



CITY COUNCIL Agenda

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

April 16, 2024, 5 p.m.

Welcome to Your City Council Meeting

We welcome your interest and involvement in the city’s legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

How to Watch

In Person



City Council Chamber
1200 Carlsbad Village Drive

On TV



Watch the city’s cable channel
Spectrum 24 and AT&T U-verse 99

Online



Watch the livestream at
carlsbadca.gov/watch

How to Participate

If you would like to provide comments to the City Council, please:

- Fill out a speaker request form, located in the foyer.
- Submit the form to the City Clerk before the item begins.
- When it’s your turn, the City Clerk will call your name and invite you to the podium.
- For non-agenda public comment, speakers must confine their remarks to matters within the City Council’s subject matter jurisdiction.
- For public comment on agenda items, speakers must confine their remarks to the question or matter under consideration.
- Speakers have three minutes, unless the presiding officer (usually the Mayor) changes that time.
- You may not give your time to another person, but can create a group. A group must select a single speaker as long as three other members of your group are present. All forms must be submitted to the City Clerk before the item begins and will only be accepted for items listed on the agenda (not for general public comment at the beginning of the meeting). Group representatives have 10 minutes unless that time is changed by the presiding officer or the City Council.
- Failure to comply with the rules for public participation is disruptive conduct. Continuing disruptive conduct after being asked by the presiding official to cease may result in removal from the meeting.

Reasonable Accommodations

Reasonable Accommodations Persons with a disability may request an agenda packet in appropriate alternative formats as required by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the City Manager’s Office at 442-339-2821 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or manager@carlsbadca.gov by noon on the Monday before the meeting to make arrangements. City staff will respond to requests by noon on Tuesday, the day of the meeting, and will seek to resolve requests before the start of the meeting in order to maximize accessibility.

More information about City Council meeting procedures can be found at the end of this agenda and in the Carlsbad Municipal Code chapter 1.20.

The City Council also sits as the Carlsbad Municipal Water District Board, Public Financing Authority Board, Community Development Commission and Successor Agency to the Redevelopment Agency. When considering items presented to the Carlsbad Municipal Water District Board, each member receives an additional \$100 per meeting (max \$300/month). When considering items presented to the Community Development Commission each member receives an additional \$75 per meeting (max \$150/month).

CALL TO ORDER:

ROLL CALL:

ANNOUNCEMENT OF CONCURRENT MEETINGS: The City Council will be serving as the Community Development Commission on Public Hearing Item No. 11, and as the Carlsbad Municipal Water District Board of Directors on Departmental and City Manager Report Item No. 15.

PLEDGE OF ALLEGIANCE:

APPROVAL OF MINUTES:

Minutes of the Special Meeting held March 26, 2024

PRESENTATIONS:

Proclamation in recognition of the Carlsbad Green Business Program

PUBLIC REPORT OF ANY ACTION TAKEN IN CLOSED SESSION:

PUBLIC COMMENT: *The Brown Act allows any member of the public to comment on items not on the agenda, provided remarks are confined to matters within the City Council's subject matter jurisdiction. Please treat others with courtesy, civility, and respect. Members of the public may participate in the meeting by submitting comments as provided on the front page of this agenda. The City Council will receive comments as requested up to a total of 15 minutes in the beginning of the meeting. All other non-agenda public comments will be heard at the end of the meeting. In conformance with the Brown Act, no action can occur on these items.*

CONSENT CALENDAR: *The items listed under Consent Calendar are considered routine and will be enacted by one motion as listed below. There will be no separate discussion on these items prior to the time the Council votes on the motion unless members of the Council, the City Manager, or the public request specific items be discussed and/or removed from the Consent Calendar for separate action.*

1. **REPORT ON CITY INVESTMENTS AS OF FEB. 29, 2024** – Accept and file Report on City Investments as of Feb. 29, 2024. (Staff contact: Craig Lindholm and Zach Korach, Administrative Services Department)
2. **CITY OF CARLSBAD FISCAL YEAR 2022-23 ANNUAL FINANCIAL AUDIT RESULTS** – Receive and file a report on the city's fiscal year 2022-23 annual financial audit results. (Staff contact: Roxanne Muhlmeister, Administrative Services Department)
3. **MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARLSBAD AND THE CARLSBAD FRIENDS OF THE ARTS** – Adoption of a resolution approving a memorandum of understanding between the City of Carlsbad and the Carlsbad Friends of the Arts and authorizing the City Manager or designee to execute the memorandum of understanding. (Staff contact: Fiona Everett, Community Services Department)
4. **AGREEMENT WITH MASTER CONCEPTS TO PROVIDE YOUTH BASKETBALL LEAGUE ADMINISTRATION SERVICES** – Adoption of a resolution authorizing execution of an agreement with Master Concepts LLC, dba Master Sports, for youth basketball league administration services in an amount not to exceed \$360,000 per year for the initial two-year term of the agreement, and authorizing the City Manager, or designee, to appropriate \$55,000 from the General Fund to the Parks & Recreation Department's Fiscal Year 2023-24 Operating Budget. (Staff contact: Kevin Gohres, Community Services Department)

5. APPROVAL OF VALLEY/MAGNOLIA UTILITY UNDERGROUNDING AGREEMENT WITH SDG&E (CIP PROJECT NO. 6019) – Adoption of a resolution authorizing the City Manager to execute an agreement with San Diego Gas & Electric to perform Rule 20A aerial-to-underground conversion of overhead utilities on Valley Street and Magnolia Avenue for an estimated amount of \$5,399,104 and authorizing additional appropriations in the amount of \$251,000 for the Valley and Magnolia Complete Streets Project, Capital Improvement Program Project No. 6019. (Staff contact: Eric Zielke and Hossein Ajideh, Public Works Department)

6. ADVERTISE FOR BIDS FOR THE EL CAMINO REAL WIDENING FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE PROJECT AND ACCEPTANCE OF GRANT DEEDS AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE PROJECT (CIP PROJECT NO. 6094) – Adoption of a resolution approving the plans, specifications and contract documents and authorizing the City Clerk to advertise for bids for the El Camino Real Widening from Sunny Creek Road to Jackspar Drive Project and accepting the grant deeds and the temporary construction easements with the owners of Assessor Parcel Nos. 209-060-48, 209-060-58 and 209-090-11 for the project. (Staff contact: Brandon Miles and Hossein Ajideh, Public Works Department)

7. CONTINUATION OF PROCLAMATION OF A STORM-RELATED LOCAL EMERGENCY FOR REMOVAL OF SEDIMENT AND VEGETATION ON THE BUENA VISTA CREEK CONCRETE CHANNEL NEAR EL CAMINO REAL – Adoption of a resolution continuing the proclamation of a storm-related local emergency for removal of sediment and vegetation in the Buena Vista Creek Concrete Channel near El Camino Real. (Staff contact: Tom Frank, Public Works Department)

8. CONTINUATION OF PROCLAMATION OF A STORM-RELATED LOCAL EMERGENCY FOR REPAIR OF THE SLOPE BETWEEN EL CAMINO REAL AND TRIESTE DRIVE – Adoption of a resolution continuing the proclamation of a storm-related local emergency for repair of the slope between El Camino Real and Trieste Drive. (Staff contact: Tom Frank, Public Works Department)

BOARD AND COMMISSION MEMBER APPOINTMENTS: None.

ORDINANCES FOR INTRODUCTION: None.

ORDINANCES FOR ADOPTION:

9. ORDINANCE NO. CS-469 – ANNUAL REPORT FOR AB 481 – Adoption of Ordinance No. CS-469 renewing the Police Department’s Military Equipment Use Policy, in accordance with California Assembly Bill 481. (Staff contact: Faviola Medina, City Clerk Department)

City Manager’s Recommendation: Adopt Ordinance No. CS-469.

10. ORDINANCE NO. CS-470 – CALIFORNIA COASTAL COMMISSION’S SUGGESTED MODIFICATIONS TO AMENDMENTS TO CARLSBAD MUNICIPAL CODE TITLE 21 – Adoption of Ordinance No. CS-470 acknowledging receipt of and approving the California Coastal Commission’s suggested modifications to the Local Coastal Program for ZCA 2022-0001/LCPA 2022-13 and ZCA 2022-0002/LCPA 2022-14. (Staff contact: Faviola Medina, City Clerk Department)

City Manager’s Recommendation: Adopt Ordinance No. CS-470.

PUBLIC HEARINGS:

11. CARLSBAD HOUSING AGENCY 2024-25 PUBLIC HOUSING AGENCY ANNUAL PLAN – 1) Hold a public hearing; and
2) Adoption of a Community Development Commission resolution approving the City of Carlsbad’s 2024-25 Public Housing Agency Annual Plan for Submission to the U.S. Department of Housing and Urban Development. (Staff contact: Christian Gutierrez, Community Services Department)

City Manager’s Recommendation: Take public input, close the public hearing, and adopt the resolution.

12. 2024 HAZARD REDUCTION PROGRAM - ABATEMENT – 1) Hold a public hearing; and
2) Adoption of a resolution authorizing abatement of weeds, rubbish and refuse upon private property under the terms of the City of Carlsbad’s Hazard Reduction Program and scheduling a public hearing on July 30, 2024, to consider the final Hazard Reduction Cost Report. (Staff contact: Randy Metz, Fire Department)

City Manager’s Recommendation: Take public input, close the public hearing, and adopt the resolution.

13. APPEAL OF A PLANNING COMMISSION DECISION TO APPROVE A MINOR CONDITIONAL USE PERMIT AND COASTAL DEVELOPMENT PERMIT FOR A NEW WIRELESS COMMUNICATION FACILITY WITHIN POINSETTIA COMMUNITY PARK AND A RESOLUTION TO CONSIDER DIRECTING THE CITY MANAGER TO INITIATE NEGOTIATIONS FOR A LICENSE AGREEMENT WITH AT&T (CUP 2022-0023/CDP 2022-0070/DEV2022-0206) – 1) Hold a public hearing; and
2) Adopt a resolution denying an appeal and upholding a decision of the Planning Commission to approve a Minor Conditional Use Permit and Coastal Development Permit to allow the installation, operation and maintenance of a wireless communication facility consisting of six panel antennas mounted within a 48-inch radome cylinder on a new 78-foot-tall light pole, which will replace an existing light pole, and associated ground equipment within an eight-foot tall enclosure in and adjacent to the northwest corner of the southern parking lot of Poinsettia Community Park generally located at 6600 Hidden Valley Road (assessor parcel number 214-140-13-00). The property is within the Mello II Segment of the Certified Local Coastal Program and Local Facilities Management Zone 20 (Case Name: Poinsettia Community Park Wireless Facility; Case No.: CUP 2022-0023/CDP 2022-0070 (DEV2022-0206)); and
3) Consider adopting a resolution directing the City Manager to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park. (Staff contact: Kyle Van Leeuwen and Curtis Jackson, Community Services Department)

City Manager’s Recommendation: Take public input, close the public hearing, and adopt the resolution(s).

DEPARTMENTAL AND CITY MANAGER REPORTS:

14. CLIMATE ACTION PLAN ANNUAL REPORT FOR REPORTING PERIOD 7, JAN. 1, 2023 – DEC. 31, 2023
Adoption of a resolution accepting the Climate Action Plan Annual Report for Reporting Period 7, Jan. 1, 2023 – Dec. 31, 2023. (Staff contact: Katie Hentrich, Public Works Department)

City Manager’s Recommendation: Adopt the resolution.

15. UPDATE ON THE MAERKLE RESERVOIR SOLAR ENERGY STUDY – Receive an update on the Maerkle Reservoir Solar Study Project and provide input to staff on next steps. (Staff contact: Vicki Quiram, Public Works Department and Jason Haber, City Manager Department)

City Manager’s Recommendation: Receive the update.

16. AUTHORIZING A TRANSFER OF FUNDS FROM A PUBLIC WORKS STORAGE FACILITY PROJECT TO THE ORION CENTER PROJECT AND APPROVING A DESIGN SERVICES AGREEMENT WITH CARRIER JOHNSON FOR THE ORION CENTER PROJECT (CIP PROJECT NO. 3572) – Adoption of a resolution authorizing and directing the City Manager, or designee, to transfer funds from the Public Works Storage Facility, Capital Improvement Program Project No. 4092, to the Orion Center Project, Capital Improvement Program Project No. 3572, removing Capital Improvement Program Project No. 4092 from the Capital Improvement Program Budget and authorizing a design services agreement with Carrier Johnson, a California Corporation, for the Orion Center Project, Capital Improvement Program Project No. 3572. (Staff contact: Steven Stewart and John Maashoff, Public Works Department)

City Manager’s Recommendation: Adopt the resolution.

COUNCIL COMMENTARY AND REQUESTS FOR CONSIDERATION OF MATTERS: *This portion of the agenda is for the City Council Members to make brief announcements, brief reports of their activities and requests for future agenda items.*

City Council Regional Assignments (Revised 12/12/23)

Keith Blackburn
Mayor

Buena Vista Lagoon JPC
Chamber of Commerce Liaison (alternate)
Encina Joint Powers JAC
Encina Wastewater Authority Board of Directors
Economic Development Subcommittee
SANDAG Board of Directors (2nd alternate)
SANDAG Shoreline Preservation Work Group (alternate)

Priya Bhat-Patel
Mayor Pro Tem – District 3

City/School Committee
Clean Energy Alliance JPA
Economic Development Subcommittee
League of California Cities – SD Division (alternate)
North County Transit District
SANDAG Board of Directors (1st alternate)

Melanie Burkholder
Council Member – District 1

City Council Legislative Subcommittee
North County Dispatch Joint Powers Authority (alternate)
SANDAG Board of Directors

Teresa Acosta
Council Member – District 4

Chamber of Commerce Liaison
City Council Legislative Subcommittee
City/School Committee
Clean Energy Alliance JPA (alternate)
Encina Joint Powers JAC (alternate)
Encina Wastewater Authority Board of Directors (alternate)
League of California Cities – SD Division
North County Dispatch Joint Powers Authority
San Diego County Water Authority

Carolyn Luna
Council Member – District 2

Buena Vista Lagoon JPC
Encina Joint Powers JAC
Encina Wastewater Authority Board of Directors
North County Transit District (alternate)
SANDAG Shoreline Preservation Work Group

PUBLIC COMMENT: Continuation of the Public Comments

This portion of the agenda is set aside for continuation of public comments, if necessary, due to exceeding the total time allotted in the first public comments section. In conformance with the Brown Act, no Council action can occur on these items.

ANNOUNCEMENTS:

This section of the Agenda is designated for announcements to advise the community regarding events that Members of the City Council have been invited to, and may participate in.

CITY MANAGER COMMENTS:

CITY ATTORNEY COMMENTS:

CITY CLERK COMMENTS:

ADJOURNMENT:

City Council Meeting Procedures (continued from page 1)

Written Materials

Written materials related to the agenda that are submitted to the City Council after the agenda packet has been published will be available for review prior to the meeting during normal business hours at the City Clerk's office, 1200 Carlsbad Village Drive and on the city website. To review these materials during the meeting, please see the City Clerk.

Visual Materials

Visual materials, such as pictures, charts, maps or slides, are allowed for comments on agenda items, not general public comment. Please contact the City Manager's Office at 442-339-2820 or manager@carlsbadca.gov to make arrangements in advance. All materials must be received by the City Manager's Office no later than noon the day before the meeting. The time spent presenting visual materials is included in the maximum time limit provided to speakers. All materials exhibited to the City Council during the meeting are part of the public record. **Please note that video presentations are not allowed.**

Decorum

All participants are expected to conduct themselves with mutual respect. Loud, boisterous and unruly behavior can interfere with the ability of the City Council to conduct the people's business. That's why it is illegal to disrupt a City Council meeting. Following a warning from the presiding officer, those engaging in disruptive behavior are subject to law enforcement action.

City Council Agenda

The City Council follows a regular order of business that is specified in the Carlsbad Municipal Code. The City Council may only make decisions about topics listed on the agenda.

Presentations

The City Council often recognizes individuals and groups for achievements and contributions to the community. Well-wishers often fill the chamber during presentations to show their support and perhaps get a photo. If you don't see an open seat when you arrive, there will likely be one once the presentations are over.

Consent Items

Consent items are considered routine and may be enacted together by one motion and vote. Any City Council member may remove or "pull" an item from the "consent calendar" for a separate vote. Members of the public may pull an item from the consent calendar by requesting to speak about that item. A speaker request form must be submitted to the clerk prior to the start of the consent portion of the agenda.

Public Comment

Members of the public may speak on any city related item that does not appear on the agenda, provided remarks are confined to matters within the City Council's subject matter jurisdiction. State law prohibits the City Council from taking action on items not listed on the agenda. Comments requiring follow up will be referred to staff and, if appropriate, considered at a future City

Council meeting. Members of the public are also welcome to provide comments on agenda items during the portions of the meeting when those items are being discussed, provided remarks are confined to the question or matter under consideration. In both cases, a request to speak form must be submitted to the clerk in advance of that portion of the meeting beginning.

Public Hearing

Certain actions by the City Council require a “public hearing,” which is a time within the regular meeting that has been set aside and noticed according to different rules.

Departmental Reports

This part of the agenda is for items that are not considered routine and do not require a public hearing. These items are usually presented to the City Council by city staff and can be informational in nature or require action. The staff report about each item indicates the purpose of the item and whether or not action is requested.

Other Reports

At the end of each meeting, City Council members and the City Manager, City Attorney and City Clerk are given an opportunity to share information. This usually includes reports about recent meetings, regional issues, and recent or upcoming meetings and events.

City Council Actions

Resolution

A resolution is an official statement of City Council policy that directs administrative or legal action or embodies a public City Council statement. A resolution may be introduced and adopted at the same meeting. Once adopted, it remains City Council policy until changed by subsequent City Council resolution.

Ordinance

Ordinances are city laws contained in the Carlsbad Municipal Code. Enacting a new city law or changing an existing one is a two-step process. First, the ordinance is “introduced” by city staff to the City Council. If the City Council votes in favor of the introduction, the ordinance will be placed on a subsequent City Council meeting agenda for “adoption.” If the City Council votes to adopt the ordinance, it will usually go into effect 30 days later.

Motion

A motion is used to propose City Council direction related to an item on the agenda. Any City Council member may make a motion. A motion must receive a “second” from another City Council member to be eligible for a City Council vote.



CITY COUNCIL
Special Meeting

Minutes

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

March 26, 2024, 4:15 p.m.

CALL TO ORDER: 4:15 p.m.

ROLL CALL: Blackburn, Bhat-Patel, Acosta, Burkholder, Luna.

ANNOUNCEMENT OF CONCURRENT MEETINGS: None.

PUBLIC COMMENT ON AGENDA ITEM: None.

CLOSED SESSION:

City Attorney Cindie McMahon read the City Council into Closed Session.

Council adjourned into Closed Session at 4:15 p.m. pursuant to the following:

1. **CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION:** That the City Council, by motion, authorize a closed session regarding existing litigation in the matter of:

Torio, Emily v. City of Carlsbad, Case No. 37-2023-00024834-CU-PO-CTL, pursuant to Government Code Section 54956.9(d)(1).

Council Action: No reportable action.

ADJOURNMENT:

By proper motion, the Special Meeting of March 26, 2024, was adjourned at 4:22 p.m.

Tamara R. McMinn, CPMC, CMC
Senior Deputy City Clerk



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Craig Lindholm, City Treasurer
craig.lindholm@carlsbadca.gov, 442-339-2472

Zach Korach, Finance Director
zach.korach@carlsbadca.gov, 442-339-2127

Subject: Report on City Investments as of Feb. 29, 2024

District: All

Recommended Action

Accept and file Report on City Investments as of Feb. 29, 2024.

Executive Summary

The city's Investment Policy requires the City Treasurer to report the status of the city's pooled investment portfolio to the City Council each month.

Discussion & Fiscal Analysis

The city's pooled investment portfolio as of the month ending Feb. 29, 2024, is summarized below.

Pooled investment portfolio (cash and securities)

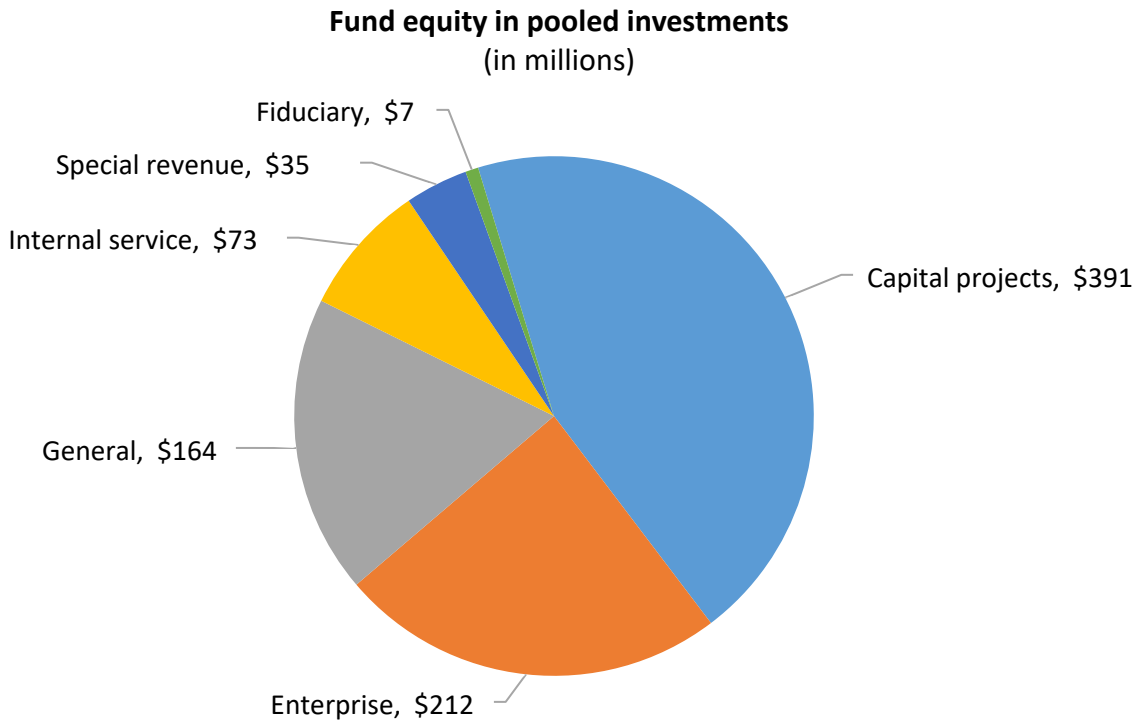
	Current month	Prior month
Par value ¹	\$889,064,835	\$882,158,591
Investment cost	\$888,877,242	\$882,580,295
Amortized cost ²	\$884,234,681	\$877,762,858
Market value ³	\$855,487,843	\$851,889,539

(1) The face value of the investments.

(2) The cost of investments adjusted for amortized premiums and discounts.

(3) The amount at which the investments could be sold. Source of market value is Principal custodial report.

The equity portion of the various funds in the total portfolio, that is, the part of the total investment portfolio assigned to each fund, is summarized in the graph below. Fund balances are restricted for various purposes (See Exhibit 6 for a more detailed breakdown).



Pooled investment interest income⁴

	Fiscal year to date	Current month	Prior month
Cash income	\$14,011,160	\$1,915,023	\$1,972,108

(4) The cash income received is adjusted for any received interest previously purchased.

Pooled investment performance

	Average life (years)	Yield ⁵	Modified duration
December 2023	1.75	2.49%	1.58
January 2024	1.78	2.58%	1.58
February 2024	1.82	2.63%	1.60

(5) Yield is computed by totaling the weighted average of each investment's return less any costs.

All pooled investments have been made in accordance with the city's Investment Policy, which was adopted Jan. 2, 1985, and last revised Mar. 12, 2024; however, events after the purchase might result in perceived non-compliance with the current policy. These events are typically a change in the credit rating after a purchase, a change in the city's Investment Policy, or a temporary reduction in total portfolio assets.

Exhibit 7 shows the investments out of compliance with the current policy that experienced a subsequent change in credit rating. Ratings on one investment has dropped to less than the rating required by the Investment Policy since their initial purchase. Corporate notes and municipal bonds require a “split rating” of AA from one rating company and an A rating from a second. Mortgage-backed securities require an AA rating from one rating company.

The city’s Investment Policy allows the City Treasurer to determine the course of action that would correct exceptions to the policy. These investments are paying interest at the required times and their principal is considered secure. It is the intent of the City Treasurer to hold these assets in the portfolio until maturity unless events indicate they should be sold.

Not less than two-thirds of the current fiscal year operating budget shall mature within one year. The maturity value within one year is \$321,212,385 which is 85.1% of the current year operating budget. The investment portfolio has the ability to meet the city’s anticipated cash flow demands for the next six months.

Next Steps

The report on city investments will continue to be produced monthly by the City Treasurer.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. Investments by cost, market value, cash income and average yield by class
2. Maturities by classification and length of time at market value
3. Yield comparison & market yield curve
4. Cash income by month & cumulative cash income
5. Maturities, calls and purchases this quarter
6. Fund equity in pooled investments
7. Security ratings and outlooks
8. Portfolio allocation at amortized cost by issuer
9. Investment detail
10. Section 115 Trust activity

City of Carlsbad investment portfolio
Investments by cost, market value, cash income and average yield by class

Exhibit 1

February 29, 2024

Class	Investment cost		Market value		YTD net income	Average yield		Percent of total
	Current month	Prior month	Current month	Prior month		Current month	Prior month	
Certificate of deposit	\$ 21,996,876.92	\$ 21,996,876.92	\$ 21,270,614.47	\$ 21,281,173.77	\$ 250,808.82	2.02%	2.02%	2.49%
Corporate notes	141,349,094.93	148,211,364.07	131,801,862.74	139,064,917.68	2,832,003.51	1.97%	2.04%	15.41%
Federal agency	343,133,893.04	330,764,728.04	327,890,106.48	316,810,505.04	2,857,311.42	1.81%	1.66%	38.33%
Mortgage passthrough securities	57,846,434.72	54,220,042.72	55,999,933.71	52,892,073.07	703,912.87	3.45%	3.37%	6.55%
Municipal bonds	94,938,076.65	92,728,726.65	91,383,533.55	89,423,182.15	1,280,034.25	2.46%	2.42%	10.68%
Supranational securities	19,683,412.00	19,683,412.00	18,649,887.00	18,772,600.30	261,267.86	1.69%	1.69%	2.18%
US Treasury	59,725,228.08	64,810,177.21	58,287,680.00	63,480,120.00	585,075.62	2.26%	2.19%	6.81%
General cash account	2,223,861.00	2,735,304.00	2,223,861.00	2,735,304.00	-	0.00%	0.00%	0.26%
Sweep account	8,038,617.41	13,493,502.95	8,038,617.41	13,493,502.95	325,842.18	5.19%	5.21%	0.94%
Investment cash account	8,302,881.38	3,872,829.21	8,302,881.38	3,872,829.21	60,944.99	2.95%	2.95%	0.97%
California Asset Mgmt Program (CAMP)	129,811,709.22	128,236,174.88	129,811,709.22	128,236,174.88	4,805,652.14	5.50%	5.54%	15.17%
Local Agency Investment Fund (LAIF)	1,827,156.16	1,827,156.16	1,827,156.16	1,827,156.16	48,306.67	4.12%	4.01%	0.21%
Total	\$ 888,877,241.50	\$ 882,580,294.80	\$ 855,487,843.12	\$ 851,889,539.21	\$ 14,011,160.33	2.63%	2.58%	100.00%

Policy:

Certificates of deposit and corporate notes are limited to 30% of total portfolio at the time of purchase.

Pass through securities are limited to 20% of total portfolio at the time of purchase.

Municipal bonds are limited to 15% of total portfolio at the time of purchase.

Supranational securities are limited to 10% of total portfolio at the time of purchase.

City of Carlsbad investment portfolio
Maturities by classification and length of time at market value
February 29, 2024

Exhibit 2

Class	Overnight	Within 12 months	13-36 months	37-60 months	Total
Certificate of deposit	\$ -	\$ 2,438,707.72	\$ 11,162,260.45	\$ 7,669,646.30	\$ 21,270,614.47
Corporate notes	-	50,777,422.65	53,503,945.59	27,520,494.50	131,801,862.74
Federal agency	-	66,510,958.67	175,788,397.36	85,590,750.45	327,890,106.48
Mortgage passthrough securities	-	3,897,770.82	17,931,756.20	34,170,406.69	55,999,933.71
Municipal bonds	-	15,310,124.50	37,355,235.40	38,718,173.65	91,383,533.55
Supranational securities	-	5,308,340.00	8,409,000.00	4,932,547.00	18,649,887.00
US Treasury	-	26,764,835.00	23,045,750.00	8,477,095.00	58,287,680.00
General cash account	2,223,861.00	-	-	-	2,223,861.00
Sweep account	8,038,617.41	-	-	-	8,038,617.41
Investment cash account	8,302,881.38	-	-	-	8,302,881.38
California Asset Mgmt Program (CAMP)	129,811,709.22	-	-	-	129,811,709.22
Local Agency Investment Fund (LAIF)	1,827,156.16	-	-	-	1,827,156.16
Totals	\$ 150,204,225.17	\$ 171,008,159.36	\$ 327,196,345.00	\$ 207,079,113.59	\$ 855,487,843.12
Percent Total	17.56%	19.99%	38.25%	24.21%	100.00%

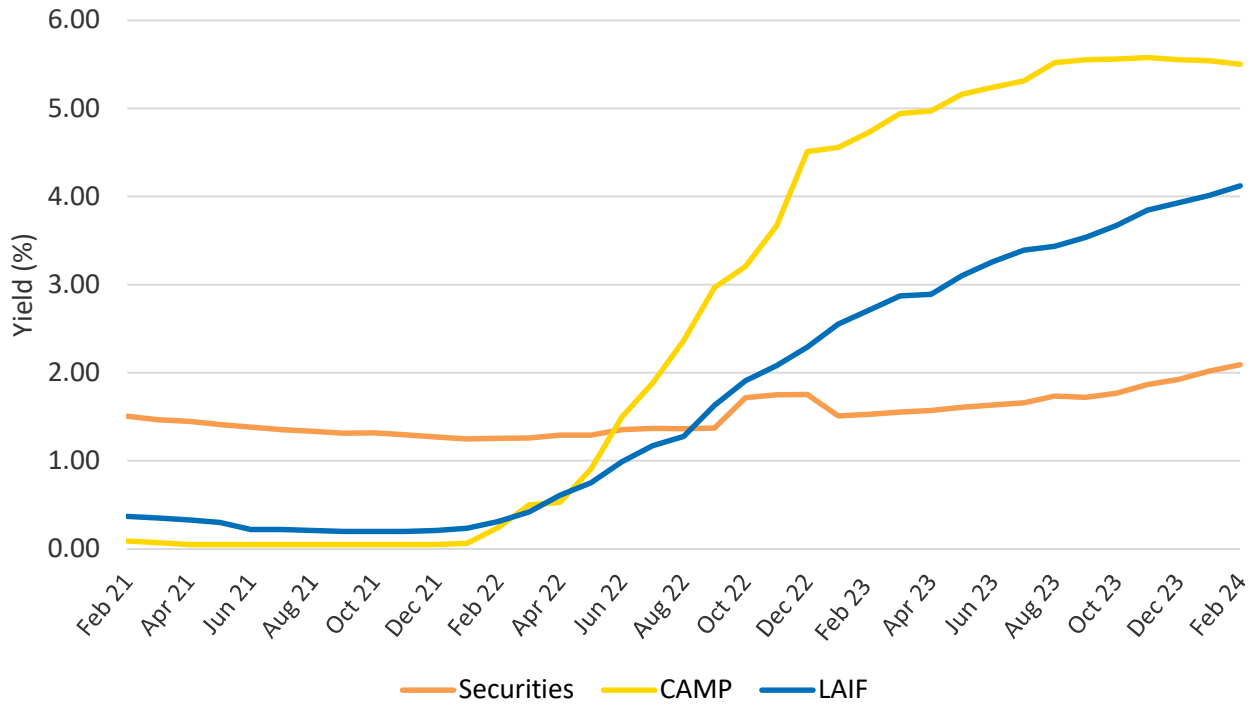
Funds maturing within one year \$ 321,212,384.53
Percentage of the budget 85.14%

Policy:

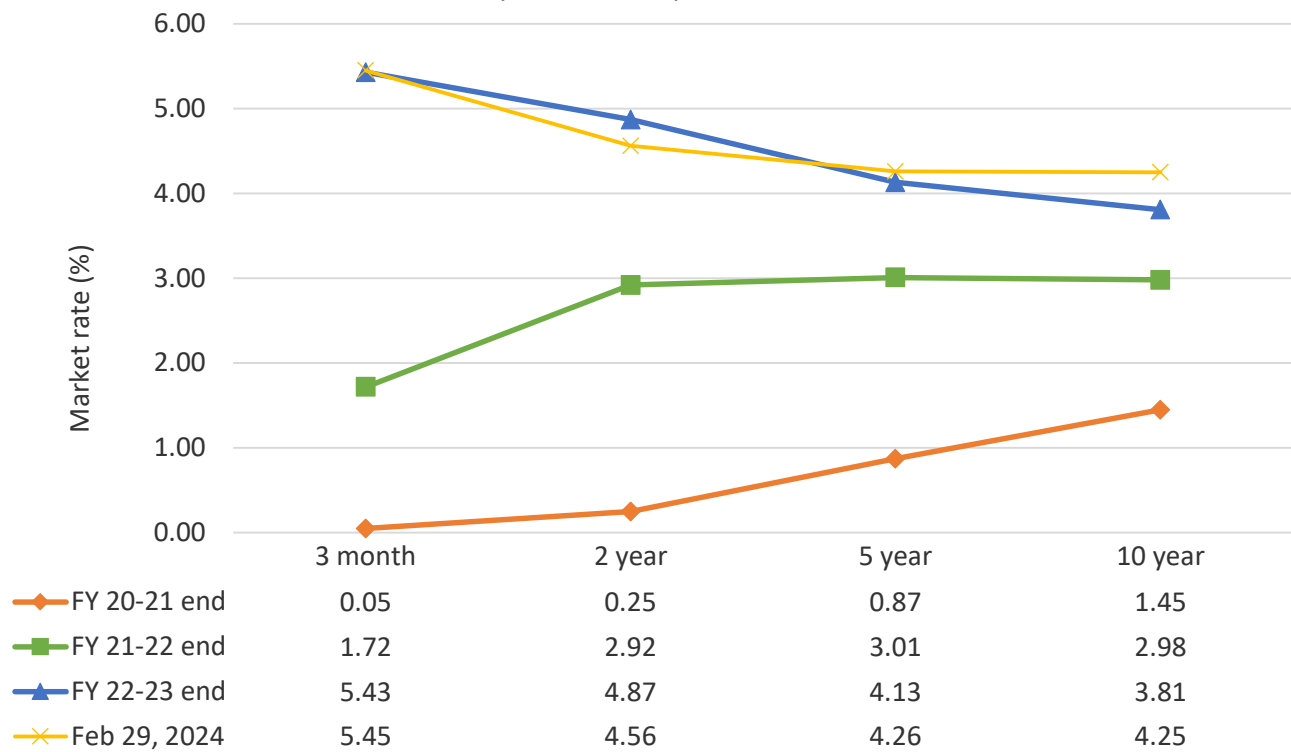
Not less than \$251,510,000 to mature within one year, two-thirds of FY 23-24 operating budget of \$377,263,607.

Maximum term for all securities is five years.

Yield comparison: Securities vs CAMP vs LAIF
 Three year comparison

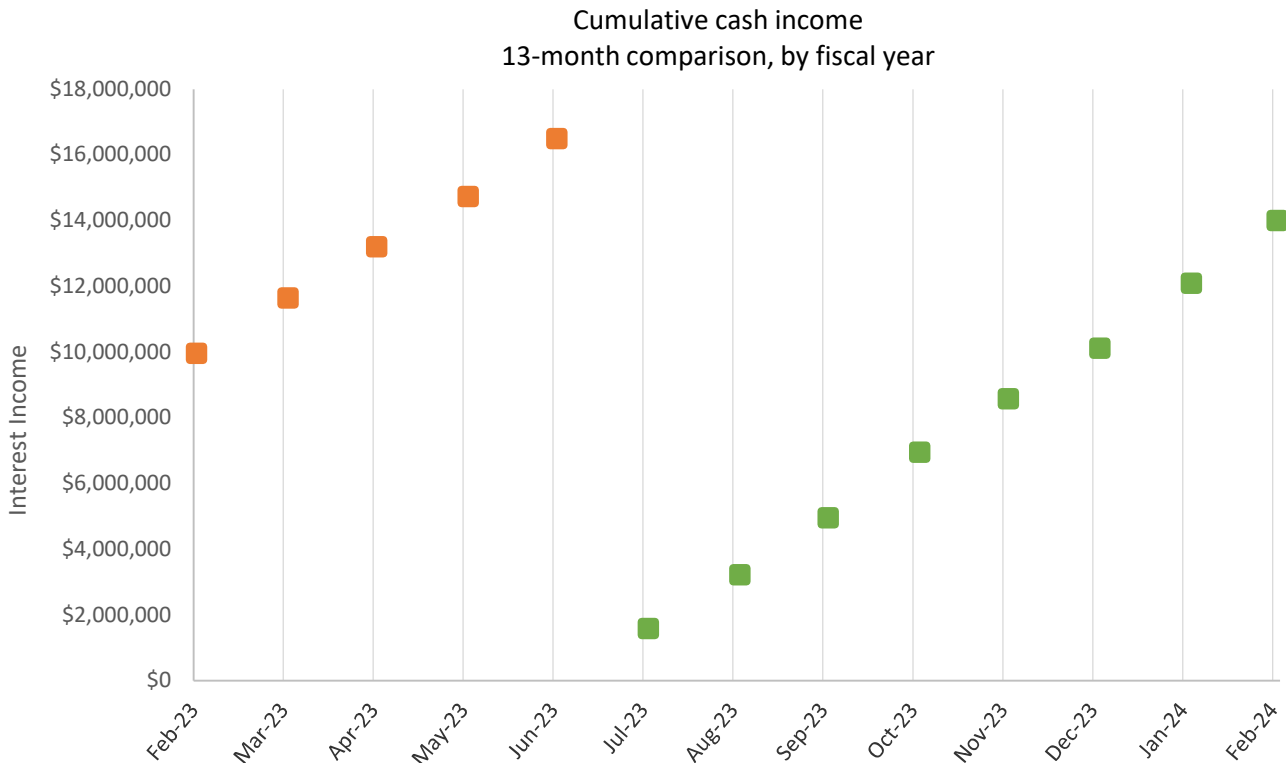
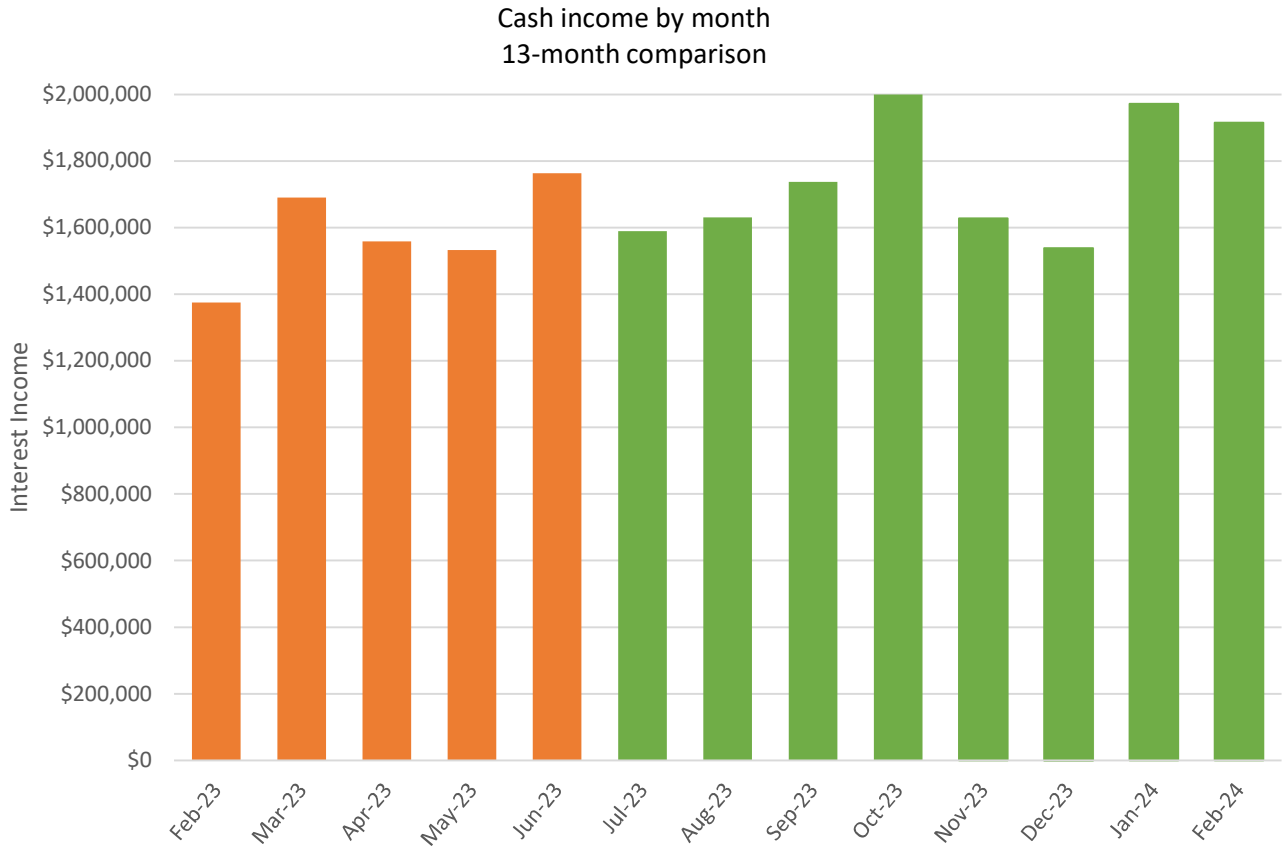


Yield comparison: market yields
 Fiscal year ends compared to current



Cash income

February 29, 2024



City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

Exhibit 5

February 29, 2024

Maturities

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total
Corporate notes								
89236TFS9	Toyota	03/07/19	01/08/24	2.95%	\$ 1,000,000.00	\$ 1,000,000.00	\$ 16,750.00	\$ 1,016,750.00
17325FAS7	Citibank	05/16/19	01/23/24	2.84%	1,000,000.00	1,000,000.00	18,250.00	1,018,250.00
17325FAS7	Citibank	02/13/20	01/23/24	1.77%	2,500,000.00	2,500,000.00	45,625.00	2,545,625.00
17325FAS7	Citibank	02/13/20	01/23/24	1.73%	2,000,000.00	2,000,000.00	36,500.00	2,036,500.00
17325FAS7	Citibank	02/20/20	01/23/24	1.78%	1,500,000.00	1,500,000.00	27,375.00	1,527,375.00
46625HJT8	JP Morgan Chase Bank	10/11/19	02/01/24	3.88%	1,765,000.00	1,765,000.00	34,196.88	1,799,196.88
06048WL40	Bank of America	01/24/22	02/26/24	0.50%	3,000,000.00	3,000,000.00	3,750.00	3,003,750.00
Federal agency								
3133EKBW5	Federal Farm Credit Banks	03/06/19	02/27/24	2.61%	\$ 1,500,000.00	\$ 1,500,000.00	\$ 19,575.00	\$ 1,519,575.00
3133ELNJ9	Federal Farm Credit Banks	02/28/20	02/28/24	1.55%	2,500,000.00	2,500,000.00	19,375.00	2,519,375.00
3130APZV0	Federal Home Loan Banks	11/30/21	02/28/24	0.77%	1,500,000.00	1,500,000.00	5,742.74	1,505,742.74
Mortgage passthrough securities								
31398E6W9	FHLM - FHR 3544 BC	08/27/20	01/16/24	0.53%	\$ 10,047.34	\$ 10,527.73	\$ 109.79	\$ 10,637.52
3137F32A1	FHLM - KHG1 A1	04/15/20	01/25/24	1.00%	84,550.98	90,628.08	2,710.50	93,338.58
30315EAA4	FRESB - MFM	07/24/20	01/25/24	0.83%	1,362.08	1,368.74	613.26	1,982.00
30318NAA1	FRESB - 2021-SB83	02/19/21	01/25/24	0.51%	2,340.25	2,351.24	637.53	2,988.77
3137FBTA4	FHLM - FHMS K728	03/10/21	01/25/24	3.06%	4,218.24	4,549.93	6,498.52	11,048.45
30321CAQ5	FRESB - 2021-SB88 A5F	07/23/21	01/25/24	0.75%	2,790.42	2,803.52	1,232.06	4,035.58
3137BP4J5	FHLM - FHMS K1R1	08/20/21	01/25/24	0.41%	42,166.96	44,163.30	2,516.24	46,679.54
30324QAC2	FRESB - 2022-SB94	01/21/22	01/25/24	1.50%	7,161.69	7,194.81	5,755.50	12,950.31
30311SAA7	FRESB - 2022-SB97 A5F	04/22/22	01/25/24	0.03%	4,964.62	4,767.86	4,998.05	9,765.91
3137BM7B6	FHMS - K051 A1	06/30/22	01/25/24	3.30%	90,629.08	89,921.04	5,455.97	95,377.01
3137BL6J2	FHLM - FHMS K048 A1	07/22/22	01/25/24	3.43%	71,214.45	70,502.31	1,636.12	72,138.43
30329MAA0	FRESB - 2022-SB103 A5F	10/28/22	01/25/24	4.79%	1,948.15	1,745.32	2,568.19	4,313.51
30329QAA1	FRESB - 2022-SB104 A5F	11/18/22	01/25/24	2.60%	49,443.67	45,134.06	8,564.42	53,698.48
3138L7D60	FHLM - AM6424	12/19/22	01/25/24	4.21%	2,519.89	2,439.57	2,810.36	5,249.93
30332EAA3	FRESB - 2023-SB107 A5F	07/20/23	01/25/24	4.09%	371.62	363.54	10,218.42	10,581.96
30333AAA0	FRESB - 2023-SB108 A5F	08/17/23	01/25/24	4.99%	789.47	772.46	12,384.07	13,156.53
30334CAA5	FRESB - 2023-SB111 A5F	11/16/23	01/25/24	5.28%	140.09	136.95	10,793.10	10,930.05
3132XGRH1	FRESB - FR WN2287	01/27/23	01/25/24	3.93%	3,558.96	3,526.71	9,520.04	13,046.75
31398E6W9	FHLM - FHR 3544 BC	08/27/20	02/15/24	0.53%	7,799.02	8,171.91	76.30	8,248.21
3137FBTA4	FHLM - FHMS K728	03/10/21	02/26/24	3.06%	4,232.76	4,565.59	6,487.75	11,053.34
3137F32A1	FHLM - KHG1 A1	04/15/20	02/26/24	1.00%	84,824.76	90,921.54	2,475.09	93,396.63
3137BL6J2	FHLM - FHMS K048 A1	07/22/22	02/26/24	3.43%	71,451.35	70,736.84	1,476.54	72,213.38
3137BM7B6	FHMS - K051 A1	06/30/22	02/26/24	3.30%	90,959.05	90,248.43	5,237.93	95,486.36
30315EAA4	FRESB - MFM	07/24/20	02/26/24	0.83%	1,366.33	1,373.01	612.32	1,985.33
30318NAA1	FRESB - 2021-SB83	02/19/21	02/26/24	0.51%	1,878.73	1,887.55	636.42	2,523.97
3137BP4J5	FHLM - FHMS K1R1	08/20/21	02/26/24	0.41%	42,323.45	44,327.20	2,430.29	46,757.49
30321CAQ5	FRESB - 2021-SB88 A5F	07/23/21	02/26/24	0.75%	2,798.57	2,811.71	1,230.02	4,041.73
30324QAC2	FRESB - 2022-SB94	01/21/22	02/26/24	1.50%	7,181.61	7,214.82	5,745.71	12,960.53
30311SAA7	FRESB - 2022-SB97 A5F	04/22/22	02/26/24	2.80%	4,977.18	4,779.92	4,990.68	9,770.60
30329MAA0	FRESB - 2022-SB103 A5F	10/28/22	02/26/24	4.99%	1,954.39	1,750.91	2,564.81	4,315.72
30329QAA1	FRESB - 2022-SB104 A5F	11/18/22	02/26/24	2.60%	4,503.23	4,110.72	8,457.29	12,568.01
3138L7D60	FHLM - AM6424	12/16/22	02/26/24	4.21%	2,528.43	2,447.84	2,803.11	5,250.95
3132XGRH1	FRESB - WN2287	01/27/23	02/26/24	3.93%	3,572.85	3,540.47	9,508.73	13,049.20
30332EAA3	FRESB - 2023-SB107 A5F	07/20/23	02/26/24	4.09%	373.24	365.13	10,217.16	10,582.29

City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

Exhibit 5

February 29, 2024

Maturities cont.

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total
35564CAA5	FHLM - SLST 2018	01/11/24	02/26/24	5.37%	12,089.17	11,602.30	2,988.22	14,590.52
30333AAA0	FRESB - 2023-SB108 A5F	08/17/23	02/26/24	4.79%	792.86	775.77	12,381.28	13,157.05
30334CAA5	FRESB - 2023-SB111 A5F	11/16/23	02/26/24	5.28%	140.80	137.65	10,792.55	10,930.20

U.S. Treasury

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total
91282CBE0	U.S. Treasury	11/15/21	01/16/24	0.13%	\$ 1,500,000.00	\$ 1,500,000.00	\$ 937.50	\$ 1,500,937.50
91282CBE0	U.S. Treasury	12/13/21	01/16/24	0.68%	2,000,000.00	2,000,000.00	1,250.00	2,001,250.00
91282CDV0	U.S. Treasury	06/13/22	01/31/24	2.90%	2,000,000.00	2,000,000.00	8,750.00	2,008,750.00
91282CBM2	U.S. Treasury	06/25/21	02/15/24	0.13%	2,500,000.00	2,500,000.00	1,562.50	2,501,562.50
9128286G0	U.S. Treasury	11/15/21	02/29/24	2.38%	2,500,000.00	2,500,000.00	29,687.50	2,529,687.50

Maturities Total \$ 29,490,965.74 \$ 29,499,666.48 \$ 449,461.46 \$ 29,949,127.94

Calls

CUSIP	Issuer	Settled	Maturity	Yield	Par value	Book value	Interest	Total	
06374VBX3	Bank of Montreal	11/15/22	11/15/27	6.25%	\$ 4,000,000.00	\$ 4,000,000.00	\$ 125,000.00	\$ 4,125,000.00	
					Calls Total	\$ 4,000,000.00	\$ 4,000,000.00	\$ 125,000.00	\$ 4,125,000.00

Purchases

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
Certificate of deposit							
32026U4X1	First Foundation Bank	01/17/24	01/18/28	4.00%	07/17/24	\$ 245,000.00	\$ 245,000.00

Corporate notes

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
6944PLZ21	Pacific Life Global	01/12/24	01/11/29	4.75%	07/11/24	\$ 1,000,000.00	\$ 1,006,500.00
742718GF0	Proctor & Gamble	02/21/24	01/29/29	4.53%	07/29/24	2,000,000.00	1,984,175.26

Federal agency

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
3130APSR7	Federal Home Loan Bank	01/08/24	11/16/28	4.11%	05/16/24	\$ 1,500,000.00	\$ 1,342,500.00
3130AYE51	Federal Home Loan Bank	01/08/24	01/02/29	4.95%	07/02/24	2,500,000.00	2,501,250.00
3130AYCV6	Federal Home Loan Bank	01/11/24	01/03/29	5.00%	07/03/24	2,700,000.00	2,700,000.00
3130APTC9	Federal Home Loan Bank	01/19/24	11/22/28	4.19%	05/22/24	1,000,000.00	896,600.00
3130AYPJ9	Federal Home Loan Bank	01/29/24	01/26/28	4.50%	07/26/24	2,000,000.00	2,000,000.00
3135GAM81	Federal National Mortgage Assn	02/01/24	01/17/29	5.00%	07/17/24	2,500,000.00	2,500,000.00
3130AYRG3	Federal Home Loan Bank	02/05/24	02/05/29	4.40%	08/05/24	2,500,000.00	2,500,000.00
3134H1SK0	Federal Home Loan Mortgage C	02/09/24	02/09/29	4.52%	08/09/24	2,500,000.00	2,483,575.00
3130AYVC7	Federal Home Loan Bank	02/13/24	02/09/28	4.62%	08/09/24	2,000,000.00	2,000,000.00
3134GXNM2	Federal Home Loan Mortgage C	02/20/24	03/25/27	4.42%	03/25/24	2,000,000.00	1,899,720.00
3130AYWQ5	Federal Home Loan Bank	02/20/24	02/07/29	4.57%	08/07/24	2,500,000.00	2,497,500.00
3130AYJR8	Federal Home Loan Bank	02/20/24	01/17/29	4.71%	07/17/24	2,000,000.00	1,990,000.00
3133EP3Z6	Federal Farm Credit Banks	02/28/24	02/28/28	4.41%	08/28/24	2,000,000.00	1,997,320.00

Mortgage passthrough securities

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
3132XFGC6	FHLMC FR WN1094	01/08/24	03/01/28	4.48%	02/25/24	\$ 1,000,000.00	\$ 884,882.81
3140LKEG4	FNMA BS8234	01/09/24	05/01/28	4.45%	02/25/24	1,381,540.00	1,378,841.68
3140LBSE4	FNMA BS1416	01/09/24	03/01/28	4.30%	02/25/24	1,000,000.00	877,773.44
35564CAA5	FHLMCT SLST 2018	01/11/24	06/25/28	4.80%	02/25/24	1,024,532.87	983,271.41
3140HRZS5	FNMA BL0752	01/17/24	01/01/29	4.30%	02/25/24	1,500,000.00	1,458,450.00
3140LJJC1	FNMA BS7458	01/17/24	04/01/28	4.77%	02/25/24	2,000,000.00	2,003,593.75

City of Carlsbad investment portfolio
Maturities, calls and purchases this quarter

Exhibit 5

February 29, 2024

Purchases cont.

CUSIP	Issuer	Settled	Maturity	Yield	First Coupon	Par value	Book value
3140NUN54	FNMA BZ0411	01/29/24	01/01/29	4.40%	02/25/24	2,000,000.00	1,985,220.00
3140NUFX2	FNMA BZ0181	01/30/24	12/01/28	4.43%	02/25/24	3,000,000.00	3,069,720.00
3132XFMP0	FHLMC WN1265	02/06/24	05/01/28	4.61%	03/25/24	2,000,000.00	2,007,500.00
3132XFNX2	FHLMC WN1305	02/13/24	11/01/28	4.48%	03/25/24	2,000,000.00	1,992,031.25
Municipal bonds							
83412PHS4	Solano County CCD	01/22/24	08/01/24	4.23%	02/01/24	\$ 2,000,000.00	\$ 1,775,780.00
13077DQG0	California State University	02/08/24	11/01/28	4.26%	05/01/24	2,500,000.00	2,209,350.00
Purchases total						\$ 52,351,072.87	\$ 51,170,554.60

City of Carlsbad investment portfolio
Fund equity in pooled investments

Exhibit 6

February 29, 2024

Cash balance by fund:

General		\$ 163,532,435
Special revenue		34,534,059
Capital projects:		
Infrastructure replacement	119,300,877	
Special districts	110,112,191	
General capital construction	48,733,352	
Public facilities fees	31,865,720	
Traffic impact fees	21,832,862	
Gas tax	18,060,232	
Park development	16,573,377	
Technology investment	14,781,965	
TransNet taxes	4,732,822	
Drainage fees	5,112,842	
Capital project subtotal		391,106,240
Enterprise:		
Carlsbad Municipal Water District	147,492,356	
Sewer fund	48,227,952	
Storm water	5,680,587	
Solid waste	3,939,329	
Golf course	6,833,288	
Enterprise subtotal		212,173,512
Internal service		72,522,760
Fiduciary		7,104,049
Total general ledger balance **		880,973,054
Reconciling adjustments (1)		3,261,627
Total treasurer's investment portfolio at amortized cost		\$ 884,234,681

**Figures based on best estimate at the time report run on 03/12/2024.

(1) The reconciling adjustments consist of differences between the general ledger which is prepared on an accrual basis and the treasurer's report which is prepared on a cash basis.

City of Carlsbad investment portfolio
Security ratings and outlooks

Exhibit 7

February 29, 2024

Issuer	Moody's	S&P	Fitch	Outlook
Corporate notes				
3M Company (Merck & Co)	A1	A+		Neg/Neg
Amazon.com Inc	A1	AA	AA-	Stable/Stable/Stable
Apple Inc	AAA	AA+		Stable/Stable/
Bank of America	A1	A-	AA-	Positive/ /Stable
Bank of Montreal	A2	N/A	AA-	Stable
Bank of New York Mellon Corp	A1	A	AA-	Neg/Stable/Stable
Blackrock Inc	AA3	AA-		Stable/Stable/
BLC Community Bank	A2	N/A	AA-	Stable
CME Group Inc	AA3	AA-	AA-	Stable/Stable/Stable
Colgate-Palmolive	AA3	AA-		Stable/Negative
Florida Power and Light Co	AA2	A+	AA-	Stable/Stable/Stable
Johnson & Johnson	AAA	AAA		Stable/Neg
JP Morgan Chase Bank	A1	A-	AA-	Stable/Stable/Stable
MassMutual Global Funding	AA3	AA+	AA+	/Stable/
Merck & Co*	A1	A+		Stable/Stable/
Met Life Global	AA3	AA-	AA-	/Stable/
Microsoft	AAA	AAA		Stable/Stable/
New York Life	AAA	AA+	AAA	Stable
Nike Inc.	A1	AA-		Stable/Stable/
Novartis Capital Corp	A1	AA-	AA-	Positive/Stable
Pacific Life Global	AA3	AA-	AA-	Stable
Private Export Funding	AAA	N/A	AA+	Stable
Procter & Gamble	AA3	AA-		Stable/Stable/
Roche Holdings Inc	AA2	AA	AA	Stable
Royal Bank of Canada	A1	A	AA-	Stable/Stable/Stable
Seattle Children's Hospital	AA2	N/A	AA	Stable
Visa Inc.	AA3	AA-		Stable/Stable/
Wal-Mart	AA2	AA	AA	Stable/Stable/Stable

Ratings of corporate notes must be AA or better by one and A or better by another of the three: Moody's, S&P, or Fitch.

Mortgage passthrough securities

FHLMC	AAA	AA+		Stable
FNMA	AAA	AA+		Stable
FRESB	AAA	AA+		Stable

Ratings of mortgage passthrough securities must be AA or better by one of the three: Moody's, S&P, or Fitch.

Municipal Bonds

Ada/Canyon Cty SD	AA1	AA+		Stable
Alief Independent School Dist	AAA	AAA		
Amarillo Independent SD	AAA	AAA		Stable
Bay Area Water & Utl	AA3	AA-		
Cache County SD	AAA	AAA1	AAA1	Stable
California State University	AA2	AA-		

City of Carlsbad investment portfolio
Security ratings and outlooks

Exhibit 7

February 29, 2024

Issuer	Moody's	S&P	Fitch	Outlook
City of Anaheim	N/A	AA+		
Contra Costa Cmty College	AA1	AA+		
County of Multnomah OR	AAA	AAA		Stable
Fremont CA Unified	AA2	AA-		Stable
Honolulu Wastewater	AA3	N/A	AA-	Stable
Los Angeles Cmty Clg Dist	AAA	AA+		
Los Angeles Unified SD	AA3	AA-		Stable
Los Angeles Water & Power	AA2	AA-		Stable
Marion County SD	AA1	N/A	AA+	Stable
Mason/Kitsap Cty SD	AAA	N/A	AA+	Stable
Minnesota State	AAA	AAA	AAA	Stable
Oregon State Dept Admin Serv	AA2	AA		
Oregon State Dept of Transp	AA1	AAA	AA+	Stable
Pajaro Valley Unified SD	AA3	A+		
Portland Cmty College	AA1	N/A	AA+	Stable
San Bernardino CCD	AA1	AA		Stable
San Diego Cmty College	AA1	AAA		Stable
San Francisco City Pub Utl	N/A	AA-		
San Jose Evergreen CC	AA1	AA+		Stable
San Jose Redevelopment	N/A	AA	AA	Stable
San Ramon Valley USD	AA1	AA+		
Santa Barbara CA USD	AA1	AA		Stable
Santa Monica Cmty College	AA2	AA+		
Solano County Cmty College	AA2	AA		Stable
Southern CA Public Power	N/A	AA-	AA-	Stable
State of California	AA2	AA-	AA	Stable/positive/stable
State of Connecticut	AA3	AA-		
State of Hawaii	AA2	AA+	AA	Stable
Texas Tech University	AA1	AA+		Stable
University of California	AA2	AA	AA	Stable

Ratings of municipal bonds must be AA or better by one and A or better by another of the three: Moody's, S&P, or Fitch.

Investments with subsequent changes in credit rating *

Corporate notes	Moody's	S&P	Fitch	Maturity date	Purchased	Book value
Merck & Co	A1	A+		03/07/24	10/08/19	\$ 1,503,364
						<u>\$ 1,503,364</u>

* All investments were in compliance with the city's investment policy unless otherwise denoted.

The city's Investment Policy allows the City Treasurer to determine the course of action that would correct exceptions to the policy. The current exception is paying interest at the required times. The principal of the investment is considered secure. It is the intent of the City Treasurer to hold the asset in the portfolio until maturity unless events indicate they should be sold.

City of Carlsbad investment portfolio
Portfolio allocation at amortized cost by issuer

Exhibit 8

February 29, 2024

Issuer	Amortized cost	Portfolio allocation
Corporate notes		
3M Company (Merit)	\$ 1,500,306	0.17%
Amazon.com Inc.	4,518,585	0.51%
Apple Inc.	1,524,244	0.17%
Bank of America	13,494,770	1.53%
Bank of Montreal	2,000,000	0.23%
Bank of New York Mellon	6,077,283	0.69%
Blackrock Inc.	7,006,857	0.79%
BLC Community Bank (Bank of Montreal)	2,450,000	0.28%
CME Group	2,831,809	0.32%
Colgate-Palmolive	1,962,275	0.22%
Florida Power & Light	3,736,562	0.42%
Johnson & Johnson	11,471,818	1.30%
JP Morgan Chase Bank	23,081,327	2.61%
Massmutual Global	3,766,460	0.43%
Merck & Co	1,494,201	0.17%
Met Life Global	5,144,405	0.58%
Microsoft	4,142,624	0.47%
New York Life	3,364,928	0.38%
Nike Inc.	2,923,595	0.33%
Novartis Capital Corp	3,323,707	0.38%
Pacific Life Global	1,006,323	0.11%
Private Export Funding Corp.	2,504,856	0.28%
Procter & Gamble	10,834,611	1.23%
Roche Holdings Inc	1,795,418	0.20%
Royal Bank of Canada	6,996,170	0.79%
Seattle Children's Hospital	879,812	0.10%
Visa Inc.	1,296,263	0.15%
Wal-Mart	6,526,110	0.74%
Mortgage passthrough securities		
FAMCA	3,559,027	0.40%
FHLMC	18,183,415	2.06%
FNMA	11,715,068	1.32%
FRESB	24,554,870	2.78%
Federal agencies		
Federal Agricultural Mortgage Corp.	23,147,365	2.62%
Federal Farm Credit Bank	83,479,891	9.44%
Federal Home Loan Bank	139,067,569	15.73%
Federal Home Loan Mortgage Corp.	60,081,314	6.79%

City of Carlsbad investment portfolio
Portfolio allocation at amortized cost by issuer

Exhibit 8

February 29, 2024

Issuer	Amortized cost	Portfolio allocation
Federal National Mortgage Assoc.	35,914,327	4.06%
Tennessee Valley Authority	1,013,792	0.11%
Municipal Bonds		
Ada/Canyon Cty SD	1,530,322	0.17%
Alief Independent SD	1,970,311	0.22%
Amarillo Independent SD	1,790,171	0.20%
Bay Area Water	1,194,584	0.14%
Cache County SD	3,274,236	0.37%
California State University	2,213,275	0.25%
City of Anaheim	1,504,282	0.17%
Contra Costa Cmty College	921,062	0.10%
County of Multnomah OR	2,001,782	0.23%
Fremont CA Unified	1,834,766	0.21%
Honolulu Wastewater	1,410,923	0.16%
Los Angeles Cmty College	2,029,969	0.23%
Los Angeles Unified SD	3,690,331	0.42%
Los Angeles Water & Power	1,564,376	0.18%
Marion County SD	1,882,656	0.21%
Mason/Kitsap Cty SD	640,000	0.07%
Minnesota State	1,215,000	0.14%
Oregon State Dept of Admin Services	949,449	0.11%
Oregon State Dept of Transp	3,200,168	0.36%
Pajaro Valley USD	1,174,355	0.13%
Portland CC	1,101,430	0.12%
San Bernardino CCD	1,367,828	0.15%
San Diego Cmty College	5,143,865	0.58%
San Francisco City Pub Utl	1,000,813	0.11%
San Jose Evergreen CC	774,232	0.09%
San Jose Redevelopment	4,053,227	0.46%
San Ramon Valley SD	876,406	0.10%
Santa Barbara CA USD	944,491	0.11%
Santa Monica Cmty College	505,857	0.06%
Solano County Cmty College	1,781,148	0.20%
Southern CA Public Power	2,448,127	0.28%
State of California	15,377,620	1.74%
State of Connecticut	2,856,261	0.32%
State of Hawaii	7,983,282	0.90%
Texas Tech University	5,721,096	0.65%
University of California	6,255,656	0.71%

City of Carlsbad investment portfolio
Portfolio allocation at amortized cost by issuer

Exhibit 8

February 29, 2024

Issuer	Amortized cost	Portfolio allocation
<hr/>		
Other		
<hr/>		
Supranational	19,420,452	2.20%
US Treasury	60,054,174	6.79%
Certificate of deposits	22,000,516	2.49%
Cash	150,204,225	16.99%
<hr/>		
Total portfolio amortized cost	\$ 884,234,681	100.00%
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Policy:

Corporate notes, mortgage passthrough securities, municipal bonds, and supranational securities may have no more than 5% invested with a single issuer.

Certificates of deposit may have no more than 10% invested with any single issuer.

Federal agencies and U.S. Treasury do not have issuer limitations

City of Carlsbad investment portfolio

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Federal investments								
3130A0XE5	03/08/19	03/08/24	Federal Home Loan Banks	3,000,000.00	3,100,851.00	2.530%	487,500.00	3,487,500.00
3133EKGD2	04/09/19	04/05/24	Federal Farm Credit Banks	2,000,000.00	1,994,380.00	2.360%	229,105.56	2,229,105.56
3133EMXB3	04/23/21	04/22/24	Federal Farm Credit Banks	2,000,000.00	2,000,000.00	0.340%	20,381.11	2,020,381.11
3134GWZT6	04/05/21	04/23/24	Federal Home Loan Mortgage Corp	1,000,000.00	997,570.00	0.400%	9,760.00	1,009,760.00
3130AGEF8	05/09/19	05/07/24	Federal Home Loan Banks	1,000,000.00	1,005,320.00	2.287%	119,866.67	1,119,866.67
3133EKNX0	08/28/19	06/03/24	Federal Farm Credit Banks	1,470,000.00	1,517,378.10	1.457%	151,263.00	1,621,263.00
3135GA5Y3	11/29/21	06/14/24	Federal National Mortgage Assoc	2,000,000.00	1,976,200.00	0.849%	19,062.50	2,019,062.50
3133KEK6	08/28/19	06/25/24	Federal Farm Credit Banks	1,183,000.00	1,237,524.47	1.457%	139,845.39	1,322,845.39
3133ELQ56	03/21/22	07/02/24	Federal Farm Credit Banks	2,005,000.00	1,942,243.50	1.980%	26,063.33	2,031,063.33
3130AP7D1	12/10/21	07/19/24	Federal Home Loan Banks	2,000,000.00	1,978,000.00	0.878%	23,475.00	2,023,475.00
3133ELX66	07/24/20	07/22/24	Federal Farm Credit Banks	2,000,000.00	2,000,000.00	0.440%	35,151.11	2,035,151.11
3133EKVV4	08/08/19	07/26/24	Federal Farm Credit Banks	2,500,000.00	2,532,125.00	1.582%	229,708.33	2,729,708.33
3134GW4X1	10/29/20	07/29/24	Federal Home Loan Mortgage Corp	3,000,000.00	3,000,000.00	0.375%	42,187.50	3,042,187.50
3130AGWK7	11/10/20	08/15/24	Federal Home Loan Banks	4,000,000.00	4,191,800.00	1.500%	255,833.33	4,251,833.33
3133EKQA7	08/30/19	09/10/24	Federal Farm Credit Banks	2,500,000.00	2,572,420.00	1.480%	261,444.44	2,761,444.44
880591ER9	02/19/21	09/15/24	Tennessee Valley Authority	1,000,000.00	1,091,424.00	0.300%	102,701.39	1,102,701.39
3134GWVM5	10/22/20	09/30/24	Federal Home Loan Mortgage Corp	3,000,000.00	3,000,000.00	0.350%	41,358.33	3,041,358.33
3134GWVM5	11/06/20	09/30/24	Federal Home Loan Mortgage Corp	1,170,000.00	1,170,000.00	0.350%	15,970.50	1,185,970.50
3130ALRK2	03/30/21	09/30/24	Federal Home Loan Banks	1,500,000.00	1,500,000.00	0.520%	27,300.00	1,527,300.00
31422XMV1	10/04/21	10/04/24	Federal Agricultural Mortgage Corp	2,000,000.00	2,000,000.00	0.500%	30,000.00	2,030,000.00
3133EK3B0	11/25/20	10/16/24	Federal Farm Credit Banks	1,400,000.00	1,466,052.00	0.280%	81,725.00	1,481,725.00
31422BPG9	11/15/19	11/01/24	Federal Agricultural Mortgage Corp	2,000,000.00	1,999,720.00	1.793%	177,607.78	2,177,607.78
3133EC2D5	07/10/20	11/13/24	Federal Farm Credit Banks	1,621,000.00	1,751,360.82	0.390%	159,055.22	1,780,055.22
3135G06E8	11/18/20	11/18/24	Federal National Mortgage Assoc	2,000,000.00	2,000,000.00	0.420%	33,600.00	2,033,600.00
3130APVZ5	12/02/21	12/02/24	Federal Home Loan Banks	1,900,000.00	1,900,000.00	1.050%	59,850.00	1,959,850.00
3130AQ5L3	12/16/21	12/16/24	Federal Home Loan Banks	2,000,000.00	2,000,000.00	0.500%	70,000.00	2,070,000.00
3130AKLQ7	12/30/20	12/30/24	Federal Home Loan Banks	4,000,000.00	4,000,000.00	0.310%	49,600.00	4,049,600.00
3134GXYX6	07/07/22	12/30/24	Federal Home Loan Mortgage Corp	2,500,000.00	2,500,000.00	3.348%	207,746.53	2,707,746.53
3130AJSF7	05/27/21	01/08/25	Federal Home Loan Banks	2,000,000.00	2,000,000.00	0.648%	46,980.56	2,046,980.56
3130ASLP2	07/21/22	01/21/25	Federal Home Loan Banks	2,000,000.00	2,000,000.00	3.500%	175,000.00	2,175,000.00
3130AN7L8	07/28/21	01/28/25	Federal Home Loan Banks	1,750,000.00	1,750,000.00	0.520%	31,850.00	1,781,850.00
3133EMPV8	02/03/21	02/03/25	Federal Farm Credit Banks	2,000,000.00	2,000,000.00	0.320%	25,600.00	2,025,600.00
3134GWMN3	08/27/20	02/27/25	Federal Home Loan Mortgage Corp	2,500,000.00	2,500,000.00	0.520%	58,500.00	2,558,500.00
3130A4CH3	04/09/20	03/14/25	Federal Home Loan Banks	3,000,000.00	3,231,300.00	0.778%	351,302.08	3,351,302.08
3130A4CH3	02/18/21	03/14/25	Federal Home Loan Banks	1,500,000.00	1,620,240.00	0.389%	145,072.92	1,645,072.92
3134GWP26	06/07/21	03/28/25	Federal Home Loan Mortgage Corp	1,000,000.00	998,500.00	0.540%	19,041.67	1,019,041.67
3130AMRJ3	06/28/21	03/28/25	Federal Home Loan Banks	3,120,000.00	3,122,340.00	0.500%	70,200.00	3,190,200.00
3133EMWH1	04/21/21	04/21/25	Federal Farm Credit Banks	1,500,000.00	1,500,000.00	0.710%	42,600.00	1,542,600.00
3130APA39	09/30/22	04/21/25	Federal Home Loan Banks	1,055,000.00	963,215.00	4.287%	17,813.67	1,072,813.67
3135GAA43	12/23/20	04/23/25	Federal National Mortgage Assoc	3,000,000.00	3,000,000.00	0.500%	65,000.00	3,065,000.00
3134GWYW0	10/30/20	04/30/25	Federal Home Loan Mortgage Corp	2,000,000.00	2,000,000.00	0.500%	45,111.12	2,045,111.12
3133ELC28	06/03/20	05/27/25	Federal Farm Credit Banks	3,500,000.00	3,499,300.00	0.734%	127,324.17	3,627,324.17
3134GVB31	06/03/20	05/28/25	Federal Home Loan Mortgage Corp	2,000,000.00	2,000,000.00	0.750%	74,791.66	2,074,791.66
3135GAS56	12/16/20	06/16/25	Federal National Mortgage Assoc	2,000,000.00	2,000,000.00	0.450%	40,500.00	2,040,500.00
3135G04Z3	01/11/21	06/17/25	Federal National Mortgage Assoc	3,000,000.00	3,014,640.00	0.389%	66,500.00	3,066,500.00
3135G04Z3	05/20/21	06/17/25	Federal National Mortgage Assoc	2,000,000.00	1,991,940.00	0.600%	40,750.00	2,040,750.00
3136G4XZ1	07/01/20	06/30/25	Federal National Mortgage Assoc	2,500,000.00	2,500,000.00	0.740%	92,448.61	2,592,448.61
3133EMMP4	01/15/21	07/14/25	Federal Farm Credit Banks	2,225,000.00	2,218,325.00	0.457%	39,024.65	2,264,024.65
3137EAEU9	09/14/20	07/21/25	Federal Home Loan Mortgage Corp	1,500,000.00	1,499,625.00	0.380%	27,296.87	1,527,296.87
3133ELZ80	07/29/20	07/29/25	Federal Farm Credit Banks	3,000,000.00	3,000,000.00	0.580%	87,000.00	3,087,000.00
3133EMFC1	10/29/20	07/29/25	Federal Farm Credit Banks	3,000,000.00	3,000,000.00	0.530%	75,525.00	3,075,525.00
3134GWXM3	10/01/20	07/30/25	Federal Home Loan Mortgage Corp	2,000,000.00	2,000,000.00	0.510%	49,271.67	2,049,271.67
3133EL3P7	08/12/20	08/12/25	Federal Farm Credit Banks	3,500,000.00	3,500,000.00	0.530%	92,750.00	3,592,750.00
3136G4C43	08/14/20	08/14/25	Federal National Mortgage Assoc	2,000,000.00	2,000,000.00	0.650%	65,000.00	2,065,000.00
3136G4H71	11/06/20	08/18/25	Federal National Mortgage Assoc	2,000,000.00	1,999,000.00	0.500%	47,833.33	2,047,833.33
3136G4K77	08/21/20	08/21/25	Federal National Mortgage Assoc	2,000,000.00	2,000,000.00	0.450%	45,000.00	2,045,000.00
3136G4X24	08/31/20	08/29/25	Federal National Mortgage Assoc	3,000,000.00	3,000,000.00	0.600%	89,900.00	3,089,900.00
3137EAEX3	10/22/20	09/23/25	Federal Home Loan Mortgage Corp	4,000,000.00	3,989,280.00	0.430%	73,791.67	4,073,791.67
3137EAEX3	12/28/20	09/23/25	Federal Home Loan Mortgage Corp	3,000,000.00	2,996,460.00	0.400%	53,281.25	3,053,281.25
3133EMCP5	10/14/20	10/14/25	Federal Farm Credit Banks	1,500,000.00	1,500,000.00	0.520%	39,000.00	1,539,000.00
3132X0CK5	11/01/22	10/14/25	Federal Agricultural Mortgage Corp	1,650,000.00	1,645,264.50	2.153%	184,415.59	1,834,415.59
3134GWXX9	10/15/20	10/15/25	Federal Home Loan Mortgage Corp	3,000,000.00	3,000,000.00	0.550%	82,500.00	3,082,500.00
3135G06A6	12/11/20	10/20/25	Federal National Mortgage Assoc	2,410,000.00	2,408,795.00	0.590%	67,909.78	2,477,909.78
3133EMDZ2	12/09/20	10/21/25	Federal Farm Credit Banks	3,000,000.00	2,994,300.00	0.560%	75,920.00	3,075,920.00
3133EMFR8	11/03/20	11/03/25	Federal Farm Credit Banks	4,500,000.00	4,500,000.00	0.540%	121,500.00	4,621,500.00
3135G06G3	12/29/20	11/07/25	Federal National Mortgage Assoc	3,000,000.00	3,012,960.00	0.410%	72,833.34	3,072,833.34
3130ALFF6	03/10/21	12/10/25	Federal Home Loan Banks	1,750,000.00	1,750,000.00	0.650%	54,031.25	1,804,031.25
31422XAT9	03/02/21	12/15/25	Federal Agricultural Mortgage Corp	3,000,000.00	3,000,000.00	0.520%	74,663.33	3,074,663.33
3134GXFV1	12/17/20	12/17/25	Federal Home Loan Mortgage Corp	5,000,000.00	5,000,000.00	0.625%	156,250.00	5,156,250.00
3134GXHD9	03/24/21	12/23/25	Federal Home Loan Mortgage Corp	1,500,000.00	1,489,500.00	0.700%	49,845.83	1,549,845.83

City of Carlsbad investment portfolio

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
3135G06Q1	12/30/20	12/30/25	Federal National Mortgage Assoc	2,500,000.00	2,504,125.00	0.474%	80,000.00	2,580,000.00
3130AKMZ6	01/14/21	01/14/26	Federal Home Loan Banks	4,000,000.00	4,000,000.00	0.510%	102,000.00	4,102,000.00
3130AKMZ6	01/14/21	01/14/26	Federal Home Loan Banks	1,750,000.00	1,747,375.00	0.540%	44,625.00	1,794,625.00
31422B6K1	01/25/21	01/15/26	Federal Agricultural Mortgage Corp	1,500,000.00	1,500,000.00	0.480%	35,800.00	1,535,800.00
3130AKN69	01/28/21	01/28/26	Federal Home Loan Banks	3,000,000.00	3,000,000.00	0.500%	75,000.00	3,075,000.00
3130AKRF5	02/09/21	02/09/26	Federal Home Loan Banks	2,050,000.00	2,050,000.00	0.350%	14,575.00	2,064,575.00
3130AKVR4	02/12/21	02/12/26	Federal Home Loan Banks	2,000,000.00	2,000,000.00	0.550%	55,000.00	2,055,000.00
3130AKVV5	02/18/21	02/18/26	Federal Home Loan Banks	4,000,000.00	4,000,000.00	0.500%	100,000.00	4,100,000.00
3133EMSH6	03/03/21	03/03/26	Federal Farm Credit Banks	674,000.00	674,000.00	0.790%	26,623.00	700,623.00
3133EMSU7	03/09/21	03/09/26	Federal Farm Credit Banks	3,500,000.00	3,500,000.00	0.800%	140,000.00	3,640,000.00
3130ALH56	03/18/21	03/18/26	Federal Home Loan Banks	3,000,000.00	2,997,000.00	0.750%	112,500.00	3,112,500.00
3130ALUQ5	03/30/21	03/30/26	Federal Home Loan Banks	1,500,000.00	1,500,000.00	0.300%	22,500.00	1,522,500.00
31422XCX8	04/20/21	04/20/26	Federal Agricultural Mortgage Corp	2,000,000.00	2,000,000.00	1.000%	100,000.00	2,100,000.00
3130ALVB7	04/21/21	04/21/26	Federal Home Loan Banks	2,000,000.00	1,998,500.00	0.915%	90,000.00	2,090,000.00
3130AM4L3	04/29/21	04/29/26	Federal Home Loan Banks	4,000,000.00	4,000,000.00	0.500%	100,000.00	4,100,000.00
31422XFP2	05/04/21	05/04/26	Federal Agricultural Mortgage Corp	2,500,000.00	2,500,000.00	0.950%	118,750.00	2,618,750.00
3130AMCL4	09/30/22	05/19/26	Federal Home Loan Banks	1,100,000.00	979,726.00	4.300%	40,797.17	1,140,797.17
3130AMHN5	05/26/21	05/26/26	Federal Home Loan Banks	2,500,000.00	2,500,000.00	0.500%	112,500.00	2,612,500.00
31422XGL0	05/27/21	05/27/26	Federal Agricultural Mortgage Corp	2,000,000.00	2,000,000.00	0.920%	92,000.00	2,092,000.00
3130AMQK1	06/16/21	06/16/26	Federal Home Loan Banks	2,000,000.00	2,000,000.00	0.500%	94,000.00	2,094,000.00
3130AMQK1	06/16/21	06/16/26	Federal Home Loan Banks	2,500,000.00	2,500,000.00	0.500%	117,500.00	2,617,500.00
3133EML67	06/22/21	06/22/26	Federal Farm Credit Banks	2,000,000.00	1,993,160.00	0.870%	80,000.00	2,080,000.00
3130AMTW2	06/30/21	06/30/26	Federal Home Loan Banks	4,500,000.00	4,500,000.00	0.500%	186,750.00	4,686,750.00
3130AMWN8	06/30/21	06/30/26	Federal Home Loan Banks	2,000,000.00	2,000,000.00	0.550%	88,000.00	2,088,000.00
3130ANCH1	07/27/21	07/27/26	Federal Home Loan Banks	2,500,000.00	2,500,000.00	1.000%	125,000.00	2,625,000.00
3130ANL57	08/25/21	08/25/26	Federal Home Loan Banks	3,500,000.00	3,494,750.00	0.906%	153,125.00	3,653,125.00
31422XLV6	09/01/21	09/01/26	Federal Agricultural Mortgage Corp	4,000,000.00	4,000,000.00	0.900%	180,000.00	4,180,000.00
3133EM3T7	09/07/21	09/01/26	Federal Farm Credit Banks	3,000,000.00	2,997,750.00	0.885%	130,065.00	3,130,065.00
31422XNB4	09/30/21	09/30/26	Federal Agricultural Mortgage Corp	2,500,000.00	2,500,000.00	0.860%	107,798.60	2,607,798.60
3133ENAF7	12/27/21	10/07/26	Federal Farm Credit Banks	2,500,000.00	2,469,000.00	1.268%	119,444.44	2,619,444.44
3133ENT26	10/19/22	10/19/26	Federal Farm Credit Banks	3,000,000.00	3,000,000.00	5.300%	636,000.00	3,636,000.00
3134GW6C5	02/15/22	10/28/26	Federal Home Loan Mortgage Corp	4,500,000.00	4,266,900.00	1.958%	169,300.00	4,669,300.00
3130APIZ9	02/25/22	10/28/26	Federal Home Loan Banks	3,500,000.00	3,378,200.00	1.979%	210,000.00	3,710,000.00
3133ENFP0	12/09/21	11/30/26	Federal Farm Credit Banks	2,950,000.00	2,952,950.00	1.408%	167,958.25	3,117,958.25
3130AQF65	01/14/22	12/21/26	Federal Home Loan Banks	1,550,000.00	1,532,857.00	1.483%	95,637.15	1,645,637.15
3130AQM88	02/07/22	01/26/27	Federal Home Loan Banks	1,250,000.00	1,245,000.00	1.331%	112,070.31	1,362,070.31
3130AQJR5	12/14/23	01/27/27	Federal Home Loan Banks	2,000,000.00	1,820,000.00	4.631%	105,000.00	2,105,000.00
3130AQLD3	03/29/22	01/28/27	Federal Home Loan Banks	2,500,000.00	2,384,750.00	2.776%	211,336.81	2,711,336.81
3130ARAB7	06/24/22	03/25/27	Federal Home Loan Banks	2,000,000.00	1,941,720.00	3.420%	260,791.67	2,260,791.67
3134GXNM2	02/20/24	03/25/27	Federal Home Loan Mortgage Corp	2,000,000.00	1,899,720.00	4.419%	186,700.00	2,186,700.00
3130ARL58	06/10/22	04/26/27	Federal Home Loan Banks	4,000,000.00	3,982,764.44	3.198%	589,235.56	4,589,235.56
3133EPJP1	05/12/23	05/12/27	Federal Farm Credit Banks	2,000,000.00	1,999,260.00	3.620%	290,000.00	2,290,000.00
3130ASCT4	06/28/22	06/28/27	Federal Home Loan Banks	2,500,000.00	2,500,000.00	3.250%	406,250.00	2,906,250.00
3130ASF46	06/30/22	06/30/27	Federal Home Loan Banks	2,500,000.00	2,500,000.00	3.500%	437,500.00	2,937,500.00
3130ASLA5	09/13/23	07/26/27	Federal Home Loan Banks	1,915,000.00	1,891,497.21	4.850%	344,700.00	2,259,700.00
3133ENL99	09/30/22	09/15/27	Federal Farm Credit Banks	2,500,000.00	2,432,200.00	3.983%	418,359.37	2,918,359.37
3133EPXB6	09/28/23	09/28/27	Federal Farm Credit Banks	2,000,000.00	1,993,860.00	4.625%	370,000.00	2,370,000.00
3130AW6F2	05/22/23	11/22/27	Federal Home Loan Banks	1,500,000.00	1,500,000.00	5.000%	337,500.00	1,837,500.00
3133EPJ30	12/06/23	12/06/27	Federal Farm Credit Banks	2,000,000.00	2,000,000.00	5.380%	430,400.00	2,430,400.00
3133EN3S7	12/07/22	12/07/27	Federal Farm Credit Banks	3,000,000.00	2,995,920.00	3.780%	562,500.00	3,562,500.00
3134H1GHO	10/30/23	10/30/27	Federal Home Loan Mortgage Corp	1,500,000.00	1,488,900.00	5.201%	312,500.00	1,812,500.00
3130AYPJ9	01/29/24	01/26/28	Federal Home Loan Banks	2,000,000.00	2,000,000.00	4.500%	359,500.00	2,359,500.00
3130AUQA5	02/02/23	02/02/28	Federal Home Loan Banks	2,500,000.00	2,500,000.00	4.050%	506,250.00	3,006,250.00
3130AYVC7	02/13/24	02/09/28	Federal Farm Credit Banks	2,000,000.00	2,000,000.00	4.625%	370,000.00	2,370,000.00
3130AUW59	03/08/23	02/17/28	Federal Home Loan Banks	1,500,000.00	1,480,500.00	4.240%	318,000.00	1,818,000.00
3133EP3Z6	02/28/24	02/28/28	Federal Farm Credit Banks	2,000,000.00	1,997,320.00	4.375%	350,000.00	2,350,000.00
313382GT4	11/15/23	03/10/28	Federal Home Loan Banks	2,500,000.00	2,333,600.00	4.720%	337,500.00	2,837,500.00
3133EPDC6	03/13/23	03/13/28	Federal Farm Credit Banks	1,000,000.00	1,000,000.00	5.350%	267,500.00	1,267,500.00
3133EPFU4	04/12/23	04/12/28	Federal Farm Credit Banks	2,500,000.00	2,496,600.00	3.530%	437,500.00	2,937,500.00
3130AVK50	04/24/23	04/24/28	Federal Home Loan Banks	1,500,000.00	1,500,000.00	5.000%	375,000.00	1,875,000.00
3130ALZW7	12/14/23	04/28/28	Federal Home Loan Banks	1,000,000.00	895,070.00	4.362%	76,500.00	1,076,500.00
3130AVZQ8	04/12/23	05/17/28	Federal Home Loan Banks	1,880,000.00	1,871,070.00	5.150%	460,600.00	2,340,600.00
3133EPM40	06/09/23	06/09/28	Federal Farm Credit Banks	1,500,000.00	1,500,000.00	4.690%	351,750.00	1,851,750.00
3134H1GL1	10/18/23	07/18/28	Federal Home Loan Mortgage Corp	2,500,000.00	2,493,750.00	5.002%	593,750.00	3,093,750.00
3134H1GL1	11/01/23	07/18/28	Federal Home Loan Mortgage Corp	2,000,000.00	1,982,760.00	5.210%	475,000.00	2,475,000.00
3134GYXX5	09/12/23	07/26/28	Federal Home Loan Mortgage Corp	1,750,000.00	1,747,375.00	5.650%	494,375.00	2,244,375.00
3133EPTA3	09/07/23	08/14/28	Federal Farm Credit Banks	1,000,000.00	1,000,000.00	5.108%	255,500.00	1,255,500.00
3134H1BP7	10/13/23	09/11/28	Federal Home Loan Mortgage Corp	1,000,000.00	995,750.00	5.148%	252,500.00	1,252,500.00
3134H1BP7	09/11/23	09/11/28	Federal Home Loan Mortgage Corp	3,000,000.00	2,974,500.00	5.245%	757,500.00	3,757,500.00
3134H1CM3	11/17/23	09/25/28	Federal Home Loan Mortgage Corp	1,500,000.00	1,477,875.00	4.843%	327,750.00	1,827,750.00
3130AP6J9	12/06/23	10/05/28	Federal Home Loan Banks	2,000,000.00	1,745,060.00	4.300%	135,000.00	2,135,000.00

