$ -
Monterey Bay Unified Air Pollution Control District	\$ 1,309	\$ 1,161	\$ 1,500	\$ (148)	\$ 191
Transportation Agency of Monterey County	\$ 1,349	\$ 1,349	\$ 1,344	\$ -	\$ (5)
Local Agency Formation Commission	\$ 9,500	\$ 16,036	\$ 18,000	\$ 6,536	\$ 8,500
Community Human Services	\$ 13,400	\$ 13,400	\$ 14,500	\$ -	\$ 1,100
Carmel Chamber of Commerce	\$ 500	\$ 500	\$ 500	\$ -	\$ -
Unassigned	\$ 2,000	\$ -	\$ -	\$ (2,000)	\$ (2,000)
Coastwalk/ California Coastal Trail Association	\$ -	\$ -	\$ 300	\$ -	\$ 300
Council attendance at /support of events	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000
Miscellaneous fees	\$ -	\$ -	\$ 9,245	\$ -	\$ 9,245
<b>Total</b>	<b>\$ 74,324</b>	<b>\$ 90,728</b>	<b>\$ 104,422</b>	<b>\$ 16,404</b>	<b>\$ 30,098</b>

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-10**

Admin pg 4—why all the blanks for overtime, social security, workmen’s comp, etc—a footnote would have been helpful as would have for the huge drop in contractual services

**RESPONSE:**

**FROM: Paul Wood**

The blanks for overtime, social security and worker’s compensation signify that nothing is budgeted for those line items. The Administration Department had not anticipated needing to pay overtime in previous years, but has a contingency for it this year, as well as anticipating to pay social security for part-time workers (who are not covered by CalPERS).

Worker’s Compensation expense has been reclassified from the now defunct “Non-Departmental” area, and has now been allocated amongst the various departments.

Contractual Services has decreased due in large part to being fully staffed, and contract services are not needed as much as in the past, along with eliminating services that had be utilized in prior years by vendors such as Public Consulting Group (PCG) and Mark Alcock.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-11**

Admin pg 4a—a step back to look at all the marketing money and it is not just the 5 you have listed but the major events throughout the year and what they spend/bring in—from the HPP’s at Sunset, the Art Festival, Surfabout, Sandcastle, Concours on the Avenue, Forest Theater/PacRep, Carmel Plaza, tasting rooms, restaurants, Inns all these elements and more are spending money to promote their events/business and those multiplier factors in turn benefit the City. No one that I know of over the last 20 years has really taken stock of this impact and I feel that should be done.

**RESPONSE:**

**FROM: Chip Rerig**

Thank you for the great question.

You are absolutely right. An in-depth, thoughtful analysis of this spending and its correlation to the economic benefits that come from it has not been done. One of the reasons for this is that it is very difficult to establish metrics for all of this activity and spending when it is coming from and going to such a wide variety of sources/uses.

To address this, Council, staff and I have made a priority this year of working much closer with the recipients of our marketing dollars, our presenters throughout the City and the inns, restaurants and retail establishments in order to better coordinate a system to more accurately measure the economic impact of these dollars and events.

To date we have met with the MCCVB, the Sunset Board of Directors, the new visitCarmel group, and Jeff Burghardt to start to better understand their roles, as well as our own in this complex equation.

The ultimate outcome will be a more focused marketing effort, citywide, and a more robust set of metrics that will not only measure economic impact more accurately, but will be targeted more toward what all stakeholders in the City of Carmel-by-the-Sea define as success.

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-12**

Non-departmental—why \$20,000 vacation buyback in only one year?

**RESPONSE:**

**FROM: Deanna Allen**

In accordance with Carmel Municipal Code 2.52.655, compensation for unused vacation; may be requested to the City Administrator to approve a vacation buy-back of up to 40 hours for General and Management employees a fiscal year and up to 80 hours for Directors annually.

Approval is considered provided that an employee meets the qualifications; such as; if there are funds available to cover the requested buy-back.

For budgeting this expenditure at \$20,000 employees accruals were analyzed along with their salaries rates for the fiscal year. It was determined which employees may qualify for the buyback as they may meet their cap accrual during the year.