City of Carlsbad investment portfolio

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
3130APSR7	01/08/24	11/16/28	Federal Farm Credit Banks	1,500,000.00	1,342,500.00	4.107%	127,500.00	1,627,500.00
3130APTC9	01/19/24	11/22/28	Federal Home Loan Banks	1,000,000.00	896,600.00	4.193%	90,000.00	1,090,000.00
3130AYE51	01/08/24	01/02/29	Federal Home Loan Banks	2,500,000.00	2,501,250.00	4.947%	623,958.34	3,123,958.34
3130AYCV6	01/11/24	01/03/29	Federal Home Loan Banks	2,700,000.00	2,700,000.00	5.000%	675,000.00	3,375,000.00
3135GAM81	02/01/24	01/17/29	Federal National Mortgage Assoc	2,500,000.00	2,500,000.00	5.000%	624,305.56	3,124,305.56
3130AYJR8	02/20/24	01/17/29	Federal Home Loan Banks	2,000,000.00	1,990,000.00	4.714%	460,000.00	2,460,000.00
3130AYRG3	02/05/24	02/05/29	Federal Home Loan Banks	2,500,000.00	2,500,000.00	4.400%	550,000.00	3,050,000.00
3130AYWQ5	02/20/24	02/07/29	Federal Home Loan Banks	2,500,000.00	2,497,500.00	4.572%	568,118.05	3,068,118.05
3134H1SK0	02/09/24	02/09/29	Federal Home Loan Mortgage Corp	2,500,000.00	2,483,575.00	4.375%	546,875.00	3,046,875.00
Total federal investments				\$ 344,278,000.00	\$ 343,133,893.04	1.811%	\$ 27,633,416.32	\$ 371,911,416.32

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Supranationals								
459056HV2	08/29/19	08/28/24	International Bank for Recon & Devel	2,000,000.00	2,006,920.00	1.428%	149,916.67	2,149,916.67
45818WCW4	11/03/21	10/15/24	Inter-American Development Bank	1,440,000.00	1,419,552.00	0.828%	14,443.20	1,454,443.20
45950KCR9	02/04/21	10/16/24	International Finance Corporation	2,000,000.00	2,079,800.00	0.290%	101,750.00	2,101,750.00
45905U6L3	01/14/21	11/20/25	International Bank for Recon & Devel	2,000,000.00	2,250,220.00	0.510%	303,125.00	2,303,125.00
45950VPJ9	01/25/21	01/15/26	International Finance Corporation	2,000,000.00	2,007,840.00	0.500%	57,677.78	2,057,677.78
4581XODV7	04/23/21	04/20/26	Inter-American Development Bank	3,000,000.00	3,000,720.00	0.870%	131,031.25	3,131,031.25
45950VPV6	05/28/21	05/15/26	International Finance Corporation	2,000,000.00	2,000,000.00	0.500%	49,638.89	2,049,638.89
45906M4E8	07/31/23	06/26/28	International Bank for Recon & Devel	1,250,000.00	1,240,000.00	4.684%	281,250.00	1,531,250.00
45906M4E8	09/07/23	06/26/28	International Bank for Recon & Devel	1,700,000.00	1,686,400.00	4.500%	382,500.00	2,082,500.00
459058KW2	09/28/23	08/01/28	International Bank for Recon & Devel	2,000,000.00	1,991,960.00	4.720%	448,368.06	2,448,368.06
Total supranationals				\$ 19,390,000.00	\$ 19,683,412.00	1.687%	\$ 1,919,700.85	\$ 21,309,700.85

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
U.S. Treasury								
91282CEG2	06/13/22	03/31/24	U.S. Treasury	2,000,000.00	1,984,020.24	2.970%	80,901.64	2,080,901.64
91282CBV2	12/07/21	04/15/24	U.S. Treasury	2,000,000.00	1,985,937.50	0.677%	17,657.97	2,017,657.97
9128286R6	03/17/22	04/30/24	U.S. Treasury	2,000,000.00	2,011,875.00	1.961%	94,972.38	2,094,972.38
91282CCC3	12/07/21	05/15/24	U.S. Treasury	2,000,000.00	1,978,437.50	0.697%	12,196.13	2,012,196.13
912828WJ5	10/21/22	05/15/24	U.S. Treasury	1,750,000.00	1,694,057.40	2.500%	68,597.15	1,818,597.15
9128286Z8	03/01/21	06/30/24	U.S. Treasury	2,500,000.00	2,614,215.00	0.370%	145,873.62	2,645,873.62
91282CCL3	10/21/22	07/15/24	U.S. Treasury	3,000,000.00	2,789,648.44	4.302%	19,504.08	3,019,504.08
912828YH7	01/14/21	09/30/24	U.S. Treasury	2,000,000.00	2,088,448.94	1.500%	111,263.74	2,111,263.74
9128282Y5	10/21/22	09/30/24	U.S. Treasury	2,000,000.00	1,912,187.50	4.511%	82,548.08	2,082,548.08
912828YV6	06/07/21	11/30/24	U.S. Treasury	2,000,000.00	2,073,437.50	0.436%	104,426.23	2,104,426.23
91282CDS7	10/21/22	01/15/25	U.S. Treasury	4,000,000.00	3,712,187.50	4.548%	100,516.30	4,100,516.30
912828ZC7	07/15/21	02/28/25	U.S. Treasury	2,000,000.00	2,040,312.50	0.563%	81,623.64	2,081,623.64
912828ZL7	02/19/21	04/30/25	U.S. Treasury	2,000,000.00	1,997,920.00	0.400%	31,450.28	2,031,450.28
912828ZT0	02/19/21	05/31/25	U.S. Treasury	2,000,000.00	1,987,280.00	0.400%	21,387.36	2,021,387.36
91282CEU1	10/21/22	06/15/25	U.S. Treasury	3,000,000.00	2,877,180.00	4.530%	228,586.07	3,228,586.07
91282CAM3	01/11/21	09/30/25	U.S. Treasury	2,500,000.00	2,481,332.50	0.250%	29,481.46	2,529,481.46
91282CAZ4	01/11/21	11/30/25	U.S. Treasury	2,500,000.00	2,493,350.00	0.375%	45,793.27	2,545,793.27
91282CGA3	10/17/23	12/15/25	U.S. Treasury	2,000,000.00	1,962,187.50	4.930%	199,992.72	2,199,992.72
91282CBQ3	03/01/21	02/28/26	U.S. Treasury	3,000,000.00	2,964,726.56	0.740%	74,959.24	3,074,959.24
91282CBQ3	03/02/21	02/28/26	U.S. Treasury	2,000,000.00	1,975,513.02	0.750%	49,945.65	2,049,945.65
912828U24	12/27/21	11/15/26	U.S. Treasury	2,500,000.00	2,594,531.25	1.200%	244,198.90	2,744,198.90
91282CDK4	01/14/22	11/30/26	U.S. Treasury	1,500,000.00	1,485,000.00	1.463%	91,432.01	1,591,432.01
912828Z78	05/08/23	01/31/27	U.S. Treasury	1,500,000.00	1,485,855.00	3.500%	83,970.99	1,583,970.99
91282CFB2	04/21/23	07/31/27	U.S. Treasury	2,500,000.00	2,400,000.00	3.770%	294,181.63	2,794,181.63
91282CFU0	09/08/23	10/31/27	U.S. Treasury	1,500,000.00	1,479,375.00	4.491%	278,437.50	1,778,437.50
91282CGC9	01/25/23	12/31/27	U.S. Treasury	500,000.00	508,167.05	3.570%	96,393.30	596,393.30
91282CHA2	12/14/23	04/30/28	U.S. Treasury	1,000,000.00	969,687.50	4.265%	157,452.99	1,157,452.99
91282CGC9	01/31/23	12/31/27	U.S. Treasury	750,000.00	760,105.97	3.647%	144,108.25	894,108.25
91282CGC9	09/08/23	12/31/27	U.S. Treasury	1,500,000.00	1,465,195.31	4.472%	261,562.50	1,761,562.50
9128284N7	07/17/23	05/15/28	U.S. Treasury	1,000,000.00	953,056.40	3.952%	143,750.00	1,143,750.00
Total U.S. Treasury				\$ 60,500,000.00	\$ 59,725,228.08	2.264%	\$ 3,397,165.08	\$ 63,897,165.08

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Corporate notes								
58933YAU9	10/08/19	03/07/24	3M (Merck & Co)	1,500,000.00	1,581,000.00	1.604%	188,379.17	1,688,379.17
09247XAL5	08/29/19	03/18/24	Blackrock Inc.	2,000,000.00	2,162,500.00	1.640%	318,694.44	2,318,694.44
09247XAL5	10/28/19	03/18/24	Blackrock Inc.	1,000,000.00	1,071,360.00	1.801%	153,611.11	1,153,611.11

City of Carlsbad investment portfolio

Exhibit 9

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
09247XAL5	11/14/19	03/18/24	Blackrock Inc.	1,000,000.00	1,065,420.00	1.923%	152,055.56	1,152,055.56
09247XAL5	05/14/20	03/18/24	Blackrock Inc.	3,000,000.00	3,300,600.00	0.845%	403,666.67	3,403,666.67
931142DP5	04/24/20	04/22/24	Wal-Mart	2,500,000.00	2,737,467.50	0.875%	329,541.67	2,829,541.67
931142DP5	04/24/20	04/22/24	Wal-Mart	2,000,000.00	2,191,860.00	0.700%	263,633.33	2,263,633.33
48133DE55	04/29/22	04/29/24	JP Morgan Chase Bank	1,500,000.00	1,500,000.00	3.125%	93,750.00	1,593,750.00
46625HJX9	07/31/19	05/13/24	JP Morgan Chase Bank	2,000,000.00	2,119,320.00	2.300%	346,791.67	2,346,791.67
46625HJX9	07/13/20	05/13/24	JP Morgan Chase Bank	3,000,000.00	3,331,290.00	0.700%	416,875.00	3,416,875.00
46625HJX9	12/13/21	05/13/24	JP Morgan Chase Bank	1,750,000.00	1,859,392.50	1.000%	153,307.29	1,903,307.29
06406HCV9	07/01/20	05/15/24	Bank of NY Mellon	3,000,000.00	3,316,860.00	0.560%	392,416.67	3,392,416.67
06048WQ60	12/03/21	06/03/24	Bank of America	2,500,000.00	2,500,000.00	1.000%	62,500.00	2,562,500.00
742651DP4	06/27/19	07/15/24	Private Export Funding	2,500,000.00	2,565,850.00	1.900%	309,142.36	2,809,142.36
023135AZ9	08/22/19	08/22/24	Amazon.com Inc	2,000,000.00	2,087,280.00	2.800%	279,377.78	2,779,377.78
023135AZ9	10/17/19	08/22/24	Amazon.com Inc	2,500,000.00	2,604,850.00	1.860%	339,305.56	2,839,305.56
06406RAL1	02/18/20	10/24/24	Bank of NY Mellon	3,055,000.00	3,093,737.40	1.816%	300,459.25	3,355,459.25
06368G3W5	11/15/21	11/15/24	Bank of Montreal	2,000,000.00	2,000,000.00	1.000%	60,000.00	2,060,000.00
931142DV2	01/16/20	12/15/24	Wal-Mart	2,000,000.00	2,067,790.00	1.900%	260,436.11	2,260,436.11
478160C1	01/15/20	01/15/25	Johnson & Johnson	1,820,000.00	1,882,380.50	1.586%	238,875.00	2,058,875.00
478160C1	04/08/20	01/15/25	Johnson & Johnson	3,000,000.00	3,231,960.00	0.906%	375,593.75	3,375,593.75
478160C1	07/13/20	01/15/25	Johnson & Johnson	1,000,000.00	1,090,640.00	0.510%	118,270.83	1,118,270.83
037833AZ3	09/10/21	02/09/25	Apple Inc	1,500,000.00	1,588,155.00	0.753%	128,020.83	1,628,020.83
66989HAP3	04/13/20	02/14/25	Novartis Capital Corp	3,310,000.00	3,379,576.20	1.300%	280,131.74	3,590,131.74
12572QAG0	06/03/20	03/15/25	CME Group Inc	2,771,000.00	3,050,981.84	0.730%	397,638.50	3,168,638.50
654106AH6	12/31/20	03/27/25	Nike Inc.	2,867,000.00	3,090,740.68	0.500%	291,669.47	3,158,669.47
341081FZ53	05/13/20	04/01/25	Florida Power & Light	3,667,000.00	3,980,565.17	1.020%	509,193.51	4,176,193.51
78015K7H17	12/07/21	06/10/25	Royal Bank of Canada	2,000,000.00	1,989,460.00	1.304%	80,691.67	2,080,691.67
478160CN2	04/23/21	09/01/25	Johnson & Johnson	1,250,000.00	1,241,700.00	0.705%	29,944.44	1,279,944.44
742718FL8	09/20/21	10/29/25	Procter & Gamble	1,500,000.00	1,487,460.00	0.757%	33,893.75	1,533,893.75
92826CAD4	05/17/21	12/14/25	Visa Inc	1,250,000.00	1,368,500.00	0.910%	180,140.62	1,430,140.62
06048WK82	08/23/21	01/26/26	Bank of America	1,000,000.00	989,470.00	1.000%	33,550.00	1,033,550.00
58933YAY1	04/12/21	02/24/26	Merck & Co	1,500,000.00	1,485,750.00	0.950%	54,750.00	1,554,750.00
48128G2Q2	03/01/21	02/26/26	JP Morgan Chase Bank	2,000,000.00	2,000,000.00	0.800%	80,000.00	2,080,000.00
478160BY9	03/01/21	03/01/26	Johnson & Johnson	2,500,000.00	2,697,950.00	0.750%	306,250.00	2,806,250.00
48128G3A6	03/03/21	03/03/26	JP Morgan Chase Bank	2,000,000.00	2,000,000.00	1.000%	100,000.00	2,100,000.00
48128G3V0	06/11/21	06/11/26	JP Morgan Chase Bank	2,000,000.00	2,000,000.00	1.150%	115,000.00	2,115,000.00
06048WM64	07/12/21	06/25/26	Bank of America	3,000,000.00	2,998,500.00	1.210%	178,300.00	3,178,300.00
57629WDE7	07/22/21	07/16/26	Massmutual Global	3,750,000.00	3,784,537.50	1.010%	224,250.00	3,974,250.00
594918BR4	08/11/21	08/08/26	Microsoft	4,000,000.00	4,292,240.00	0.900%	293,040.00	4,293,040.00
48128G5A4	08/25/21	08/25/26	JP Morgan Chase Bank	2,000,000.00	2,000,000.00	1.200%	120,000.00	2,120,000.00
06048WN63	09/10/21	09/10/26	Bank of America	2,000,000.00	2,000,000.00	1.150%	115,000.00	2,115,000.00
06048WP20	09/24/21	09/24/26	Bank of America	2,000,000.00	2,000,000.00	1.250%	125,000.00	2,125,000.00
59217GBY4	01/19/22	12/18/26	Met Life Global	4,000,000.00	4,281,720.00	1.940%	678,116.67	4,678,116.67
06368GC39	12/30/21	12/30/26	Bank of Montreal (BLC)	2,450,000.00	2,450,000.00	2.000%	245,000.00	2,695,000.00
742718FV6	02/04/22	02/01/27	Procter & Gamble	2,000,000.00	2,010,459.28	1.331%	189,683.33	2,189,683.33
742718FV6	05/11/23	02/01/27	Procter & Gamble	1,000,000.00	935,367.00	3.620%	76,000.00	1,076,000.00
48128G6F2	02/25/22	02/25/27	JP Morgan Chase Bank	5,000,000.00	5,000,000.00	2.550%	197,283.33	5,197,283.33
478160CE2	04/18/22	03/03/27	Johnson & Johnson	1,750,000.00	1,757,538.77	2.850%	251,671.87	2,001,671.87
742718FG9	07/08/22	03/25/27	Procter & Gamble	2,500,000.00	2,456,475.00	3.200%	329,972.22	2,829,972.22
64952WEQ2	06/23/23	04/07/27	New York Life Global	1,500,000.00	1,428,750.00	4.630%	195,000.00	1,695,000.00
64952WEQ2	07/18/23	04/07/27	New York Life Global	2,000,000.00	1,908,020.00	4.610%	260,000.00	2,260,000.00
06048WW63	06/23/22	06/22/27	Bank of America	3,000,000.00	3,000,000.00	5.000%	750,000.00	3,750,000.00
194162AN3	05/09/23	08/15/27	Colgate-Palmolive	2,000,000.00	1,997,600.00	3.694%	223,408.33	2,223,408.33
81257VAA9	03/10/23	10/01/27	Seattle Children Hosp	1,000,000.00	852,445.33	5.000%	222,581.34	1,222,581.34
78014RHK9	10/18/22	10/18/27	Royal Bank of Canada	2,500,000.00	2,500,000.00	5.700%	712,500.00	3,212,500.00
592179KF1	10/17/23	01/06/28	Met Life Global	1,000,000.00	983,540.00	5.050%	227,250.00	1,227,250.00
78014RKF6	01/18/23	01/18/28	Royal Bank of Canada	2,500,000.00	2,500,000.00	5.450%	691,090.22	3,191,090.22
742718FZ7	11/01/23	01/26/28	Procter & Gamble	2,000,000.00	1,922,140.00	4.979%	355,500.00	2,355,500.00
48130CDL6	11/03/23	11/03/28	JP Morgan Chase Bank	1,800,000.00	1,800,000.00	6.150%	553,500.00	2,353,500.00
771196BW1	12/22/23	12/13/28	Roche Holdings Inc	2,000,000.00	1,787,220.00	4.330%	193,000.00	2,193,000.00
6944PL2Z1	01/12/24	01/11/29	Pacific Life Global	1,000,000.00	1,006,500.00	4.752%	245,000.00	1,245,000.00
742718GF0	02/20/24	01/29/29	Procter & Gamble	2,000,000.00	1,984,175.26	4.530%	435,241.67	2,435,241.67
Total corporate notes				\$ 137,490,000.00	\$ 141,349,094.93	1.970%	\$ 16,264,946.73	\$ 153,754,946.73

Certificate of deposit

29367RKT2	05/16/19	05/16/24	Enterprise Bank	246,000.00	246,000.00	2.600%	31,980.00	277,980.00
27002YEN2	05/24/19	05/24/24	Eagle Bank	249,000.00	249,000.00	2.500%	31,125.00	280,125.00
336460CQ1	06/28/19	06/28/24	First State Bank Dequeen	249,000.00	249,000.00	2.300%	28,635.00	277,635.00
14042RMN8	07/31/19	07/31/24	Capital One	247,000.00	247,000.00	2.250%	27,787.50	274,787.50
938828BM1	08/30/19	08/30/24	Washington Federal	249,000.00	249,000.00	2.000%	24,900.00	273,900.00
29278TLH1	09/13/19	09/13/24	Enerbank Usa	249,000.00	249,000.00	1.750%	21,787.50	270,787.50
15118RSC2	09/18/19	09/30/24	Celtic Bank	249,000.00	249,000.00	1.700%	20,956.25	269,956.25
75472RAN1	11/26/19	11/26/24	Raymond James Bank NA	247,000.00	247,000.00	1.850%	22,872.54	269,872.54

City of Carlsbad investment portfolio

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
61690URM4	01/09/20	01/09/25	Morgan Stanley Bank NA	247,000.00	247,000.00	1.900%	23,490.72	270,490.72
07815AAZ0	02/27/20	02/27/25	Bell Bank Corp	249,000.00	249,000.00	1.600%	19,941.88	268,941.88
17037TEN3	03/13/20	03/13/25	Choice Financial Group	248,000.00	248,000.00	1.100%	13,647.47	261,647.47
02554BDA6	03/13/20	03/13/25	American Eagle bank	249,000.00	249,000.00	1.100%	13,702.54	262,702.54
73319FAF6	03/18/20	03/18/25	Poppy Bank	249,000.00	249,000.00	1.100%	13,702.54	262,702.54
835104BZ2	03/19/20	03/19/25	Somerset Trust	249,000.00	249,000.00	1.000%	12,456.88	261,456.88
45083ANS7	03/20/20	03/20/25	Iberia Bank	248,000.00	248,000.00	1.000%	12,406.79	260,406.79
072727BF6	03/27/20	03/27/25	Baycoast Bank	248,000.00	248,000.00	0.950%	11,786.45	259,786.45
02519TAZ9	03/27/20	03/27/25	American Commerce Bank	249,000.00	249,000.00	0.950%	11,834.03	260,834.03
14042TDD6	04/08/20	04/08/25	Capital One	248,000.00	248,000.00	1.600%	19,850.88	267,850.88
33847E3H8	05/15/20	05/15/25	Flagstar Bank	248,000.00	248,000.00	0.850%	10,545.77	258,545.77
29260MBF1	05/15/20	05/15/25	Encore Bank	249,000.00	249,000.00	0.800%	9,965.41	258,965.41
404730CR2	05/26/20	05/27/25	Haddon Savings Bank	248,000.00	248,000.00	0.750%	9,310.19	257,310.19
43719LAE5	05/29/20	05/29/25	Home Loan Inv Bank	249,000.00	249,000.00	0.800%	9,965.41	258,965.41
69506VRT8	05/29/20	05/29/25	Pacific Western Bank	249,000.00	249,000.00	0.700%	8,719.77	257,719.77
56102AAJ5	05/29/20	05/29/25	Malaga Bank	249,000.00	249,000.00	0.700%	8,719.87	257,719.87
86128QCF3	06/10/20	06/10/25	Stockman Bank	249,000.00	249,000.00	0.600%	7,474.10	256,474.10
740367MA2	07/17/20	07/17/25	Preferred Bank	249,000.00	249,000.00	0.500%	6,228.46	255,228.46
89235MJZ5	07/16/20	07/28/25	Toyota Financial Savings Bank	249,000.00	249,000.00	0.650%	8,096.93	257,096.93
211163KQ2	07/29/20	07/29/25	Continental Bank	249,000.00	249,000.00	0.500%	6,228.46	255,228.46
02007GXF5	08/09/22	08/04/25	Ally Bank	201,000.00	201,000.00	3.400%	20,427.10	221,427.10
549104RV1	08/14/20	08/14/25	Luana Savings Bank	249,000.00	249,000.00	0.450%	5,605.57	254,605.57
32022RNT0	08/19/20	08/19/25	1st Financial Bank	249,000.00	249,000.00	0.450%	5,605.82	254,605.82
31944MBB0	08/20/20	08/20/25	1st Carolina Bank	249,000.00	249,000.00	0.450%	5,605.82	254,605.82
664122AF5	08/20/20	08/20/25	Northeast Community Bank	249,000.00	249,000.00	0.450%	5,605.82	254,605.82
228212AQ9	09/04/20	09/04/25	Crown Bank	249,000.00	249,000.00	0.400%	4,982.62	253,982.62
59013KKJ4	09/15/20	09/15/25	Merrick	249,000.00	249,000.00	0.400%	4,982.62	253,982.62
2027506P5	10/22/20	09/25/25	Commonwealth Bus Bank	249,000.00	249,000.00	0.400%	4,908.94	253,908.94
51507LBY9	09/29/20	09/29/25	Landmark Community	249,000.00	249,000.00	0.400%	4,982.58	253,982.58
538036LQ5	10/22/20	10/08/25	Live Oak Bank	249,000.00	249,000.00	0.400%	4,944.42	253,944.42
560390AS5	10/15/20	10/15/25	Maine Comm Bank	249,000.00	249,000.00	0.350%	4,359.94	253,359.94
33625CDS5	10/16/20	10/16/25	First Security Bank Wash	249,000.00	249,000.00	0.350%	4,359.94	253,359.94
780684AJ5	11/06/20	10/23/25	Royal Savings Bank	249,000.00	249,000.00	0.400%	4,944.42	253,944.42
33744AAW9	11/18/20	11/18/25	First US Bank	249,000.00	249,000.00	0.400%	4,982.62	253,982.62
88413QCU0	12/18/20	12/18/25	Third Federal Savings and Loan	249,000.00	249,000.00	0.450%	5,605.56	254,605.56
91330ACR6	12/18/20	12/18/25	Unity Bank	249,000.00	248,377.50	0.400%	4,982.72	253,982.72
08016PDV8	12/23/20	12/23/25	Belmont Savings Bank	249,000.00	248,377.50	0.400%	4,982.62	253,982.62
634116CW5	12/28/20	12/23/25	National Bank of NY City	249,000.00	248,688.75	0.400%	4,968.98	253,968.98
882214AA7	01/08/21	12/23/25	Texas Bank Henderson	249,000.00	249,000.00	0.450%	5,556.70	254,556.70
06424KBH2	01/08/21	01/08/26	Bank of Santa Clarita	249,000.00	248,688.75	0.400%	4,982.62	253,982.62
38522ABP0	01/08/21	01/08/26	Grand Bank Tulsa	249,000.00	248,688.75	0.400%	4,982.62	253,982.62
20143PEH9	01/26/21	01/26/26	Commercial Bank	249,000.00	248,751.00	0.471%	5,605.82	254,605.82
15258RAV9	01/27/21	01/27/26	Central Bank Storm Lake	249,000.00	248,751.00	0.471%	5,605.82	254,605.82
43786UJ2	02/18/21	01/29/26	Hometown Bk of Alabama	249,000.00	249,000.00	0.400%	4,928.04	253,928.04
909242AN9	02/26/21	02/26/26	United Rep Bk Omaha	249,000.00	249,000.00	0.400%	4,982.61	253,982.61
12527CDV1	03/03/21	03/03/26	CFG Community Bk	249,000.00	249,000.00	0.400%	4,982.73	253,982.73
110087AS2	03/10/21	03/10/26	Bristol Morgan Bank	249,000.00	249,000.00	0.450%	5,605.82	254,605.82
87164XA30	09/03/21	09/03/26	Syncrony Bank	249,000.00	249,000.00	0.900%	11,205.00	260,205.00
90348JS92	09/09/21	09/09/26	UBS Bank USA	249,000.00	249,000.00	0.950%	11,834.03	260,834.03
795451BH5	04/05/22	02/23/27	Sallie May Bank	247,000.00	242,902.27	2.564%	26,574.50	273,574.50
598580AM0	03/08/23	03/08/27	Mifflinburg Bank and Trust Company	249,000.00	249,000.00	4.650%	46,345.77	295,345.77
64034KBF7	03/09/22	03/09/27	Nelnet Bank Inc	247,000.00	247,000.00	1.950%	24,095.69	271,095.69
27004PCN1	03/09/22	03/09/27	Eaglemark Savings	247,000.00	247,000.00	2.000%	24,713.53	271,713.53
07371CN21	03/16/22	03/10/27	Beal Bank NV	247,000.00	247,000.00	1.800%	22,169.09	269,169.09
07371AB28	03/16/22	03/10/27	Beal Bank TX	247,000.00	247,000.00	1.800%	22,169.09	269,169.09
02589ABW1	03/23/22	03/23/27	American Exp Bank	247,000.00	247,000.00	2.200%	27,184.89	274,184.89
31938QW34	02/15/22	04/15/27	First Business Bank	245,000.00	245,000.00	3.900%	33,790.69	278,790.69
254673D94	05/18/22	05/19/27	Discover Bank	246,000.00	246,000.00	3.200%	39,403.14	285,403.14
910286GS6	07/14/23	07/14/27	United Fidelity Bank	249,000.00	249,000.00	4.600%	45,847.38	294,847.38
78577TMR3	11/06/23	08/06/27	Saco & Biddeford Savings Institution	244,000.00	244,000.00	5.000%	45,750.00	289,750.00
68405VAU3	09/15/23	09/13/27	Optum Bank	244,000.00	244,000.00	4.700%	45,872.00	289,872.00
20347MAS0	10/20/23	10/20/27	Community Bank and Trust	244,000.00	244,000.00	4.900%	47,824.00	291,824.00
37173RAJ2	12/13/23	12/13/27	Genesee Regional Bank	244,000.00	244,000.00	4.400%	42,944.00	286,944.00
34520LAY9	12/15/22	12/15/27	Forebright Bank	249,000.00	248,651.40	4.031%	49,827.34	298,827.34
84229LBJ0	12/16/22	12/16/27	Southern Bank	245,000.00	245,000.00	4.000%	49,026.84	294,026.84
32026U4X1	01/17/24	01/18/28	First Foundation Bank	245,000.00	245,000.00	4.000%	38,689.86	283,689.86
70212YBE1	02/22/23	02/22/28	Partners Bank California	245,000.00	245,000.00	3.850%	47,188.34	292,188.34
062119BH4	03/08/23	03/07/28	Bank Five Nine	249,000.00	249,000.00	4.550%	56,678.44	305,678.44
05580AW59	03/10/23	03/10/28	BMW Bank North America	244,000.00	244,000.00	4.600%	56,181.50	300,181.50
108622NK3	03/29/23	03/29/28	Bridgewater Bk	249,000.00	249,000.00	4.800%	59,825.54	308,825.54
178180GY5	03/31/23	03/31/28	City Natl Bk - Los Angeles	243,000.00	243,000.00	5.000%	60,816.56	303,816.56

City of Carlsbad investment portfolio

Exhibit 9

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
914098DQ8	04/03/23	04/03/28	University Bank NA	249,000.00	249,000.00	4.800%	59,825.53	308,825.53
05600XQE3	05/16/23	05/16/28	BMO Harris Bank NA	244,000.00	244,000.00	4.500%	54,960.16	298,960.16
23204HPB8	06/06/23	06/14/28	Customers Bank	244,000.00	244,000.00	4.500%	53,365.81	297,365.81
91527PCD7	06/06/23	06/21/28	Univest Bank & Trust	249,000.00	249,000.00	4.500%	56,546.88	305,546.88
501798UJ9	07/18/23	07/18/28	LCA Bank Corporation	243,000.00	243,000.00	4.500%	54,734.92	297,734.92
58404DTG6	09/19/23	09/19/28	Medallion Bank	249,000.00	249,000.00	4.600%	57,332.81	306,332.81
59936MAA4	09/25/23	09/25/28	Milford Building & Loan	244,000.00	244,000.00	4.550%	55,510.00	299,510.00
84287PJB9	10/17/23	10/17/28	Southern First Bank	244,000.00	244,000.00	4.850%	59,170.00	303,170.00
949765HZ0	11/21/23	11/21/28	Wells Fargo Bank NA	248,000.00	248,000.00	5.050%	62,898.31	310,898.31
523343AA9	12/29/23	12/29/28	Ledyark National Bank	244,000.00	244,000.00	4.050%	49,464.16	293,464.16
Total certificate of deposit				\$ 22,004,000.00	\$ 21,996,876.92	2.017%	\$ 2,101,955.03	\$ 24,105,955.03

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Mortgage backed securities (agency)								
31398E6W9	08/27/20	06/15/24	FHLM - FHR 3544 BC	15,090.13	78,498.32	0.532%	125.31	15,215.44
3137F8TA4	03/10/21	08/25/24	FHLM - FHMS K728	2,536,661.85	2,741,693.70	3.064%	25,707.87	2,562,369.72
3137F32A1	04/15/20	11/25/24	FHLM - KHG1 A1	804,163.29	858,325.37	0.999%	12,176.07	816,339.36
3137BL6J2	07/22/22	12/25/24	FHLM - FHMS K048 A1	587,470.45	581,595.74	3.425%	52,572.93	640,043.38
3137BM7B6	06/30/22	04/25/25	FHMS - K051 A1	2,086,220.24	2,069,921.64	3.299%	39,421.59	2,125,641.83
30315EAA4	07/24/20	05/25/25	FRESB - MFM	883,910.74	884,886.09	0.830%	5,074.02	888,984.76
3137BJQ71	03/15/21	05/25/25	FHLM - FHMS KPLB A	2,000,000.00	2,157,500.00	2.770%	38,467.56	2,038,467.56
30318NAA1	02/19/21	01/25/26	FRESB - 2021-SB83	1,210,123.04	1,215,126.67	0.505%	8,880.07	1,219,103.11
3137BPW21	03/25/21	03/25/26	FHLM - KHMS K055	2,500,000.00	2,700,000.00	2.673%	72,705.15	2,572,705.15
3137BP4J5	08/20/21	03/25/26	FHLM - FHMS K1R1	1,149,969.58	977,939.15	0.414%	30,580.09	1,180,549.67
30321CAQ5	07/23/21	04/25/26	FRESB - 2021-SB88 ASF	1,674,497.98	1,682,363.19	0.746%	16,500.22	1,690,998.20
30324QAC2	01/21/22	11/25/26	FRESB - 2022-SB94	4,196,998.74	4,216,409.85	1.500%	95,766.39	4,292,765.13
30311SAA7	04/22/22	04/25/27	FRESB - 2022-SB97 ASF	3,359,528.51	3,226,383.70	2.803%	92,478.78	3,452,007.29
30329MAA0	10/28/22	06/25/27	FRESB - 2022-SB103 ASF	1,477,742.95	1,323,890.69	4.989%	51,467.64	1,529,210.59
30329QAA1	11/18/22	09/25/27	FRESB - 2022-SB104 ASF	3,898,859.66	3,559,027.27	2.600%	181,984.52	4,080,844.18
3138L7D60	12/16/22	10/01/27	FHLM - AM6424	972,466.48	941,469.11	4.212%	59,665.48	1,032,131.96
3132XGRH1	01/27/23	11/01/27	FRESB - WN2287	2,988,946.26	2,961,858.93	3.929%	204,158.31	3,193,104.57
3132XFGC6	01/08/24	03/01/28	FHLM - WN1094	1,000,000.00	884,882.81	4.476%	27,927.77	1,027,927.77
3140LBSE4	01/09/24	03/01/28	FNMA - BS1416	1,000,000.00	877,773.44	4.300%	21,093.05	1,021,093.05
3140LJJC1	01/17/24	04/01/28	FNMA - BS7458	2,000,000.00	2,003,531.75	4.780%	196,479.21	2,196,479.21
3140LKEG4	01/09/24	05/01/28	FNMA - BS8234	1,381,540.00	1,378,841.68	4.448%	127,126.97	1,508,666.97
3132XFMP0	02/06/24	05/01/28	FHLM - WN1265	2,000,000.00	2,007,500.00	4.611%	198,042.58	2,198,042.58
30332EAA3	07/20/23	05/25/28	FRESB - 2023-SB107 ASF	2,997,325.82	2,932,160.95	4.090%	263,581.17	3,260,906.99
35564CAA5	01/11/24	06/25/28	FHLM - SLST 2018	1,012,443.70	971,669.10	5.366%	76,467.78	1,088,911.48
30333AAA0	08/17/23	06/25/28	FRESB - 2023-SB108 ASF	3,495,097.46	3,419,771.12	4.793%	326,230.10	3,821,327.56
30334CAA5	11/16/23	09/25/28	FRESB - 2023-SB111 ASF	2,749,552.94	2,687,993.20	5.284%	302,700.32	3,052,253.26
3132XFNX2	02/13/24	11/01/28	FHLM - WN1305	2,000,000.00	1,992,031.25	4.350%	204,442.53	2,204,442.53
3140NUFX2	01/30/24	12/01/28	FNMA - BZ0181	3,000,000.00	3,069,720.00	4.920%	358,044.05	3,358,044.05
3140NUN54	01/29/24	01/01/29	FNMA - BZ0411	2,000,000.00	1,985,220.00	4.400%	206,276.62	2,206,276.62
3140HRZ55	01/17/24	01/01/29	FNMA - BL0752	1,500,000.00	1,458,450.00	3.650%	127,662.23	1,627,662.23
Total mortgage backed securities (agency)				\$ 58,478,609.82	\$ 57,846,434.72	3.448%	\$ 3,423,906.38	\$ 61,902,516.20

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Municipal bonds								
127145LE8	05/27/21	06/15/24	Cache County SD	3,250,000.00	3,505,872.50	0.400%	297,375.00	3,547,375.00
005158XL9	06/17/21	08/15/24	Ada & Canyon County School District	1,500,000.00	1,710,405.00	0.520%	237,083.33	1,737,083.33
419792ZK5	02/26/21	10/01/24	State of Hawaii	3,000,000.00	3,039,420.00	0.433%	86,549.17	3,086,549.17
419792ZK5	03/17/22	10/01/24	State of Hawaii	2,000,000.00	1,933,240.00	2.160%	40,723.78	2,040,723.78
79771FAX5	03/01/21	11/01/24	San Francisco City Public Utilities	1,000,000.00	1,004,450.00	0.600%	26,523.31	1,026,523.31
575181GX	06/02/21	12/01/24	Mason & Kitsap Counties School District	640,000.00	640,000.00	0.538%	12,041.64	652,041.64
023051YW9	07/19/21	02/01/25	Amarillo Independent SD	1,800,000.00	1,762,290.00	0.600%	-	1,800,000.00
882806HG0	02/22/21	02/15/25	Texas St Tech Univ	2,500,000.00	2,524,850.00	0.679%	93,800.00	2,593,800.00
91412HGE7	03/01/21	05/15/25	University of California	1,500,000.00	1,517,250.00	0.600%	55,724.13	1,555,724.13
91412HGE7	06/29/21	05/15/25	University of California	1,960,000.00	1,966,154.40	0.799%	67,111.92	2,027,111.92
625506QN3	02/02/21	06/15/25	County of Multnomah OR	2,000,000.00	2,006,040.00	0.430%	37,553.89	2,037,553.89
91412GU94	01/28/21	07/01/25	University of California	1,805,000.00	1,995,210.90	0.509%	244,645.68	2,049,645.68
20772KEW5	06/30/22	09/15/25	State of Connecticut	2,850,000.00	2,863,053.00	3.201%	476,400.00	3,326,400.00
13063DMA3	04/01/21	04/01/26	State of California	4,140,000.00	4,478,652.00	0.970%	161,300.35	4,301,300.35
13063DMA3	05/18/21	04/01/26	State of California	1,250,000.00	1,353,350.00	0.910%	342,250.56	1,592,250.56
736688MF6	09/01/21	06/15/26	Portland Community College	1,100,000.00	1,102,992.00	0.841%	122,255.56	1,222,255.56
569280EX4	12/07/21	06/15/26	Marion County School	1,880,000.00	1,885,245.20	1.374%	548,550.00	2,428,550.00
842475P82	02/11/22	07/01/26	Sthrn CA ST Pub Pwr Auth	2,485,000.00	2,415,643.65	1.930%	47,357.32	2,532,357.32
797272QR5	08/12/21	08/01/26	San Diego Community College	3,000,000.00	3,209,550.00	0.860%	33,041.17	3,033,041.17

City of Carlsbad investment portfolio

Investment detail

February 29, 2024

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
801315KR2	08/23/21	08/01/26	Santa Barbara CA USD	500,000.00	511,970.00	0.842%	81,862.08	581,862.08
798189PY6	08/23/21	08/01/26	San Jose Evergreen Community College	750,000.00	799,522.50	0.842%	101,809.78	851,809.78
798170AJ5	01/06/22	08/01/26	San Jose Redevelopment	3,000,000.00	3,220,260.00	1.507%	342,742.58	3,342,742.58
6041295T9	08/10/22	08/01/26	Minnesota State	1,215,000.00	1,215,000.00	3.250%	174,512.81	1,389,512.81
13063DRD2	02/08/22	10/01/26	State of California	2,400,000.00	2,468,808.00	1.730%	170,415.98	2,570,415.98
419792ZN9	03/02/22	10/01/26	State of Hawaii	2,000,000.00	1,938,920.00	1.810%	264,891.67	2,264,891.67
13067WSW3	12/20/21	12/01/26	State of California	1,125,000.00	1,257,405.00	1.051%	977,643.33	2,252,643.33
13067WSW3	03/29/22	12/01/26	State of California	1,425,000.00	1,322,001.00	2.708%	84,523.29	1,509,523.29
13067WSW3	04/18/22	12/01/26	State of California	2,705,000.00	2,475,237.30	3.035%	90,565.95	2,795,565.95
016249FQ2	10/30/23	02/15/27	Alief Independent School District	1,980,000.00	1,969,209.00	5.380%	360,360.00	2,340,360.00
544646A77	06/13/22	05/01/27	Los Angeles Unified School District	3,500,000.00	3,883,600.00	3.820%	15,705.20	3,515,705.20
68608VXD9	10/13/23	05/01/27	State of Oregon	1,000,000.00	943,330.00	5.080%	132,640.00	1,132,640.00
91412HGF4	05/15/23	05/15/27	University of California	1,000,000.00	908,270.00	3.810%	52,640.00	1,052,640.00
544495VX9	08/27/23	07/01/27	Los Angeles Dept of Water & Power	1,500,000.00	1,580,685.00	4.100%	345,669.33	1,845,669.33
419794F72	06/06/23	07/01/27	City of Hawaii	1,125,000.00	1,004,962.50	4.720%	82,624.50	1,207,624.50
438701Y40	06/28/23	07/01/27	Honolulu Wastewater System Revenue	1,500,000.00	1,392,885.00	4.460%	168,412.50	1,668,412.50
796720NT3	02/22/23	08/01/27	San Bernardino Community College Dist	1,500,000.00	1,328,325.00	1.480%	107,266.25	1,607,266.25
357155BA7	05/09/23	08/01/27	Fremont CA Unified School District	2,000,000.00	1,795,450.00	3.750%	94,110.34	2,094,110.34
68609TU22	08/22/23	08/01/27	Oregon State Dept of Transportation	1,585,000.00	1,394,070.90	1.354%	85,843.60	1,670,843.60
212204JH5	08/31/23	08/01/27	Contra Costa CA Community College Dist	1,000,000.00	909,510.00	4.720%	86,520.00	1,086,520.00
797272RP8	10/25/23	08/01/27	San Diego Community College	2,290,000.00	2,016,551.10	5.161%	149,582.80	2,439,582.80
072031AP2	08/01/23	10/01/27	Bay Area Water	1,250,000.00	1,185,562.50	4.742%	189,281.25	1,439,281.25
032556FB3	10/17/23	10/01/27	City of Anaheim	1,670,000.00	1,487,068.20	1.998%	133,466.40	1,803,466.40
68607DVD4	06/16/23	11/15/27	Oregon State Dept of Transportation	2,000,000.00	1,738,740.00	4.370%	97,560.00	2,097,560.00
13063DC48	12/14/23	02/01/28	State of California	1,440,000.00	1,289,520.00	4.500%	110,160.00	1,550,160.00
54438CYM8	12/19/23	08/01/28	Los Angeles Community College Dist	2,250,000.00	2,020,005.00	4.350%	180,675.00	2,430,675.00
802385SN5	11/17/23	08/01/28	Santa Monica Community College Dist	1,000,000.00	940,860.00	4.950%	176,350.00	1,176,350.00
798170AL0	08/09/23	08/01/28	San Jose Redevelopment	1,000,000.00	948,450.00	4.742%	189,281.25	1,189,281.25
83412PHS4	01/22/24	08/01/28	Solano County Community College Dist	2,000,000.00	1,775,780.00	4.227%	147,900.00	2,147,900.00
7994082H1	08/24/23	08/01/28	San Ramon Valley School District	1,000,000.00	861,870.00	4.850%	83,500.00	1,083,500.00
695802NN4	12/07/23	08/01/28	Pajaro Valley Unified School District	1,200,000.00	1,173,000.00	4.294%	257,640.00	1,457,640.00
882723B40	11/21/23	10/01/28	State of Texas	1,500,000.00	1,410,330.00	4.700%	248,325.00	1,748,325.00
882724RD1	11/21/23	10/01/28	State of Texas PFA	2,000,000.00	1,787,400.00	4.750%	227,600.00	2,227,600.00
13063DL22	11/15/23	10/01/28	State of California	1,000,000.00	860,500.00	5.008%	87,500.00	1,087,500.00
13077DQGO	02/08/24	11/01/28	California State University	2,500,000.00	2,209,350.00	4.260%	190,125.00	2,690,125.00
Total municipal bonds				\$ 96,720,000.00	\$ 94,938,076.65	2.460%	\$ 9,219,992.70	\$ 105,939,992.70

CUSIP	Settlement	Maturity	Issuer	Par	Invested	Yield	Interest expected	Return
Cash and pooled investments								
01WFBCASH			Wells Fargo Bank - General	2,223,861.00	2,223,861.00	0.000%	-	2,223,861.00
01WFBSWEEP			Wells Fargo Sweep account	8,038,617.41	8,038,617.41	5.191%	34,773.72	8,073,391.13
01WFBCUSTODY			Principal - Custody	8,302,881.38	8,302,881.38	2.950%	20,411.25	8,323,292.63
01CAMP1028			CAMP	129,811,709.22	129,811,709.22	5.500%	594,970.33	130,406,679.55
01CI0502			LAIF City	208,949.79	208,949.79	4.122%	717.74	209,667.53
01CM0502			LAIF CMWD	844,558.98	844,558.98	4.122%	2,901.06	847,460.04
01PF10391			LAIF CPFA	773,647.39	773,647.39	4.122%	2,657.48	776,304.87
Total cash and pooled investments				\$ 150,204,225.17	\$ 150,204,225.17	5.244%	\$ 656,431.58	\$ 150,860,656.75
GRAND TOTAL				\$ 889,064,834.99	\$ 888,877,241.50	2.6251%	\$ 64,617,514.67	\$ 953,682,349.66

115 Trust Activity

February 29, 2024

The city's Section 115 Trust is a post-employment benefit trust that was established by City Council on September 12, 2023 (Resolution 2023-240). In connection with City Council Policy No. 86 and 98, the trust allows the city to stabilize pension cost volatility, maintain local control over the city's assets and earn a potentially higher rate of return than if the assets were kept in the General Fund. These funds are restricted and not pooled with other investment funds.

Period Ending	Contributions	Net Earnings	Distributions	Ending Balance
12/31/23	\$ 10,000,000.00	\$ 294,069.68	\$ -	\$ 10,294,069.68
01/31/24	-	(40,308.43)	-	10,253,761.25
02/29/24	-	216,565.94	-	10,470,327.19
Summary	\$ 10,000,000.00	\$ 470,327.19	\$ -	\$ 10,470,327.19



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Roxanne Muhlmeister, Assistant Finance Director
 roxanne.muhlmeister@carlsbadca.gov, 442-339-2417

Subject: City of Carlsbad Fiscal Year 2022-23 Annual Financial Audit Results

District: All

Recommended Action

Receive and file a report on the city's fiscal year 2022-23 annual financial audit results.

Executive Summary

The City of Carlsbad is required by the State of California to be audited by a certified public accountant or public accountant, licensed by, and in good standing with, the California Board of Accountancy. The city's annual financial audit for fiscal year 2022-23 resulted in an unmodified opinion, and there were no material weaknesses in internal controls, nor were any material instances of noncompliance identified.

Explanation & Analysis

The Finance Department is responsible for the stewardship of the city's assets and liabilities, helping to ensure information is provided in an effective and timely manner so that the best financial decisions can be made. An important component of this stewardship is the completion of the city's annual financial audit by a certified public accountant firm.

Results of the Fiscal Year 2022-23 Financial Audit

In February 2022, city staff selected and issued a five-year contract to the CPA firm Lance, Soll & Lunghard, LLP to perform the city's annual financial audit. The role of the external auditor is to express an opinion on whether the city's financial statements are materially misstated. The external auditors follow Government Auditing Standards that have been created by the American Institute of Certified Public Accountants.

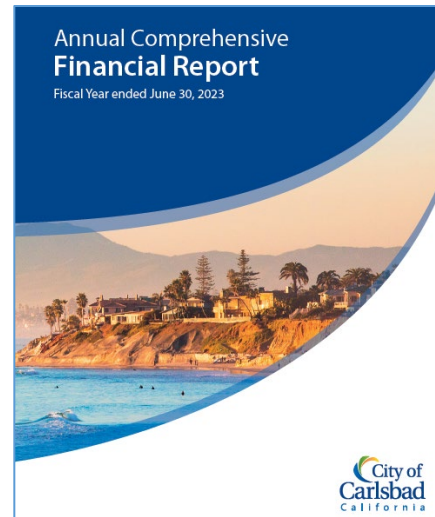
The fiscal year 2022-23 audit began in May 2023 with the external auditors conducting interim fieldwork, and the audit concluded on March 26, 2024, when the auditors issued their opinion on the city's financial statements. The city received an "unmodified" opinion, which means that it is the auditor's judgment that the city's financial statements and footnotes are fairly stated, without any material exceptions, and in compliance with the generally accepted accounting principles known as GAAP.

The auditor did not identify any material weaknesses in internal controls nor any material instances of noncompliance.

The Independent Auditor's Report is part of the city's Annual Comprehensive Financial Report (Attached as exhibit 1 to this report) This annual report also includes further discussion and analysis of the city's finances and basic financial statements.

Transparency

The city publishes quarterly financial status reports on the city's website, which highlight the city's General Fund, Water Fund, Wastewater Fund and Golf Course Fund revenues and expenditures for the fiscal year. City staff also provide the public and City Council with quarterly economic and financial reports and presentations at City Council meetings throughout the fiscal year. A brief description of these updates is provided below.



Quarterly financial status reports

Quarterly financial reports provide the unaudited detail of city's General Fund, Water Fund, Wastewater Fund and Golf Course Fund revenues and expenditures for the fiscal year. These quarterly reports can be found on the city's website at www.carlsbadca.gov/departments/finance/financial-reports.

Quarterly Economic and Financial Update Presentations to City Council:

- First Quarter of Fiscal Year 2022-23, presented Nov. 15, 2022, covered the period of July through Sept. 2022.
- Second Quarter of Fiscal Year 2022-23, presented Feb. 14, 2023, covered the period of Oct. through Dec. 2022.
- Third Quarter of Fiscal Year 2022-23, presented May 16, 2023, covered the period of Jan. through March 2023.
- First Quarter of Fiscal Year 2023-24, presented Nov. 14, 2023, covered the period of July through Sept. 2023.
- Second Quarter of Fiscal Year 2023-24, presented Feb. 27, 2024, covered the period of Oct. through Dec. 2023.

Approval of Fiscal Year 2022-23 Budget Carryforward Requests and Appropriation of Funds to Fiscal Year 2023-24

In addition to requesting carryforward funding for fiscal year 2023-24, this Sept. 26, 2023, report provided an unaudited synopsis of the financial results of fiscal year 2022-23 for the city's General Fund.

Fiscal Analysis

This is an informational item with no fiscal impact.

Next Steps

The city's next financial audit, for fiscal year 2023-24, is scheduled to commence with Lance, Soll & Lunghard, LLP in April 2024. The audit is expected to conclude in late 2024 or early 2025.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. City of Carlsbad Fiscal Year 2022-23 Annual Comprehensive Financial Report

Annual Comprehensive Financial Report

Fiscal Year ended June 30, 2023



Annual Comprehensive Financial Report

Fiscal Year Ended
June 30, 2023

Prepared by the



Finance Department
1635 Faraday Ave.
Carlsbad, CA 92008
www.carlsbadca.gov



**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2023**

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Introductory Section





March 26, 2024

Honorable Mayor, City Council,
and Residents of the City of Carlsbad
City of Carlsbad
Carlsbad, CA 92008

**LETTER OF TRANSMITTAL
FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT**

Honorable Mayor, City Council, and Residents:

I am pleased to present the fiscal year 2022-23 Annual Comprehensive Financial Report for the City of Carlsbad (“city”). The information found in this report is provided by management to the City Council and the public to assist those interested in understanding the fiscal condition of the city as of June 30, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls should not outweigh its benefits, the city’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

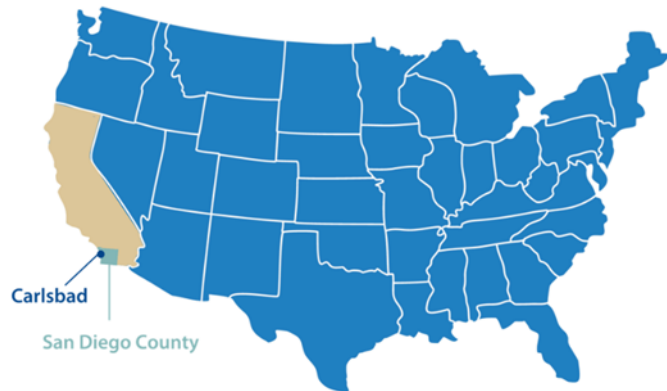
State law and the Carlsbad Municipal Code require that an annual financial report is prepared. This report fulfills that obligation. It has been prepared in conformity with generally accepted accounting principles (GAAP) and with the financial reporting requirements prescribed by the Governmental Accounting Standards Board (GASB). The independent auditing firm, Lance, Soll & Lunghard, LLP, has issued an unmodified opinion on the city’s financial statements for the fiscal year that ended June 30, 2023. The independent auditor’s report is located at the front of the financial section of this Annual Comprehensive Financial Report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

As a recipient of federal and state financial assistance, the city is required to have a “Single Audit” performed by an independent audit firm. The Single Audit is designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require that the independent auditor report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports will be completed in March 2024 and made publicly available on the city’s website in the city’s separately issued Compliance Reports and Other Financial Information.

Profile of the City of Carlsbad

The City of Carlsbad is situated in north San Diego County where a great climate, beautiful beaches and lagoons, and abundant natural open space combine with world class resorts, family attractions, well-planned neighborhoods, a diverse business sector and a charming village atmosphere to create the ideal California experience.



CITY GOVERNMENT

Incorporated in 1952, the City of Carlsbad is a municipal corporation following the council-manager form of government. The City Council, the city's legislative body, defines the policy direction of the city. The city manager oversees the day-to-day operations of the city. The City of Carlsbad also has an elected City Clerk and City Treasurer. The City Council appoints the City Manager and City Attorney.

Districts

The City Council consists of an elected mayor and four elected council members. Each serves a four-year term. In 2017, the city switched to a system where City Council members are elected by district instead of at large or citywide.

Charter City

There are two types of cities in California: charter and general law. Charter cities follow the laws set forth in the state’s constitution along with their own adopted “charter” document. General law cities follow the laws set forth by the state legislature.

In 2008, City of Carlsbad residents overwhelmingly voted to approve the charter city measure. The charter gives the City of Carlsbad more flexibility on such issues as purchasing and contracting. Certain affairs, such as traffic and vehicle regulation, open and public meetings laws, certain planning and environmental laws, and eminent domain, remain matters of state authority even as a charter city.

This report includes financial statements for the City of Carlsbad, the Housing Authority of the City of Carlsbad, the Carlsbad Public Financing Authority, and the Carlsbad Municipal Water District. Through these entities, Carlsbad provides a full range of services to its citizens and customers including:

- Fire and paramedic services
- Police protection services
- Development services
- Library and arts programs
- Housing and homeless services
- Recreation programming for all ages
- Park and recreation areas
- Street construction and maintenance
- Water delivery system
- Wastewater system

In addition to the full range of services normally associated with a municipality, Carlsbad offers programs to help residents and businesses. The city’s Housing Authority administers federal housing assistance to 575 low-income households in Carlsbad, and older residents can take advantage of Carlsbad’s senior citizen programs.

Budget Process

The City Council sets the overall policy direction for the City of Carlsbad and helps staff prioritize programs, projects and services to support that direction. Public input plays a critical role in setting both the long-range policy direction of the city and decisions about day-to-day spending. The city operates on a fiscal year that begins July 1. City staff in all departments prepare individual budgets for their functional areas. These budgets are then combined into an overall city budget that is presented to the City Council each spring for review and input.

FISCAL YEAR 2022-23

BUDGET SCHEDULE

December 2021

City Council begins development of a five-year strategic plan

January 2022

Public input gathered on strategic plan goal themes

February 2022

City departments submit initial budgets and proposed changes for review

March 2022

City Council workshop to consider input and finalize strategic plan goal themes

April - May 2022

Department budgets are refined and finalized. List of Capital Improvement Program projects prioritized

May - June 2022

Preliminary budget presented to the City Council and public

June 2022

Final City Council budget adopted

July 1, 2022

First day of the new fiscal year

The City Council has the authority to approve the annual budget and may amend it during the year if needed. The legal level of budgetary control is at the fund level, which means spending in each different type of fund may not exceed the budgeted amount without City Council approval. Budgetary control for the city is maintained through its accounting systems. Quarterly reports summarizing the results of operations for the city's more significant funds are provided to the City Council and the public on the city's website.

The City Council's 5-Year Strategic Plan

The adoption of the City Council's 5-Year Strategic Plan in 2022 allows staff to focus on five main areas, with the annual budget outlining how the city will work to accomplish the strategic plan's objectives and work toward the plan's vision in the year ahead.



Community Character

Maintain Carlsbad's unique community character and connectedness

In five years, even though the city has grown and changed, residents agree that it still has the smalltown beach community character and connectedness that made them want to live here in the first place. Diverse community members of all ages enjoy participating in the wide array of programs and events offered by the city, where they run into neighbors, meet new friends and, mostly importantly, feel welcome and included.



Quality of Life and Safety

Prioritize the safety and well-being of the community

In five years, the City of Carlsbad remains one of the safest cities in the region due to new investments in fire and emergency medical services and a well-equipped and highly trained Police Department that enjoys excellent relationships with the community. Critical infrastructure like roads and pipes are well-maintained, while parks, community centers, libraries and other facilities reflect the community's high standards.



Sustainability and the Natural Environment

Protect the environment and natural resources

In five years, thanks to the city's strategic approach to environmental sustainability, Carlsbad is seen as a model for how to leverage partnerships and innovation to achieve climate and environmental goals. City residents and businesses feel supported in their own environmental sustainability efforts, whether it's complying with new mandates or taking advantage of opportunities to go above and beyond. As a result, the city has met or exceeded goals for eliminating greenhouse gas emissions, reducing what goes to landfills, keeping creeks, lagoons and the ocean clean, and protecting native habitat and natural open space.



Economic Vitality

Foster a healthy local economy

In five years, the City of Carlsbad has a strong and diverse economy that combines a thriving small business community with leading industries of the future. Smart, talented professionals want to work here, and entrepreneurial leaders want to invest in their own startup ventures. Those looking to grow their skills will find opportunities for workforce development in Carlsbad. Carlsbad has excellent relationships with key industries, business organizations, other cities in the region, and academic institutions. By achieving this goal, the city as a whole is financially stable and more residents have the jobs they want right in their own backyards.



Organizational Excellence and Fiscal Health

Be a model for effective and efficient local government

In five years, the City Council, the community and city employees have remained aligned around common goals established in the 5-Year Strategic Plan. This sustained focus has not only generated measurable results, but it has also translated into operational efficiencies and cost savings. The very best in their fields want to work for the City of Carlsbad because of the culture that has been created around innovation, inclusivity and engagement. The city's financial health has been maintained while meeting or even exceeding the community's high expectations for service delivery. Investments in technology have led to enhanced efficiency, transparency, accountability and value.

Economic and Fiscal Issues Facing the City

At the time of developing the Fiscal Year 2023-24 Preliminary Budget, the nation, state and city has largely recovered from fiscal impacts of the COVID-19 pandemic. However, unprecedented inflationary levels were challenging the economy. In the City of Carlsbad, high inflationary levels have actually boosted some of the city's revenue sources like sales and transient occupancy tax, but the city's expenditures have also increased tremendously. While the Federal Reserve has taken swift action to combat the rise in inflation by increasing interest rate targets, we have yet to see inflation levels return to more historically normal levels. As the city moves forward, and as the level of disposable income, personal savings and pent-up demand continues to diminish as a result of these sustained inflationary levels, uncertainty about the city's revenues keeping pace with its expenditures increases.

Prior to the pandemic, the city boasted a low unemployment rate of 2.9%. At the height of the pandemic, unemployment spiked to 13.8%. Over the past two years, the unemployment rate has had some correlation to the prevalence of COVID-19 in the region. However, with the pandemic's economic impacts behind us, unemployment rates settled between 2% and 3% during calendar year 2022. Through the first quarter of calendar year 2023, macro-trends in the tech industry pushed unemployment up nationally, but the labor market is still considered to be very tight. As of March 2023, the unemployment rate was 4.8% at the state level, 3.7% at the county level and 3.5% at the local level.

National interest rates, which dropped significantly during the pandemic, have now eclipsed pre-pandemic rates for all categories. One-year rates are currently at 1.63%, ten-year rates are currently at 2.32%, and 30-year rates are at 2.44%. With lingering concerns surrounding inflation, the Federal Reserve has begun to raise interest rates and has done so over the Federal Open Market Committee's last eight meetings resulting in current interest rate targets of 5%-5.25%. As of May 2023, local inflation had decreased year-over-year from 8.3% to 5.2%.

Maintaining good fiscal health must remain a top priority. Meeting this objective preserves the city's ability to continue providing important programs and services to the community. Past economic challenges and prudent financial planning have provided opportunities for developing solutions to address lost revenues while preserving vital services. The positive effect of inflation on some of the city's revenue sources have been significant but is considered one-time and something to be very closely monitored moving forward. As inflation is likely to decline in the future, so will revenue growth. Disciplined spending and long-term financial planning remain critical to ensuring the future sustainability of important city programs and services.

Long-Term Financial Planning

Strategic planning begins with determining the city's fiscal capacity based upon long-term financial forecasts of recurring available revenues and future financial obligations. Prior to the adoption of the annual budget, the finance department will prepare a Ten-Year Financial Forecast ("Forecast") that evaluates known internal and external issues impacting the city's financial condition. The methodology for preparing the Forecast can be found in the appendix of this document. The Forecast is intended to help the city:

- Attain and maintain financial sustainability;
- Have sufficient long-term information to guide financial decisions;
- Have sufficient resources to provide programs and services for the stakeholders;
- Identify potential risks to on-going operations in the long-term financial planning process and communicate these risks on an annual basis;
- Establish mechanisms to identify early warning indicators; and
- Identify changes in expenditure or revenue structures needed to deliver services or to meet the goals adopted by the City Council.

It is important to stress that the Forecast is not a budget. The Forecast does not dictate expenditure decisions, but rather highlights the need to prioritize the allocation of the city's limited resources to ensure the continuation of core city services. The purpose of the plan is to provide the City Council, key stakeholders, and the public an overview of the city's fiscal health based on various financial and service level assumptions over the next ten years. It also allows for the discussion of necessary steps to be initiated during the development and implementation of future budgets. The Forecast is intended to look beyond the annual budget cycle and serve as a planning tool to bring a long-term perspective to the budget process. The Forecast also takes into consideration Council Policies that need to be met on an annual basis including General Fund reserve guidelines, pension funding guidelines, etc. Should projected expenditures exceed projected revenues in any given year, the City Manager will need to identify steps to mitigate the shortfalls prior to presenting a balanced budget to the City Council for consideration during the annual budget development process.

It should be noted that the Forecast is a snapshot in time and will change as additional information is made available and incorporated into the fiscal projections. COVID-19 and the economic uncertainty associated with the pandemic period has increased the volatility of projecting future revenues.

The city prepares a long-term financial model for both capital and operating needs. It is imperative that the city plan for the impacts of development, the construction and operation of new public facilities, and planning resources needed to build them. The city prepares a ten-year operating forecast for the General Fund, a five-year Strategic Digital Transformation Investment Program, and a fifteen-year Capital Improvement Program. As part of the new Strategic Digital Transformation Investment Program and the Capital Improvement Program, the city annually calculates the amounts needed to pay for the projects and calculates the anticipated operating budget impacts. In this way, the city can anticipate the effects of development from both a capital and an operating perspective.

One important initiative the city has undertaken to ensure its financial health is the development of an Infrastructure Replacement Fund. With this fund, the city sets aside a portion of General Fund revenues on an annual basis for major maintenance and replacement of its infrastructure. Much of the city's infrastructure is relatively new; thus, the city is just now experiencing the impact of maintenance requirements. By setting aside funds now, the city's residents can be assured that the proper maintenance and replacement will be performed, as needed, on streets, parks and many facilities for which the city is responsible.

Employee retirement costs continue to require ongoing prudent fiscal management. The City Council issued a pension funding policy to codify its commitment to ensure that resources will be available to fulfill the city's contractual retirement promises to its employees, and to minimize the chance that the funding of these benefits will interfere with providing essential services to the community. The policy outlines a funding discipline to ensure that adequate resources will be accumulated in a systematic and disciplined manner to fund the long-term cost of benefits to the plan participants and annuitants. Overall funding levels of the city's plans are reviewed annually to ensure the city's funding level remains at least 80% – the city's minimum targeted level. While this enhances the city's funding position, risks remain in the system. Required employer contributions will continue to increase over the next few years and actual contribution increases could exceed expectations if future investment return rates or other factors are unfavorable.

Revenue and expenditure growth projections

The city's Forecast considers the annual growth of all currently known elements of city revenues and expenditures. Projecting revenues is particularly difficult when considering the short-term impacts of COVID-19 on the economy, leaving the timing of an economic rebound and future growth volatility uncertain. When forecasting expenditures, some of the major factors considered are rising healthcare and workers' compensation costs, underperforming pension programs, and general inflation in both personnel and operating expenditures. Currently, the city projects expenditure growth will outpace revenue growth in the near future. To support the increase in ongoing costs, the city will need to consider alternative options, such as ways to increase economic activity that will drive sustainable increases in the city's current revenue base, an expansion of the city's revenue base, or a reduction of the city's current service offerings and associated costs.

FINANCIAL MANAGEMENT POLICIES

Revenue Policies

The development and maintenance of balanced and reliable revenue streams will be the primary revenue objective of the city. Efforts will be directed to optimize existing revenue sources while periodically reviewing potential new revenue sources. One method to maximize existing revenue sources is to promote a healthy business climate. Revenue estimates will be prepared on an annual basis during the preparation of the budget and major revenue categories will be projected on a ten-year basis. Revenues will be estimated conservatively using accepted standards and estimates provided by the state and other governmental agencies. Alternative revenue sources will be periodically evaluated to determine their applicability to meet identified city needs. Sources of revenue will be evaluated and modified as necessary to assure a diversified and growing revenue base that improves the city's ability to handle fluctuations in individual revenue sources.

Revenues from "one-time" or limited duration revenue sources will not be used for ongoing operating expenses. Fees and charges for services will be evaluated and, if necessary, adjusted annually to ensure that they generate sufficient revenues to meet service delivery costs. The city will establish user charges at a level generally related to the full cost (operating, direct, indirect and capital costs) of providing the service, unless the City Council determines that a subsidy from the General Fund is in the public interest. The city will also consider market rates and charges levied by other municipalities of similar size for like services in establishing rates, fees and charges. Enterprise and internal service funds will be self-supporting.

Expenditure and Budget Policies

Major expenditure categories will be projected on a ten-year basis. The city will operate on a current funding basis. Expenditures will be budgeted and controlled so as not to exceed current revenues plus the planned use of any accumulated fund balances. Annual budgeted operating expenditures shall not exceed annual operating revenues, including budgeted use of reserves, unless directed by the City Council.

The City Manager shall prepare and submit to the City Council annually a proposed operating, strategic digital transformation investment program and capital improvement program budget each year, and the budgets will be adopted by June 30 of each year. Budget status reports are prepared monthly, distributed to all departments and posted on the city's website. Because the budget is based on estimates, from time to time, it is necessary to make adjustments to finetune the line-items within it. Various levels of administrative control are utilized to maintain the budget's integrity. Program managers are accountable for the line-item level of control of their individual program budgets. Department heads are accountable for the fund level of control for funds within their departments. The Finance Department oversees the general level of accountability related to budgetary integrity through systematic checks and balances and various internal controls.

[Council Policy No. 87 – General Fund Surplus Policy](#) outlines the use of surplus funds resulting from unrestricted General Fund actual revenues exceeding total actual expenditures, encumbrances, and commitments for a given fiscal year. It is the intent of the city to use all surplus funds generated to meet reserve policies, and the reduction or avoidance of long-term liabilities. The city will not use year-end surplus funds to fund ongoing operations unless otherwise approved by the City Council.

The city will use surplus funds to replenish any General Fund deficiencies, up to the minimum level as set forth in [Council Policy No. 74 – General Fund Reserve Policy](#) and then any pension liability deficiencies, as defined in [City Council Policy No. 86 – Pension Funding Policy](#).

The City Manager is authorized to approve the carryforward of any unencumbered and unspent and unencumbered budget for a particular item equal to or less than \$100,000 into the following fiscal year. These items will be one-time expenditures and not for ongoing services, programs or personnel. Any remaining surplus funds in excess of reserve and pension liability deficiencies and items equal to or greater than \$100,000 will be brought forward for City Council approval.

The city adheres to long-range financial planning which forecasts revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables. Financial planning allows the city to execute overall strategies to support the process of aligning financial capacity with long-term service objectives. Financial forecasts are updated at least once a year, or more often, if unexpected changes in economic conditions or other unforeseen circumstances exist. Any significant changes will be reported to the City Manager and the City Council. Otherwise, these financial forecasts will be used as a tool during the development of the annual budget process and to set utility rates as needed.

[Reserve Policies](#)

The city formally mandates the levels at which reserves shall be maintained for the General Fund and informally sets minimum target levels for the enterprise and internal service funds.

[Council Policy No. 74 – General Fund Reserve Policy](#) was most recently updated and approved by the City Council in June 2019. The purpose of the policy is to establish a target minimum level of designated reserves in the General Fund to:

- Reduce the risk of financial impacts resulting from a natural disaster or other catastrophic events;
- Respond to the challenges of a changing economic environment, including prolonged downturns in the local, state or national economy; and
- Demonstrate continued prudent fiscal management and creditworthiness.

The city commits to maintaining General Fund reserves (the term reserve refers to any unassigned fund balance) at a target of 40% of General Fund annual operating expenditures. The total reserve level will be calculated using the prior year's adopted General Fund budgeted expenditures.

At the discretion of the City Council, reserve levels in excess of the 40% target requirement may be used for one-time opportunity cost purposes. Reserve funds will not be spent for any function other than the specific direction in the annual budget or by a separate City Council action.

As a general budget principle concerning the use of reserves, the City Council decides whether to appropriate funds from reserves. Reserve funds will not be spent for any function other than the specific purpose of the reserve account from which they are drawn without specific direction in the annual budget or by a separate City Council action.

[Council Policy No. 96 – Utilities Reserve Policy](#) is designed to establish guidelines to ensure the fiscal stability of the potable water, recycled water and wastewater funds. The annual budget process and the setting of utility user rates and charges will be used to achieve and maintain the various target reserve levels. The policy aims to maintain minimum and target reserves for the following areas:

- Operating Reserve-minimum of 90 days and target of 120 days of operating costs for the operating funds of potable water, recycled water and wastewater funds
- Debt Service Reserve-100% of required annual debt service for potable water, recycled water and wastewater
- Capital Construction Reserve-minimum 50% and target of 100% for potable and recycled water and a minimum 25% and a target of 50% of wastewater of the five-year rolling average of annual spending on capital improvement projects
- Emergency Capital Reserve-minimum of 0.5% and target of 1% of system replacement value for water, recycled water and wastewater
- Rate Stabilization Reserve-minimum 10% and target of 20% of rate revenues for potable and recycled water and a minimum 5% and a target of 10% of rate revenues for wastewater

The city's [Workers' Compensation Fund and Risk Management Fund \(General Liability\)](#) will maintain a minimum reserve equal to the estimated outstanding claims as calculated by a third-party administrator. Additional reserve amounts may be set aside as deemed appropriate based on a third-party actuarial study completed at two-year intervals. During the annual budget process, the target confidence level will be compared with the projected fund balance, and, if the projected fund balance is greater than or lesser than the target, a plan to adjust the fund balance will be considered, using either or both increasing revenues through interdepartmental charges and one-time cash contributions from those funds contributing to the shortfall.

The [Information Technology Asset Replacement Fund](#) shall maintain a minimum reserve level defined as the amount of accumulated depreciation of capitalized assets based on the original cost of each capitalized asset, and up to a maximum reserve level defined as the accumulated depreciation based on the estimated replacement cost of each capitalized asset.

The [Vehicle Asset Replacement Fund](#) shall maintain a minimum reserve level defined as the amount of accumulated depreciation of capitalized Fleet assets based on the original cost of each capitalized asset, and up to a maximum reserve level defined as the accumulated depreciation based on the estimated replacement cost of each capitalized asset.

Investment Policy

The city has established a formal Investment Policy. It is the policy of the City of Carlsbad to invest public funds not required for immediate day-to-day operations in safe, liquid and medium-term investments that shall yield an acceptable return while conforming to all California statutes. It is intended that the policy cover the investment activities of all contingency reserves and inactive cash under the direct authority of the city. Investments of the city and its component units will be made on a pooled basis; however, investments of bond proceeds will be held separately if required.

Pension Funding Policy

The city's [Council Policy No. 86 – Pension Funding Policy](#) embodies funding and accounting principles to ensure that resources will be available to fulfill the city's contractual promises to its employees. The policy objectives include using actuarially determined contributions, or ADC, provided by CalPERS, funding the full amount of the ADC each year, maintaining no less than a combined minimum of 80% funded ratio, and demonstrating accountability and transparency by communicating all information necessary for assessing the city's progress toward meeting its pension funding objectives.

In the event the city is unable to meet the minimum combined pension funded ratio of 80% with current resources (i.e., without borrowing or using reserves), the Finance Director will identify a reasonable period to return to a minimum 80% funded ratio status.

Long Term General Fund Capital Funding Policy

The city's [Council Policy No. 91 – Long Term General Fund Capital Funding Policy](#) ensures the needs of the city are met and demonstrates continued prudent fiscal management by providing a funding source for long-term, large value capital purchases. Many city assets demand large capital expenditures, examples include roads, building, parks, and information technology infrastructure. The city funds the General Fund portion of these necessary investments by adopting an annual budget that includes a transfer from the General Fund to one or more of the city's long-term capital funds. These long-term capital funds include the General Capital Construction Fund, the Infrastructure Replacement Fund and the Technology Investment Capital Fund. The city commits to targeting a transfer to the city's long-term capital funds of 6% of budgeted General Fund revenues. The transfers are proposed during the annual budget process or on an as needed basis for the City Council's consideration.

Full versions of these policies and other City Council policies are available on the city's website at www.carlsbadca.gov/city-hall/laws-policies/council-policies.

Strategic Digital Transformation Investment Program

The Strategic Digital Transformation Investment Program, or SDTIP, is a comprehensive approach to planning for and funding digital transformation efforts throughout the city. Several documents inform this program, including the City Council-approved Connected Carlsbad: An Inclusive City Innovation Roadmap, the Internal Digital Information Network Action Plan, and the Information Technology Strategy, which are complemented by a five-year projected roadmap of digital transformation investments. The SDTIP is the strategic plan for technology and digital transformation combined with project descriptions, costs, funding sources and timelines. The purpose of this new program is to provide for an annual investment strategy, not a commitment for spending, that outlines a five-year expenditure plan for future digital transformation and technology projects and the corresponding revenues necessary to pay for them.

Connected Carlsbad: An Inclusive City Innovation Roadmap

In January 2019, city staff presented Connected Carlsbad: An Inclusive City Innovation Roadmap, designed to provide a high-level, organized guide outlining the principles that matter to the city in creating a more connected community. This roadmap and its associated action plan were based on a combination of items, including:

- City Council approved projects,
- existing city documents,
- previous Information Technology assessments and interviews with departments, and
- a global scan of other cities and best practices that have emerged from leading smart city thinkers and Carlsbad-specific community engagement.

The Strategic Digital Transformation Investment Program expands on the Connected Carlsbad Roadmap to include a strategy for evaluating and prioritizing projects and a five-year investment roadmap that includes estimated costs and timelines. This new investment program continues to be organized into the five primary goal areas approved by City Council in Connected Carlsbad, listed below.

- **Pursue Communitywide Digital Transformation** focuses on the foundational elements, including connectivity, up-to-date hardware and software, and a robust security strategy while providing an aspirational vision for the future.
- **Build Capacity for Data-Driven Government** focuses on the policies, procedures and staffing necessary for the city to fully capture the value of emerging models of data analytics.
- **Foster a Vibrant Civic Engagement Culture** builds upon the first two goals with a human-centered perspective that an engaged city that uses data and technology in a way that respects people and their privacy will support a vibrant culture where residents, organizations and businesses are invested in their community and its future.
- **Enhance Accessibility and Transparency** recognizes that open government and approaching problem-solving from an accessibility perspective leads to better outcomes for all.
- **Promote Safety and Sustainability through Connectivity** leads to understanding the interconnected nature of our communities that can achieve environmental, mobility and sustainability goals when approached in a cross-departmental and community informed manner.

Once City Council adopts the proposed Strategic Digital Transformation Investment Program, projects receive an appropriation that authorizes spending in the amount specified for the adopted fiscal year only. Estimated budget information is shown for a five-year period to provide the most comprehensive information about known future projects. Spending authority in future years is not granted until adoption of the annual proposed SDTIP budget associated with each year.

Investing in Digital Transformation

As the city continues to grow and develop, the use of technology has also grown exponentially over the last two decades. The SDTIP outlines the financial resources needed to ensure that the technology infrastructure is in place to enable the city to provide services to the community. Prudent financial planning will ensure that ongoing funding for investment in technology is available.

SDTIP Project Evaluation

Making decisions on technology implementations is a challenging and complex task. The challenging nature of these decisions is exacerbated by the expanding reach of technology and the increasingly interdisciplinary nature of emerging technologies. A major component of the SDTIP is the establishment of a cross-departmental approach to technology leadership to evaluate, prioritize, budget for and adopt digital transformation efforts. A new administrative order has been developed that provides a collaborative forum for key staff to validate and prioritize technology implementations. This approach also provides a structured venue to explore how particular configurations of a technology implementation may positively or negatively affect others within the organization. The process to evaluate digital transformation initiatives is ongoing and meetings may be held on a monthly, bimonthly or quarterly basis depending on the need.

A number of factors are considered when putting together projects for the five-year program. All digital transformation and technology projects shall be consistent with:



Proposed projects are evaluated and prioritized by a set of criteria that include:

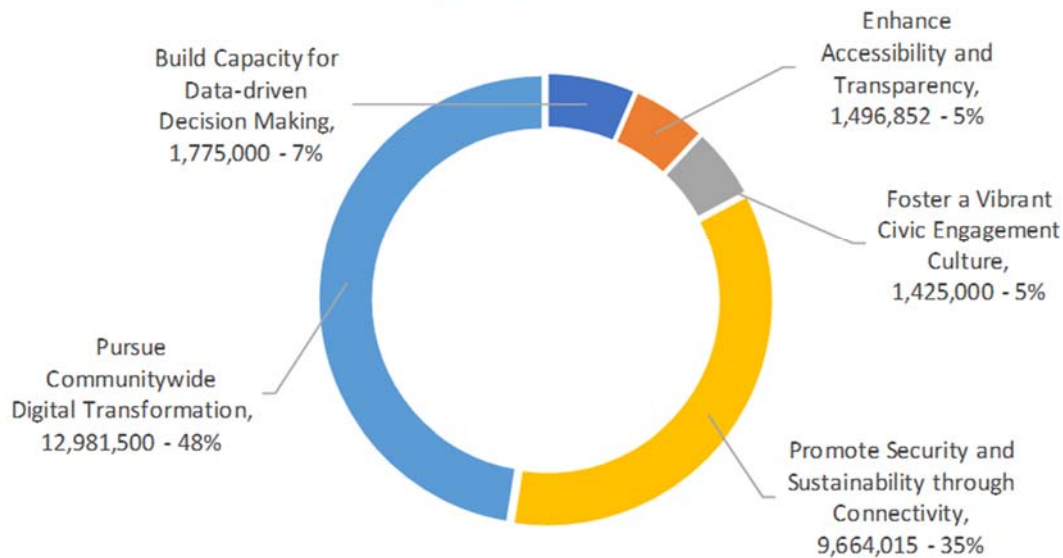
- Alignment with City Council goals and IT strategic plans, architecture, security and technology standards, including legislative and regulatory mandates, and administrative goals
- Coordination of IT investments across the enterprise to avoid duplication, maximizing the return on investment and increasing efficiency
- Effective articulation of the business case including valid operational benefits of the project
- Accuracy and reasonableness of cost and benefit estimates
- Consideration of potential project risks and identification of appropriate means to manage those risks
- Adherence to standard project management practices
- Capacity of staffing resources to implement the project

As the SDTIP is implemented throughout the year, staff will continually re-evaluate projects' scopes, costs and schedules to responsibly and cost-effectively manage city resources.

SDTIP Fiscal Year 2022-23 Appropriations

Going into fiscal year 2022-23, there were 33 continuing and new projects planned over the next five years at an estimated total cost of \$27.34 million. Included in the \$27.34 million is approximately \$15.35 million in estimated new costs over the course of the same time frame to provide additional funding for the continuation of existing projects as well as funding for new projects. Within the \$15.35 million is approximately \$3.94 million of estimated new appropriations for fiscal year 2022-23 for these same projects.

Estimated Total Projects Costs by Goal FY 2022-23 to FY 2026-27 \$27.34 million



Pursue Communitywide Digital Transformation \$12.98 million

This goal includes updating connectivity, up-to-date hardware and software, and a robust security strategy.

Build Capacity for Data-Driven Decision Making \$1.78 million

This goal's projects include the policies, procedures and staffing necessary for the city to fully capture the value of emerging models of data analytics. It builds a comprehensive approach to citywide data management to enable data-rich key performance metrics and effective operation of city departments. A data policy and resources will be created to align departments with standards of data cataloging for compliance ease of data sharing.

Foster a Vibrant Civic Engagement Culture \$1.43 million

The city's civic engagement culture builds upon the first two goals with a human-centered perspective to use data and technology in a way that respects people and their privacy. Projects in this category will support a vibrant culture where residents, organizations and businesses are invested in their community and its future.

Enhance Accessibility and Transparency
\$1.49 million

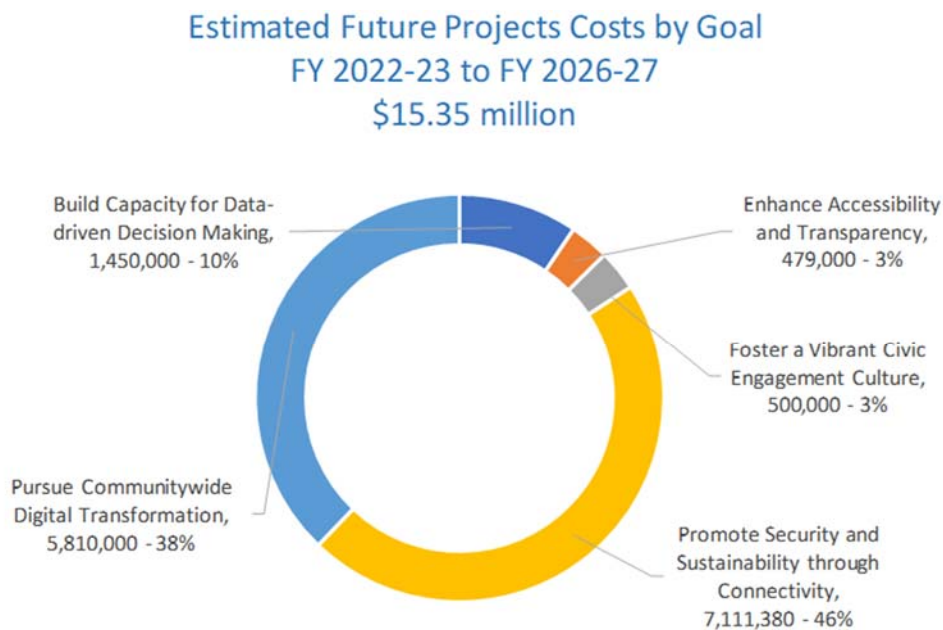
This goal recognizes that open government and approaching problem-solving from an accessibility perspective leads to better outcomes for all. Projects in this category include Civic Engagement with Open Data, Online Permitting/Electronic Reviews, Patron Print/Copy Management and a Virtual Permitting Counter.

Promote Security and Sustainability through Connectivity
\$9.66 million

Projects in this goal include the annual replacement of hardware and technology infrastructure, a Facility Security Master Plan, the replacement of the Police Computer Aided Dispatch System, and an enhancement to the 9-1-1 emergency system.

SDTIP Future Appropriations

The City of Carlsbad’s SDTIP for fiscal year 2022-23 to fiscal year 2026-27 outlines 33 projects at an estimated total cost of \$27.34 million. Of the \$27.34 million, \$15.35 million is for new or increased funding for projects over the next five years. The information provided for future years reflects the most comprehensive snapshot of known or anticipated future projects as well as associated estimated costs.



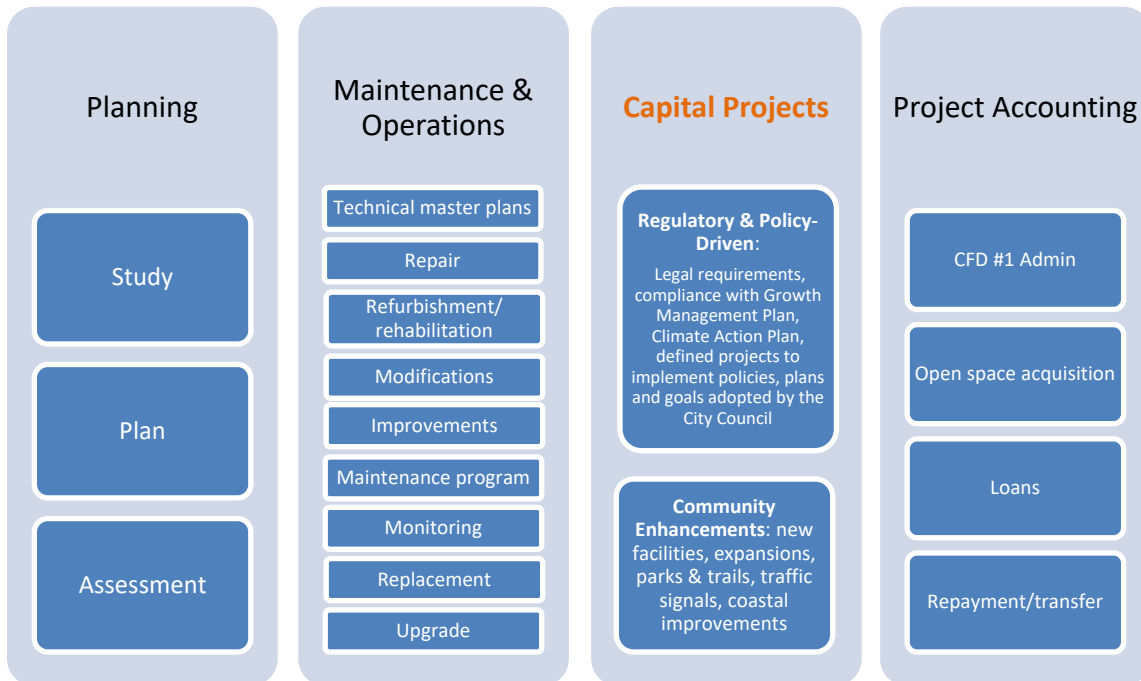
Capital Improvement Program

The City of Carlsbad Capital Improvement Program reflects the city’s ongoing commitment to maintaining the highest standards of quality facilities for our community today and in the future. It is a planning document, not a commitment for spending. The 15-year program outlines the expenditure plan for future capital projects and the corresponding revenues to pay for those expenditures.

Projects that are shown in the CIP are generally defined as any construction, rehabilitation or replacement of major infrastructure such as streets, libraries, parks, fire stations and administrative facilities, water, sewer and drainage facilities, and other facilities that are located on or in the ground. In most cases, the total construction cost of each of these assets is recorded and tracked as part of the city’s inventory of capital infrastructure assets and other city-owned property.

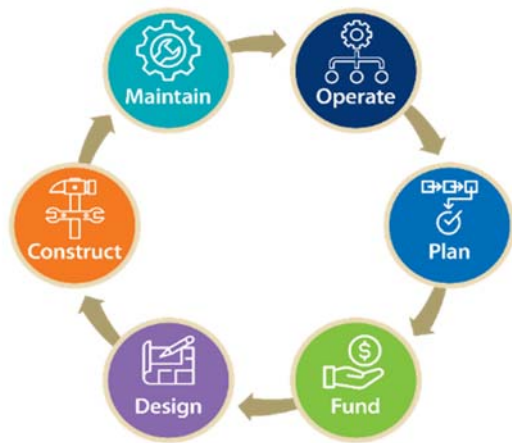
Once the City Council adopts the proposed annual CIP budget, projects receive an appropriation that authorizes spending in the amount specified for the adopted fiscal year only. Estimated budget information is shown for a 15-year period to provide the most comprehensive information about known future projects. Spending authority in future years is not granted until adoption of the annual proposed CIP budget associated with each year.

The CIP is organized by the following project classifications:



Investing in Quality of Life

The City of Carlsbad’s philosophy is to take a proactive, long-range planning approach to building quality facilities and infrastructure that support the priorities of the community. Prudent financial planning has ensured ongoing funding to modernize, and replace existing infrastructure projects through numerous asset management programs. Since the city applies a comprehensive asset management approach to infrastructure planning and budgeting it to avoid more costly unexpected repairs or operational needs and minimize the burden on emergency expenditures.



high
needs
repair,
city
is able

As the city continues to grow and develop, there is a corresponding increase in the demand for development-related services and new facilities. To ensure that the necessary infrastructure and facilities are built on a schedule that meets or exceeds this demand, the citizens of Carlsbad adopted a Growth Management Plan in 1986. The plan was established to manage development within the city by linking residential, commercial, and industrial development directly to standards for availability of public services and facilities.

The Growth Management Plan states that unless a standard level of facilities is available to meet new demands resulting from the city’s growth, development cannot proceed. Recently, certain actions, such as imposing a moratorium, have been determined to be impermissible by the California Housing and Community Development Department, per Senate Bill 330, Housing Crisis Act of 2019, which became effective on Jan. 1, 2020.

The detailed level of planning required by Growth Management has allowed the city’s CIP to anticipate the funding needed for capital improvements in the next 15 years. Facilities such as community centers, parks and fire stations have been constructed and opened to the public under this program.

The CIP has been designed to specifically address areas where new or expanded facilities will be needed to maintain compliance with the adopted performance standards. With the adoption of the fiscal year 2022-23 CIP, compliance with the Growth Management Plan is continued.

CIP Project Evaluation

Development of the CIP is a team effort involving all operational departments, the City Manager’s Office, the City Council, and the community. Community feedback on infrastructure needs is considered and incorporated as appropriate. The CIP is fully vetted at multiple levels of the city organization by appropriate staff using an inclusive and transparent process and reviewed on a quarterly basis.

Projects were evaluated for the ability to deliver realistic outcomes considering anticipated revenue decreases in some capital funding sources. The city remains focused on matching existing resources with reasonable and achievable project schedules while continuing to work on projects that are already underway. Existing project balances were evaluated to determine whether additional funding was needed or if the existing balances were adequate. Funding recommendations were matched against project timing and balanced against available funding sources.

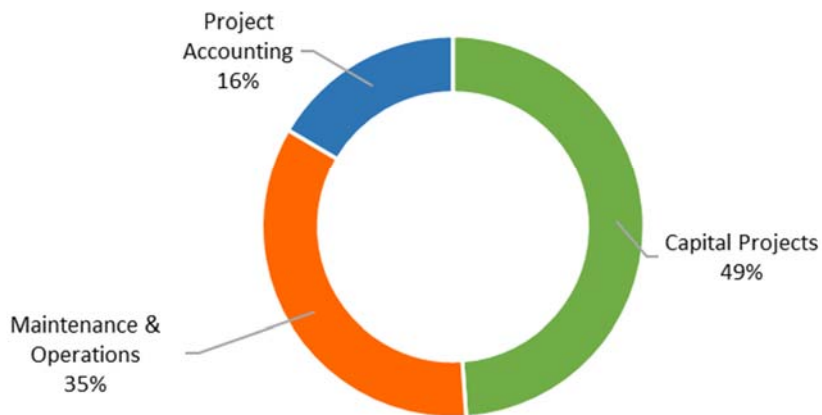


As the CIP is implemented throughout the year, staff continually re-evaluate projects' scopes, costs and schedules to responsibly and cost-effectively manage infrastructure assets at the required levels of service throughout their lifecycle. Recommendations for project funding consider current project status, project scheduling and sequencing requirements, project constraints, and current staff capacity. Project charters are updated to include project description, location, summary of need, justification including any legislative or policy citations, cost estimates, and project scores.

CIP Fiscal Year 2022-23 Appropriations

In the fiscal year 2022-23 CIP, there are approximately 226 continuing and new projects planned over the next 15 years. The fiscal year 2022-23 CIP outlines \$42.6 million in new appropriations to provide additional funding for the continuation of existing projects as well as funding for 14 new projects. Projected revenues during the same fiscal year are estimated at \$59.5 million.

FY 2022-23 Appropriations by Category
\$42.6 million



FISCAL YEAR 2022-23 APPROPRIATIONS BY PROJECT TYPE



Civic Buildings and Facility Maintenance \$1.7 million

This category includes a variety of facilities such as fire stations, libraries and the new City Hall. Costs include repair, maintenance and replacement of civic buildings.



Parks \$1.8 million

Projects include improvements and enhancements to existing parks, such as playground resurfacing, picnic areas and other needs identified by the community and in recently updated parks master plans.



Drainage \$3.3 million

The city's drainage infrastructure plays an important role in handling storm water runoff flows, as well as maintaining the water quality of the city's creeks, lagoons and ocean. As the city continues to age, it is increasingly necessary to balance repairing and replacing the existing lines with enhancing the current infrastructure to accommodate future needs.



Sewer \$13.9 million

The city's sewer, or wastewater, projects include numerous pipeline construction and rehabilitation projects, as well as improvements to the Encina Wastewater Treatment facility. Most new lines are built and paid for with impact fees collected with new development.



Water and Recycled Water \$2.8 million

Future water and recycled water projects include construction of new pipelines, replacement of existing waterlines and reservoir improvements. The Carlsbad Municipal Water District has been producing and delivering recycled water for over 30 years.



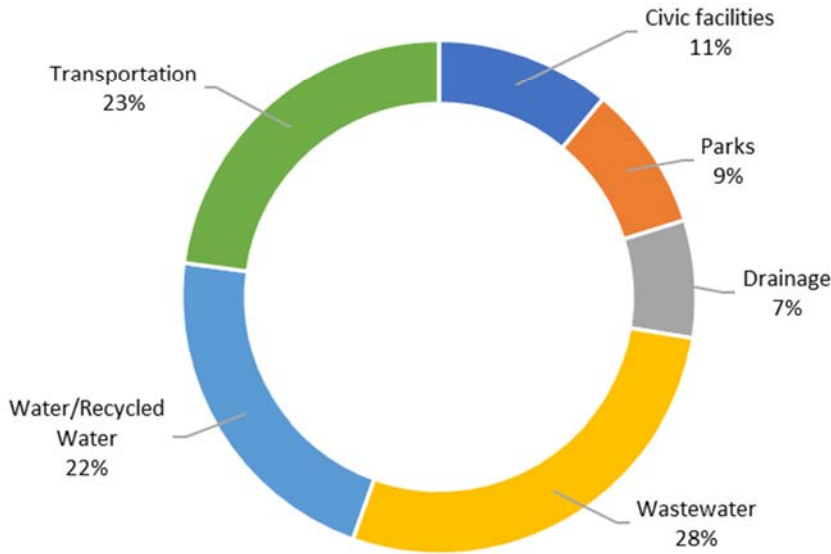
Transportation \$19 million

People of all ages and abilities want to go places safely and conveniently in Carlsbad, whether they drive, walk, bike, or ride a bus or train. The city continues to invest in modernizing roads, leveraging technology to improve traffic systems, and making timely repairs and rehabilitation of the roadways, bridges, sidewalks and other assets in public rights of way throughout the city.

CIP Future Projects

The CIP for fiscal year 2022-23 to fiscal year 2035-37 outlines approximately 246 projects at a cost of \$695 million. Long-range planning and responsible asset management play key roles in the development of future capital projects. Using data from various infrastructure master plans, ongoing asset condition assessments, technical modelling, field inspections as well as community feedback, the information provided for future years reflects the most comprehensive snapshot of known or anticipated future projects as well as associated estimated costs.

Future Project Costs By Type
 FY 2022-23 to FY 2035-37
 \$695 million



Unfunded Capital Improvement Projects

There are six projects identified in the CIP for which there is no identifiable funding source and, in some cases, where only partial funding has been identified. The city will investigate obtaining possible external funding, such as federal and state grants, loans, or other financing sources. Once funding is identified for these projects, the project costs will have to be reviewed and updated to reflect actual cost estimates. The unfunded projects do not receive annual inflationary increases. Two projects are partially funded by the Traffic Impact Fee program. The program was planned to generate enough revenue to pay for 20% of the total costs of these projects, leaving the remaining 80% unfunded.

<u>Business Park Recreational Facility (Partial Funding)</u>	<u>\$ 6,600,000</u>
<u>Cannon Lake Park (6.7 Acres)</u>	<u>2,243,000</u>
<u>Carlsbad Blvd. Mountain View To Northerly City Limits (Partial Funding)</u>	<u>6,905,600</u>
<u>Carlsbad Blvd./ Palomar Airport Road (Partial Funding)</u>	<u>14,109,600</u>
<u>Carlsbad Blvd. Realignment - Segments 3-5</u>	<u>26,100,000</u>
<u>College Boulevard Extension</u>	<u>30,000,000</u>
TOTAL UNFUNDED PROJECTS	\$ 85,958,200

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the city for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. This was the 25th consecutive year that the city has achieved this prestigious award. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The city strives to annually produce an Annual Comprehensive Financial Report which will continue to meet the Certificate of Achievement Program's requirements. This report will be also submitted to GFOA to determine eligibility for another certificate.

This report has been a comprehensive effort by many people from many different areas of responsibility. It could not have been accomplished without their help and the dedicated efforts of all of the finance staff, especially Roxanne Muhlmeister, Assistant Finance Director and Kim Riboni, Senior Accountant. I also appreciate the staff of Lance, Soll & Lunghard, LLP for the professional way in which the audit of this financial report was conducted. It has been a pleasure to work with them. Additionally, I would like to thank the City Council, the City Manager and the city's Executive Management Team for their leadership and unfailing support in maintaining the highest standards of professionalism in the management of the city's finances.

Respectfully submitted,



Zach Korach
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

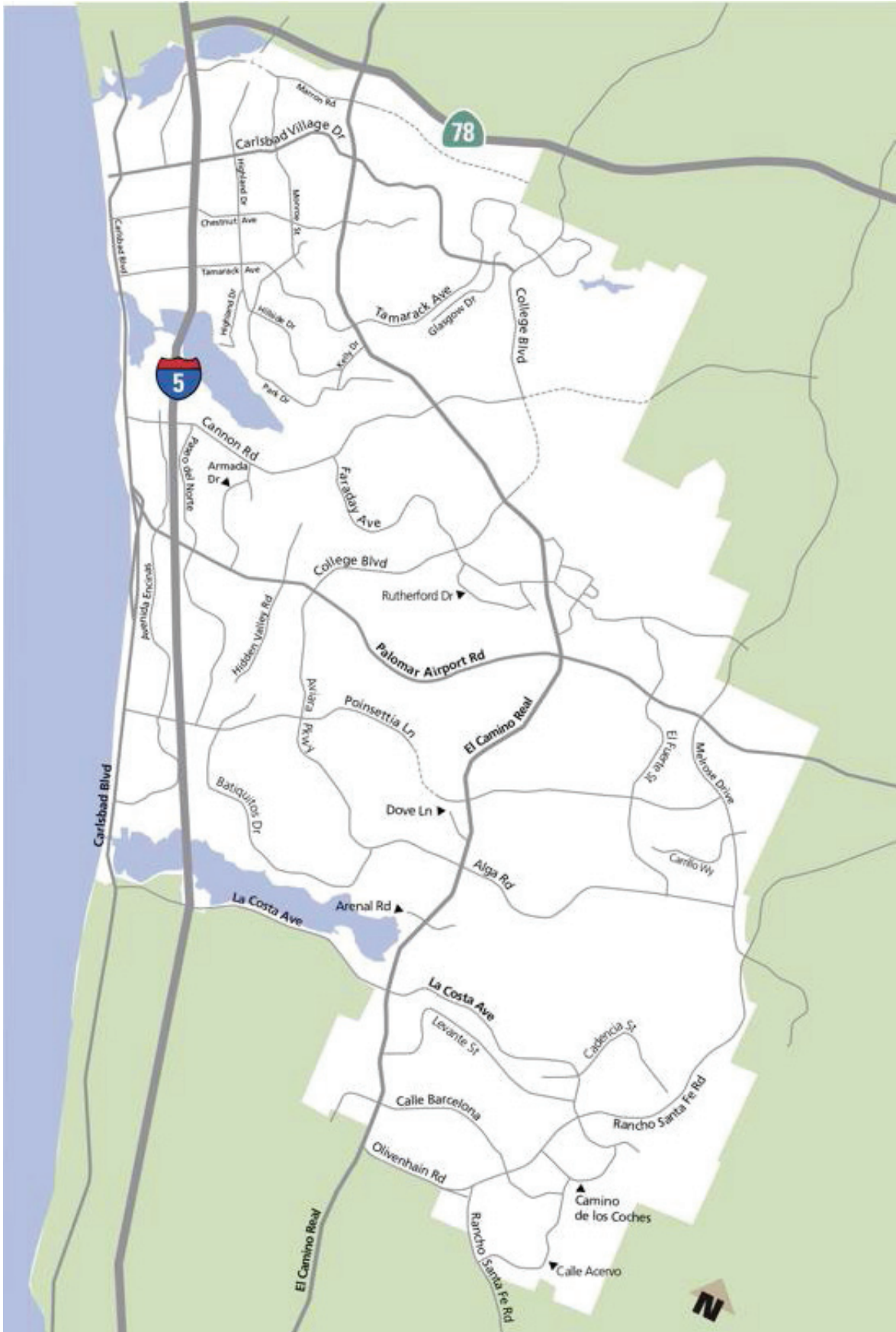
**City of Carlsbad
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO



Elected Officials

Keith Blackburn, Mayor
Melanie Burkholder, Council Member – District 1
Carolyn Luna, Council Member – District 2
Priya Bhat-Patel, Mayor Pro Tem – District 3
Teresa Acosta, Council Member – District 4
Sherry Freisinger, City Clerk
Craig Lindholm, City Treasurer

Leadership Team

Scott Chadwick, City Manager
Cindie McMahon, City Attorney
Geoff Patnoe, Assistant City Manager

Gary Barberio, Deputy City Manager, Community Services
Paz Gomez, Deputy City Manager, Public Works
Laura Rocha, Deputy City Manager, Administrative Services
Michael Calderwood, Chief, Fire Department
Mickey Williams, Chief, Police Department

Maria Callander, Director, Information Technology
Sheila Cobian, Director, Legislative and Constituent Services
Tom Frank, Director, Public Works Transportation
David Graham, Chief Innovation Officer
Jason Haber, Director, Intergovernmental Affairs
Emily Hasegawa, Engineering Manager, Public Works Construction Management & Inspections
Zach Korach, Director, Finance
Kyle Lancaster, Director, Parks & Recreation
John Maashoff, Public Works Manager, Public Works Fleet & Facilities
Faviola Medina, City Clerk Services Manager, Office of the City Clerk
Mandy Mills, Director, Housing & Homeless Services
Jeff Murphy, Director, Community Development
Vicki Quiram, Director, Public Works Utilities
Kristina Ray, Director, Communication & Engagement
Suzanne Smithson, Director, Library & Cultural Arts
Judy Von Kalinowski, Director, Human Resources
James Wood, Director, Public Works Environmental Sustainability

Boards and Commissions Chairs

Agricultural Conversion Mitigation Fee Advisory Committee – Carolyn Alkire
Arts Commission – Barbara Chung
Beach Preservation Commission – Kathleen Steindlberger
Carlsbad Golf Lodging Business Improvement District Board – Tim Stripe
Carlsbad Tourism Business Improvement District Board – Bill Canepa
Community-Police Engagement Commission – Patrick Connolly
Historic Preservation Commission – Chad Majer
Housing Commission – Tyler Collins
Library Board of Trustees – Stan Schatt
Parks & Recreation Commission – Robert Winston
Planning Commission – Peter Merz
Senior Commission – Kathryn Rangus
Traffic & Mobility Commission – Josh Coelho

As of 2/16/2024



October 16, 2023

Financial Section





INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Carlsbad, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carlsbad, California (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2023, the City adopted new accounting guidance, GASB Statement No. 96, Subscription Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Honorable Mayor and Members of the City Council
City of Carlsbad, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule for the General Fund, and the required pension and other postemployment benefits schedules, as listed on the table of contents, presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Honorable Mayor and Members of the City Council
City of Carlsbad, California

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Lance, Soll & Lughard, LLP".

Brea, California
March 26, 2024





Management’s Discussion and Analysis

Management of the City of Carlsbad (“city”) provides readers this overview and analysis of the financial activities of the city for the fiscal year ended June 30, 2023. The intent is to assist the reader of these financial statements in better understanding the impact of financial decisions made by the city. This analysis will focus on the significant changes to explain the city’s overall financial condition. The information presented here should be considered in conjunction with the additional information furnished in the letter of transmittal.

Overview of the Financial Statements

The financial statements section of the annual report consists of four parts – *management’s discussion and analysis* (this section), the basic *financial statements, required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the city.

- The first two statements are *Government-wide Financial Statements* that provide both *long-term* and *short-term* information about the city’s overall financial status.
- The remaining statements are *Fund Financial Statements* that focus on *individual* parts of the city government, reporting the city’s operations in *more detail* than the Government-wide Statements.
 - The Governmental Funds Financial Statements detail how general government services, such as public safety and library services, were financed in the short-term, as well as what remains for future spending.
 - Proprietary Funds Statements offer short- and long-term financial information about the activities the city operates like businesses, such as providing water and wastewater services.
 - Fiduciary Funds Statements provide information about the financial relationships – such as assessment and business improvement districts – in which the city acts solely as a trustee or agent for the benefit of others to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the financial statements and provide greater detail. The statements are accompanied by *required supplementary information* that further explain and support the information in the financial statements. In addition to these required elements is the *combining fund statements* section that provides financial information about the nonmajor governmental funds, internal service funds, and fiduciary funds, which are added together and presented in single columns in the basic financial statements.

The remainder of this overview section of management’s discussion and analysis (MD&A) explains the structure and content of each of the statements.

Government-wide Financial Statements

The Government-wide Financial Statements report information about the city as a whole, using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes *all* of the city’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid.

The two Government-wide Financial Statements report the city’s *net* position and how it has changed. Net position – the difference between the city’s assets and liabilities – is one way to measure the city’s financial health, or *position*. Over time, increases or decreases in the city’s net position are an indicator of whether the city’s financial health is improving or deteriorating, respectively. Additional non-financial factors should be considered, such as changes in the city’s property tax base and the condition of the city’s infrastructure, to assess the overall health of the city.

The Government-wide Financial Statements of the city are divided into two categories:

- *Governmental activities* – Most of the city’s basic services, such as police, fire, public works, community services, and internal services are included here. Taxes, revenues from other governments and agencies, income from property and investments, grants and contributions, and charges for services finance most of these activities.
- *Business-type activities* – The city charges fees to customers to cover the cost of certain services it provides. The city’s water, wastewater, solid waste and municipal golf course operations are the primary business-type activities.

Fund Financial Statements

The Fund Financial Statements provide more detailed information about the city’s most significant *funds* – not the city as a whole. Funds are accounting devices used by the city to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by state law and bond covenants, while the city establishes other funds to control and manage money for particular purposes (such as the developer impact fee funds) or to show that it is properly using certain taxes and grants (such as the Section 8 Rental Assistance Fund).

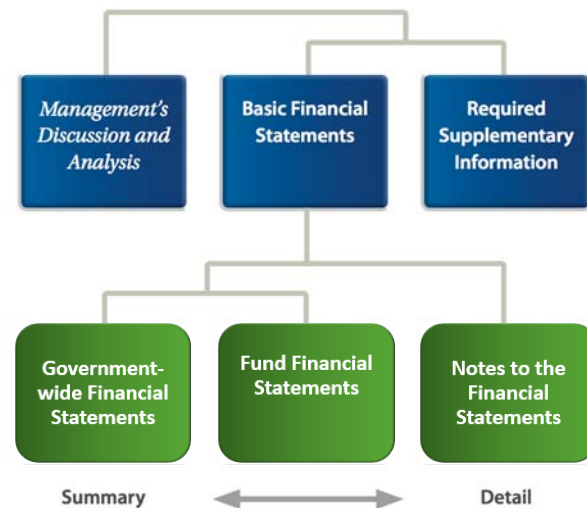
The city has three kinds of funds:

- *Governmental funds* – Most of the city’s basic services are included in governmental funds. These funds are used to account for (1) *cash and other financial assets* that can readily be converted to cash flow in and out, and (2) balances left at year-end that are available for future spending. Consequently, the Governmental Funds Statement provides a detailed *short-term* view that helps the reader determine the amount of financial resources that can be spent in the near future to finance the city’s programs. The statements are presented on a modified accrual basis of accounting. A reconciliation between the long-term and short-term focus of the Government-wide Financial Statements is provided immediately following each statement. There are currently three governmental fund types being used by the city: *the General Fund, special revenue funds, and capital project funds.*
- *Proprietary funds* – Services for which the city charges customers a fee for a service are generally reported in proprietary funds. Proprietary funds, like Government-wide Financial Statements, provide both long- and short-term financial information, and are presented on an accrual basis of accounting.

There are two types of propriety funds, enterprise funds and internal service funds:

- *Enterprise funds are used to report activities that provide business-type services, generally to external customers – such as water, wastewater, solid waste, and golf services. In both the Government-wide Financial Statements and the Fund Financial Statements, these funds are shown under business-type activities.*
- *Internal service funds are used to report activities that provide services and supplies for the city’s other programs and activities – such as fleet, workers’ compensation, risk/liability, and information technology.*
- *Fiduciary funds – These funds are used to account for situations where the city’s role is purely custodial, such as the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. All of the city’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the city’s Government-wide Financial Statements because the city cannot use these assets to finance its operations.*

Required Components of the Annual Financial Report





Financial Analysis of the City as a Whole

Net Position

The city's *combined* net position as of June 30, 2023, as shown below, was \$1.87 billion. The city's net position increased by \$5.6 million as compared to the prior fiscal year. This increase was heavily impacted by revenues exceeding expenses for the year which was offset by a substantial increase in net pension liability as well as an increase and decrease in deferred outflows and inflows of resources related to pension, respectively.

CITY OF CARLSBAD'S NET POSITION (in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2022	2023	2022	2023	2022	2023	2022-23
Current and other assets	\$680.1	\$690.9	\$217.1	\$220.5	\$897.2	\$911.4	1.6%
Net OPEB asset	0.6	0.0	0.1	0.0	0.7	0.0	-100.0%
Capital assets	808.5	812.3	367.9	363.5	1,176.4	1,175.8	-0.1%
Total assets	1,489.2	1,503.2	585.1	584.0	2,074.3	2,087.2	0.6%
Deferred outflows	39.4	85.4	2.9	6.6	42.3	92.0	117.5%
Other liabilities	59.7	30.6	14.1	12.7	73.8	43.3	-41.3%
Net OPEB liability	0.0	2.6	0.0	0.3	0.0	2.9	N/A
Net pension liability	72.8	184.9	4.8	13.6	77.6	198.5	155.8%
Long-term debt outstanding	0.0	31.7	12.4	10.8	12.4	42.5	242.7%
Total liabilities	132.5	249.8	31.3	37.4	163.8	287.2	75.3%
Deferred inflows	74.7	13.7	10.5	5.1	85.2	18.8	-77.9%
Net position							
Net investment in							
capital assets	808.5	809.1	355.5	352.5	1,164.0	1,161.6	-0.2%
Restricted	249.3	249.2	38.9	38.4	288.2	287.6	-0.2%
Unrestricted	263.6	266.8	151.8	157.2	415.4	424.0	2.1%
Total net position	\$1,321.4	\$1,325.1	\$546.2	\$548.1	\$1,867.6	\$1,873.2	0.3%

As noted earlier, over time, net position may serve as a useful indicator of the city's financial position. For the city, assets and deferred outflows of resources currently exceed liabilities and deferred inflows of resources by \$1.87 billion at the close of the fiscal year.

A large portion of the city's net position, 62%, reflects its net investment in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The city uses these capital assets to provide services to residents; consequently, these assets are *not* available for future spending. Although the city's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves would not be used to pay for these liabilities. The net investment in capital assets for the city increased slightly during fiscal year 2022-23 due primarily to the progression of existing capital projects netted with a decrease in outstanding debt (primarily Recycled Water).

Of the city's total net position, 15.4% represents resources that are subject to external restrictions on usage. The remaining balance of unrestricted net position (\$424.0 million) may be used to meet the city's ongoing obligations to residents and creditors.

The remaining net position is unrestricted, meaning it can be used for future spending and largely coincided with the excess of revenues over expenditures which were offset by an increase in the net pension liability.



Changes in Net Position

The condensed summary of activities below shows that net position increased by \$5.6 million during the year. This increase occurs when revenues earned are greater than expenses incurred.

CITY OF CARLSBAD'S CHANGES IN NET POSITION
(in millions of dollars)

	Governmental		Business-Type		Total		Total Percentage Change <u>2022-23</u>
	Activities		Activities				
	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	
Revenues							
Program revenues							
Charges for services	\$19.4	\$20.1	\$79.6	\$78.9	\$99.0	\$99.0	0.0%
Operating grants and contributions	20.4	14.1	0.2	0.2	20.6	14.3	-30.6%
Capital grants and contributions	9.9	13.0	0.9	5.2	10.8	18.2	68.5%
General revenues							
Property taxes	81.0	88.2	4.7	5.1	85.7	93.3	8.9%
Sales and use taxes	51.2	56.2	-	-	51.2	56.2	9.8%
Other taxes	47.6	49.7	-	-	47.6	49.7	4.4%
Income from property and investments	(22.1)	11.0	(7.7)	2.6	(29.8)	13.6	-145.6%
Other	1.3	4.5	2.2	1.6	3.5	6.1	74.3%
Total revenues	208.7	256.8	79.9	93.6	288.6	350.4	21.4%
Expenses							
General government	14.8	22.8	-	-	14.8	22.8	54.1%
Public safety	81.1	99.5	-	-	81.1	99.5	22.7%
Community services	59.0	76.4	-	-	59.0	76.4	29.5%
Public works	39.2	54.1	-	-	39.2	54.1	38.0%
Carlsbad Municipal Water District	-	-	53.6	54.2	53.6	54.2	1.1%
Golf course	-	-	11.7	12.2	11.7	12.2	4.3%
Wastewater	-	-	17.9	20.2	17.9	20.2	12.8%
Solid waste	-	-	4.7	5.4	4.7	5.4	14.9%
Total expenses	194.1	252.8	87.9	92.0	282.0	344.8	22.3%
Excess (deficiency) before transfers	14.6	4.0	(8.0)	1.6	6.6	5.6	-15.2%
Transfers	(1.3)	(0.3)	1.3	0.3	-	-	0.0%
Increase (decrease) in net position	13.3	3.7	(6.7)	1.9	6.6	5.6	-15.2%
Beginning position	1,308.1	1,321.4	552.9	546.2	1,861.0	1,867.6	0.4%
Ending net position	\$1,321.4	\$1,325.1	\$546.2	\$548.1	\$1,867.6	\$1,873.2	0.3%

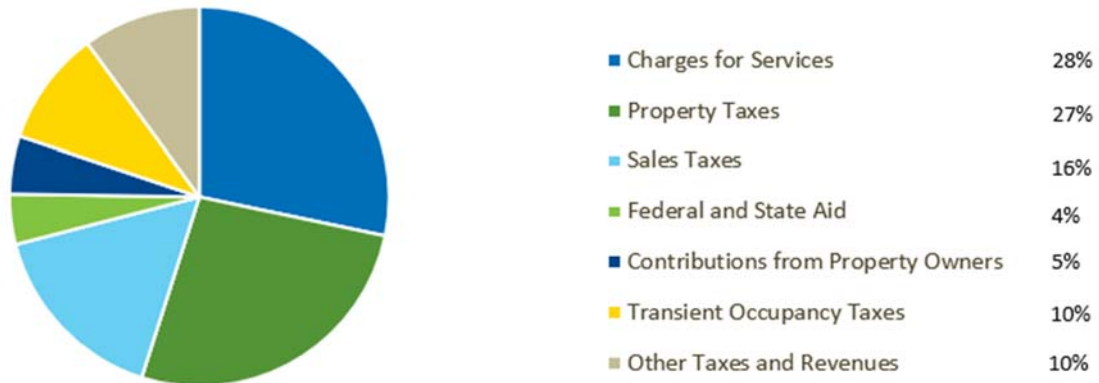
There were several reasons for the increase in net position:

- Continued recovery from the adverse fiscal impacts of COVID-19 and significant inflation sustained by consumer demand, specifically with sales tax and transient occupancy tax.
- Fiscal discipline implemented by the city due to uncertainty surrounding COVID-19 restrictions and the economy resulted in budgetary savings in the prior fiscal year and although spending has been moving back to more normal levels, there was still significant budget savings that occurred during fiscal year 2022-23.
- The city also experienced significant increases in investment income and gains (fair market value adjustments) when compared to the prior fiscal year .



Approximately 76% of the revenues of the city’s governmental activities are generated through taxes collected (i.e., property tax, sales tax, transient occupancy tax, etc.), and approximately 84% of the city’s business-type revenue is generated through charges for services. The chart below graphically depicts the city’s revenue sources.

Sources of Revenue for Fiscal Year 2022-23
\$350.4 Million



During the prior fiscal year, due to pent-up demand and the easing of restrictions related to COVID-19, the fiscal recovery was accelerated, and the city experienced historically high levels of revenues, notably for sales and transient occupancy tax. During fiscal year 2022-23 the city continued to see recovery from COVID-19 as well as an increase due to inflation sustained by consumer demand, particularly in sales tax and transient occupancy tax.

Sales tax ended the fiscal year with \$56.2 million and the year-over-year increase of \$5.0 million or 9.8% was driven by the city’s transportation and light industry groups. The largest economic segments in the city are automobile dealers, general retail stores, and restaurants. Together, they generate 76% of the city’s sales tax revenues. Transient occupancy tax ended the fiscal year with \$34.3 million, an increase of \$1.9 million or 6%, and was driven by a combination of pent-up demand after COVID-19 and an increase in average daily room rates.

The city’s largest revenue source, property taxes, increased due to assessed values increasing, mainly in residential properties. This is the tenth year in a row that Carlsbad’s assessed values have increased from year to year, and in line with assessed value increases with other cities in San Diego County for the year. This reflects continued strength in the regional housing market. The increase in this year’s assessed values is due to a large increase in the assessed values of residential properties in the city; the city saw smaller increases in commercial and industrial property values for the year. This is the eighth year in a row since the Great Recession ended that the city saw increases in assessed values in all three property components (residential, commercial and industrial).

When compared to the prior fiscal year, business licenses were down 4% in fiscal year 2022-23. The decrease is due to a reduction in payments received for overdue business license renewals and penalties that were received last year and as a result of COVID-19. Development revenues increased 15% over the prior year as both residential and industrial/commercial saw increased building activity.

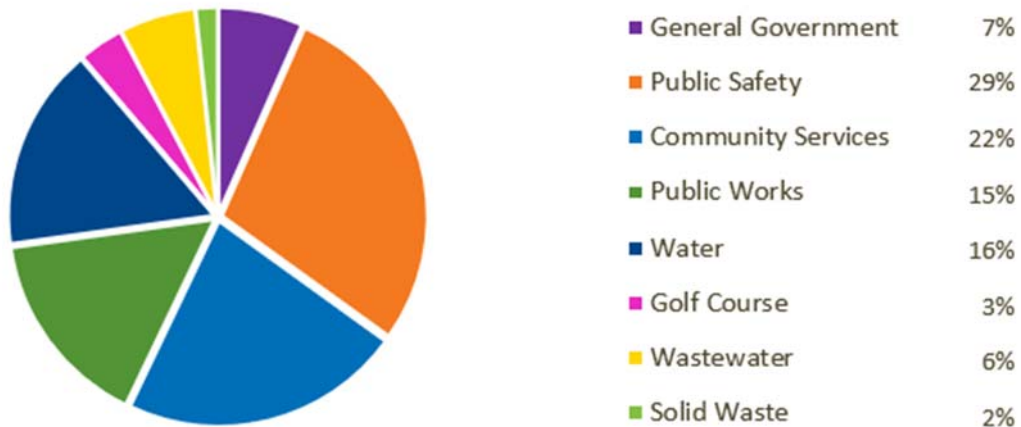
Income from property and investments was heavily impacted by unrealized gains created by adjusting the city’s investments to their fair market value on June 30, 2023. Rising inflation throughout the fiscal year triggered interest rate hikes from the Federal Reserve which had a substantial impact on the market value of the city’s portfolio; however, with rising rates, the city’s portfolio began to see continued increases in its monthly yield.

The primary contributors to the city’s charges for services are water and wastewater customers. A slight decrease in total water revenues was driven primarily by reduction volume which was offset by rate increases implemented in January 2022. Wastewater charges increased due to rate increases and development throughout the city. Together, these factors led to an overall increase in charges for services for the year for both water and wastewater. Additionally, the city’s municipal golf course experienced an increase in charges for services supported by continued demand.

The total cost of all programs and services was \$344.8 million in fiscal year 2022-23 which was higher (22.3%) than prior fiscal year costs of \$282.0 million. The majority of the increase in program costs came from the addition of 24 new full- time and 3.4 full-time equivalent part-time positions as well as negotiated and contractual salary and benefit cost increases. Increases were also driven by a return of travel and training costs, increases in workers’ compensation and risk claim liabilities and increases in pension liabilities as a result of unfavorable net investment returns experienced by CalPERS in fiscal year 2021-22. Each year, supplemental budget requests, in addition to the city’s ongoing base budget, are considered. In FY 2022-23, budget items such as the replacement of self-contained breathing apparatus for the fire department, a study for beach sand replenishment, a take home vehicle program for the police department, an update to the Sustainable Mobility Plan Element and \$2 million dollars set aside for the Safer Streets Together plan as a result of the City Council declaring a local emergency contributed to the increase. The city’s water district also saw increases as the cost of water and amount of water purchased increased.

Functional Expenses for Fiscal Year 2022-23

\$344.8 Million



- General Government (7%)**
 This segment of the city is divided into three major groups: Policy & Leadership, Administrative Services and non-departmental charges. The Policy & Leadership group encompasses all elected officials, the City Manager and City Attorney offices, the Communications & Engagement team, and the Legislative & Constituent Services team. The Administrative Services group includes Finance, Human Resources (including Workers’ Compensation and Risk Management), Information Technology, and Innovation & Economic Development. Non-departmental also includes any special projects directed by the City Council.
- Public Safety (29%)**
 Public Safety remains a top City Council priority. This major service area includes the Police Department, whose mission is to protect and serve the community with integrity, professionalism and valor. The Fire Department is the other component of this major service area with a mission to enhance the quality of life by delivering exceptional services in safeguarding lives, property, and the environment.

- Community Services (22%)

Community Services consists of Library & Cultural Arts, Parks & Recreation, Community Development and Housing & Homeless Services. These city service areas ensure the city's planning and building policies are carried out, foster lifelong learning, support strong neighborhoods, administer affordable housing and homeless response programs, attend to the community's health and wellness and promote transparency in government. Library & Cultural Arts provides educational, informational and cultural arts services for all community residents, which contribute to quality of life by supporting lifelong learning, the pursuit of knowledge, and creating the availability of community gathering places. Parks & Recreation offers comprehensive opportunities for meeting the recreational and social needs and interests of the community by providing programs for all segments of the population. Community Development's primary roles include the day-to-day administration of the local, state, and federal land use regulations, promoting economic and business development, protecting life and property, enhancing public health, and preserving the environment. Community Development encompasses Land Use Planning, Building, Code Enforcement, and Land Development Engineering.
- Public Works (15%)

Public Works is responsible for building and maintaining all city infrastructure assets. This service area includes Public Works Administration, Facilities & Fleet, Environmental Sustainability, Transportation, Construction Management & Inspection and Utilities. Construction Management & Inspection manages construction of major projects, inspection and oversight of private development grading, stormwater and improvements inspection and oversight of all activity in the public right-of-way. Environmental Sustainability oversees the climate action plan program, the habitat management plan program, the sustainable materials management program, solid waste, and provides coordination of the municipal component of the National Pollutant Discharge Elimination System Municipal Storm Water Permit. Fleet & Facilities supports the maintenance of city vehicles and facilities. The Transportation Department cares for road infrastructure and projects, keeps people and traffic moving, maintains streets and storm drains, maintains street lighting, and provides incident response for city and private property.
- Water (16%)

The Carlsbad Municipal Water District (CMWD), a subsidiary of the city, provides potable and recycled water service to approximately 28,900 connections within a 32.3 square mile service area. CMWD purchases 100% of its potable water, which includes a local supply of desalinated seawater, as treated water from the Metropolitan Water District and the San Diego County Water Authority. CMWD also provides recycled water for irrigation purposes which is produced at the Carlsbad Water Recycling Facility, as well as purchased from the Vallecitos Water District.
- Golf Course (3%)

The city opened a municipal golf course in the summer of 2007, further enhancing the recreational activities the city offers. The municipal golf course, The Crossings at Carlsbad, is an 18-hole golf course set in the rolling hills and canyons of Carlsbad. With ocean views, a high-quality golf experience, a first-class restaurant and clubhouse, and connections to hiking trails, The Crossings at Carlsbad is a destination for golfers and non-golfers alike.
- Wastewater (6%)

The city operates and maintains a sanitary wastewater collection system that provides wastewater services to approximately two thirds of the city's population, covering approximately 74% of the geographic area of the city. Wastewater is treated by the Encina Wastewater Treatment Plant, a facility jointly owned by the cities of Carlsbad, Vista and Encinitas; the Leucadia Wastewater District; the Vallecitos Water District; and the Buena Sanitation District.
- Solid Waste (2%)

The Solid Waste Division administers and monitors the solid waste contract and the Palomar Transfer Station agreement and is responsible for ensuring the waste reduction and recycling components of the Source Reduction and Recycling Element and Household Hazardous Waste Element comply with state mandated diversion and disposal requirements. Also included in this section is the Storm Water Protection Program, whose goal is to provide leadership and stewardship of the city's resources protecting the city's beaches, creeks and lagoons.

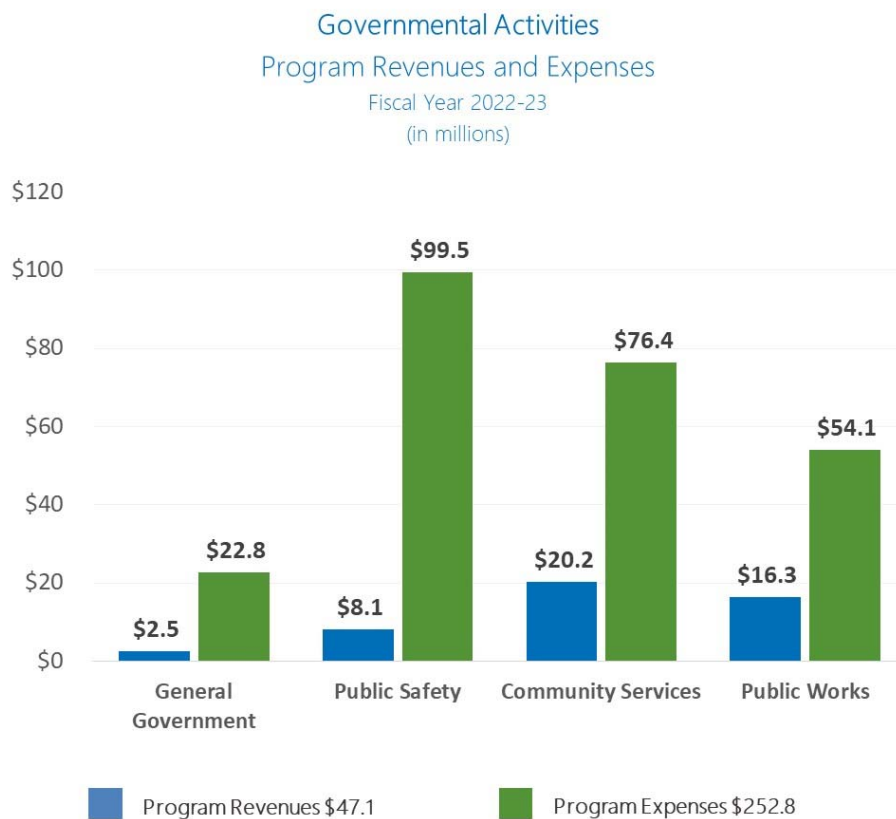


The following sections provide information about the operations of the governmental and business-type activities.

Governmental Activities

The increase in net position for governmental activities was \$3.7 million. Total revenues from governmental activities were \$256.8 million (\$47.1 million in program revenues and \$209.7 million in general revenues) and were offset by \$252.8 million in total costs of governmental activities and \$0.3 million in transfers out.

The table below presents the total cost of each of the city’s major programs, as well as each program’s revenue (fees generated by the activities, contributions, and intergovernmental funding). The net cost (the difference between adjoining bars in the graph) shows the financial burden that was placed on the city’s taxpayers by each of these programs (costs covered by general revenues).



Revenues are generated through several sources to cover the cost of the city’s programs. Total revenues of \$256.8 million include fees and charges paid by those who directly benefit from the programs (\$20.1 million), grants and contributions from other governments, organizations and property owners which subsidize certain programs and projects (\$27.0 million), and taxes and other revenues (such as income from property and investments) received by the city to pay for the “public benefit” portion of the city’s services (\$209.7 million).

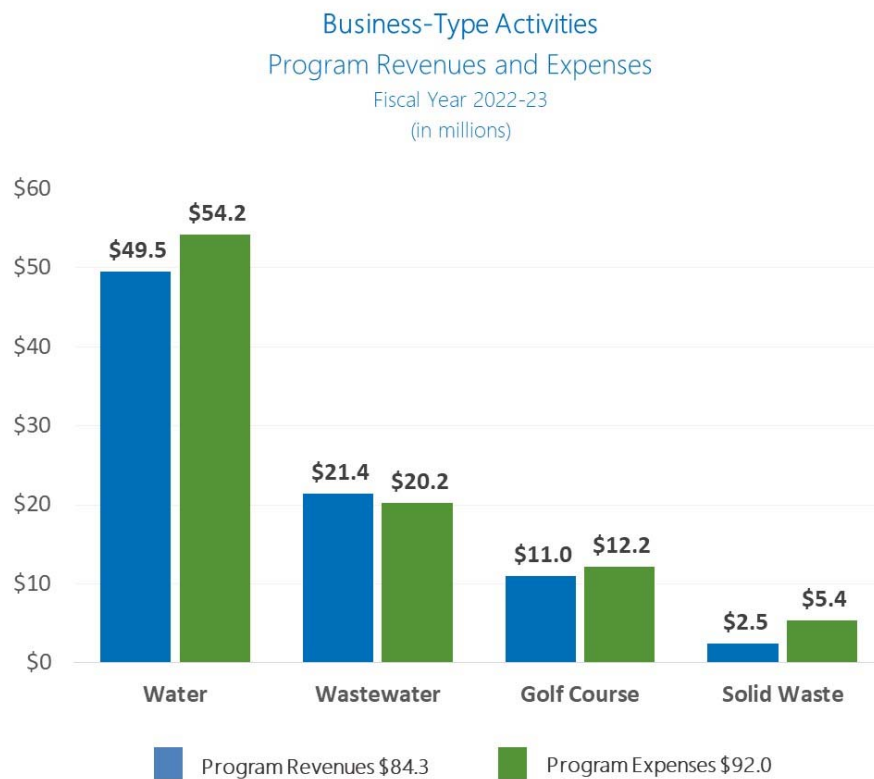
Community Services revenues are derived from development activities throughout the city, housing assistance programs, parks and recreation fees, and library fees. A large portion of Community Services revenues are comprised of housing assistance programs (Section 8 Rental Assistance, affordable housing loan repayments, and developers paying into the Affordable Housing Trust Fund) as well as charges for development related services. As expected, development activity reflected a moderate decrease from the prior fiscal year, offsetting only a portion of the program expenses.



The majority of Public Works revenues are used to acquire and build capital assets (versus covering operating expenses). In addition, the donation of capital assets from developers is reflected in the program revenues for Public Works. Capital assets are generally constructed or purchased once sufficient funds have accumulated to pay for the entire asset cost. Several years ago, the city entered a new stage of its lifecycle, from a developing or growing stage, to a mature and maintenance focused stage. As the city continues to mature and approach buildout, there will be fewer master planned projects. In past years, these projects constructed new facilities, roads, parks, and other city-owned infrastructure. The city is shifting its focus towards maintenance of existing facilities and will use funding sources such as the Infrastructure Replacement Fund to maintain and replace these assets.

Business-type Activities

Program revenues for the city’s business-type activities totaled \$84.3 million for the year, while program expenses equaled \$92.0 million.



Water program revenues are generated primarily from the sale of water, but also from developer donated assets and grants. While program expenses were higher than revenues, the fiscal year ended with a positive change in net position the water program from \$5.1 million in general revenues combined with interest from an increase in rates on a higher cash balance. While revenues increased from annual water rates in January 2022 and 2023, this was offset by a decline in water volume sales from significant rainfall and statewide drought restrictions. Expenses were driven by 7.7% increases for the cost of purchased water.

Wastewater program revenues of \$21.4 million were slightly higher than program expenses of \$20.2 million. An increase in revenue was driven by annual rate increases, and significant capital contributions from new development. Expenses are higher mostly from Encina operations and depreciation from new and replacement assets.



The city’s golf course enterprise was in its 16th full year of operation and finished the fiscal year with a net loss of \$1.2 million. The demand for golf has remained significant in the region and at the city’s municipal course. The course witnessed over 72,000 rounds played which significantly contributed to the golf course revenues sufficiently funding normal golf course operating expenses (i.e., excluding depreciation expense).

Solid waste revenues are primarily generated from fees charged to waste removal services customers to support the city’s integrated waste management plan which include recycling efforts and proper waste disposal programs. Expenses were planned to surpass revenues as many waste management programs have increased in level of effort and cost, such as solid waste, recycling, and organics management services, household hazardous waste collection and disposal, and environmental outreach and education. Despite the current year loss of \$3.0 million, the fund has sufficient reserves.

Capital construction expenses are spread over the life of an asset as annual depreciation charges (program expenses) and are not reflected as an expense in the year acquired.

A more detailed discussion of each of the enterprises can be found in the Proprietary Funds Section.

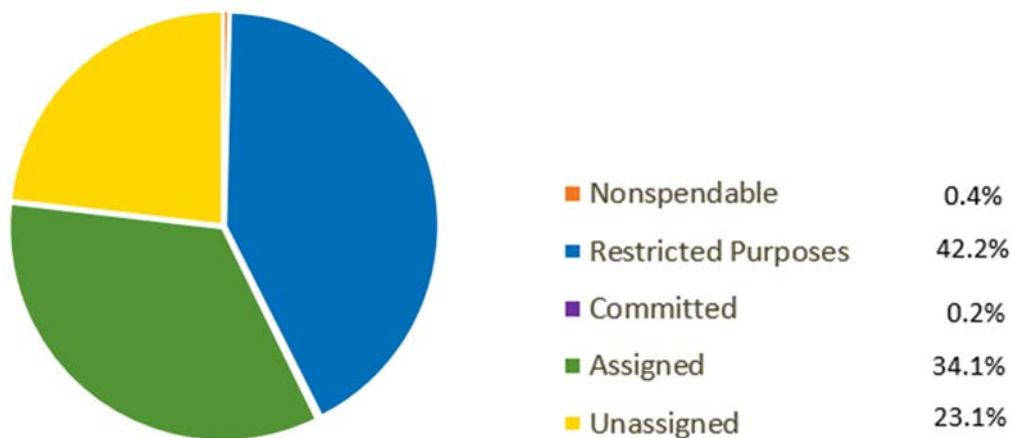
Financial Analysis of the City’s Funds

As noted earlier, the city uses fund accounting to ensure compliance with finance related legal requirements. In the current Annual Comprehensive Financial Report, the city implemented GASB Statement No. 91, Conduit Debt Obligations, GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, GASB Statement No. 96, Subscription-Based Information Technology Arrangements and GASB Statement No. 100, Accounting Changes and Error Corrections. More information on these pronouncements can be found in Note 1 of the financial statements.

Governmental Funds

The focus of the city’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the city’s financing requirements. In particular, unassigned fund balances may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

Governmental Fund Balances at June 30, 2023
\$590.7 Million



There are five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned. These fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. At the end of the current fiscal year, the city’s governmental funds reported combined ending fund balances of \$590.7 million, up \$15.7 million from the year before. Approximately 0.4% (\$2.2 million) constitutes nonspendable fund balances, mostly comprised of advances and loans to other



funds. Restricted fund balances can only be spent for a specific purpose stipulated by law and make up about 42% (\$249.2 million). Assigned fund balances are intended to be used by the city for specific purposes, but do not meet the criteria to be classified as restricted or committed. These make up over 34% (\$201.4 million) of the city’s fund balance. Unassigned fund balance is 23% (\$136.8 million) of the overall fund balance, which is available for spending at the City Council’s discretion.

The General Fund is the main operating fund of the city, and at the end of the fiscal year had a total fund balance of \$182.8 million, an increase of \$20.7 million from the prior fiscal year. This resulted from continued recovery from COVID-19 and significant inflation sustained by consumer demand as property, sales, and transient occupancy tax revenues reached historical levels. And while spending has recovered to near normal levels, there is still an overall awareness of fiscal responsibility throughout the city.

The unassigned fund balance portion of the General Fund was \$136.8 million, an increase of \$26.9 million from last fiscal year. This increase resulted from (before transfers out) revenues in excess of expenditures of approximately \$44.9 million. In September 2022, the City Council approved a total of \$10.6 million of additional transfers to the Workers’ Compensation, Risk Management, and Fleet Maintenance Funds in an effort to address the health of each respective fund’s net position. Of the total \$24.2 million in transfers out of the General Fund, \$13.3 million were used to fund future capital projects, \$0.3 million were used for operating subsidies and \$10.6 million were used to assist with the rising activity and costs within the city’s internal service funds.

The city’s General Fund Reserve Policy, outlined in City Council Policy No. 74, commits the city to maintaining General Fund reserves at a target of 40% of General Fund annual operating expenditures. The total reserve level is to be calculated using the prior fiscal year’s adopted General Fund budgeted expenditures and is outlined below:

GENERAL FUND RESERVE BALANCE
(in millions of dollars)

	Actual	Target
Unassigned General Fund balance at June 30, 2023	\$ 136.8	\$ 79.4
Fiscal year 2022-23 adopted General Fund budgeted expenditures	\$ 198.4	\$ 198.4
General Fund reserve percentage	69%	40%



A summary of the General Fund’s revenues, expenditures and changes in fund balance is shown below.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(in millions of dollars)

	Total		Increase (Decrease)	Total Percentage Change
	2022	2023	2022-23	
Revenues				
Taxes	\$178.8	\$193.2	\$14.4	8.1%
Intergovernmental	7.9	2.5	(5.4)	-68.2%
Licenses and permits	3.2	3.7	0.5	14.4%
Charges for services	9.8	10.8	1.0	9.9%
Fines and forfeitures	0.3	0.4	0.1	16.6%
Income from property and investments	(5.6)	7.1	12.7	-227.5%
Miscellaneous	1.2	1.9	0.7	60.0%
Total revenues	195.7	219.6	23.9	12.2%
Expenditures				
General government	22.0	23.0	1.0	4.5%
Interdepartmental charges	(5.3)	(6.0)	(0.7)	13.2%
Public safety	82.0	85.4	3.4	4.1%
Community services	45.0	48.7	3.8	8.3%
Public works	20.1	22.3	2.3	11.2%
Capital outlay	2.7	1.3	(1.4)	-50.9%
Total expenditures	166.4	174.7	8.4	5.0%
Excess (deficiency) before transfers	29.3	44.9		
Transfers in	0.0	0.0		
Transfers out	(27.0)	(24.2)		
Increase (decrease) in fund balance	2.3	20.7		
Beginning fund balance	159.8	162.1		
Ending fund balance	\$162.1	\$182.8		

The Community Facilities District No. 1 Fund continues to collect assessments for the future construction of city infrastructure and facilities which includes projects such as Veteran’s Park, a centralized maintenance and operations center for Public Works and Parks Maintenance and a new city hall complex.

The General Capital Construction Fund used a portion of its existing fund balance towards the completion of the new Fire Station No. 2, facilities to house the temporary Fire Station No. 7, the refurbishment of the Police and Fire Headquarters building, Lake Calavera Outlet Improvements and various other projects. The expenditures were partially offset by a transfer from the General Fund for future projects.

The fund balance in the Infrastructure Replacement Fund increased as the city continued the annual transfer of funds from the General Fund for the future replacement of existing infrastructure and facilities. Projects for the year included the Police and Fire Headquarters refurbishment, a fuel island at the Fleet Service Center, roof repairs at Leo Carrillo Ranch, and various other infrastructure improvement projects.



The Technology Investment Fund, which is funded by an annual transfer of funds from the General Fund, is used for investments in future digital transformation and technology projects. Projects during fiscal year 2022-23 included audio visual upgrades in city conference rooms, investments in the city's digital information network, the beginning stages of the replacement of the computer aided dispatch system in public safety, technology upgrades in the City Council chambers, an expansion of the city's records management system and other various information technology projects.

During the year, the city continued to set aside money for the construction of various projects within these and other governmental funds. Historically, the city has not issued debt to fund the construction of capital projects and sets aside funds on an annual basis until sufficient funds have been collected for the construction of specific projects. In addition, projects will not be constructed until anticipated annual operating costs can be absorbed into the city's budget without creating a deficit.

Proprietary Funds

The purpose of the city's proprietary fund sections is to provide short-term and long-term financial information about the city's business-type activities. The analysis focuses on the determination of operating income, changes in net position (cost recovery), financial position, and cash flows.

The Carlsbad Municipal Water District (CMWD) funds experienced an operating loss of approximately \$7.6 million for the year. Operating revenues were approximately \$46.9 million and operating expenses were approximately \$54.4 million. Water purchases was one of the larger factors in the operating loss and caused by cost increases of water purchased from the Metropolitan Water District and the San Diego County Water Authority (suppliers of the CMWD's potable water). The loss is attributable to a lower volume of water sales driven by higher than expected rainfall in the current year, and statewide drought restrictions. This was offset by a 2% increase in CMWD's water rates effective January 2023. Nonoperating income included property and investments of \$1.9 million and property taxes of \$5.1 million. Income before transfers, capital contributions and special items for the year was (\$0.7) million.

The Wastewater Fund had an annual operating loss of \$0.6 million for the fiscal year. Total revenues from operations were up \$3.4 million from the prior year, due primarily to rate increases. Operating expenses were up \$2.5 million and were primarily the result of the increased capital improvements offset by a decrease in administration and general compared to the previous fiscal year. Nonoperating revenues resulted in a \$0.4 million gain driven by a higher value market value adjustment for the city's investment.

In the sixteenth year of operation, the Golf Course Fund had an operating loss of \$1.2 million. Excluding depreciation of the enterprise's assets (\$3.4 million), the Golf Course Fund's net income was \$2.2 million. Revenues exceeded expectations in the current year due to a continued strong demand for rounds combined with an increase in green fees during the year. While revenue increased, golf related costs are generally fixed in nature and did not increase at the same rate.

Solid Waste Operations and Storm Water Programs are combined on the city's financial reports and showed a net operating loss of \$2.8 million for the year. Revenues were lower than the previous fiscal year from changes in the collection of certain stormwater fees which results in a decline in revenue but aligns fees with regulatory standards, and expenses in the solid waste fund increased due to increases in the recycling and organics management services and programs. Nonoperating revenues resulted in a \$0.4 million increase to the \$2.8 million operating loss before transfers and capital contributions.

The unrestricted net position for the Water, Golf Course, Wastewater and Solid Waste Operations at the end of the year amounted to \$154.7 million, or approximately 28% of the total enterprise funds net position. This unrestricted balance increased mostly from positive operating performance excluding depreciation. Each fund's unrestricted net position may be used for rate stabilization for the respective fund's services, fluctuations in operating expenses, and unforeseen repairs and maintenance. Approximately \$38.4 million, or 7%, of the net position of all the proprietary funds are restricted for future capital construction of new and replacement water and wastewater infrastructure assets. Since funding for the replacement of infrastructure assets is not restricted, it is reflected in the Statement of Net Position as unrestricted. The city does, however, account for and monitor these amounts in separate funds to ensure that water and wastewater assets can be replaced when needed.



Council Policy No. 96 – Utilities Reserve Policy is designed to establish guidelines to ensure the fiscal stability of the potable water, recycled water and wastewater funds. The annual budget process and the setting of utility user rates and charges will be used to achieve and maintain the various target reserve levels. The policy aims to maintain minimum and target reserves for the following areas:

- Operating Reserve-minimum of 90 days and target of 120 days of operating costs for the operating funds of potable water, recycled water and wastewater funds.
- Debt Service Reserve-100% of required annual debt service for potable water, recycled water and wastewater.
- Capital Construction Reserve-minimum 50% and target of 100% for potable and recycled water and a minimum 25% and a target of 50% of wastewater of the five-year rolling average of annual spending on capital improvement projects.
- Emergency Capital Reserve-minimum of 0.5% and target of 1% of system replacement value for water, recycled water and wastewater.
- Rate Stabilization Reserve-minimum 10% and target of 20% of rate revenues for potable and recycled water and a minimum 5% and a target of 10% of rate revenues for wastewater.

UTILITIES RESERVES						
	<u>Operating (working capital)</u>	<u>Debt service</u>	<u>Capital construction 5- year average</u>	<u>Emergency capital</u>	<u>Rate stabilization</u>	
	<u>Days of operating costs</u>	<u>Percent of annual debt service</u>	<u>Percent of 5-year rolling average</u>	<u>Percent of system replacement value</u>	<u>Percent of rate revenues</u>	
Potable and recycled water						
Operating Budget	\$66.6					\$50.3
Debt Service Payment		\$1.9				
Capital Improvement Replacement Value			\$4.2		\$1,846.0	
Minimum	90	100%	50%	0.5%		10%
Target	120	100%	100%	1%		20%
Target (in millions)	\$21.9	\$0.6	\$4.2	\$18.5		\$50.5
Wastewater						
Operating Budget	\$23.1					\$21.9
Capital Improvement Replacement Value			\$8.5		\$780.0	
Minimum	90	100%	25%	0.5%		5%
Target	120	100%	50%	1%		10%
Target (in millions)	\$7.6	N/A	\$4.3	\$7.8		\$2.2



General Fund Budgetary Highlights for Fiscal Year 2022-23

Management monitors revenues during the year and updates estimated revenue figures when new information is received. General Fund revenue estimates were revised minimally during the year, as compared to the originally budgeted estimates. Some of the factors that led to the \$1.5 million increase in revenue estimates included:

- Adult literacy and family literacy grant funds received during the year.
- Building permit revenue received in excess of original budget estimates.
- Developer deposits received during the year to be used to pay for developer funded studies and reports.

The increase from the total original expenditure and transfers adopted budget to the final budget amounted to \$31.3 million and was primarily due to:

- Transfers of \$10.6 million to primarily fund increased actuarial claim estimates in the Worker’s Compensation and Risk Management Internal Service Funds and increased operating costs in the Fleet Maintenance Internal Service Fund.
- \$3.1 million to purchase patrol vehicles for the Police take home vehicle program.
- \$114,000 for a cost increase on a previously approved fire engine purchase.
- \$60,000 for the remaining fiscal year 2022-23 program costs for the limited stay motel voucher program.
- The appropriation of new grant money received during the fiscal year.
- Developer funded reports and studies.
- Outstanding purchase orders at June 30, 2022 totaling \$11.9 million carried forward into fiscal year 2022-23.
- The carryforward of other unspent funds at June 30, 2022 in the amount of \$3.7 million planned to be used for:
 - Ambulance gurney replacements.
 - Remaining budget for the local traffic emergency.
 - Additional Police take home vehicle program costs.
 - Police in car video systems.
 - Police taser inventory replacement.
 - Police services community survey.
 - Sustainable Mobility Plan update with Vision Zero.
 - Active Transportation Monitoring report.

The difference of \$25.4 million between the final budgeted expenditures plus transfers and the actual expenditures plus transfers for the year, on a budgetary basis, can be generally summarized as follows:

- \$13.5 million in outstanding encumbrances as of June 30, 2023 that were carried forward to fiscal year 2023-24
- Unspent capital outlay budget for vehicles and equipment in the Police Department in the amount of \$850,000. This amount was requested for City Council approval to be carried forward into fiscal year 2023-24 as part of the city’s carryforward process.
- Unspent budget for the city’s Safer Streets Together local state of emergency in the amount of \$560,000. This amount was requested for City Council approval to be carried forward into fiscal year 2023-24 as part of the city’s carryforward process.
- Savings by various major service areas within the city make up the remaining difference. Current year savings were generated from:
 - The closure of purchase orders that had no activity during the past 12 months.
 - Unspent City Council contingency funds in the amount of \$500,000.
 - Unfilled staff vacancies across the city.
 - Overall awareness of fiscal responsibility throughout the city.



Capital Asset and Debt Administration

Capital Assets

CITY OF CARLSBAD'S CAPITAL ASSETS (in millions of dollars)

	Governmental		Business-Type		Total		Total Percentage	
	Activities		Activities				Change	Change
	2022	2023	2022	2023	2022	2023	2022-23	2022-23
Land	\$160.6	\$159.7	\$9.3	\$9.4	\$170.0	\$169.1	(\$0.8)	-0.5%
Construction in progress	36.9	33.7	17.4	14.3	54.3	48.0	(6.3)	-11.6%
Buildings and other structures	138.3	154.0	41.4	44.1	179.7	198.1	18.4	10.2%
Improvements other than buildings	103.9	111.9	56.2	56.4	160.1	168.3	8.2	5.1%
Machinery and equipment	56.3	60.4	14.0	14.2	70.3	74.6	4.3	6.1%
Infrastructure	752.7	754.8	404.2	410.6	1,156.9	1,165.5	8.6	0.7%
Wastewater treatment facility	-	-	64.4	69.0	64.4	69.0	4.6	7.2%
Intangibles	6.5	11.5	-	-	6.5	11.5	5.0	76.8%
	1,255.1	1,286.1	606.9	617.9	1,862.0	1,904.0	42.0	2.3%
Accumulated depreciation	(446.6)	(473.8)	(239.0)	(254.4)	(685.6)	(728.2)	(42.7)	6.2%
Total	\$808.5	\$812.3	\$367.9	\$363.5	\$1,176.5	\$1,175.8	(\$0.7)	-0.1%

At the end of fiscal year 2022-23, the city had recorded investments of over \$1.2 billion in a broad range of capital assets, including park facilities, land, buildings, roads, bridges, drainage facilities, water and wastewater lines, Police and Fire vehicles, and other maintenance equipment. This number includes infrastructure assets of the general government which are required per GASB.

Some of this year's major capital asset additions included:

- Fire Station No. 2
- Agua Hedionda Lift Station
- Carlsbad Recycled Water Facility Improvements
- Poinsettia Park Phase IV Improvements
- New Village Art's Building Improvements
- Temporary Fire Station No. 7
- NW Storm Drain Improvements
- Water and sewer pipelines and traffic signal at Gateway Road
- License plate readers
- Golf Cart Fleet
- Lake Calavera Outlet Improvements
- ADA Ramp Improvements
- Villas Sewer Lift electric panel
- El Camino Real and Cannon Road Intersection Improvements
- Pavement paint marking truck
- Ambulance vehicle
- Traffic signal at Tamarack Ave. and Valley St.
- IT server devices
- Computer aided dispatch system
- Dump truck
- Refurbishment of Safety Training Center
- Information technology network and service software

In addition to carrying forward appropriations of \$251.5 million for previously budgeted projects, the city's fiscal year 2022-23 capital improvement budget appropriated an additional \$42.6 million for capital projects.

These additional appropriations were principally for the following projects: Intersection control at Camino De Los Coches and La Costa Avenue, La Costa Avenue Traffic Improvements, the city's pavement management and concrete replacement programs, village decorative lighting projects, beach access repair and upgrades Pine to Tamarack, Calavera Hills Community Center refurbishments, Hosp Grove Park improvements, Faraday Avenue and El Camino Real Sewer replacement (Orion to Palomar Airport Road), Cannon Road sewer lift station improvements, Encina Wastewater capital projects, Barrio street lighting projects, Avenida Encinas Coastal Rail Trail and pedestrian improvements, El Camino Real widening (Sunny Creek to Jackspar), SCADA improvements and water system rehabilitation and replacement program.



These projects will be financed by development fees, infrastructure and replacement transfers from the General Fund, special district fees and taxes, water and wastewater replacement reserves and other sources, including grants and contributions from other agencies. More detailed information about the city’s capital assets is presented in Note 6 of the financial statements and in the city’s Capital Improvement Program (CIP) document, which can be found on the city’s website or obtained from the Administrative Services Department.

Long-term Debt

CITY OF CARLSBAD’S OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change 2022-23
	2022	2023	2022	2023	2022	2023	
Leases	\$22,377	\$238,385	\$0	\$0	\$22,377	\$238,385	965.3%
Subscriptions	1,845,563	2,928,584	0	0	1,845,563	2,928,584	58.7%
Loans	0	0	12,443,537	10,792,169	12,443,537	10,792,169	-13.3%
Total	\$1,867,940	\$3,166,969	\$12,443,537	\$10,792,169	\$14,311,477	\$13,959,138	-2.5%

At fiscal year-end, the city had \$11.0 million in loans and leases, a decrease of \$1.4 million from last year, as shown in the table above. Regular payments were made on all the city’s outstanding loans and leases. More detail about the city’s long-term liabilities is presented in Note 12 of the financial statements.

The city implemented GASB Statement No. 96 for the fiscal year ended June 30, 2023. This statement improves financial reporting for subscription-based information technology arrangements by requiring the city to report a subscription asset and subscription liability for these types of arrangements. The outstanding subscription liability can be found in the chart above. More information about these arrangements can be found in Note 11 of the financial statements.

Economic Factors and Next Year’s Budgets and Rates for Fiscal Year 2023-24

The Carlsbad economy is diverse, has strong industry clusters and is a leader in innovation. According to the most recent biennial business survey of Carlsbad businesses, released in January 2022, five key industry clusters are driving growth:

- Life sciences
- Information, communications and technologies
- Cleantech
- Sports innovation and design
- Hospitality and tourism

The gross regional product for Carlsbad is \$15.8 billion, indicating that Carlsbad is the largest economy in the county behind the City of San Diego. Companies that call Carlsbad home are at the forefront in areas of technology and innovation, and the city’s hospitality and tourism industry generate the second-highest amount of transient occupancy tax among the county’s 18 cities.

In 2022, Carlsbad’s economy grew by roughly \$1.07 billion, with a total gross regional product of \$15.8 billion. Growth occurred in all sectors except the mining and oil and gas extraction sector, which contracted slightly. Wholesale trade, manufacturing, professional, scientific and technical services, and hospitality and food service were the leading growth sectors for Carlsbad in 2022.

Through most of 2022, Carlsbad’s unemployment rate fluctuated between 2% and 3%. In January 2023, the unemployment rate jumped to 3.4% and ticked up to 3.5% in February and March. Macrotrends in the tech industry are pushing unemployment up nationally, but the labor market is still seen as being very tight. The unemployment rate in March was 4.8% at the state level and 3.7% at the county level.



In the first quarter, the financial industry was impacted by the failure of Silicon Valley Bank (SVB). SVB was a major player in the entrepreneurship and startup ecosystem. The ripple effects of the SVB failure, and the subsequent failure of First Republic Bank, could have tumultuous impacts for San Diego and Carlsbad-based startups and entrepreneurs – a key focal point in the city’s Economic Development Strategic Plan. Combined with the continued rise in interest rates, capital will be harder to access for some developing companies. This could stunt growth and potentially lead to downsizing. Some economists are predicting the United States is at or near the peak of inflation, although many predict continued interest rate hikes are likely. With these pressures on the financial system, most economists agree that a recession is looming, although the length and severity is debated.

The continued rise in interest rates is also impacting property values in Carlsbad. The median home price in Carlsbad fell \$98,000 in the last quarter. Median home prices rose consistently in Carlsbad between March 2019 and July 2022 and have since been falling. The current median home price is \$1,338,506, which is roughly equivalent to the median home price in December 2021.

Commercial real estate was more resilient last quarter in Carlsbad, with rental rates continuing to rise in all categories, office, industrial and retail. However, commercial developers are largely holding off on building new developments and office space elsewhere in the region and the county is seeing a rise in vacancy and a drop in value, an indicator of instability.

The importance of monitoring economic trends at global as well as local levels becomes increasingly important as the city navigates these uncertain times. Below are budgetary expectations and highlights from the fiscal year 2023-24 adopted budget.

Property tax, the largest source of General Fund revenues, is expected to grow by 3.4% over last year’s estimates. While the residential real estate market in Carlsbad has seen significant increases in values in recent years, the growth has begun to cool off. Commercial property assessed values are expected to remain relatively flat as the increase in interest rates has created immense uncertainty in the sector. With the COVID-19 emergency officially ended, the focus on the housing market shifts to other economic factors. In response to the unprecedented inflationary increases experienced over the last year and a half, the Federal Reserve has responded by raising rates to a current range of 5.0-5.25%, the highest range since July 2006. This has made home purchasing more difficult for borrowers. While demand remains relatively high both locally and around the state, these increases have certainly contributed to the median home value in Carlsbad falling to \$1.3 million, roughly the same value as in December 2021. Proposition 8 allows owners to have their property temporarily revalued if market value is lower than the factored base year value, posing a risk that commercial property values could temporarily decrease.

Assessed values on the residential real estate side are expected to grow modestly, capped by California’s Proposition 13. Adopted in 1978, Proposition 13 limits the annual increase in assessed values for property. Under this proposition, assessed values (and the related property tax) can grow by no more than 2% per year. The value upon which the tax is based is only increased to the full market value upon the sale of a property. The maximum increase of assessed values when properties are not sold is by the change in California’s Consumer Price Index, which was 1.036% in fiscal year 2021-22 – below the 2% cap for the first time since 2016-17. In recent years, residential activity has been driven by low interest rates on mortgages, pent-up demand that built during the shutdown and an increase in the ability to work remotely. Now, increasing rates and diminishing pent-up demand as we move past the pandemic will likely have adverse impacts compared to prior periods. Based on resale data from Zillow, the median price of a single-family residence in Carlsbad is \$1.3 million, up by 0.7% year over year in March 2023.

Sales Tax revenues generally move in step with economic conditions and overall, Carlsbad’s economy has absorbed the inflationary increases experienced over the past 12-18 months. The restrictions resulting from the COVID-19 pandemic led to increases in segments like auto sales, construction, drug store sales, chemical products, food markets and recreational products, while others like restaurants and general retail took a major hit. With the pandemic and its impacts mostly behind us, the uncertainty rests with continued levels of inflationary increase and whether the rise in interest rates will lower inflation levels adequately.



Sales tax revenues improved markedly up until fiscal year 2019-20, peaking in fiscal year 2018-19 at \$40.8 million. The onset of the pandemic in March 2020 resulted in swift reductions in sales tax revenues and the city ended the year with \$38 million in sales tax revenues. During fiscal year 2020-21, sales tax levels generally correlated with shelter-in-place mandates. As restrictions were lifted, the city's sales tax levels recovered—the city ended fiscal year 2020-21 with \$44 million in sales tax revenues. Fiscal year 2021-22 experienced the most accelerated recovery, ending the year at a historic high of \$51.2 million in sales tax revenues. The fiscal year 2022-23 sales tax estimates reflected uncertainty surrounding market and economic conditions like inflation and impacts to disposable income. These inflationary increases have yet to adversely impact sales tax revenues through the first six months of the fiscal year and staff anticipate another historic high of sales tax revenues. However, this positive experience does not change the outlook. With continued levels of inflation and a risk of recession looming, staff have proposed a conservative estimate of \$51.1 million in budgeted revenue for fiscal year 2023-24 which represents a decrease of \$0.3 million, or 1%, over fiscal year 2022-23 estimates.

The third highest General Fund revenue source is Transient Occupancy Tax, also known as TOT or hotel tax. TOT was the revenue category most adversely impacted by COVID-19. From historic highs of \$26 million in fiscal year 2018-19, the city experienced year-over-year decreases of 27% and 16%. Recovery from the pandemic was estimated conservatively; however, fiscal year 2021-22 proved otherwise, reaching a historic high of \$32.4 million driven by the easing of restrictions, pent-up demand and an increase in average daily room rates. This trend continued in fiscal year 2022-23, whereby actual revenues exceeded conservative estimates that were applied to account for sustained levels of unprecedented inflation. It is estimated that TOT revenues will once again reach a historic high this year.

According to a report from Tourism Economics, San Diego County tourism will see continued growth in visitation demand of around 9.8% in calendar year 2023. The projected increase is supported by the thought that travel has, since the pandemic, been "reclassified" as a necessary expense rather than a discretionary one. Furthermore, the influx of financial aid and savings achieved throughout the pandemic may likely indicate that uncertainty in the economy can be mitigated by these additional funds. However, group business travel has yet to fully return to pre-pandemic levels and uncertainty around rising inflation and diminishing pent up demand continue to drive a moderately conservative estimate in fiscal year 2023-24. The City of Carlsbad currently has approximately 4,776 hotel rooms, 343 registered vacation rentals and over 660 timeshares.

Ambulance fee revenues are estimated to increase \$3.3 million over last year's estimates, from \$3.9 million to \$6.3 million. This increase is due to the Fire Department's addition of two medical transports. The increase is also driven by the Ground Emergency Medical Transportation Certified Public Expenditure Program, which helps cover uncompensated costs for Medical fee-for-service transports. The department submitted cost reports for fiscal year 2018-19 through 2022-23 and is expected to receive a one-time reimbursement of \$666,000. Furthermore, the department will participate in the Public Provider Ground Emergency Medical Transport Intergovernmental Transfer Program which will provide add-on reimbursement payments to help cover uncompensated costs in the future. This will generate approximately \$883,000 in additional revenue annually. Lastly, the Fire Department recently completed an ambulance fee study and is proposing to increase the fees to better align cost recovery levels in comparison with jurisdictions in the region. The additional revenue will amount to approximately \$2 million annually.

The City Council approved 2 new Personnel or full-time positions in the General Fund which were offset by a reduction of one full-time position and several part-time positions in the General Fund (net decrease of 12.06 full-time equivalent positions). The staffing changes in the General Fund included:

- Library & Cultural Arts added 1.0 Production Technician and 1.0 Senior Librarian in Adult & Teen Services. The addition of these two full-time positions is offset and funded by the reduction of part-time staff equal to 5.55 full-time equivalent positions, resulting in ongoing savings to the General Fund of approximately \$100,000.
- The Fire Department added 1.0 Senior Office Specialist. The addition of this full-time position is offset and funded by the reduction of two part-time positions. In conjunction with additional changes made during fiscal year 2022-23, a cost neutral fiscal impact was achieved.
- Community Services Administration eliminated a full-time administrative position as part of departmental reorganization efforts within the branch.



As part of CalPERS' strategy to ensure the plan's sustainability, and as a result of their investment performance in fiscal year 2020-21, CalPERS reduced its discount rate from 7.0% to 6.8% which increases the amount the city is required to contribute on an annual basis. In support of CalPERS strategies for plan sustainability, and as part of the city's strategic, long-term approach to financial management, the city actively manages its unfunded pension liability. The City Council approved an additional discretionary contribution of \$6.4 million to decrease future costs of the city's unfunded actuarial liability. In fiscal year 2021-22, CalPERS experienced a 6.1% investment loss which nearly negated the positive performance from the previous year. The city expects its required contributions to increase significantly once this investment loss from fiscal year 2021-22 is factored into CalPERS' actuarial valuation reports in fiscal year 2024-25. During fiscal year 2023-24, the city established a Section 115 Pension Trust for purposes of mitigating CalPERS' volatility, maintaining local control over city assets, and preparing for potential future decreases in CalPERS' discount rate. An initial contribution of \$10 million was authorized by the City Council and made to the trust. On an annual basis, the city will evaluate the plan's funded status in respect to City Council Policy No. 86 as well as potential changes in CalPERS' assumptions to determine the appropriateness of further contributions to the trust. This active management helps ensure resources are available to fulfill the city's contractual promises to its employees and minimizes the chance that funding these pension benefits will interfere with the city's ability to provide essential public services.

These factors were considered when preparing the city's General Fund budget for fiscal year 2023-24. Budgeted expenditures increased by 9.3% to \$216.9 million. The total personnel budget for fiscal year 2023-24 is \$130.1 million, which is 4.8% more than the previous year's personnel budget of \$124.1 million. The total maintenance and operations budget for fiscal year 2023-24 is \$64.8 million, which is 9.5% higher than the previous year's budget of \$59.2 million and reflects the one-time \$5.2 million appropriation for the Village Trenching project. The total capital outlay budget for fiscal year 2023-24 is \$0.1 million, \$1.4 million less than the previous year.

Transfers out of the General Fund are budgeted at \$21.9 million, an \$8.3 million increase from the prior fiscal year. This increase resulted from a one-time use of projected budget surplus of \$7.4 million to further fund capital projects.

The city's business-type activities reflect the following:

Water revenues are expected to increase from rate increase starting January 2024, which may be offset by a reduction in volume from statewide water conservation efforts.

The effective increase in purchase costs for CMWD is projected to be approximately 7%. The cost of water purchased from the San Diego County Water Authority is projected to increase due to increases in Metropolitan Water District's water rates. A recent cost of service study set rate increases beginning in January 2025 with increases based on purchase rates, capital repair costs and maintaining adequate reserves.