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-13**

Library – Again a lot of unexplained white space, why under revenue does it all seem to start with FY16/17, why just two columns under Total City Responsibility totaling \$315,700?

**RESPONSE:**

**FROM: Janet Bombard**

In previous years, although the City’s finance office received the figures, detailed information regarding the library’s sources of revenue other than the City were not listed in the budget. Since the draft budget was issued, a corrected Library budget, with that information filled in, was submitted for distribution at the budget meeting on June 1.

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-14**

Fire: What has the “true up” shown over the last 5 years?

**RESPONSE:****FROM: Paul Tomasi**

The Fire agreement as it exists today started in January 2012. The first true up reflects only half of the year. We have had four true up amounts for each year and will receive the fifth true up after the current fiscal year.

FY 11/12     \$33,445    owed to Monterey    (1/2 of the budget year)

FY 12/13     \$130,338    owed to Monterey-    Primarily due to a lower projection rate for overtime

FY 13/14     \$16,408    refunded to Carmel

FY 14/15     \$68,199    refunded to Carmel

FY 15/16     Not calculated until after the fiscal year ends.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-15**

1. CIP – In the Rerig forward to this report two items jumped out: in the penultimate para reference is made to a donor for the west pathway at Forest Theater. As I understand this donor is offering \$100,000. I thought this was the cost of the pathway so am not sure what is meant “staff has not budgeted for...” I don’t know what this means. The City should be moving with all deliberate speed to figure out how to use this gift and extend considerable appreciation to the donor. How this is handled or not handled could certainly poison the atmosphere for future donors.

**RESPONSE:**

**FROM: Chip Rerig**

The statement in the Capital Improvement budget message was meant simply to inform the public that City money would not be used to fund this project, but that if and when money was secured from other sources, and it seems there is at least one source, the project could be completed.

The budget simply can be adjusted when all of the pieces are in order and the final price is determined.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-16**

The Rerig memo mentions at the top the carry-over of 8 projects—I am not sure what this means... carryover to a future FY or that these are being carried over to the 16-17 year?

**RESPONSE:**

**FROM: Chip Rerig**

This refers to projects that originally were scheduled to be completed in fiscal year 2015-16 (this year), but will be completed (and thus, re-budgeted) in fiscal year 2016-17.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-17**

Pg 8 Disaster Recovery? Is the City well protected in the event City Hall and the PD are destroyed—where are the computer back-ups?

**RESPONSE:**

**FROM: Joel Staker**

While no critical digital information is stored at City Hall, the City does face certain risks in the event that the police department were to be destroyed. Critical information including critical police data, fire department data and other key information is protected in the cloud, but other information including important working documents and various other digital information could be lost in the event of a major disaster at the police department. Two new systems are being proposed in this year's budget to better mitigate the risks. The first is a new system that will keep copies of critical data in two separate facilities and allow for continued operations in the event of either's loss. The second is to keep an additional copy of critical information at an off-site facility that will be backed up to the cloud when the system is fully implemented. The City's goal is to make several short term improvements and to have a very robust disaster prevention and recovery system by July 2017. Currently, computer backups are largely stored on network attached storage devices that are kept in the Police Department's secure Emergency Operations Center (EOC).

**QUESTION SUBMITTED BY:**

Sue McCloud

**QUESTION: 1617-18**

Pg 20 PD Renovations – where is work on the PD roof being undertaken? It is more important than any of these elements or Rio Park.

**RESPONSE:**

**FROM: Rob Mullane, AICP, Public Works Director**

The Police Department building’s roof is not currently leaking, but is nearing the end of its useful life. This is according to an evaluation by Skyline Engineering that the City commissioned approximately a year and a half ago. As such, this project was not included in the CIP for FY 2016-17. We will, however, include in a future year of the CIP.