Wastewater rates increased 20% beginning in January 2024 with planned increases based on a recent cost study. The increases are needed to invest in maintaining wastewater infrastructure that has reached the end of its expected life and increases in cost of materials and supplies needed to operate systems.

Solid Waste revenues are projected to slightly decrease, and the fund expects to run a deficit due to increasing waste management requirements imposed by the state. Sufficient reserves are expected to sustain the increased costs without significant revenue increases in the short term.

The Golf Course Fund projected a slight increase in revenues from an increase in rates in July 2023 further driven continued demand and a return of private events. As a result, the operation expected to continue to see improvements in their cash flows going forward.

[Contacting the City's Financial Management](#)

This financial report is designed to provide the City of Carlsbad's residents, taxpayers, customers, investors, and creditors with a general overview of the city's finances and to demonstrate the city's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Finance Department, 1635 Faraday Avenue, Carlsbad, CA 92008, 442-339-2430, or find additional information at www.carlsbadca.gov.

Basic Financial Statements



Government-Wide Financial Statements



CITY OF CARLSBAD
Statement of Net Position
June 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 623,710,662	\$ 194,883,503	\$ 818,594,165
Receivables:			
Accounts	454,301	10,977,267	11,431,568
Taxes	16,965,470	52,546	17,018,016
Notes and loans	27,713,432	-	27,713,432
Accrued interest	6,473,922	846,570	7,320,492
Leases	12,183,616	4,990,120	17,173,736
Other	1,424,636	537,496	1,962,132
Internal balances	(2,522,868)	2,522,868	-
Prepaid costs	2,035,022	108,503	2,143,525
Deposits	200,432	-	200,432
Due from other governments	1,651,419	3,999,983	5,651,402
Inventories	251,781	1,627,479	1,879,260
Land held for resale	442,800	-	442,800
Capital assets not being depreciated	193,464,148	23,662,906	217,127,054
Capital assets, net of depreciation	618,785,860	339,881,068	958,666,928
Total assets	1,503,234,633	584,090,309	2,087,324,942
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	81,599,021	5,909,550	87,508,571
OPEB-related	3,829,200	654,350	4,483,550
Total deferred outflows of resources	85,428,221	6,563,900	91,992,121
LIABILITIES			
Accrued liabilities	19,857,740	3,987,267	23,845,007
Accrued interest	34,513	29,325	63,838
Unearned revenue	1,303,685	149,976	1,453,661
Deposits payable	9,244,647	1,147,733	10,392,380
Due to other governments	116,266	7,338,482	7,454,748
Noncurrent liabilities:			
Due within one year: loans, leases, subscriptions, and claims	15,418,502	1,738,405	17,156,907
Due in more than one year:			
Loans, leases, subscriptions, and claims	16,307,600	9,053,764	25,361,364
Net pension liability	184,927,240	13,600,231	198,527,471
Net OPEB liability	2,629,936	338,604	2,968,540
Total liabilities	249,840,129	37,383,787	287,223,916
DEFERRED INFLOWS OF RESOURCES			
Pension-related	1,110,710	176,912	1,287,622
OPEB-related	761,572	134,434	896,006
Lease-related	11,850,946	4,836,833	16,687,779
Total deferred inflows of resources	13,723,228	5,148,179	18,871,407
NET POSITION			
Net investment in capital assets	809,083,039	352,493,976	1,161,577,015
Restricted:			
Affordable housing	41,800,556	-	41,800,556
Community services	3,599,267	-	3,599,267
Lighting and landscape districts	9,897,059	-	9,897,059
General government	701,325	-	701,325
Public safety	602,264	-	602,264
Capital projects	192,629,411	38,437,080	231,066,491
Unrestricted	266,786,576	157,191,187	423,977,763
Total net position	\$ 1,325,099,497	\$ 548,122,243	\$ 1,873,221,740

CITY OF CARLSBAD
Statement of Activities
Year Ended June 30, 2023

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Functions/Programs:				
Primary government:				
Governmental activities:				
General government	\$ 22,767,518	\$ 633,721	\$ 1,602,768	\$ 284,652
Public safety	99,483,879	6,504,817	1,576,440	-
Community services	76,373,519	9,423,350	10,624,775	171,020
Public works	54,124,139	3,505,432	255,732	12,511,475
Interest on long-term debt	22,365	-	-	-
Total governmental activities	252,771,420	20,067,320	14,059,715	12,967,147
Business-type activities:				
Carlsbad Municipal Water District	54,178,068	46,101,707	-	3,427,569
Golf course	12,198,021	10,966,531	-	-
Wastewater	20,193,986	19,616,466	-	1,761,415
Solid waste	5,405,204	2,245,025	209,448	-
Total business-type activities	91,975,279	78,929,729	209,448	5,188,984
Total primary government	\$ 344,746,699	\$ 98,997,049	\$ 14,269,163	\$ 18,156,131

General revenues and transfers

General revenues:

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Real property transfer taxes

Business license taxes

Use of money and property

Other

Gain on sale of capital asset

Transfers

Total general revenues and transfers

Change in net position

Net position-beginning

Net position-ending

**Net (Expenses) Revenues and
Changes in Net Position**

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (20,246,377)	\$ -	\$ (20,246,377)
(91,402,622)	-	(91,402,622)
(56,154,374)	-	(56,154,374)
(37,851,500)	-	(37,851,500)
(22,365)	-	(22,365)
(205,677,238)	-	(205,677,238)
-	(4,648,792)	(4,648,792)
-	(1,231,490)	(1,231,490)
-	1,183,895	1,183,895
-	(2,950,731)	(2,950,731)
-	(7,647,118)	(7,647,118)
(205,677,238)	(7,647,118)	(213,324,356)

88,196,125	5,129,819	93,325,944
34,280,239	-	34,280,239
56,186,707	-	56,186,707
7,833,845	-	7,833,845
1,367,481	-	1,367,481
6,356,809	-	6,356,809
10,988,049	2,579,136	13,567,185
3,969,327	1,526,467	5,495,794
513,445	-	513,445
(332,000)	332,000	-
209,360,027	9,567,422	218,927,449
3,682,789	1,920,304	5,603,093
1,321,416,708	546,201,939	1,867,618,647
\$ 1,325,099,497	\$ 548,122,243	\$ 1,873,221,740



Fund Financial Statements



CITY OF CARLSBAD
Balance Sheet
Governmental Funds
June 30, 2023

	Capital Projects Funds			
	General	Community Facilities District #1	Infrastructure Replacement Fund	Park Development
ASSETS				
Cash and investments	\$ 177,207,987	\$ 94,606,892	\$ 111,637,918	\$ 14,611,756
Receivables (net of allowance for uncollectible):				
Accounts	441,582	-	-	-
Taxes	16,959,620	5,850	-	-
Accrued interest	822,759	412,464	482,867	63,200
Due from other governments	167,852	-	-	-
Notes and loans	381,635	-	-	-
Leases	7,883,689	1,276,727	-	-
Other	1,245,116	-	-	-
Due from other funds	-	-	-	-
Deposits	200,432	-	-	-
Inventories	12,110	-	-	-
Prepaid costs	36,973	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	1,167,725	901,024	-	-
Total assets	\$ 206,527,480	\$ 97,202,957	\$ 112,120,785	\$ 14,674,956
LIABILITIES				
Accrued liabilities	\$ 6,264,215	\$ 237,929	\$ 863,570	\$ 96,439
Due to other governments	-	-	-	-
Deposits payable	8,723,996	13,000	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	5,650,000
Unearned revenues	958,777	-	-	-
Total liabilities	15,946,988	250,929	863,570	5,746,439
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	94,408	-	-	-
Lease-related	7,636,838	1,221,360	-	-
Total deferred inflows of resources	7,731,246	1,221,360	-	-
FUND BALANCES				
Nonspendable	1,798,875	-	-	-
Restricted	-	95,730,668	-	8,928,517
Committed	1,000,000	-	-	-
Assigned	43,209,995	-	111,257,215	-
Unassigned	136,840,376	-	-	-
Total fund balances	182,849,246	95,730,668	111,257,215	8,928,517
Total liabilities, deferred inflows of resources, and fund balances	\$ 206,527,480	\$ 97,202,957	\$ 112,120,785	\$ 14,674,956

CITY OF CARLSBAD
Balance Sheet
Governmental Funds
June 30, 2023

	Total Nonmajor Funds	Total Governmental Funds
ASSETS		
Cash and investments	\$ 162,650,801	\$ 560,715,354
Receivables (net of allowance for uncollectible):		
Accounts	8,307	449,889
Taxes	-	16,965,470
Accrued interest	4,447,836	6,229,126
Due from other governments	1,483,567	1,651,419
Notes and loans	27,331,797	27,713,432
Leases	3,023,200	12,183,616
Other	179,520	1,424,636
Due from other funds	24,002	24,002
Deposits	-	200,432
Inventories	3,814	15,924
Prepaid costs	378,021	414,994
Land held for resale	442,800	442,800
Advances to other funds	5,650,000	7,718,749
Total assets	\$ 205,623,665	\$ 636,149,843
LIABILITIES		
Accrued liabilities	\$ 3,591,394	\$ 11,053,547
Due to other governments	116,266	116,266
Deposits payable	505,559	9,242,555
Due to other funds	24,002	24,002
Advances from other funds	2,068,749	7,718,749
Unearned revenues	344,908	1,303,685
Total liabilities	6,650,878	29,458,804
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	4,015,323	4,109,731
Lease-related	2,992,748	11,850,946
Total deferred inflows of resources	7,008,071	15,960,677
FUND BALANCES		
Nonspendable	378,021	2,176,896
Restricted	144,570,697	249,229,882
Committed	-	1,000,000
Assigned	47,030,612	201,497,822
Unassigned	(14,614)	136,825,762
Total fund balances	191,964,716	590,730,362
Total liabilities, deferred inflows of resources, and fund balances	\$ 205,623,665	\$ 636,149,843

CITY OF CARLSBAD
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		\$ 590,730,362
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds		787,953,919
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-pension related	78,257,161	
Deferred outflows-OPEB related	3,590,991	
Deferred inflows-pension related	(1,010,666)	
Deferred inflows-OPEB related	<u>(725,273)</u>	
Total deferred outflows and inflows related to postemployment benefits		80,112,213
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		
Long-term receivables	3,682,496	
Miscellaneous revenues	<u>427,235</u>	
Total other long-term assets		4,109,731
Internal service funds are used by management charge the cost of fleet management, self-insurance, information technology, risk management, and workers' compensation to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Activities.		42,077,480
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		
Leases payable	(238,385)	
Net pension liability	(177,236,282)	
Net OPEB liability	<u>(2,409,541)</u>	
Total long-term liabilities		<u>(179,884,208)</u>
Net position of governmental activities		<u><u>\$1,325,099,497</u></u>

CITY OF CARLSBAD
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	Capital Projects Funds			
	General	Community Facilities District #1	Infrastructure Replacement Fund	Park Development
REVENUES				
Taxes	\$ 193,235,077	\$ 986,129	\$ -	\$ -
Licenses and permits	3,710,466	-	-	-
Intergovernmental	2,456,236	-	-	-
Contribution from property owners	-	740,042	-	549,031
Charges for services	10,833,054	-	-	-
Use of money and property	7,069,605	1,143,702	1,403,303	135,814
Fines and forfeitures	390,400	-	-	-
Contributions	20,233	-	-	-
Miscellaneous	1,907,690	-	27,177	-
Total revenues	219,622,761	2,869,873	1,430,480	684,845
EXPENDITURES				
Current:				
General government	22,975,577	50,005	-	-
Less: interdepartmental charges	(5,991,590)	-	-	-
Public safety	85,437,538	-	-	-
Community services	48,705,129	-	-	-
Public works	22,265,076	-	-	-
Capital outlay	1,336,186	912,722	7,293,771	189,929
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	174,727,916	962,727	7,293,771	189,929
Excess (deficiency) of revenues over (under) expenditures	44,894,845	1,907,146	(5,863,291)	494,916
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,956,000	-
Transfers out	(24,208,252)	-	-	-
Proceeds from sale of capital asset	24,042	-	-	-
Total other financing sources (uses)	(24,184,210)	-	3,956,000	-
Net change in fund balances	20,710,635	1,907,146	(1,907,291)	494,916
Fund balances-beginning, restated	162,138,611	93,823,522	113,164,506	8,433,601
Fund balances-ending	\$ 182,849,246	\$ 95,730,668	\$ 111,257,215	\$ 8,928,517

CITY OF CARLSBAD
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	Total Nonmajor Funds	Total Governmental Funds
REVENUES		
Taxes	\$ 5,520,836	\$ 199,742,042
Licenses and permits	-	3,710,466
Intergovernmental	14,267,654	16,723,890
Contribution from property owners	3,625,934	4,915,007
Charges for services	4,329,462	15,162,516
Use of money and property	1,313,146	11,065,570
Fines and forfeitures	-	390,400
Contributions	293,624	313,857
Miscellaneous	2,034,460	3,969,327
Total revenues	31,385,116	255,993,075
EXPENDITURES		
Current:		
General government	402,241	23,427,823
Less: interdepartmental charges	-	(5,991,590)
Public safety	402,883	85,840,421
Community services	16,797,621	65,502,750
Public works	3,071,794	25,336,870
Capital outlay	25,845,641	35,578,249
Debt service:		
Interest and fiscal charges	22,365	22,365
Total expenditures	46,542,545	229,716,888
Excess (deficiency) of revenues over (under) expenditures	(15,157,429)	26,276,187
OTHER FINANCING SOURCES (USES)		
Transfers in	9,472,000	13,428,000
Transfers out	(160,000)	(24,368,252)
Proceeds from sale of capital asset	355,302	379,344
Total other financing sources (uses)	9,667,302	(10,560,908)
Net change in fund balances	(5,490,127)	15,715,279
Fund balances-beginning, restated	197,454,843	575,015,083
Fund balances-ending	\$ 191,964,716	\$ 590,730,362



CITY OF CARLSBAD
Reconciliation of the Statement of Revenues, Expenses and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds		\$ 15,715,279
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.</p>		
Capital outlay	24,900,772	
Donations of capital assets	134,101	
Loss/(gain) on disposal of capital assets	(1,949,808)	
Depreciation/amortization expense	<u>(22,844,721)</u>	
Total adjustment		240,344
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Earned but unavailable tax revenues	(89,316)	
Earned but unavailable grant revenues	(196,269)	
Earned but unavailable other revenues	<u>(651,763)</u>	
Total adjustment		(937,348)
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.</p>		
Leases issued	238,606	
Principal payments	<u>(22,598)</u>	
Total adjustment		216,008
<p>The internal service funds are used by management to charge the costs of fleet management, self-insurance, information technology, risk management, and workers' compensation to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>		
		(2,698,675)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the</p>		
Changes in pension liabilities and related deferrals	(8,811,295)	
Changes in OPEB liabilities and related deferrals	<u>(41,524)</u>	
Total adjustment		<u>(8,852,819)</u>
Change in net position of governmental activities		<u><u>\$ 3,682,789</u></u>

CITY OF CARLSBAD
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds
ASSETS			
Current:			
Cash and investments	\$ 135,103,762	\$ 42,952,020	\$ 16,827,721
Receivables:			
Accounts, net of allowances	7,505,963	3,465,237	6,067
Taxes	52,546	-	-
Accrued interest	590,743	185,768	70,059
Lease	176,397	-	58,461
Other	-	-	537,496
Prepaid costs	15,433	-	93,070
Due from other governments	2,870,359	1,129,624	-
Inventories	1,411,886	15,607	199,986
Total current assets	147,727,089	47,748,256	17,792,860
Noncurrent:			
Lease receivable	3,513,043	-	1,242,219
Capital assets, net	201,877,232	140,336,677	21,330,065
Total noncurrent assets	205,390,275	140,336,677	22,572,284
Total assets	353,117,364	188,084,933	40,365,144
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	3,522,504	1,552,655	834,391
OPEB-related	453,877	114,773	85,700
Total deferred outflows of resources	3,976,381	1,667,428	920,091
LIABILITIES			
Current:			
Accrued liabilities	2,054,455	1,091,999	840,813
Accrued interest	29,325	-	-
Due to other governments	7,001,084	337,398	-
Unearned revenues	-	10,000	139,976
Deposits payable	107,289	168,646	871,798
Loans and subscriptions	1,738,405	-	-
Claims and judgments	-	-	-
Total current liabilities	10,930,558	1,608,043	1,852,587
Noncurrent:			
Accrued claims and judgments	-	-	-
Loans and subscriptions	9,053,764	-	-
Net pension liability	8,106,689	3,573,277	1,920,265
Net OPEB liability	202,879	61,854	73,871
Total Noncurrent Liabilities	17,363,332	3,635,131	1,994,136
Total liabilities	28,293,890	5,243,174	3,846,723

CITY OF CARLSBAD
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds
DEFERRED INFLOWS OF RESOURCES			
Pension-related	105,452	46,481	24,979
OPEB-related	93,735	25,553	15,146
Lease-related	3,579,091	-	1,257,742
Total deferred inflows of resources	3,778,278	72,034	1,297,867
NET POSITION			
Net investment in capital assets	191,018,397	140,145,514	21,330,065
Restricted for capital projects	35,621,275	2,815,805	-
Unrestricted	98,381,905	41,475,834	14,810,580
Total net position	\$ 325,021,577	\$ 184,437,153	\$ 36,140,645

Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time

Net position of business-type activities

CITY OF CARLSBAD
Statement of Net Position
Proprietary Funds
June 30, 2023

	Totals	Governmental Activities- Internal Service Funds
ASSETS		
Current:		
Cash and investments	\$ 194,883,503	\$ 62,995,308
Receivables:		
Accounts, net of allowances	10,977,267	4,412
Taxes	52,546	-
Accrued interest	846,570	244,796
Lease	234,858	-
Other	537,496	-
Prepaid costs	108,503	1,620,028
Due from other governments	3,999,983	-
Inventories	1,627,479	235,857
Total current assets	<u>213,268,205</u>	<u>65,100,401</u>
Noncurrent:		
Lease receivable	4,755,262	-
Capital assets, net	363,543,974	24,296,089
Total noncurrent assets	<u>368,299,236</u>	<u>24,296,089</u>
Total assets	<u>581,567,441</u>	<u>89,396,490</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension-related	5,909,550	3,341,860
OPEB-related	654,350	238,209
Total deferred outflows of resources	<u>6,563,900</u>	<u>3,580,069</u>
LIABILITIES		
Current:		
Accrued liabilities	3,987,267	8,804,193
Accrued interest	29,325	34,513
Due to other governments	7,338,482	-
Unearned revenues	149,976	-
Deposits payable	1,147,733	1,000
Loans and subscriptions	1,738,405	1,568,813
Claims and judgments	-	13,822,294
Total current liabilities	<u>14,391,188</u>	<u>24,230,813</u>
Noncurrent:		
Accrued claims and judgments	-	14,736,839
Loans and subscriptions	9,053,764	1,359,771
Net pension liability	13,600,231	7,690,958
Net OPEB liability	338,604	220,395
Total Noncurrent Liabilities	<u>22,992,599</u>	<u>24,007,963</u>
Total liabilities	<u>37,383,787</u>	<u>48,238,776</u>

CITY OF CARLSBAD
Statement of Net Position
Proprietary Funds
June 30, 2023

	Totals	Governmental Activities- Internal Service Funds
DEFERRED INFLOWS OF RESOURCES		
Pension-related	176,912	100,044
OPEB-related	134,434	36,299
Lease-related	4,836,833	-
Total deferred inflows of resources	5,148,179	136,343
NET POSITION		
Net investment in capital assets	352,751,805	21,367,505
Restricted for capital projects	38,437,080	-
Unrestricted	154,410,490	23,233,935
Total net position	545,599,375	\$ 44,601,440
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time	2,522,868	
Net position of business-type activities	\$ 548,122,243	

CITY OF CARLSBAD
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds
OPERATING REVENUES			
Sales and service charges	\$ 45,370,836	\$ -	\$ -
Wastewater service charges	-	19,616,466	-
Golf course operations	-	-	10,966,531
Other charges for services	730,871	-	2,245,025
Miscellaneous	772,617	187,320	581,554
Total operating revenues	46,874,324	19,803,786	13,793,110
OPERATING EXPENSES			
Administration and general	18,359,435	6,719,812	5,663,331
Encina plant operations	1,341,433	4,760,559	-
Purchased water	28,357,952	-	-
Golf course operations	-	-	8,744,007
Depreciation/amortization	6,375,383	8,914,919	3,405,438
Claims and premiums	-	-	-
Fuel and supplies	-	-	-
Small equipment purchases	-	-	-
Total operating expenses	54,434,203	20,395,290	17,812,776
Operating income (loss)	(7,559,879)	(591,504)	(4,019,666)
NONOPERATING REVENUES (EXPENSES)			
Taxes	5,129,819	-	-
Intergovernmental	-	-	209,448
Interest expense	(217,551)	-	-
Investment income (loss)	1,899,379	400,096	264,637
Gain (loss) on disposal of capital assets	-	-	(13,851)
Total nonoperating revenues (expenses)	6,811,647	400,096	460,234
Income (loss) before transfer and capital contributions	(748,232)	(191,408)	(3,559,432)
Transfers in	-	-	332,000
Capital contributions:			
Capital restricted fees and grants	2,111,538	1,136,698	-
Developer constructed assets	1,316,031	624,717	-
Donated capital assets	-	-	-
Change in net position	2,679,337	1,570,007	(3,227,432)
Net position-beginning	322,342,240	182,867,146	39,368,077
Net position-ending	\$ 325,021,577	\$ 184,437,153	\$ 36,140,645

CITY OF CARLSBAD
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
Year Ended June 30, 2023

	Totals	Governmental Activities- Internal Service Funds
OPERATING REVENUES		
Sales and service charges	\$ 45,370,836	\$ -
Wastewater service charges	19,616,466	-
Golf course operations	10,966,531	-
Other charges for services	2,975,896	32,280,508
Miscellaneous	1,541,491	581,665
Total operating revenues	80,471,220	32,862,173
OPERATING EXPENSES		
Administration and general	30,742,578	16,640,507
Encina plant operations	6,101,992	-
Purchased water	28,357,952	-
Golf course operations	8,744,007	-
Depreciation/amortization	18,695,740	5,030,460
Claims and premiums	-	22,565,654
Fuel and supplies	-	1,839,305
Small equipment purchases	-	544,828
Total operating expenses	92,642,269	46,620,754
Operating income (loss)	(12,171,049)	(13,758,581)
NONOPERATING REVENUES (EXPENSES)		
Taxes	5,129,819	-
Intergovernmental	209,448	-
Interest expense	(217,551)	(77,521)
Investment income (loss)	2,564,112	32,957
Gain (loss) on disposal of capital assets	(13,851)	51,645
Total nonoperating revenues (expenses)	7,671,977	7,081
Income (loss) before transfer and capital contributions	(4,499,072)	(13,751,500)
Transfers in	332,000	10,608,252
Capital contributions:		
Capital restricted fees and grants	3,248,236	-
Developer constructed assets	1,940,748	-
Donated capital assets	-	1,344,057
Change in net position	1,021,912	(1,799,191)
Net position-beginning	544,577,463	46,400,631
Net position-ending	\$ 545,599,375	\$ 44,601,440
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds	898,392	
Changes in net position of business-type activities	\$ 1,920,304	

CITY OF CARLSBAD
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 47,489,228	\$ 18,628,306	\$ 14,155,273
Cash received from interfund service provided	-	-	-
Cash paid to suppliers for goods and services	(30,419,102)	(9,320,597)	(5,579,847)
Cash paid to employees for services	(18,088,696)	(2,673,404)	(9,481,125)
Claims and premiums paid	-	-	-
Cash received from (payments to) others	772,617	187,320	581,554
Net cash provided by (used for) operating activities	(245,953)	6,821,625	(324,145)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	-	332,000
Cash transfers out	-	-	-
Property taxes	5,115,393	-	-
Net cash provided by (used for) capital and related financing activities	5,115,393	-	332,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	46,778	-	-
Capital contributions	-	1,137,649	-
Acquisition and construction of capital assets	(5,217,359)	(7,509,390)	(1,054,158)
Principal paid on capital debt	(1,698,146)	-	-
Interest paid on capital debt	(225,112)	-	-
Capital grants	301,992	-	209,448
Proceeds from sales of capital assets	1,316,532	332,686	20,482
Net cash provided by (used for) capital and related financing activities	(5,475,315)	(6,039,055)	(824,228)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from leasing activities	320,643	-	81,583
Investment earnings	2,329,045	634,491	246,376
Net cash provided by (used for) investing activities	2,649,688	634,491	327,959
Net increase (decrease) in cash and cash equivalents	2,043,813	1,417,061	(488,414)
Cash and Cash Equivalents at Beginning of Year	133,925,207	41,795,736	17,423,853
Adjustment: unrealized gain (loss) on investments	(865,258)	(260,777)	(107,718)
Cash and Cash Equivalents at End of Year	\$ 135,103,762	\$ 42,952,020	\$ 16,827,721

CITY OF CARLSBAD
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (7,559,879)	\$ (591,504)	\$ (4,019,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization	6,375,383	8,914,919	3,405,438
(Increase) decrease in accounts receivable	1,372,491	(399,786)	1,124,122
(Increase) decrease in inventories	(664,408)	1,759	(23,867)
(Increase) decrease in due from other governments	-	(487,224)	-
(Increase) decrease in prepaid expense	39,233	-	(9,569)
Increase (decrease) in accrued liabilities	503,799	87,584	(937,564)
Increase (decrease) in due to other governments	(598,341)	(721,983)	-
Increase (decrease) in deposits payable	15,030	(101,150)	144,410
Increase (decrease) in unearned revenue	-	-	(70,694)
Increase (decrease) in OPEB liability	(199,428)	(1,007,407)	(498,707)
Increase (decrease) in pension liability	470,167	1,126,417	561,952
Increase (decrease) in claims and judgments	-	-	-
Total adjustments	7,313,926	7,413,129	3,695,521
Net cash provided by (used for) operating activities	\$ (245,953)	\$ 6,821,625	\$ (324,145)
SCHEDULE OF NON-CASH ACTIVITIES			
Donated capital assets	\$ 1,316,031	\$ 623,766	\$ -
Capital assets purchased on account	66,666	191,163	-
Unrealized gain (loss) on investments	(865,258)	(260,777)	(107,718)
Amortization of deferred inflows related to leases	(223,151)	-	(77,243)

CITY OF CARLSBAD
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023

	Totals	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users	\$ 80,272,807	\$ -
Cash received from interfund service provided	-	32,801,776
Cash paid to suppliers for goods and services	(45,319,546)	(1,990,410)
Cash paid to employees for services	(30,243,225)	(15,171,586)
Claims and premiums paid	-	(10,916,336)
Cash received from (payments to) others	1,541,491	581,665
Net cash provided by (used for) operating activities	6,251,527	5,305,109
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash transfers in	332,000	-
Cash transfers out	-	10,608,252
Property taxes	5,115,393	-
Net cash provided by (used for) capital and related financing activities	5,447,393	10,608,252
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital debt	46,778	-
Capital contributions	1,137,649	-
Acquisition and construction of capital assets	(13,780,907)	(1,872,125)
Principal paid on capital debt	(1,698,146)	(1,925,993)
Interest paid on capital debt	(225,112)	(43,008)
Capital grants	511,440	-
Proceeds from sales of capital assets	1,669,700	51,645
Net cash provided by (used for) capital and related financing activities	(12,338,598)	(3,789,481)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash received from leasing activities	402,226	-
Investment earnings	3,209,912	841,215
Net cash provided by (used for) investing activities	3,612,138	841,215
Net increase (decrease) in cash and cash equivalents	2,972,460	12,965,095
Cash and Cash Equivalents at Beginning of Year	193,144,796	50,911,503
Adjustment: unrealized gain (loss) on investments	(1,233,753)	(881,290)
Cash and Cash Equivalents at End of Year	\$ 194,883,503	\$ 62,995,308

CITY OF CARLSBAD
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2023

	<u>Totals</u>	<u>Governmental Activities- Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	\$ (12,171,049)	\$ (13,758,581)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation/amortization	18,695,740	5,030,460
(Increase) decrease in accounts receivable	2,096,827	8,394
(Increase) decrease in inventories	(686,516)	21,401
(Increase) decrease in due from other governments	(487,224)	-
(Increase) decrease in prepaid expense	29,664	783,215
Increase (decrease) in accrued liabilities	(346,181)	1,313,492
Increase (decrease) in due to other governments	(1,320,324)	-
Increase (decrease) in deposits payable	58,290	-
Increase (decrease) in unearned revenue	(70,694)	-
Increase (decrease) in OPEB liability	(1,705,542)	(168,179)
Increase (decrease) in pension liability	2,158,536	425,589
Increase (decrease) in claims and judgments	-	11,649,318
Total adjustments	<u>18,422,576</u>	<u>19,063,690</u>
Net cash provided by (used for) operating activities	<u>\$ 6,251,527</u>	<u>\$ 5,305,109</u>
SCHEDULE OF NON-CASH ACTIVITIES		
Donated capital assets	\$ 1,939,797	\$ 1,344,057
Capital assets purchased on account	257,829	690
Unrealized gain (loss) on investments	(1,233,753)	(881,290)
Amortization of deferred inflows related to leases	(300,394)	-

CITY OF CARLSBAD
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2023

	Private Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 1,143,775	\$ 11,079,365
Restricted assets:		
Cash and investments	-	2,370,330
Receivables:		
Assessments	-	24,382
Accrued interest	4,947	47,922
Taxes	-	595
Loans receivable	4,567,798	-
Total assets	5,716,520	13,522,594
LIABILITIES		
Accrued liabilities	-	134,740
Accrued interest	17,667	-
Due to bondholders	-	6,370,885
Long-term liabilities:		
Due in one year	1,000,000	-
Total liabilities	1,017,667	6,505,625
NET POSITION		
Restricted for:		
Redevelopment obligation retirement purposes	4,698,853	-
Individuals, organizations and other governments	-	7,016,969
Total net position	\$ 4,698,853	\$ 7,016,969

CITY OF CARLSBAD
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2023

	Private Purpose Trust Fund	Custodial Funds
ADDITIONS		
Assessment district collections	\$ -	\$ 14,006,750
Proceeds from debt issuance	-	16,240,000
Income from property and investments	3,911	169,965
Taxes	949,059	1,308,000
Interest on housing loans	112,624	-
Miscellaneous	-	4,418,368
Total additions	1,065,594	36,143,083
DEDUCTIONS		
Distributions to beneficiaries	-	6,054,378
Administrative expenses	7,866	162,596
Debt refunding	-	22,236,632
Bond interest expense and fees	63,607	1,544,538
Principal expense	-	2,365,000
Other deductions	-	2,234,380
Total deductions	71,473	34,597,524
Net increase (decrease) in fiduciary net position	994,121	1,545,559
Net position-beginning, restated	3,704,732	5,471,410
Net position-ending	\$ 4,698,853	\$ 7,016,969



NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Carlsbad, California (“city”), was incorporated on July 16, 1952. The city was a general law city until 2008, when the citizens in Carlsbad voted and approved the city to become a charter city. The city operates under a Council-Manager form of government and provides the following services: general government, public safety, community services and public works.

The accounting policies of the city and its component units conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies:

A. Description and Scope of the Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the financial position of the city and its component units, entities for which the city is considered to be financially accountable. The city is considered to be financially accountable for an organization if the city appoints a voting majority of that organization’s governing body and the city is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the city. The city is also considered to be financially accountable for an organization if that organization is fiscally dependent upon the city (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the city). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the city are such that their exclusion would cause the city’s financial statements to be misleading or incomplete.

Based upon the above criteria, the component units of the city are the Housing Authority of the City of Carlsbad, the City of Carlsbad Public Improvement Corporation, the Carlsbad Public Financing Authority, and the Carlsbad Municipal Water District. The city does not issue separate financial statements for these component units.

Since the City Council serves as the governing board for these component units and there is either a financial benefit/burden relationship between the component unit and city or the management of the city has the operational responsibility for the component unit, all of the city’s component units are considered to be blended component units. Blended component units, although legally separate entities, are in substance part of the city’s operations, and so data from these units is reported with the interfund data of the primary government.

B. Government-wide and Fund Financial Statements

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the city and its blended component units. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly classified as program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the Government-wide Financial Statements. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the Fund Financial Statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Fiduciary Fund Financial Statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. Property taxes are recognized as revenues in the year for which they are levied.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting, as long as the expenditure reflects a near-term cash outflow. Principal and interest on long-term debt are recorded as fund liabilities when due.

Revenues that are accrued include real property taxes, sales tax, transient occupancy taxes (TOT), franchise taxes, highway users' tax, interest, and some state and federal grants.

Real property taxes are levied on October 15 against property owners of record on January 1 of that year. The taxes are due in two installments, on November 1 and February 1, and become delinquent after December 10 and April 10, respectively. Tax liens attach annually as of 12:01 a.m. on the first day of January in the fiscal year for which the taxes are levied. Under the provisions of NCGA (National Council on Government Accounting) Interpretation 3, property tax revenue is recognized in the fiscal year for which the taxes have been levied, provided it is collected within 60 days of the end of the fiscal year.

Custodial funds, which are a type of fiduciary fund, account for assets held by the city for other governments or individuals. These funds report using an economic resources measurement focus and include all inflows, outflows and balances reflecting the fund's net position.

The city reports the following major governmental funds:

- The **General Fund** is the city's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **Community Facilities District (CFD) No. 1** capital project fund is used to account for the receipt of taxes and fees charged to developers that are restricted for civic facilities, parks, and road segments.
- The **Infrastructure Replacement (IRF)** capital project fund is used to account for transfers from the General Fund and expenditures for the replacement of major infrastructure throughout the city.
- The **Park Development** capital project fund is used to account for the receipts and expenditures for park related projects.

The city reports the following major enterprise funds:

- The **Carlsbad Municipal Water District (CMWD)** enterprise funds are used to account for the operation, maintenance, and capital facility financing of the city's potable and recycled water systems.
- The **Wastewater** enterprise funds are used to account for the operation, maintenance, and capital facility financing of the city's wastewater system.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additionally, the city reports the following fund types:

- **Internal Service funds** account for fleet maintenance and replacement, self-insured benefits, information technology, risk management and workers' compensation services provided to other departments or agencies of the city.
- The **Custodial funds** account for assets held by the city for other governments or individuals. These funds include debt service transactions on assessment district bonds for which the city is not obligated and the city's two Business Improvement Districts: the Carlsbad Tourism Business Improvement District and the Carlsbad Golf Lodging Business Improvement District.
- The **Private-Purpose Trust fund** accounts for the activities of the Redevelopment Obligation Retirement Fund, which accumulates resources for obligations previously incurred by the former City of Carlsbad Redevelopment Agency (RDA).

As a general rule, the effect of interfund activity has been eliminated from the Government-wide Financial Statements. An exception to this general rule is the charges between the Carlsbad Municipal Water District and various other functions of the city. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the city's proprietary funds are charges to customers for sales and services. The city also recognizes new account charges, late fees, and contributions from other agencies as operating revenues. Operating expenses for enterprise and internal service funds include the cost of sales and services, general and administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, restricted revenue will be applied first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the policy is to apply committed fund balance first, then assigned fund balance and finally unassigned fund balance.

D. Cash and Investments

Cash includes amounts in demand and time deposits. Investments are reported in the accompanying balance sheet at fair value, except for certain investment contracts that are reported at cost because they are not transferable, and they have terms that are not affected by changes in market interest rates.

Changes in fair value that occur during a fiscal year are recognized as income from property and investments reported for that fiscal year. Income from property and investments includes interest earnings; changes in fair value; any gains or losses realized upon the liquidation, maturity, or sale of investments; property rentals and the sale of city owned property.

The city pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds on a monthly basis, based on each fund's average cash and investments balance. Restricted cash and investments represent amounts that are restricted under the terms of debt agreements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Inventories

Inventories consist of materials and supplies that are valued at cost and are recorded as expenses or expenditures on a first-in, first-out basis when consumed.

F. Compensated Absences

Compensated absences are comprised of vacation payable for all city employees and banked overtime (comp time). Vacation pay and comp time are payable to employees at the time used or upon termination of employment. For governmental funds, the cost of accumulated vacation and comp time expected to be paid in the next 12 months is recorded as a liability in the Self-Insured Benefits internal service fund. Since the city caps the amount of vacation and comp time employees are allowed to have on the books at any point in time, for compensated absences recorded at June 30, 2023, all balances are expected to be paid within the following 12 months. For proprietary funds, the cost of vacation and comp time is recorded as a liability when earned.

G. Risk Management

The city accounts for its general liability and workers' compensation activities in internal service funds. The funds are responsible for collecting premiums from other city funds and departments and paying claims, settlements, and insurance premiums. Interfund premiums are based on the insured fund's claims experience. Incurred but not reported claims are accrued at year-end if material.

H. Unbilled Services

Unbilled water and wastewater revenues of the enterprise funds are recognized as earned when the services are used.

I. Capital Assets

Capital assets, which include land (including right-of-way), buildings, equipment, lease assets, subscription assets, and infrastructure assets (e.g., roads, bridges, traffic signals, water and wastewater systems, and related items), are reported in the applicable governmental or business-type activities columns in the Government-wide Financial Statements. Capital assets are defined by the city as machinery and equipment and capital construction with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year; and intangible assets such as computer software with an initial cost of more than \$100,000, and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized. Construction in progress costs are transferred to their respective capital asset category upon completion.

Depreciation and amortization on right-to-use assets is charged to operations using the straight-line method based on the estimated useful life of an asset. The estimated useful lives of depreciable assets are as follows:

	<u>Years</u>
Buildings and other structures	10 – 50
Improvements other than buildings	10 – 50
Infrastructure	10 – 100
Intangible assets	5 – 10
Machinery and equipment	5 – 20
Wastewater treatment facility (including equipment)	5 – 75
Subscriptions	1 – 5

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The city has capitalized all general infrastructure assets acquired or constructed. In addition, the land upon which the streets and roads are constructed (right-of-way) has also been valued and capitalized.

J. Unearned Revenue

The unearned revenue reported in the city's financial statements represents money received during the current or previous fiscal years that has not been earned by the city as of the end of the fiscal year. These monies will be recognized as revenues in subsequent fiscal years once the revenue has been earned.

K. Deferred Outflows

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The city has pension-related and other postemployment benefits related items in this category.

L. Deferred Inflows

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The city has three types of items that qualify for reporting in this category.

The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: interest on advances and loans and grants. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

The second item is reported in the proprietary funds balance sheet and the Statement of Net Position. The city has pension related and other postemployment benefits related items in this category.

The third item is reported in the proprietary funds balance sheet and the Statement of Net Position. The city has lease related items in this category.

M. Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (short-term interfund loans), or "advances to/from other funds" (long-term interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-wide Financial Statements as "internal balances."

The portion of fund balance associated with amounts that have been disbursed to other funds in the form of long-term interfund advances have been classified as nonspendable unless the funds associated with repayment of the advance are otherwise restricted for a specific purpose.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Receivables and Payables

All trade, service and tax receivables are shown net of an allowance for uncollectibles. The utility billing receivable allowance is equal to 2% of outstanding billings at June 30, 2023, the ambulance billing receivable allowance is equal to 40% of outstanding billings at June 30, 2023, and the trade and false alarm receivable allowance is equal to 19% of the total of all outstanding receivable balance at June 30, 2023. The only exceptions to these rules are receivables that were subsequently paid or were known to be collectible at year-end, which were not reserved for at June 30, 2023, and any receivables due from other public agencies.

O. Loan and Reimbursement Receivable

The accompanying financial statements reflect the recording of certain loans receivable that represent loans made to various organizations and individuals. In certain cases, the amount of collection is dependent upon future residual receipts to be generated by the property or contingent upon the ability of the owner to sell the property at an amount sufficient to pay all liens against the property, including the obligation to the city. All loan and reimbursement receivables are shown net of an allowance for uncollectibles.

P. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds. Unexpended and unencumbered appropriations lapse at fiscal year-end unless City Council takes action in the form of a resolution to continue the appropriation into the following fiscal year.

Q. Net Position

Net position represents the differences between assets and deferred outflows, and liabilities and deferred inflows. Net investment in capital assets, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings, used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the city or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. It is the city's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

R. Cash Flows

Statements of cash flows are presented for proprietary fund types. Cash and cash equivalents include all unrestricted and restricted highly liquid investments with original purchase maturities of three months or less. Pooled cash and investments in the city's Treasury represent monies in a cash management pool and such accounts are similar in nature to demand deposits.

S. Long-term Obligations

In the Government-wide Financial Statements, and proprietary fund types in the Fund Financial Statements, long- term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Pensions

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the city's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

U. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the city's plan (OPEB Plan), the assets of which are held by the California Employers' Retiree Benefit Trust (CERBT), and additions to and deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and fiduciary net position information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

V. Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the city’s own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the city’s own data.

W. Fund Balances

Nonspendable Fund Balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory) or legally or contractually required to be maintained intact (such as endowments).

Restricted Fund Balance – this includes amounts that can be spent only for specific purposes stipulated by the constitution, external resource providers, or through enabling legislation. If the City Council action limiting the use of funds is included in the same action (legislation) that created (enables) the funding source, then it is restricted.

Committed Fund Balance – this includes amounts that can be used only for the specific purposes determined by a formal action of the City Council. It includes legislation (council action) that can only be overturned by new legislation requiring the same type of voting consensus that created the original action. Therefore, if the City Council action limiting the use of the funds is separate from the action (legislation) that created (enables) the funding source, then it is committed, not restricted. The city considers a resolution to constitute the formal action of the City Council that is necessary to commit fund balance.

Assigned Fund Balance – this includes amounts that are designated or expressed by the City Council but does not require a formal action like a resolution or ordinance. The City Council has delegated the authority for the City Manager to carry forward certain unspent budget amounts for specific one-time purposes if the amount is equal or less than \$100,000 per item to the next fiscal year. The City Council has authorized, through resolution, that all outstanding encumbrances at the end of the fiscal year and certain unspent budgeted amounts over \$100,000 per item to be carried forward into the next fiscal year. The assigned fund balance also includes an assignment for economic uncertainty and an assignment of General Fund budget surplus for Fleet Maintenance, Risk Management and Workers’ Compensation Internal Service Funds, all of which were approved by the City Council through a resolution. These amounts are show as assigned fund balance at the end of the fiscal year:

- General Government – unspent funds for a Transient Occupancy Tax audit engagement contract and a cost allocation plan update contract. Encumbrances rolled forward include grant writing services, financial audit services, ambulance billing services, website content and social media management services for economic development and various professional services for communications, human resources, finance and the city manager’s office.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Public Safety – unspent funds for vehicles for a police officer take home vehicle program, replacement of the police department’s taser inventory, an increase in the school crossing guard contract, vehicle outfitting costs for the Homeless Outreach Team, a police services community survey and unspent grant funds on a police officer wellness and mental health grant. Encumbrances rolled forward include the purchase and outfitting of new patrol vehicles, installation costs for fixed license plate recognition cameras, a contract for a needs assessment and proposal evaluation for a new CAD system, the purchase of two new fire engines, hydraulic rescue tools and the replacement of the fire department’s self-contained breathing apparatus inventory.
- Community Services – unspent funds for state library grants, contract funds to update guidelines for Carlsbad tribal, cultural and paleontological resources, weed abatement costs, agreements for temporary public art, maintenance costs on permanent public art, an agreement for a guest artist residency and trail improvements at Lake Calavera Preserve. Encumbrances rolled forward include engineering and building plan check services, consulting services for transportation and traffic engineering services, citywide abandoned items/litter removal services, an agreement for rapid rehousing program services, master and strategic planning services for Parks and Recreation, repair services for the Lake Calavera Trail loop, irrigation system replacements at various park sites and minor concrete and fence repair and replacements at Poinsettia Community Park.
- Public Works – unspent funds for HEPA filter replacements at the Safety Training Center and contract funds for an active transportation monitoring report. Encumbrances rolled forward include agreements for the habitat management plan preserve steward services and a green business network coordinator, pressure washing services, a cargo van, electrical maintenance services, citywide roof inspection services, mark-out services for traffic signals, professional services for a citywide speed limit reduction evaluation, sustainable mobility implementation plan and safe routes to school program.
- Capital Projects – includes citywide infrastructure replacement projects, barrio street lighting, village and barrio traffic circles, Buena Vista Creek channel fencing, beach access repairs, village decorative lighting, Kelly Drive channel repair, Police and Fire Headquarters refurbishment, Hosp Grove playground refurbishment, Calavera Hills Community Center refurbishment, Fleet service center fuel island upgrades, an enterprise asset management system, Lake Calavera Outlet Improvements and Leo Carrillo Ranch Roof Repair.
- Risk Management – City Council assigned general fund surplus from fiscal year 2022-23 to the city’s Risk Management Internal Service Fund in order to increase the reserve balance for several large claims.
- Workers’ Compensation – City Council assigned general fund surplus from fiscal year 2022-23 to the city’s Workers’ Compensation Internal Service Fund in order to address increases in claim volume and average claim costs.
- Safer Streets Local Emergency – City Council assigned general fund surplus to address traffic safety. The City Council declared a local emergency via City Council resolution.
- Economic Uncertainty – City Council assigned reserve that can be utilized via City Council resolution to mitigate general revenue losses during times of economic downturns.
- Pension Trust – The City Council approved the establishment of a Public Agencies Post-Employment Benefits Trust (Section 115 Trust) on September 12, 2023. This trust allows the city to stabilize pension cost volatility, maintain local control over the city’s assets and earn a potentially higher rate of return than if the assets were kept within the General Fund. The City Council approved an initial trust contribution of \$10 million on September 26, 2023 as part of an ongoing effort to maintain compliance with City Council Policy Statement No. 86 and the city’s minimum 80% pension funded ratio.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned Fund Balance – this includes the remaining spendable amounts which are not included in one of the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount.

It is the city's policy that restricted resources will be applied first, followed by (in order of application) committed, assigned, and unassigned resources, in the absence of a formal policy adopted by the City Council.

X. Leases

Lessee: The city is a lessee for a noncancellable lease of buildings and land improvements. The city recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The city recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the city initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the city determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The city uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the city uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the city is certain to exercise.

The city monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The city is a lessor for noncancellable leases of buildings and land. The city recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the city initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Key estimates and judgments include how the city determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The city uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The city monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Y. Subscription-Based Information Technology Arrangements

The city is a subscriber for a noncancellable subscription of information technology services. The city recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. The city recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a subscription, the city initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the city determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments.

- The city uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the city uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the non-cancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the city is certain to exercise.

The city monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

Z. New GASB Pronouncements Effective during Fiscal Year

The following Government Accounting Standards Board (GASB) pronouncements were effective for and/or early implemented for the fiscal year ended June 30, 2023:

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. GASB Statement No. 91, Conduit Debt Obligations

The requirements of this Statement will improve financial reporting by eliminating the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is, in fact, a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity, thereby improving comparability in reporting by issuers. Revised disclosure requirements will provide financial statement users with better information regarding the commitments issuers extend and the likelihood that they will fulfill those commitments. That information will inform users of the potential impact of such commitments on the financial resources of issuers and help users assess issuers' roles in conduit debt obligations.

2. GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements

The requirements of this Statement will improve financial reporting by establishing the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will enhance the decision usefulness of a government's financial statements by requiring governments to report assets and liabilities related to PPPs consistently and disclose essential information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs.

3. GASB Statement No. 96, Subscription-Based Information Technology Arrangements

The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

4. GASB Statement No. 100, Accounting Changes and Error Corrections

The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, dependable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

The city follows these procedures in establishing its budgetary data:

- During May or June, the City Manager submits a proposed operating, strategic digital transformation investment program and capital improvement program budgets for the fiscal year commencing the following July 1 to the City Council. The budget includes estimated revenues and proposed expenditures on a departmental and/or project basis.
- In June, a public hearing is conducted at a City Council meeting to obtain citizens' comments.
- Prior to July 1, the budget is enacted legally through passage of an appropriation resolution.
- For purposes of budgetary presentation, actual revenues have been adjusted to exclude unrealized gains and losses pursuant to GASB. Actual expenditures have been adjusted to include encumbrances outstanding. Annual budgets are adopted for the General Fund, special revenue funds and capital project funds."

The City Manager is authorized to make transfers of appropriated amounts from one department to another within a fund. The legal level of budgetary control is at the fund level. Revisions that alter the total appropriations of any fund must be approved by the City Council with the exception of budget adjustments that involve offsetting revenues and expenditures, increases in General Liability and Workers' Compensation Fund claims expenses, increases in Encina Wastewater Authority expenses, increases of 15% or less to purchasing authority for capital outlay items requiring the City Council to act as the awarding authority as approved in the budget process, increases in earned leave accrual expenses and liabilities, increases in unforeseen legal expenses and liabilities and adjustments to increase the appropriation for Mutual Aid expenses in an amount equal to the increases in amounts to be reimbursed by other agencies. The City Manager is authorized to increase or decrease an appropriation for a specific purpose where the appropriation is offset by unbudgeted revenue, which is designated for said specific purpose. Quarterly financial reports are provided to the City Council during the year, and any changes to the adopted budget are approved by the City Council as necessary. During the year, several supplementary appropriations were necessary.

Budgets for governmental type funds are adopted on the modified accrual basis except that encumbrances are treated as budgeted expenditures in the year purchases are committed. Expenditures may not exceed budgeted appropriations at the fund level. All appropriations lapse at fiscal year-end unless the City Council takes action in the form of a resolution to continue the appropriation into the following fiscal year or, if the appropriation is less than \$100,000, the City Manager may approve to continue the appropriation into the following fiscal year.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

B. Deficit Fund Equity

The Following funds reported deficits in fund balances or net position as of June 30, 2023:

Deficit balance	
Special revenue funds:	
Habitat and agricultural management	(4,740)
California opioid settlement	(9,874)
 Internal service funds:	
Risk management	(4,083,823)

The deficit of \$4,740 in the Habitat and Agricultural Management Special Revenue Fund is the result of the General Fund advancing money for the purchase of mitigation credits in a prior fiscal year. The advance is returned to the General Fund in periodic payments from developer impact fees collected in the Habitat and Agricultural Management Fund.

The deficit of \$9,874 in the California Opioid Settlement Special Revenue Fund is the result of an unrealized loss recorded on investments recorded at fiscal year-end.

The deficit of \$4,083,823 in the Risk Management Internal Service Fund is the result of estimated claims tracking higher than anticipated. The City Council assigned general fund surplus budget in the amount of \$5 million from fiscal year 2022-23 in response to higher claims. This will result in a fund transfer in fiscal year 2023-24 from the General Fund to the Risk Management Internal Service Fund.

NOTE 3: CASH AND INVESTMENTS

Cash resources of the individual funds are combined to form a pool of cash and investments. The city maintains a formal Investment Policy Statement, which is reviewed by the Investment Review Committee and adopted annually by the City Council. All investments held in the Treasurer’s Pool are consistent with the city’s Investment Policy Statement objectives of safety of principal, sufficient liquidity, and to realize a return on investment. The risk disclosures on the next page apply to the city’s internal investment pool. Portfolio investments are exposed to five types of risk: custodial (investments and cash deposits), concentration, default, event, and market or interest rate risk.

The city and its agencies invest a portion of the funds in an external investment pool known as the Local Agency Investment Fund (LAIF). Management and oversight are the responsibility of the California State Treasurer. As of June 30, 2023, the LAIF performance report shows a fair value factor of 0.984828499. The city’s position in the LAIF pool is calculated as a percentage of the fair value of the city’s shares to the fair value of the pooled shares.

The city and its agencies invest a portion of the funds in an external investment pool known as the California Asset Management Program (CAMP). CAMP is a California Joint Powers Authority directed by a Board of Trustees, which is made up of local government finance directors and treasurers.

Investments held outside the Treasurer’s Pool consist mainly of required reserve funds for various bond issues. They are held by trustees and are not available for the city’s general expenditures.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Cash and investments as of June 30, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 818,594,165
Restricted:	
Cash and investments	
Statement of Fiduciary Net Position	
Cash and cash equivalents	12,223,140
Restricted:	
Cash and investments	<u>2,370,330</u>
Total cash and investments	<u>\$ 833,187,635</u>
Deposits with financial institutions	\$ 18,002,762
Investments	812,814,543
Restricted:	
Cash and investments	<u>2,370,330</u>
Total cash and investments	<u>\$ 833,187,635</u>

A. Fair Value Measurement

The city categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The city has the following recurring fair value measurements as of June 30, 2023:

Investment Type	Total	Input Category		
		Level 1	Level 2	Uncategorized
U.S. Treasury obligations	\$ 75,318,700	\$ 75,318,700	\$ -	\$ -
U.S. agency securities	309,326,161	-	309,326,161	-
Certificates of deposit	19,735,113	-	19,735,113	-
Medium-term notes	149,168,105	-	149,168,105	-
Municipal investments	64,779,091	-	64,779,091	-
Mortgage pass-through securities	33,350,238	-	33,350,238	-
Supranational Securites	18,379,217	-	-	18,379,217
California Asset Management Program	141,006,057	-	-	141,006,057
Local Agency Investment Fund	1,751,861	-	-	1,751,861
Total	<u>\$ 812,814,543</u>	<u>\$ 75,318,700</u>	<u>\$ 576,358,708</u>	<u>\$ 161,137,135</u>

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

B. Custodial Credit Risk (Investments)

The city uses a third-party bank for its custody and safekeeping service for its investment securities. Custodial credit risk is the risk that the city will not be able to recover the value of its investments in the event of the custodian's failure. All city investments held in custody and safekeeping are held in the name of the city and are segregated from securities owned by the bank. This is the lowest level of custodial credit risk exposure. Investments are settled on Delivery vs. Payment (DVP) in accordance with the third-party custodial agreement.

C. Custodial Credit Risk (Deposits)

The city maintains cash accounts at one major banking institution. At the conclusion of each business day and if advantageous to the city, balances in these accounts are "swept" into overnight pooled investments, which are pooled into funds collateralized with U.S. government securities (guaranteed) or U.S. agency securities (government-sponsored). The California Code authorizes both of these types of investments. Amounts up to \$250,000 are Federal Deposit Insurance Corporation (FDIC) insured. All funds in non-interest-bearing transaction accounts are fully insured under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

D. Concentration Credit Risk

Concentration credit risk is the heightened risk of potential loss when investments are concentrated in one issuer. The California state code and the city's Investment Policy Statement require that total investments in medium-term corporate notes of all issuers not exceed 30% of the portfolio. For concentration of investments, the city's Investment Policy Statement requires that no more than 5% of investments in corporate notes or passthrough securities be in any one issuer. There is no similar requirement in either the state code or the city's Investment Policy Statement for U.S. agencies. As of June 30, 2023, the portfolio was in compliance with this requirement.

E. Default Credit Risk

Default credit risk is the risk that the issuer of the security does not pay either the interest or principal when due. Debts of most U.S. agencies are not backed by the full faith and credit of the federal government. These agencies are U.S. government sponsored. In August 2011, Standard and Poor's Investor's Service downgraded U.S. long-term debt one step to AA+. Competing agencies, Moody's Investors Service, and Fitch Ratings, maintained their AAA rating on U.S. debt. Although the default credit risk of these investments has increased, the city believes the risk of default remains low.

California state code limits investments in medium-term corporate notes to the top three credit ratings (AAA, AA, and A). California state code and the city's Investment Policy Statement allow the city Treasurer to determine the course of action to correct exceptions to the Investment Policy Statement. It is the intent of the city treasurer to hold these investments in the portfolio until maturity unless events indicate they should be sold. The default credit risk for corporate notes with a credit rating of single A is considered by the city Treasurer to be within acceptable limits for purposes of holding to maturity. A credit rating of single A is within state code purchase requirements.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

The Local Agency Investment Funds (LAIF) is an external investment pool managed by the California State Treasurer. The California Asset Management Program (CAMP) is an external investment pool managed by PFM Asset Management LLC. These investments are short-term and follow the investment requirements of the State. LAIF is not rated; however, the city Treasurer considers the default credit risk to be minimal. CAMP is rated AAA by Standard and Poor’s Investor Services.

Money market funds held by bond trustees are rated AAA. Investment contracts held by bond trustees are not rated by rating agencies.

The table below is the minimum rating (where applicable) of the California state code, the city’s investment policy, or debt agreements, and the actual rating at June 30, 2023 for each investment type by S&P Investor’s Service:

Investment Type	Total	Minimum Legal Rating	Moody's Rating as of Fiscal Year End			
			Aaa	Aa	A	Exempt or Not Rated
U.S. Treasury obligations	\$ 75,318,700	Exempt	\$ -	\$ -	\$ -	\$ 75,318,700
U.S. agency securities	309,326,161	Exempt	-	-	-	309,326,161
Supranational Securities	18,379,217	AA	18,379,217	-	-	-
Municipal investments	64,779,091	AA/A	11,208,926	52,572,875	997,290	-
Mortgage pass-through securities	33,350,237	AA	942,972	32,407,265	-	-
Medium-term notes	149,168,105	AA/A	21,321,311	45,805,881	82,040,913	-
Local Agency Investment Fund	1,751,862	Not Rated	-	-	-	1,751,862
Certificates of deposit	19,735,113	Not Rated	-	-	-	19,735,113
California Asset Management Program	141,006,057	Not Rated	-	-	-	141,006,057
Total	\$ 812,814,543	\$ -	\$ 51,852,426	\$ 130,786,021	\$ 83,038,203	\$ 547,137,893

Notes for this schedule:

- Certificates of Deposit are FDIC insured.
- As of June 30, 2023, five investments in medium term notes had credit ratings of single A (A) which is below the single A/double (AA) ratings required by the Investment Policy. These investments were initially made in accordance with the city's Investment Policy. California state code and the city's Investment Policy allow the city treasurer to determine the course of action to correct exceptions to the policy. It is the intent of the city Treasurer to hold these assets in the portfolio until maturity unless events indicate a sale should be made. These investments are paying interest at the required times and their principal is considered secure.

F. Interest Rate Risk

Interest rate risk is the risk that investments will lose market value because of increases in market interest rates. A rise in market interest rates will cause the market value of investments made earlier at lower interest rates to lose value. The reverse will cause a gain in market value. As of June 30, 2023, the portfolio had a 5% loss in market value based on cost.

The city's Investment Policy Statement has adopted two means of limiting its exposure to market value losses caused by rising market interest rates: (1) limiting total portfolio investments to a maximum modified duration of 2.2; and requiring liquid investments (LAIF and bank accounts) and investments maturing within one year to be equal to an amount that is not less than two-thirds of the current fiscal year’s operating budget. The city met those requirements as follows:

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

- As of June 30, 2023, the modified duration of the portfolio was 1.55. Modified duration is a prospective measure of the sensitivity of a fixed-income security's value to changes in market rates of interest. Modified duration identifies the potential gain/loss in value before it actually occurs. For example, a modified duration of 1.5 indicates that when and if a 1.0% change in market interest rates occurs, a 1.5% change in the security's value will result. Investments with modified durations of one to three are considered to be conservative.
- As of June 30, 2023, maturities within one year exceeded the required minimum of \$228,000,000 (two-thirds of current year operating budget for the city per the Fiscal Year 2022-23 operating budget adopted by the City Council).
- As of June 30, 2023, the weighted average maturity of the LAIF underlying debt securities was 260 days. As of June 30, 2023, LAIF had a 0.0152% loss in market value.

NOTE 4: LEASE RECEIVABLES

The city leases land and buildings to various companies and agencies. The terms by lease type are listed in the table below. Some leases have extension options ranging from five to 20 years. As of June 30, 2023, the value of the lease receivable is \$17,173,736. The value of the deferred inflow of resources as of June 30, 2023 was \$16,687,779, and the amortization of the deferred inflow during the year totaled \$1,093,387. The city recognized lease revenue of \$3,491,084 during the fiscal year which included \$1,093,387 related to the amortization of the deferred inflow and \$2,397,697 for variable and other payments, including short term leases not included in the measurement of the lease receivable.

Governmental Activities				
Lease Type	Term Range	Lease Receivable	Lease Revenue	Lease Interest
Land	5 - 19 years	\$ 1,821,540	\$ 159,786	\$ 33,009
Buildings	2 - 80 years	10,362,076	633,207	144,123
Subtotal - governmental activities		12,183,616	792,993	177,132
Business-type Activities				
Lease Type	Term Range	Lease Receivable	Lease Revenue	Lease Interest
Buildings	2 - 80 years	4,990,120	300,394	75,623
Subtotal - business-type activities		4,990,120	300,394	75,623
Total		\$ 17,173,736	\$ 1,093,387	\$ 252,755

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 4: LEASE RECEIVABLES (CONTINUED)

Future receivable principal and interest payments expected to be received through maturity are as follows:

June 30	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 626,989	\$ 225,231	\$ 234,858	\$ 87,656	\$ 861,847	\$ 312,887
2025	519,536	217,193	245,335	84,127	764,871	301,320
2026	542,838	209,232	254,704	80,433	797,542	289,665
2027	500,174	201,158	215,156	76,767	715,330	277,925
2028	516,406	193,133	213,124	73,336	729,530	266,469
2029-2033	2,255,165	845,409	1,125,866	310,866	3,381,031	1,156,275
2034-2038	1,624,551	683,689	910,153	223,559	2,534,704	907,248
2039-2043	745,105	593,220	221,481	178,774	966,586	771,994
2044-2048	649,942	569,428	-	195,178	649,942	764,606
2049-2053	429,026	552,023	-	220,826	429,026	772,849
2054-2058	-	600,834	-	249,844	-	850,678
2059-2063	-	679,788	-	282,676	-	962,464
2064-2068	-	769,118	-	319,821	-	1,088,939
2069-2073	152,766	708,562	63,524	294,640	216,290	1,003,202
2074-2078	468,767	411,626	194,927	171,166	663,694	582,792
2079-2083	529,130	351,263	220,027	146,065	749,157	497,328
2084-2088	597,265	283,127	248,360	117,733	845,625	400,860
2089-2093	674,174	206,218	280,341	85,751	954,515	291,969
2094-2098	760,987	119,405	316,440	49,652	1,077,427	169,057
2099-2102	590,795	26,000	245,824	10,812	836,619	36,812
Totals	\$ 12,183,616	\$ 8,445,657	\$ 4,990,120	\$ 3,259,682	\$ 17,173,736	\$ 11,705,339

NOTE 5: ACCRUED LIABILITIES

A. Summary

The balance of accrued liabilities at June 30, 2023 is composed of the following:

Classification	General Fund	Community Facilities District #1	Infrastructure Replacement Fund	Park Development	Other Governmental Funds	Internal Service Funds	Total Governmental Actives
Accounts payable	\$ 3,816,834	\$ 224,539	\$ 631,407	\$ 96,439	\$ 2,950,162	\$ 1,756,641	\$ 9,476,022
Retentions payable	36,477	-	232,163	-	576,549	690	845,879
Accrued wages	1,221,710	-	-	-	22,627	87,713	1,332,050
Employee benefits	516,594	-	-	-	-	-	516,594
Pension payable	641,312	-	-	-	-	-	641,312
Compensated absences	-	-	-	-	-	6,949,494	6,949,494
Other	31,288	13,390	-	-	42,056	9,655	96,389
Total	\$ 6,264,215	\$ 237,929	\$ 863,570	\$ 96,439	\$ 3,591,394	\$ 8,804,193	\$ 19,857,740

	Carlsbad Municipal Water District	Wastewater	Other Enterprise Funds	Total Business-type Activities	Custodial Funds
Accounts payable	\$ 1,465,768	\$ 773,566	\$ 316,433	\$ 2,555,767	\$ 107,994
Retentions payable	66,666	192,233	2,354	261,253	-
Accrued wages	62,361	27,094	20,709	110,164	-
Compensated absences	451,136	99,055	60,166	610,357	-
Other	8,524	51	441,151	449,726	26,746
Total	\$ 2,054,455	\$ 1,091,999	\$ 840,813	\$ 3,987,267	\$ 134,740

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 5: ACCRUED LIABILITIES (CONTINUED)

B. Compensated Absences

Compensated absences are liquidated by the internal service funds, Carlsbad Municipal Water District, Wastewater, and other enterprise funds. There is no fixed repayment schedule for compensated absences, and it is the policy of the City to treat compensated absences as a current liability. The compensated absences activities for the year ended June 30, 2023, are as follows:

	Balance July 1, 2022	Net Change	Balance June 30, 2023
Governmental activities	\$ 6,278,968	\$ 670,526	\$ 6,949,494
Business-type activities	503,675	106,682	610,357
Total	\$ 6,782,643	\$ 777,208	\$ 7,559,851

NOTE 6: CAPITAL ASSETS

A. Governmental Activities

Governmental activities' capital assets for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Adjustments	Additions	Deletions	Transfers	Balance June 30, 2023
Governmental activities:						
Capital assets, not being depreciated/amortized						
Land	\$ 160,619,596	\$ -	\$ 234,610	\$ (1,105,548)	\$ -	\$ 159,748,658
Construction-in-progress	36,891,555	-	14,530,673	(144,042)	(17,562,696)	33,715,490
Total capital assets, not being depreciated/amortized	197,511,151	-	14,765,283	(1,249,590)	(17,562,696)	193,464,148
Capital assets, being depreciated/amortized						
Buildings and structures	138,281,470	-	4,197,578	-	11,515,345	153,994,393
Machinery, equipment, and vehicles	56,253,190	-	3,422,660	(508,253)	1,242,236	60,409,833
Lease assets	25,067	-	238,606	-	-	263,673
Subscription assets	-	1,845,563	3,009,014	-	-	4,854,577
Intangible assets	6,483,648	-	-	(141,291)	-	6,342,357
Land improvements	103,902,694	-	4,996,926	(60,690)	3,078,414	111,917,344
Infrastructure	752,669,574	-	431,667	-	1,726,701	754,827,942
Total capital assets, being depreciated/amortized	1,057,615,643	1,845,563	16,296,451	(710,234)	17,562,696	1,092,610,119
Less accumulated depreciation/amortization						
Buildings and structures	(51,495,406)	-	(2,854,207)	-	-	(54,349,613)
Machinery, equipment, and vehicles	(30,615,090)	-	(4,308,090)	499,076	-	(34,424,104)
Lease assets	(1,671)	-	(27,362)	-	-	(29,033)
Subscription assets	-	-	(1,407,481)	-	-	(1,407,481)
Intangible assets	(4,026,460)	-	(752,636)	141,291	-	(4,637,805)
Land improvements	(43,323,472)	-	(3,688,898)	-	-	(47,012,370)
Infrastructure	(317,127,346)	-	(14,836,507)	-	-	(331,963,853)
Total accumulated depreciation/amortization	(446,589,445)	-	(27,875,181)	640,367	-	(473,824,259)
Total capital assets, being depreciated/amortized, net	611,026,198	1,845,563	(11,578,730)	(69,867)	17,562,696	618,785,860
Total governmental activities capital assets	\$ 808,537,349	\$ 1,845,563	\$ 3,186,553	\$ (1,319,457)	\$ -	\$ 812,250,008

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 6: CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the primary government as follows:

General government	\$ 910,614
Public safety	1,386,539
Community services	5,512,907
Public works	15,034,661
Internal service funds*	5,030,460
Total depreciation/amortization expense	<u>\$ 27,875,181</u>

* Depreciation and amortization of capital assets held by the city's internal service funds are charged to the various functions based on their usage of the assets.

B. Business-type Activities

Business-type activities' capital assets for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Business-type activities:					
Capital assets, not being depreciated/amortized					
Land	\$ 9,330,718	\$ 23,225	\$ -	\$ -	\$ 9,353,943
Construction-in-progress	17,436,454	6,815,494	(1,649,219)	(8,293,766)	14,308,963
Total capital assets, not being depreciated/amortized	<u>26,767,172</u>	<u>6,838,719</u>	<u>(1,649,219)</u>	<u>(8,293,766)</u>	<u>23,662,906</u>
Capital assets, being depreciated/amortized					
Buildings and structures	41,391,888	2,680,717	-	-	44,072,605
Machinery, equipment, and vehicles	14,007,845	918,863	(778,065)	6,631	14,155,274
Wastewater treatment facility	64,373,642	-	(2,560,330)	7,216,853	69,030,165
Land improvements	56,202,412	175,672	-	-	56,378,084
Infrastructure	404,212,142	5,364,562	-	1,070,282	410,646,986
Total capital assets, being depreciated/amortized	<u>580,187,929</u>	<u>9,139,814</u>	<u>(3,338,395)</u>	<u>8,293,766</u>	<u>594,283,114</u>
Less accumulated depreciation/amortization					
Buildings and structures	(14,088,720)	(782,874)	-	-	(14,871,594)
Machinery, equipment, and vehicles	(6,713,329)	(1,544,486)	757,585	-	(7,500,230)
Wastewater treatment facility	(35,864,922)	(5,459,570)	2,560,330	-	(38,764,162)
Land improvements	(47,183,331)	(3,088,699)	-	-	(50,272,030)
Infrastructure	(135,173,919)	(7,820,111)	-	-	(142,994,030)
Total accumulated depreciation/amortization	<u>(239,024,221)</u>	<u>(18,695,740)</u>	<u>3,317,915</u>	<u>-</u>	<u>(254,402,046)</u>
Total capital assets, being depreciated/amortized, net	<u>341,163,708</u>	<u>(9,555,926)</u>	<u>(20,480)</u>	<u>8,293,766</u>	<u>339,881,068</u>
Total business-type activities capital assets	<u>\$ 367,930,880</u>	<u>\$ (2,717,207)</u>	<u>\$ (1,669,699)</u>	<u>\$ -</u>	<u>\$ 363,543,974</u>

Depreciation/amortization expense was charged to the functions/programs of the business-type activities of the primary government as follows:

Water	\$ 6,375,383
Golf	3,405,438
Wastewater	8,914,919
Total depreciation/amortization expense	<u>\$ 18,695,740</u>

NOTE 7: PENSION PLANS

The city contributes to two defined benefit pension plans. As of and for the year ended June 30, 2023, the two plans had the following balances reported in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Miscellaneous Plan	\$ 98,982,755	\$ 43,009,821	\$ 1,287,622	\$ 16,063,931
Safety Plan	99,544,716	44,498,750	-	17,582,794
Total pension plans	<u>\$ 198,527,471</u>	<u>\$ 87,508,571</u>	<u>\$ 1,287,622</u>	<u>\$ 33,646,725</u>

A. Plan Description, Benefits Provided, and Employees Covered

All qualified permanent and probationary employees are eligible to participate in the city’s Safety (sworn police and fire) and Miscellaneous (all other) Plans (the Plans), agent multiple employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. A full description of the Plans regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plan’s June 30, 2021 Annual Actuarial Valuation Reports (funding valuations). Details of the benefits provided can be obtained in Appendix B of the Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 7: PENSION PLANS (CONTINUED)

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. The Plans' provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous		
	Prior to November 28, 2011	On or after	
		November 28, 2011 to December 31, 2012	November 28, 2011 to December 31, 2012
Hire date			
Benefit formula	3% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits as a % of eligible compensation	2% to 3%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	7.50%
Required employer contribution rates	15.12%	12.60%	11.72%
Required employer payment of unfunded liability		\$7,227,710	
	Safety		
	Prior to November 28, 2011	On or after	
		November 28, 2011 to December 31, 2012	November 28, 2011 to December 31, 2012
Hire date			
Benefit formula	3% @ 50	2% @ 50	2% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50 - 55	50 - 57
Monthly benefits as a % of eligible compensation	3%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.00%	9.00%	13.50%
Required employer contribution rates	23.41%	20.59%	19.79%
Required employer payment of unfunded liability		\$5,881,880	

As of the valuation date, June 30, 2021, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	645	279
Inactive employees or beneficiaries currently not receiving benefits	528	104
Active employees	528	212
	<u>1,701</u>	<u>595</u>

B. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any

NOTE 7: PENSION PLANS (CONTINUED)

unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Plan contributions for the year equaled \$19,626,500 and \$14,880,482 for miscellaneous and safety, respectively.

C. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2021 valuation was rolled forward to determine the June 30, 2022 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount rate	6.90%
Inflation	2.50%
Salary increases	Varies by entry age and services
Mortality rate table	Derived using CalPERS' membership data for all funds
Post-retirement benefit increases	The lesser of contract COLA or 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

D. Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return ^{1, 2}
Global equity-cap-weighted	30.00%	4.54%
Global equity-non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study
 April 16, 2024

NOTE 7: PENSION PLANS (CONTINUED)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. Events Subsequent to the Actuarial Valuation Date

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

G. Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB Statement No. 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expenses.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5-year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The EARSL for the plan for the measurement period ending June 30, 2022 is 3.3 years, which was obtained by dividing the total service years of 5,648 (the sum of remaining service lifetimes of the active employees) by 1,701 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

NOTE 7: PENSION PLANS (CONTINUED)

H. Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period:

1. *Miscellaneous Plan*

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021	\$ 439,587,141	\$ 404,540,402	\$ 35,046,739
Changes recognized for the measurement period:			
Service cost	8,937,350	-	8,937,350
Interest on total pension liability	30,675,372	-	30,675,372
Changes of benefit terms	-	-	-
Changes of assumptions	13,648,298	-	13,648,298
Differences between expected and actual experience	(1,847,457)	-	(1,847,457)
Contributions-employer	-	14,517,690	(14,517,690)
Contributions-employee	-	3,756,998	(3,756,998)
Net investment income	-	(30,545,136)	30,545,136
Benefit payments, including refunds of employee contributions	(22,572,119)	(22,572,119)	-
Administrative expense	-	(252,005)	252,005
Net changes during 2021-22	28,841,444	(35,094,572)	63,936,016
Balance at June 30, 2022	\$ 468,428,585	\$ 369,445,830	\$ 98,982,755

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 7: PENSION PLANS (CONTINUED)

2. Safety Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021	\$ 350,937,662	\$ 308,361,275	\$ 42,576,387
Changes recognized for the measurement period:			
Service cost	8,397,439	-	8,397,439
Interest on total pension liability	24,991,969	-	24,991,969
Changes of benefit terms	-	-	-
Changes of assumptions	13,165,149	-	13,165,149
Differences between expected and actual experience	3,204,494	-	3,204,494
Contributions-employer	-	13,322,734	(13,322,734)
Contributions-employee	-	3,020,571	(3,020,571)
Net investment income	-	(23,360,492)	23,360,492
Benefit payments, including refunds of employee contributions	(18,607,148)	(18,607,148)	-
Administrative expense	-	(192,091)	192,091
Net changes during 2021-22	31,151,903	(25,816,426)	56,968,329
Balance at June 30, 2022	<u>\$ 382,089,565</u>	<u>\$ 282,544,849</u>	<u>\$ 99,544,716</u>

H. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liabilities calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	Discount Rate -1 Percent (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1 Percent (7.90%)
Misc. Plan's net pension liability/(asset)	\$ 160,489,037	\$ 98,982,755	\$ 48,129,781
Safety Plan's net pension liability/(asset)	153,448,717	99,544,716	55,607,789
Total	<u>\$ 313,937,754</u>	<u>\$ 198,527,471</u>	<u>\$ 103,737,570</u>

NOTE 7: PENSION PLANS (CONTINUED)

I. Pension Expense and Deferred Outflows and Deferred Inflows of Resources

For the fiscal year ended June 30, 2023, the city recognized \$16,063,931 and \$17,582,794 in pension expense for the Miscellaneous and Safety plans, respectively, for a total amount of pension expense of \$33,646,725.

The following table presents deferred outflows and deferred inflows of resources related to pensions as of the June 30, 2023:

1. Miscellaneous Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 12,800,872	\$ -
Changes of assumptions	9,512,450	1,287,622
Differences between expected and actual experience	1,435,886	-
Net difference between projected and actual earnings on pension plan investments	19,260,613	-
Total	\$ 43,009,821	\$ 1,287,622

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 7,952,273
2025	6,753,871
2026	2,560,361
2027	11,654,822
2028	-
Thereafter	-
Total	\$ 28,921,327

NOTE 7: PENSION PLANS (CONTINUED)

2. Safety Plan

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions subsequent to the measurement date	\$ 11,354,715	\$ -
Changes of assumptions	10,422,410	-
Differences between expected and actual experience	7,841,143	-
Net difference between projected and actual earnings on pension plan investments	<u>14,880,482</u>	<u>-</u>
Total	<u>\$ 44,498,750</u>	<u>\$ -</u>

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Fiscal year ended June 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2024	\$ 8,296,315
2025	7,431,470
2026	5,783,739
2027	11,632,511
2028	-
Thereafter	<u>-</u>
Total	<u>\$ 33,144,035</u>

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS

The city offers other postemployment benefits in the form of health benefits to two employee groups: City of Carlsbad employees and former CMWD employees. The majority of city and former CMWD employees are under the city defined benefit agent multiple-employer plan.

A. Benefit Description by Employee Group

1. *Former Carlsbad Municipal Water District (CMWD) employees*

The benefit plan is for active and retired employees who were employed with CMWD at the time CMWD was acquired by the city. Per Resolution No. 614, all former employees of CMWD (including dependents) are eligible for postretirement health care benefits if they voluntarily retire after the age of fifty, with no less than five years of service and whose age, combined with years of service, equals seventy or more.

The city pays for 100% of the health insurance premiums which is coordinated with Medicare and other benefits provided by federal and state law, when available, to the extent it reduces the cost of insurance premiums. CalPERS administers this plan.

2. *City of Carlsbad employees*

City employees are offered health insurance coverage under the Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by CalPERS. Under PEMHCA, the city is required to pay a small portion of the monthly medical premiums of retired employees (considered a subsidy), if the retired employees continue their medical coverage under PEMHCA. Surviving spouses and domestic partners of eligible retirees are eligible for the city subsidy. Surviving spouses and domestic partners of deceased active members are eligible for the city subsidy only if the employee had attained age 50 with five years of service.

The city pays a monthly subsidy per eligible employee/retiree regardless of coverage elected:

Calendar Year 2021	\$	143
Calendar Year 2022		149
Calendar Year 2023		151

Thereafter, the subsidy is adjusted annually to reflect changes in the medical component of the Consumer Price Index.

3. *California Public Employer's Retiree Benefit Trust Program*

The city is participating in the California Employer's Retiree Benefit Trust Program (CERBT) through irrevocable trust agreements for both plans. CERBT is administered by CalPERS. The city's OPEB fiduciary net position is included in the CERBT Schedule of Changes in Fiduciary Net Position by Employer report. That report may be obtained on the California Public Employees' Retirement System website at www.calpers.ca.gov under forms and publications.

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

B. Employees Covered

As of the June 30, 2022, the measurement date, the following employees were covered by the benefit terms for each benefit tier:

Inactive employees or beneficiaries currently receiving benefits	285
Inactive employees or beneficiaries not yet receiving benefits	316
Active employees	789
Total	<u><u>1,390</u></u>

C. Contributions

The obligation of CMWD to contribute to the CMWD plan is established and may not be amended by the CMWD Board. The obligation of the city to contribute to the city plan is established, and as long as the city is a member of PEMCHA, may not be amended by the City Council. The City Council does have the authority to change health insurance coverage outside of PEMHCA, which could change the funding obligation for city employees.

Employees are not required to contribute to the plan. The city and CMWD’s contributions are based on the actuarially determined contribution (ADC), an amount actuarially determined in accordance with the parameters of GASB. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years on a “closed” basis. The city’s and CMWD’s contributions are as follows:

Fiscal Year 2022-23 Cash Contributions	\$ 693,884
Fiscal Year 2022-23 Estimated Implied Subsidy Payments	449,142
Administrative Expenses Paid Outside of Trust	10,088
Total	<u><u>\$ 1,153,114</u></u>

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

D. Net OPEB Liability

The city's net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the actuarial methods and assumptions shown below:

Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.50%
Investment Rate of Return	6.25% with a 45% to 50% confidence based on Bartel Associates modeling for CERBT Strategy 1
Mortality Rate (1)	Derived using CalPERS Membership Data for all funds.
Pre-Retirement Turnover (2)	Derived using CalPERS Membership Data for all funds.
Healthcare Trend Rate (3)	Based in part on premium experience.

Notes:

- 1 Based on CalPERS 2000-2019 Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.
- 2 Based on CalPERS 2000-2019 Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.
- 3 Short-Term healthcare trends were developed in consultation with Axene Health Partner's healthcare actuaries. Long-term healthcare trend development using Society of Actuaries' Getzen Model of Long-Run Medical Cost Trends.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	CERBT Strategy 1	
	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	49%	4.56%
Fixed Income	23%	1.56%
TIPS	5%	-0.08%
Commodities	3%	1.22%
REITs	20%	4.06%
Total	100%	

Notes:

- 1 The long-term expected rate of return is 6.25%
- 2 Assumed long-term rate of inflation is 2.5%

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

E. Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that city contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plans' fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB Plans investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The changes in the net OPEB (asset)/liability are shown below:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021	\$ 19,761,187	\$ 20,443,852	\$ (682,665)
Changes recognized for the measurement period:			
Service cost	757,499	-	757,499
Interest on total OPEB liability	1,248,183	-	1,248,183
Contributions-employer	-	1,102,669	(1,102,669)
Contributions-employee	-	-	-
Net investment income	-	(2,735,878)	2,735,878
Benefit payments, including refunds of employee contributions	(1,095,532)	(1,095,532)	-
Administrative expense	-	(12,314)	12,314
Net changes during 2021-22	910,150	(2,741,055)	3,651,205
Balance at June 30, 2022	\$ 20,671,337	\$ 17,702,797	\$ 2,968,540

F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of CMWD and city if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	Discount Rate -1 Percent (5.25%)	Current Discount Rate (6.25%)	Discount Rate +1 Percent (7.25%)
Plan's net OPEB liability/(asset)	\$ 5,579,612	\$ 2,968,540	\$ 802,183

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

G. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the CMWD and city if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1 Percent Decrease	Current Healthcare Trend Rate	1 Percent Increase
Plan's net OPEB liability/(asset)	\$ 364,085	\$ 2,968,540	\$ 6,183,979

H. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expenses. The initial recognition period is five years.

I. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the city recognized OPEB expense of \$1,204,200. As of June 30, 2023, the city reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 1,153,114	\$ -
Changes of assumptions	1,170,894	183,423
Differences between expected and actual experience	674,703	712,583
Net difference between projected and actual earnings on OPEB plan investments	1,484,839	-
Total	\$ 4,483,550	\$ 896,006

NOTE 8: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

The \$1,153,114 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2022 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 898,337
2025	850,935
2026	638,234
2027	1,292,346
2028	434,035
Thereafter	<u>(1,679,457)</u>
Total	<u>\$ 2,434,430</u>

NOTE 9: SIGNIFICANT COMMITMENTS

A. Water Purchase Agreements

On August 5, 2003, CMWD entered into a 22-year agreement with the Vallecitos Water District, to purchase three million gallons per day (3,360-acre feet) of recycled water for uses throughout CMWD’s boundaries. Per the agreement, there is an annual reconciliation that trues up the monthly payments to the actual cost for the water purchased each fiscal year. The recycled water cost is adjusted every July 1st and shall not exceed 75% of the wholesale cost of potable water from SDCWA. The agreement also stipulates that CMWD will pay for its share of the actual operating costs (up to a maximum cost of 75% of the wholesale cost of potable water from the San Diego County Water Authority) of the Mahr Reservoir, which produces the water. The estimated operating costs paid by CMWD for the period ended June 30, 2023, are \$2,761,924.

B. Golf Course Advances

The Golf Course Fund previously showed an advance from other funds balance in the amount of \$47,031,506 representing loans received from the city’s General Fund that were used to fund the initial course construction and some operating costs. For financial statement purposes, these loans were reclassified to “Transfers In” in fiscal year 2022 recognizing that the repayment of these loans is not scheduled to happen in the near and near future.

The city has not forgiven the loans and the advances are now being disclosed as a contingent liability of the Golf Course Fund. The balance of these loans is \$55,458,868 in total, \$47,031,506 of principal and \$8,427,362 of interest. The city discontinued accruing interest on the advances in fiscal year 2013-14. Should sufficiently resources in the golf course become available to make repayments in the future, those repayments of this contingent liability will take place, and will be recorded as transfers out from the Golf Course Fund at that time.

NOTE 9: SIGNIFICANT COMMITMENTS (CONTINUED)

C. Encumbrances

As of June 30, 2023, city commitments for outstanding encumbrances (purchase orders and contracts for goods and services not yet delivered) by major governmental fund and nonmajor funds in the aggregate are as follows:

	<u>Outstanding Encumbrances</u>
Governmental activities	
General fund	\$ 13,496,927
Community Facilities District No. 1	51,704
Infrastructure Replacement Fund	5,581,527
Park Development	1,669,411
Internal Service Funds	7,919,912
Non-major governmental funds	<u>21,719,092</u>
Subtotal - governmental activities	<u>50,438,573</u>
Business-type activities	
Carlsbad Municipal Water District	14,117,973
Wastewater	2,945,096
Non-major enterprise funds	<u>1,158,151</u>
Subtotal - business-type activities	<u>18,221,220</u>
Total	<u><u>\$ 68,659,793</u></u>

NOTE 10: RISK MANAGEMENT

The city is exposed to various risks of loss related to its operations, including losses associated with errors and omissions and injuries to employees and members of the public. The city uses a Risk Management Self-Insurance Fund and a Workers' Compensation Fund (all internal service funds) to account for and finance its uninsured risks of loss. All other funds of the city make payments to these funds based on annual estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

Beginning July 1, 2019, the city joined the California Insurance Pool Authority (CIPA) for excess general liability coverage. This coverage was purchased directly through the pool's manager, Kiser & Company. Under this program, the city's coverage is a maximum of \$43,000,000 per occurrence with a self-insured retention of \$1,000,000. CIPA has been in existence since 1978. At June 30, 2023, the unrestricted fund equity for the Risk Management Self-Insurance Fund was a \$4,055,838 deficit. Funds used by the Risk Management Fund to liquidate the claims liability come from the General Fund (81.36%), the Water Fund (6.64%), the Solid Waste Fund (3.72%) and the Wastewater Fund (2.97%).

The city is self-insured for workers' compensation claims for claims up to \$1,250,000 and insured by Safety National thereafter and up to statutory limits. At June 30, 2023, the unrestricted fund equity for the Workers' Compensation Self-Insurance Fund was \$83,155. Funds used by the Workers' Compensation Fund to liquidate the claims liability come from the General Fund (95.68%), the Water Fund (1.59%) and the Wastewater fund (0.71%).

The estimated claims payable reported at June 30, 2023 is based on the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Settled cases did not exceed insurance coverage during the past three fiscal years. All claims are considered non-current per their estimated settlement dates.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 10: RISK MANAGEMENT (CONTINUED)

Changes in the estimated claims payable amounts in fiscal years 2021-22 and 2022-23 for the two internal service funds are as follows:

	Claims			
	Beginning Balance	Expense and Changes in Estimates	Claim Payments	Ending Balance
Risk Management Fund:				
2021-22	\$ 3,621,368	\$ 2,949,746	\$ 1,901,288	\$ 4,669,826
2022-23	4,669,826	6,819,188	4,832,299	6,656,715
Workers' Compensation Fund:				
2021-22	10,524,653	5,479,827	3,764,491	12,239,989
2022-23	12,239,989	14,186,202	4,523,773	21,902,418
Total				
2021-22	14,146,021	8,429,573	5,665,779	16,909,815
2022-23	16,909,815	21,005,390	9,356,072	28,559,133

NOTE 11: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A. Leases Payable

The city has entered into various lease agreements as lessee for the acquisition and use of buildings and land improvements. The terms of these leasing arrangements range from 8 to 12 years. As of June 30, 2023, the total value of the lease liability was \$238,385. The city is required to make monthly principal and interest payments ranging from \$2,787 to \$3,284. The leases have interest rates ranging from 1.604% to 2.765%. Information on the lease assets as of June 30, 2023 are as follows:

Governmental Activities		
Major Class of Underlying Asset	Amount of Leased Capital Assets	Accumulated Amortization
Buildings	\$ 238,606	\$ 24,855
Land improvements	25,067	4,178
Total	\$ 263,673	\$ 29,033

**NOTE 11: LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS
(CONTINUED)**

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 27,395	\$ 6,045	\$ 33,440
2025	29,068	5,294	34,362
2026	30,816	4,497	35,313
2027	32,641	3,651	36,292
2028	34,546	2,754	37,300
2029 - 2032	83,919	2,664	86,583
Totals	<u>\$ 238,385</u>	<u>\$ 24,905</u>	<u>\$ 263,290</u>

B. Subscription-Based Information Technology Arrangements

The city implemented GASB Statement No. 96 in the fiscal year ended June 30, 2023. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription based-information technology arrangement (SBITA) activities. This statement establishes a single model for SBITA accounting based on the principle that SBITAs are financings of the right to use an underlying asset. Under this Statement, a subscriber is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

The city has entered into various SBITAs as the subscriber for the use of various software as services. An initial subscription liability was recorded in the amount of \$1,845,563 during the current fiscal year. The terms of these subscriptions range from 13 months to 5 years. As of June 30, 2023, the total value of the subscription liability was \$2,928,584. The city is required to make annual payments ranging from \$2,600 to \$670,888. The subscriptions have interest rates ranging from 1.85% to 3.378%. Information on the subscription assets as of June 30, 2023 are as follows:

Governmental Activities		
Major Class of Underlying Asset	Amount of Leased Capital Assets	Accumulated Amortization
Software as a service	<u>\$ 4,854,577</u>	<u>\$ 1,407,481</u>

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 1,568,813	\$ 75,104	\$ 1,643,917
2025	1,260,574	39,858	1,300,432
2026	99,197	2,507	101,704
Totals	<u>\$ 2,928,584</u>	<u>\$ 117,469</u>	<u>\$ 3,046,053</u>

NOTE 12: LONG-TERM LIABILITIES

A. Private-Placement Loans

The city entered into private-placement loan agreements with the State Water Resources Control Board to provide funds for the acquisition and construction of major capital facilities. These loans have been issued for the Carlsbad Municipal Water District. These loans are direct obligations and pledge the full faith and credit of the city. These loans pay principal and interest annually. Private-placement loans outstanding at June 30, 2023, are as follows:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at Year-End
Business-type activities				
Private-placement loan				
2005 State Water Resources Control Board 4812-550-0	\$ 9,694,504	2.50%	2025	\$ 1,246,772
2006 State Water Resources Control Board 05-721-550-0	20,763,473	2.30%	2027	4,648,182
2014 State Water Resources Control Board 14820-550-0	22,150,000	1.00%	2054	4,897,215
Total private-placement loans				<u>\$ 10,792,169</u>

B. Debt without Government Commitment

In the opinion of city officials, the bonds listed below are not payable from any revenues or assets of the city, and neither the full faith and credit nor the taxing power of the city, the State of California, nor any political subdivision thereof, is obligated to the payment of the principal or interest on the bond. Accordingly, no liability has been recorded in the accompanying financial statements.

1. *Limited Obligation Improvement Bonds*

As of June 30, 2023, the city has two series of assessment district bonds outstanding in the amount of \$17,905,000. These bonds were issued under the provisions of the Improvement Bond Act of 1915 and were used to finance public infrastructure improvement projects. The city collects assessments to pay the bond debt. These monies are accounted for in the assessment districts' custodial funds.

2. *Special Tax Bonds*

As of June 30, 2023, the city has two series Community Facilities District (CFD) bonds outstanding in the amount of \$16,315,000. These bonds were issued under the provisions of the Mello-Roos Community Facilities Act of 1982 and were used to finance public infrastructure improvement projects. The city collects special taxes to pay the bond debt. These monies are accounted for in the CFDs' custodial funds.

3. *Mortgage Revenue Bonds*

Multi-Family Housing Revenue Bonds are issued to provide construction and permanent financing to developers of multi-family residential rental projects located in the city which will be partially occupied by persons of low or moderate income. The total amount of mortgage revenue bonds outstanding as of June 30, 2023 is \$1,665,000. The bonds, together with interest thereon, are limited obligations of the city payable solely from bond proceeds, revenues and other amounts derived solely from home mortgage and developer loans secured by first deeds of trust, irrevocable letters of credit, and irrevocable surety bonds.

NOTE 12: LONG-TERM LIABILITIES (CONTINUED)

C. Revenue Rate Covenants

The Carlsbad Municipal Water District (CMWD) loan agreements with the State Water Resources Control Board requires that CMWD set its charges for services and rates for fees each year at rates sufficient to produce net revenues (after paying the operating and maintenance expenses of CMWD, excluding depreciation) of at least one times debt service for that year. All of the water revenues of CMWD are pledged to meet these rate covenants and to secure related debt. All rate covenants requirements were met for the fiscal year ended June 30, 2023.

D. Pledged Revenue

The city has a number of debt issuances outstanding that are collateralized by the pledging of certain revenues. The purpose for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions of the accompanying notes. For the current year, debt service payments as a percentage of the pledged gross revenue (net of certain expenses where so required by the debt agreement) are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenues for the remainder of the term of the commitment:

Description of Pledged Revenue	Annual Amount of Pledged Revenue (Net of Expenses)	Annual Debt Service Payments	Pledged Revenue as a Percentage of Debt
Water revenues	\$ 7,435,555	\$ 1,876,482	396%

E. Change in Long-Term Liabilities

Changes in the City's long-term liabilities for the year ended June 30, 2023, are as follows:

	Balance July 1, 2022 As Restated	Additions	Deletions	Balance June 30, 2023	Amount Due Within One Year
Governmental activities					
Leases	\$ 22,377	\$ 238,606	\$ 22,598	\$ 238,385	\$ 27,395
Subscriptions	1,845,563	3,009,014	1,925,993	2,928,584	1,568,813
Claims	16,909,815	21,005,390	9,356,072	28,559,133	13,822,294
Total governmental activities	<u>\$ 18,777,755</u>	<u>\$ 24,253,010</u>	<u>\$ 11,304,663</u>	<u>\$ 31,726,102</u>	<u>\$ 15,418,502</u>
Business-type activities					
Private-placement loans	<u>\$ 12,443,537</u>	<u>\$ 46,778</u>	<u>\$ 1,698,146</u>	<u>\$ 10,792,169</u>	<u>\$ 1,738,405</u>

NOTE 12: LONG-TERM LIABILITIES (CONTINUED)

The debt service requirements for the city's loans are as follows:

<u>Business-Type Activities</u>			
<u>Private-Placement Loans</u>			
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,738,405	\$	138,077
2025	1,779,619		96,863
2026	1,313,067		109,023
2027	1,341,472		80,681
2028	140,890		51,704
2029-2033	725,868		238,083
2034-2038	762,894		202,748
2039-2043	801,810		165,611
2044-2048	842,710		126,580
2049-2053	885,697		85,557
2054	459,737		22,271
Totals	<u>\$ 10,792,169</u>	<u>\$</u>	<u>1,317,198</u>

NOTE 13: FUND BALANCE

A. General Fund Balance Policy

Pursuant to City Council Policy 74, the city is committed to maintaining General Fund reserves at a target of 40% of General Fund annual operating expenditures. The total reserve level is calculated using the prior fiscal years adopted General Fund budgeted expenditures. This reserve is for unforeseen emergencies or catastrophic impacts upon the city. Reserves are evaluated annually in conjunction with the development of the city's annual operating budget process. Staff report to the City Council annually on the status of the reserve levels relative to this policy.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 13: FUND BALANCE (CONTINUED)

B. Fund Balance Classifications

At June 30, 2023, the governmental funds report the following fund balance classifications:

	General	Community Facilities District No. 1	Infrastructure Replacement	Park Development	Total Nonmajor Funds	Total Governmental Funds
Nonspendable						
Notes and loans receivable	\$ 381,635	\$ -	\$ -	\$ -	\$ -	\$ 381,635
Inventories	12,110	-	-	-	-	12,110
Deposits	200,432	-	-	-	-	200,432
Prepaid costs	36,973	-	-	-	378,021	414,994
Advances to other funds	1,167,725	-	-	-	-	1,167,725
Total nonspendable	1,798,875	-	-	-	378,021	2,176,896
Restricted						
Affordable housing	-	-	-	-	41,800,556	41,800,556
Lighting and landscaping districts	-	-	-	-	9,897,059	9,897,059
Capital projects	-	95,730,668	-	8,928,517	87,970,226	192,629,411
General government	-	-	-	-	701,325	701,325
Public safety	-	-	-	-	602,264	602,264
Community services	-	-	-	-	3,599,267	3,599,267
Total restricted	-	95,730,668	-	8,928,517	144,570,697	249,229,882
Committed						
Community activity grants	1,000,000	-	-	-	-	1,000,000
Total committed	1,000,000	-	-	-	-	1,000,000
Assigned						
General government	1,253,768	-	-	-	-	1,253,768
Public safety	7,911,636	-	-	-	-	7,911,636
Community services	4,563,010	-	-	-	-	4,563,010
Public works	2,753,938	-	-	-	-	2,753,938
Capital projects	-	-	111,257,215	-	47,030,612	158,287,827
Risk management	5,000,000	-	-	-	-	5,000,000
Workers' compensation	1,300,000	-	-	-	-	1,300,000
Safer streets emergency	791,734	-	-	-	-	791,734
Economic uncertainty	9,635,909	-	-	-	-	9,635,909
Pension trust	10,000,000	-	-	-	-	10,000,000
Total assigned	43,209,995	-	111,257,215	-	47,030,612	201,497,822
Unassigned	136,840,376	-	-	-	(14,614)	136,825,762
Total fund balances (deficits)	\$ 182,849,246	\$ 95,730,668	\$ 111,257,215	\$ 8,928,517	\$ 191,964,716	\$ 590,730,362

NOTE 14: INTERFUND ACTIVITIES

A. Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2023, is as follows:

1. *Due to/from Other Funds*

Receivable Fund	Payable Fund	Amount
Nonmajor governmental funds	Nonmajor governmental funds	\$ 24,002

The outstanding balances between funds result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The due to/from other funds is between the Affordable Housing Fund and the Tyler Court Apartments Fund, both non-major governmental funds, represents amounts due to the Affordable Housing Fund by the Tyler Court Apartments Fund. The Affordable Housing Fund temporarily provided funds in order to expedite critical improvements at Tyler Court Apartments. Costs were later reimbursed under the federal Community Development Block Grant (CDBG) program and the due to/from was removed.

2. *Advances to/from Other Funds*

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 1,167,725
Community Facilities District #1	Nonmajor governmental funds	901,024
Nonmajor governmental funds	Park Development	5,650,000
	Total	\$ 7,718,749

Advances to and from other funds are primarily long-term advances used to fund capital projects in advance of related revenues.

The advance between the General Fund and the Habitat & Agricultural Management Fund, a non-major governmental fund, is estimated to be repaid from future Habitat Mitigation Fees. Interest on the advance will compound annually at the average interest rate earned by the Treasurer’s Pool during the fiscal year.

The advance between the CFD No. 1 Fund and the Traffic Impact Projects Fund, a non-major governmental fund, is estimated to be repaid over a 10–15-year period as Traffic Impact Fees are collected.

The advance between the non-major Public Facilities Fees Fund and the major Park Development Funds is estimated to be repaid at build-out.

NOTE 14: INTERFUND ACTIVITIES (CONTINUED)

B. Interfund Transfers

Transfers in and out of other funds

Transfers In	Transfers Out	Amount
Infrastructure Replacement Fund	General Fund	\$ 3,956,000
Nonmajor governmental funds	General Fund	9,312,000
Nonmajor governmental funds	Nonmajor governmental funds	160,000
Nonmajor enterprise funds	General Fund	332,000
Internal service funds	General Fund	10,608,252
		<u>\$ 24,368,252</u>

Transfers are used to: (1) move revenues and expenditures to the appropriate funds; (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with Council authorizations; and (3) move excess cash collected for future capital replacement in accordance with Council authorization.

The \$3,956,000 transfer to the Infrastructure Replacement Fund from the General Fund is to fund major construction and replacement of city infrastructure and facilities. This transfer is in line with the requirements set forth in City Council Policy No. 91-Long Term General Fund Capital Funding Policy.

The \$9,312,000 transfer is split to three special revenue funds, all of which are nonmajor governmental funds, from the General Fund. These transfers include, \$3,956,000 to the General Capital Construction Fund to fund major new construction of city infrastructure and facilities, \$3,956,000 to the Technology Investment Capital Fund to fund major technology projects and \$1,400,000 to the Financing Districts Fund to cover annual operating expenditures in excess of annual assessments on the city’s median and street tree assessment districts.

The \$160,000 transfer between the non-major governmental funds represents two transfers, one transfer of \$100,000 from the Affordable Housing Fund to the Housing Choice Voucher Fund to cover cash shortfalls in the Housing Choice Voucher program due to timing and receipt of federal funding and one transfer of \$60,000 from the Affordable Housing Fund to the Tyler Court Apartment Fund in order to cover a month of operating expenses due to revenue shortfalls.

The \$332,000 transfer to the Solid Waste Fund, a non-major enterprise fund, from the General Fund is to reimburse the Solid Waste Fund for the General Fund’s portion of annual storm water expenses.

The \$10,608,252 transfer to internal service funds from the General Fund represents three transfers from the General Fund which include: \$8,208,252 to the Worker’s Compensation Internal Service Fund to increase the estimated claims liability in accordance with recent actuarial reports, \$1,000,000 to the Risk Management Internal Service Fund to bring the fund out of a fund deficit and \$1,400,000 to the Fleet Management Internal Service Fund to establish a healthy minimum fund balance and address recent increases in fuel and parts costs.

NOTE 15: CONTINGENCIES

The city participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the city's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the city anticipates such amounts, if any, will be immaterial.

The city is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the city's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the city.

NOTE 16: PRIOR PERIOD ADJUSTMENTS

A. Changes to or within the Reporting Entity

The Park Development fund was previously reported as a nonmajor governmental fund during the prior fiscal year. Due to a significant increase in liabilities of the fund during the year, it met the requirements of being presented as a major fund, in accordance with GASB Statement No. 34, during the fiscal year ended June 30, 2023. The effects of that change to or within the financial reporting entity are shown in the table below.

The Bridge Thoroughfare Districts (BTD) fund was previously reported as a major governmental fund during the prior fiscal year. Due to a significant decrease in assets and liabilities of the fund during the year, it no longer met the requirements of being presented as a major fund, in accordance with GASB Statement No. 34, during the fiscal year ended June 30, 2023. The effects of that change to or within the financial reporting entity are shown in the table below.

B. Change in Accounting Principle

For the fiscal year ended June 30, 2023, the city adjusted the liability balance of the custodial funds to reclassify the net assets held for the payment of future conduit debt service payments as a liability (due to bondholders). This adjustment was in accordance with new information provided to the city from the GASB during the fiscal year in response to a technical inquiry from the city's auditors. The effect of this change is shown in the table below.

CITY OF CARLSBAD
Notes to the Financial Statements
Year Ended June 30, 2023

NOTE 16: PRIOR PERIOD ADJUSTMENTS (CONTINUED)

C. Adjustments to and Restatements of Beginning Balances

During fiscal year 2023, changes to or within the financial reporting entity and the change in accounting principle resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

	June 30, 2022 As Previously Reported	Changes to or within the Reporting Entity	Error Correction	Changes in Accounting Principle	June 30, 2022 As Restated
Governmental funds					
Major funds					
General Fund	\$ 162,138,611	\$ -	\$ -	\$ -	\$ 162,138,611
Bridge Thoroughfare Districts (BTD)	(885,039)	885,039	-	-	-
Community Facilities District #1	93,823,522	-	-	-	93,823,522
Infrastructure Replacement Fund	113,164,506	-	-	-	113,164,506
Park Development	-	8,433,601	-	-	8,433,601
Nonmajor funds	206,773,483	(9,318,640)	-	-	197,454,843
Total governmental funds	<u>\$ 575,015,083</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,015,083</u>
Fiduciary funds					
Private-purpose trust fund	\$ 3,704,732	\$ -	\$ -	\$ -	\$ 3,704,732
Custodial funds	14,020,514	-	-	(8,549,104)	5,471,410
Total fiduciary funds	<u>\$ 17,725,246</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,549,104)</u>	<u>\$ 9,176,142</u>

NOTE 17: JOINT VENTURES

A. Encina Water Pollution Control Facilities

The Encina Water Pollution Control Facilities (the facilities) are wastewater facilities owned jointly by the cities of Carlsbad, Vista and Encinitas and the Leucadia Wastewater District, the Buena Vista Sanitation District, and the Vallecitos Water District. The Encina Wastewater Authority (EWA) is a joint powers authority established to operate and administer the facilities. It is responsible for the management, maintenance, and operations of the joint system. Each member agency has a specified percentage of ownership in the various components of the Encina Water Pollution Control Facilities that varies from component to component. Accordingly, each member agency reports its undivided interest in the facilities as a part of that member agency's capital assets.

As of June 30, 2023, the undivided interest of each member agency in the various components of the Encina Water Pollution Control Facilities aggregated as follows:

City of Vista	25%
City of Carlsbad	24%
Vallecitos Water District	23%
Leucadia Wastewater District	17%
Buena Sanitation District	7%
City of Encinitas	4%

EWA does not recognize net income or loss. Net operating expenditures in excess of users' assessments are treated as accounts receivable on EWA's books and charged to users' accounts in the following year. Conversely, users' assessments in excess of net operating expenditures are treated as a liability and credited against users' accounts, also in the following year. Under this basis, net operating loss (before member billings) for EWA totaled \$5,278 in fiscal year 2021-22. The financial statements of EWA can be obtained at www.encinajpa.com.

NOTE 18: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER DEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the bill”) which provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the city that previously had reported a redevelopment agency within the reporting entity of the city as a blended component unit. The bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the bill as part of City Council Resolution No. 2012-013 and Housing and Redevelopment Commission Resolution No. 519.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future years, successor agencies will only be allowed revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated. On March 7, 2014, the city received notice from the California Department of Finance that the loans previously made by the city to the former redevelopment agency are enforceable obligations and that they were made for legitimate redevelopment purposes. This approval allowed the city to list repayment of these loans on future Redevelopment Obligation Payment Schedules (ROPS). In accordance with the timeline set forth in the bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012.

A. Long-Term Debt

The following is a summary of changes in the principal balance of long-term debt for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Amount Due Within One Year
Bonds payable					
Bonds payable	\$ 1,950,000	\$ -	\$ 950,000	\$ 1,000,000	\$ 1,000,000

The 1993 Carlsbad Housing and Redevelopment Commission Tax Allocation Bonds were issued totaling \$15,495,000. Principal is due in amounts ranging from \$900,000 to \$1,000,000 on September 1 of each year through 2024. Interest is payable on March 1 and September 1 at a rate of 5.30% per annum. The city posted a surety bond in lieu of a cash reserve in the amount of \$1,055,953. Bonds are payable from redevelopment property tax increment revenues and interest income.

The aggregate maturities of long-term debt are as follows:

June 30	Principal	Interest
2024	\$ 1,000,000	\$ 104,675

**NOTE 18: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER DEVELOPMENT AGENCY
(CONTINUED)**

B. Pledged Revenue

The Successor Agency has a debt issuance outstanding that is collateralized by the pledging of certain revenues. The amount and term of the remainder of this commitment is indicated in the debt service to maturity table presented above. The purpose for which the proceeds of the related debt issuance was utilized is disclosed in the debt description on the previous page. For the current year, debt service payments as a percentage of pledged gross revenue (net of certain expenses where so required by the debt agreement) are indicated in the table below. This percentage also approximates the relationship of debt service to pledged revenues for the remainder of the term of the commitment:

Description of Pledged Revenue	Annual Amount of Pledged Revenue	Annual Debt Service Payments	Debt Service as a Percentage of Pledged Revenue
Tax increment	\$ 1,061,683	\$ 1,028,175	97%

NOTE 19: SUBSEQUENT EVENTS

The City evaluated subsequent events for recognition and disclosure through March 26, 2024, the date on which these financial statements were available to be issued. Management concluded that the following subsequent events have occurred since June 30, 2023, that required disclosure in these financial statements.

- The City Council approved the establishment of a Public Agencies Post-Employment Benefits Trust (Section 115 Trust) on September 12, 2023. This trust allows the city to stabilize pension cost volatility, maintain local control over the city’s assets and earn a potentially higher rate of return than if the assets were kept within the General Fund. The City Council approved an initial trust contribution of \$10 million on September 26, 2023 as part of an ongoing effort to maintain compliance with City Council Policy Statement No. 86 and the city’s minimum 80% pension funded ratio.
- In January 2024, the city experienced heavy rains and storm events that caused flooding and landslides impacting certain private properties throughout the city. As a result of the disaster, the city incurred an additional \$4,000,000 liability for damage repair. This liability is expected to be liquidated during fiscal year 2023-2024.

Required Supplementary Information



CITY OF CARLSBAD
General Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 174,204,000	\$ 174,204,000	\$ 193,235,077	\$ 19,031,077
Licenses and permits	2,313,000	3,614,438	3,710,466	96,028
Intergovernmental	1,154,309	1,322,512	2,456,236	1,133,724
Charges for services	9,210,767	9,210,767	10,833,054	1,622,287
Use of money and property	5,494,500	5,494,500	7,069,605	1,575,105
Fines and forfeitures	180,000	180,000	390,400	210,400
Contributions	38,500	38,500	20,233	(18,267)
Miscellaneous	1,038,211	1,064,567	1,907,690	843,123
Total revenues	193,633,287	195,129,284	219,622,761	24,493,477
EXPENDITURES				
Current:				
General government	28,195,864	27,631,312	22,975,577	4,655,735
Less: interdepartmental charges	(5,236,449)	(5,236,449)	(5,991,590)	755,141
Public safety	90,674,321	90,536,373	85,437,538	5,098,835
Community development	53,633,997	54,917,245	48,705,129	6,212,116
Public works	25,918,939	26,097,037	22,265,076	3,831,961
Capital outlay	6,138,428	6,152,522	1,336,186	4,816,336
Total expenditures	199,325,100	200,098,040	174,727,916	25,370,124
Excess (deficiency) of revenues over (under) expenditures	(5,691,813)	(4,968,756)	44,894,845	49,863,601
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000	10,000	-	(10,000)
Proceeds from sale of capital asset	-	-	24,042	24,042
Transfers out	(13,603,000)	(24,208,252)	(24,208,252)	-
Total other financing sources (uses)	(13,593,000)	(24,198,252)	(24,184,210)	14,042
Net change in fund balance	\$ (19,284,813)	\$ (29,167,008)	20,710,635	\$ 49,877,643
Fund balance-beginning			162,138,611	
Fund balance-ending			\$ 182,849,246	

CITY OF CARLSBAD
Schedule of Changes in Net Pension Liability and Related Ratios
Miscellaneous Plan
As of June 30, for the Last Ten Fiscal Years ¹

	2023	2022	2021	2020
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019
TOTAL PENSION LIABILITY				
Service cost	\$ 8,937,350	\$ 8,267,207	\$ 7,748,623	\$ 7,393,365
Interest on total pension liability	30,675,372	29,773,920	28,392,127	27,175,110
Changes of assumptions	13,648,298	-	-	-
Difference between expected and actual experience	(1,847,457)	3,459,759	1,167,225	2,338,341
Benefit payments, including refunds of employee contributions	(22,572,119)	(21,477,657)	(19,590,424)	(18,193,803)
Net change in total pension liability	28,841,444	20,023,229	17,717,551	18,713,013
Total pension liability-beginning	439,587,141	419,563,912	401,846,361	383,133,348
Total pension liability-ending (a)	468,428,585	439,587,141	419,563,912	401,846,361
PLAN FIDUCIARY NET POSITION				
Contributions-employer	14,517,690	16,551,765	10,637,969	17,745,975
Contributions-employee	3,756,998	3,436,290	3,338,003	3,040,423
Net investment income	(30,545,136)	74,476,234	15,901,834	19,551,424
Benefit payments, including refunds of employee contributions	(22,572,119)	(21,477,657)	(19,590,424)	(18,193,803)
Net plan to plan resource movement	-	-	-	-
Administrative expense	(252,005)	(331,533)	(454,014)	(214,173)
Other miscellaneous income/(expense)	-	-	-	670
Net change in fiduciary net position	(35,094,572)	72,655,099	9,833,368	21,930,516
Plan fiduciary net position-beginning	404,540,402	331,885,303	322,051,935	300,121,419
Plan fiduciary net position-ending (b)	369,445,830	404,540,402	331,885,303	322,051,935
Net pension liability/(asset) (a) - (b)	\$ 98,982,755	\$ 35,046,739	\$ 87,678,609	\$ 79,794,426
Plan fiduciary net position as a percentage of the total pension liability	78.9%	92.0%	79.1%	80.1%
Covered payroll	\$ 44,068,269	\$ 43,884,424	\$ 42,138,677	\$ 39,130,545
Plan net pension liability/(asset) as a percentage of covered payroll	224.6%	79.9%	208.1%	203.9%

Notes to Schedule of Changes in the Net Pension Liability and Related Ratios:

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective for 2023, the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2018 through 2022, 7.65% for measurement dates 2016 through 2017, and 7.50% for 2015.

¹ Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore only nine years are shown.

2019	2018	2017	2016	2015
<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
\$ 7,642,062	\$ 7,836,970	\$ 6,836,445	\$ 6,674,982	\$ 6,908,307
25,874,546	25,085,808	24,192,948	23,142,961	21,793,340
(2,662,243)	20,988,178	-	(5,737,798)	-
(3,023,977)	(3,079,012)	(2,605,228)	1,300,520	-
<u>(16,887,970)</u>	<u>(15,327,609)</u>	<u>(14,344,528)</u>	<u>(12,791,734)</u>	<u>(11,614,664)</u>
10,942,418	35,504,335	14,079,637	12,588,931	17,086,983
372,190,930	336,686,595	322,606,958	310,018,027	292,931,044
383,133,348	372,190,930	336,686,595	322,606,958	310,018,027
22,114,923	14,677,334	9,562,926	8,434,882	8,004,157
3,005,761	2,820,046	2,833,466	2,703,715	3,039,951
22,720,698	26,893,994	1,330,196	5,362,753	35,526,156
(16,887,970)	(15,327,609)	(14,344,528)	(12,791,734)	(11,614,664)
3,388	(2,793)	-	(298,989)	-
(421,336)	(356,827)	(147,759)	(273,288)	-
(800,124)	-	-	-	-
29,735,340	28,704,145	(765,699)	3,137,339	34,955,600
270,386,079	241,681,934	242,447,633	239,310,294	204,354,694
300,121,419	270,386,079	241,681,934	242,447,633	239,310,294
\$ 83,011,929	\$ 101,804,851	\$ 95,004,661	\$ 80,159,325	\$ 70,707,733
78.3%	72.6%	71.8%	75.2%	77.2%
\$ 36,214,870	\$ 35,845,774	\$ 35,141,036	\$ 33,609,704	\$ 32,960,515
229.2%	284.0%	270.4%	238.5%	214.5%

CITY OF CARLSBAD
Schedule of Changes in Net Pension Liability and Related Ratios
Safety Plan
As of June 30, for the Last Ten Fiscal Years ¹

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019
TOTAL PENSION LIABILITY				
Service cost	\$ 8,397,439	\$ 7,535,523	\$ 6,578,451	\$ 6,317,755
Interest on total pension liability	24,991,969	23,741,151	22,410,699	21,269,278
Changes of assumptions	13,165,149	-	-	-
Difference between expected and actual experience	3,204,494	5,936,553	4,071,899	2,425,561
Benefit payments, including refunds of employee contributions	<u>(18,607,148)</u>	<u>(17,230,615)</u>	<u>(16,362,437)</u>	<u>(15,288,250)</u>
Net change in total pension liability	31,151,903	19,982,612	16,698,612	14,724,344
Total pension liability-beginning	<u>350,937,662</u>	<u>330,955,050</u>	<u>314,256,438</u>	<u>299,532,094</u>
Total pension liability-ending (a)	<u>382,089,565</u>	<u>350,937,662</u>	<u>330,955,050</u>	<u>314,256,438</u>
PLAN FIDUCIARY NET POSITION				
Contributions-employer	13,322,734	14,253,531	10,321,371	23,119,896
Contributions-employee	3,020,571	2,861,027	2,581,027	2,380,740
Net investment income	(23,360,492)	56,569,028	12,053,297	14,331,677
Benefit payments, including refunds of employee contributions	(18,607,148)	(17,230,615)	(16,362,437)	(15,288,250)
Net plan to plan resource movement	-	-	-	-
Administrative expense	(192,091)	(251,893)	(343,854)	(156,656)
Other miscellaneous income/(expense)	-	-	-	508
Net change in fiduciary net position	(25,816,426)	56,201,078	8,249,404	24,387,915
Plan fiduciary net position-beginning	<u>308,361,275</u>	<u>252,160,197</u>	<u>243,910,793</u>	<u>219,522,878</u>
Plan fiduciary net position-ending (b)	<u>282,544,849</u>	<u>308,361,275</u>	<u>252,160,197</u>	<u>243,910,793</u>
Net pension liability/(asset) (a) - (b)	<u>\$ 99,544,716</u>	<u>\$ 42,576,387</u>	<u>\$ 78,794,853</u>	<u>\$ 70,345,645</u>
Plan fiduciary net position as a percentage of the total pension liability	73.9%	87.9%	76.2%	77.6%
Covered payroll	\$ 25,604,904	\$ 26,392,461	\$ 24,695,745	\$ 22,328,023
Plan net pension liability/(asset) as a percentage of covered payroll	388.8%	161.3%	319.1%	315.1%

Notes to Schedule of Changes in the Net Pension Liability and Related Ratios:

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the measurement date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: Effective for 2023, the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2018 through 2022, 7.65% for measurement dates 2016 through 2017, and 7.50% for 2015.

¹ Fiscal year 2015 was the first year of GASB Statement No. 68 implementation; therefore only nine years are shown.

2019	2018	2017	2016	2015
<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
\$ 5,985,155	\$ 5,825,080	\$ 5,209,900	\$ 5,048,529	\$ 5,425,425
20,248,091	19,305,098	18,557,781	17,775,039	16,876,220
(1,332,336)	16,661,943	-	(4,517,683)	-
2,726,755	(705,417)	(941,378)	638,786	-
<u>(13,797,333)</u>	<u>(13,034,483)</u>	<u>(12,197,119)</u>	<u>(11,264,768)</u>	<u>(10,529,479)</u>
13,830,332	28,052,221	10,629,184	7,679,903	11,772,166
285,701,762	257,649,541	247,020,357	239,340,454	227,568,288
299,532,094	285,701,762	257,649,541	247,020,357	239,340,454
8,675,370	12,379,181	6,836,098	6,491,856	6,141,746
2,169,504	1,922,500	1,933,363	1,726,785	1,853,365
17,250,148	20,385,351	990,545	4,107,305	27,905,516
(13,797,333)	(13,034,483)	(12,197,119)	(11,264,768)	(10,529,479)
(4,566)	2,793	-	-	-
(321,256)	(272,813)	(114,168)	(210,908)	-
<u>(610,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
13,361,797	21,382,529	(2,551,281)	850,270	25,371,148
206,161,081	184,778,552	187,329,833	186,479,563	161,108,415
219,522,878	206,161,081	184,778,552	187,329,833	186,479,563
\$ 80,009,216	\$ 79,540,681	\$ 72,870,989	\$ 59,690,524	\$ 52,860,891
73.3%	72.2%	71.7%	75.8%	77.9%
\$ 20,768,094	\$ 18,965,085	\$ 18,514,525	\$ 18,378,393	\$ 18,013,144
385.3%	419.4%	393.6%	324.8%	293.5%

CITY OF CARLSBAD
Schedule of Changes in Net OPEB Liability and Related Ratios
As of June 30, for the Last Ten Fiscal Years ¹

	2023	2022	2021	2020
Measurement Date	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
TOTAL OPEB LIABILITY				
Service cost	757,499	669,651	657,941	536,124
Interest on total OPEB liability	1,248,183	1,347,382	1,301,716	1,167,930
Changes of assumptions	-	625,021	(281,685)	1,232,232
Difference between expected and actual experience	-	(922,167)	-	(203,116)
Benefit payments, including refunds of employee contributions	(1,095,532)	(1,074,741)	(999,866)	(887,656)
Net change in total OPEB liability	910,150	645,146	678,106	1,845,514
Total OPEB liability-beginning	19,761,187	19,116,041	18,437,935	16,592,421
Total OPEB liability-ending (a)	20,671,337	19,761,187	19,116,041	18,437,935
PLAN FIDUCIARY NET POSITION				
Contributions-employer	1,102,669	1,180,559	1,085,866	978,302
Net investment income	(2,735,878)	4,387,820	541,912	887,132
Benefit payments, including refunds of employee contributions	(1,095,532)	(1,074,741)	(999,866)	(887,656)
Administrative expense	(12,314)	(11,858)	(7,493)	(3,078)
Net change in fiduciary net position	(2,741,055)	4,481,780	620,419	974,700
Plan fiduciary net position-beginning	20,443,852	15,962,072	15,341,653	14,366,953
Plan fiduciary net position-ending (b)	17,702,797	20,443,852	15,962,072	15,341,653
Net OPEB liability/(asset) (a) - (b)	2,968,540	(682,665)	3,153,969	3,096,282
Plan fiduciary net position as a percentage of the total OPEB liability	85.6%	103.5%	83.5%	83.2%
Covered-employee payroll	\$ 90,161,596	\$ 70,276,885	\$ 66,834,422	\$ 61,458,568
Plan net OPEB liability/(asset) as a percentage of covered-employee payroll	3.3%	-1.0%	4.7%	5.0%

Notes to Schedule of Changes in the Net OPEB Liability and Related Ratios:

Benefit Changes: None

Changes of Assumptions: None

¹ Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only six years are shown.

2019	2018
<u>6/30/2018</u>	<u>6/30/2017</u>
520,509	505,348
1,113,646	1,064,137
-	-
-	-
<u>(860,894)</u>	<u>(893,899)</u>
773,261	675,586
<u>15,819,160</u>	<u>15,143,574</u>
<u>16,592,421</u>	<u>15,819,160</u>
860,894	747,772
1,064,150	1,281,487
(860,894)	(893,899)
<u>(24,735)</u>	<u>-</u>
1,039,415	1,135,360
<u>13,327,538</u>	<u>12,192,178</u>
<u>14,366,953</u>	<u>13,327,538</u>
<u>2,225,468</u>	<u>2,491,622</u>
86.6%	84.2%
\$ 56,982,964	\$ 54,810,859
3.9%	4.5%

CITY OF CARLSBAD
Schedules of Plan Contributions
As of June 30, for the Last Ten Fiscal Years ¹

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered/ Covered- Employee Payroll	Contribution as a % of Covered/ Covered Employee Payroll
<u>Miscellaneous Agent, Multiple-Employer Pension Plan</u>					
2023	\$ 12,680,481	\$ 12,800,872	\$ (120,391)	\$ 49,894,207	25.7%
2022	11,286,334	14,518,210	(3,231,876)	44,068,269	32.9%
2021	11,098,619	16,501,759	(5,403,140)	43,884,424	37.6%
2020	10,633,467	10,633,467	-	42,138,677	25.2%
2019	11,966,625	17,745,975	(5,779,350)	39,130,545	45.4%
2018	10,456,115	22,114,923	(11,658,808)	36,214,870	61.1%
2017	10,338,549	14,677,334	(4,338,785)	35,845,774	40.9%
2016	9,562,926	9,562,926	-	35,141,036	27.2%
2015	8,434,882	8,434,882	-	33,609,704	25.1%
2014	8,004,157	8,004,157	-	32,960,515	24.3%
<u>Safety Agent, Multiple-Employer Pension Plan</u>					
2023	\$ 11,231,619	\$ 11,354,715	\$ (123,096)	\$ 29,505,416	38.5%
2022	10,144,367	13,344,367	(3,200,000)	25,604,904	52.1%
2021	9,656,334	14,253,194	(4,596,860)	26,392,461	54.0%
2020	10,323,721	10,323,721	-	24,695,745	41.8%
2019	8,899,136	23,119,790	(14,220,654)	22,328,023	103.5%
2018	8,658,116	8,658,116	-	20,768,094	41.7%
2017	7,695,135	12,379,181	(4,684,046)	18,965,085	65.3%
2016	6,836,098	6,836,098	-	18,514,525	36.9%
2015	6,491,856	6,491,856	-	18,378,393	35.3%
2014	6,141,746	6,141,746	-	18,013,144	34.1%
<u>Agent, Multiple Employer OPEB Plan</u>					
2023	\$ 791,699	\$ 1,153,114	\$ (361,415)	\$ 86,120,975	1.3%
2022	768,612	1,102,669	(334,057)	90,161,596	1.2%
2021	962,244	1,180,557	(218,313)	70,276,885	1.7%
2020	941,129	1,085,864	(144,735)	66,834,422	1.6%
2019	788,383	978,302	(189,919)	61,458,568	1.6%
2018	770,693	860,894	(90,201)	56,982,964	1.5%

¹ Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only six years are shown.

NOTE 1: NOTES TO SCHEDULE OF PLAN CONTRIBUTIONS

A. Pension Plans

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2022-23 were derived from the June 30, 2020 funding valuation reports, available at CalPERS' website <https://www.calpers.ca.gov/>.

Actuarial cost method:	Entry age normal
Amortization method/period:	For details, see June 30, 2020 Funding Valuation Report
Asset valuation method:	Market value of assets. For details, see June 30, 2020 Funding Valuation Report
Inflation:	2.50%
Salary increases:	Varies by entry age and service
Payroll growth:	2.75%
Investment rate of return:	7.00% net of investment and administrative expenses
Retirement age:	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997-2015.
Mortality:	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997-2015. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvements using Scale BB published by the Society of Actuaries

B. Other Postemployment Benefits Plan

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2022-23 were derived from the June 30, 2021 actuarial valuation report.

Actuarial cost method:	Entry age normal, level percentage of pay
Amortization method/period:	Level dollar; 25-year fixed period for 2022-23
Asset valuation method:	Market value of assets
Inflation:	2.50%
Salary increases:	Varies by entry age and service
Payroll growth:	2.75%
Investment rate of return:	6.25%
Medical trend:	Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076. Medicare (non-Kaiser) - 5.65% in 2023, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser) - 4.60% for 2023, decreasing to an ultimate rate of 3.75% in 2076.
Mortality:	CalPERS 2000-2019 Experience Study, projected fully generational with Scale MP-2021.

NOTE 2: BUDGETARY INFORMATION

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- During May or June, the City Manager submits a proposed operating, strategic digital transformation investment program and capital improvement program budgets for the fiscal year commencing the following July 1 to the City Council. The budget includes estimated revenues and proposed expenditures on a departmental and/or project basis.
- In June, a public hearing is conducted at a City Council meeting to obtain citizens' comments.
- Prior to July 1, the budget is enacted legally through passage of an appropriation resolution.
- For purposes of budgetary presentation, actual revenues have been adjusted to exclude unrealized gains and losses pursuant to GASB. Actual expenditures have been adjusted to include encumbrances outstanding. Annual budgets are adopted for the General Fund, special revenue funds and capital project funds.

The City of Carlsbad does not distinguish between Basis of Budgeting and Basis of Accounting. The principles set forth as the Basis of Accounting are strictly observed in the budgeting process. A fund's Basis of Budgeting and Basis of Accounting determines when a transaction or event is recognized; refer to *Note 1 Summary of Significant Accounting Policies* in the Notes to the Basic Financial Statements for more information. Only revenues and expenditures anticipated during the fiscal year are included in the budget. All appropriations lapse at fiscal-year end unless the City Council takes action in the form of a resolution to continue the appropriation into the following fiscal year, or, if the appropriation is less than \$100,000, the City Manager may approve to continue the appropriation into the following fiscal year.

Budgetary control, the level at which expenditures cannot legally exceed the appropriated amount, is at the fund level. Council and Administrative policies provide guidelines on budget transfers and the authorization necessary to implement transfers. Generally, there are two types of budget transfers:

- *Budget adjustment:* This is a transfer which does not change the total appropriated amount within a fund and does not require Council action. Approval is granted at the City Manager level.
- *Budget amendment:* This is an adjustment to the total appropriated amount within a fund or business unit which was not included in the original budget. Revisions that alter the total appropriations of any fund must be approved by a simple majority of the City Council via a resolution with the exception of budget increases that involve offsetting revenues and expenditures. The City Manager is authorized to increase an appropriation for a specific purpose where the appropriation is offset by unbudgeted revenue, which is designated for said specific purpose.

Combining and Individual Fund Statements and Schedules



CITY OF CARLSBAD
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds

	Affordable Housing	Community Development Block Grant	Donations	Financing Districts
ASSETS				
Cash and investments	\$ 14,275,480	\$ 256,200	\$ 2,848,684	\$ 10,255,703
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	8,307
Accrued interest	3,744,241	62,957	12,321	44,354
Due from other governments	-	-	-	-
Notes and loans	27,331,797	-	-	-
Leases	-	3,023,200	-	-
Other	-	-	-	12,897
Due from other funds	24,002	-	-	-
Inventories	-	-	3,814	-
Prepaid costs	-	-	-	-
Land held for resale	-	442,800	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 45,375,520	\$ 3,785,157	\$ 2,864,819	\$ 10,321,261
LIABILITIES				
Accrued liabilities	\$ 970	\$ 40,764	\$ 17,197	\$ 424,202
Due to other governments	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	970	40,764	17,197	424,202
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	3,682,496	-	-	-
Lease-related	-	2,992,748	-	-
Total deferred inflows of resources	3,682,496	2,992,748	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	41,692,054	751,645	2,847,622	9,897,059
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	41,692,054	751,645	2,847,622	9,897,059
Total liabilities, deferred inflows of resources, and fund balances	\$ 45,375,520	\$ 3,785,157	\$ 2,864,819	\$ 10,321,261

CITY OF CARLSBAD
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

Special Revenue Funds

	Habitat and Agricultural Management	Other Special Revenue Funds	Police Grants and Asset Forfeiture	Section 8 Rental Assistance
ASSETS				
Cash and investments	\$ 1,162,751	\$ 650,228	\$ 575,494	\$ 24,358
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Accrued interest	5,029	2,812	2,922	-
Due from other governments	-	-	125,187	218,666
Notes and loans	-	-	-	-
Leases	-	-	-	-
Other	-	72,234	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	\$ 1,167,780	\$ 725,274	\$ 703,603	\$ 243,024
LIABILITIES				
Accrued liabilities	\$ 4,795	\$ 23,949	\$ 30,540	\$ 13,598
Due to other governments	-	-	-	116,266
Deposits payable	-	-	-	42,334
Due to other funds	-	-	-	-
Advances from other funds	1,167,725	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	1,172,520	23,949	30,540	172,198
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	70,799	-
Lease-related	-	-	-	-
Total deferred inflows of resources	-	-	70,799	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	701,325	602,264	70,826
Assigned	-	-	-	-
Unassigned	(4,740)	-	-	-
Total fund balances	(4,740)	701,325	602,264	70,826
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,167,780	\$ 725,274	\$ 703,603	\$ 243,024

CITY OF CARLSBAD
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

(Continued)

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
	<u>Tyler Court Apartments</u>	<u>California Opioid Settlement</u>	<u>Assessment and Other Districts</u>	<u>Bridge Thoroughfare Districts (BTD)</u>
ASSETS				
Cash and investments	\$ 103,172	\$ 227,985	\$ 2,381,200	\$ 1,855,456
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Accrued interest	-	987	10,300	8,025
Due from other governments	-	106,062	-	-
Notes and loans	-	-	-	-
Leases	-	-	-	-
Other	11,064	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid costs	2,054	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 116,290</u>	<u>\$ 335,034</u>	<u>\$ 2,391,500</u>	<u>\$ 1,863,481</u>
LIABILITIES				
Accrued liabilities	\$ 15,512	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-
Deposits payable	37,046	-	426,179	-
Due to other funds	24,002	-	-	-
Advances from other funds	-	-	-	-
Unearned revenues	-	344,908	-	-
Total liabilities	<u>76,560</u>	<u>344,908</u>	<u>426,179</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Lease-related	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	2,054	-	-	-
Restricted	37,676	-	1,965,321	1,863,481
Assigned	-	-	-	-
Unassigned	-	(9,874)	-	-
Total fund balances	<u>39,730</u>	<u>(9,874)</u>	<u>1,965,321</u>	<u>1,863,481</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 116,290</u>	<u>\$ 335,034</u>	<u>\$ 2,391,500</u>	<u>\$ 1,863,481</u>

CITY OF CARLSBAD
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

Capital Projects Funds

	<u>Gas Tax</u>	<u>General Capital Construction</u>	<u>Grants and Other Capital Project Funds</u>	<u>Planned Local Drainage Facilities</u>
ASSETS				
Cash and investments	\$ 17,576,053	\$ 38,080,310	\$ 1,656,335	\$ 4,754,657
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Accrued interest	75,943	164,709	7,479	20,566
Due from other governments	709,914	-	189,128	-
Notes and loans	-	-	-	-
Leases	-	-	-	-
Other	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Total assets	<u>\$ 18,361,910</u>	<u>\$ 38,245,019</u>	<u>\$ 1,852,942</u>	<u>\$ 4,775,223</u>
LIABILITIES				
Accrued liabilities	\$ 393,316	\$ 1,751,148	\$ 91,344	\$ 26,525
Due to other governments	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>393,316</u>	<u>1,751,148</u>	<u>91,344</u>	<u>26,525</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	127,418	-
Lease-related	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>127,418</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	17,968,594	-	1,634,180	4,748,698
Assigned	-	36,493,871	-	-
Unassigned	-	-	-	-
Total fund balances	<u>17,968,594</u>	<u>36,493,871</u>	<u>1,634,180</u>	<u>4,748,698</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 18,361,910</u>	<u>\$ 38,245,019</u>	<u>\$ 1,852,942</u>	<u>\$ 4,775,223</u>

Capital Projects Funds

	Public Facilities Construction	Sales Tax/TransNet	Traffic Impact Projects	Technology Investment Capital
ASSETS				
Cash and investments	\$ 28,004,362	\$ 7,396,371	\$ 19,992,845	\$ 10,573,157
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Accrued interest	121,127	31,857	86,475	45,732
Due from other governments	-	134,610	-	-
Notes and loans	-	-	-	-
Leases	-	-	-	-
Other	-	83,325	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid costs	-	-	-	375,967
Land held for resale	-	-	-	-
Advances to other funds	5,650,000	-	-	-
Total assets	\$ 33,775,489	\$ 7,646,163	\$ 20,079,320	\$ 10,994,856
LIABILITIES				
Accrued liabilities	\$ 20,766	\$ 205,734	\$ 448,886	\$ 82,148
Due to other governments	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	901,024	-
Unearned revenues	-	-	-	-
Total liabilities	20,766	205,734	1,349,910	82,148
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	134,610	-	-
Lease-related	-	-	-	-
Total deferred inflows of resources	-	134,610	-	-
FUND BALANCES				
Nonspendable	-	-	-	375,967
Restricted	33,754,723	7,305,819	18,729,410	-
Assigned	-	-	-	10,536,741
Unassigned	-	-	-	-
Total fund balances	33,754,723	7,305,819	18,729,410	10,912,708
Total liabilities, deferred inflows of resources, and fund balances	\$ 33,775,489	\$ 7,646,163	\$ 20,079,320	\$ 10,994,856

CITY OF CARLSBAD
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Total Nonmajor Funds
ASSETS	
Cash and investments	\$ 162,650,801
Receivables (net of allowance for uncollectible):	
Accounts	8,307
Accrued interest	4,447,836
Due from other governments	1,483,567
Notes and loans	27,331,797
Leases	3,023,200
Other	179,520
Due from other funds	24,002
Inventories	3,814
Prepaid costs	378,021
Land held for resale	442,800
Advances to other funds	5,650,000
Total assets	<u><u>\$ 205,623,665</u></u>
LIABILITIES	
Accrued liabilities	\$ 3,591,394
Due to other governments	116,266
Deposits payable	505,559
Due to other funds	24,002
Advances from other funds	2,068,749
Unearned revenues	344,908
Total liabilities	<u><u>6,650,878</u></u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	4,015,323
Lease-related	2,992,748
Total deferred inflows of resources	<u><u>7,008,071</u></u>
FUND BALANCES	
Nonspendable	378,021
Restricted	144,570,697
Assigned	47,030,612
Unassigned	(14,614)
Total fund balances	<u><u>191,964,716</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 205,623,665</u></u>

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue Funds			
	Affordable Housing	Community Development Block Grant	Donations	Financing Districts
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	508,874	-	-
Contribution from property owners	248,039	-	-	-
Charges for services	25,427	-	11,352	2,535,209
Use of money and property	787,264	275,514	35,284	46,883
Contributions	-	-	293,624	-
Miscellaneous	-	-	13,915	1,440
Total revenues	1,060,730	784,388	354,175	2,583,532
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	357,704	2,298,679	399,979	2,318,800
Public works	-	-	-	1,403,122
Capital outlay	-	-	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	357,704	2,298,679	399,979	3,721,922
Excess (deficiency) of revenues over (under) expenditures	703,026	(1,514,291)	(45,804)	(1,138,390)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	1,400,000
Transfers out	(160,000)	-	-	-
Proceeds from sale of capital asset	-	355,302	-	-
Total other financing sources (uses)	(160,000)	355,302	-	1,400,000
Net change in fund balances	543,026	(1,158,989)	(45,804)	261,610
Fund balances-beginning, restated	41,149,028	1,910,634	2,893,426	9,635,449
Fund balances-ending	\$ 41,692,054	\$ 751,645	\$ 2,847,622	\$ 9,897,059

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Special Revenue Funds			
	Habitat and Agricultural Management	Other Special Revenue Funds	Police Grants and Asset Forfeiture	Section 8 Rental Assistance
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	475,881	10,617,494
Contribution from property owners	57,082	284,652	-	-
Charges for services	-	-	-	-
Use of money and property	15,330	12,653	5,014	5,920
Contributions	-	-	-	-
Miscellaneous	-	-	-	5,240
Total revenues	72,412	297,305	480,895	10,628,654
EXPENDITURES				
Current:				
General government	-	402,241	-	-
Public safety	-	-	402,883	-
Community services	38,220	-	-	10,854,742
Public works	-	-	-	-
Capital outlay	-	-	122,291	-
Debt service:				
Interest and fiscal charges	22,365	-	-	-
Total expenditures	60,585	402,241	525,174	10,854,742
Excess (deficiency) of revenues over (under) expenditures	11,827	(104,936)	(44,279)	(226,088)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	100,000
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total other financing sources (uses)	-	-	-	100,000
Net change in fund balances	11,827	(104,936)	(44,279)	(126,088)
Fund balances-beginning, restated	(16,567)	806,261	646,543	196,914
Fund balances-ending	\$ (4,740)	\$ 701,325	\$ 602,264	\$ 70,826

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

(Continued)

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
	<u>Tyler Court Apartments</u>	<u>California Opioid Settlement</u>	<u>Assessment and Other Districts</u>	<u>Bridge Thoroughfare Districts (BTD)</u>
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	2,174,230
Contribution from property owners	-	-	-	-
Charges for services	802,680	-	-	-
Use of money and property	2,186	(9,874)	37,011	631,331
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	804,866	(9,874)	37,011	2,805,561
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	529,497	-	-	-
Public works	-	-	1,015,672	-
Capital outlay	363,864	-	-	57,041
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	893,361	-	1,015,672	57,041
Excess (deficiency) of revenues over (under) expenditures	(88,495)	(9,874)	(978,661)	2,748,520
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total other financing sources (uses)	60,000	-	-	-
Net change in fund balances	(28,495)	(9,874)	(978,661)	2,748,520
Fund balances-beginning, restated	68,225	-	2,943,982	(885,039)
Fund balances-ending	\$ 39,730	\$ (9,874)	\$ 1,965,321	\$ 1,863,481

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Capital Projects Funds			
	Gas Tax	General Capital Construction	Grants and Other Capital Project Funds	Planned Local Drainage Facilities
REVENUES				
Taxes	\$ 5,520,836	\$ -	\$ -	\$ -
Intergovernmental	-	-	61,709	-
Contribution from property owners	-	-	-	185,869
Charges for services	-	-	-	-
Use of money and property	271,555	(1,701,774)	21,450	45,029
Contributions	-	-	-	-
Miscellaneous	-	2,013,865	-	-
Total revenues	5,792,391	312,091	83,159	230,898
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	600,000	-	53,000	-
Capital outlay	6,429,728	10,306,345	167,146	61,972
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	7,029,728	10,306,345	220,146	61,972
Excess (deficiency) of revenues over (under) expenditures	(1,237,337)	(9,994,254)	(136,987)	168,926
OTHER FINANCING SOURCES (USES)				
Transfers in	-	3,956,000	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total other financing sources (uses)	-	3,956,000	-	-
Net change in fund balances	(1,237,337)	(6,038,254)	(136,987)	168,926
Fund balances-beginning, restated	19,205,931	42,532,125	1,771,167	4,579,772
Fund balances-ending	\$ 17,968,594	\$ 36,493,871	\$ 1,634,180	\$ 4,748,698

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

(Continued)

Capital Projects Funds

	Public Facilities Construction	Sales Tax/TransNet	Traffic Impact Projects	Technology Investment Capital
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	429,466	-	-
Contribution from property owners	1,196,210	-	1,654,082	-
Charges for services	-	954,794	-	-
Use of money and property	385,758	172,004	253,549	21,059
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,581,968	1,556,264	1,907,631	21,059
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	-	-	-	-
Capital outlay	1,304,479	3,256,940	1,903,324	1,872,511
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	1,304,479	3,256,940	1,903,324	1,872,511
Excess (deficiency) of revenues over (under) expenditures	277,489	(1,700,676)	4,307	(1,851,452)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	3,956,000
Transfers out	-	-	-	-
Proceeds from sale of capital asset	-	-	-	-
Total other financing sources (uses)	-	-	-	3,956,000
Net change in fund balances	277,489	(1,700,676)	4,307	2,104,548
Fund balances-beginning, restated	33,477,234	9,006,495	18,725,103	8,808,160
Fund balances-ending	\$ 33,754,723	\$ 7,305,819	\$ 18,729,410	\$ 10,912,708

CITY OF CARLSBAD
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2023

	Total Nonmajor Funds
REVENUES	
Taxes	\$ 5,520,836
Intergovernmental	14,267,654
Contribution from property owners	3,625,934
Charges for services	4,329,462
Use of money and property	1,313,146
Contributions	293,624
Miscellaneous	2,034,460
Total revenues	<u>31,385,116</u>
EXPENDITURES	
Current:	
General government	402,241
Public safety	402,883
Community services	16,797,621
Public works	3,071,794
Capital outlay	25,845,641
Debt service:	
Interest and fiscal charges	22,365
Total expenditures	<u>46,542,545</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,157,429)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	9,472,000
Transfers out	(160,000)
Proceeds from sale of capital asset	355,302
Total other financing sources (uses)	<u>9,667,302</u>
Net change in fund balances	(5,490,127)
Fund balances-beginning, restated	197,454,843
Fund balances-ending	<u>\$ 191,964,716</u>

CITY OF CARLSBAD
Affordable Housing
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Contribution from property owners	\$ 120,000	\$ 120,000	\$ 248,039	\$ 128,039
Charges for services	30,000	30,000	25,427	(4,573)
Use of money and property	345,000	345,000	787,264	442,264
Total revenues	495,000	495,000	1,060,730	565,730
EXPENDITURES				
Current:				
Community services	293,695	444,695	357,704	86,991
Total expenditures	293,695	444,695	357,704	86,991
Excess (deficiency) of revenues over (under) expenditures	201,305	50,305	703,026	652,721
OTHER FINANCING SOURCES (USES)				
Transfers out	(100,000)	(410,000)	(160,000)	(250,000)
Total other financing sources (uses)	(100,000)	(410,000)	(160,000)	(250,000)
Net change in fund balance	\$ 101,305	\$ (359,695)	543,026	\$ 402,721
Fund balance-beginning			41,149,028	
Fund balance-ending			\$ 41,692,054	

CITY OF CARLSBAD
Community Development Block Grant
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 527,154	\$ 2,314,329	\$ 508,874	\$ (1,805,455)
Use of money and property	-	-	275,514	275,514
Total revenues	527,154	2,314,329	784,388	(1,529,941)
EXPENDITURES				
Current:				
Community services	739,241	3,147,606	2,298,679	848,927
Total expenditures	739,241	3,147,606	2,298,679	848,927
Excess (deficiency) of revenues over (under) expenditures	(212,087)	(833,277)	(1,514,291)	(681,014)
OTHER FINANCING SOURCES (USES)				
Sales of general capital assets	-	-	355,302	355,302
Total other financing sources (uses)	-	-	355,302	355,302
Net change in fund balance	\$ (212,087)	\$ (833,277)	(1,158,989)	\$ (325,712)
Fund balance-beginning			1,910,634	
Fund balance-ending			\$ 751,645	

CITY OF CARLSBAD
Donations
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 8,000	\$ 8,000	\$ 11,352	\$ 3,352
Use of money and property	17,139	17,139	35,284	18,145
Contributions	300,800	300,800	293,624	(7,176)
Miscellaneous	12,000	12,000	13,915	1,915
Total revenues	337,939	337,939	354,175	16,236
EXPENDITURES				
Current:				
Community services	737,728	737,728	399,979	337,749
Total expenditures	737,728	737,728	399,979	337,749
Net change in fund balance	\$ (399,789)	\$ (399,789)	(45,804)	\$ 353,985
Fund balance-beginning			2,893,426	
Fund balance-ending			\$ 2,847,622	

CITY OF CARLSBAD
Financing Districts
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 2,505,000	\$ 2,505,000	\$ 2,535,209	\$ 30,209
Use of money and property	96,000	96,000	46,883	(49,117)
Miscellaneous	-	-	1,440	1,440
Total revenues	2,601,000	2,601,000	2,583,532	(17,468)
EXPENDITURES				
Current:				
Community services	2,210,135	2,556,294	2,318,800	237,494
Public works	1,598,708	1,648,284	1,403,122	245,162
Total expenditures	3,808,843	4,204,578	3,721,922	482,656
Excess (deficiency) of revenues over (under) expenditures	(1,207,843)	(1,603,578)	(1,138,390)	465,188
OTHER FINANCING SOURCES (USES)				
Transfers in	1,400,000	1,400,000	1,400,000	-
Total other financing sources (uses)	1,400,000	1,400,000	1,400,000	-
Net change in fund balance	\$ 192,157	\$ (203,578)	261,610	\$ 465,188
Fund balance-beginning			9,635,449	
Fund balance-ending			\$ 9,897,059	

CITY OF CARLSBAD
Habitat and Agricultural Management
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ -	\$ -	\$ 57,082	\$ 57,082
Use of money and property	15,000	15,000	15,330	330
Total revenues	15,000	15,000	72,412	57,412
EXPENDITURES				
Current:				
Community services	-	504,182	38,220	465,962
Debt service:				
Interest	-	22,365	22,365	-
Total expenditures	-	526,547	60,585	465,962
Net change in fund balance	\$ 15,000	\$ (511,547)	11,827	\$ 523,374
Fund balance-beginning			(16,567)	
Fund balance-ending			\$ (4,740)	

CITY OF CARLSBAD
Other Special Revenue Funds
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ 260,000	\$ 260,000	\$ 284,652	\$ 24,652
Use of money and property	-	-	12,653	12,653
Total revenues	260,000	260,000	297,305	37,305
EXPENDITURES				
Current:				
General government	463,551	482,501	402,241	80,260
Total expenditures	463,551	482,501	402,241	80,260
Net change in fund balance	\$ (203,551)	\$ (222,501)	(104,936)	\$ 117,565
Fund balance-beginning			806,261	
Fund balance-ending			\$ 701,325	

CITY OF CARLSBAD
Police Grants and Asset Forfeiture
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 200,000	\$ 616,689	\$ 475,881	\$ (140,808)
Use of money and property	1,000	1,000	5,014	4,014
Total revenues	201,000	617,689	480,895	(136,794)
EXPENDITURES				
Current:				
Public safety	390,705	886,527	402,883	483,644
Capital outlay	148,309	148,309	122,291	26,018
Total expenditures	539,014	1,034,836	525,174	509,662
Net change in fund balance	\$ (338,014)	\$ (417,147)	(44,279)	\$ 372,868
Fund balance-beginning			646,543	
Fund balance-ending			\$ 602,264	

CITY OF CARLSBAD
Section 8 Rental Assistance
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 11,297,680	\$ 11,813,576	\$ 10,617,494	\$ (1,196,082)
Use of money and property	-	-	5,920	5,920
Miscellaneous	5,500	5,500	5,240	(260)
Total revenues	11,303,180	11,819,076	10,628,654	(1,190,422)
EXPENDITURES				
Current:				
Community services	10,382,941	10,932,237	10,854,742	77,495
Total expenditures	10,382,941	10,932,237	10,854,742	77,495
Excess (deficiency) of revenues over (under) expenditures	920,239	886,839	(226,088)	(1,112,927)
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
Total other financing sources (uses)	100,000	100,000	100,000	-
Net change in fund balance	\$ 1,020,239	\$ 986,839	(126,088)	\$ (1,112,927)
Fund balance-beginning			196,914	
Fund balance-ending			\$ 70,826	

CITY OF CARLSBAD
Tyler Court Apartments
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 646,672	\$ 772,670	\$ 802,680	\$ 30,010
Use of money and property	1,965	1,965	2,186	221
Total revenues	648,637	774,635	804,866	30,231
EXPENDITURES				
Current:				
Community services	537,816	537,816	529,497	8,319
Capital outlay	2,900	378,898	363,864	15,034
Total expenditures	540,716	916,714	893,361	23,353
Excess (deficiency) of revenues over (under) expenditures	107,921	(142,079)	(88,495)	53,584
OTHER FINANCING SOURCES (USES)				
Transfers in	-	310,000	60,000	(250,000)
Total other financing sources (uses)	-	310,000	60,000	(250,000)
Net change in fund balance	\$ 107,921	\$ 167,921	(28,495)	\$ (196,416)
Fund balance-beginning			68,225	
Fund balance-ending			\$ 39,730	

CITY OF CARLSBAD
California Opioid Settlement
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ (9,874)	\$ (9,874)
Miscellaneous	-	238,846	-	(238,846)
Total revenues	-	238,846	(9,874)	(248,720)
EXPENDITURES				
Current:				
Public safety	-	238,846	-	238,846
Total expenditures	-	238,846	-	238,846
Excess (deficiency) of revenues over (under) expenditures	-	-	(9,874)	(9,874)
Net change in fund balance	\$ -	\$ -	(9,874)	\$ (9,874)
Fund balance-beginning			-	
Fund balance-ending			\$ (9,874)	

CITY OF CARLSBAD
Assessment and Other Districts
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 37,011	\$ 37,011
Total revenues	<u>-</u>	<u>-</u>	<u>37,011</u>	<u>37,011</u>
EXPENDITURES				
Current:				
Public works	-	1,015,672	1,015,672	-
Capital outlay	1,283,136	1,283,136	-	1,283,136
Total expenditures	<u>1,283,136</u>	<u>2,298,808</u>	<u>1,015,672</u>	<u>1,283,136</u>
Net change in fund balance	<u>\$ (1,283,136)</u>	<u>\$ (2,298,808)</u>	<u>(978,661)</u>	<u>\$ 1,320,147</u>
Fund balance-beginning			<u>2,943,982</u>	
Fund balance-ending			<u>\$ 1,965,321</u>	

CITY OF CARLSBAD
Bridge Thoroughfare Districts (BTD)
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,174,230	\$ 2,174,230
Use of money and property	-	-	631,331	631,331
Total revenues	-	-	2,805,561	2,805,561
EXPENDITURES				
Capital outlay	440,076	440,076	57,041	383,035
Total expenditures	440,076	440,076	57,041	383,035
Net change in fund balance	\$ (440,076)	\$ (440,076)	2,748,520	\$ 3,188,596
Fund balance-beginning			(885,039)	
Fund balance-ending			\$ 1,863,481	

CITY OF CARLSBAD
Community Facilities District #1
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 890,000	\$ 890,000	\$ 986,129	\$ 96,129
Contribution from property owners	689,407	689,407	740,042	50,635
Use of money and property	1,273,810	1,273,810	1,143,702	(130,108)
Total revenues	2,853,217	2,853,217	2,869,873	16,656
EXPENDITURES				
Current:				
General government	160,643	160,643	50,005	110,638
Capital outlay	34,320,567	34,320,567	912,722	33,407,845
Total expenditures	34,481,210	34,481,210	962,727	33,518,483
Net change in fund balance	\$ (31,627,993)	\$ (31,627,993)	1,907,146	\$ 33,535,139
Fund balance-beginning			93,823,522	
Fund balance-ending			\$ 95,730,668	

CITY OF CARLSBAD
 Gas Tax
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,010,555	\$ 6,010,555	\$ 5,520,836	\$ (489,719)
Use of money and property	-	-	271,555	271,555
Total revenues	6,010,555	6,010,555	5,792,391	(218,164)
EXPENDITURES				
Current:				
Public works	600,000	600,000	600,000	-
Capital outlay	25,996,000	26,829,788	6,429,728	20,400,060
Total expenditures	26,596,000	27,429,788	7,029,728	20,400,060
Net change in fund balance	<u>\$ (20,585,445)</u>	<u>\$ (21,419,233)</u>	<u>(1,237,337)</u>	<u>\$ 20,181,896</u>
Fund balance-beginning			<u>19,205,931</u>	
Fund balance-ending			<u>\$ 17,968,594</u>	

CITY OF CARLSBAD
General Capital Construction
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ (1,701,774)	\$ (1,701,774)
Miscellaneous	-	1,923,192	2,013,865	90,673
Total revenues	-	1,923,192	312,091	(1,611,101)
EXPENDITURES				
Capital outlay	34,711,619	36,634,811	10,306,345	26,328,466
Total expenditures	34,711,619	36,634,811	10,306,345	26,328,466
Excess (deficiency) of revenues over (under) expenditures	(34,711,619)	(34,711,619)	(9,994,254)	24,717,365
OTHER FINANCING SOURCES (USES)				
Transfers in	4,051,000	3,956,000	3,956,000	-
Total other financing sources (uses)	4,051,000	3,956,000	3,956,000	-
Net change in fund balance	\$ (30,660,619)	\$ (30,755,619)	(6,038,254)	\$ 24,717,365
Fund balance-beginning			42,532,125	
Fund balance-ending			\$ 36,493,871	

CITY OF CARLSBAD
Grants and Other Capital Project Funds
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,373,295	\$ 2,373,295	\$ 61,709	\$ (2,311,586)
Use of money and property	15,000	15,000	21,450	6,450
Total revenues	2,388,295	2,388,295	83,159	(2,305,136)
EXPENDITURES				
Current:				
Public works	53,000	53,000	53,000	-
Capital outlay	3,478,936	3,478,936	167,146	3,311,790
Total expenditures	3,531,936	3,531,936	220,146	3,311,790
Net change in fund balance	\$ (1,143,641)	\$ (1,143,641)	(136,987)	\$ 1,006,654
Fund balance-beginning			1,771,167	
Fund balance-ending			\$ 1,634,180	

CITY OF CARLSBAD
Infrastructure Replacement Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 1,403,303	\$ 1,403,303
Miscellaneous	-	-	27,177	27,177
Total revenues	-	-	1,430,480	1,430,480
EXPENDITURES				
Capital outlay	43,398,795	43,528,087	7,293,771	36,234,316
Total expenditures	43,398,795	43,528,087	7,293,771	36,234,316
Excess (deficiency) of revenues over (under) expenditures	(43,398,795)	(43,528,087)	(5,863,291)	37,664,796
OTHER FINANCING SOURCES (USES)				
Transfers in	3,977,000	3,956,000	3,956,000	-
Total other financing sources (uses)	3,977,000	3,956,000	3,956,000	-
Net change in fund balance	\$ (39,421,795)	\$ (39,572,087)	(1,907,291)	\$ 37,664,796
Fund balance-beginning			113,164,506	
Fund balance-ending			\$ 111,257,215	

CITY OF CARLSBAD
 Park Development
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ 2,520,262	\$ 2,520,262	\$ 549,031	\$ (1,971,231)
Use of money and property	-	-	135,814	135,814
Total revenues	2,520,262	2,520,262	684,845	(1,835,417)
EXPENDITURES				
Capital outlay	3,619,923	3,619,923	189,929	3,429,994
Total expenditures	3,619,923	3,619,923	189,929	3,429,994
Net change in fund balance	\$ (1,099,661)	\$ (1,099,661)	494,916	\$ 1,594,577
Fund balance-beginning			8,433,601	
Fund balance-ending			\$ 8,928,517	

CITY OF CARLSBAD
Planned Local Drainage Facilities
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ 417,819	\$ 417,819	\$ 185,869	\$ (231,950)
Use of money and property	-	-	45,029	45,029
Total revenues	417,819	417,819	230,898	(186,921)
EXPENDITURES				
Capital outlay	297,738	297,738	61,972	235,766
Total expenditures	297,738	297,738	61,972	235,766
Net change in fund balance	\$ 120,081	\$ 120,081	168,926	\$ 48,845
Fund balance-beginning			4,579,772	
Fund balance-ending			\$ 4,748,698	

CITY OF CARLSBAD
Public Facilities Construction
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ 1,798,689	\$ 1,798,689	\$ 1,196,210	\$ (602,479)
Use of money and property	67,872	67,872	385,758	317,886
Total revenues	1,866,561	1,866,561	1,581,968	(284,593)
EXPENDITURES				
Capital outlay	5,530,615	5,730,615	1,304,479	4,426,136
Total expenditures	5,530,615	5,730,615	1,304,479	4,426,136
Net change in fund balance	\$ (3,664,054)	\$ (3,864,054)	277,489	\$ 4,141,543
Fund balance-beginning			33,477,234	
Fund balance-ending			\$ 33,754,723	

CITY OF CARLSBAD
Sales Tax/TransNet
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,387,000	\$ 4,387,000	\$ 429,466	\$ (3,957,534)
Charges for services	960,000	960,000	954,794	(5,206)
Use of money and property	-	-	172,004	172,004
Total revenues	5,347,000	5,347,000	1,556,264	(3,790,736)
EXPENDITURES				
Capital outlay	31,947,980	31,947,980	3,256,940	28,691,040
Total expenditures	31,947,980	31,947,980	3,256,940	28,691,040
Net change in fund balance	\$ (26,600,980)	\$ (26,600,980)	(1,700,676)	\$ 24,900,304
Fund balance-beginning			9,006,495	
Fund balance-ending			\$ 7,305,819	

CITY OF CARLSBAD
Traffic Impact Projects
Schedule of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Contribution from property owners	\$ 1,535,630	\$ 1,535,630	\$ 1,654,082	\$ 118,452
Use of money and property	-	-	253,549	253,549
Total revenues	1,535,630	1,535,630	1,907,631	372,001
EXPENDITURES				
Capital outlay	21,282,855	21,282,855	1,903,324	19,379,531
Total expenditures	21,282,855	21,282,855	1,903,324	19,379,531
Net change in fund balance	\$ (19,747,225)	\$ (19,747,225)	4,307	\$ 19,751,532
Fund balance-beginning			18,725,103	
Fund balance-ending			\$ 18,729,410	

CITY OF CARLSBAD
 Technology Investment Capital
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 21,059	\$ 21,059
Total revenues	<u>-</u>	<u>-</u>	<u>21,059</u>	<u>21,059</u>
EXPENDITURES				
Capital outlay	9,176,551	9,176,551	1,872,511	7,304,040
Total expenditures	<u>9,176,551</u>	<u>9,176,551</u>	<u>1,872,511</u>	<u>7,304,040</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,176,551)</u>	<u>(9,176,551)</u>	<u>(1,851,452)</u>	<u>7,325,099</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	3,956,000	3,956,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,956,000</u>	<u>3,956,000</u>
Net change in fund balance	<u>\$ (9,176,551)</u>	<u>\$ (9,176,551)</u>	<u>2,104,548</u>	<u>\$ 11,281,099</u>
Fund balance-beginning			<u>8,808,160</u>	
Fund balance-ending			<u>\$ 10,912,708</u>	

CITY OF CARLSBAD
Combining Statement of Net Position
Non-Major Proprietary Funds
June 30, 2023

Business-Type Activities - Enterprise Funds

	<u>Golf Course</u>	<u>Solid Waste</u>	<u>Totals</u>
ASSETS			
Current:			
Cash and investments	\$ 6,449,248	\$ 10,378,473	\$ 16,827,721
Receivables:			
Accounts, net of allowances	6,067	-	6,067
Accrued interest	25,187	44,872	70,059
Lease	58,461	-	58,461
Other	12,496	525,000	537,496
Prepaid costs	93,070	-	93,070
Inventories	199,986	-	199,986
Total current assets	<u>6,844,515</u>	<u>10,948,345</u>	<u>17,792,860</u>
Noncurrent:			
Lease receivable	1,242,219	-	1,242,219
Capital assets, net	<u>21,330,065</u>	<u>-</u>	<u>21,330,065</u>
Total noncurrent assets	<u>22,572,284</u>	<u>-</u>	<u>22,572,284</u>
Total assets	<u>29,416,799</u>	<u>10,948,345</u>	<u>40,365,144</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	-	834,391	834,391
OPEB-related	-	85,700	85,700
Total deferred outflows of resources	<u>-</u>	<u>920,091</u>	<u>920,091</u>
LIABILITIES			
Current:			
Accrued liabilities	441,151	399,662	840,813
Unearned revenues	109,711	30,265	139,976
Deposits payable	871,798	-	871,798
Total current liabilities	<u>1,422,660</u>	<u>429,927</u>	<u>1,852,587</u>
Noncurrent:			
Net pension liability	-	1,920,265	1,920,265
Net OPEB liability	-	73,871	73,871
Total Noncurrent Liabilities	<u>-</u>	<u>1,994,136</u>	<u>1,994,136</u>
Total liabilities	<u>1,422,660</u>	<u>2,424,063</u>	<u>3,846,723</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related	-	24,979	24,979
OPEB-related	-	15,146	15,146
Lease-related	1,257,742	-	1,257,742
Total deferred inflows of resources	<u>1,257,742</u>	<u>40,125</u>	<u>1,297,867</u>
NET POSITION			
Invested in capital assets	21,330,065	-	21,330,065
Unrestricted	5,406,332	9,404,248	14,810,580
Total net position	<u>\$ 26,736,397</u>	<u>\$ 9,404,248</u>	<u>\$ 36,140,645</u>

CITY OF CARLSBAD
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Non-Major Proprietary Funds
Year Ended June 30, 2023

Business-Type Activities - Enterprise Funds

	<u>Golf Course</u>	<u>Solid Waste</u>	<u>Totals</u>
OPERATING REVENUES			
Golf course operations	\$ 10,966,531	\$ -	\$ 10,966,531
Other charges for services	-	2,245,025	2,245,025
Miscellaneous	30,066	551,488	581,554
Total operating revenues	10,996,597	2,796,513	13,793,110
OPERATING EXPENSES			
Administration and general	34,725	5,628,606	5,663,331
Depreciation	3,405,438	-	3,405,438
Golf course operations	8,744,007	-	8,744,007
Total operating expenses	12,184,170	5,628,606	17,812,776
Operating income (loss)	(1,187,573)	(2,832,093)	(4,019,666)
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental	-	209,448	209,448
Investment income (loss)	38,259	226,378	264,637
Gain (loss) on disposal of capital assets	(13,851)	-	(13,851)
Total nonoperating revenues (expenses)	24,408	435,826	460,234
Income (loss) before transfers	(1,163,165)	(2,396,267)	(3,559,432)
Transfers in	-	332,000	332,000
Change in net position	(1,163,165)	(2,064,267)	(3,227,432)
Net position-beginning	27,899,562	11,468,515	39,368,077
Net position-ending	\$ 26,736,397	\$ 9,404,248	\$ 36,140,645

CITY OF CARLSBAD
Combining Statement of Cash Flows
Non-Major Proprietary Funds
Year Ended June 30, 2023

Business-Type Activities - Enterprise Funds

	Golf Course	Solid Waste	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users	\$ 10,975,596	\$ 3,179,677	\$ 14,155,273
Cash paid to suppliers for goods and services	(4,771,466)	(808,381)	(5,579,847)
Cash paid to employees for services	(3,916,917)	(5,564,208)	(9,481,125)
Cash received from (payments to) others	30,066	551,488	581,554
Net cash provided by (used for) operating activities	2,317,279	(2,641,424)	(324,145)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	332,000	332,000
Grants	-	-	-
Net cash provided by (used for) noncapital financing activities	-	332,000	332,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sales of capital assets	20,482	-	20,482
Acquisition and construction of capital assets	(1,054,158)	-	(1,054,158)
Net cash provided by (used for) capital and related financing activities	(1,033,676)	209,448	(824,228)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from leasing activities	81,583	-	81,583
Investment earnings	43,933	202,443	246,376
Net cash provided by (used for) investing activities	125,516	202,443	327,959
Net increase (decrease) in cash and cash equivalents	1,409,119	(1,897,533)	(488,414)
Cash and cash equivalents-beginning	5,173,626	12,250,227	17,423,853
Adjustment: unrealized gain (loss) on investments	(133,497)	25,779	(107,718)
Cash and cash equivalents-ending	\$ 6,449,248	\$ 10,378,473	\$ 16,827,721

CITY OF CARLSBAD
Combining Statement of Cash Flows
Non-Major Proprietary Funds
Year Ended June 30, 2023

Business-Type Activities - Enterprise Funds

	<u>Golf Course</u>	<u>Solid Waste</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,187,573)	\$ (2,832,093)	\$ (4,019,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	3,405,438	-	3,405,438
(Increase) decrease in accounts receivable	9,065	1,115,057	1,124,122
(Increase) decrease in inventories	(23,867)	-	(23,867)
(Increase) decrease in prepaid expense	(9,569)	-	(9,569)
Increase (decrease) in accrued liabilities	(129,183)	(808,381)	(937,564)
Increase (decrease) in deposits payable	144,410	-	144,410
Increase (decrease) in unearned revenue	109,711	(180,405)	(70,694)
Increase (decrease) in OPEB liability	-	(498,707)	(498,707)
Increase (decrease) in pension liability	(1,153)	563,105	561,952
Total adjustments	<u>3,504,852</u>	<u>190,669</u>	<u>3,695,521</u>
Net cash provided by (used for) operating activities	<u>\$ 2,317,279</u>	<u>\$ (2,641,424)</u>	<u>\$ (324,145)</u>
SCHEDULE OF NON-CASH ACTIVITIES			
Unrealized gain (loss) on investments	\$ (133,497)	\$ 25,779	\$ (107,718)
Amortization of deferred inflows related to leases	(77,243)	-	(77,243)

CITY OF CARLSBAD
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

**Governmental Activities -
Internal Service Funds**

	Fleet Management	Self Insured Benefits	Information Technology
ASSETS			
Current:			
Cash and investments	\$ 21,978,344	\$ 6,383,285	\$ 9,210,581
Receivables:			
Accounts, net of allowances	4,412	-	-
Accrued interest	95,054	-	39,783
Prepaid costs	-	-	1,620,028
Inventories	235,857	-	-
Total current assets	<u>22,313,667</u>	<u>6,383,285</u>	<u>10,870,392</u>
Noncurrent:			
Capital assets, net	15,705,271	-	8,590,818
Total noncurrent assets	<u>15,705,271</u>	<u>-</u>	<u>8,590,818</u>
Total assets	<u>38,018,938</u>	<u>6,383,285</u>	<u>19,461,210</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	632,244	-	2,425,754
OPEB-related	53,719	-	169,828
Total deferred outflows of resources	<u>685,963</u>	<u>-</u>	<u>2,595,582</u>
LIABILITIES			
Current:			
Accrued liabilities	316,171	6,383,285	1,493,173
Accrued interest	-	-	34,513
Deposits payable	-	-	-
Subscriptions	-	-	1,568,813
Claims and judgments	-	-	-
Total current liabilities	<u>316,171</u>	<u>6,383,285</u>	<u>3,096,499</u>
Noncurrent:			
Claims and judgments, due in more than one year	-	-	-
Subscriptions	-	-	1,359,771
Net pension liability	1,455,045	-	5,582,627
Net OPEB liability	46,587	-	160,808
Total Noncurrent Liabilities	<u>1,501,632</u>	<u>-</u>	<u>7,103,206</u>
Total liabilities	<u>1,817,803</u>	<u>6,383,285</u>	<u>10,199,705</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related	18,927	-	72,619
OPEB-related	11,023	-	22,441
Total deferred inflows of resources	<u>29,950</u>	<u>-</u>	<u>95,060</u>
NET POSITION			
Net investment in capital assets	15,705,271	-	5,662,234
Unrestricted	21,151,877	-	6,099,793
Total net position	<u>\$ 36,857,148</u>	<u>\$ -</u>	<u>\$ 11,762,027</u>

CITY OF CARLSBAD
Combining Statement of Net Position
Internal Service Funds
June 30, 2023

**Governmental Activities -
Internal Service Funds**

	Risk Management	Workers' Compensation	Totals
ASSETS			
Current:			
Cash and investments	\$ 3,388,646	\$ 22,034,452	\$ 62,995,308
Receivables:			
Accounts, net of allowances	-	-	4,412
Accrued interest	14,654	95,305	244,796
Prepaid costs	-	-	1,620,028
Inventories	-	-	235,857
Total current assets	<u>3,403,300</u>	<u>22,129,757</u>	<u>65,100,401</u>
Noncurrent:			
Capital assets, net	-	-	24,296,089
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>24,296,089</u>
Total assets	<u>3,403,300</u>	<u>22,129,757</u>	<u>89,396,490</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension-related	176,340	107,522	3,341,860
OPEB-related	10,043	4,619	238,209
Total deferred outflows of resources	<u>186,383</u>	<u>112,141</u>	<u>3,580,069</u>
LIABILITIES			
Current:			
Accrued liabilities	593,863	17,701	8,804,193
Accrued interest	-	-	34,513
Deposits payable	1,000	-	1,000
Subscriptions	-	-	1,568,813
Claims and judgments	3,410,134	10,412,160	13,822,294
Total current liabilities	<u>4,004,997</u>	<u>10,429,861</u>	<u>24,230,813</u>
Noncurrent:			
Claims and judgments, due in more than or	3,246,581	11,490,258	14,736,839
Subscriptions	-	-	1,359,771
Net pension liability	405,829	247,457	7,690,958
Net OPEB liability	8,214	4,786	220,395
Total Noncurrent Liabilities	<u>3,660,624</u>	<u>11,742,501</u>	<u>24,007,963</u>
Total liabilities	<u>7,665,621</u>	<u>22,172,362</u>	<u>48,238,776</u>
DEFERRED INFLOWS OF RESOURCES			
Pension-related	5,279	3,219	100,044
OPEB-related	2,606	229	36,299
Total deferred inflows of resources	<u>7,885</u>	<u>3,448</u>	<u>136,343</u>
NET POSITION			
Net investment in capital assets	-	-	21,367,505
Unrestricted	(4,083,823)	66,088	23,233,935
Total net position	<u>\$ (4,083,823)</u>	<u>\$ 66,088</u>	<u>\$ 44,601,440</u>

CITY OF CARLSBAD
Combining Statement of Revenues,
Expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2023

Governmental Activities -
Internal Service Funds

	Fleet Management	Self Insured Benefits	Information Technology
OPERATING REVENUES			
Other charges for services	\$ 6,802,710	\$ -	\$ 16,413,922
Miscellaneous	42,228	-	46,434
Total operating revenues	6,844,938	-	16,460,356
OPERATING EXPENSES			
Administration and general	2,076,179	-	13,905,165
Claims and premiums	-	-	-
Depreciation/amortization	2,494,011	-	2,536,449
Fuel and supplies	1,839,305	-	-
Small equipment purchases	4,752	-	540,076
Total operating expenses	6,414,247	-	16,981,690
Operating income (loss)	430,691	-	(521,334)
NONOPERATING REVENUES (EXPENSES)			
Interest expense	-	-	(77,521)
Investment income (loss)	90,588	-	26,897
Gain (loss) on disposal of capital assets	51,645	-	-
Total nonoperating revenues (expenses)	142,233	-	(50,624)
Income (loss) before transfers and capital contributions	572,924	-	(571,958)
Transfers in	1,400,000	-	-
Capital contributions	343,194	-	1,000,863
Change in net position	2,316,118	-	428,905
Net position-beginning	34,541,030	-	11,333,122
Net position-ending	\$ 36,857,148	\$ -	\$ 11,762,027

CITY OF CARLSBAD
Combining Statement of Revenues,
Expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2023

**Governmental Activities -
Internal Service Funds**

	Risk Management	Workers' Compensation	Totals
OPERATING REVENUES			
Other charges for services	\$ 3,889,896	\$ 5,173,980	\$ 32,280,508
Miscellaneous	57,020	435,983	581,665
Total operating revenues	3,946,916	5,609,963	32,862,173
OPERATING EXPENSES			
Administration and general	509,768	149,395	16,640,507
Claims and premiums	8,201,800	14,363,854	22,565,654
Depreciation/amortization	-	-	5,030,460
Fuel and supplies	-	-	1,839,305
Small equipment purchases	-	-	544,828
Total operating expenses	8,711,568	14,513,249	46,620,754
Operating income (loss)	(4,764,652)	(8,903,286)	(13,758,581)
NONOPERATING REVENUES (EXPENSES)			
Interest expense	-	-	(77,521)
Investment income (loss)	103,181	(187,709)	32,957
Gain (loss) on disposal of capital assets	-	-	51,645
Total nonoperating revenues (expenses)	103,181	(187,709)	7,081
Income (loss) before transfers and capital contributions	(4,661,471)	(9,090,995)	(13,751,500)
Transfers in	1,000,000	8,208,252	10,608,252
Capital contributions	-	-	1,344,057
Change in net position	(3,661,471)	(882,743)	(1,799,191)
Net position-beginning	(422,352)	948,831	46,400,631
Net position-ending	\$ (4,083,823)	\$ 66,088	\$ 44,601,440

CITY OF CARLSBAD
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

**Governmental Activities -
Internal Service Funds**

	Fleet Management	Self Insured Benefits	Information Technology
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from interfund service provided	\$ 6,811,104	\$ 512,874	\$ 16,413,922
Cash paid to suppliers for goods and services	(1,738,593)	-	(251,817)
Cash paid to employees for services	(2,027,351)	-	(12,852,734)
Claims and premiums paid	-	-	-
Cash received from (payments to) others	42,228	-	46,434
Net cash provided by (used for) operating activities	3,087,388	512,874	3,355,805
CASH FLOWS FOM NONCAPITAL FINANCING ACTIVITIES			
Cash transfers in	1,400,000	-	-
Net cash provided by (used for) noncapital financing activities	1,400,000	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1,639,601)	-	(232,524)
Principal paid on capital debt	-	-	(1,925,993)
Interest paid on capital debt	-	-	(43,008)
Proceeds from sales of capital assets	51,645	-	-
Net cash provided by (used for) capital and related financing activities	(1,587,956)	-	(2,201,525)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	339,084	-	126,804
Net cash provided by (used for) investing activities	339,084	-	126,804
Net increase (decrease) in cash and cash equivalents	3,238,516	512,874	1,281,084
Cash and cash equivalents-beginning	19,010,881	5,870,411	8,038,530
Adjustment: unrealized gain (loss) on investments	(271,053)	-	(109,033)
Cash and cash equivalents-ending	\$ 21,978,344	\$ 6,383,285	\$ 9,210,581

CITY OF CARLSBAD
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

**Governmental Activities -
Internal Service Funds**

	Fleet Management	Self Insured Benefits	Information Technology
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ 430,691	\$ -	\$ (521,334)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization	2,494,011	-	2,536,449
(Increase) decrease in accounts receivable	8,394	-	-
(Increase) decrease in inventories	21,401	-	-
(Increase) decrease in prepaid expense	-	-	783,215
Increase (decrease) in accrued liabilities	84,063	512,874	370,663
Increase (decrease) in deposits payable	-	-	-
Increase (decrease) in OPEB liability	853	-	2,747
Increase (decrease) in pension liability	47,975	-	184,065
Increase (decrease) in claims and judgments	-	-	-
Total adjustments	<u>2,656,697</u>	<u>512,874</u>	<u>3,877,139</u>
Net cash provided by (used for) operating activities	<u>\$ 3,087,388</u>	<u>\$ 512,874</u>	<u>\$ 3,355,805</u>
SCHEDULE OF NON-CASH ACTIVITIES			
Donated capital assets	\$ 343,194	\$ -	\$ 1,000,863
Capital assets purchased on account	-	-	690
Unrealized gain (loss) on investments	(271,053)	-	(109,033)

CITY OF CARLSBAD
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

Governmental Activities -
Internal Service Funds

	Risk Management	Workers' Compensation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from interfund service provided	\$ 3,889,896	\$ 5,173,980	\$ 32,801,776
Cash paid to suppliers for goods and services	-	-	(1,990,410)
Cash paid to employees for services	(161,307)	(130,194)	(15,171,586)
Claims and premiums paid	(6,214,911)	(4,701,425)	(10,916,336)
Cash received from (payments to) others	57,020	435,983	581,665
Net cash provided by (used for) operating activities	(2,429,302)	778,344	5,305,109
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash transfers in	1,000,000	8,208,252	10,608,252
Net cash provided by (used for) noncapital financing activities	1,000,000	8,208,252	10,608,252
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	-	-	(1,872,125)
Principal paid on capital debt	-	-	(1,925,993)
Interest paid on capital debt	-	-	(43,008)
Proceeds from sales of capital assets	-	-	51,645
Net cash provided by (used for) capital and related financing activities	-	-	(3,789,481)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	64,715	310,612	841,215
Net cash provided by (used for) investing activities	64,715	310,612	841,215
Net increase (decrease) in cash and cash equivalents	(1,364,587)	9,297,208	12,965,095
Cash and cash equivalents-beginning	4,711,454	13,280,227	50,911,503
Adjustment: unrealized gain (loss) on investments	41,779	(542,983)	(881,290)
Cash and cash equivalents-ending	\$ 3,388,646	\$ 22,034,452	\$ 62,995,308

CITY OF CARLSBAD
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2023

Governmental Activities -
Internal Service Funds

	Risk Management	Workers' Compensation	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (4,764,652)	\$ (8,903,286)	\$ (13,758,581)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization	-	-	5,030,460
(Increase) decrease in accounts receivable	-	-	8,394
(Increase) decrease in inventories	-	-	21,401
(Increase) decrease in prepaid expense	-	-	783,215
Increase (decrease) in accrued liabilities	334,931	10,961	1,313,492
Increase (decrease) in deposits payable	-	-	-
Increase (decrease) in OPEB liability	(107,165)	(64,614)	(168,179)
Increase (decrease) in pension liability	120,695	72,854	425,589
Increase (decrease) in claims and judgments	1,986,889	9,662,429	11,649,318
Total adjustments	2,335,350	9,681,630	19,063,690
Net cash provided by (used for) operating activities	\$ (2,429,302)	\$ 778,344	\$ 5,305,109
SCHEDULE OF NON-CASH ACTIVITIES			
Donated capital assets	\$ -	\$ -	\$ 1,344,057
Capital assets purchased on account	-	-	690
Unrealized gain (loss) on investments	41,779	(542,983)	(881,290)

CITY OF CARLSBAD
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2023

	Assessment Districts	Business Improvement Districts	Total Custodial Funds
ASSETS			
Cash and cash equivalents	\$ 3,991,895	\$ 7,087,470	\$ 11,079,365
Restricted assets:			
Cash and investments	2,370,330	-	2,370,330
Receivables:			
Assessments	17,544	6,838	24,382
Accrued interest	17,267	30,655	47,922
Taxes	595	-	595
Total assets	6,397,631	7,124,963	13,522,594
LIABILITIES			
Accrued liabilities	26,746	107,994	134,740
Due to bondholders	6,370,885	-	6,370,885
Total liabilities	6,397,631	107,994	6,505,625
NET POSITION			
Restricted for:			
Individuals, organizations and other governments	-	7,016,969	7,016,969
Total net position	\$ -	\$ 7,016,969	\$ 7,016,969

CITY OF CARLSBAD
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2023

	Assessment Districts	Business Improvement Districts	Total Custodial Funds
ADDITIONS			
Assessment district collections	\$ 6,242,998	\$ 7,763,752	\$ 14,006,750
Proceeds from debt issuance	16,240,000	-	16,240,000
Income (loss) from property and investments	171,184	(1,219)	169,965
Taxes	1,308,000	-	1,308,000
Miscellaneous	4,418,368	-	4,418,368
Total additions	28,380,550	7,762,533	36,143,083
DEDUCTIONS			
Distributions to beneficiaries	-	6,054,378	6,054,378
Administrative expenses	-	162,596	162,596
Debt refunding	22,236,632	-	22,236,632
Bond interest expense and fees	1,544,538	-	1,544,538
Principal expense	2,365,000	-	2,365,000
Other deductions	2,234,380	-	2,234,380
Total deductions	28,380,550	6,216,974	34,597,524
Net increase (decrease) in fiduciary net position	-	1,545,559	1,545,559
Net position-beginning, restated	-	5,471,410	5,471,410
Net position-ending	\$ -	\$ 7,016,969	\$ 7,016,969





Statistical Section

This section of the City of Carlsbad’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city’s overall financial health.