There is also ongoing work to repair leaks to the Public Works Building roof. This is a project noted in the list of carry-over projects from FY 2015-16. Recent progress on this project includes the capping the planters on the patio outside the Police Department with concrete, installing new drains for these planters, and applying an epoxy-based, water-proof coating to seal these areas, which appeared to have been a major source of the leaks into the Public Works shop/motor court. City staff is also having Sprint Comm., who has a lease for a communications equipment enclosure on the patio, address another confirmed leak that was created during the construction of this enclosure. Public Works will also address another leak source by the stairs outside of the Police Department entrance this summer by retouching the steps to improve drainage and water-proofing areas with visible cracking.

The \$28,562 remaining budget for this project is proposed to be augmented by \$51,438 such that the proposed FY 2016-17 budget is \$80,000.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-19**

Pg 24 Street Projects. As one alternate entrance to the City is down Carpenter to Ocean—I don't readily see that this is yet being addressed—It is an expensive item as it is concrete part of the way.

**RESPONSE:**

**FROM: Rob Mullane, AICP, Public Works Director**

The City will be repaving Carpenter from the northern City limit to Ocean Avenue over the next two (2) weeks. The Ocean Avenue segment from Carpenter to Junipero is not identified in the City's list of road repaving projects as a future project. To assess the conditions of the City's roads and set forth a plan of action for necessary road repaving, the City commissioned a pavement management survey by Nichols Consulting Engineers in November 2013. The Ocean Avenue roadway segment between Carpenter and Junipero was repaved in 1998 and is reported in the Nichols assessment as having an average Pavement Condition Index (PCI) of 89 out of 100, which indicates that the roadway was in good condition. In contrast, the Carpenter segment was noted as having an average PCI of 70. The City regularly re-assesses its roadway conditions, and a subsequent assessment may indicate a more pressing need to repave Ocean between Carpenter and Junipero.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-20**

In the spreadsheet for “Estimated Fund Balances”:

- There is an entry of \$596,087 that is “committed for deposits held for others.” Is this a pass-through amount related to tax collections for the Hospitality Improvement District (HID) and/or Monterey County Convention & Visitors Bureau (MCCVB) that is used for marketing purposes? Or something else? Please explain.

**RESPONSE:**

**FROM: Paul Wood**

Fund 50, the “Deposits” fund is one that generally holds money that does not belong to us. Over the years, it has been used mostly to keep track of monies that have been deposited with the City for Planning and Development fees, or those monies that have been donated for specific uses. The bulk of this fund is made up of monies on deposit for “Rio Park,” “Public, Educational and Government Access (PEG),” and various donation accounts for specific uses (the police DARE program, urban forest restoration, park benches, etc.).

This fund does not include any monies that we collect related to the HID or TID. That money is collected and disbursed within two (2) weeks of receiving it.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-21**

In the spreadsheet for “Estimated Fund Balances”:

- Toward what specifically can the City allocate parking in-lieu funds?

**RESPONSE:**

**FROM: Paul Wood**

According to CMC 17.38.040, Funds collected by the City...shall be...used by the City to acquire and/or develop off-street parking. Due to the higher cost of developing parking, this fund accumulates deposits over time.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-22**

In the spreadsheet for “Estimated Fund Balances”:

- There is \$10,000 assigned to ambulance service. Can you explain, does this happen to be a restricted gift of funds that have not yet been spent?

**RESPONSE:**

**FROM: Paul Wood**

The Ambulance Fund was established to track revenues coming in to the City from ambulance services provided, and expenditures going out for ambulance-related expenses. Typically, in a given year the ambulance service is supported by the General Fund in amounts ranging from \$350,000 to \$400,000.

Without the appropriate amount of General Fund assistance, the Ambulance Fund would have a negative fund balance (think of it as equity). In order to keep that from happening, we transferred \$10,000 so that we would have a cushion, in case we got close to a negative fund balance.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-23**

City Council:

- Can you please break down the budgeted of the \$92,500 for the Council’s discretionary fund? What organizations require the referenced contributions? What other expenditures are covered by this budgetary item?

**RESPONSE:**

**FROM: Paul Wood**

The \$92,500 within the discretionary fund includes: \$56,000 for the mail delivery service contract, \$1,000 for operating costs related to Council meetings, \$500 for citywide acknowledgements and support, such as cards and flowers and \$35,000 in unallocated funding to outside organizations. Council has discretion to determine which organizations to fund and for what amount. The Table below shows the organizations funded last fiscal year. To date, the City has received requests from Carmel High School for Sober graduation (\$3,000), MEarth (\$12,000), and the Film Commission (\$1,000). The Chamber of Commerce also submitted a budget request and funding to the Chamber is located within Marketing and Economic Development found on page 4a.

Organization	FY 15-16 Adopted	FY 16-17 Proposed
Carmel High School	\$ 1,000	\$ -
Carmel High School-Sober Graduation	\$ 1,000	\$ -
Carmel Heritage Society	\$ 8,500	\$ -
Carmel Youth Center	\$ 10,000	\$ -
Countywide Homeless	\$ 4,100	\$ -
Mearth	\$ 12,000	\$ -
Monterey County Film Commission	\$ 500	\$ -
Suicide Prevention	\$ 1,000	\$ -
United Way 211	\$ 2,000	\$ -
Unassigned	\$ 1,500	\$ 35,000
Subtotal	\$ 41,600	\$ 35,000
Council Meetings	\$ 1,000	\$ 1,000
Acknowledgments	\$ 500	\$ 500
Mail Service*	\$ -	\$ 56,000
Training and Travel**	\$ 3,000	
<b>Total</b>	<b>\$ 46,100</b>	<b>\$ 92,500</b>

\*Mail service is currently budgeted within “non-departmental” account. \*\*Training and travel expenses moved to Training account.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-24**

City Council:

- The Event Fees/Dues/Memberships budget increased from \$74,324 last year to \$104,422 for this year. What is covered in this budgeted amount? Why the increase? Or conversely, why so much less last year? If this is the cost of memberships for participation in regional organizations, will you please provide the breakdown of budgeted money paid to each organization? Does this include the Mayor’s water authority board?

**RESPONSE:**

**FROM:**

The difference is largely due to under estimating the amount of certain fees in FY 2015-16 as well as projected increases, new expenses and contingency funding for FY 2016-17. Some of the variance is due to timing as these entities are developing their budgets and the corresponding agency fees at the same time the City is putting together its proposed budget so the best estimate is used when the City’s budget is published. Or, changes are made to the respective entities’ budget throughout the fiscal year that are outside of the City’s control.

Organization	FY 15-16 Adopted Budget	FY 15-16 Actual Fee	FY 16-17 Proposed Budget
Monterey Peninsula Regional Water Authority	\$ 25,000	\$ 37,025	\$ 32,690
Association of Monterey Bay Area Governments	\$ 3,766	\$ 3,766	\$ 3,803
League of California Cities	\$ 2,400	\$ 2,391	\$ 2,440
Fort Ord Reuse Authority	\$ 14,000	\$ 14,000	\$ 14,000
Monterey County Mayors Association	\$ 1,100	\$ 1,100	\$ 1,100
Monterey Bay Unified Air Pollution Control District	\$ 1,309	\$ 1,161	\$ 1,500
Transportation Agency of Monterey County	\$ 1,349	\$ 1,349	\$ 1,344
Local Agency Formation Commission	\$ 9,500	\$ 16,036	\$ 18,000
Community Human Services	\$ 13,400	\$ 13,400	\$ 14,500
Carmel Chamber of Commerce	\$ 500	\$ 500	\$ 500
Unassigned	\$ 2,000	\$ -	\$ -
Coastwalk/ California Coastal Trail Association	\$ -	\$ -	\$ 300
Council attendance at /support of events	\$ -	\$ -	\$ 5,000
Miscellaneous fees	\$ -	\$ -	\$ 9,245
<b>Total</b>	\$ 74,324	\$ 90,728	\$ 104,422

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-25**

Administration:

- Why are the Credit Card Bank fees so high? What does the \$10,000 cover? How are the fees determined; in other words, how are they calculated? (They were particularly high in FY 2014/15 and even though we are now budgeting for a third of what was spent then, it still is quite a sum of money.)