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Financial Trends

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These schedules contain trend information to help the reader understand how the city’s financial performance and well-being have changed over time.

Revenue Capacity

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These schedules contain information to help the reader assess the city’s water and wastewater revenue sources as well as the city’s most significant local revenue source, property taxes.

Debt Capacity

177

These schedules present information to help the reader assess the affordability of the city’s current levels of outstanding debt, and the city’s ability to issue additional debt in the future.

Demographic and Economic Information

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the city’s financial activities take place.

Operating Information

190

These schedules contain service and infrastructure data to help the reader understand how the information in the city’s financial report relates to the services the city provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.



Net Position by Component
Last Ten Fiscal Years
(dollars in thousands)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Governmental activities				
Net investment in capital assets	\$ 784,210	\$ 783,298	\$ 788,035	\$ 788,078
Restricted for:				
Capital projects	175,468	178,228	176,279	183,245
Lighting and landscaping districts	4,703	5,263	5,921	6,527
Affordable housing	39,317	39,544	40,390	40,528
Habitat and agricultural mitigation management	1,713	1,708	1,758	1,805
Other purposes	3,774	3,059	2,948	2,818
Unrestricted	<u>328,602</u>	<u>223,522</u>	<u>245,078</u>	<u>249,816</u>
Total governmental activities net position	<u>\$ 1,337,787</u>	<u>\$ 1,234,622</u> ¹	<u>\$ 1,260,409</u>	<u>\$ 1,272,817</u>
Business-type activities				
Net investment in capital assets	\$ 305,681	\$ 307,122	\$ 317,927	\$ 344,836
Restricted for:				
Capital projects	46,632	47,315	45,950	40,098
Unrestricted	<u>66,083</u>	<u>69,922</u>	<u>73,285</u>	<u>85,153</u>
Total business-type activities net position	<u>\$ 418,396</u>	<u>\$ 424,359</u> ¹	<u>\$ 437,162</u>	<u>\$ 470,087</u>
Total government				
Net investment in capital assets	\$ 1,089,891	\$ 1,090,420	\$ 1,105,962	\$ 1,132,914
Restricted for:				
Capital projects	222,100	225,543	222,229	223,343
Lighting and landscaping districts	4,703	5,263	5,921	6,527
Affordable housing	39,317	39,544	40,390	40,528
Habitat and agricultural mitigation management	1,713	1,708	1,758	1,805
Other purposes	3,774	3,059	2,948	2,818
Unrestricted	<u>394,685</u>	<u>293,444</u>	<u>318,363</u>	<u>334,969</u>
Total net position	<u>\$ 1,756,183</u>	<u>\$ 1,658,981</u>	<u>\$ 1,697,571</u>	<u>\$ 1,742,904</u>

Source: City of Carlsbad Annual Comprehensive Financial Reports

¹ Net position for the prior year was restated in FY 2014-15, to reflect the application of GASB 68, Accounting & Financial Reporting for Pensions.

² Habitat and agricultural mitigation management was combined with other purposes in FY 2019-20 due to immateriality.

³ In FY 2020-21 a transfer of \$47 million was made from the General Fund to the Golf Course Fund. The recorded advance from the General Fund to the Golf Course Fund was removed as it was determined that repayment of the advance is not projected in the near or foreseeable future.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 793,090	\$ 786,965	\$ 791,124	\$ 789,335	\$ 808,515	\$ 809,083
182,811	194,434	206,067	212,636	191,967	192,629
7,307	8,025	8,967	9,225	9,635	9,897
41,500	43,588	44,885	40,988	41,413	41,801
1,640	1,524	- ²	-	-	-
2,800	4,329	5,444	6,251	6,254	4,903
<u>262,023</u>	<u>289,000</u>	<u>286,386</u>	<u>249,699</u> ³	<u>263,633</u>	<u>266,786</u>
<u>\$ 1,291,171</u>	<u>\$ 1,327,865</u>	<u>\$ 1,342,873</u>	<u>\$ 1,308,134</u>	<u>\$ 1,321,417</u>	<u>\$ 1,325,099</u>
\$ 349,548	\$ 346,628	\$ 351,153	\$ 361,477	\$ 355,487	\$ 352,494
39,522	38,540	41,244	41,462	38,949	38,437
<u>88,576</u>	<u>97,509</u>	<u>94,140</u>	<u>149,954</u> ³	<u>151,766</u>	<u>157,191</u>
<u>\$ 477,646</u>	<u>\$ 482,677</u>	<u>\$ 486,537</u>	<u>\$ 552,893</u>	<u>\$ 546,202</u>	<u>\$ 548,122</u>
\$ 1,142,638	\$ 1,133,593	\$ 1,142,277	\$ 1,150,812	\$ 1,164,002	\$ 1,161,577
222,333	232,974	247,311	254,098	230,916	231,066
7,307	8,025	8,967	9,225	9,635	9,897
41,500	43,588	44,885	40,988	41,413	41,801
1,640	1,524	- ²	-	-	-
2,800	4,329	5,444	6,251	6,254	4,903
<u>350,599</u>	<u>386,509</u>	<u>380,526</u>	<u>399,653</u>	<u>415,399</u>	<u>423,977</u>
<u>\$ 1,768,817</u>	<u>\$ 1,810,542</u>	<u>\$ 1,829,410</u>	<u>\$ 1,861,027</u>	<u>\$ 1,867,619</u>	<u>\$ 1,873,221</u>



Changes in Net Position
Last Ten Fiscal Years
(dollars in thousands)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Expenses				
Governmental activities				
General government	\$ 20,187	\$ 16,108	\$ 16,147	\$ 18,374
Public safety	48,942	48,856	50,463	55,994
Community services	45,341	48,630	51,191	54,212
Public works	30,314	36,273	37,464	34,317
Interest and fiscal charges on long-term debt	<u>1</u>	<u>-</u>	<u>1</u>	<u>3</u>
Total governmental activities	<u>144,785</u>	<u>149,867</u>	<u>155,266</u>	<u>162,900</u>
Business-type activities				
Carlsbad Municipal Water District	43,547	40,897	39,458	45,219
Golf course	11,032	10,538	10,545	10,211
Wastewater	12,488	12,629	12,613	12,626
Solid waste	<u>2,856</u>	<u>2,973</u>	<u>2,997</u>	<u>3,272</u>
Total business-type activities	<u>69,923</u>	<u>67,037</u>	<u>65,613</u>	<u>71,328</u>
Total government	<u>\$ 214,708</u>	<u>\$ 216,904</u>	<u>\$ 220,879</u>	<u>\$ 234,228</u>
Program Revenues				
Governmental activities				
Charges for services:				
General government	\$ 289	\$ 1,382	\$ 296	\$ 327
Public safety	3,950	4,220	3,980	4,647
Community services	8,732	10,534	10,711	12,154
Public works	3,720	4,014	4,152	3,952
Operating contributions and grants	11,919	12,242	11,912	12,630
Capital contributions and grants	<u>16,129</u>	<u>19,105</u>	<u>12,042</u> ²	<u>22,789</u>
Total governmental activities	<u>44,739</u>	<u>51,497</u>	<u>43,093</u>	<u>56,499</u>
Business-type activities				
Charges for services:				
Carlsbad Municipal Water District	46,750	47,461	39,854 ³	44,817
Golf course	6,635	6,709	6,988	7,119
Wastewater	12,896	12,875	12,963	13,467
Solid waste	3,320	3,245	3,206	3,302
Operating contributions and grants	90	59	5,646	2,471
Capital contributions and grants	<u>3,198</u>	<u>5,879</u>	<u>2,011</u>	<u>13,322</u>
Total business-type activities	<u>72,889</u>	<u>76,228</u>	<u>70,668</u>	<u>84,498</u>
Total government	<u>\$ 117,628</u>	<u>\$ 127,725</u>	<u>\$ 113,761</u>	<u>\$ 140,997</u>
Net (Expense)/Revenue:				
Governmental activities	\$ (100,046)	\$ (98,370)	\$ (112,173)	\$ (106,401)
Business-type activities	<u>2,966</u>	<u>9,191</u>	<u>5,055</u>	<u>13,170</u>
Total government net expense	<u>\$ (97,080)</u>	<u>\$ (89,179)</u>	<u>\$ (107,118)</u>	<u>\$ (93,231)</u>

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 25,192 ⁵	\$ 22,234	\$ 24,267	\$ 20,003	\$ 14,806	\$ 22,768
62,630 ⁵	67,968	75,249	80,295	81,130	99,484
51,897	57,978	60,771	57,654	58,954	76,374
36,875	36,897	41,419	35,481	39,204	54,124
<u>2</u>	<u>4</u>	<u>2</u>	<u>-</u>	<u>14</u>	<u>21</u>
<u>176,596</u>	<u>185,081</u>	<u>201,708</u>	<u>193,433</u>	<u>194,108</u>	<u>252,771</u>
51,658	51,638	51,198	56,319	53,598	54,178
10,560	11,035	10,252	10,280	11,708	12,198
13,495	15,238	16,931	9,063	17,905	20,194
<u>3,089</u>	<u>3,840</u>	<u>4,382</u>	<u>5,086</u>	<u>4,738</u>	<u>5,405</u>
<u>78,802</u>	<u>81,751</u>	<u>82,763</u>	<u>80,748</u>	<u>87,949</u>	<u>91,975</u>
<u>\$ 255,398</u>	<u>\$ 266,832</u>	<u>\$ 284,471</u>	<u>\$ 274,181</u>	<u>\$ 282,057</u>	<u>\$ 344,746</u>
\$ 816	\$ 1,679	\$ 1,030	\$ 1,260	\$ 627	\$ 634
4,805	4,784	4,711	5,020	5,899	6,505
11,588	10,755	9,324	8,080	8,671	9,423
3,768	4,574	4,142	5,662	4,247	3,505
13,054	17,307	18,437	26,459	20,382	14,060
<u>22,993</u>	<u>13,842</u>	<u>16,802</u>	<u>9,565</u>	<u>9,922</u>	<u>12,967</u>
<u>57,024</u>	<u>52,941</u>	<u>54,446</u>	<u>56,046</u>	<u>49,748</u>	<u>47,094</u>
50,095	46,431	46,332	49,668	49,194	46,102
7,973	7,979	6,637	8,108	10,424	10,967
13,885	14,099	13,849	14,027	16,282	19,616
3,427	3,440	3,563	3,387	3,684	2,245
1,611	1,260	399	3,484	183	209
<u>5,484</u>	<u>4,864</u>	<u>6,327</u>	<u>7,601</u>	<u>858</u>	<u>5,189</u>
<u>82,475</u>	<u>78,073</u>	<u>77,107</u>	<u>86,275</u>	<u>80,625</u>	<u>84,328</u>
<u>\$ 139,499</u>	<u>\$ 131,014</u>	<u>\$ 131,553</u>	<u>\$ 142,321</u>	<u>\$ 130,373</u>	<u>\$ 131,422</u>
\$ (119,572)	\$ (132,140)	\$ (147,262)	\$ (137,387)	\$ (144,360)	\$ (205,677)
<u>3,673</u>	<u>(3,678)</u>	<u>(5,656)</u>	<u>5,527</u>	<u>(7,324)</u>	<u>(7,647)</u>
<u>\$ (115,899)</u>	<u>\$ (135,818)</u>	<u>\$ (152,918)</u>	<u>\$ (131,860)</u>	<u>\$ (151,684)</u>	<u>\$ (213,324)</u>

(continued)



Changes in Net Position (continued)

Last Ten Fiscal Years

(dollars in thousands)

	2013-14	2014-15	2015-16	2016-17
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes:				
Property taxes	\$ 52,608	\$ 55,992	\$ 58,945	\$ 63,988
Sales and use taxes	30,520	32,146	34,843	33,999
Transient occupancy taxes	17,472	19,713	20,943	22,267
Franchise taxes	4,907	5,427	5,632	5,475
Business license taxes	4,177	4,548	4,895	4,328
Real property transfer taxes	1,080	1,406	1,546	1,393
Use of money and property	6,917	4,564	11,910 ⁴	1,975
Other general revenues	429	609	486	451
Extraordinary gain/(loss)	(10,289) ¹	-	-	-
Special items-Golf Course debt	-	-	-	-
Transfers	(1,188)	(1,264)	(1,240)	(15,067)
Total governmental activities	<u>106,633</u>	<u>123,141</u>	<u>137,960</u>	<u>118,809</u>
Business type activities				
Property taxes	2,897	3,133	3,306	3,569
Income from property and investments	2,498	1,870	3,163	749
Other general revenues	99	623	39	370
Transfers	1,188	1,264	1,240	15,067
Special items-Golf Course debt	-	-	-	-
Total business-type activities	<u>6,682</u>	<u>6,890</u>	<u>7,748</u>	<u>19,755</u>
Total government	<u>\$ 113,315</u>	<u>\$ 130,031</u>	<u>\$ 145,708</u>	<u>\$ 138,564</u>
Change in Net Position				
Governmental activities	\$ 6,587	\$ 24,771	\$ 25,787	\$ 12,408
Business-type activities	9,648	16,081	12,803	32,925
Total government	<u>\$ 16,235</u>	<u>\$ 40,852</u>	<u>\$ 38,590</u>	<u>\$ 45,333</u>

Source: City of Carlsbad Annual Comprehensive Financial Reports

¹ The extraordinary loss in FY 2013-14 resulted from the restatement of accrued interest on prior year advances made by the city to the Successor Housing Agency per California state mandate.

² The decrease in FY 2015-16 was a result of one-time funds received from the federal government in the previous fiscal year for the 2014 Poinsettia Fire, as well as the receipt of retroactive mandated cost reimbursements.

³ The decrease in FY 2015-16 was a result of a decrease in water sales during the fiscal year from drought conservation measures.

⁴ The increase in FY 2015-16 is a result of higher cash balances that generate interest, an increase in investment earnings, and interest received from the California Department of Finance earned on unpaid mandated costs.

⁵ The increase in FY 2017-18 is mainly due to changes in the city's pension discount rate.

⁶ The decrease in FY 2020-21 in income from property and investments was caused by unrealized losses created by adjusting the city's investments to fair market value at June 30, 2021 and a decrease in the average yield on the treasurer's portfolio for the year.

⁷ In FY 2020-21 a transfer of \$47 million was made from the General Fund to the Golf Course Fund. The recorded advance from the General Fund to the Golf Course Fund was removed as it was determined that repayment of the advance is not projected in the near or foreseeable future.

⁸ Decrease in investment income for FY 2021-22 is due to the required fair value adjustment at fiscal year end (per GASB 31).

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$	66,524	\$ 69,952	\$ 73,885	\$ 78,239	\$ 81,012	\$ 88,196
	33,674	38,510	36,491	42,579	51,175	56,187
	24,233	26,320	18,898	15,584	32,403	34,280
	5,812	6,100	5,864	5,774	6,371	7,834
	5,026	5,322	5,414	5,705	6,619	6,357
	1,463	1,715	1,247	1,786	2,179	1,367
	2,551	20,695	20,239	5,036 ⁶	(22,063) ⁸	10,988
	519	439	559	516	1,262	4,483
	-	-	-	-	-	-
	-	-	-	(8,427) ⁷	-	-
	(136)	(219)	(303)	(47,273) ⁷	(1,316)	(332)
	<u>139,666</u>	<u>168,834</u>	<u>162,294</u>	<u>99,519</u>	<u>157,642</u>	<u>209,360</u>
	3,743	4,002	4,226	4,491	4,715	5,130
	986	7,784	4,963	639 ⁶	(7,656) ⁸	2,579
	3	113	-	-	2,258	1,526
	136	219	303	47,273 ⁷	1,316	332
	-	-	-	8,427 ⁷	-	-
	<u>4,868</u>	<u>12,118</u>	<u>9,492</u>	<u>60,830</u>	<u>633</u>	<u>9,567</u>
\$	<u>144,534</u>	<u>\$ 180,952</u>	<u>\$ 171,786</u>	<u>\$ 160,349</u>	<u>\$ 158,275</u>	<u>\$ 218,927</u>
\$	20,094	\$ 36,694	\$ 15,032	\$ (37,868)	\$ 13,282	\$ 3,683
	8,541	8,440	3,836	66,357	(6,691)	1,920
\$	<u>28,635</u>	<u>\$ 45,134</u>	<u>\$ 18,868</u>	<u>\$ 28,489</u>	<u>\$ 6,591</u>	<u>\$ 5,603</u>



Fund Balances of Governmental Funds
Last Ten Fiscal Years
(dollars in thousands)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
General Fund					
Nonspendable	\$ 56,707	\$ 56,381	\$ 55,324	\$ 53,751	\$ 51,628
Committed	1,000	1,000	1,000	1,000	1,000
Assigned	27,838	40,865	42,692	38,439	43,855
Unassigned	75,615	80,274	94,404	78,191	82,570
Total General Fund	<u>\$ 161,160</u>	<u>\$ 178,520</u>	<u>\$ 193,420</u>	<u>\$ 171,381</u>	<u>\$ 179,053</u>
All Other Governmental Funds					
Nonspendable					
Special revenue funds	\$ 430	\$ 3	\$ 4	\$ 1	\$ 1
Capital project funds	-	-	-	-	-
Restricted					
Special revenue funds	66,833	66,300	51,013 ¹	51,677	53,246
Capital project funds	157,712	161,499	176,280 ¹	183,245	182,812
Assigned					
Capital project funds	131,627	136,237	131,939	146,994	151,306
Unassigned					
Special revenue funds	-	-	-	-	-
Capital project funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 356,602</u>	<u>\$ 364,039</u>	<u>\$ 359,236</u>	<u>\$ 381,917</u>	<u>\$ 387,365</u>

Source: City of Carlsbad Annual Comprehensive Financial Reports

¹ Beginning in FY 2015-16, the Gas Tax fund balance was reclassified from a Special Revenue fund to a Capital Project fund.

² In FY 2019-20, the General Fund advanced money to the Habitat Mitigation Fund, a Special Revenue fund, to be repaid to the General Fund once funds are available.

³ In FY 2020-21 a transfer of \$47 million was made from the General Fund to the Golf Course Fund. The recorded advance from the General Fund to the Golf Course Fund was removed as it was determined that repayment of the advance is not projected in the near or foreseeable future.

<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 49,608	\$ 49,008	\$ 3,446 ³	\$ 2,211	\$ 1,799
1,000	1,000	1,000	1,000	1,000
33,367	30,733	56,115	48,982	43,210
101,701	110,122	99,260	109,946	136,840
<u>\$ 185,676</u>	<u>\$ 190,863</u>	<u>\$ 159,821</u>	<u>\$ 162,139</u>	<u>\$ 182,849</u>
\$ 1	\$ 1	\$ 1	\$ 3	\$ -
-	-	-	157	376
57,465	59,295	56,465	57,302	56,603
194,434	206,067	212,635	191,967	192,629
162,139	165,267	166,206	164,349	158,288
-	(234) ²	(228)	(17)	(15)
-	-	-	(885)	-
<u>\$ 414,039</u>	<u>\$ 430,396</u>	<u>\$ 435,079</u>	<u>\$ 412,876</u>	<u>\$ 407,881</u>



Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(dollars in thousands)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Revenues:				
Taxes	\$ 114,996	\$ 123,411 ²	\$ 129,617	\$ 134,165
Intergovernmental	10,602	10,359	11,290	11,963
Licenses and permits	2,184	2,369	2,467	3,034
Charges for services	11,278	13,181	12,913	14,309
Fines and forfeitures	876	837	854	740
Use of money and property	7,604	6,442	9,970	3,845
Contributions from property owners	9,042	10,688	8,009	13,330
Contributions	210	440	417	349
Miscellaneous	1,219	2,550	1,503	1,467
Total revenues	<u>158,011</u>	<u>170,277</u>	<u>177,040</u>	<u>183,202</u>
Expenditures:				
Current:				
General government	21,471	17,903	17,221	27,925
Less: Interdepartmental charges	(3,566)	(3,807)	(3,471)	(3,345)
Public safety	47,333	48,915	52,015	57,329
Community services	41,505	44,501	46,298	48,930
Public works	15,442	16,350	17,465	17,349
Capital outlay	18,702	20,050	34,669	17,603
Debt service:				
Principal retirement	159	-	-	-
Interest and fiscal charges	5	5	6	5
Total expenditures	<u>141,051</u>	<u>143,917</u>	<u>164,203</u>	<u>165,796</u>
Excess (deficiency) of revenues over (under) expenditures	16,960	26,360	12,837	17,406
Other financing sources (uses):				
Transfers in	11,477	14,857	9,970	20,849
Transfers out	(16,415)	(16,420)	(12,710)	(37,613) ³
Proceeds from sale of capital asset	-	-	-	-
Proceeds from leases	-	-	-	-
Total other financing sources (uses)	<u>(4,938)</u>	<u>(1,563)</u>	<u>(2,740)</u>	<u>(16,764)</u>
Net change in fund balances	<u>\$ 12,022</u>	<u>\$ 24,797</u>	<u>\$ 10,097</u>	<u>\$ 642</u>
Debt service as percentage of noncapital expenditures ¹	0.13%	0.00%	0.00%	0.00%

Source: City of Carlsbad Annual Comprehensive Financial Reports

¹ Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the Government-wide Statement of Net Position) and expenditures for capitalized assets included within the functional expenditure categories.

² Increase in taxes in FY 2014-15 due to growth in property and TOT taxes.

³ Includes a transfer out to the Golf Course Fund in the amount of \$14.8 million for the defeasance of the golf course construction bonds during FY 2016-17.

⁴ Increase in investment income for FY 2018-19 is due to an increase in the average yield on the investment portfolio for the year as well as an increase due to the required fair value adjustment done on investments at fiscal year end (per GASB 31).

⁵ Increase in public safety expenditures in FY 2018-19 is due to a voluntary \$14.2 million additional payment to CalPERS to reduce the city's unfunded pension liability in the safety plan.

⁶ Decrease in tax revenue for sales and transient occupancy taxes for FY 2020-21 is due to the effects of the COVID-19 pandemic and resulting stay at home orders on sales and transient occupancy taxes.

⁷ Decrease in investment income for FY 2021-22 is due to the required fair value adjustment done on investments at fiscal year end (per GASB 31).

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$	141,118	\$ 154,673	\$ 147,535	⁶ \$ 155,462	\$ 184,832	\$ 199,742
	11,608	14,647	15,505	23,653	20,933	16,724
	2,999	2,668	2,739	2,399	3,233	3,710
	14,145	13,221	11,525	11,615	14,959	15,163
	679	581	760	429	346	390
	4,622	23,275	⁴ 24,989	7,018	(20,118)	⁷ 11,066
	12,898	10,301	6,623	5,850	3,200	4,915
	332	1,385	426	321	381	314
	1,991	3,316	2,641	1,786	1,262	3,969
	<u>190,392</u>	<u>224,067</u>	<u>212,743</u>	<u>208,533</u>	<u>209,028</u>	<u>255,993</u>
	26,625	24,033	25,762	22,450	22,433	23,428
	(3,160)	(4,581)	(5,052)	(5,146)	(5,315)	(5,991)
	58,568	77,550	⁵ 70,997	78,731	82,225	85,829
	49,039	52,951	56,931	53,267	59,491	65,514
	17,220	18,380	19,995	19,991	22,056	25,337
	26,885	20,703	22,171	21,390	47,015	35,578
	10	10	11	8	3	-
	7	5	12	17	15	22
	<u>175,194</u>	<u>189,051</u>	<u>190,827</u>	<u>190,708</u>	<u>227,923</u>	<u>229,717</u>
	15,198	35,016	21,916	17,825	(18,895)	26,276
	11,513	11,881	11,183	9,760	25,974	13,428
	(13,590)	(13,600)	(11,486)	(57,073)	(27,189)	(24,368)
	-	-	-	-	200	379
	-	-	-	-	25	-
	<u>(2,077)</u>	<u>(1,719)</u>	<u>(303)</u>	<u>(47,313)</u>	<u>(990)</u>	<u>(10,561)</u>
\$	<u>13,121</u>	<u>\$ 33,297</u>	<u>\$ 21,613</u>	<u>\$ (29,488)</u>	<u>\$ (19,885)</u>	<u>\$ 15,715</u>
	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%



General Governmental Tax Revenues by Source

Last Ten Fiscal Years

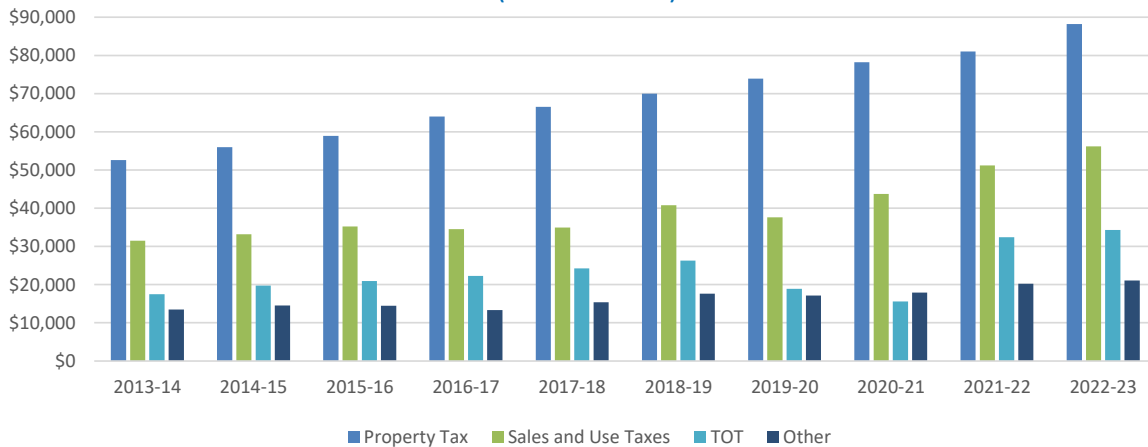
(dollars in thousands)

Fiscal Year	Property Tax *	Sales and Use Taxes	Transient Occupancy Taxes	Franchise Taxes	Business License Taxes	Real Property Transfer Taxes	Gas Tax	Total Tax Revenue
2013-14	\$ 52,607	\$ 31,464	\$ 17,472	\$ 4,907	\$ 4,178	\$ 1,080	\$ 3,288	\$ 114,996
2014-15	55,992 ¹	33,202	19,713 ²	5,427	4,548	1,406	3,123	123,411
2015-16	58,946	35,232	20,943	5,632	4,895	1,545	2,424	129,617
2016-17	63,988 ¹	34,543	22,267 ³	5,475	4,328	1,393	2,171	134,165
2017-18	66,523	34,972	24,234 ⁴	5,812	5,026 ⁵	1,463	3,088 ⁶	141,118
2018-19	69,952	40,795 ⁷	26,320	6,100	5,322	1,715	4,469	154,673
2019-20	73,889	37,585 ⁸	18,898 ⁸	5,864	5,414	1,247	4,638	147,535
2020-21	78,247	43,726	15,584 ⁸	5,774	5,705	1,786	4,640	155,462
2021-22	81,012	51,175	32,403	6,371	6,619	2,179	5,073	184,832
2022-23	88,196	56,187	34,280	7,834	6,357	1,367	5,521	199,742

Percentage change from FY 2013-14 to FY 2022-23:

Property Tax	Sales and Use Taxes	Transient Occupancy Taxes	Franchise Taxes	Business License Taxes	Real Property Transfer Taxes	Gas Tax	Total Tax Revenue
68%	79%	96%	60%	52%	27%	68%	74%

Total General Governmental Tax Revenues - Last Ten Fiscal Years
(in thousands)



Source: City of Carlsbad Annual Comprehensive Financial Reports

* Property Tax category also includes Vehicle License Fees (VLF) in lieu, property tax increment and CFD No. 1 special taxes.

¹ Reflects improvement in the housing market and new construction.

² The increase in TOT in FY 2014-15 is due to the openings of several new hotels and higher occupancy and room rates throughout the city.

³ The increase in TOT in FY 2016-17 is due to higher room rates throughout most of the city's hotels and an increase in available rooms.

⁴ The increase in TOT in FY 2017-18 is due to higher room rates throughout most of the city's hotels and an opening of a new hotel.

⁵ The increase in Business License Taxes in FY 2017-18 is due to a significant number of delinquent payments being collected.

⁶ The increase in Gas Taxes in FY 2017-18 is due to new ongoing allocations received from the state's Road Maintenance and Rehabilitation Account.

⁷ The increase in Sales and Use Taxes in FY 2018-19 is due to overall growth and the ending of the state's sales and use tax "triple flip" in FY 2017-18.

⁸ The decreases in tax revenue for sales tax for FY 2019-20 and transient occupancy taxes for FY 2019-20 and FY 2020-21 is due to the effects of the COVID-19 pandemic and resulting stay at home orders on sales and transient occupancy taxes.



Water and Wastewater Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Water</u>		<u>Wastewater</u>
	<u>Monthly Delivery Charge</u>	<u>Base Price Per Unit¹</u>	<u>Monthly Base Rate</u>
2013-14	\$20.07	\$3.19	\$25.52
2014-15	21.08	3.35	26.03
2015-16	22.19	3.53	27.81
2016-17	24.11	3.84	27.81
2017-18	24.72	3.94	27.81
2018-19	24.72	3.94	27.81
2019-20	25.02	4.04	28.66
2020-21	25.52	4.13	29.52
2021-22	27.81	3.84	35.93
2022-23	28.37	3.92	43.11

Source: City of Carlsbad

Note: Rates shown are for a 5/8" meter, which is the standard household meter size.

¹ One unit of water equals 748 gallons. The base price shown is for tier 1, which applies to the first 12 units of usage per month at a single family residence.



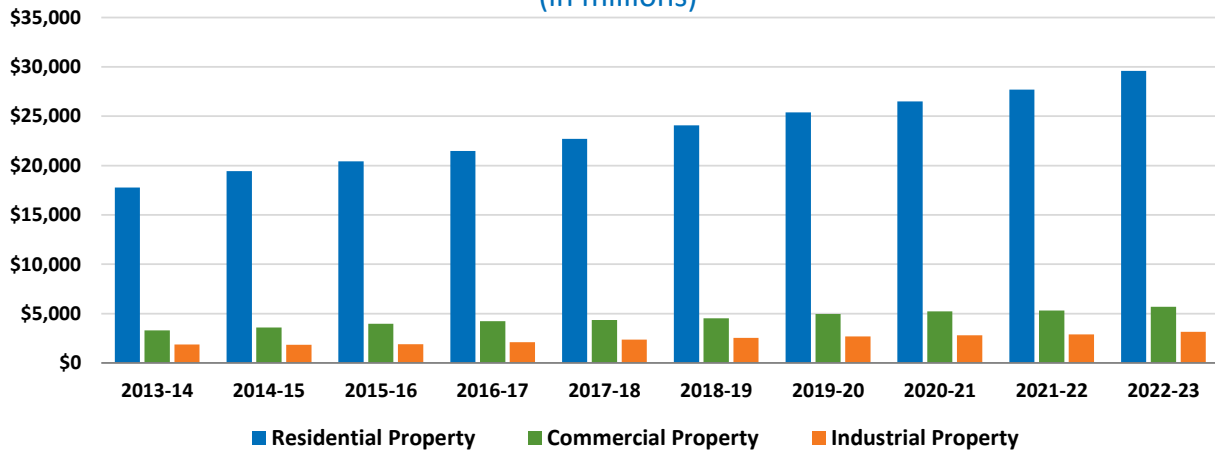


Assessed Value of Taxable Property

Last Ten Fiscal Years
(dollars in millions)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Exemptions and Other Taxable Property ¹	Net Assessed Valuation	Change From Prior Year	Estimated Property Tax Revenue ²	Total Direct Tax Rate ³
2013-14	\$ 17,774	\$ 3,298	\$ 1,871	\$ 580	\$ 23,523	2.47%	0	0.1927%
2014-15	19,450	3,603	1,847	589	25,489	8.36	49	0.1927
2015-16	20,431	3,973	1,909	612	26,925	5.63	52	0.1927
2016-17	21,472	4,238	2,092	622	28,424	5.57	55	0.1927
2017-18	22,707	4,355	2,378	555	29,995	5.53	58	0.1927
2018-19	24,077	4,528	2,541	490	31,636	5.47	61	0.1927
2019-20	25,379	4,964	2,673	640	33,656	6.39	65	0.1927
2020-21	26,507	5,224	2,809	677	35,217	4.64	68	0.1927
2021-22	27,697	5,325	2,883	457	36,362	3.25	70	0.1927
2022-23	29,579	5,698	3,141	748	39,166	7.71	75	0.1927

Taxable Assessed Property Value Last Ten Fiscal Years (in millions)



Source: County of San Diego, California Auditor and Controller's Office

Notes: Information about estimated actual value of property is not available; the assessed value is based on the most recent sales value and includes secured property only.

¹ Other property includes farm, rural, institutional, recreational, state secured property, unsecured property, personal property and fixtures.

² Estimated property tax revenues do not include special assessments, redevelopment tax increment or community facilities district revenues.

³ The total direct tax rate is the city's proportionate share of Proposition 13 property taxes collected within the tax rate area.



Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Allocation of 1% Ad Valorem Property Taxes

Overlapping Rates for Tax Rate Area 09000¹

Fiscal Year	City of Carlsbad Total Direct Rate ²	Carlsbad Unified School District	San Diego County	Educational Revenue Augmentation Fund	Mira Costa Community College	Tri City Hospital District	All Other Rates	Total Prop 13 Rate ³	Voter Approved Debt ⁴	Total Tax Rate ⁵
2012-13	0.1927%	0.3412%	0.1576%	0.1497%	0.0937%	0.0198%	0.0453%	1.0000%	0.0768%	1.0768%
2013-14	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0743	1.0743
2014-15	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0710	1.0710
2015-16	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0681	1.0681
2016-17	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0563	1.0563
2017-18	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0791	1.0791
2018-19	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0758	1.0758
2019-20	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.1015	1.1015
2020-21	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0999	1.0999
2021-22	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0961	1.0961
2022-23	0.1927	0.3412	0.1576	0.1497	0.0937	0.0198	0.0453	1.0000	0.0827	1.0827

Source: County of San Diego, California Auditor and Controller's Office

¹ The tax rate history above is for Tax Rate Area 09000, which has the highest total assessed value of the all the tax rate areas in the city. Tax Rate Area 09000 was chosen as the most representative for the city.

² The city has no general obligation bonds; therefore the Basic Tax Rate is the same as the Total Direct Tax Rate.

³ In 1978, California voters passed Proposition 13 which limited property taxes to a total maximum rate of 1.00% based on the assessed value of each property being taxed. This 1.00% is shared by all taxing agencies within a tax rate area.

Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the purchase price of the property becomes the new assessed value.

⁴ The majority of voter approved debt is related to various school district and hospital bonds.

⁵ The Total Tax Rate is the 1.00% Proposition 13 rate plus the Voter Approved Debt rate.



Direct and Overlapping Property Tax Rates (continued)

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Fiscal Year 2022-23 Voter Approved Debt Tax Rates for all Rate Areas

Total Tax Rates ¹	County Tax Rate Areas ²	Carlsbad Unified Schools	Oceanside Unified Schools	San Marcos Unified Schools	Vista Unified Schools	Encinitas Union Schools	Mira Costa Comm. College	Palomar Comm. College	Palomar Health District	MWD / SDCWA ³	Total Voter Approved Rates ⁴
1.0509%	1	0.0000%	0.0000%	0.0000%	0.0000%	0.0374%	0.0136%	0.0000%	0.0000%	0.0000%	0.0509%
1.0544	35	-	-	-	-	0.0374	0.0136	-	-	0.0035	0.0544
1.0599	3	-	-	-	-	0.0374	-	0.0191	-	0.0035	0.0599
1.0697	1	-	-	0.0527	-	-	0.0136	-	-	0.0035	0.0697
1.0752	24	-	-	0.0527	-	-	-	0.0191	-	0.0035	0.0752
1.0792	3	0.0657	-	-	-	-	0.0136	-	-	-	0.0792
1.0827	54	0.0657	-	-	-	-	0.0136	-	-	0.0035	0.0827
1.0882	3	0.0657	-	-	-	-	-	0.0191	-	0.0035	0.0882
1.1005	5	-	-	-	0.0780	-	-	0.0191	-	0.0035	0.1005
1.1067	1	-	-	0.0527	-	-	0.0136	-	0.0370	0.0035	0.1067
1.1105	1	-	0.0934	-	-	-	0.0136	-	-	0.0035	0.1105
1.1122	11	-	-	0.0527	-	-	-	0.0191	0.0370	0.0035	0.1122
1.1197	1	0.0657	-	-	-	-	0.0136	-	0.0370	0.0035	0.1197

Source: County of San Diego, California Auditor and Controller's Office

¹ The Total Tax Rate is the 1.00% Proposition 13 rate plus the Voter Approved Debt rate.

² Tax rate areas are determined by the County of San Diego. There are currently thirteen tax rates distributed among the 143 tax rate areas of the city. The table above shows the number of tax rate areas affected by each of the rates.

³ MWD is the Metropolitan Water District and SDCWA is the San Diego County Water Authority.

⁴ The majority of voter approved debt is related to various school district and hospital bonds.



**Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total City Net Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Net Assessed Value
Poseidon Water Desalination Plant	\$ 409,666,576	1	1.05%	\$ -		0.00%
Legoland California, LLC	327,820,135	2	0.84	154,474,945	4	0.66
La Costa Glen Retirement Community	292,107,310	3	0.75	237,951,989	1	1.01
La Costa Resort & Spa	266,638,245	4	0.68	154,564,293	3	0.66
Levine Investments Limited Partnership	188,270,008	5	0.48			
The Forum Shopping Center	185,000,000	6	0.47	183,294,000	2	0.78
The Shoppes at Carlsbad	184,003,800	7	0.47			
Grand Pacific Carlsbad	178,539,906	8	0.46			
La Costa Town Center, LLC	167,627,497	9	0.43			
Carlsbad Premium Outlets	136,151,236	10	0.35	119,247,590	6	0.51
Pacific View Apartments				121,068,995	5	0.51
Park Hyatt Aviara Resort				109,000,000	7	0.46
Westfield Plaza Camino Real				106,242,991	8	0.45
HG Fenton Company				82,289,360	9	0.35
Eaves by Avalon Apartment Homes				81,151,200	10	0.34
Total	\$ 2,335,824,713		5.96%	\$ 1,349,285,363		5.74%
Net assessed valuation	\$ 39,165,587,905			\$ 23,522,746,301		

Source: County of San Diego, California Assessor's Office

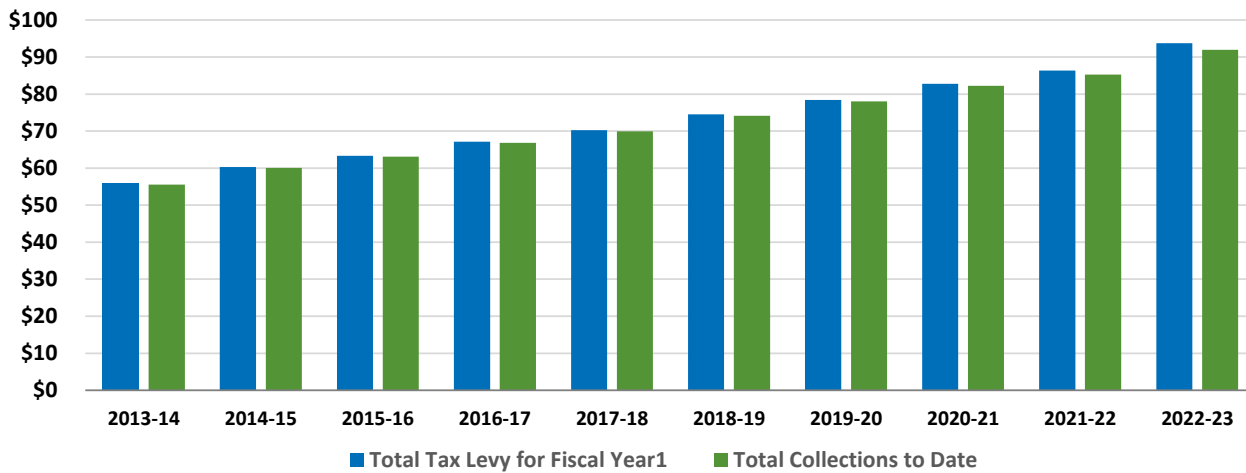


Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year ¹	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ²	Percentage of Levy		Amount	Percentage of Levy
2013-14	\$55,883,499	\$55,042,944	98.50%	\$527,889	\$55,570,833	99.44%
2014-15	60,266,230	59,509,285	98.74	553,135	60,062,420	99.66
2015-16	63,363,527	62,595,504	98.79	499,058	63,094,562	99.58
2016-17	67,116,590	66,233,111	98.68	582,089	66,815,200	99.55
2017-18	70,221,876	69,383,391	98.81	570,803	69,954,194	99.62
2018-19	74,560,530	73,518,065	98.60	617,798	74,135,863	99.43
2019-20	78,446,259	77,076,471	98.25	969,436	78,045,907	99.49
2020-21	82,787,902	81,504,185	98.45	732,233	82,236,418	99.33
2021-22	86,318,392	84,678,789	98.10	596,589	85,275,378	98.79
2022-23	93,757,415	91,921,624	98.04	N/A	91,921,624	98.04

Property Tax Levies & Collections Last Ten Fiscal Years (in millions)



Source: County of San Diego, California Auditor and Controller's Office

¹ Includes real property transfer taxes, homeowner exemptions and Proposition 172 public safety sales taxes.

² Total collections include secured, unsecured, homeowners' exception and supplementary amounts distributed by the county.

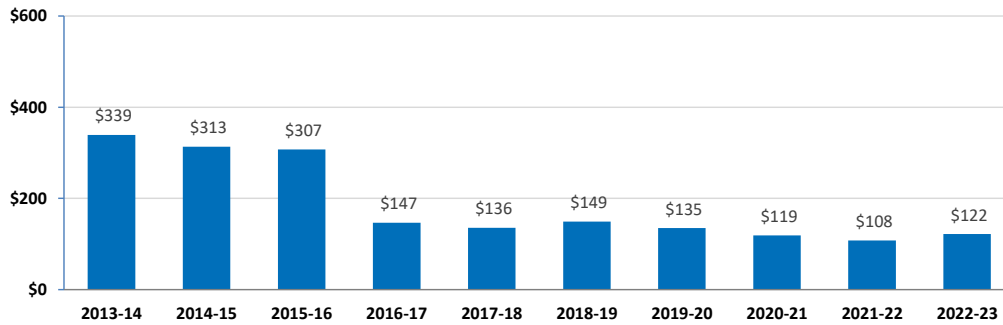




Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
 (dollars in thousands except per capita)

Fiscal Year	Governmental Activities		Business-Type Activities			Total	Percentage of Personal Income	Per Capita
	Leases	Subscription Based Information Technology Arrangements	Bonds/Special Debt ¹	Installment Purchase Agreements	Loan Payable ²			
2013-14	\$ -	\$ -	\$ 16,645	\$ 905	\$ 19,837	\$ 37,387	0.77%	\$ 339.36
2014-15	-	-	16,260	-	18,429	34,689	0.71	313.49
2015-16	970	-	16,058	-	17,670	34,698	0.60	307.25
2016-17	784	-	- ⁴	-	15,901	16,685	0.28	146.71
2017-18	588	-	-	-	14,944	15,532	0.24	135.51
2018-19	378	-	-	-	16,827	17,205	0.25	149.30
2019-20	156	-	-	-	15,327	15,483	0.25	135.27
2020-21	-	-	-	-	13,750	13,750	0.18	119.05
2021-22	22	-	-	-	12,444	12,466	0.14	107.85
2022-23	238	2,929	-	-	10,792	13,959	0.14	121.86

Outstanding Debt per Capita
 Last Ten Fiscal Years
 (in dollars)



Sources: MuniServices, LLC, California Department of Finance and US Census Data

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹ Bond/Special Debt is net of amortized premiums.

² The State Water Resources Control Board issued low interest loans for the Carlsbad Water Recycling Facility in 2005, 2006 and 2014. Varying amounts of principal and interest are due annually. Payments are funded from recycled water user fees.

³ During FY 2006-07, Carlsbad Municipal Golf Course Revenue Bonds were issued for \$18.5 million.

⁴ The Carlsbad Municipal Golf Course Revenue Bonds were defeased during FY 2016-17.



**Schedule of Direct and Overlapping Bonded Debt
Current Fiscal Year**

Fiscal Year 2022-23 Assessed Valuation:	\$40,962,813,358
Redevelopment Incremental Valuation:	<u>1,797,225,453</u>
Adjusted Assessed Valuation:	<u><u>\$39,165,587,905</u></u>

<u>Overlapping Tax and Assessment Debt:</u>	Total Debt 06/30/23	Percent Applicable ¹	City's Share of Debt 6/30/23
Metropolitan Water District	\$19,215,000	1.13%	\$217,130
Mira Costa Community College District	376,155,000	27.62	103,890,249
Palomar Community College District	641,965,146	2.68	17,172,568
Carlsbad Unified School District	281,046,297	98.23	276,066,157
Carlsbad Unified School District Community Facilities District No. 1	980,000	100.00	980,000
Oceanside Unified School District	290,311,210	0.00	11,612
Vista Unified School District	232,339,882	0.82	1,909,834
Encinitas Union School District	42,125,407	29.33	12,353,697
San Marcos Unified School District	268,478,476	17.64	47,354,234
San Marcos Unified School District Community Facilities District No. 4	12,590,000	32.76	4,123,855
San Marcos Unified School District Community Facilities District No. 5	10,705,000	100.00	10,705,000
San Dieguito Union High School District	416,410,000	8.66	36,052,778
San Dieguito Union High School District Community Facilities District No. 94-2	22,110,000	98.34	21,743,637
San Dieguito Union High School District Community Facilities District No. 95-2	5,400,000	8.81	475,902
Palomar Health District	400,167,282	1.63	6,534,732
Olivenhain Municipal Water District, Assessment District No. 96-1	4,605,000	23.53	1,083,649
City of Carlsbad Community Facilities District No. 3, I.A. No. 1 & No. 2	16,315,000	100.00	16,315,000
City of Carlsbad 1915 Act Bonds	<u>17,905,000</u>	100.00	<u>17,905,000</u>
Total Overlapping Tax and Assessment Debt	<u><u>\$3,058,823,700</u></u>		<u><u>\$574,895,034</u></u>

Source: MuniServices, LLC and County of San Diego, California Auditor and Controller's Office

¹ Percentage of overlapping agency's assessed valuation located within boundaries of the city.



Schedule of Direct and Overlapping Bonded Debt (CONTINUED)
Current Fiscal Year

	Total Debt 06/30/23	Percent Applicable ¹	City's Share of Debt 6/30/23
<u>Overlapping General Fund Obligation Debt:</u>			
San Diego County General Fund Obligations	\$229,680,000	6.26%	\$14,380,265
San Diego County Pension Obligation Bonds	277,990,000	6.26	17,404,954
San Diego County Superintendent of Schools General Fund Obligations	6,935,000	6.26	434,200
Palomar Community College District General Fund Obligations	1,310,000	2.68	35,043
Carlsbad Unified School District General Fund Obligations	58,370,000	98.23	57,335,684
San Marcos Unified School District General Fund Obligations	67,817,862	17.64	11,961,714
Vista Unified School District Certificates of Participation	36,615,000	0.82	300,975
San Dieguito Union High School District General Fund Obligations	<u>12,730,000</u>	8.66	<u>1,102,163</u>
Total Overlapping General Fund Obligation Debt	\$691,447,862		\$102,954,998
<u>Overlapping Tax Increment Debt (Successor Agency):</u>	1,000,000	100.00	1,000,000 ²
Total Overlapping Debt:	\$ 3,751,271,562		\$ 678,850,032
<u>City of Carlsbad Direct Debt:</u>			
City of Carlsbad Governmental Activities Obligations	<u>\$ 3,166,970</u>	100.00	<u>\$ 3,166,970</u>
Total City of Carlsbad Direct Debt	\$ 3,166,970		\$ 3,166,970
Combined Total Debt	<u>\$ 3,754,438,532</u>		<u>\$ 682,017,002</u> ³

Source: MuniServices, LLC and County of San Diego, California Auditor and Controller's Office

¹ Percentage of overlapping agency's assessed valuation located within boundaries of the city.

² Created by the dissolution of the Redevelopment Agency in FY 2011-12.

³ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds.

Ratios to FY 2022-23 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 1.47%

Ratios to FY 2022-23 Adjusted Assessed Valuation:

Governmental Activities Direct Debt 0.0081%

Combined Total Debt 1.74%



Direct and Overlapping Debt
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
<u>Overlapping Tax and Assessment Debt:</u>			
Metropolitan Water District	\$ 0.062	\$ 0.049	\$ 0.039
Mira Costa Community College District	-	-	-
Palomar Community College District	0.361	0.562	0.520
Carlsbad Unified School District	7.921	7.073	6.370
Carlsbad Unified School District CFD No. 1	0.052	-	-
Oceanside Unified School District	-	-	-
Vista Unified School District	0.028	0.025	0.022
Encinitas Union School District	0.426	0.385	0.515
San Marcos Unified School District	2.248	2.087	1.922
San Marcos Unified School District Facility Improvement District	0.057	0.035	0.027
San Marcos Unified School District CFD No. 4	0.292	0.254	0.232
San Marcos Unified School District CFD No. 5	0.864	0.690	0.626
San Dieguito Union High School District	0.607	0.967	0.906
San Dieguito Union HS District CFD No. 94-1	0.004	0.003	0.003
San Dieguito Union HS District CFD No. 94-2	1.032	0.928	0.855
San Dieguito Union HS District CFD No. 95-2	0.023	0.021	0.019
Palomar Health District	0.336	0.308	0.285
Olivenhain Municipal Water District, Assess. Dist. No. 96-1	0.139	0.031	0.102
City of Carlsbad CFD No. 3, I.A. No. 1 & No. 2	1.000	0.903	0.836
City of Carlsbad 1915 Act Bonds	2.018	1.727	1.564
Total Overlapping Tax and Assessment Debt	<u>\$ 17.470</u>	<u>\$ 16.048</u>	<u>\$ 14.843</u>
<u>Overlapping General Fund Obligation Debt:</u>			
San Diego County General Fund Obligations	\$ 0.983	\$ 0.857	\$ 0.709
San Diego County Pension Obligation Bonds	1.865	1.664	1.497
San Diego City Superintendent of Schools General Fund Obligations	0.042	0.036	0.031
Mira Costa Community College District Certificates of Participation	0.023	0.018	0.014
Palomar Community College District General Fund Obligations	0.006	0.005	0.004
Carlsbad Unified School District General Fund Obligations	2.086	1.846	1.692
San Marcos Unified School District General Fund Obligations	0.441	0.407	0.376
Vista Unified School District Certificates of Participation	0.001	0.001	0.001
San Dieguito Union High School District General Fund Obligations	0.049	0.047	0.044
Total Overlapping General Fund Obligation Debt	<u>\$ 5.496</u>	<u>\$ 4.881</u>	<u>\$ 4.368</u>
<u>Overlapping Tax Increment Debt (Successor Agency):</u>	<u>\$ 0.341</u>	<u>\$ 0.290</u>	<u>\$ 0.250</u>
Total Overlapping Debt:	23.307	21.219	19.461
<u>City of Carlsbad Direct Debt:</u>			
City of Carlsbad Governmental Activities Obligations	-	-	0.036
Total City of Carlsbad Direct Debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.036</u>
Combined Total Debt	<u>\$ 23.307</u>	<u>\$ 21.219</u>	<u>\$ 19.497</u>

Source: MuniServices, LLC and County of San Diego, California Auditor and Controller's Office

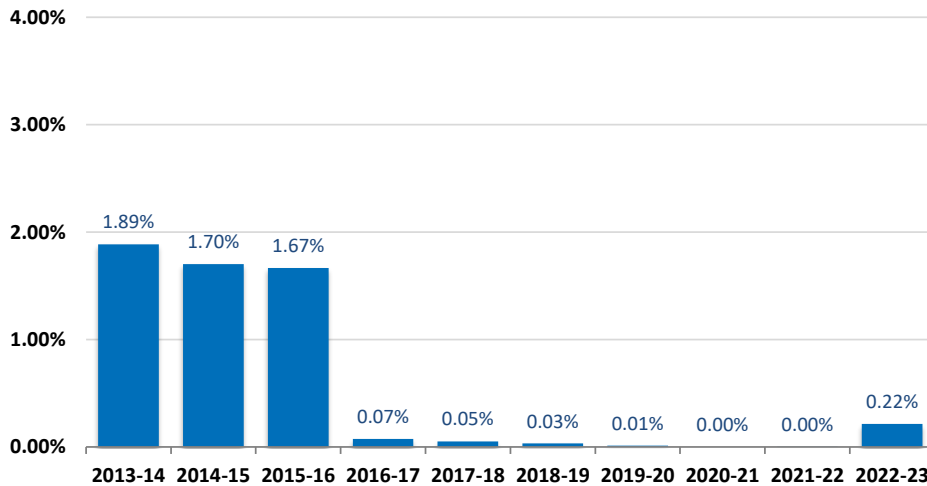
	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$	0.030	\$ 0.023	\$ 0.017	\$ 0.013	\$ 0.009	\$ 0.006	\$ 0.006
	-	0.918	0.750	0.590	2.414	2.210	2.653
	0.619	0.571	0.530	0.493	0.498	0.485	0.438
	5.816	5.298	7.474	6.944	8.861	7.916	7.049
	-	0.051	0.045	0.039	0.035	0.030	0.025
	-	-	-	-	-	-	-
	0.024	0.018	0.028	0.027	0.027	0.052	0.049
	0.551	0.506	0.461	0.421	0.389	0.364	0.315
	1.797	1.706	1.571	1.521	1.414	1.343	1.209
	0.020	0.014	0.009	0.004	-	-	-
	0.199	0.132	0.164	0.146	0.132	0.121	0.105
	0.566	0.360	0.456	0.404	0.360	0.322	0.273
	1.031	1.087	0.956	0.925	1.087	1.030	0.921
	0.003	-	-	-	-	-	-
	0.983	0.678	0.800	0.736	0.678	0.631	0.555
	0.017	0.015	0.018	0.017	0.015	0.014	0.012
	0.258	0.196	0.228	0.212	0.196	0.187	0.167
	0.091	0.079	0.069	0.058	0.040	0.035	0.028
	0.750	0.684	0.623	0.561	0.513	0.473	0.417
	1.379	1.240	1.024	0.892	0.786	0.686	0.457
\$	<u>14.134</u>	\$ <u>13.576</u>	\$ <u>15.223</u>	\$ <u>14.003</u>	\$ <u>17.454</u>	\$ <u>15.905</u>	\$ <u>14.679</u>
\$	0.648	\$ 0.572	\$ 0.510	\$ 0.436	\$ 0.379	\$ 0.424	\$ 0.367
	1.347	1.168	1.016	0.860	0.716	0.590	0.444
	0.025	0.023	0.020	0.018	0.015	0.013	0.011
	0.119	0.005	0.001	-	-	-	-
	0.003	0.002	0.002	0.001	0.001	0.001	0.001
	1.598	1.447	1.313	1.176	1.065	1.663	1.464
	0.378	0.459	0.421	0.401	0.368	0.346	0.305
	0.001	-	-	-	-	0.008	0.008
	0.041	0.039	0.036	0.034	0.032	0.031	0.028
\$	<u>4.160</u>	\$ <u>3.715</u>	\$ <u>3.319</u>	\$ <u>2.926</u>	\$ <u>2.576</u>	\$ <u>3.076</u>	\$ <u>2.628</u>
\$	0.212	\$ 0.177	\$ 0.143	\$ 0.110	\$ 0.090	\$ 0.058	\$ 0.030
	18.506	17.468	18.685	17.039	20.120	19.039	17.337
	0.028	0.020	0.012	0.005	-	0.001	0.081
\$	<u>0.028</u>	\$ <u>0.020</u>	\$ <u>0.012</u>	\$ <u>0.005</u>	\$ <u>-</u>	\$ <u>0.001</u>	\$ <u>0.081</u>
\$	<u>18.534</u>	\$ <u>17.488</u>	\$ <u>18.697</u>	\$ <u>17.044</u>	\$ <u>20.120</u>	\$ <u>19.040</u>	\$ <u>17.418</u>



Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Net assessed valuation	\$ 23,522,746	\$ 25,489,468	\$ 26,924,891	\$ 28,423,782
Debt limit (25% x 15%)	882,103	955,855	1,009,683	1,065,892
Less amount of debt applicable to limit:				
Bonded debt	16,645	16,260	15,855	- ¹
Loan payable	-	-	-	-
Lease obligations	-	-	970	785
Subscription based information technology arrangements	-	-	-	-
Total net debt applicable to limit	<u>16,645</u>	<u>16,260</u>	<u>16,825</u>	<u>785</u>
Legal debt margin	<u>\$ 865,458</u>	<u>\$ 939,595</u>	<u>\$ 992,858</u>	<u>\$ 1,065,107</u>
Total net debt applicable to the limit as a percentage of debt limit	1.89%	1.70%	1.67%	0.07%

Percent of Debt Applicable to the Legal Debt Limit
Last Ten Fiscal Years



Source: City of Carlsbad Annual Comprehensive Financial Reports

Note: Under state finance law, the city's outstanding general obligation debt should not exceed 15% (as adjusted by 25% per the law) of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

¹ The golf course bonds were defeased during FY 2016-17.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 29,994,964	\$ 31,635,528	\$ 33,655,907	\$ 35,217,379	\$ 36,362,069	\$ 39,165,588
1,124,811	1,186,332	1,262,097	1,320,652	1,363,578	1,468,710
-	-	-	-	-	-
-	-	-	-	-	-
588	378	156	-	22	238
-	-	-	-	-	2,929
<u>588</u>	<u>378</u>	<u>156</u>	<u>-</u>	<u>22</u>	<u>3,167</u>
<u>\$ 1,124,223</u>	<u>\$ 1,185,954</u>	<u>\$ 1,261,941</u>	<u>\$ 1,320,652</u>	<u>\$ 1,363,556</u>	<u>\$ 1,465,543</u>
0.05%	0.03%	0.01%	0.00%	0.00%	0.22%



**Pledged-Revenue Coverage
Last Ten Fiscal Years**

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Wastewater Revenue Bonds				
Gross revenues ^{1,5}	\$ 13,699,286	\$ 13,723,835	\$ 13,723,835	\$ -
Less expenses ^{2,5}	<u>6,989,194</u>	<u>7,249,798</u>	<u>7,249,798</u>	<u>-</u>
Net available revenue	<u><u>\$ 6,710,092</u></u>	<u><u>\$ 6,474,037</u></u>	<u><u>\$ 6,474,037</u></u>	<u><u>\$ -</u></u>
Debt service				
Principal ⁵	\$ 860,000	\$ 905,000	\$ 905,000	\$ -
Interest ⁵	<u>68,419</u>	<u>23,191</u>	<u>-</u>	<u>-</u>
Total debt service	<u><u>\$ 928,419</u></u>	<u><u>\$ 928,191</u></u>	<u><u>\$ 905,000</u></u>	<u><u>\$ -</u></u>
Coverage	7.23	6.97	7.15	n/a
Recycled Water Loans				
Gross revenues ³	\$ 9,392,061	\$ 9,210,258	\$ 8,216,362	\$ 8,371,467
Less expenses ⁴	<u>3,640,786</u>	<u>3,826,699</u>	<u>4,679,706</u>	<u>4,863,054</u>
Net available revenue	<u><u>\$ 5,751,275</u></u>	<u><u>\$ 5,383,559</u></u>	<u><u>\$ 3,536,656</u></u>	<u><u>\$ 3,508,413</u></u>
Debt service				
Principal	\$ 1,375,337	\$ 1,407,932	\$ 1,441,301	\$ 1,475,461
Interest	<u>501,144</u>	<u>468,550</u>	<u>435,182</u>	<u>401,021</u>
Total debt service	<u><u>\$ 1,876,481</u></u>	<u><u>\$ 1,876,482</u></u>	<u><u>\$ 1,876,483</u></u>	<u><u>\$ 1,876,482</u></u>
Coverage	3.06	2.87	1.88	1.87
Golf Course Revenue Bonds				
Gross revenues ^{1,6}	\$ 7,747,116	\$ 8,428,375	\$ 8,196,853	\$ -
Less expenses ^{2,6}	<u>6,125,159</u>	<u>6,302,019</u>	<u>6,273,320</u>	<u>-</u>
Net available revenue	<u><u>\$ 1,621,957</u></u>	<u><u>\$ 2,126,356</u></u>	<u><u>\$ 1,923,533</u></u>	<u><u>\$ -</u></u>
Debt service				
Principal ⁶	\$ 360,000	\$ 385,000	\$ 405,000	\$ -
Interest ⁶	<u>755,850</u>	<u>739,088</u>	<u>721,313</u>	<u>-</u>
Total debt service	<u><u>\$ 1,115,850</u></u>	<u><u>\$ 1,124,088</u></u>	<u><u>\$ 1,126,313</u></u>	<u><u>\$ -</u></u>
Coverage	1.45	1.89	1.71	n/a

Source: City of Carlsbad Annual Comprehensive Financial Reports

¹ Includes operating and non-operating revenues and transfers in from the General Fund.

² Includes operating and non-operating expenses, excluding interest expense and depreciation.

³ Includes water (potable and recycled) operating and non-operating revenues and fees. In FY 2020-21 the State Water Resources Board confirmed the pledged revenue includes potable, which was excluded in prior years.

⁴ Includes water (potable and recycled) operating and non-operating expenses, excluding interest expense and depreciation. In FY 2020-21 the State Water Resources Board confirmed the pledged revenue includes potable, which was excluded in prior years.

⁵ Debt service on the wastewater revenue bonds was completed during FY 2015-16.

⁶ The golf course bonds were defeased during FY 2016-17.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
n/a	n/a	n/a	n/a	n/a	n/a
\$ 9,869,958	\$ 8,198,882	\$ 7,557,893	\$ 56,446,838 ^{3,4}	\$ 56,363,973	\$ 55,494,378
5,559,509	6,472,817	5,926,215	50,079,801 ^{3,4}	53,308,298	48,058,823
<u>\$ 4,310,449</u>	<u>\$ 1,726,065</u>	<u>\$ 1,631,678</u>	<u>\$ 6,367,037</u>	<u>\$ 3,055,675</u>	<u>\$ 7,435,555</u>
\$ 1,510,433	\$ 1,546,234	\$ 1,582,886	\$ 1,620,408	\$ 1,658,821	\$ 1,738,405
366,049	330,248	293,596	256,074	217,661	138,077
<u>\$ 1,876,482</u>	<u>\$ 1,876,482</u>	<u>\$ 1,876,482</u>	<u>\$ 1,876,482</u>	<u>\$ 1,876,482</u>	<u>\$ 1,876,482</u>
2.30	0.92	0.87	3.39	1.63	3.96
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
n/a	n/a	n/a	n/a	n/a	n/a



Demographic and Economic Statistics

Last Ten Fiscal Years

Year	Total Population	% of S.D. County Population	% Change from Previous Year	Educational Attainment		Median Age
				% High School Graduate	% Bachelor's Degree or Higher	
2013-14	110,169	3.45%	1.78%	95.6%	51.3%	40.3
2014-15	110,653	3.43	0.44	96.0	51.9	41.1
2015-16	112,930	3.43	2.06	95.6	54.8	42.1
2016-17	113,725	3.43	0.70	95.8	54.2	41.9
2017-18	114,622	3.43	0.79	95.7	55.0	42.3
2018-19	115,241	3.44	0.54	95.7	58.1	42.6
2019-20	114,463	3.42	-0.68	95.0	59.5	44.4
2020-21	115,501	3.48	0.91	95.2	59.5	42.9
2021-22	115,585	3.52	0.07	97.1	60.4	41.8
2022-23	114,549	3.50	-0.90	100.0	62.6	40.5

Sources: MuniServices, LLC/Avenu Insights & Analytics, U.S. Census Bureau
 Population projections are from the California Department of Finance
 Household and demographic characteristics estimates are from the United States Census Data Sets Tables.
 Unemployment rate estimates are from the California Employment Development Department, Bureau of Labor Statistics.

¹ Personal income is the estimated total aggregate income for the total population.

² Unemployment increase in FY 2019-20 is due to the COVID-19 pandemic.

Average Household Size	Personal Income (millions) ¹	Per Capita Personal Income	City Unemployment Rate
2.53	\$ 4,862	\$ 44,134	6.3%
2.30	4,907	44,345	4.30
2.68	5,741	50,838	5.20
2.58	6,060	53,285	4.20
2.60	6,496	56,675	3.00
2.60	6,889	59,780	2.60
2.60	6,101	53,300	13.50 ²
2.38	7,751	67,111	8.11
2.39	8,910	77,085	2.40
2.50	10,299	89,912	3.50





Principal Employers
Current Fiscal Year and Nine Years Ago

<u>Employer</u>	<u>Industry</u>	<u>Fiscal Year 2022-23</u>			<u>Fiscal Year 2013-14</u>		
		<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total City Employment</u>
ViaSat, Inc.	Information Technology	4,010	1	5.28%	1,700	1	1.89%
Thermo Fisher Scientific	Life Sciences	2,332	2	3.07%			
Legoland California	Hospitality/Tourism	2,300	3	3.03%	1,422	4	1.58%
Carlsbad Unified School District	Education	1,097	4	1.44%	975	5	1.08%
Omni La Costa Resort & Spa	Hospitality/Tourism	900	5	1.18%	932	6	1.04%
City of Carlsbad	Government	807	6	1.06%	670	10	0.74%
Ionis Pharmaceuticals	Life Sciences	785	7	1.03%			
Gemological Institute of America	Research/Education	766	8	1.01%	723	9	0.80%
Park Hyatt Aviara	Hospitality/Tourism	566	9	0.74%			
Zodiac Pool Systems LLC	Manufacturing	535	10	0.70%			
Callaway Golf Company	Action Sports				1,637	2	1.82%
Thermo Fisher Scientific	Life Sciences				1,454	3	1.62%
TaylorMade Golf Company	Action Sports				868	7	0.96%
OptumRx, Inc.	Pharmaceutical				785	8	0.87%
Subtotal Employees		14,098		18.55%	11,166		12.41%
Total Employees Citywide (estimate)		76,000			90,000		

Source: City of Carlsbad Business License Data



**Authorized Full-Time and 3/4-Time City Government Employees by Program Area
Last Ten Fiscal Years**

<u>Program Area</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Policy and Leadership Group				
City Attorney	7.00	7.00	7.00	6.00
City Clerk Services	5.00	5.00	5.00	5.00
City Council	1.00	1.00	1.00	1.00
City Manager	7.00	7.00	7.00	8.00
City Treasurer	0.75	0.75	0.75	0.75
Communications & Engagement	2.75	4.75 ¹	5.00	5.00
Administrative Services				
Administration	-	-	-	-
Finance	31.50	31.50	32.50	33.00
Human Resources	9.00	11.00	11.00	11.00
Information Technology	22.50	22.50	19.50	20.00
Innovation & Economic Development	-	-	-	-
Public Safety				
Police	161.00	162.00	168.00	168.00
Fire	88.00	89.00	89.00	90.00
Community Services				
Community Services Administration	-	-	-	-
Community Development	44.00	44.00	44.00	44.00
Housing & Homeless Services	10.00	12.00	13.00	13.00
Library & Cultural Arts	51.25	50.25 ¹	50.50	50.50
Parks & Recreation	67.60	61.60 ¹	58.15	57.15
Public Works				
Construction Management & Inspection	-	-	-	-
Environmental Management	-	-	8.50 ²	9.50 ²
Fleet & Facilities	-	-	-	-
General Services	40.60	39.90	28.10 ²	51.30 ²
Public Works Administration	-	-	8.05 ²	9.85 ²
Transportation	53.40	55.90	57.35 ²	33.00 ²
Utilities	65.40	64.60	60.85 ²	60.20 ²
Limited Term Personnel (Full-Time)	2.00	-	3.75	6.75
Total Full Time Authorized Employees	669.75	669.75	678.00	683.00
Net Increase/(decrease) over prior year	(4.75)	-	8.25	5.00

Source: City of Carlsbad Operating Budget

Notes: Table Includes both full-time and 3/4 time employees

A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick-leave).

A 3/4 time employee is scheduled to work 1,560 hours per year (including vacation and sick-leave).

¹ During FY 2014-15, the Policy and Leadership and Community Services divisions were reorganized.

² During FY 2015-16, FY 2016-17, FY 2019-20 and FY 2020-21, the Public Works division restructured divisions.

³ During FY 2018-19, Police IT was consolidated with city IT, resulting in the transfer of 5.0 FTEs.

⁴ During FY 2018-19, Housing & Neighborhood Services was combined with Community Development.

⁵ During FY 2020-21, employees were moved from City Manager and Community Development to create a new office of Innovation & Economic Development and Community Services Administration.

⁶ During FY 2021-22, Housing & Homeless Services was established.

⁷ During FY 2022-23, all Business Systems Specialists were transferred from several separate departments to the Information Technology Department. Separately, all employees in the Geographic Information Systems division in the Information Technology Department were transferred to the Innovation & Economic Development Department.

⁸ During FY 2022-23, one 5-year Limited Term Park Planner position was added to the Parks & Recreation Department and one 5-year Limited Term Senior Engineer position was added to the Fleet & Facilities Department.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
7.00	7.00	8.00	8.00	8.00	8.00
6.00	6.00	7.00	7.00	7.00	7.00
1.00	1.00	2.00	2.00	2.00	2.00
8.00	9.00	12.00	7.00 ⁵	7.00 ⁵	7.00
0.75	0.75	1.00	1.00	1.00	1.00
5.00	5.00	7.00	7.00	9.00	9.00
-	-	-	-	3.00	3.00
32.00	32.00	31.00	31.00	28.00	26.00
11.00	11.00	17.00	17.00	17.00	18.00
27.00	32.00 ³	35.00	37.00	37.00	43.00 ⁷
-	-	2.00	4.00 ⁵	4.00 ⁵	9.00 ⁷
168.00	169.00 ³	184.00	184.00	186.00	187.00
90.00	90.00	97.75	97.75	112.00	123.00
-	-	-	3.00 ⁵	3.00 ⁵	3.00
44.00	58.00 ⁴	63.00	61.75 ⁵	53.00 ⁵	52.00
13.00	- ⁴	-	-	14.00	16.00
50.50	50.50	52.50	52.50	53.00	51.00
57.00	55.00	55.00	55.00	55.00	58.00
-	-	-	15.20 ²	15.20 ²	16.20
9.70	9.60	11.05	11.95	17.95	17.60
-	-	-	34.05 ²	37.05 ²	33.95
52.00	53.00	47.85 ²	-	-	-
12.30	7.65	7.60	7.85	7.85	5.90
32.00	35.00	44.15 ²	41.75	41.75	43.60
59.00	61.75	62.10	61.95	63.95	64.50
7.75	4.75	0.75	-	-	2.00 ⁸
693.00	698.00	747.75	747.75	782.75	806.75
10.00	5.00	49.75	-	35.00	24.00



**Operating Indicators by Function/Program
Last Ten Fiscal Years**

	2013-14	2014-15	2015-16	2016-17
General Government				
Number of applications processed (full and part-time)	9,527	8,551	8,037	9,544
Number of external new hires (full and part-time)	284	299	260	292
Number of internal promotions / transfers (full-time only)	47	41	31	58
Business licenses processed	10,327	10,735	11,449	8,142 ³
Number of outgoing payments processed	39,310	40,663	41,398	41,304
Public Safety				
Police				
Calls for service	87,976	91,314	92,061	84,858
Average priority one response (minutes)	5.8	6.5	6.1	5.9
Cases	8,296	8,349	9,253	8,884
Fire				
Incidents	9,925	9,830	11,455	12,183
Response time: arrivals on scene within goal standard	63%	63%	64%	78%
Turnout time: time from request to first unit in-route within standard	-	-	-	-
Community Development				
Affordable housing units completed	-	-	-	-
Financial assistance to affordable housing projects	\$ -	\$ 2,646,000	\$ -	\$ 1,280,000
Building permits issued	1,400	1,600	3,000	4,500
Building inspections conducted	19,000	21,000	23,000	27,000
Final inspections (residential dwelling units)	190	200	200	600
Final inspections (commercial square feet)	45,000	60,000	60,000	95,000
Code Enforcement Actions (activities)	4,794	5,389	10,994	n/a ⁴
Community Services				
Library - total material circulation	1,369,369	1,293,282	1,103,090	1,243,228
Library - patron visits	791,533	804,003	609,679 ²	720,205
Cultural Arts - number of events	62	80	88	79
Arts - attendance of events	75,000	87,000	85,000	79,067
Recreation - youth sports participants	2,292	1,000	1,000	968
Recreation - adult sports participants	5,600	6,150	5,600	4,500
Recreation - enrichment class enrollees	10,350	19,030 ¹	19,632	17,402
Recreation - special events participants	13,600	17,841 ¹	19,474	12,150
Recreation - aquatics classes conducted	1,018	1,224	684	733
Trees trimmed	1,920	2,018	1,965	1,971
Public Works				
Streets				
Centerline road miles resurfaced with overlay or slurry seal	18.1	14.8	18.1	20.0
Carlsbad Municipal Water District				
Average consumption (millions of gallons per day)	15.9	14.6	12.1	13.1
Annual water deliveries (acre feet)	17,801	16,368	13,578	14,616 ⁵
Water connections	29,045	29,190	29,190	29,782
Wastewater				
Sewage pumped (millions of gallons per day)	6.53	5.90	6.17	5.82
Annual flow (millions of gallons)	2,384	2,152	2,252	2,125
Wastewater connections	23,282	23,431	23,431	23,747

Source: City of Carlsbad

¹ Increases in the number of enrichment class and special events participants are the results of overall higher attendance and including reclassified classes previously not classified or included as enrichment classes or special events in prior years.

² The decrease in patron visits is due to the temporary closures of library facilities for remodeling during FY 2015-16.

³ The decrease is due to the time involved with the implementation of a new licensing system during FY 2016-17.

⁴ Reporting of information is not available for FY 2016-17 due to the implementation of a new permitting system.

⁵ Beginning in FY 2016-17, 2,500 acre feet of contracted desalinated water is included in the water purchase totals.

⁶ FY 2019-20 and FY 2020-21 had decreases in some public facing programs and services due to the impacts of the COVID-19 pandemic.