**RESPONSE:**

**FROM: Paul Wood**

Credit card fees are those fees that the bank (or credit card company) charges the City for the privilege of our customers using their card. These fees are collected monthly based on the amount of money we receive via credit cards.

A number of years ago, it was determined that the City would accept credit cards for TOT payments received from our innkeepers. Since those amounts are quite typically in the tens of thousands of dollars, and our average rate is about 2.4%, our charges, our credit card fees were very high.

As you have noticed in the budget, our credit card fee budget has been decreased. The reason for this is that we intend to change the City policy related to the use of credit cards for payment of TOT, which will substantially reduce our credit card charges.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-26**

Administration:

- Why are there no IT contractual service fees listed for FY 2014/15 and FY 2015/16. We have been contracting with Martech and Boots Road. Were their fees included in the “professional services” line item instead?

**RESPONSE:**

**FROM: Joel Staker**

In both budget years referenced Martech Inc was paid from 67051, Professional Services and Boots Road was paid from 67053 Contractual Services.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-27**

Marketing & Economic Development:

- In reviewing last year’s “Issues and Options Policy Paper No. 7” as part of budget review, I see that Carmel’s contractual obligation to the Monterey County Tourism Improvement District (TID) is 3% of our previous year’s TOT receipts (administered by the MCCVB). Where can I find that in this year’s budget? Am I missing something? What is that amount projected to be this year (based on last year’s TOT)? In the past, a council member continually made the point that the 10% TOT collected is tax that stays in Carmel. Could this be translated to mean that we only keep about 7% of what is collected?

**RESPONSE:**

**FROM: Paul Wood**

The budget for “Regional Destination Marketing” can be found on page 4a, account number 85203. In the current draft budget, the amount that is budgeted for FY16-17 is \$154,718. After reviewing the numbers, we determined the amount should have been \$167,656. This is the fee we pay to the MCCVB.

The amount that the Council Member stated that we keep is substantially correct. The calculation of the dues to be a member of the MCCVB is simply based on the TOT collected, it is not a transfer/extraction of TOT collected. Additionally, the dues are 3% of 100% of the TOT that we receive, so we are keeping 97%.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-28**

Marketing & Economic Development:

- Is the City under any contract with the MCCVB for the additional regional destination marketing amount of \$154,718? Or is that an amount that is set per Council discretion?

**RESPONSE:**

**FROM: Paul Wood**

Currently, the contract that bound the City and the MCCVB is expired. The City has been notified by the MCCVB that in order to be a participant in any capacity in their regional marketing program, the terms of membership would be the same as in past years, 3% of TOT receipts for prior year (\$167,656).

As of now, the MCCVB has stated the financial terms of membership, and it will be at the City Council's discretion as to whether we fund membership this year. The MCCVB notes that failure for a member agency to pay their membership fee precludes any private entity within that jurisdiction from becoming an individual member.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-29**

Marketing & Economic Development:

- Listed amounts budgeted for jurisdiction marketing (Burghardt+Dore, \$120,000), regional destination marketing (MCCVB \$154,718), Chamber (\$55,000) and grants (\$27,500) are only a part of what is spent on marketing Carmel in a year. (I am excluding the \$750,000 Sunset Center operations and management figure because most residents would not consider funding for its maintenance and operations as a marketing expense.)
- If possible, please provide a breakdown of the entire amount of money that goes toward marketing of Carmel. Please include the above figures (Burghardt, MCCVB, Chamber) as well as:
  1. The pass-through amounts collected by our hotels for use by Carmel’s HID (based on the \$1 per night, per room).
  2. The amount collected by our hotels and passed through to the MCCVB (in the approximate neighborhood of \$300,000).

**RESPONSE:**

**FROM: Paul Wood**

The projected spend for this year and budgeted for next year are as follows:

	<b>Projected FY15-16</b>	<b>Budgeted FY16-17</b>
Burghardt + Dore (Destination Marketing)	120,000	120,000
Carmel Chamber of Commerce (Visitors' Center)	57,000	55,000
City Council Waiver of Fees for Events	27,500	27,500
MCCVB (membership component)	146,528	167,656
MCCVB (TID component)	301,720	302,000
VisitCarmel/CCoC (HID component)	253,025	255,000
<b>Total Marketing Expenditures</b>	<b>905,773</b>	<b>927,156</b>

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-30**Sunset Center:

- While there has never been an expectation that the subsidy paid to Sunset Cultural Center, Inc. would ever go away completely or even dip below about \$500,000, we are seeing an increase from \$650,000 to \$750,000 in last year's budget and again in this year's figures. It had been expected that the subsidy would continue to be reduced over the years as the operations smoothed out, became more efficient and effective in drawing in events. What has changed to require the additional funding over that of previous years? Are there efforts being made to again reduce the subsidy back to where it should be?

**RESPONSE:****FROM: Paul Wood**

Over the years since the Sunset Center has been renovated, the City has augmented the Center's operational unit by varying amounts. These amounts are derived by agreement of the Council based on requests made by the operational unit each year.

This current year, the amount funded increased by \$100,000 to \$750,000, after the request was made by the Sunset Center operators, and it was agreed to by the City Council.

Representatives of the City have regular meetings with the staff and Board of Directors of the Sunset Center to discuss a variety of topics, including, but not limited to coordinating strategies related to events, marketing, space usage, and staffing. The ultimate goal of these meetings for the City is to put the Sunset Center to its highest use for the citizens of the village.

Additionally, this year the City Council has approved a study to produce a Sunset Center Master Plan that would guide the development of the Center for the next number of decades.

In short, the City Council makes the decision each year on the amount to fund the Sunset Center operations group, based on the request of the operators. Last year, they decided to increase the amount to \$750,000, and the same amount is being requested this year.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-31**

Ambulance:

- The proposed budget for ambulance in 2016/17 is \$1,121,399. What is the projected income from operations that would offset this cost?

**RESPONSE:**

**FROM: Paul Tomasi**

The projected income for FY16-17 is \$700,000. The previous few years have been growing slightly year over year from \$650,000 three years ago. Paid for by insurance reimbursement.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-32**Fire:

- Why are there no amounts budgeted for “Personnel related expenditures”, “utilities”, or “outside labor” in the coming years’ budget? Explain the jump in cost for “Contractual Services” from zero dollars this year to \$39,423 for next year. What does that amount cover?

**RESPONSE:****FROM: Paul Tomasi**

We stopped requesting money for personnel related expenditures in the Fire budget in FY 2015/16 due to us reaching full staffing in our ambulance department. Prior to 2014 we had three ambulance employees and kept money in the Fire budget to cover staffing costs while we hired and trained ambulance employees. Monterey employees were being used to help cover the ambulance to offset the lack of employees and therefore a line item called “Personnel Related Expenditures” was created to pay the employee costs for ambulance coverage. Since FY 2105/16 we no longer request this money in the budget because we have six full time ambulance employees and two per diem ambulance employees. If Monterey fire employees are needed to cover the ambulance we use money from the ambulance budget under 07-73053-Contractual Services (City of Monterey Coverage).

Utilities were moved to the City Hall budget. Outside Labor was moved to Contractual Services as a part of the \$39,423. The items previously listed under Outside labor were primarily contractual items and so were combined under one account.

In FY15-16, the approved budget shows \$39,173 for contractual Services and \$2,035,254 for Contractual Services Monterey Agreement. Together, they equal \$2,074,427, which is reflected of the draft budget document for FY16-17, where it shows the two accounts combined. The proposed budget for FY16/17 again breaks apart the two contractual numbers. The contractual agreement of \$39,423 is primarily the Monterey County Telecommunications bill - \$21,000 – with other expenses listed are for alarm services, computer services, laundry services, office water, hose testing, ladder testing, apparatus detailing, alarm service/knox box, fire supplies & maintenance and communications. These make up the remainder of the \$39,423. This amount is actually a decrease since the Outside Labor account was added to Contractual Services.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-33**

Public Safety:

- What does the Police Department use “Contractual Services” for? The amount of \$185,663 is slightly less than the current budgeted amount of \$229,259. This is a rather large ticket item in the PD budget outside of salaries, retirement, etc.