⁷ Beginning in FY 2022-23, the Fire Department began reporting turnout time instead of response time as a performance measure.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
9,455	8,495	8,012	5,469	6,578	5,524
311	345	248	198	376	354
44	66	66	24	79	84
11,267	9,546	10,180	10,164	9,736	9,652
41,869	43,520	44,128	41,164	41,315	41,746
90,760	99,562	112,323	110,448	107,156	103,192
5.8	5.7	5.5	5.2	5.2	5.1
8,643	8,705	8,774	8,222	8,704	8,348
12,520	12,833	13,331	12,345	13,837	15,298
76%	76%	75%	75%	70%	- ⁷
-	-	-	-	-	93.7% ⁷
-	-	157	119	48	-
\$ -	\$ -	\$ -	\$ 8,300,000	\$ 5,250,000	\$ 2,265,000
4,392	4,884	4,464	4,645	4,562	5,633
22,671	21,527	21,209	17,044	14,664	16,693
289	215	268	309	323	365
155,292	2,350,975	365,644	403,397	141,285	567,745
9,538	8,154	7,360	6,443	8,065	9,732
1,169,247	1,185,390	975,024 ⁶	536,078 ⁶	1,033,006	1,118,282
685,188	668,973	483,233 ⁶	20,214 ⁶	372,671	426,470
82	96	51 ⁶	135 ⁶	159	202
65,817	61,531	37,913 ⁶	9,724 ⁶	20,844	14,758
1,003	1,260	993 ⁶	- ⁶	1,428	3,763
4,800	4,800	2,400 ⁶	- ⁶	1,714	890
12,996	17,900	9,641 ⁶	3,270 ⁶	16,540	23,687
11,645	9,600	3,705 ⁶	300 ⁶	8,575	8,675
778	830	770 ⁶	715 ⁶	1,061	754
1,954	4,340	4,678	4,500	3,025	4,179
23.8	25.8	8.3	14.9	-	24.5
14.3	13.0	12.7	13.5	13.2	12.0
16,032	14,563	14,249	14,731	14,787	13,451
30,054	30,131	30,265	30,439	29,446	29,426
6.32	6.03	6.31	6.27	5.75	6.22
2,306	2,200	2,305	2,288	2,097	2,270
23,863	23,959	24,040	24,103	24,096	24,079



Capital Asset Statistics

Last Ten Fiscal Years

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Community Services				
Number of parks and community fields	33	33	33	33
Acres of developed parks and community fields	281	319	319	319
Acres of open space and community fields	728	728	728	728
Miles of open space trails	47	47	47	47
Number of pools	3	3	3	3
Number of community centers	4	4	4	4
Number of libraries	3	3	3	3
Number of Materials in Library Collections	581,865	574,775	563,581	491,956
Public Safety				
Fire Protection				
Number of stations	6	6	6	6
Number of fire trucks	13	12	12	12
Number of ambulances	8	7	6	5
Number of other fire vehicles	16	15	18	20
Police Protection				
Number of patrol and other vehicles	114	114	106	106
Number of motorcycles	13	14	15	12
Public Works				
Carlsbad Municipal Water District				
Miles of pipeline	534	534	559	559
Wastewater				
Miles of sewers	288	288	288	288
Streets				
Miles of streets	346	347	348	349
Number of street lights	7,236	7,262	7,265	7,334
Number of traffic signals	174	177	177	177

Source: City of Carlsbad

¹ During FY 2018-19, the number of vehicles was updated to include both active and reserve vehicles.

² In FY 2019-20, a change in the reporting methodology was implemented to include all first responder vehicles.

³ In FY 2019-20, only active lines were counted. Prior years included abandoned and future lines.

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
33	33	33	33	34	34
319	319	319	322	339	339
728	787	802	817	963	963
47	52	52	67	51	52
3	3	3	3	3	3
5	5	5	5	5	5
3	3	3	3	3	3
477,149	473,154	477,042	497,407	478,825	316,962
6	6 ¹	6	6	6	7
13	14 ¹	13 ²	13	15	14
5	5 ¹	6 ²	6	10	12
20	25 ¹	25 ²	27	27	26
96	119 ¹	119	119	134	164
13	13 ¹	15	15	15	14
559	559	535 ³	535	549	554
288	288	272	265	265	273
349	349	349	349	349	349
7,337	7,388	7,520	7,527	8,838	8,841
178	179	181	181	194	198





CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Fiona Everett, Senior Management Analyst
fiona.everett@carlsbadca.gov, 442-339-2014

Subject: Memorandum of Understanding Between the City of Carlsbad and the Carlsbad Friends of the Arts

Districts: All

Recommended Action

Adopt a resolution approving a memorandum of understanding between the City of Carlsbad and the Carlsbad Friends of the Arts and authorizing the City Manager or designee to execute the memorandum of understanding.

Executive Summary

The Carlsbad Friends of the Arts, or Friends, is a nonprofit organization that for over 30 years has worked in partnership with the city to promote and support the activities of the City of Carlsbad's Cultural Arts Office. Representatives from the city and the Friends have met and reached an agreement regarding the roles and responsibilities of each party.

The City Council has not delegated authority to the City Manager or designee to sign memorandums of understanding of this nature.

Explanation & Analysis

The Carlsbad Friends of the Arts is a community-based organization, founded in 1987, with the mission to support cultural arts programs and activities in the City of Carlsbad. Historically, the Carlsbad Friends of the Arts have raised funds through opportunity drawings conducted at the TGIF concerts, advertisements in a souvenir program distributed at the concerts and through their membership program.

The city and the Carlsbad Friends of the Arts have worked together in good faith without a memorandum of understanding since the Friends was founded. This will be the first formal documentation of that relationship.

Staff have worked with the Friends for the last several months to reach agreement on language for a memorandum of understanding that formally clarifies and defines the roles and responsibilities of each party. The memorandum, signed by the Carlsbad Friends of the Arts, is included as Attachment A to the resolution.

Fiscal Analysis

There is no fiscal impact from this action.

Next Steps

The Library & Cultural Arts Director will sign the memorandum of understanding between the Friends of the Arts and the City of Carlsbad, executing the agreement.

Environmental Evaluation

This item does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. City Council resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CARLSBAD AND THE CARLSBAD FRIENDS OF THE ARTS AND AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE THE MEMORANDUM OF UNDERSTANDING

WHEREAS, the City Council of the City of Carlsbad, California, has determined that that it is in the public's best interest to approve the Memorandum of Understanding with the Carlsbad Friends of the Arts; and

WHEREAS, the City of Carlsbad Cultural Arts Office and the Carlsbad Friends of the Arts have an ongoing partnership to support cultural arts programs including TGIF Concerts in the Park; and

WHEREAS, the Carlsbad Friends of the Arts has made an annual donation to support cultural arts programs every year for over 30 years.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. The Memorandum of Understanding between the City of Carlsbad and the Carlsbad Friends of the Arts is hereby approved.
3. That the City Manager or his designee is hereby authorized and directed to execute the Memorandum of Understanding between the City of Carlsbad and the Carlsbad Friends of the Arts attached hereto as Attachment A.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

MEMORANDUM OF UNDERSTANDING
between
City of Carlsbad, a municipal corporation
and
the Carlsbad Friends of the Arts

THIS MEMORANDUM OF UNDERSTANDING (“MOU” or “Agreement”) is made and entered into this ___th day of _____, 2024, by and between the CITY OF CARLSBAD, a municipal corporation (“City”) and THE CARLSBAD FRIENDS OF THE ARTS (“Friends”), a registered 501(c)(3) nonprofit organization, (collectively the “Parties”).

WHEREAS, The City’s Cultural Arts Office strives to enhance the vitality of the city and the quality of life for all residents by supporting an environment where arts and cultural organizations thrive, and people of all ages enjoy opportunities for expression and lifelong learning; and

WHEREAS, The Friends is a nonprofit organization founded in 1987 to promote and support the programs and activities of the City of Carlsbad’s Cultural Arts Office. The Friends is dedicated to making the arts an integral part of the community experience by helping to bring the highest quality arts and arts education programs to the Carlsbad region; and

WHEREAS, It is the intent of this MOU to clarify and define the roles and responsibilities of the Parties.

NOW, THEREFORE, the parties mutually agree as follows:

1. **City’s Role and Responsibilities.** Provided Friends is in compliance with all of its responsibilities under this MOU, the City agrees to:
 - 1.1 Once per month and subject to availability, City shall provide Friends with a room at a Carlsbad public library to conduct Friends Board meetings at no cost.
 - 1.2 Subject to availability, as determined in City’s sole discretion, City shall provide space at City facilities for Friend’s file cabinet and for limited storage of supplies related to Friend’s fundraising efforts. City and Friends may discuss opportunities for additional storage space at City facilities, subject to funding availability and space. To the fullest extent permitted by law, City shall have no responsibility whatsoever for any of Friends’ property stored by City, including security, maintenance and organization. Written notice of 30 days shall be given by the City to Friends if storage space is no longer available to Friends.
 - 1.3 City will allow Friends to raise funds through sales of raffle tickets and membership sales, sponsorships, or other means at the TGIF Summer Concert Series and at other Friends-sponsored City events throughout the year, provided Friends’ activities do not conflict with any contractual obligations of the City.
 - 1.4 City shall include the words “Sponsored by Carlsbad Friends of the Arts” or “Co-Sponsored by Carlsbad Friends of the Arts,” as applicable, on all written

communications produced by the City promoting programs and activities sponsored or jointly sponsored by City and Friends.

- 1.5 In City's sole discretion, City may publish listings of Friends' programs and/or activities in certain City publications. Such publication will be at no cost or at a shared cost to Friends.
- 1.6 City will provide a location at City facilities, to be chosen by City, for Friends to distribute their program flyers and display program information.
- 1.7 City will provide a location at City facilities, to be chosen by City, for a Friends donation box and/or a virtual donation box. To the fullest extent permitted by law, City shall have no responsibility whatsoever for the Friends' donation box or for any funds or other items contained in the donation box.
- 1.8 In City's sole discretion, City may offer Friends space and time at City Cultural Arts Office programs and activities for Friends to disperse information and/or make microphone announcements.
- 1.9 City shall include a link on the City website to Friend's website. Such link shall be in compliance with the City's website linking policy.
- 1.10 City and Friends will use best efforts to collaborate, share information, and coordinate to enhance the effectiveness and quality of City programs and activities sponsored or co-sponsored by Friends.
- 1.11 The City shall continue to be responsible for staffing and management of the Library and Cultural Arts Department facilities and events, but may make use of Friends volunteers if mutually agreed upon by the Parties.
- 1.12 The City shall provide an annual accounting to Friends of how the funds donated by Friends were spent.

2. **Friends' Role and Responsibilities.** Provided the City is in compliance with all of its responsibilities under this MOU, Friends agrees to:

- 2.1. In cooperation with the City, and in compliance with all applicable laws, rules, and regulations, Friends shall work to raise funds to support programs and activities in accordance with the Friends' mission and specific purpose as cited in their bylaws, Article 3, Section 3.1.2 : The Carlsbad Friends of the Arts is dedicated to supporting the programs and activities of the City of Carlsbad's Cultural Arts Office for the purpose of making the arts an accessible and integral part of the community experience.
- 2.2. Friends shall submit a written notification to City at least 60 days in advance of when Friends will be presenting the City with a monetary donation that exceeds

the City Manager's authority to accept under Carlsbad Municipal Code section 2.08.100, and then present the monetary donation to the City Council at a date agreed upon by the Parties.

- 2.3. If Friends has program flyers or a display with program information located at City facilities, Friends shall ensure that the information and materials remain current and up to date.
- 2.4. Friends may provide a secure box or kiosk for donations to the Friends. Such donation box shall be the sole responsibility of Friends and Friends shall take reasonable efforts to ensure the safety and security of its donation box, including by ensuring that the donation box is securely locked and cannot be easily removed from its location by members of the public.
- 2.5. Friends shall maintain records of revenues and expenditures and after each Friends Board of Directors meeting shall provide the City with copies of Friends' monthly financial summary, which shall include monthly revenue and expenditures for each month.
- 2.6. Friends shall be solely responsible for the development, creation, and printing of Friends' fundraising materials.
- 2.7. Friends shall make clear in all communications, including emails and business cards, with the public that Friends is a separate and independent entity from the City. Friends shall not falsely indicate to the public that any donation to Friends is a direct donation to the City. Donations to Friends are given to Friends and used in support of Friends' mission of supporting the City Cultural Arts Office.
- 2.8. If Friends anticipates needing City resources for a Friends program, meeting, or event, Friends shall make such request in writing a minimum of 30 days in advance of the program or activity start date. Provision of the requested resources is within City's sole and absolute discretion.
- 2.9. At least once per month, Friends shall pick up any Friends mail which has been delivered to the Dove Library.
- 2.10. Friends shall operate in accordance with its Bylaws and all applicable local, state and federal laws and regulations, including all applicable state and federal reporting and registration requirements.

3. Additional Terms

- 3.1. Independent Contractor. Neither the City nor any of its officers, agents, or employees shall have any control over the manner, mode or means by which Friends, its agents or employees, perform the services required herein. Friends shall perform all services required herein as an independent contractor consistent

with that role. Friends shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City.

- 3.2. Term. This Agreement shall continue in full force and effect unless earlier terminated in accordance with Section 3.3 below.
- 3.3. Termination. Either party may terminate this Agreement with or without cause at any time upon 30 days written notice to either Party. Upon termination, the Friends and City shall immediately cease all work, services, obligations, and responsibilities hereunder except as may be specifically approved by the City.
- 3.4. Indemnity. Each Party to this MOU shall assume the responsibility and liability for the acts, errors and omissions of its own employees, officers, agents and volunteers, in connection with the performance of their duties under this MOU. The Parties shall indemnify and hold harmless each other against any suits, claims, actions, complaints, or liability of any kind, which arise out of the performance of their respective duties under this MOU. No Party shall be considered the agent of the other participating Party. Under no circumstances shall the MOU be interpreted as creating a partnership or agency relationship between the parties.
- 3.5. Insurance. Friends will obtain and maintain policies of commercial general liability insurance, a combined policy of workers' compensation, employers liability insurance, and directors and officers liability insurance from an insurance company authorized to transact the business of insurance in the State of California which has a current Best's Key Rating of not less than "A-:VII"; OR with a surplus line insurer on the State of California's List of Approved Surplus Line Insurers (LASLI) with a rating in the latest Best's Key Rating Guide of at least "A:X"; OR an alien non-admitted insurer listed by the National Association of Insurance Commissioners (NAIC) latest quarterly listings report, in an amount of not less than one million dollars (\$1,000,000) each, unless otherwise authorized and approved by the Risk Manager or the City Manager. Friends will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage. The insurance will be in force during the life of this Agreement and will not be canceled without thirty (30) days prior written notice to the City by certified mail. City will be named as an additional insured on General Liability which shall provide primary coverage to the City. The full limits available to the named insured shall also be available and applicable to the City as an additional insured. Friends will furnish certificates of insurance to the Contract Department, with endorsements to City prior to City's execution of this Agreement.

3.6. Notices. Unless otherwise notified in writing, notices shall be addressed as follows:

To City:

Cultural Arts Manager
City of Carlsbad
1775 Dove Lane
CARLSBAD, CA 92010

To Friends:

President
Carlsbad Friends of the Arts
7040 Avenida Encinas, Ste 104-442
CARLSBAD, CA 92011

3.7. Entire Agreement. This Agreement, This Agreement, together with any other written document referred to or contemplated by it, embody the entire Agreement and understanding between the parties relating to the subject matter of it. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties.

3.8. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, and (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

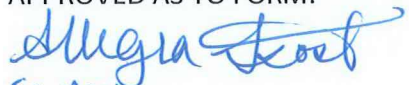
"City"
CITY OF CARLSBAD, a municipal corporation

Director
Library and Cultural Arts Department Date

ATTEST:

City Clerk Date

APPROVED AS TO FORM:


Sr. Assl.
City Attorney

4/9/2024

Date

"Friends"

Signature: 

Date: 2/12/2024

Name: Brenda Beckett

Title: Board President

[END OF SIGNATURES]



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Kevin Gohres, Recreation Area Manager
kevin.gohres@carlsbadca.gov, 442-339-5024

Subject: Agreement with Master Concepts to Provide Youth Basketball League Administration Services

Districts: All

Recommended Action

Adopt a resolution authorizing execution of an agreement with Master Concepts LLC, dba Master Sports, for youth basketball league administration services in an amount not to exceed \$360,000 per year for the initial two-year term of the agreement, and authorizing the City Manager, or designee, to appropriate \$55,000 from the General Fund to the Parks & Recreation Department's Fiscal Year 2023-24 Operating Budget.

Executive Summary

The Parks & Recreation Department offers a youth basketball program for boys and girls in kindergarten through eighth grade. It has been administered by Master Concepts since 2017, whose current agreement with the city expires on April 18, 2024.

Staff requested proposals from qualified vendors and, after reviewing and ranking the three proposals received, a selection committee determined that Master Concepts was the best qualified, for the reasons detailed below.

Staff recommend the City Council authorize the execution of a new agreement with Master Concepts for youth basketball league administration services.

The agreement requires the approval of the City Council under Carlsbad Municipal Code Section 3.28.060 because the services will cost the city more than \$100,000 per agreement year.

Explanation & Analysis

The youth basketball program, consisting of weekly practices and games, is offered during the winter, spring, summer and fall seasons. Participation in the program has steadily increased to about 900 winter participants and 400 participants in each of the spring, summer, and fall seasons.

The program was administered internally by staff until 2017. At that time, the Parks & Recreation Department recognized the potential growth in the program if its administration were contracted out. Master Concepts began performing the contractual administration of this program in fall 2017. Since then, staff and Master Concepts have increased participation levels by approximately 250 winter participants and a combined 800 participants between the other three seasons.

Participants are placed on teams supervised by volunteer coaches who instruct children in the fundamentals of the sport and experience games in a non-competitive environment. Coaches are provided annual training and are expected to uphold the high level of sportsmanship outlined in the Department's T.R.U.S.T (Teaching Respect and Unity through Teamwork) program.

The current agreement with Master Concepts for youth basketball league administration expires on April 18, 2024. The Parks & Recreation Department determined that continuing to offer youth basketball programming through a best value-determined contractor allows the city to receive high quality youth basketball program administration. This administration is anticipated to help promote further growth in the program while maintaining quality, without the need for substantial staffing and procurement of materials and supplies.

- Staff issued a request for proposals for the administration of youth basketball programming on Jan. 4, 2024. The request detailed that the chosen contractor would be responsible for management and oversight of the youth basketball program, including procuring materials and supplies, conducting evaluations, and forming teams, recruiting volunteers, scheduling practices and games, and assigning staff. All program registrations would continue to be processed by the Parks & Recreation Department.
- Staff conducted a mandatory pre-submittal meeting to review the request for proposals and answer any questions from interested contractors on Jan. 17, 2024. Three contractors participated in that meeting. In addition, the solicitation process allowed the contractors to ask written questions about the request until Jan. 23, 2024.
- On Feb. 5, 2024, staff received three responsive submittals and distributed copies to a selection committee comprised of Parks & Recreation Department staff. The responses were evaluated in accordance with Carlsbad Municipal Code Section 3.28.060 - Procurement of professional services and services, and each committee member was required to sign a confidentiality agreement to ensure the fairness of the procurement process.

Each contractor's proposal was reviewed and ranked, using the following pre-established weighted evaluation criteria:

Evaluation criteria	Weight
Qualifications, experience and history <ul style="list-style-type: none"> • Qualifications and experience in providing similar high-quality youth basketball programming services • References and/or past performance with the city 	25%
Scope of services <ul style="list-style-type: none"> • Outline or narrative describing how scope of work (services) will be performed 	20%
Cost of services <ul style="list-style-type: none"> • Proposed fees for league participants • Revenue sharing percentage split between vendor and city 	25%
Participant satisfaction plan <ul style="list-style-type: none"> • Review of past customer satisfaction ratings, complaints and claims 	15%
Employees <ul style="list-style-type: none"> • Brief summary of all personnel providing service • Ability to ensure appropriate and highly trained staff are used to conduct basketball referee and scorekeeper services • Ability to finance and sustain the activities as described 	15%

The committee ranked Master Concepts' proposal the highest and began negotiations on a possible agreement.

Fiscal Analysis

The proposed agreement with Master Concepts is for an amount not to exceed \$360,000 per year for the initial two-year term. Master Concepts will receive 67.5% of the program registration fees collected, excluding transaction fees, non-resident fees and fees that are refunded. The city will retain 32.5% of program registration fees collected. The projected fee sharing for the first year of the agreement is shown in the following chart.

Projected fee sharing for the first year of the agreement with Master Concepts				
Season	Participants	Program fees collected	Master Concepts: 67.5%	Carlsbad: 32.5%
Summer 2024	375	\$80,625	\$54,421	\$26,204
Fall 2024	300	\$64,500	\$43,537	\$20,963
Winter 2025	1,000	\$215,000	\$145,125	\$69,875
Spring 2025	400	\$86,000	\$58,050	\$27,950
Totals		\$446,125	\$301,133	\$144,992

Higher initial costs are being driven by increased participation in the program; however, this will be offset by a reduced share to Master Concepts in the new agreement, from 70% to 67.5% of fees collected. Additionally, revenues will be higher due to the increased participation and an increase in the participant fee. An appropriation of \$55,000 from the General Fund to the Parks & Recreation Department’s Fiscal Year 2023-24 Operating Budget is needed to address the higher initial costs. Funds required for the balance of the agreement will be requested in the Parks & Recreation Department’s subsequent fiscal year Operating Budgets.

Beginning with the summer 2024 season, the youth basketball program fees will be \$215 per participant, which is a \$10 per participant increase from the current program fees. The increase in program fees had already been established before the request for proposals was advertised. The City Manager or designee is authorized to set parks and recreation class fees that are included in the Community Services Guide under City Council Resolution No. 2017-111.

Next Steps

Master Concepts will continue providing youth basketball league administration services, under the terms of the agreement.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

- 1. City Council resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AUTHORIZING EXECUTION OF AN AGREEMENT WITH MASTER CONCEPTS, LLC, DBA MASTER SPORTS, FOR YOUTH BASKETBALL LEAGUE ADMINISTRATION SERVICES IN AN AMOUNT NOT TO EXCEED \$360,000 PER YEAR FOR THE INITIAL TWO-YEAR TERM OF THE AGREEMENT, AND AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO APPROPRIATE \$55,000 FROM THE GENERAL FUND TO THE PARKS & RECREATION DEPARTMENT'S FISCAL YEAR 2023-24 OPERATING BUDGET

WHEREAS, the Parks & Recreation Department offers a youth basketball program for boys and girls in -kindergarten through eighth grade. The program, consisting of weekly practices and games, is offered during the winter, spring, summer and fall seasons; and

WHEREAS, the Parks & Recreation Department has determined that offering youth basketball programming through a best value determined contractor allows the city to receive high quality youth basketball program administration that is anticipated to help promote further growth while maintaining the program quality, without the need for substantial staffing and procurement of materials and supplies; and

WHEREAS, the current agreement with Master Concepts, LLC for youth basketball program administration expires on April 18, 2024; and

WHEREAS, on Jan. 4, 2024, a request for proposals, or RFP, was advertised for youth basketball league programming; and

WHEREAS, the RFP detailed that the chosen contractor would be responsible for management and oversight of the youth basketball program, including procuring materials and supplies, conducting evaluations and forming teams, recruiting volunteers, scheduling practices and games, and assigning staff; and

WHEREAS, on Feb. 5, 2024, staff received three responsive submittals and distributed copies to a selection committee comprised of Parks & Recreation Department staff; and

WHEREAS, the responses to the RFP were evaluated pursuant to Municipal Code section 3.28.060; and

WHEREAS, staff performed a best value evaluation of the proposals, based on five categories of pre-established weighted criteria: (1) Qualifications, experience and history; (2) Scope of services, (3) Cost of Services, (4) Participant satisfaction plan, and (5) Employees; and

WHEREAS, the selection committee ranked Master Concepts' proposal the highest as the best value contractor for the program administration; and

WHEREAS, the selection committee recommends the execution of an agreement with Master Concepts for youth basketball league administration services; and

WHEREAS, the proposed agreement with Master Concepts is for an amount not to exceed \$360,000 per year for the initial two-year term; and

WHEREAS, Master Concepts will receive an amount equal to 67.5% of the program registration fees collected, excluding transaction fees, non-resident fees and fees that are refunded. The city will retain 32.5% of program registration fees collected; and

WHEREAS, higher initial costs are being driven by increased participation in the program, and higher revenues will result from the increased participation, and an increase in the participant fee; and

WHEREAS, an appropriation of \$55,000 from the General Fund to the Parks & Recreation Department's Fiscal Year 2023-24 Operating Budget is needed to address the higher initial costs; and

WHEREAS, funds required for the balance of the agreement will be requested in the Parks & Recreation Department's subsequent fiscal year Operating Budgets; and

WHEREAS, the City Planner has determined this action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the City Manager is authorized to execute the agreement with Master Concepts, LLC dba Master Sports, for youth basketball league administration services, in an amount not to exceed \$360,000 per year for the initial two-year term of the agreement (Attachment A).
3. That the City Manager is authorized to amend the agreement to extend the term for up to two additional two-year periods or parts thereof.
4. That the City Manager, or designee, is hereby authorized to appropriate \$55,000 from the General Fund to the Parks & Recreation Department's Fiscal Year 2023-24 Operating Budget.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

**AGREEMENT FOR YOUTH BASKETBALL LEAGUE ADMINISTRATION SERVICES
MASTER CONCEPTS, LLC DBA MASTER SPORTS**

THIS AGREEMENT is made and entered into as of the _____ day of _____, 20____, by and between the City of Carlsbad, California, a municipal corporation ("City") and Master Concepts, LLC dba Master Sports, a single member limited liability company, ("Contractor").

RECITALS

- A. City requires the professional services of a consultant that is experienced in coordinating and administering youth basketball leagues.
- B. Contractor has the necessary experience in providing professional services and advice related to youth basketball leagues.
- C. Contractor has submitted a proposal to City and has affirmed its willingness and ability to perform such work.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, City and Contractor agree as follows:

1. SCOPE OF WORK

City retains Contractor to perform, and Contractor agrees to render, those services (the "Services") that are defined in attached Exhibit "A," which is incorporated by this reference in accordance with this Agreement's terms and conditions.

2. STANDARD OF PERFORMANCE

While performing the Services, Contractor will exercise the reasonable professional care and skill customarily exercised by reputable members of Contractor's profession practicing in the Metropolitan Southern California area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

3. TERM

The term of this Agreement will be effective for a period of two (2) year(s) from the date first above written. The City Manager may amend the Agreement to extend it for two (2) additional two (2) year(s) or parts thereof. Extensions will be based upon a satisfactory review of Contractor's performance, City needs, and appropriation of funds by the City Council. The parties will prepare a written amendment indicating the effective date and length of the extended Agreement.

4. TIME IS OF THE ESSENCE

Time is of the essence for each and every provision of this Agreement.

5. COMPENSATION

The total fee payable for the Services to be performed during the initial Agreement term shall not exceed seven hundred twenty thousand dollars (\$720,000). No other compensation for the Services will be allowed except for items covered by subsequent amendments to this Agreement. If the City elects to extend the Agreement, the amount shall not exceed three hundred sixty thousand dollars (\$360,000) per Agreement year. The City reserves the right to withhold a ten percent (10%) retention until City has accepted the work and/or Services specified in Exhibit "A."

Incremental payments, if applicable, should be made as outlined in attached Exhibit "A."

6. STATUS OF CONTRACTOR

Contractor will perform the Services in Contractor's own way as an independent contractor and in pursuit of Contractor's independent calling, and not as an employee of City. Contractor will be under control of City only as to the result to be accomplished, but will consult with City as necessary. The persons used by Contractor to provide services under this Agreement will not be considered employees of City for any purposes.

The payment made to Contractor pursuant to the Agreement will be the full and complete compensation to which Contractor is entitled. City will not make any federal or state tax withholdings on behalf of Contractor or its agents, employees or subcontractors. City will not be required to pay any workers' compensation insurance or unemployment contributions on behalf of Contractor or its employees or subcontractors. Contractor agrees to indemnify City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Contractor or any agent, employee, or subcontractor of Contractor for work done under this Agreement. At the City's election, City may deduct the indemnification amount from any balance owing to Contractor.

7. SUBCONTRACTING

Contractor will not subcontract any portion of the Services without prior written approval of City. If Contractor subcontracts any of the Services, Contractor will be fully responsible to City for the acts and omissions of Contractor's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Contractor is for the acts and omissions of persons directly employed by Contractor. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Contractor and City. Contractor will be responsible for payment of subcontractors. Contractor will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Contractor's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

8. OTHER CONTRACTORS

The City reserves the right to employ other Contractors in connection with the Services.

9. INDEMNIFICATION

Contractor agrees to defend (with counsel approved by the City), indemnify, and hold harmless the City and its officers, elected and appointed officials, employees and volunteers from and against all claims, damages, losses and expenses including attorneys fees arising out of the performance of the work described herein caused by any negligence, recklessness, or willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

The parties expressly agree that any payment, attorney's fee, costs or expense City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this section, and that this section will survive the expiration or early termination of this Agreement.

10. INSURANCE

Contractor will obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Contractor or Contractor's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. The insurance carrier is required to have a current Best's Key Rating of not less than "A-:VII"; **OR** with a surplus line insurer on the State of California's List of Approved Surplus Line Insurers (LASLI) with a rating in the latest Best's Key Rating Guide of at least "A:X"; **OR** an alien non-admitted insurer listed by the National Association of Insurance Commissioners (NAIC) latest quarterly listings report.

10.1 Coverages and Limits. Contractor will maintain the types of coverages and minimum limits indicated below, unless Risk Manager or City Manager approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Contractor's indemnification obligations under this Agreement. City, its officers, agents and employees make no representation that the limits of the insurance specified to be carried by Contractor pursuant to this Agreement are adequate to protect Contractor. If Contractor believes that any required insurance coverage is inadequate, Contractor will obtain such additional insurance coverage, as Contractor deems adequate, at Contractor's sole expense. The full limits available to the named insured shall also be available and applicable to the City as an additional insured.

10.1.1 Commercial General Liability (CGL) Insurance. Insurance written on an "occurrence" basis, including personal & advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

10.1.2 Automobile Liability. (if the use of an automobile is involved for Contractor's work for City). \$2,000,000 combined single-limit per accident for bodily injury and property damage.

10.1.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code. Workers' Compensation will not be required if Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

10.1.4 Professional Liability. Errors and omissions liability appropriate to Contractor's profession with limits of not less than \$1,000,000 per claim. Coverage must be maintained for a period of five years following the date of completion of the work.

10.2 Additional Provisions. Contractor will ensure that the policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

10.2.1 The City will be named as an additional insured on Commercial General Liability which shall provide primary coverage to the City.

10.2.2 Contractor will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage.

10.2.3 This insurance will be in force during the life of the Agreement and any extensions of it and will not be canceled without thirty (30) days prior written notice to City sent by certified mail pursuant to the Notice provisions of this Agreement.

10.3 Providing Certificates of Insurance and Endorsements. Prior to City's execution of this Agreement, Contractor will furnish certificates of insurance and endorsements to City.

10.4 Failure to Maintain Coverage. If Contractor fails to maintain any of these insurance coverages, then City will have the option to declare Contractor in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order to maintain the required coverages. Contractor is responsible for any payments made by City to obtain or maintain insurance and City may collect these payments from Contractor or deduct the amount paid from any sums due Contractor under this Agreement.

10.5 Submission of Insurance Policies. City reserves the right to require, at any time, complete and certified copies of any or all required insurance policies and endorsements.

11. BUSINESS LICENSE

Contractor will obtain and maintain a City of Carlsbad Business License for the term of the Agreement, as may be amended from time-to-time.

12. ACCOUNTING RECORDS

Contractor will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Contractor will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Contractor will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

13. OWNERSHIP OF DOCUMENTS

All work product produced by Contractor or its agents, employees, and subcontractors pursuant to this Agreement is the property of City. In the event this Agreement is terminated, all work product produced by Contractor or its agents, employees and subcontractors pursuant to this Agreement will be delivered at once to City. Contractor will have the right to make one (1) copy of the work product for Contractor's records.

14. COPYRIGHTS

Contractor agrees that all copyrights that arise from the services will be vested in City and Contractor relinquishes all claims to the copyrights in favor of City.

15. NOTICES

The name of the persons who are authorized to give written notice or to receive written notice on behalf of City and on behalf of Contractor under this Agreement are:

For City:

Name Kyle Lancaster
 Title Parks & Recreation Director
 Dept Parks & Recreation
CITY OF CARLSBAD
 Address 799 Pine Avenue, Suite 200
Carlsbad, CA 92010
 Phone 442-339-2941

For Contractor:

Name Dan Ekeroth
 Title Owner
 Address 5270 Eastgate Mall
SAN DIEGO, CA 92121
 Phone 858-518-1315
 Email dan@mastersports.com

Each party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

16. CONFLICT OF INTEREST

Contractor shall file a Conflict of Interest Statement with the City Clerk in accordance with the requirements of the City of Carlsbad Conflict of Interest Code. The Contractor shall report investments or interests as required in the City of Carlsbad Conflict of Interest Code.

Yes No

If yes, list the contact information below for all individuals required to file:

Name	Email	Phone Number

17. GENERAL COMPLIANCE WITH LAWS

Contractor will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Contractor, or in any way affect the performance of the Services by Contractor. Contractor will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of Contractor's services with all applicable laws, ordinances and regulations.

Contractor will be aware of the requirements of the Immigration Reform and Control Act of 1986 and will comply with those requirements, including, but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants whose services are required by this Agreement.

18. CALIFORNIA AIR RESOURCES BOARD (CARB) ADVANCED CLEAN FLEETS REGULATIONS

Contractor's vehicles with a gross vehicle weight rating greater than 8,500 lbs. and light-duty package delivery vehicles operated in California may be subject to the California Air Resources Board (CARB) Advanced Clean Fleets regulations. Such vehicles may therefore be subject to requirements to reduce

emissions of air pollutants. For more information, please visit the CARB Advanced Clean Fleets webpage at <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>.

19. DISCRIMINATION AND HARASSMENT PROHIBITED

Contractor will comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

20. DISPUTE RESOLUTION

If a dispute should arise regarding the performance of the Services the following procedure will be used to resolve any questions of fact or interpretation not otherwise settled by agreement between the parties. Representatives of Contractor or City will reduce such questions, and their respective views, to writing. A copy of such documented dispute will be forwarded to both parties involved along with recommended methods of resolution, which would be of benefit to both parties. The representative receiving the letter will reply to the letter along with a recommended method of resolution within ten (10) business days. If the resolution thus obtained is unsatisfactory to the aggrieved party, a letter outlining the disputes will be forwarded to the City Manager. The City Manager will consider the facts and solutions recommended by each party and may then opt to direct a solution to the problem. In such cases, the action of the City Manager will be binding upon the parties involved, although nothing in this procedure will prohibit the parties from seeking remedies available to them at law.

21. TERMINATION

In the event of the Contractor's failure to prosecute, deliver, or perform the Services, City may terminate this Agreement for nonperformance by notifying Contractor by certified mail of the termination. If City decides to abandon or indefinitely postpone the work or services contemplated by this Agreement, City may terminate this Agreement upon written notice to Contractor. Upon notification of termination, Contractor has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the work product delivered to City and of the percentage of work that Contractor has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement.

City may terminate this Agreement by tendering thirty (30) days written notice to Contractor. Contractor may terminate this Agreement by tendering thirty (30) days written notice to City. In the event of termination of this Agreement by either party and upon request of City, Contractor will assemble the work product and put it in order for proper filing and closing and deliver it to City. Contractor will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

22. COVENANTS AGAINST CONTINGENT FEES

Contractor warrants that Contractor has not employed or retained any company or person, other than a bona fide employee working for Contractor, to solicit or secure this Agreement, and that Contractor has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to annul this Agreement without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

23. CLAIMS AND LAWSUITS

By signing this Agreement, Contractor agrees that any Agreement claim submitted to City must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Contractor acknowledges that if a false claim is submitted to City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that California Government Code sections 12650 *et seq.*, the False Claims Act applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorney's fees. Contractor acknowledges that the filing of a false claim may subject Contractor to an administrative debarment proceeding as the result of which Contractor may be prevented to act as a Contractor on any public work or improvement for a period of up to five (5) years. Contractor acknowledges debarment by another jurisdiction is grounds for City to terminate this Agreement.

24. JURISDICTION AND VENUE

Any action at law or in equity brought by either of the parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Diego, State of California, and the parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

25. SUCCESSORS AND ASSIGNS

It is mutually understood and agreed that this Agreement will be binding upon City and Contractor and their respective successors. Neither this Agreement nor any part of it nor any monies due or to become due under it may be assigned by Contractor without the prior consent of City, which shall not be unreasonably withheld.

26. ENTIRE AGREEMENT

This Agreement, together with any other written document referred to or contemplated by it, along with the purchase order for this Agreement and its provisions, embody the entire Agreement and understanding between the parties relating to the subject matter of it. In case of conflict, the terms of the Agreement supersede the purchase order. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties. This Agreement may be executed in counterparts.

27. AUTHORITY

The individuals executing this Agreement and the instruments referenced in it on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions of this Agreement.

Executed by Contractor this _____ day of _____, 20____.

CONTRACTOR
Master Concepts, LLC dba Master Sports , a
single member limited liability company

CITY OF CARLSBAD, a municipal corporation of
the State of California

By:

Dan Ekeroth

(sign here)

By:

Mayor

Dan Ekeroth, Owner
(print name/title)

ATTEST:

SHERRY FREISINGER, City Clerk

By:

N/A – Single Signer
(sign here)

By:

Deputy City Clerk

(print name/title)

If required by City, proper notarial acknowledgment of execution by contractor must be attached. If a corporation, Agreement must be signed by one corporate officer from each of the following two groups.

Group A
Chairman,
President, **or**
Vice-President

Group B
Secretary,
Assistant Secretary,
CFO **or** Assistant Treasurer

Otherwise, the corporation **must** attach a resolution certified by the secretary or assistant secretary under corporate seal empowering the officer(s) signing to bind the corporation.

APPROVED AS TO FORM:

CINDIE K. McMAHON, City Attorney

BY: *Allegra Frost*

Deputy / Assistant City Attorney

EXHIBIT A

SCOPE OF SERVICES AND FEE

Master Sports (Contractor) will manage, oversee, and operate year-round youth basketball leagues for the city of Carlsbad.

Services include but are not limited to:

1. Registration

- a. After consulting with the city, skills assessments will be scheduled for all divisions. Schedules will include days, times, and locations.
- b. Skills assessments will be conducted at the community center associated with the league.
- c. Registration will begin as early as three months prior to the first skills assessment date.
 - I. Registration will close by 12 p.m. on the day of assessments for each division.

2. Recruitment and Organization of Volunteer Coaches

- a. Throughout the registration process, all league participants who have registered through carlsbadca.gov/carlsbadconnect will receive updates via email from Contractor including:
 - I. Reminders of division-specific assessment dates, times, and locations.
 - II. Requests for volunteer participation as coaches.
- b. All volunteer coaches are required to complete the following:
 - I. Live Scan fingerprint and background check through a facility approved by City. The coordination, costs and oversight associated with this service are the responsibility of the Contractor.
 - II. Sign and return a Code of Conduct Agreement to Contractor which outlines expectations for behavior of coaches at practices and games.
 - III. Complete a supplemental questionnaire to ensure eligibility to be in direct supervision of players. Complete volunteer application.
- c. If any divisions do not have ample volunteer coaches by the time of skills assessment:
 - I. All parents will be asked about coaching availability during skills assessment check-in.
 - II. Contractor will contact the volunteer liaison at Camp Pendleton Marine Base to help find community volunteers.
 - III. Contractor will contact local high schools to help find high school volunteer coaches. High school volunteer coaches must have parent supervision at all practices and games if younger than 18 years of age.

3. Skills Assessments

- a. Once registration has closed, each division will meet for a brief assessment of individual players' skills to help create balanced teams. Attendance is mandatory for all players.
- b. At sign in, each player will receive an evaluation number for coaches to reference. The height of each player will be measured and recorded at check-in.
- c. Coaches are asked to attend skills assessments for all divisions and are provided with grading sheets to take notes on each player.
- d. Skills assessment procedures:
 - I. Kindergarten, 1st and 2nd grade coed divisions will have each player take a tumbling dribbling down court, shooting twice at one hoop, dribbling back to the other hoop and shooting two more times.

- II. For all divisions 3rd grade and higher, players will participate in 4v4 full court scrimmages. Each scrimmage will last five to six minutes while coaches take notes on the skill levels of each player.
- III. A representative of Contractor will also take notes for each division.

4. Draft Process

- a. Teams in kindergarten, 1st and 2nd grade divisions will be formed by Contractor.
 - I. Contractor will provide coaches a list of information for each player in the division including:
 - ✓ Evaluation number
 - ✓ Name
 - ✓ Age
 - ✓ Height
 - ✓ Grading/ranking
 - ✓ Practice schedule limitations if any
 - II. Coaches will send back grading for no more than their top 20-30 ranked players.
 - III. Teams will be drafted based on grading by Contractor and notes provided by division coaches.
- b. Teams in all divisions 3rd grade and higher will be formed via an in-person draft process.
 - I. Contractor will provide coaches a similar list of participants outlined above.
 - II. With City coordination, a classroom/activity room will be scheduled for draft night(s)
 - III. Coaches are required to attend the draft or send someone in their place.
 - IV. Using personal notes and Contractor's notes, coaches will draft their own teams to help create balanced teams.
- c. All drafts are done in a "snake draft" format.
 - I. Numbers will be randomly drawn to assign draft position.
 - II. The first team to draft in the first round is then the last team to draft in the second round, until all players have been selected.
- d. Procedures to identify skill level of players absent at evaluations.
 - I. Schedule a second, makeup evaluation date.
 - II. Contact parents via email/phone to identify past basketball experience, height, and estimated skill levels of each absent player.
 - III. Use notes from previous seasons as a reference for estimated skill.

5. Scheduling of Practices

- a. Contractor will contact City to identify weekly gym hours/courts required based on the number of teams for each location.
- b. Available practice times will be sent to all coaches.
 - I. Coaches will be given a specific day and time to reply via email with a list of their top three or four practice days/times. Preferences will be accommodated on a first respond, first serve system.
 - II. Coaches who have multiple teams in different divisions receive priority and may respond earlier to accommodate back-to-back practices, if desired.
 - III. Coaches will be notified of assigned practice day(s) and time(s)
 - IV. Practice schedules, including individual team reservations, will be provided to facility staff, and posted online via the Contractor's website.

6. Coach Clinic

- a. Prior to the first games of the season, the Assistant League Director will organize and conduct a coach's clinic. Topics will include:
 - I. Practice outlines including different drills, mini-games, and scrimmages that can be used throughout the season.
 - II. Overview of game day procedures, including arrival times, staying until all players have been picked up, jersey colors, seating, etc.
 - III. Review and answer all questions related to league rules.

7. Roster Contact

- a. Rosters will be sent to coaches once teams are formed and all necessary background paperwork is complete. All roster and contact information will include:
 - I. Player evaluation number
 - II. Player name
 - III. Player age
 - IV. Parent name
 - V. Parent phone number(s)
 - VI. Parent email address
- b. Coaches are asked to contact team members within 24 hours of receiving rosters.

8. Game Scheduling

- a. A breakdown of weekly gym hours/court use will be provided to City for approval, including set up time, game times, number of courts, and end time for each location.
- b. Once approved, regular season and playoff games will be scheduled for all divisions.
- c. A first draft of game schedules will be made available to all coaches, and any required revisions within reason will be made.
- d. After coaches have reviewed game schedules, they will be released to all parents of league participants no less than two weeks prior to the start of the regular season.
- e. Game schedules will be available online via the Contractor's website and Tourney Machine App.
 - I. Tourney Machine App allows for participants to quickly and easily view game schedules on a phone, tablet, or mobile device.
 - II. Parents can view the division schedules, team schedules, and game outcomes.

9. Game Day Procedures

- a. A site supervisor will arrive no later than 30 minutes prior to the first game.
 - I. Upon arrival, the site supervisor will set up score tables, score books, bring game balls, lower/raise basketball backboards, and dry mop/sweep gym playing surface.
 - II. Site supervisor will remain on site to help instruct coaches/participants, provide direction to court and benches, answer questions regarding league rules, and ensure coaches and players conduct themselves in an appropriate manner.
 - III. Site supervisor will remain on site until the end of the final game and ensure all players are accounted for and picked up.
 - IV. Site supervisor will help clean up at the end of each game day.
 - ✓ Pick up any trash/water bottles left behind.
 - ✓ Put away scorebooks, score tables, game balls, chairs, and scoreboard units.

10. Discipline for Unsportsmanlike Behavior

- a. Unsportsmanlike conduct will be handled on a strict zero tolerance policy. Any coach or

player who receives a technical foul for language, physical actions, or anything else unrelated to game play will be immediately ejected from the game and will be suspended from the next scheduled game.

- b. Parents who are disruptive will be asked to leave the gym facility if deemed necessary by Contractor, and a suspension for the following game may also apply.
- c. Program provider shall apply to all parents, players, officials, and contractor staff member the City of Carlsbad Parks & Recreation TRUST Program (sportsmanship)

11. Referees and Scorekeepers

- a. All game referees and scorekeepers will be scheduled through San Diego Sports Officials (SOSO), or an approved association by city.
- b. SOSO, or an approved association will receive game schedules with instructions pertaining to which games require one or two referees, including instructions for scorekeepers.

12. League Rules

- a. See Exhibit B for Carlsbad Youth Basketball League Rules.

13. Public Marketing

- a. Previous league participants will receive seasonal update email reminders about upcoming basketball seasons. The database will update at the culmination of each season, and recipients may opt out from receiving emails at any time.
- b. Contractor will set up banners/tents at league-related events.
- c. Contractor will use electronic flyers, lobby flyers and social media to market leagues to the public.

14. Supplies

- a. Contractor will procure all league related supplies including uniforms, awards, score books, game balls, staff, officials, etc. at their expense.

15. Communication

- a. Contractor will receive and respond to all league related inquiries with one (1) business day.
- b. Contractor will attend any meeting deemed mandatory by the city.
- c. Contractor will submit in writing within twenty-four (24) hours of any incidents or injuries that occur at all games.

16. Compensation

- a. City will collect the registration fee plus a transaction and non-resident fee from each participant who registers for the youth basketball league. As payment for Contractor's service(s), Contractor will receive an amount equal to sixty-seven and a half percent (67.5%) of the registration fee collected, excluding transaction fees, non-resident fees and/or any fees that are refunded.
- b. The registration fee will be \$215.00 per participant for the Summer 2024 season.
- c. The registration fee will be \$215.00 per participant for the Fall 2024 season.
- d. The registration fee will be \$215.00 per participant for the Winter 2024-25 season.
- e. The registration fee will be \$215.00 per participant for the Spring 2025 season.
- f. A salary fee study will be conducted for possible new participant fee starting summer 2025.
- g. City will pay Contractor once the youth basketball league is complete. Contractor must initiate an email to Recreation Supervisor and Recreation Area Manager to request payment. Parks & Recreation staff member will issue a payment request form for contractor

to sign. Staff will submit for payment which can be up to two-three weeks.

17. League Schedule and Fees

- a. The schedule will include four (4) leagues per year:
 - I. Spring
 - II. Summer
 - III. Fall
 - IV. Winter
- b. The participant fee will include:
 - I. High quality reversible jersey set including tops and shorts.
 - II. Individual 1st place or 2nd place trophies for all players that advance to the championship game of the division.
 - III. Access to minimum of a once-a-week indoor practice at community center of registration
 - IV. A minimum of eight games per season per player, and up to 13 games including playoffs. Divisions where score is not kept will not have playoffs.
 - V. Two referees per game for divisions where standings are kept, and one referee per game otherwise.
 - VI. Once scorekeeper per game where score is kept.

Agreement not to exceed \$360,000 per agreement year.

Youth Basketball Handbook



ROLES & BEHAVIOR

T.R.U.S.T. CODE OF ETHICS

Youth Sports Administrators:

I hereby pledge to provide positive support to all youth sports programs in my community, to administer youth sports programs with professionalism and in the best interests of the children involved by following the Youth Sports Administrators' Code of Ethics:

- *I will run youth sports programs for the children involved, not the adults.*
- *I will ensure that I am knowledgeable in the area of youth sports administration.*
- *I will do my best to provide a safe playing situation for all participants.*
- *I will provide support for coaches, officials and parents to provide a positive, enjoyable experience for all.*
- *I will require all coaches and officials to be trained in the responsibilities of being a volunteer within the organization and that they uphold the T.R.U.S.T. (Teaching Respect through Understanding, Sportsmanship and Teamwork) Code of Ethics.*
- *I promise to keep informed about current issues involving youth sports programs.*

Coaches:

I hereby pledge to live up to my expectations as a Coach by following the T.R.U.S.T. Program:

- *I will place the emotional and physical well-being of my players ahead of a personal desire to win.*
- *I will treat each player as an individual, remembering the large range of emotional and physical development for the same age group.*
- *I will do my best to provide a safe playing situation for my players.*
- *I will promise to review and practice basic first aid principles needed to treat injuries of my players.*
- *I will do my best to organize practices that are fun and challenging for all my players.*
- *I will lead by example in demonstrating fair play and sportsmanship to all my players.*
- *I will be knowledgeable in the rules of each sport that I coach, and I will teach these rules to my players.*
- *I will use those coaching techniques appropriate for all of the skills that I teach.*
- *I will remember that I am a youth sports coach, and that the game is for children and not adults.*

Players:

I hereby pledge to be positive about my youth sports experiences and accept responsibility for my participation by following this Players' Code of Ethics pledge:

- *I will encourage good sportsmanship from fellow players, coaches, officials and parents at every game and practice by demonstrating good sportsmanship.*
- *I will attend every practice and game that I can, and will notify my coach if I cannot.*
- *I will expect to receive a fair and equal amount of playing time based on my attendance at practices.*
- *I will do my very best to listen and learn from my coaches.*
- *I will treat my coaches, other players, officials and fans with respect regardless of race, sex, creed, or abilities and I will expect to be treated accordingly.*
- *I deserve to have fun during my sports experience and will alert parents or coaches if it stops being fun.*
- *I deserve to play in an environment that is free from drugs, tobacco and alcohol and expect adults to refrain from their use at all youth sports events.*
- *I will encourage my parents to be involved with my team in some capacity because it is important to me.*
- *I will do my very best in school.*
- *I will remember that sports is an opportunity to learn and have fun.*

Parents:

I hereby pledge to provide positive support, care, and encouragement for my child participating in youth sports by following this Parents' Code of Ethics:

- *I will encourage good sportsmanship by demonstrating positive support for all players, coaches, officials at every game, practice of other youth sports events.*
- *I will place the emotional and physical well-being of my child ahead of my personal desire to win.*
- *I will insist that my child play in a safe and healthy environment.*
- *I will require that my child's coach be trained in the responsibilities of being a youth sports coach and that the coach upholds the Coaches' Code of Ethics.*
- *I will support coaches and officials working with my child in order to encourage a positive and enjoyable experience for all.*
- *I will demand a sports environment for my child that is free from drugs, tobacco and alcohol and will refrain from their use at all youth sports events.*
- *I will remember that the game is for youth - not adults.*
- *I will do my very best to make youth sports fun for my child.*
- *I will ask my child to treat other players, coaches, fans and officials with respect regardless of race, sex, creed or ability.*

Item #4

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COACHES ROLE & CONDUCT

The criterion of the successful volunteer coach is not the win / loss record of his / her team. It is, rather, whether the behavior of the players changed in a positive way and whether valuable lessons were learned. The uninformed coach is only interested in winning games. The good coach is just as interested in winning games but, in addition, wants his / her players to come out of the athletic experience as better citizens on and off the court.

The coaches behavior in relation to officials should obey the following guidelines:

1. The official should be treated with respect.
2. Judgement calls made by officials should not be questioned. In cases of suspected rules misinterpretation, the official should be addressed in a courteous manner during a period of time out, and he / she will reply in a courteous manner.
3. The coach shall stay off the court and remain in the designated coaches box.
4. Players are not allowed to question officials' decisions.

Education of the parents and spectators is one of the coach's basic responsibilities. These individuals should be reminded that the philosophy of the program is for youth to enjoy themselves and learn the importance of teamwork, sportsmanship, and acquire the ability to cope with competitive situations. Occasionally it may be necessary for the coach to have parent meetings to instill the proper attitude. During games, a word from the coach to a spectator who is "out of line" will usually be more effective than a reprimand from a game official or gym supervisor.

Coaches Code of Conduct

All coaches shall abstain from the following actions at all times. Any violation of these rules will result in disciplinary action.

- Foul or obscene language
- Indecent gestures
- Fighting (Physical contact of any type)
- Officials abuse
- Substance abuse
- Object throwing
- Arguing with the opposing team's coaches or parents for any reason
- Harassing own or opposing team's players, coaches or parents
- Violating written division rules or safety rules
- Any display of unsportsmanlike conduct

PLAYERS CODE OF CONDUCT

All players shall abstain from the following activities at all times. Any violation of these rules will result in disciplinary action.

- Fighting
- Foul or obscene language
- Indecent gestures
- Arguing with officials and/or city staff for any reason
- Substance abuse
- Object thrown in anger
- Showing disrespect or arguing with coaches
- Harassing opposing team's players, coaches or parents
- Any display of unsportsmanlike conduct.

April 16, 2024

PARENTS ROLE & CONDUCT

Parents are encouraged to attend games and provide enthusiastic support for their child and the game.

Parents shall abstain from the following actions at all time. Any violation of these rules will result in disciplinary action.

- Foul or obscene language
- Indecent gestures
- Officials abuse
- Substance abuse
- Object throwing
- Arguing with the opposing team's coaches or parents for any reason
- Heckling or harassing own or opposing players, coaches or parents

GYM SUPERVISORS

Gym supervisors are responsible for providing direction and organization for the Youth Basketball Program. A gym supervisor is expected to maintain exemplary behavior and sportsmanship at all times. All coaches /parents who have concerns or questions should seek out a gym supervisor who will be able to assist them.

Gym Supervisors are expected to:

- Act on behalf of the league and the Youth Sports Office.
- Maintain the "Code of Conduct" for coaches and parents when conducting business on behalf of the City of Carlsbad.
- Conform to all the rules established by the Youth Sports Office and the T.R.U.S.T. Program.

VISION OF TRUST



Teaching Respect, Unity, and Sportsmanship through Teamwork

MISSION STATEMENT

In our continuing effort to create community through people, parks and programs, the Parks & Recreation Department will strive to provide quality activities that are safe, fair and enriching for all of its participants, spectators and administrators. This philosophy will be implemented through the T.R.U.S.T. Program, which focuses on teaching respect, unity and sportsmanship through teamwork.

Community Expectations

The Carlsbad Parks & Recreation Department requires its staff, participants, spectators and neighbors to recognize the following expectations in order to maintain a healthy community.

- We T.R.U.S.T. that you will maintain a safe and positive environment.
- We T.R.U.S.T. that you will treat every individual with courtesy and respect.
- We T.R.U.S.T. that you will honor the rules established for each activity.
- We T.R.U.S.T. that you will demonstrate fair play and sportsmanship at all time.

COACHES ADMINISTRATION

FIRST TEAM MEETING

The initial call to a child should be directed to the parents, as the child may be too excited to remember the necessary information. The parents should be given your name, phone number, e-mail and team name, as well as the day, time and place of the first team meeting. Parents should be encouraged to attend the first meeting with their children. The first meeting is an appropriate time for the coach to explain to the parents and players the philosophy of the program, role of the officials and staff, number and times of games and practices, and culminating activities. This is the time for all coaches to establish a rapport and set guidelines for player commitment in practices and games.

Of equal importance is the dissemination of information to parents and getting commitments in telephoning players as needed, providing refreshments and assisting with practices and games (team parents). No matter what the age or level, the interest of the parents and their attendance at the games will increase the children's interest and make the game more fun to them.

EQUIPMENT CHECK-OUT AND RETURN

Practice equipment is available for check-out to each head coach at the gym ball room. Equipment is to be checked in immediately following each team's practice or game. An I.D. or collateral may be required.

PLAYER PRACTICE PARTICIPATION

All participants who are registered in the program will receive playing time based on their practice attendance. Coaches are allowed to have up to two practices a week (1 primary, 1 optional). If a child misses the primary practice time the coach has the option of only playing the child 5 minutes a half. If a child misses the optional practice the minimum play rule (10 min. a half) will remain in effect.

PLAYER MANAGEMENT

It is important that the coach explain his / her expectations for all team members at the first practice, and maintain consistency throughout the season. The coach's guidelines should be consistent with program / park rules and policies and should be uniformly applied to all team members. In dealing with children, each coach should be aware that:

1. Each child should be treated as an individual and dealt with according to his / her own unique personality.
2. Demand for perfection may lead to loss of interest among some players.

3. Discipline should be given privately, away from the player's peers whenever possible, and should be positive rather than degrading.
4. Children will be most receptive to the coach who is considerate, cooperative and patient.
5. Children cannot be expected to behave as "small adults" (unreasonable and immature behavior can be expected and must be handled with an adult response by the coach).
6. The coach has the responsibility for ensuring that players maintain respect and the proper attitude toward game officials, spectators and opponents.

In the event that a player has not conformed to agreed-upon team standards (absent at team practices without valid excuses, fighting, swearing, etc.) the coach may be allowed to suspend the player for one game, with the Youth Sports office's approval. Continued offenses may require other actions which must first be approved by the Youth Sports office. The coach should exhaust all other possibilities such as discussing the problem with the player and parents before calling the office regarding suspensions.

SETTING REALISTIC EXPECTATIONS

Many athletes need help in learning their limitations without devaluing themselves. Coaches, rather than conveying the inaccuracy that every athlete is capable of becoming a superstar or professional athletes, must realize that participants will mature more if they encourage youngsters to seek out and discover for themselves their own limits.

De-emphasize winning and reemphasize attainment of personal goals. These are the vital steps to enhancing the motivation of all young athletes. "You do not win as a person, you win as a team!"

MISCONDUCT

Most first-time minor violations to the "Code of Conduct" should be resolved between individuals or within the team. Serious violations of the "Code of Conduct" should be immediately reported to the appropriate Gym Supervisor and the Youth Sports Coordinator. The Youth Sports Coordinator and Recreation Supervisor will conduct a thorough review of the situation with the assistance of the appropriate Gym Supervisor.

GAME INFORMATION

TEAM ORGANIZATION

- Apr 16, 2024
- Players are divided into selected age groups determined by participant's grade level.
 - Players are given skill tests and evaluations so that staff can do its best to create balanced teams.

RULES AND REGULATIONS: ALL DIVISIONS

- Each player must play at least 10 minutes a half when 7-10 players are at the game. Unless player practice participation rules are not met. A player must sit out 5 minutes a half when 7-9 players are present. Thirty minutes is the maximum when 7-9 players are present.
 - One minute between quarters, 2-minute halftime.
 - Jump ball starts the game; alternating possession afterwards.
 - Ten second violation, five second held ball violation, and back court violation will be enforced.
 - The bonus (1 + 1) rule shall be in effect ON the 7th team foul in each half. Double bonus (2 free throws) will be in effect on the 10th team foul in each half.
 - Time-outs: Teams are awarded Three (3) time-outs per game. Unused time-outs will not carry over into overtime. Time-outs will be granted when either a player or coach notifies a referee. In the 'C' and 'GC' divisions, during the last three minutes of the game, the team in possession of the ball and calling the time-out must inbound the ball at mid court and into the front court.
This is to prevent teams running out the clock (due to
- "no press" rules).
- Maximum Play Rule: Substitutions are made at the beginning and mid-way point of each quarter. No free substitutions. If both teams have 7-10 players at game time, then the minimum/ maximum play rule is in effect. A team that has 7 or more players does not have to meet the maximum play rule if the opposing team has 6 or less players. Read below if a team has: 6 players.
 - If a team has 6 players, two players are required to sit out 10 minutes while the other 4 players will be required to sit out just 5 minutes over the course of the game.
 - And the opposing team has 7-8 players, 1-2 players will only be required to sit 5 minutes over the course of the game, and minimum rule is in effect for all other players.
 - If a player fouls out leaving team with 5 players and one of the 5 players gets injured and is unable to continue, a fouled out team member can re-enter the game. Each foul by the re-entering fouled out player will be 2 free throws and possession.
- If a team has: 5 Players**
- And the opposing team has 6 players, the maximum play rule is no longer in effect but the minimum play

rule is in effect.

- If a team has only 5 players from the start of the game until the final buzzer then, should any player reach the 5 foul limit, he / she may remain in the game. The opposing team shall automatically receive 2 free throws and possession of the ball. For every foul committed thereafter by the players with over 5 fouls.
- If a team starts the game with over 5 players and fouls out their last available player, he/she must remain in the game and cannot be substituted for a player who previously fouled out. The opposing team shall automatically receive 2 free throws and the ball for every foul committed by the player with over 5 fouls.
- Any injury to the head the player must be removed from the game. In order to return to the next practice or game the parent must supply a doctors release.
- If a team has 6 or more players from the outset, a player's 5th personal foul will warrant disqualification from playing the remainder of the game. This includes overtime.
- No jewelry of any kind will be permitted to be worn by players, including earrings.
- A player who is bleeding or has an open wound, or has blood on his / her body or clothing, shall be prohibited from playing until appropriate treatment has been administered. If blood is on clothing, the clothing must be changed before player will be allowed to re-enter game.
- A player with a cast of any kind will not be allowed to play in the game. (A removable, padded brace could be an exception.) This will be determined by the officials and gym supervisor.
- Two practices a week maximum. (1 primary, 1 optional)
- No standings will be sent out for any division.
- Players shake hands before each game.
- If a game goes into overtime teams can have any players start the overtime. Players that have fouled out are not eligible to play in overtime unless you have only 5 players, a technical foul will be issued and that player can remain in the game.
- Coaches will need to stay within the coaches box.
- Once a child is placed on a team, no changing of teams will be allowed due to scheduling conflicts within other programs.
- Coaches must inform the score keeper the game jersey number of those that are sitting on the bench for that substitution mark. Players entering the game do not have to line up with their backs turned to the score keeper. Players must enter the court immediately and resume play. Coaches let the score keepers know what players are sitting on the bench.
- Any player receiving a technical foul (Flagrant Foul, or unsportsmanlike intentional foul.) will be required to sit out the rest of the game and possibly a one-game suspension. The team must play with four players until the next substitution mark.

DIVISION 'A' | Boys 7th & 8th Grade

1. Basketball: Official size, 29.5".
2. Three (3) second key violation.
3. Time: Four, ten (10) minute quarters, running clock, regulation clock the last 2 minutes of 4th quarter.
4. One (1) minute between quarters and two (2) minutes between halves.
5. Scoring cumulative throughout the game (see scoring philosophy).
6. Overtime: Two (2) minute, last minute is regulation clock. Only one time-out allotted in overtime. Time outs will not carry over from regulation time. Game will be played until winner is determined.
7. Bullet Points (A) Pressing Rule: Start of 4th quarter only
 - 12 points and under: Both teams can press.
 - 13 points or more: Winning team can't press. Losing team can continue to press.
 - 12 points or more: Last 2 minutes of the 4th quarter clock will continue to run.

DIVISION 'B' | Boys 5th & 6th Grade | 'GB' Girl's 6th, 7th, 8th Grades

1. Basketball: 'B' Division - Official size, 29.5". 'GB' Division - Official women's size, 28.5".
2. Time: Four, ten (10) minute quarters, running clock, regulation clock the last 2 minutes of 4th quarter.
3. One (1) minute between quarters and two (2) minutes between halves.
4. Three (3) second key violation
5. Scoring: Cumulative throughout the game.
6. Overtime: Two (2) minutes last minute is regulation clock. Only one time-out allotted in overtime. Time outs will not carry over from regulation time. Game will be played until winner is determined.
7. Bullet Points (B) (GB) Pressing Rule: Teams can press start of the last substitution mark of 4th quarter.
 - 8 points and under: Both teams can press.
 - 9 points or more: Winning team can't press. Losing team can continue to press.
 - 12 points or more: Last 2 minutes of the 4th quarter, clock will continue to run.

DIVISION 'C' | Boy's 3rd & 4th Grades | 'GC' Girl's 3rd, 4th, 5th Grades

1. Basketball: Official women's size, 28.5".
2. Time: Four, ten (10) minute running quarters.
3. One (1) minute between quarters and two (2) minutes between halves.
4. Five (5) second key violation.
5. Free Throws: Twelve foot (12') line. Shooter must remain behind line until ball reaches the cylinder. ('C', 'GC' only)

6. No back court pressing while the offense is in possession of the ball. Defense must allow offense to cross, or make an initial pass to a player behind the 3 point line extended (GC +C). Penalty: A warning to the team on the first offense and a team technical foul for all other offenses.
7. Scoring: Noncumulative (see scoring philosophy).
8. If ball goes back behind the three point line teams can continue to play defense.
9. No double team will be allowed on the ball, or any player without the ball, outside the lane. Help defense is permitted.
10. Offense has 5 seconds after crossing half court to initiate an entry pass below the 3-point line extended. 5-second violation is a turnover.
11. No stop clock at any time. Only for time outs and at substitution.
12. Three-point made baskets will count as two points.

SCORING PHILOSOPHY

The Parks & Recreation Department adheres to the following scoring system:

- Scoring is kept by quarters ('C' and 'GC' divisions only).
- Score will return to 0-0 at beginning of each quarter ('C' and 'GC' divisions only). Team with the highest score at the end of each quarter will receive two (2) points. If the quarter is tied, each team will receive one (1) point.
- Scoring is cumulative in 'A', 'B' and 'GB' divisions.
- Winner is determined by highest score in 'A', 'B' and 'GB' divisions.
- 3 Point goals will be awarded in Divisions A, B, and GB only

TEAM STANDINGS (LEAGUE TOURNAMENTS AND TIE BREAKERS)

DIVISION 'A', 'B' AND 'GB'

1. Best Overall Win-Loss Record
2. Head-to-Head Win-Loss Record
3. If teams split head to head, then head to head point differential will be the deciding factor. For 3-way ties, head to head between teams, then total point differential will determine the breaker.

DIVISION 'C' AND 'GC'

1. 2 points will be awarded for every quarter won
2. 1 point awarded for every quarter tied
3. 0 points awarded for a quarter lost
4. If still tied, team tiebreakers (#2 through #5) will be instituted from the 'A', 'B' and 'GB' classifications

GENERAL DEFINITIONS

BLOCKING: Illegal personal contact which hinders or impedes the progress of an opponent.

BOUNDARY LINE: The end and sidelines on the basketball court. The inside edges of these lines mark the in-bounds and out-of-bound areas.

CHARGING: When the ball handler comes into personal contact with a defensive player who has established his / her position.

COURT: The playing area of a basketball game. A court is divided into two parts, front and back. A team's front court includes its offensive basket and backboard between the end and half court lines. A team's back court includes its defensive basket and backboard between the end and half court lines.

DEAD BALL: The ball is considered dead and out of play when:

- A held ball occurs for five (5) seconds or the ball gets stuck on the basket support;
- The official's whistle is blown; or
- Time expires for a quarter, half, or extra period.

DISQUALIFIED PLAYER: A player who is no longer allowed to participate in the game because of committing five (5) personal fouls or a serious unsportsmanlike foul.

DRIBBLE: A dribble is a ball movement caused by a player in control who bats, pushes or taps the ball to the floor once or several times.

FOULS:

- **Personal Foul:** Or a common foul when a player comes in personal contact with an opponent while the ball is alive. Holding, pushing, charging or tripping an opponent is not allowed.
- **Technical Foul:** A technical foul is when a player or coach is disrespectful to an official, behaves in an unsportsmanlike manner; intentionally delays the game; or enters the court without official permission. A technical foul on a player also results in a personal foul.
- **Double Foul:** When two (2) opponents commit personal fouls against each other at the same time. A personal foul is charged to each and play begins with alternating possession.

- **Intentional Foul:** Is a personal and a technical foul, which, in the judgement of the official, appears to be designed or premeditated. It is not based on the severity of the act. Two (2) free throws and ball out of bounds at closest spot to foul.
- **Unsportsmanlike Foul:** Is a non-contact technical foul which consists of unfair, unethical or dishonorable conduct.

FREE THROW: A free throw is a chance to score a basket without obstruction or interference from the opposite team. The free throw is awarded to a player who has been fouled. The free throw is taken from the free throw line. Each free throw is worth one point.

HELD BALL: Two (2) opponents have both hands on the ball and possession cannot be established without unnecessary roughness. Possession is established by arrow on scorekeeper's table.

LANE: The area of the court which extends from the basket line to the top of the free throw line. The lane boundary lines are marked on all basketball courts (12 lane - 'C' & 'GC' only).

OVERTIME PERIOD: Is the extension of playing time necessary to break a tie score at the end of regulation time.

PASS: The movement of the ball caused by a player who throws, bounces, or in any manner gives the ball to another player.

REGULATION CLOCK: The clock will stop at every whistle.

SCREEN: An action by a player who, without coming into physical contact, prevents an opponent from reaching a desired position.

TAP (TIP): Is the striking or batting of the ball with any part of the hand(s) while there is no player control by the tapper.

THROW IN: A method of putting the ball into play from out of bounds.

TRAVELING (WALKING): To walk or run illegally while holding the ball.

Coaches, Parents, Players and Spectators –

Welcome to another season of Carlsbad Youth Basketball!

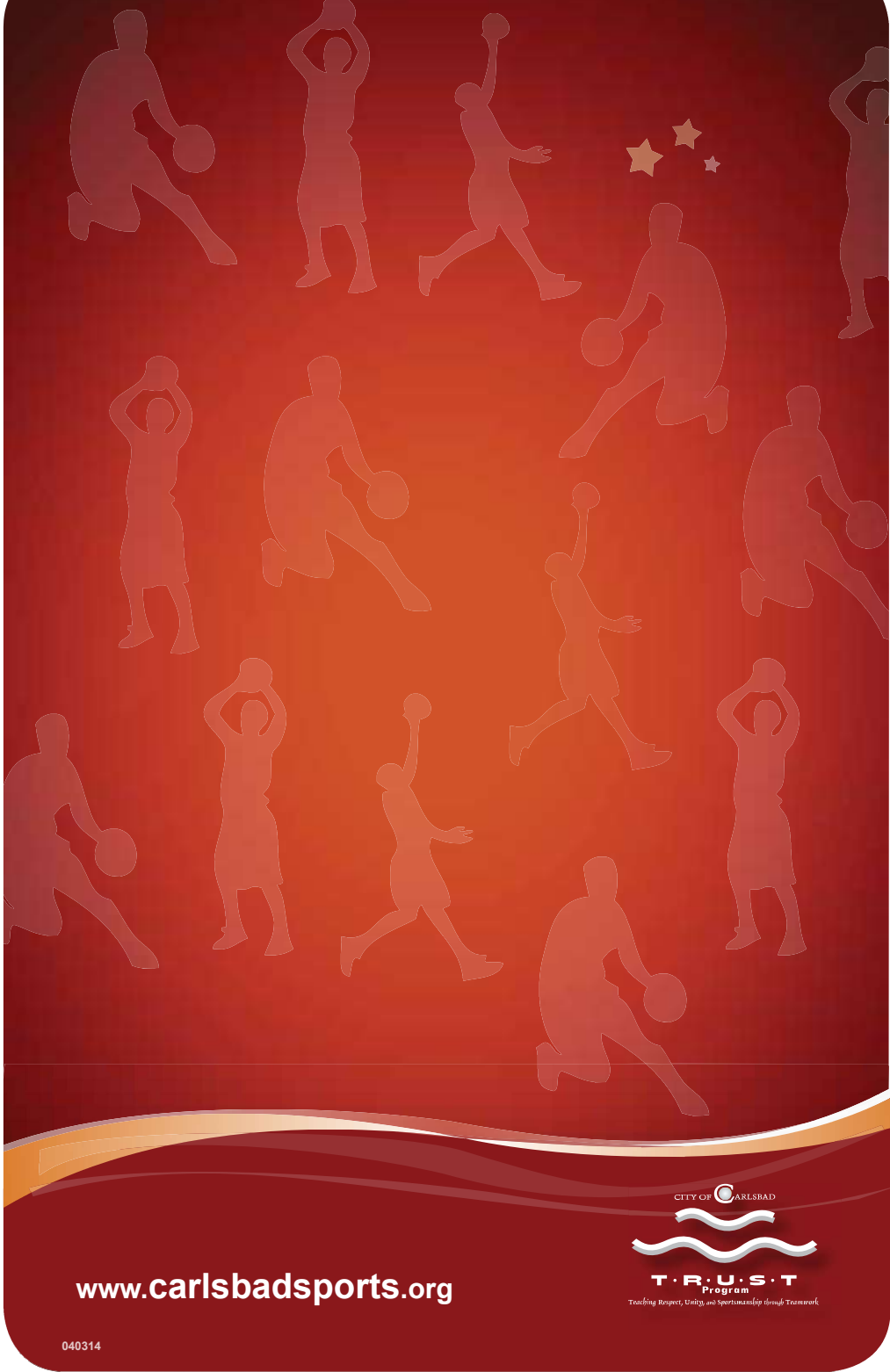
This handbook is designed to educate you on the Rules, Regulations, Philosophies and Procedures of the Parks & Recreation Department's Youth Basketball League.

Please read the information provided, in its entirety, to help familiarize yourself with the program. Enjoy! And thanks for participating!

– Youth Sports Staff

NO FOOD OR DRINK ALLOWED IN GYMNASIUM!

Please refrain from bringing coffee mugs, cups, sodas, food, etc. Players are allowed to bring in water bottles which must be placed under players' bench!



040314

CALIFORNIA CODES**PENAL CODE SECTIONS 11164-11166**

11164. (a) This article shall be known and may be cited as the Child Abuse and Neglect Reporting Act.

(b) The intent and purpose of this article is to protect children from abuse and neglect. In any investigation of suspected child abuse or neglect, all persons participating in the investigation of the case shall consider the needs of the child victim and shall do whatever is necessary to prevent psychological harm to the child victim.

11165. As used in this article "child" means a person under the age of 18 years.

11165.1. As used in this article, "sexual abuse" means sexual assault or sexual exploitation as defined by the following: (a) "Sexual assault" means conduct in violation of one or more of the following sections: Section 261 (rape), subdivision (d) of Section 261.5 (statutory rape), 264.1 (rape in concert), 285 (incest), 286 (sodomy), subdivision (a) or (b), or paragraph (1) of subdivision (c) of Section 288 (lewd or lascivious acts upon a child), 288a (oral copulation), 289 (sexual penetration), or 647.6 (child molestation).

(b) Conduct described as "sexual assault" includes, but is not limited to, all of the following: (1) Any penetration, however slight, of the vagina or anal opening of one person by the penis of another person, whether or not there is the emission of semen.

(2) Any sexual contact between the genitals or anal opening of one person and the mouth or tongue of another person.

(3) Any intrusion by one person into the genitals or anal opening of another person, including the use of any object for this purpose, except that, it does not include acts performed for a valid medical purpose. (4) The intentional touching of the genitals or intimate parts (including the breasts, genital area, groin, inner thighs, and buttocks) or the clothing covering them, of a child, or of the perpetrator by a child, for purposes of sexual arousal or gratification, except that, it does not include acts which may reasonably be construed to be normal caretaker responsibilities; interactions with, or demonstrations of affection for, the child; or acts performed for a valid medical purpose. (5) The intentional masturbation of the perpetrator's genitals in the presence of a child.

(c) "Sexual exploitation" refers to any of the following: (1) Conduct involving matter depicting a minor engaged in obscene acts in violation of Section 311.2 (preparing, selling, or distributing obscene matter) or subdivision (a) of Section 311.4 (employment of minor to perform obscene acts). (2) Any person who knowingly promotes, aids, or assists, employs, uses, persuades, induces, or coerces a child, or any person responsible for a child's welfare, who knowingly permits or encourages a child to engage in, or assist others to engage in, prostitution or a live performance involving obscene sexual conduct, or to either pose or model alone or with others for purposes of preparing a film, photograph, negative, slide, drawing, painting, or other pictorial depiction, involving obscene sexual conduct. For the purpose of this section, "person responsible for a child's welfare" means a parent, guardian, foster parent, or a licensed administrator or employee of a public or private residential home, residential school, or other residential institution. (3) Any person who depicts a child in, or who knowingly develops, duplicates, prints, or exchanges, any film, photograph, video tape, negative, or slide in which a child is engaged in an act of obscene sexual conduct, except for those activities by law enforcement and prosecution agencies and other persons described in subdivisions (c) and (e) of Section 311.3.

11165.2. As used in this article, "neglect" means the negligent treatment or the maltreatment of a child by a person responsible for the child's welfare under circumstances indicating harm or threatened harm to the child's health or welfare. The term includes both acts and omissions on the part of the responsible person. (a) "Severe neglect" means the negligent failure of a person having the care or custody of a child to protect the child from severe malnutrition or medically diagnosed nonorganic failure to thrive. "Severe neglect" also means those situations of neglect where any person having the care or custody of a child willfully causes or permits the person or health of the child to be placed in a situation such that his or her person or health is endangered, as proscribed by Section 11165.3, including the intentional failure to provide adequate food, clothing, shelter, or medical care. (b) "General neglect" means the negligent failure of a person having the care or custody of a child to provide adequate food, clothing, shelter, medical care, or supervision where no physical injury to the child has occurred. For the purposes of this chapter, a child receiving treatment by spiritual means as provided in Section 16509.1 of the Welfare and Institutions Code or not receiving specified medical treatment for religious reasons, shall not for that reason alone be considered a neglected child. An informed and appropriate medical decision made by parent or guardian after consultation with a physician or physicians who have examined the minor does not constitute neglect.

11165.3. As used in this article, "the willful harming or injuring of a child or the endangering of the person or health of a child," means a situation in which any person willfully causes or permits any child to suffer, or inflicts thereon, unjustifiable physical pain or mental suffering, or having the care or custody of any child, willfully causes or permits the person or health of the child to be placed in a situation in which his or her person or health is endangered.

11165.4. As used in this article, "unlawful corporal punishment or injury" means a situation where any person willfully inflicts upon any child any cruel or inhuman corporal punishment or injury resulting in a traumatic condition. It does not include an amount of force that is reasonable and necessary for a person employed by or engaged in a public school to quell a disturbance threatening

physical injury to person or damage to property, for purposes of self-defense, or to obtain possession of weapons or other dangerous objects within the control of the pupil, as authorized by Section 49001 of the Education Code. It also does not include the exercise of the degree of physical control authorized by Section 44807 of the Education Code. It also does not include an injury caused by reasonable and necessary force used by a peace officer acting within the course and scope of his or her employment as a peace officer.

11165.5. As used in this article, the term "abuse or neglect in out-of-home care" includes physical injury or death inflicted upon a child by another person by other than accidental means, sexual abuse as defined in Section 11165.1, neglect as defined in Section 11165.2, unlawful corporal punishment or injury as defined in Section 11165.4, or the willful harming or injuring of a child or the endangering of the person or health of a child, as defined in Section 11165.3, where the person responsible for the child's welfare is a licensee, administrator, or employee of any facility licensed to care for children, or an administrator or employee of a public or private school or other institution or agency. "Abuse or neglect in out-of-home care" does not include an injury caused by reasonable and necessary force used by a peace officer acting within the course and scope of his or her employment as a peace officer.

11165.6. As used in this article, the term "child abuse or neglect" includes physical injury or death inflicted by other than accidental means upon a child by another person, sexual abuse as defined in Section 11165.1, neglect as defined in Section 11165.2, the willful harming or injuring of a child or the endangering of the person or health of a child, as defined in Section 11165.3, and unlawful corporal punishment or injury as defined in Section 11165.4. "Child abuse or neglect" does not include a mutual affray between minors. "Child abuse or neglect" does not include an injury caused by reasonable and necessary force used by a peace officer acting within the course and scope of his or her employment as a peace officer.

11165.7. (a) As used in this article, "mandated reporter" is defined as any of the following: (1) A teacher. (2) An instructional aide. (3) A teacher's aide or teacher's assistant employed by any public or private school. (4) A classified employee of any public school. (5) An administrative officer or supervisor of child welfare and attendance, or a certificated pupil personnel employee of any public or private school. (6) An administrator of a public or private day camp. (7) An administrator or employee of a public or private youth center, youth recreation program, or youth organization. (8) An administrator or employee of a public or private organization whose duties require direct contact and supervision of children. (9) Any employee of a county office of education or the State Department of Education, whose duties bring the employee into contact with children on a regular basis. (10) A licensee, an administrator, or an employee of a licensed community care or child day care facility. (11) A Head Start program teacher. (12) A licensing worker or licensing evaluator employed by a licensing agency as defined in Section 11165.11. (13) A public assistance worker. (14) An employee of a child care institution, including, but not limited to, foster parents, group home personnel, and personnel of residential care facilities. (15) A social worker, probation officer, or parole officer. (16) An employee of a school district police or security department. (17) Any person who is an administrator or presenter of, or a counselor in, a child abuse prevention program in any public or private school. (18) A district attorney investigator, inspector, or local child support agency caseworker unless the investigator, inspector, or caseworker is working with an attorney appointed pursuant to Section 317 of the Welfare and Institutions **Code** to represent a minor. (19) A peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2, who is not otherwise described in this section. (20) A firefighter, except for volunteer firefighters. (21) A physician, surgeon, psychiatrist, psychologist, dentist, resident, intern, podiatrist, chiropractor, licensed nurse, dental hygienist, optometrist, marriage, family and child counselor, clinical social worker, or any other person who is currently licensed under Division 2 (commencing with Section 500) of the Business and Professions **Code**. (22) Any emergency medical technician I or II, paramedic, or other person certified pursuant to Division 2.5 (commencing with Section 1797) of the Health and Safety **Code**. (23) A psychological assistant registered pursuant to Section 2913 of the Business and Professions **Code**. (24) A marriage, family, and child therapist trainee, as defined in subdivision (c) of Section 4980.03 of the Business and Professions **Code**. (25) An unlicensed marriage, family, and child therapist intern registered under Section 4980.44 of the Business and Professions **Code**. (26) A state or county public health employee who treats a minor for venereal disease or any other condition. (27) A coroner. (28) A medical examiner, or any other person who performs autopsies. (29) A commercial film and photographic print processor, as specified in subdivision (e) of Section 11166. As used in this article, "commercial film and photographic print processor" means any person who develops exposed photographic film into negatives, slides, or prints, or who makes prints from negatives or slides, for compensation. The term includes any employee of such a person; it does not include a person who develops film or makes prints for a public agency. (30) A child visitation monitor. As used in this article, "child visitation monitor" means any person who, for financial compensation, acts as monitor of a visit between a child and any other person when the monitoring of that visit has been ordered by a court of law. (31) An animal control officer or humane society officer. For the purposes of this article, the following terms have the following meanings: (A) "Animal control officer" means any person employed by a city, county, or city and county for the purpose of enforcing animal control laws or regulations. (B) "Humane society officer" means any person appointed or employed by a public or private entity as a humane officer who is qualified pursuant to Section 14502 or 14503 of the Corporations **Code**. (32) A clergy member, as specified in subdivision (d) of Section 11166. As used in this article, "clergy member" means a priest, minister, rabbi, religious practitioner, or similar functionary of a church, temple, or recognized denomination or organization. (33) Any custodian of

records of a clergy member, as specified in this section and subdivision (d) of Section 11166. (34) Any employee of any police department, county sheriff's department, county probation department, or county welfare department. (35) An employee or volunteer of a Court Appointed Special Advocate program, as defined in Rule 1424 of the California Rules of Court. (36) A custodial officer as defined in Section 831.5. (37) Any person providing services to a minor child under Section 12300 or 12300.1 of the Welfare and Institutions Code. (38) An alcohol and drug counselor. As used in this article, an "alcohol and drug counselor" is a person providing counseling, therapy, or other clinical services for a state licensed or certified drug, alcohol, or drug and alcohol treatment program. However, alcohol or drug abuse, or both alcohol and drug abuse, is not in and of itself a sufficient basis for reporting child abuse or neglect. (b) Except as provided in paragraph (35) of subdivision (a), volunteers of public or private organizations whose duties require direct contact with and supervision of children are not mandated reporters but are encouraged to obtain training in the identification and reporting of child abuse and neglect and are further encouraged to report known or suspected instances of child abuse or neglect to an agency specified in Section 11165.9. (c) Employers are strongly encouraged to provide their employees who are mandated reporters with training in the duties imposed by this article. This training shall include training in child abuse and neglect identification and training in child abuse and neglect reporting. Whether or not employers provide their employees with training in child abuse and neglect identification and reporting, the employers shall provide their employees who are mandated reporters with the statement required pursuant to subdivision (a) of Section 11166.5. (d) School districts that do not train their employees specified in subdivision (a) in the duties of mandated reporters under the child abuse reporting laws shall report to the State Department of Education the reasons why this training is not provided. (e) Unless otherwise specifically provided, the absence of training shall not excuse a mandated reporter from the duties imposed by this article. (f) Public and private organizations are encouraged to provide their volunteers whose duties require direct contact with and supervision of children with training in the identification and reporting of child abuse and neglect.