**RESPONSE:**

**FROM: Paul Tomasi**

This account is made up of 32 contracts used for the operation of the Police Department. A majority of the money is divided into 6 contracts:

- Department of Justice – automated criminal justice - \$50,000
- Monterey County – jail booking fees - \$12,000
- TracNet – records, CAD and report writing system maintenance - \$15,000
- Lexipol – policy manual management system - \$6,350
- MoCo Regional Taxi Authority – taxi vouchers - \$13,723
- First Alarm – security system - \$35,000
- Other 26 contracts – various uses - \$53,590

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-34**

CIP: Agenda and Records Management

- Is this system costing \$70,000 a part of and compatible with the Accela system recently approved for our Finance system?

**RESPONSE:**

**FROM: Ashlee Wright, City Clerk**

The City has not yet gone out for an RFP for an Agenda and Records Management system (or systems). The compatibility with the Accela system remains to be determined by the outcome of the RFP and the interview process and will be a consideration in the evaluation process. The \$70,000 requested in the FY 2016-20147 CIP budget is a research estimate based upon preliminary proposals received from a number of companies who specialize in these systems, as well as information provided by California City Clerks to facilitate the understanding of potential costs and to make fiscally prudent budget request. Once funding is approved by the Council, staff will issue an RFP for the system.

**QUESTION SUBMITTED BY:**

Carolyn Hardy

**QUESTION: 1617-35**

Why do we get \$700,000 income with the ambulance?

**RESPONSE:**

**FROM: Michael Calhoun- Public Safety**

The Carmel Fire Ambulance generates revenue from call income fees that offsets operational expenditures. Revenue write-downs, though non-payment, insurance payments limits, contractual obligations, and medicare/medical capped reimbursements reduce the revenue received from the amount billed. Net revenue to fund the service is estimated to be \$700,000 for fiscal year 2016-2017. To maintain salaries, benefits, personnel costs and operations, the City provides a subsidy each budget year to offset the revenue write-downs. The subsidy amount budgeted for FY 2016/17 is \$421,399.00

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-36**

How is the Measure D revenue kept track of, and where does it go after we receive it?

**RESPONSE:**

**FROM: Paul Wood**

Measure D revenues are required to be kept segregated. We keep it segregated in Fund 05. We do not expend money from the fund directly, but we transfer it to one of three other funds for use. Those three funds are Fund 08 – Debt Service Fund, Fund 13 – Capital Project Fund and Fund 01 – General Fund.

The money is transferred to Fund 08 to pay down our bonded indebtedness for the Pension Obligation Bonds that were issued in order to pay off the PERS “side fund.” The money that is transferred to Fund 13 – Capital Projects is used to pay for identified capital projects that the City Council has approved, and the money transferred to the General Fund is used for general expenses as approved by the City Council.

All of these things are permitted by Measure D. The Pension Obligation Bonds are tied to Measure D from the timing standpoint as well, and we will pay off the debt in 2023.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-37**

What is the current fund balance from Measure D?

**RESPONSE:**

**FROM: Paul Wood**

The fund balance of the Measure D revenues is a constantly changing number due to the monthly receipt of Measure D sales tax revenue and the status of funded capital projects (i.e. if a project requires additional funding or is completed under budget and the remaining project budget falls to fund balance). We have a constantly changing revenue amount and expenditure amount. The most recent analysis we have completed is as follows:

fund balance at 6/30/2014		\$ 1,937,498.29
Transferred out FY 14-15		
to General Fund/Ambulance	\$ (637,958.00)	
to CIP	\$ (458,501.26)	
to Debt Service	\$ (698,243.00)	
Total Transferred out FY 14-15		\$ (1,794,702.26)
Revenue FY14-15		\$ 2,645,357.35
Budgeted transfers out FY15-16		
to General Fund/Ambulance	\$ (814,557.00)	
to CIP (new and carried over)	\$ (2,336,652.40)	
to Debt Service	\$ (697,443.00)	
		\$ (3,848,652.40)
Budgeted Revenues FY15-16		\$ 2,920,000.00
		\$ 1,859,500.98

This balance is our budgeted balance at June 30, 2016, and is an estimation.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-38**

What is “COPS Grant”?

**RESPONSE:**

**FROM: Paul Tomasi**

The Office of Community Oriented Policing Services (COPS) was created with the passage of the Violent Crime Control and Law Enforcement Act of 1994 to assist law enforcement agencies in enhancing public safety through the implementation of community policing strategies. The COPS Office develops innovative programs that respond directly to the emerging needs of state, local, and tribal law enforcement, to shift law enforcement’s focus to preventing, rather than reacting to, crime and disorder; develops state-of-the-art training and technical assistance to enhance law enforcement officers’ problem-solving and community interaction skills; promotes collaboration between law enforcement and community members to develop innovative initiatives to prevent crime; and provides responsive, cost-effective service delivery to grantees to ensure we meet our mission to “Advance Public Safety through Community Policing.”

The COPS Office awards competitive, discretionary grants directly to law enforcement agencies across the United States and its territories. The programs and initiatives developed by the COPS Office have provided over \$16 billion in funding to more than 13,000 law enforcement agencies. By funding over 13,000 of the nation’s 18,000 law enforcement agencies, the COPS Office has helped create a community policing infrastructure across the nation.

The City of Carmel receives a \$100,000 dollar grant annually from US Department of Justice to help fund a police position in our department.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-39**

What is MOU Obligations as seen on page 6a?

**RESPONSE:**

**FROM: Deanna Allen**

Per Article 20 of the General Employees MOU; Longevity/Merit Program

This program enables employees that were hired before July 1, 2001 to receive a pay compensation of \$1200.00 a fiscal year. This program has requirements and qualifications that an employee must meet in order to receive the compensation pay.

This particular department (Community Services, page 6a) has two employees, one eligible for this program.

The difference that is budgeted is also for expenditures that may arise from an MOU negotiation. The next negotiation will be in FY 16/17, the current MOU expires December 2016.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-40**

Do the Car Week expenditures include the financial support given the Concours on the Avenue (a Carmel Foundation event)?

**RESPONSE:**

**FROM: Janet Bombard**

The Car Week expenditures budget line item includes financial support for the Concours on the Avenue and Pebble Beach Tour d'Elegance, as well as the City's cost to provide shuttles for the two events. The Concours on the Avenue is put on by Motor Club Events, LLC. Motor Club Events' fee to enter a car in the event is \$250; however, the event organizer asks entrants to consider providing an amount greater than the standard fee, and goes on to state that "monies received above the entry fee will be considered a donation to the Carmel Foundation".

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-41**

Can I assume the \$2,000,000 managerial agreement with Monterey is the fee for salaries, etc. that we pay to Monterey for our Fire Department? And the remaining costs listed are the costs for the station, fire trucks, etc.?

**RESPONSE:**

**FROM: Paul Tomasi**

Yes, this is a fair assumption of the fire budget.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-42**

Does the botanist's salary who works on the Dunes come out of Public Works?

**RESPONSE:**

**FROM: Rob Mullane, AICP, Public Works Director**

Joey Canepa of Native Solutions, the City's contract botanist for the North Dunes Habitat Restoration Project, has a five-year contract with the City for assisting in the implementation of the restoration work. Ms. Canepa is in the second year of this project. The contract provides \$25,750 in funding for FY 2016-17, and lesser amounts in the following three years: \$17,450 in FY 2017-18, and \$8,500 in FYs 2018-19 and 2019-20. More information on this project (FBP 1314-02, Dunes Habitat Restoration) is in the Capital Improvement Program portion of the budget. The funding for this contract is included in the Capital Improvement Program. It is not part of the Public Works Department's operational budget.

**QUESTION SUBMITTED BY:**

**QUESTION: 1617-43**

What is the balance in the Parking In Lieu fund. Where is it shown on the budget?

**RESPONSE:**

**FROM: Paul Wood**

The balance in the Parking In Lieu Fund is \$700,760.

It is shown in the budget on the “Estimated Fund Balance” page.

**QUESTION SUBMITTED BY:**