11165.9. Reports of suspected child abuse or neglect shall be made by mandated reporters, or in the case of reports pursuant to Section 11166.05, may be made, to any police department or sheriff's department, not including a school district police or security department, county probation department, if designated by the county to receive mandated reports, or the county welfare department. Any of those agencies shall accept a report of suspected child abuse or neglect whether offered by a mandated reporter or another person, or referred by another agency, even if the agency to whom the report is being made lacks subject matter or geographical jurisdiction to investigate the reported case, unless the agency can immediately electronically transfer the call to an agency with proper jurisdiction. When an agency takes a report about a case of suspected child abuse or neglect in which that agency lacks jurisdiction, the agency shall immediately refer the case by telephone, fax, or electronic transmission to an agency with proper jurisdiction. Agencies that are required to receive reports of suspected child abuse or neglect may not refuse to accept a report of suspected child abuse or neglect from a mandated reporter or another person unless otherwise authorized pursuant to this section, and shall maintain a record of all reports received.

11165.11. As used in this article, "licensing agency" means the State Department of Social Services office responsible for the licensing and enforcement of the California Community Care Facilities Act (Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code), the California Child Day Care Act (Chapter 3.4 (commencing with Section 1596.70) of Division 2 of the Health and Safety Code), and Chapter 3.5 (commencing with Section 1596.90) of Division 2 of the Health and Safety Code), or the county licensing agency which has contracted with the state for performance of those duties.

11165.12. As used in this article, the following definitions shall control:

(a) "Unfounded report" means a report that is determined by the investigator who conducted the investigation to be false, to be inherently improbable, to involve an accidental injury, or not to constitute child abuse or neglect, as defined in Section 11165.6.

(b) "Substantiated report" means a report that is determined by the investigator who conducted the investigation to constitute child abuse or neglect, as defined in Section 11165.6, based upon evidence that makes it more likely than not that child abuse or neglect, as defined, occurred.

(c) "Inconclusive report" means a report that is determined by the investigator who conducted the investigation not to be unfounded, but the findings are inconclusive and there is insufficient evidence to determine whether child abuse or neglect, as defined in Section 11165.6, has occurred.

11165.13. For purposes of this article, a positive toxicology screen at the time of the delivery of an infant is not in and of itself a sufficient basis for reporting child abuse or neglect. However, any indication of maternal substance abuse shall lead to an assessment of the needs of the mother and child pursuant to Section 123605 of the Health and Safety Code. If other factors are present that indicate risk to a child, then a report shall be made. However, a report based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse shall be made only to a county welfare or probation department, and not to a law enforcement agency.

11165.14. The appropriate local law enforcement agency shall investigate a child abuse complaint filed by a parent or guardian of a pupil with a school or an agency specified in Section 11165.9 against a school employee or other person that commits an act of

child abuse, as defined in this article, against a pupil at a schoolsite and shall transmit a substantiated report, as defined in Section 11165.12, of that investigation to the governing board of the appropriate school district or county office of education. A substantiated report received by a governing board of a school district or county office of education shall be subject to the provisions of Section 44031 of the Education **Code**.

11166. (a) Except as provided in subdivision (d), and in Section 11166.05, a mandated reporter shall make a report to an agency specified in Section 11165.9 whenever the mandated reporter, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. The mandated reporter shall make an initial report to the agency immediately or as soon as is practicably possible by telephone and the mandated reporter shall prepare and send, fax, or electronically transmit a written followup report thereof within 36 hours of receiving the information concerning the incident. The mandated reporter may include with the report any nonprivileged documentary evidence the mandated reporter possesses relating to the incident.

(1) For the purposes of this article, "reasonable suspicion" means that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing, when appropriate, on his or her training and experience, to suspect child abuse or neglect. For the purpose of this article, the pregnancy of a minor does not, in and of itself, constitute a basis for a reasonable suspicion of sexual abuse.

(2) The agency shall be notified and a report shall be prepared and sent, faxed, or electronically transmitted even if the child has expired, regardless of whether or not the possible abuse was a factor contributing to the death, and even if suspected child abuse was discovered during an autopsy.

(3) Any report made by a mandated reporter pursuant to this section shall be known as a mandated report.

(b) If after reasonable efforts a mandated reporter is unable to submit an initial report by telephone, he or she shall immediately or as soon as is practicably possible, by fax or electronic transmission, make a one-time automated written report on the form prescribed by the Department of Justice, and shall also be available to respond to a telephone followup call by the agency with which he or she filed the report. A mandated reporter who files a one-time automated written report because he or she was unable to submit an initial report by telephone is not required to submit a written followup report.

(1) The one-time automated written report form prescribed by the Department of Justice shall be clearly identifiable so that it is not mistaken for a standard written followup report. In addition, the automated one-time report shall contain a section that allows the mandated reporter to state the reason the initial telephone call was not able to be completed. The reason for the submission of the one-time automated written report in lieu of the procedure prescribed in subdivision (a) shall be captured in the Child Welfare Services/Case Management System (CWS/CMS). The department shall work with stakeholders to modify reporting forms and the CWS/CMS as is necessary to accommodate the changes enacted by these provisions.

(2) This subdivision shall not become operative until the CWS/CMS is updated to capture the information prescribed in this subdivision.

(3) This subdivision shall become inoperative three years after this subdivision becomes operative or on January 1, 2009, whichever occurs first.

(4) On the inoperative date of these provisions, a report shall be submitted to the counties and the Legislature by the Department of Social Services that reflects the data collected from automated one-time reports indicating the reasons stated as to why the automated one-time report was filed in lieu of the initial telephone report.

(5) Nothing in this section shall supersede the requirement that a mandated reporter first attempt to make a report via telephone, or that agencies specified in Section 11165.9 accept reports from mandated reporters and other persons as required.

(c) Any mandated reporter who fails to report an incident of known or reasonably suspected child abuse or neglect as required by this section is guilty of a misdemeanor punishable by up to six months confinement in a county jail or by a fine of one thousand dollars (\$1,000) or by both that imprisonment and fine. If a mandated reporter intentionally conceals his or her failure to report an incident known by the mandated reporter to be abuse or severe neglect under this section, the failure to report is a continuing offense until an agency specified in Section 11165.9 discovers the offense.

(d) (1) A clergy member who acquires knowledge or a reasonable suspicion of child abuse or neglect during a penitential communication is not subject to subdivision (a). For the purposes of this subdivision, "penitential communication" means a communication, intended to be in confidence, including, but not limited to, a sacramental confession, made to a clergy member who, in the course of the discipline or practice of his or her church, denomination, or organization, is authorized or accustomed to hear those communications, and under the discipline, tenets, customs, or practices of his or her church, denomination, or organization, has a duty to keep those communications secret. (2) Nothing in this subdivision shall be construed to modify or limit a clergy member's duty to report known or suspected child abuse or neglect when the clergy member is acting in some other capacity that would otherwise make the clergy member a mandated reporter. (3) (A) On or before January 1, 2004, a clergy member or any custodian of records for the clergy member may report to an agency specified in Section 11165.9 that the clergy member or any custodian of records for the clergy member, prior to January 1, 1997, in his or her professional capacity or within the scope of his or her employment, other than during a penitential communication, acquired knowledge or had a reasonable suspicion that a child had been the victim of sexual abuse that the clergy member or any custodian of records for the clergy member did not previously report the abuse to an agency specified in Section 11165.9. The provisions of Section 11172 shall apply to all reports made pursuant to this

paragraph. (B) This paragraph shall apply even if the victim of the known or suspected abuse has reached the age of majority by the time the required report is made. (C) The local law enforcement agency shall have jurisdiction to investigate any report of child abuse made pursuant to this paragraph even if the report is made after the victim has reached the age of majority. (e) Any commercial film and photographic print processor who has knowledge of or observes, within the scope of his or her professional capacity or employment, any film, photograph, videotape, negative, or slide depicting a child under the age of 16 years engaged in an act of sexual conduct, shall report the instance of suspected child abuse to the law enforcement agency having jurisdiction over the case immediately, or as soon as practicably possible, by telephone and shall prepare and send, fax, or electronically transmit a written report of it with a copy of the film, photograph, videotape, negative, or slide attached within 36 hours of receiving the information concerning the incident. As used in this subdivision, "sexual conduct" means any of the following:

(1) Sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex or between humans and animals. (2) Penetration of the vagina or rectum by any object. (3) Masturbation for the purpose of sexual stimulation of the viewer. (4) Sadoomasochistic abuse for the purpose of sexual stimulation of the viewer. (5) Exhibition of the genitals, pubic, or rectal areas of any person for the purpose of sexual stimulation of the viewer. (f) Any mandated reporter who knows or reasonably suspects that the home or institution in which a child resides is unsuitable for the child because of abuse or neglect of the child shall bring the condition to the attention of the agency to which, and at the same time as, he or she makes a report of the abuse or neglect pursuant to subdivision (a). (g) Any other person who has knowledge of or observes a child whom he or she knows or reasonably suspects has been a victim of child abuse or neglect may report the known or suspected instance of child abuse or neglect to an agency specified in Section 11165.9. For purposes of this section, "any other person" includes a mandated reporter who acts in his or her private capacity and not in his or her professional capacity or within the scope of his or her employment. (h) When two or more persons, who are required to report, jointly have knowledge of a known or suspected instance of child abuse or neglect, and when there is agreement among them, the telephone report may be made by a member of the team selected by mutual agreement and a single report may be made and signed by the selected member of the reporting team. Any member who has knowledge that the member designated to report has failed to do so shall thereafter make the report. (i) (1) The reporting duties under this section are individual, and no supervisor or administrator may impede or inhibit the reporting duties, and no person making a report shall be subject to any sanction for making the report. However, internal procedures to facilitate reporting and apprise supervisors and administrators of reports may be established provided that they are not inconsistent with this article. (2) The internal procedures shall not require any employee required to make reports pursuant to this article to disclose his or her identity to the employer. (3) Reporting the information regarding a case of possible child abuse or neglect to an employer, supervisor, school principal, school counselor, coworker, or other person shall not be a substitute for making a mandated report to an agency specified in Section 11165.9. (j) A county probation or welfare department shall immediately, or as soon as practicably possible, report by telephone, fax, or electronic transmission to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions **Code**, and to the district attorney's office every known or suspected instance of child abuse or neglect, as defined in Section 11165.6, except acts or omissions coming within subdivision (b) of Section 11165.2, or reports made pursuant to Section 11165.13 based on risk to a child which relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare or probation department. A county probation or welfare department also shall send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it makes a telephone report under this subdivision. (k) A law enforcement agency shall immediately, or as soon as practicably possible, report by telephone, fax, or electronic transmission to the agency given responsibility for investigation of cases under Section 300 of the Welfare and Institutions **Code** and to the district attorney's office every known or suspected instance of child abuse or neglect reported to it, except acts or omissions coming within subdivision (b) of Section 11165.2, which shall be reported only to the county welfare or probation department. A law enforcement agency shall report to the county welfare or probation department every known or suspected instance of child abuse or neglect reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. A law enforcement agency also shall send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it makes a telephone report under this subdivision.



Administrative Order No. 71 (Dec. 17 2020)

This order supersedes Administrative Order No. 71, dated Nov. 27, 2018

Date: Dec. 17, 2020

To: All City Departments
From: Scott Chadwick, City Manager
Subject: **Park and Facility Use Policies and Procedures**
Reference: Council Policy No. 28, CMC 11.32

A. PURPOSE AND BACKGROUND

1. To establish processes and procedures for the use of City of Carlsbad (city) parks and recreation facilities (facilities). Administrative Order No. 71 was created to implement policies and procedures for city facilities use, and to provide services information to the public.

B. POLICY

1. There is a high demand for use of city facilities for a wide variety of uses. The following procedures have been established to guide staff and provide acceptable parameters for the use of parks & facilities.

C. PARK AND FACILITY USE APPLICATION FOR RENTAL PERMIT

1. The Parks & Recreation Department (department) is responsible for the implementation of this Administrative Order.

2. Facilities use requests shall be submitted to the department on a City of Carlsbad Park and Facility Use Application for Rental Permit (application) form available from the city's website at (<http://www.carlsbadca.gov/recreation>) or by contacting the department directly.

3. Applications for use of facilities, along with full rental payment or application fee shall be required at the time of application submittal and may be subject to a nonrefundable fee. The application and application/rental fees may be submitted in person or mailed to any city facilities.

4. Applications are processed in the order received.

5. Fees will be charged pursuant to the department's approved master fee schedule and by the authority of the City Manager.

6. Applications will be reviewed, categorized, and processed by the department.



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7. The application fee will be applied to the total cost of the rental and will not be refunded if the reservation is canceled. If the total rental fee is less than the amount of the application fee, the difference will be refunded after the rental has occurred.

- Exception: resident nonprofit, unpaid management- where no fee is required

8. For user initiated cancellations, where rental fees were paid by personal check, a check processing fee will be charged in addition to the nonrefundable application fee.

D. GENERAL APPLICATION PROCEDURES AND POLICIES

1. In the event of a cancellation less than 30 calendar days in advance of registration date the applicant will forfeit all rental fees paid.

2. In the event of a cancellation by the applicant 30 calendar days or more in advance (with the exception of Leo Carrillo Ranch Historic Park, which requires 90 calendar days advance notice), the applicant will forfeit 50% or more of fees.

3. A "no show" fee will be assessed to resident nonprofit unpaid management users that schedule a meeting room (rooms identified at no charge) and provide less than twenty-four (24) hours notice of cancellation.

4. All checks and money orders for rental fees are to be made payable to the City of Carlsbad.

5. Applications will be accepted for specific locations, dates, and times. All facilities rentals will be charged for the total hours used, including set up and clean up time.

6. Applications should be submitted at least 14 calendar days in advance of the date requested. For applications submitted less than 14 calendar days in advance, these applications may be reviewed and accommodated subject to:

- Facilities and staffing availability; and,
- All other necessary approvals are obtained within the available time before the requested facility use date
- Payment in full of all rental fees

7. Upon review of the application, department staff will determine if a certificate of liability insurance will be required for the activity at the requested facility.

8. Applications will be accepted up to 12 months in advance of the requested reservation date (with the exception of Leo Carrillo Ranch Historic Park, for which applications will be accepted up to 24 months in advance of the requested reservation date).

9. Holiday hours and closures of facilities will be posted on the city's website annually and updated as needed for any changes.

10. An extra staffing fee is required for all recreation use outside of regular posted hours of operation and when staff is needed to support the rental. See City of Carlsbad Facility Use Regulations for park and facility operating hours.

11. Applications will be approved for specific rooms, park areas, athletic fields, and pool lanes depending on group size, type of activity and availability. No activity shall be permitted or scheduled for more than the maximum room or facility capacity.

12. The department may refuse an application, or deny to issue or cancel any rental permit (permit). Written notices of denial or cancellation, with an appropriate explanation, will be provided by the department director or designee. Grounds for the denial of an application may include, but are not limited to:

- Unsatisfactory prior use by applicant or organization
- Hazardous condition exists
- Application was submitted less than 14 calendar days in advance
- Nonpayment of application fee or rental fees by due date
- Higher priority activity taking place
- Groups that have previously not given timely cancellation notice of activity
- Applicant is under 18 years of age
- Special event permit application (when required) was submitted less than 90 calendar days in advance
- Refusal to consent to the special events committee's specific conditions or restrictions for the event
- Failure to obtain a special event permit
- Failure to submit timely and acceptable insurance documents

13. The department reserves the right to limit the number of daily, weekly, or monthly facilities uses by any one group or organization so that the entire community may make use of the limited facilities available.

14. An approved permit issued by the department director or designee will be proof of a confirmed reservation.

15. On the day of the park or facility rental and during the entire rental agreement period, applicant or designated day of event contact person ("event contact") must be present and have in their possession a copy of:

- Facilities use regulations
- Submitted application form
- Signed and approved permit
- Valid identification (driver's license, passport, military ID card)
- Special event permit, if required

16. If the applicant or event contact is not at the event or does not have copies of the items listed above, the event may be terminated. Any financial investment or preparation for an event, prior to permit approval, is solely at the applicant's risk.

17. For permits, the department director or designee may impose additional requirements on the applicant as a condition of approval. These additional requirements may include, but are not limited to:

- Additional security guards
- Additional city staff
- Additional insurance or specialized insurance
- Special events permit application
- Proof of additional permits or licenses (e.g., Health Department or Alcoholic Beverage Control)

18. Costs incurred for additional imposed requirements shall be the sole responsibility of the applicant.

19. Upon notice of cancellation, or any financial obligations incurred by the city to accommodate the applicant or event, the applicant will be invoiced and must pay the outstanding balance within seven calendar days of the date of the invoice.

20. All groups must be under the direction or control of their own leadership. There must be at least one adult present and responsible for each twenty minors and the minimum number of adults must be present at all times. Minors are defined as those under the age of 18, except in the case where alcohol is served, when minors are defined as those persons under the age of 21.

21. At the Alga Norte Community Park Aquatic Center and the Monroe Street Pool, there must be at least one adult present and responsible for each twenty minors on deck. For every eight children (age eight or younger) in the pool, there must be one adult in the pool and capable of swimming. Exceptions may be made with written permission by the department director or designee.

22. Organization membership rosters may be used to assist in determining Carlsbad residency and the appropriate classification category for the use of parks and facilities. Once the determination has been made and approved by the department director or designee, the determination is final for that season and the membership rosters will be returned to the organization.

E. INSURANCE REQUIREMENTS

1. The applicant shall provide evidence of commercial general liability insurance in a form acceptable to the risk manager (and additional coverage(s) as appropriate for the activities of the park or facility use), naming the City of Carlsbad as an additional insured, and with a coverage amount to be determined by the Risk Manager according to the size and risk factors of the event.

2. Commercial general liability insurance (GCL) including athletic participant coverage (where applicable) with a minimum limit of \$1 million per occurrence is required. The athletic participant coverage limit must be the same as the GCL, i.e., a lower sub-limit will not be accepted.

3. Commercial general liability insurance (GCL) including liquor liability coverage with a minimum limit of \$2 million per occurrence is required when an event includes alcohol. The liquor liability coverage must be the same as the CGL, i.e., a lower sub-limit will not be accepted.

4. The Risk Manager may impose a higher amount for insurance depending upon additional risk factors. This coverage must be primary, without contribution from the city.

5. An insurance checklist providing details to assist applicants with insurance requirements and documents is provided with facility use applications.

F. APPEAL PROCEDURES FOR APPLICATION DENIAL OR REVOKED PERMIT

1. Any person, organization or group believing to have been aggrieved by decisions relating to any action taken by department staff may appeal in writing with supporting documentation and within 10 calendar days of date the action was taken by staff to the Recreation Services Manager.

2. The Recreation Services Manager shall review the appeal and submission and obtain staff reports. Thereafter, a written decision will be mailed to the appealing party within 15 calendar days.

3. That decision may be appealed in writing and within 10 calendar days from the date of the Recreation Services Manager's decision to the department director. The department director shall review the matter, together with all supporting documents, and issue a written decision within 15 calendar days following the receipt of a written request for an appeal. That written decision shall be mailed to the appealing party.

4. The department director's decision is final.

G. FACILITY POLICIES AND PROCEDURES

1. The applicant shall be required to pay in full any additional rental fees, cleaning, replacement, repairs, damages or loss to facilities or equipment to pre-event condition.

2. If additional rental time is added to the event, damage occurs or additional cleaning is necessary, the applicant shall be invoiced and pay the outstanding balance within seven calendar days of the date of the invoice.

3. The full rental fee is due 30 calendar days before scheduled use.

4. An application modification fee will be charged for any modifications after a permit has been approved.

5. Permit applicants that have been approved in writing by the department director or designee may be issued a key for access to off-site facilities:

- Applicant is responsible for securing the facility when leaving
- Applicant shall surrender the key upon demand by the department
- In the event a key is not returned to the department for any reason the applicant shall be responsible for all costs related to re-keying the facility if necessary
- No duplication or sharing of keys is allowed

6. Applicant or event contact is responsible for the following clean up at the end of their event:

- Cleaning of all equipment used
- Cleaning of any counter areas used
- Cleaning and wiping of all tabletops used

- Cleaning of any floor or carpet areas soiled or dampened
 - Cleaning of the kitchen and all amenities used (i.e. refrigerator, stove, oven, sink, etc.)
 - Putting all trash and recyclables in proper receptacles
 - Removal of equipment supplies, personal articles, displays, etc., immediately following clean-up
7. Proper clean up shall be determined by the department, based upon the conditions of facility report created before and after the event.
8. Tables and chairs are available for use in the facilities, but may not be removed to any other location without prior written authorization by the department director or designee.
9. No alterations to or use of: duct, masking, or electrical tape, nails, staples, etc. are permitted in any facility without written permission of the department director or designee.
10. Stagecoach, Calavera and Pine Avenue Community Centers/Gymnasiums:
- Gymnasium use will not be approved or allowed when other facilities are deemed more suitable for the requested use
 - No food, beverages, or hard sole shoes allowed
11. Scout groups in Carlsbad have first priority for use of Scout House, at no fee. Scout troops must submit an application to the department. An approved permit is valid only from September through June. If summer use is needed, a separate application must be submitted.
12. The throwing or use of confetti, birdseed, rice, silly string, etc. is prohibited. The use of hay and straw will not be allowed (except at Leo Carrillo Ranch Historic Park with written permission by the department director or designee).
13. A two-hour minimum facility rental period is required, except with the written permission of the department director or designee.
14. Carlsbad-based schools are authorized to reserve and use city skate parks for physical education classes, in accordance with the current fee schedule. The schools' athletic director or designee must submit an application to the department prior to the start of each school semester. An approved permit is valid only during the school semester and during school hours.

H. PARK PROCEDURES AND POLICIES

1. Designated group picnic areas and open space can be reserved by individuals, organizations or businesses.
2. Hourly fees charged will be based on classification category and amount of time requested.
3. Organized events at parks will be charged an open space fee.
4. Park areas not reserved will be available for public use on a first come, first served basis.
5. No vehicles or trailers are permitted on grass, natural turf, or synthetic areas.

6. Car shows are not allowed on grass, natural turf, or synthetic turf areas. Car shows will be allowed in authorized parking spaces at the park as designated by the department director or designee.

7. Only those businesses that have an approved permit and current City of Carlsbad business license may operate their business in any park.

8. Any "inflatable party jumps" (also known as jump houses, and bouncy houses) set up in a park or facility must:

- Have an approved permit from the department
- Be provided by a vendor from the approved list of vendors on file with the City of Carlsbad
- Pay the permit fee for each inflatable party jump
- Only be set up in designated areas approved by department staff
- Use "quiet rated" gas generators where an electrical outlet is not available
- Place generators on a plywood board that is larger than the footprint of the generator
- Be no larger than 15x15 feet in diameter, except with the written permission of the department director or designee

9. A limited number of inflatable party jumps will be approved per facility. Inflatable party jumps without a permit must be taken down immediately.

10. City owned tennis courts may not be reserved and are available on a first come, first served basis with the exception of organized tournament play at Carlsbad High School tennis courts.

- Commercial lessons are prohibited
- One set of singles or two sets of doubles may be played when others are waiting for court availability
- Waiting players must remain in person at court desired

11. Tournament play is not allowed at Poinsettia, Calavera, Stagecoach, La Costa Canyon and Laguna Riviera Parks' tennis courts.

12. Radio controlled/model aircraft use:

- Aircraft must meet the Academy of Model Aeronautics (AMA) definition of a "park flyer model"
- Pilots must be a current member in good standing of the AMA Park Flyers Program, and agree to obey the AMA National Model Aircraft Safety Code

13. A two-hour minimum park rental is required except with the written permission of the department director or designee.

I. PARK AND FACILITY RENTAL SPORTSMANSHIP PROGRAM CRITERIA

1. In order to promote the importance of good sportsmanship and ensure that department's programs and facilities are and will remain safe places to gather, all sports organizations that request to use facilities are required to provide their membership with appropriate sportsmanship training.

2. Prior to application approval, department staff will review the sportsmanship training programs used by the applicant organizations for appropriateness.
3. All organizations not promoting a sportsmanship program as part of its organizational activities must sign and agree to abide by the City of Carlsbad Parks & Recreation Department Code of Conduct prior to obtaining authorization to utilize parks or facilities.

J. ATHLETIC CAMPS/CLINICS PROCEDURES

1. An application and permit is required for any proposed athletic camp or clinic. Applications for athletic field use during the summer months will be accepted from Dec. 1 through Dec. 31. Summer months are defined as June 15 through Aug. 31.
2. Permit approval is contingent on appropriate insurance being approved by the Risk Manager, and rental fees and cleaning/damage deposit being paid.
3. For winter, spring and fall athletic camps or clinics, applications will be accepted one year in advance of the requested date of the athletic camp or clinic.
4. Department staff will review requests and determine field assignments. If scheduling conflicts occur, staff will contact organizations involved to work out a solution.
5. Athletic field assignments are not official until a permit has been approved and issued by the department director or designee, and is returned to applicant.

K. LEO CARRILLO RANCH HISTORIC PARK APPLICATION PROCEDURES

1. Leo Carrillo Ranch Historic Park is a national historic site and must be respected for its continued preservation.
2. Applicant must agree to sign and adhere to Leo Carrillo Ranch Historic Park facility rental pricing guidelines and procedures.

L. SENIOR CENTER PROCEDURES

1. Limited seating re-configuration for dining room rentals will be considered. Set up for head tables and buffet lines are acceptable.
2. Displayed decorations or pictures are not to be removed from dining room. Removal of any decorations without prior written approval by senior center staff may result in the assessment of fees.
3. A two-hour minimum rental required except with written permission of department director or designee.

M. ALGA NORTE COMMUNITY PARK AQUATIC CENTER

1. Applicant must agree to adhere to Alga Norte Community Park Aquatic Center facility use regulations.

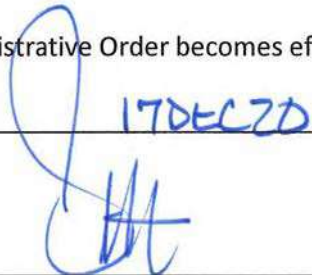
N. RESIDENT NONPROFIT ORGANIZATION USER CRITERIA

1. In order to qualify as resident nonprofit, nonpaid management user group, the organization must meet all of the following criteria:
 - The organization must be registered as a nonprofit corporation with the State of California and be a Carlsbad Chapter.
 - In addition to the state nonprofit corporation status, the organization must provide the department their Articles of Incorporation or Constitution and bylaws that clearly state that the objective of the organization is of a nonprofit, noncommercial nature.
 - Classification assignment for sports organizations utilizing athletic fields will be based on player rosters, including player addresses, and the organization must have 70% of the players residing in Carlsbad to qualify for resident nonprofit groups. Groups that do not have 70% of players residing in Carlsbad will be placed into a lower priority category.
 - Verification of Carlsbad residency is required.
 - Board meeting minutes from the last three meetings.

ACTION

This Administrative Order becomes effective immediately.

Dated: _____

Handwritten signature and date in blue ink. The date is "17DEC20" and the signature is "SC".

SCOTT CHADWICK
City Manager



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Eric Zielke, Senior Engineer
 eric.zielke@carlsbadca.gov, 442-339-2230
 Hossein Ajideh, Engineering Manager
 hossein.ajideh@carlsbadca.gov, 442-339-2756

Subject: Agreement with San Diego Gas & Electric to Move Aboveground Utility Lines on Valley Street and Magnolia Avenue Underground and Authorization of Additional Appropriations

District: 1

Recommended Action

Adopt a resolution authorizing the City Manager to execute an agreement with San Diego Gas & Electric to perform Rule 20A aerial-to-underground conversion of overhead utilities on Valley Street and Magnolia Avenue for an estimated amount of \$5,399,104 and authorizing additional appropriations in the amount of \$251,000 for the Valley and Magnolia Complete Streets Project, Capital Improvement Program Project No. 6019.

Executive Summary

On Jan. 24, 2023, the City Council authorized the City Manager execute an agreement under which San Diego Gas & Electric (SDGE) would move electrical and telecommunication lines from overhead to underground on parts of Valley Street, Magnolia Avenue and Brady Circle for an estimated amount of \$2,844,592. (Resolution No. 2023-032)

This utility undergrounding work is planned to be completed as part of the Valley and Magnolia Complete Streets Project, Capital Improvement Program Project No. 6019. Along with removing the utility poles, this project will provide new sidewalks and curb extensions for these street segments.

SDGE has since provided the city with an updated estimate of the undergrounding construction costs that is significantly higher than the original estimate provided when the City Council approved the work. As detailed below, this will increase the total cost of the project to an estimated \$7,277,194.

SDGE is providing \$2,956,653 in credits on the project, and the city received a credit of over \$1.7 million from a California Public Utilities Commission undergrounding program will also cover part of the project costs.

The total available funding the city has already set aside for this project is \$4,119,351, so additional funding in the amount of \$251,000 from the Public Facilities Fees Fund will need to be appropriated to cover the rest of the utility undergrounding costs.

The City Council's approval for this project is required because the proposed agreement with SDGE is in an amount not to exceed \$5,399,104, and Carlsbad Municipal Code Section 3.28.060(D)(5) requires the City Council's approval of agreements that will cost the city \$100,000 or more per agreement year.

Staff recommend that the City Council authorize the City Manager to execute the agreement with SDGE and authorize additional appropriations in the amount of \$251,000 for the Valley and Magnolia Complete Streets Project, Capital Improvement Program Project No. 6019.

Explanation & Analysis

Background

The Rule 20A program, established in 1983, provided that certain funds would be set aside each year by investor-owned utilities such as SDGE to pay for the undergrounding of existing utility lines.

In 1988, the City Council established Council Policy No. 41 on undergrounding overhead utilities. The policy provides the city's guidelines for selecting and prioritizing underground projects, consistent with Electric Tariff Rule 20¹.

In 2015, the City Council formed Underground Utility District No. 20, on Valley Street, between Chestnut and Magnolia avenues, Resolution No. 2015-280, to move overhead utility lines to an underground system, in accordance with CMC Chapter 11.08 – Underground Utility Districts.

The boundaries of this district, detailed in the location map provided as Exhibit 2, cover:

- Valley Street between Chestnut and Magnolia Avenues
- Portions of Magnolia Avenue approximately 500 feet east of Valley Street and 110 feet to the west
- Brady Circle from the intersection of Valley Street to approximately 150 feet west

Complete streets

Moving the existing overhead utilities underground and removing the utility poles supports the Valley and Magnolia Complete Streets Project, Capital Improvement Program Capital Improvement Program Project No. 6019. Complete streets is an approach to designing streets that enables safe access for everyone who needs to use them and all modes of travel. This project will make street improvements within the city right-of-way along both sides of Valley Street from Chestnut to Magnolia Avenues, and on the north side of Magnolia Avenue from Valley Street to approximately 500 feet east of the intersection.

¹ The California Public Utilities Commission adopted and oversees an Overhead Conversion Program known as Electric Tariff Rule 20. Traditionally, the program has allowed cities to identify areas for undergrounding and depending on the project, the investor-owned utility (here SDG&E) may fund some, all or none of the costs. Projects are divided into four subgroups - Rule 20A through Rule 20D—which provide diminishing levels of ratepayer contribution to projects. As of Dec. 31, 2022, the Rule 20A program has been discontinued and no additional Rule 20A credit is available.

These improvements will provide:

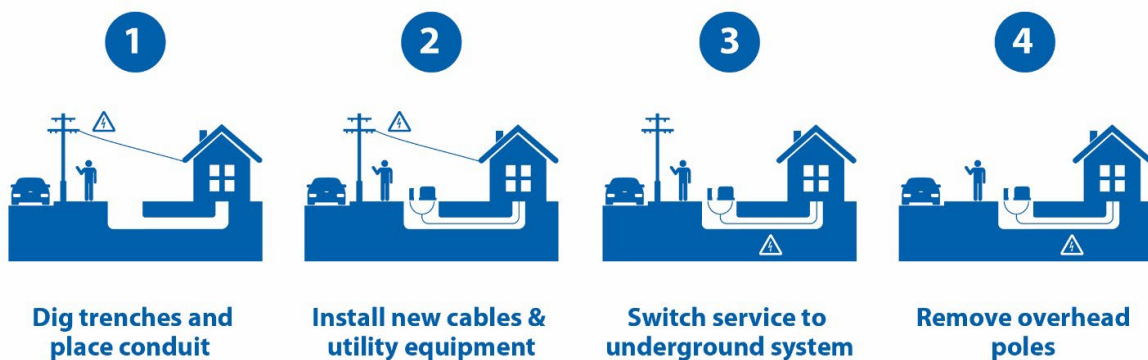
- New Americans with Disabilities Act (ADA)-compliant sidewalks
- Curbs and gutters
- ADA-compliant pedestrian curb ramps
- Improved conditions for bicyclists and pedestrians
- Additional lighting

Process of undergrounding utilities

The utility companies that convey electrical and telecommunication lines along these segments, and who are involved in this project, are SDGE, AT&T and Spectrum Charter Communications.

The undergrounding work to be carried out by SDGE will consist of:

- Digging a trench about five feet deep and 2.5 feet wide along the public right-of-way
- Installing conduit, cable and substructures, along with aboveground facilities, such as electric transformer boxes and telecommunication equipment pedestal, which are plastic cylinders that house the equipment
- Removing existing overhead utility lines and poles
- Upgrading utility poles or installing new ones at the boundaries of the project as needed for the transition to the new underground system
- Relocating an SDGE gas main line and service lines beneath Magnolia Avenue, east of Valley Street



Individual customer connections will be made with surfaces restored to pre-existing conditions when the work is completed.

Three properties will need to upgrade their electric service panel; the property owners have been notified that the city will reimburse the three property owners for the actual cost of the necessary upgrades consistent with Resolution No. 2015-280, which provides that “no expense shall be incurred by the property owner unless an increase in panel size is requested by them.”

In addition, some properties may need to have conduit and a junction box installed on their exteriors. SDGE will make that determination and do the necessary installations.

Change in costs

- After SDGE advertised the undergrounding work for construction bids in spring 2023, it provided the city with an updated cost estimate of \$5,125,557, significantly higher than the original estimate.
- SDGE recently re-advertised the undergrounding work for construction bids and has provided the city with a new cost estimate of \$5,399,104, not including construction contingency and construction management and inspection costs.
- The total construction cost is estimated to be \$7,277,194, which includes:
 - A construction contingency of \$734,426
 - A tax-related charge collected by SDGE (the income tax component of contributions and advances) in the amount of \$762,451
 - Staff support and administrative costs of \$131,213
 - Construction management and inspection costs of \$250,000

Fiscal Analysis

This project is to be partially funded by the California Public Utilities Commission Rule 20A funding program, which allowed funds to be set aside each year by SDGE to pay for undergrounding existing overhead electric facilities. The city has accumulated a credit of \$1,729,513 through this program.

The commission issued a decision in 2021 that significantly revised the Rule 20A program, discontinuing allocations for Rule 20A electric projects carried out after April 2022. Due to this ruling, the city will receive no additional revenue from the program. Because Underground Utility District No. 20 was created by the City Council before that cut-off date, it is approved to receive the city's available credit from the Rule 20A program.

In addition to the Rule 20A work credit of \$1,729,513, SDGE will provide the city with a pole relocation credit of \$1,105,794 and a Joint Trench Offer credit of \$121,346.

Total construction costs are estimated to be \$7,277,194, which includes a tax-related charge collected by SDGE, construction contingency, staff support, and construction management and inspection costs. These costs are more than the available funds or credits in the city's Rule 20A work credit allocation fund and the credits provided by SDGE, so the remaining balance of \$4,320,541 is to be paid by the funds set aside for the Valley and Magnolia Complete Streets Project, Capital Improvement Program Project No. 6019.

Because the total available balance for that project is \$4,119,351, additional funding in the amount of \$251,000 from the Public Facilities Fees Fund will need to be appropriated to cover the rest of the utility undergrounding costs.

The available funds and estimated construction costs for the undergrounding work are shown in the table below:

Summary of costs and funding Valley and Magnolia Complete Streets Project Capital Improvement Program Project No. 6019	
Total appropriation to date	\$4,807,206
Total expenditures and encumbrances to date	-\$687,855
Restricted funding (Water Replacement Fund)	-\$49,800
Total available balance	\$4,069,551
Total estimated SDGE undergrounding costs	
Construction contract (estimated)	-\$5,399,104
Construction contingency (estimated)	-\$734,426
ITCCA tax (estimated)	-\$762,451
Staff support and administrative costs (estimated)	-\$131,213
Construction management, inspection and testing (estimated)	-\$250,000
Total estimated construction costs	-\$7,277,194
Costs paid by Rule 20A work credit allocation balance	\$1,729,513
Pole relocation credit by SDGE	\$1,105,794
Joint Trench Offer credit by SDGE	\$121,346
Total credits provided by SDGE	\$2,956,653
Remaining balance to be paid by the city from Capital Improvement Program Project No. 6019	-\$4,320,541
Additional appropriation needed	\$250,990
Additional appropriation requested (rounded)	\$251,000

SDGE’s estimated cost is approximate, and the actual costs incurred by SDGE will be computed upon completion of the work. The city will be responsible for paying SDGE’s actual costs.

CMC Sections 3.28.040(C)(5) and 3.28.090(B) authorize the City Manager or designee to approve change orders in an amount equal to the contingency set at the time of project award, which is \$734,426 for this project.

Staff plan to request additional funding for the street improvement portion of Capital Improvement Program Project No. 6019 in the fiscal year 2024-25 preliminary budget. The street improvement portion of Capital Improvement Program Project No. 6019 is expected to go to construction in summer 2025.

Community Engagement

City staff have coordinated with the residents and adjacent schools on the undergrounding project and upcoming construction activities. Staff sent mailers with fact sheets to inform them of the project, in keeping with the procedures detailed in CMC Section 11.08.070 – Notice to property owners and utility companies. In addition, the city, along with SDGE, has held several coordination meetings with representatives of the Carlsbad Unified School District and North County Academy, which is the school at the corner of Valley Street and Magnolia Avenue.

Next Steps

Upon receiving the City Council’s authorization, the City Manager will execute the agreement with SDGE to perform the utility aerial-to-underground conversion. SDGE plans to complete its permitting process and award a construction contract in spring 2024.

SDGE anticipates that construction will begin in June 2024 upon completion of the school year to minimize traffic impacts associated with construction. SDGE is estimating their trench and conduit construction will be completed by mid-August 2024 before the fall school year starts. Additional construction activities will occur after August 2024, but work will be minor in nature with minimal impacts to the school.

Environmental Evaluation

The City Planner, through the process outlined in CMC Section 19.04.070, has determined this project is categorically exempt from environmental review under California Environmental Quality Act, or CEQA, Guidelines Section 15302(d), which exempts projects for the conversion of overhead electric utility distribution system facilities to underground including connection to existing overhead electric utility distribution lines where the surface is restored to the condition existing prior to the undergrounding. The City Planner’s determination was published on April 5, 2024, and no appeal to that determination was filed.

Exhibits

1. City Council resolution
2. Location map

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH SAN DIEGO GAS & ELECTRIC TO PERFORM RULE 20A AERIAL-TO-UNDERGROUND CONVERSION OF OVERHEAD UTILITIES ON VALLEY STREET AND MAGNOLIA AVENUE FOR AN ESTIMATED AMOUNT OF \$5,399,104 AND AUTHORIZING ADDITIONAL APPROPRIATIONS IN THE AMOUNT OF \$251,000 FOR THE VALLEY AND MAGNOLIA COMPLETE STREETS PROJECT, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 6019

WHEREAS, in 1983, the California Public Utilities Commission instituted the Rule 20A funding program, which provided that certain funds are set aside each year by investor-owned utilities such as San Diego Gas & Electric, or SDGE, to pay for undergrounding of existing utility lines; and

WHEREAS, in 1988, Council Policy No. 41 was established for undergrounding overhead utilities, which is consistent with Rule 20A and provides guidelines and desires on selecting or prioritizing undergrounding projects; and

WHEREAS, on Nov. 17, 2015, the City Council adopted Resolution No. 2015-280, creating Underground Utility District No. 20 pursuant to Chapter 11.08 of the Carlsbad Municipal Code, or CMC, associated with the Valley and Magnolia Complete Streets Project, Capital Improvement Program, or CIP, Project No. 6019; and

WHEREAS, relevant portions of the project include Valley Street between Chestnut and Magnolia Avenues, a portion of Magnolia Avenue approximately 500 feet east and approximately 110 feet west of Valley Street, and approximately 150 feet of Brady Circle west of its intersection with Valley Street; and

WHEREAS, SDGE, AT&T, and Spectrum Charter Communications are the utility companies that have facilities on the existing poles that convey telecommunication and electrical lines within the subject segment of Valley Street and Magnolia Avenue; and

WHEREAS, the City Council of the City of Carlsbad, California, has determined that removal of the poles, overhead wires and associated overhead structures, and underground installation of wires and facilities for supplying electric, communication or similar or associated service within the project area are in the best interest of the city; and

WHEREAS, undergrounding of overhead utilities for this project is consistent with Council Policy No. 41; and

WHEREAS, SDGE has provided the city with an estimated cost to design, construct, place conduit, and place cables in the street public right-of-way and to the customers' service point, remove poles and overhead cables, and place new poles at the boundary of the underground district, where determined necessary for the transition from the existing aerial system to the new underground system, and relocate approximately 1,500 feet of gas main line; and

WHEREAS, SDGE's construction cost for the undergrounding effort is estimated to be \$5,399,104, which does not include construction contingency and construction management and inspection costs; and

WHEREAS, the total construction cost is estimated to be \$7,277,194, which includes a construction contingency amount of \$734,426, a charge collected by SDGE for Income Tax Component of Contributions and Advances, or ITCCA, in the amount of \$762,451, staff support and administrative costs of \$131,213, and construction management and inspection costs of \$250,000; and

WHEREAS, SDGE's estimated cost is only approximate, and that the actual costs incurred by SDGE will be computed upon completion of the work, for which the city is responsible for payment of SDGE's actual costs; and

WHEREAS, SDGE managing this construction project eliminates the need for a city-managed project design, solicitation and capital construction effort that would: (i) exceed SDGE's costs, (ii) delay undergrounding of telecommunication and electrical lines, and (iii) delay completion of the underlying CIP Project No. 6019; and

WHEREAS, the project is partially funded by the Rule 20A funding program, for which the city's current Rule 20A work credit allocation balance is \$1,729,513; and

WHEREAS, SDGE will provide the city with a pole relocation credit of \$1,105,794 and a Joint Trench Offer credit of \$121,346; and

WHEREAS, the Valley and Magnolia Complete Streets Project, CIP Project No. 6019, has a current available balance of \$4,069,551 for this project; and

WHEREAS, staff request the City Council authorize additional appropriations in the amount of \$251,000 from the Public Facilities Fees Fund to CIP Project No. 6019; and

WHEREAS, CMC Sections 3.28.040(C)(5) and 3.28.090(B) authorize the City Manager or designee to approve change orders in an amount equal to the contingency set at the time of project award, which is \$734,426 for this project; and

WHEREAS, the City Planner has determined that the project is exempt from the California Environmental Quality Act, or CEQA, under CEQA Guidelines Section 15302(d), which covers replacement or reconstruction of existing structures and facilities, including the conversion of overhead electric utility distribution system facilities to underground when the surface is restored to the existing condition, and where the new structure will be located on the same site have substantially the same purpose and capacity; and where the existing public structures and facilities involve negligible or no expansion and no exception to the exemption as set forth in Guidelines Section 15300.2 applies.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the City Council authorizes the City Manager to execute an agreement with SDGE to perform Rule 20A aerial-to-underground conversion of overhead utilities along Valley Street and Magnolia Avenue, attached hereto as Attachment A.
3. That the City Manager or designee is authorized to appropriate an additional \$251,000 to the Valley and Magnolia Complete Streets Project, CIP Project No. 6019, from the Public Facilities Fees Fund.
4. That the City Council authorizes the City Manager or designee to approve change orders in an amount equal to the contingency set at the time of project award, which is \$734,426 for this project.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



Submitted to Applicant by: Ilario Romano

SDG&E Work Order(s): T&C-300000449356
 C&C-300000338091
 CP-300000338009
 OH RFS-300000338008

AGREEMENT FOR REPLACEMENT OF OVERHEAD
 WITH UNDERGROUND FACILITIES

THIS AGREEMENT, made and entered into, by and between SAN DIEGO GAS & ELECTRIC COMPANY, a corporation, hereinafter called "Utility", and THE CITY OF CARLSBAD, hereafter called "Applicant(s)".

WITNESSETH:

WHEREAS, Applicant(s) are the owners, lessees, or others having a legal interest in those certain premises known as the Valley & Magnolia Rule 20A Conversion Project ("Project") located at certain areas of Valley Street and Magnolia Avenue; and

WHEREAS, Applicant's desire that existing overhead facilities be replaced with underground facilities, and in consideration of the desirability and value which said underground facilities will add and contribute to the above premises; and

NOW, THEREFORE, it is agreed by and between Utility and Applicants as follows:

1. Subject to the conditions hereinafter provided, Utility, upon obtaining satisfactory easements for any required rights of way for the Project, shall remove its existing overhead electric power facilities serving Applicants and shall replace these facilities with underground facilities, in accordance with its Rule 20.A for Replacement of Overhead with Underground Facilities as filed with the California Public Utilities Commission.
2. All work performed by the Utility and Applicants pursuant to this Agreement shall be in conformity with the General Conditions and the Specifications attached hereto and by this reference made a part hereof. After construction of the Project, Utility shall furnish underground electric service to the premises shown on Specifications and, upon completion of the work specified herein, Utility shall not furnish overhead electric service to any of such premises.
3. This Agreement shall become effective only upon compliance with all of the following conditions:
 - a) All Applicants shall execute this Agreement and shall perform all of the conditions herein contained.
 - b) All Applicants shall execute a companion agreement with each company, municipality, or agency that is a joint user with Utility of poles, or maintains other poles, within the area from which Utility's pole will be removed pursuant to Section 1, for providing communication service, traffic signals, police or fire alarm boxes, or street or safety lighting supplied by overhead wiring. Such agreement or agreements will provide for such service to be discontinued or converted and maintained through underground circuits or other appropriate and lawful means, so that all of said poles which are no longer necessary for their existing purpose can be removed from the area within a reasonable time after Utility has removed its poles.
 - c) Applicants will, at their expense and in conformity with the Contract Documents as defined in the General Conditions, furnish and install the material, and facilities and perform the work indicated below by a check mark. The material, facilities and work listed below which are not indicated with a check mark shall be furnished, installed and performed by Utility at Applicants' expense.

- Excavation, backfill and compaction
- Conduits
- Concrete substructures

- d) Utility shall notify Applicants, in writing, of final acceptance of the work specified herein. Applicants hereby grant to Utility all facilities installed by Applicants pursuant to this Agreement, said grant to be effective upon receipt of Utility's written final acceptance.
- e) Each Applicant shall, at his expense, promptly provide any necessary changes to the existing facilities on his property so as to receive underground electric service at the points specified on the Specifications. The Applicants' work shall be in accord with Utility's Rule on Service Connections filed with the California Public Utilities Commission effective as of the date of this Agreement, and in accord with the Contract Documents. Underground electric service will not be supplied until all affected premises are equipped to receive electric service in accordance with said plan and specifications.

4. The entire undergrounding work is estimated to cost \$6,895,981.00. The Utility expects to receive payment from the associated Communications Infrastructure Providers (CIPS) in the amount of \$121,346.00 for participation in the agreed upon joint trench. The Utility has included this value as a credit against the total cost of this project ("JTO Value"). The Utility has issued a credit for the value of \$1,105,794.00 against the total cost of this project ("Relocation Credit") for the estimated value of Utility's relocation work had the Applicant not opted to proceed with undergrounding of certain facilities under Rule 20A. The remaining estimated cost of the undergrounding work, less the JTO Value and the Relocation Credit is \$5,668,841.00.

Applicant's current Rule 20A work credit balance is \$1,729,513.00. Applicant(s) will utilize its available Rule 20A Work Credits to fund this work, and the remainder of the costs associated with the Project will be paid for by Applicant(s) as follows: payment via check made out to SDG&E and mailed to the address listed on the attached Cost Remittance.

Receipt by Utility is acknowledged from Applicant(s) in the amount of \$3,939,328.00, which is an amount equal to the estimated cost of the Utility's conversion work, less the JTO value, less the Relocation Credit, less the City's available Rule 20A Work Credits, plus the applicable ITCCA revenue tax which is billed at 24% of the collectible total, in accordance with its Filed Rule on Replacement of Overhead with Underground Facilities.

The conversion work will be tracked and billed on an actual cost basis, meaning that all costs will be reconciled at completion of the work and SDG&E will bill or refund to Applicant any differences larger than \$100. In the event any additions, rearrangements, or changes to the electric wiring are required or performed on Applicants' several premises, other than the work pursuant to Section 3.e) above, Applicants shall cause said additions, rearrangements, and changes to be made at their expense.

- 5. All wires, cables, conductors, conduits, ducts, connectors and appurtenances installed by Utility, or its agents, on the premises of Applicants, or elsewhere, and all facilities granted to Utility by Applicants, shall become and remain the property of Utility notwithstanding any payment made under this Agreement. Such facilities will be maintained and operated by Utility in accordance with its Rules for the Sale of Electric Energy on file with the California Public Utilities Commission.
 - a) Utility shall be under no obligation to perform and complete the work undertaken by it pursuant to this Agreement until Applicants' obligations incurred pursuant to Paragraphs 3.b) and 3.e) of this Agreement shall have been fulfilled.
 - b) If the Specifications attached hereto require the installation of new street lighting standards, Utility shall be under no obligation to remove and cease operating its overhead electric facilities nor to furnish underground electric service to any of the premises shown on the Specifications until said street lighting standards have been installed and energized.
 - c) Utility at its sole election, may undertake to perform the work to be performed by it prior to the occurrence of the conditions specified in section 7. and subsection b) of this Section. The commencement of any such work by Utility under the provisions of this subsection shall not constitute a waiver of any of the requirements imposed upon any Applicants under section 7. or subsection b) of this Section, or under any other provisions of this Agreement.

If any Applicants shall, within one year of the date of this Agreement, fail or refuse to comply with any of the conditions hereof or to perform all work required under the contracts executed pursuant to Paragraph 3.b) of this Agreement, Utility shall have the right to make such changes and to impose such further conditions upon the Applicants as may be necessary to protect its rights under any existing agreement for any increase in its costs of installation, and to provide in any other manner for the accomplishment of the purposes of this Agreement consistent with applicable rules, laws, ordinances and its contractual obligations hereunder.

6. Once Applicant has started to perform the work required by the Contract Documents, Applicants agree to exercise reasonable diligence in pursuing such work to completion within one year after the effective date of the Contract Documents. If such work has not been completed within two years after the effective date of the Contract Documents, Utility shall have the right, upon giving written notice to Applicants, to cancel and terminate the Contract Documents. Utility shall return to Applicants, an amount equal to the above cash advance, minus Utility's costs. Utility's costs are defined as the actual cost (including but not limited to labor, materials and overhead) incurred by Utility prior to such cancellation and termination in connection with work done in furtherance of Applicants' project, plus the actual cost of removing any of the Utility installed facilities which Utility desires to salvage, minus the salvage value of such facilities. Upon exercise of this right to cancel and terminate, and upon payment to Applicants, all of Utility's obligations under the Contract Documents shall cease.
7. This Agreement shall at all times be subject to such changes or modifications by the California Public Utility Commission as said Commission may, from time to time, direct in the exercise of its jurisdiction.
8. All terms and situations heretofore made and agreed to by the parties in relation to said electric line replacement are set forth in this Agreement and no representation of any agent or employees shall be binding upon Utility except as expressed herein. Appendix A attached hereto is solely for use by Utility and nothing contained therein shall in any way alter or vary any term, condition or stipulation contained in this Agreement.
9. If Applicant is a corporation, partnership, joint venture or a group of individuals, the subscriber hereto represents that he has the authority to bind said corporation, partners, joint venture or individuals as the case may be. Each Applicant signing this Agreement agrees that he shall be jointly and severally liable under the terms of this Agreement with every other applicant signing the Agreement.
10. All of the terms and conditions of this Agreement shall be binding upon and shall insure to the benefit of the parties hereto, their heirs, administrators, executors, personal representatives, trustees, successors and assigns.
11. The Contract Documents shall become effective only upon the date signed by the authorized representative of Utility.

IN WITNESS WHEREOF, the parties hereto have individually executed, or have caused this Agreement to be executed for and on behalf of each, by and through their responsible agents, partners, or duly authorized corporate officers, as the case may be.

APPLICANT: _____

SAN DIEGO GAS & ELECTRIC COMPANY,
a corporation

By: _____
(Authorized Signature)

By: Will Speer
(Authorized Individual-Utility)

Name: _____
(Please Print or Type)

Date Executed: March 28, 2024

Title: _____

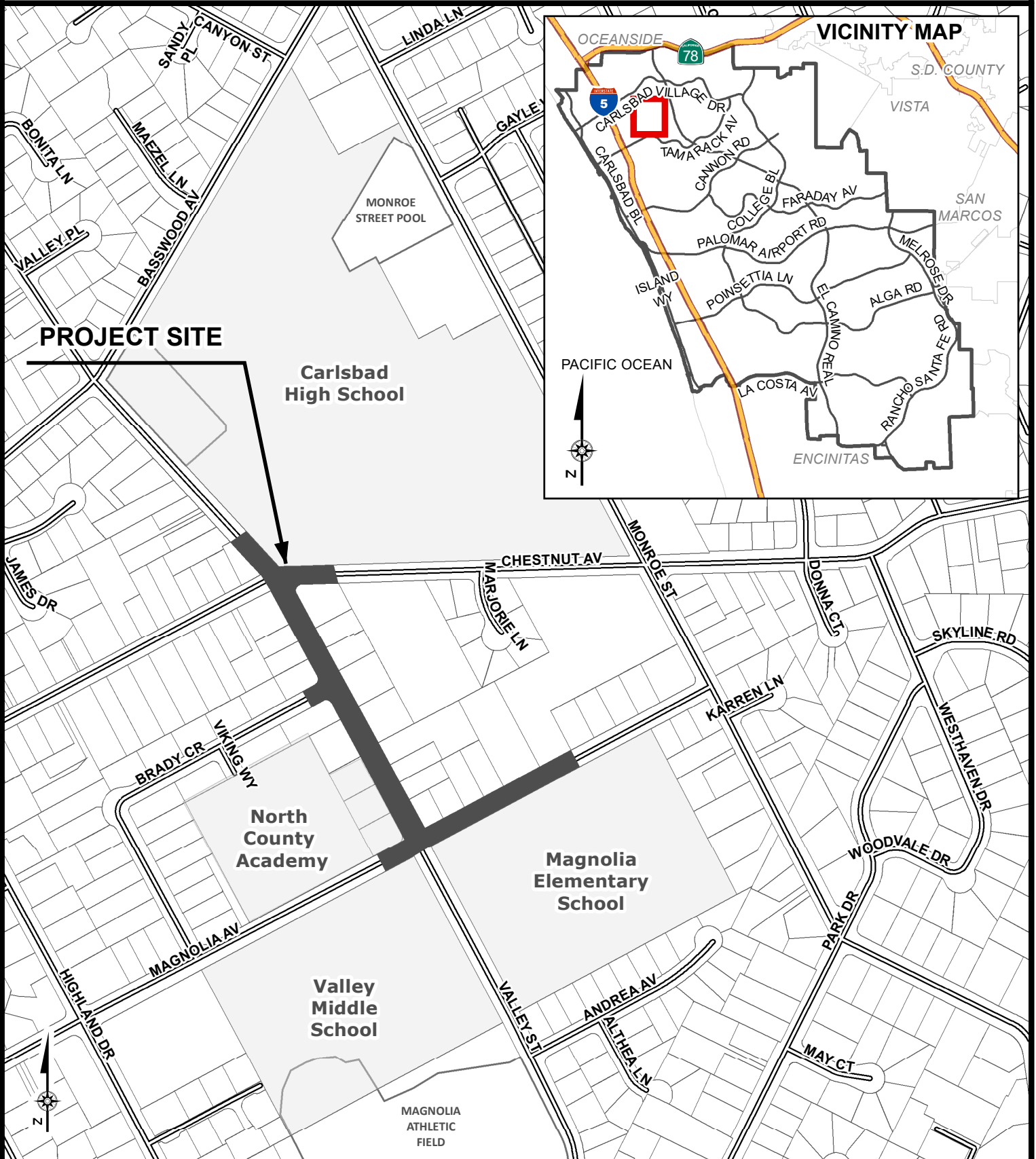
Date: _____

Address: _____

Telephone: _____

LOCATION MAP

Exhibit 2



PROJECT NAME

RULE 20A UNDERGROUND CONVERSION

EXHIBIT

2



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Brandon Miles, Associate Engineer
 brandon.miles@carlsbadca.gov, 442-339-2745
 Hossein Ajideh, Engineering Manager
 hossein.ajideh@carlsbadca.gov, 442-339-2756

Subject: Approval of Plans, Specifications and Contract Documents and Authorization to Advertise for Bids for the El Camino Real Widening from Sunny Creek Road to Jackspar Drive Project and Acceptance of Grant Deeds and Temporary Construction Easements for the Project

District: 2

Recommended Action

Adopt a resolution approving the plans, specifications and contract documents and authorizing the City Clerk to advertise for bids for the El Camino Real Widening from Sunny Creek Road to Jackspar Drive Project and accepting the grant deeds and the temporary construction easements with the owners of Assessor Parcel Nos. 209-060-48, 209-060-58 and 209-090-11 for the project.

Executive Summary

Capital Improvement Program, or CIP, Project No. 6094, will widen northbound El Camino Real from Sunny Creek Road to Jackspar Drive to add a third vehicular lane, as shown in Exhibit 2, to meet the city's design standards and the standards in the city's General Plan and Growth Management Plan. In addition to providing an additional northbound vehicular lane, the project will provide new sidewalks, new streetlights and enhanced buffered bike lanes.

The city needs to acquire property for the needed right-of-way from property owners along this segment to widen the roadway and to obtain temporary access to some of the property through temporary construction easements.

On Nov. 15, 2022, the City Council adopted Resolution No. 2022-260, authorizing the Project Manager, Brandon Miles; Real Estate Manager, Curtis Jackson; and consultant Dokken Engineering to negotiate with the owners of Assessor Parcel Nos., or APN, 209-060-48, 209-060-58 and 209-090-11, or their agents, for acquisition of real property and temporary construction easements for the widening of El Camino Real from Sunny Creek Road to Jackspar Drive at the estimated fair market value of \$127,000.

Under California Government Code Section 37350, the city has the power to purchase real property for the common benefit. Staff negotiated with the property owners to acquire the necessary rights-of-way and easements for the road widening. The City Council's approval is required because, under Government Code Section 27281, deeds or grants that convey an interest in real property to a government agency may not be accepted for being recorded without the consent of the City Council.

Staff recommend that the City Council approve the plans, specifications and contract documents and authorize the City Clerk to advertise for construction bids for the project and accept the two grant deeds and three temporary construction easements with the owners of the three properties, APN 209-060-48, 209-060-58 and 209-090-11.

Explanation & Analysis

In keeping with the Mobility Element of the General Plan and the Growth Management Plan, it is necessary to widen northbound El Camino Real for approximately 2,300 feet from Sunny Creek Road to Jackspar Drive to add a third northbound vehicular lane through a combination of roadway widening and pavement restriping and to improve bicycle lanes, curbs, gutters and sidewalks where they are currently missing.

While the project predates the city's declaration of a local state of emergency in 2022, the work supports the city's efforts to improve traffic safety while improving circulation and mobility for people using all forms of transportation by constructing:

- A new sidewalk consistent with the Americans with Disabilities Act, or ADA
- A buffered bike lane
- Two new curb ramps at Sunny Creek Road
- Four upgraded curb ramps at the intersection of Jackspar Drive and El Camino Real

As stated above, the City Council authorized staff and a city consultant to negotiate with the owners of the real properties, APN 209-060-48, 209-060-58 and 209-090-11, for the acquisition of property for the right-of-way and the temporary construction easements in November 2022. Staff have now completed the negotiations and the property owners have accepted the fair market value offer for the real property interests.

To facilitate construction, the city needs to acquire property for the additional right-of-way from the property owners along this segment of El Camino Real to widen the roadway and to obtain temporary access to some of the property during construction. Staff negotiated with the property owners to acquire the property necessary for the right-of-way and the temporary construction easements for the road widening.

On Aug. 23, 2022, Curtis-Rosenthal Inc. prepared an original appraisal report with zoning of R-1 and a fair market value for APN 209-060-48 at \$54,000. The appraisal was revised, dated March 7, 2023, to a value of approximately \$123,800 based on the subsequent appraisal's determination that the property could potentially develop with multi-family housing. All other appraisals were verified by the appraisal services to be correct and totaled over \$73,000.

The agreed-upon fair market value for the two grant deeds and the three temporary construction easements is approximately \$197,000, which will be paid to the property owners of APN 209-060-48, 209-060-58 and 209-090-11.

Staff have presented this project to the Traffic Safety & Mobility Commission, formerly known as the Traffic & Mobility Commission, the Planning Commission and the City Council, as outlined below:

Sept. 7, 2021 – The Traffic & Mobility Commission voted to support staff’s recommendation to approve the plans and specifications for the project. The approved minutes of the meeting are included as Exhibit 3.

Oct. 3, 2022 – The Traffic & Mobility Commission voted to support staff’s recommendation to approve the plans and specifications including the exceptions noted for the project for green paint in the conflict areas. The approved minutes of the meeting are included as Exhibit 4.

Nov. 15, 2022 – The City Council authorized Project Manager, Brandon Miles; Real Estate Manager, Curtis Jackson; and consultant Dokken Engineering to negotiate with the owners of APNs 209-060-48, 209-060-58 and 209-090-11, or their agents, for acquisition of real property and temporary construction easements for the widening of El Camino Real from Sunny Creek Road to Jackspar Drive.

May 3, 2023 – The Planning Commission recommended the City Council approve a Coastal Development Permit, Hillside Development Permit, Special Use Permit - Floodplain, Special Use Permit - El Camino Real Corridor Development Standards and Waiver of General Plan Open Space Policy 4-P.6 for the Widening of El Camino Real Between Sunny Creek Road and Jackspar Drive, as CDP2021-0044, HDP2022-0008, SUP2022-0002 and SUP2021-0002, respectively. The approved minutes of the meeting are included as Exhibit 5.

Sept. 26, 2023 – The City Council held a Public Hearing to Approve a Coastal Development Permit, Hillside Development Permit, Special Use Permit - Floodplain, Special Use Permit - El Camino Real Corridor Development Standards and Waiver of General Plan Open Space Policy 4-P.6 for the Widening of El Camino Real Between Sunny Creek Road and Jackspar Drive, CDP2021-0044, HDP2022-0008, SUP2022-0002 and SUP2021-0002. The adopted Resolution No. 2023-245 is included as Exhibit 6.

Nov. 6, 2023 - The Traffic Safety & Mobility Commission voted to support staff’s recommendation to approve the plans and specifications for the project. The approved minutes of the meeting are included as Exhibit 7.

Fiscal Analysis

The property owners have accepted the fair market value offer for the easements and real property interests. The fair market value of the two grant deeds and the three temporary construction easements is approximately \$197,000.

Sufficient funding has been appropriated from TransNet funds, the county sales tax that funds transportation projects. Fiscal impacts and estimated costs for acquisition of the property interests and to complete the project are shown in the following table:

El Camino Real Widening from Sunny Creek Road to Jackspar Drive Capital Improvement Program Project No. 6094	
Total appropriated TransNet funds to date	\$5,010,000
Total expenditures and encumbrances to date	-\$626,083
Total available funding	\$4,383,917
Additional project costs	
Grant deed – APN 209-060-48	-\$62,280
Temporary construction easement – APN 209-060-48	-\$61,488
Grant deed – APN 209-060-58	-\$19,625
Temporary construction easement – APN 209-060-58	-\$1,710
Temporary construction easement – APN 209-090-11	-\$51,735
Total acquisition costs	-\$196,838
Total acquisition costs (rounded)	-\$197,000
Construction contract (engineer’s estimate)	-\$3,008,063
Construction contingency (estimated)	-\$650,000
Construction management, inspection, material testing and support services (estimated)	-\$350,000
Total estimated construction costs	-\$4,008,063
Total estimated project costs (acquisition and construction costs)	-\$4,205,063
Remaining balance	\$178,854
Additional appropriation needed	\$0

Environmental Evaluation

In accordance with the California Environmental Quality Act Guidelines, the City Planner determined on Oct. 19, 2022, that the road widening project qualified for an exemption under CEQA Guidelines Section 15303(d) - New Construction or Conversion of Small Structures. A notice of intended decision regarding the environmental determination for this project was advertised and posted on the city’s website. No comment letters or appeals were received and, consistent with Carlsbad Municipal Code Chapter 21.54 - Procedures, Hearings, Notices, and Fees, the City Planner’s written decision is final.

Next Steps

Upon the City Council’s approval, the grant deeds will be recorded by the County of San Diego, and funds will be released to the property owners.

With the City Council’s approval, the City Clerk will advertise a request for bids to construct the project improvements. Staff will evaluate the bids received and identify the lowest responsive and responsible bidder. Staff will then return to the City Council with a recommendation to award a construction contract to the identified bidder, which is expected to be in mid-2024.

The construction contract for the project provides for 18 months to complete the project improvements. Construction is expected to begin in late 2024 and be completed by late 2025.

Exhibits

1. City Council resolution
2. Location map
3. Traffic and Mobility Commission meeting approved minutes dated Sept. 7, 2021
4. Traffic and Mobility Commission meeting approved minutes dated Oct. 3, 2022
5. Planning Commission approved minutes dated May 3, 2023
6. City Council Resolution No. 2023-245
7. Traffic Safety and Mobility Commission meeting approved minutes dated Nov. 6, 2023
8. [Plans, specifications, and contract documents](#) (on file in the Office of the City Clerk)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING THE PLANS, SPECIFICATIONS AND CONTRACT DOCUMENTS AND AUTHORIZING THE CITY CLERK TO ADVERTISE FOR BIDS FOR THE EL CAMINO REAL WIDENING FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE PROJECT AND ACCEPTING THE GRANT DEEDS AND THE TEMPORARY CONSTRUCTION EASEMENTS WITH THE OWNERS OF ASSESSOR PARCEL NOS. 209-060-48, 209-060-58 AND 209-090-11 FOR THE PROJECT

WHEREAS, the City Council of the City of Carlsbad, California has determined it necessary, desirable and in the public interest to widen El Camino Real from Sunny Creek Road to Jackspar Drive, Capital Improvement Program, or CIP, Project No. 6094, or Project; and

WHEREAS, pursuant to Government Code Section 37350, the city has the power to purchase real property for the common benefit; and

WHEREAS, in keeping with the city's General Plan Mobility Element and Growth Management Plan, the Project will widen the northbound segment of El Camino Real from Sunny Creek Road to Jackspar Drive and restripe the northbound segment to add a third vehicular through lane; and

WHEREAS, on Nov. 15, 2022, the City Council adopted Resolution No. 2022-260, authorizing the Project Manager, Brandon Miles; Real Estate Manager, Curtis Jackson; and consultant Dokken Engineering to negotiate with the property owners of Assessor Parcel Nos., or APN, 209-060-48, 209-060-58 and 209-090-11, or their agents, for acquisition of real property and a temporary construction easement for the widening of El Camino Real from Sunny Creek Road to Jackspar Drive; and

WHEREAS, the city and the property owners have agreed to a fair market value for the sale of land to the city via two grant deeds in fee simple and a temporary construction easement for all three APN's, 209-060-48, 209-060-58 and 209-090-11, consistent with the appraisals, in the amount of approximately \$197,000; and

WHEREAS, sufficient funding from TransNet funds is available in the Project account to cover the fair market value and fees; and

WHEREAS, the property owner of APN 209-060-58 requested an Agreement of Purchase and Sale to be executed along with the Grant Deed and Temporary Construction Easement; and

WHEREAS, staff recommend that the City Council accept the two grant deeds and the three temporary construction easements with the property owners of APN 209-060-48, 209-060-58 and 209-090-11 for the Project; and

WHEREAS, pursuant to Government Code Section 27281 deeds or grants that convey an interest in real property to a government agency may not be accepted for recordation without the consent of the City Council; and

WHEREAS, the City Council of the City of Carlsbad, California, has determined it to be in the public interest to make these property acquisitions and dedicate a portion of El Camino Real for street and public utility purposes; and

WHEREAS, the plans, specifications, and contract documents for the Project have been prepared, are on file at the City Clerk's office and are incorporated herein by reference; and

WHEREAS, Carlsbad Municipal Code Section 3.28.080(E) requires the City Council to approve plans and specifications for all construction projects that are to be formally bid upon when the value exceeds \$200,000; and

WHEREAS, the cost of the Project is estimated to be \$3,008,063, which does not include a construction contingency or construction management and inspection costs; and

WHEREAS, sufficient funding from TransNet local funds is available in the Project account to complete the Project; and

WHEREAS, in accordance with the California Environmental Quality Act, or CEQA, and the CEQA Guidelines, on Oct. 19, 2022, the City Planner determined that the road widening project qualified for an exemption pursuant to CEQA Guidelines Section 15303(d) – New Construction or Conversion of Small Structures. A notice of intended decision regarding the environmental determination for this project was advertised and posted on the city's website. No comment letters or appeals were received and, consistent with Carlsbad Municipal Code Chapter 21.54 - Procedures, Hearings, Notices, and Fees, the City Planner's written decision is final.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.

2. That the Grant Deed and the Temporary Construction Easement with the property owners of APN 209-060-48 for the Project, attached hereto as Attachment A, are accepted, and approved.
3. That the Grant Deed and the Temporary Construction Easement with the property owners of APN 209-060-58 for the Project, attached as Attachment B, are accepted and approved, and the Agreement of Purchase and Sale attached hereto as Attachment D is approved.
4. That the Temporary Construction Easement with the property owners of APN 209-090-11 for the Project, attached hereto as Attachment C, is accepted and approved.
5. That the property owners hereby dedicate the following described real property for public street purposes: 1,557 square feet of APN 209-060-48 and 844 square feet of APN 209-060-58.
6. That the City Clerk of the City of Carlsbad is hereby authorized and directed to forward a certified copy of this Resolution for recording to the County of San Diego Recorder's Office.
7. That the plans, specifications and contract documents for El Camino Real Widening from Sunny Creek Road to Jackspar Drive, CIP Project No. 6094, are hereby approved.
8. That the City Clerk is authorized and directed to publish in accordance with state law, a Notice to Contractors Inviting Bids for construction of the El Camino Real Widening from Sunny Creek Road to Jackspar Drive, CIP Project No. 6094, in accordance with the plans, specifications and contract documents referred to herein.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

RECORDING REQUESTED FOR THE
BENEFIT OF THE CITY OF CARLSBAD
WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
() computed on full value of property conveyed, or
() computed on full value less value of liens and
encumbrances remaining at time of sale.
() Unincorporated area: (x) City of Carlsbad, and

Assessor's Parcel No.: 209-060-48
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID: _____
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT DEED

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which is hereby acknowledged, The Kelly Family Trust, Karen R. Kelly and Robert P. Di Figlia, Co-Trustees ("Grantors"), the owners of real property described herein located in the City of Carlsbad, San Diego County, California ("Property") hereby grant to the City of Carlsbad, a municipal corporation ("Grantee"), and its successor and assigns, that real property situated in the City of Carlsbad, County of San Diego, State of California, as described by the legal description attached Exhibit "A" and as depicted in Exhibit "B".

(SIGNATURES ON FOLLOWING PAGE)

In witness whereof, grantors have caused this Grant Deed to be executed as of 10/16/, 2023.

GRANTORS: THE KELLY FAMILY TRUST, KAREN R. KELLY AND ROBERT P. DI FIGLIA, CO-TRUSTEES

By: Karen R Kelly
(Sign Here)

Karen R. Kelly
(Print Name Here)

Trustee
(Title)

By: [Signature]
(Sign Here)

ROBERT D I FIGLIA
(Print Name Here)

TRUSTEE
(Title)

(NOTARIAL ACKNOWLEDGMENT OF EXECUTION BY OWNER(S) MUST BE ATTACHED.)

NOTE THAT THE PRESIDENT OR VICE-PRESIDENT AND THE SECRETARY OR ASSISTANT SECRETARY MUST SIGN FOR CORPORATE EXECUTIONS OF THIS DOCUMENT. ALTERNATELY A TRUE COPY OF A RESOLUTION OF THE BOARD OF DIRECTORS THAT IS SIGNED BY THE SECRETARY OR ASSISTANT SECRETARY OF THE CORPORATION, UNDER CORPORATE SEAL SPECIFICALLY EMPOWERING THE INDIVIDUAL SIGNED IN BEHALF OF THE CORPORATION WILL SHOW SUFFICIENT AUTHORITY OF SAID INDIVIDUAL TO ACT IN THIS MATTER.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS EASEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

APPROVED AS TO FORM:
CINDIE K. McMAHON, City Attorney

BY: _____
Deputy City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
COUNTY OF San Diego)

On 10/13/2023 before me, Bethany Torbert, Notary Public, personally appeared Karen R Kelly, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Bethany Torbert



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of ORANGE)

On OCTOBER 16, 2023 before me, John Alan Tackman, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared ROBERT P A FULLA
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person~~s~~ whose name~~s~~ is are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his her/their authorized capacity~~(ies)~~, and that by his her/their signature~~(s)~~ on the instrument the person~~s~~, or the entity upon behalf of which the person~~s~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature John Alan Tackman
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: LEASE DEED / CONSTRUCTION
Document Date: OCTOBER 16, 2023 Number of Pages: MULTI
Signer(s) Other Than Named Above: —

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

EXHIBIT "A"
RIGHT-OF-WAY ACQUISITION
APN 209-060-48

THAT PORTION OF LOT "B" OF THE RANCHO AGUA HEDIONDA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY NOVEMBER 16, 1896 INCLUDED WITHIN QUITCLAIM DEED TO KAREN R. KELLY AND ROBERT P. DI FIGLIA, CO-TRUSTEES OF THE SURVIVOR'S TRUST CREATED UNDER THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED IN ITS ENTIRETY ON NOVEMBER 23, 2005, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 105 ACCORDING TO RECORD OF SURVEY MAP NO. 17271 FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 8, 2002 WHICH BEARS NORTH 68°14'31" WEST 7549.60 FEET FROM A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 108 ACCORDING TO SAID RECORD OF SURVEY MAP; THENCE SOUTH 66°25'58" EAST 3994.51 FEET TO THE INTERSECTION OF THE EASTERLY LINE OF LAND PER SAID DEED WITH A LINE THAT IS 63.00 FEET NORTHEASTERLY OF, AND PARALLEL TO, THE CENTERLINE OF ROAD SURVEY 1800-1, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING**;


1. THENCE ALONG SAID EASTERLY LINE SOUTH 13°33'45" WEST 19.69 FEET TO THE SOUTHEAST CORNER OF LAND PER SAID DEED;
2. THENCE ALONG THE SOUTHWESTERLY LINE OF LAND PER SAID DEED NORTH 52°31'09" WEST 40.02 FEET TO AN ANGLE POINT THEREIN;
3. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 34°35'42" WEST 9.09 FEET TO AN ANGLE POINT THEREIN;
4. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 43°36'53" WEST 50.04 FEET TO AN ANGLE POINT THEREIN;
5. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 44°45'35" WEST 50.01 FEET TO AN ANGLE POINT THEREIN;
6. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 45°54'20" WEST 6.12 FEET TO SAID LINE THAT IS 63.00 FEET NORTHEASTERLY OF, AND PARALLEL TO, THE CENTERLINE OF ROAD SURVEY 1800-1;
7. THENCE LEAVING SAID SOUTHWESTERLY LINE ALONG SAID PARALLEL LINE SOUTH 52°31'09" EAST 145.76 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 1,557 SQUARE FEET, MORE OR LESS (BASED ON GROUND DISTANCES).

SEE EXHIBIT "B" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, NAD83, EPOCH 1991.35. DIVIDE DISTANCES SHOWN BY 0.99996244 TO OBTAIN GROUND DISTANCES.

EXHIBIT "A"
RIGHT-OF-WAY ACQUISITION
APN 209-060-48

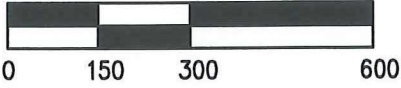


JOEL D. RIIPINEN LS 7942

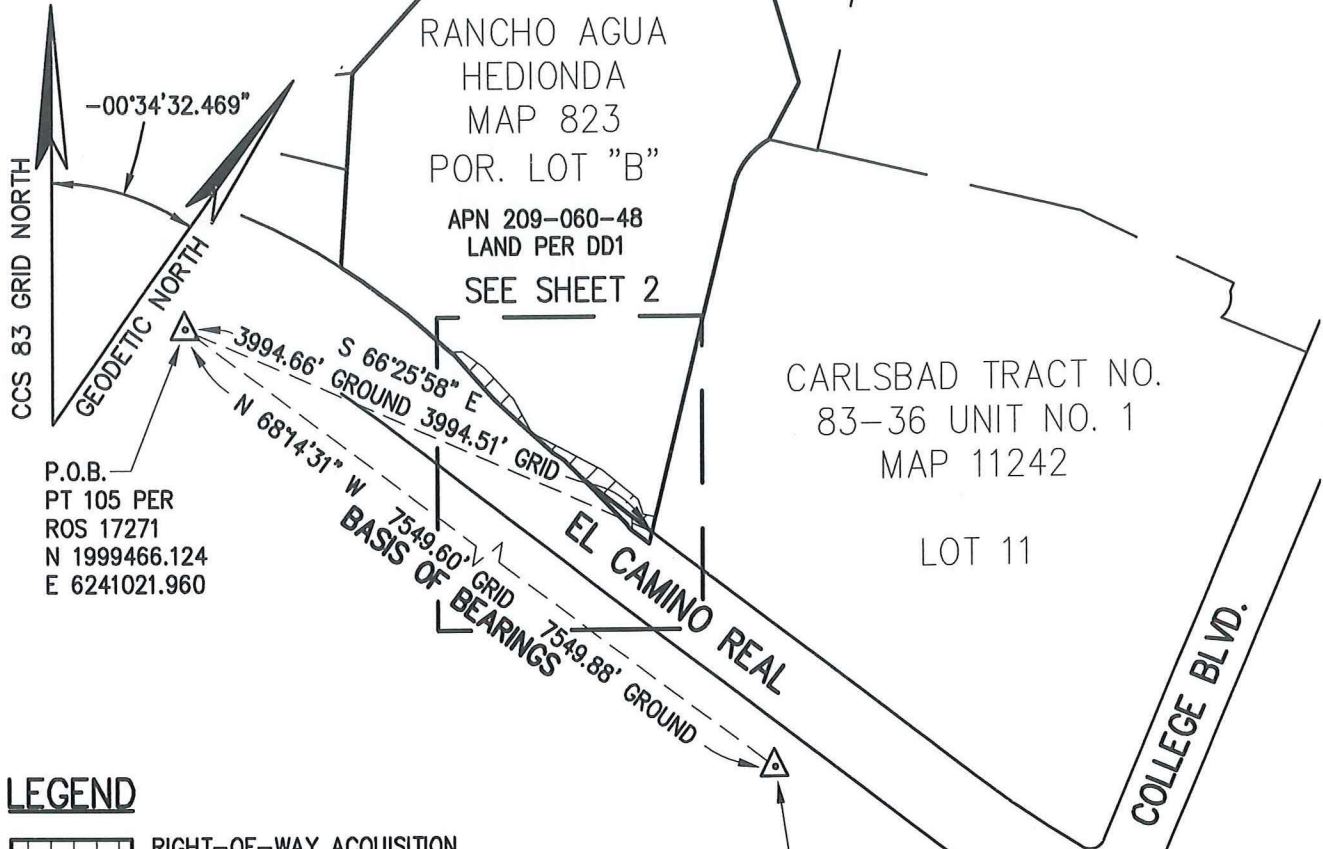
7-19-2022



EXHIBIT "B"



AT POINT #105 PER ROS 17271
 CONVERGENCE ANGLE= $-00^{\circ}34'32.469''$
 COMB. SCALE FACTOR= 0.99996244
 NGVD 29 ELEV= 45.41'



LEGEND

RIGHT-OF-WAY ACQUISITION
 AREA = 1,557 SQ. FT., MORE OR LESS

TEMPORARY ACCESS EASEMENT
 AREA = 8,540 SQ. FT., MORE OR LESS

P.O.B. POINT OF BEGINNING

T.P.O.B. TRUE POINT OF BEGINNING

CONTROL POINT PER ROS 17271

E1 SEE EASEMENT LEGEND ON.. SHEET 2

QD1 QUITCLAIM DEED TO THE KELLY FAMILY TRUST DATED 10/27/1982 AND RESTATED 11/23/2005 REC. 5/03/2021 AS DOC. NO. 2021-0337847 O.R.



SHEET 1 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS	SCALE 1" = 300'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022	APN 209-060-48 OWNER: THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED ON NOVEMBER 23, 2005	DWG. NO.
APPROVED BY:	DATE:		

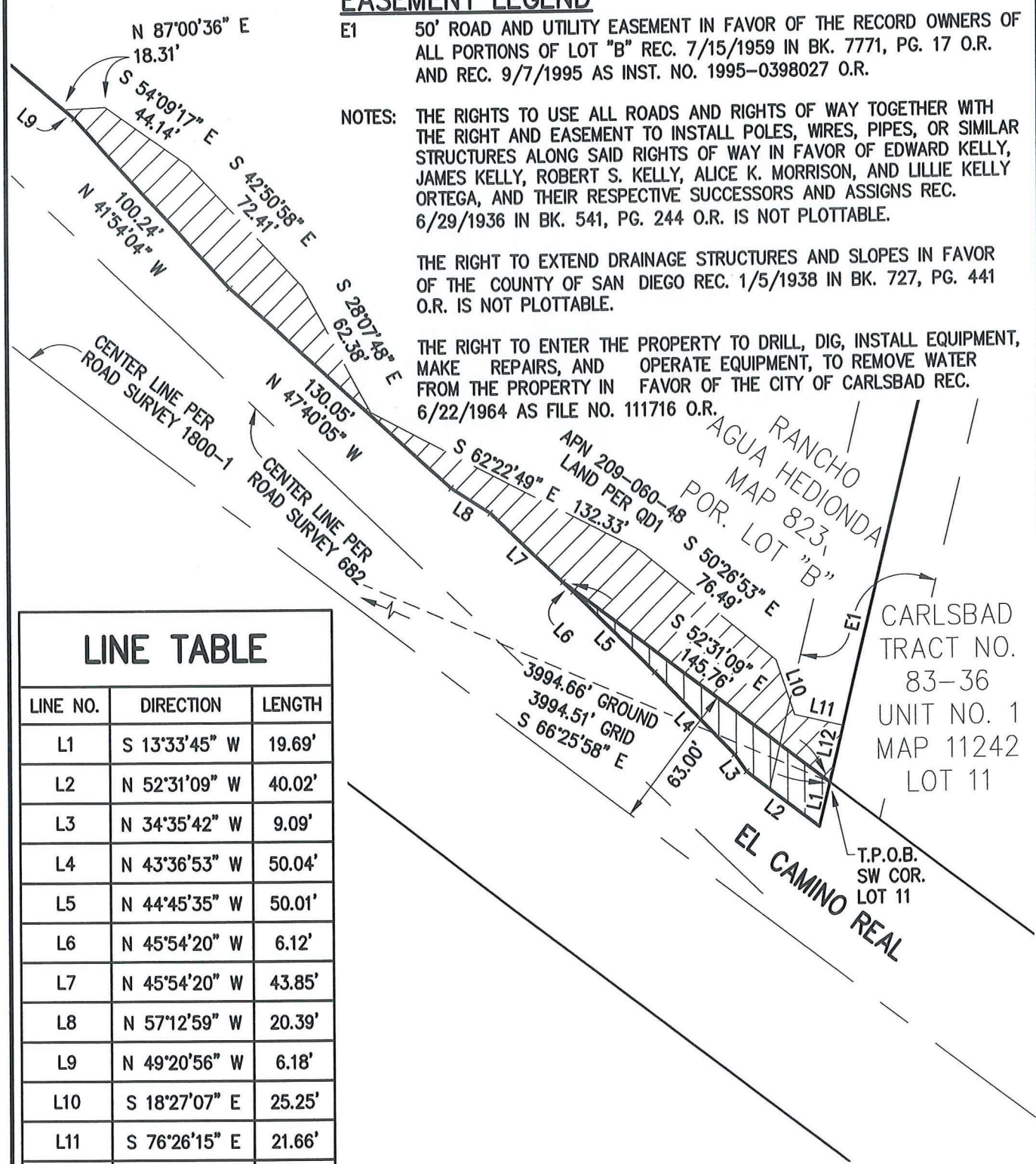
EASEMENT LEGEND

E1 50' ROAD AND UTILITY EASEMENT IN FAVOR OF THE RECORD OWNERS OF ALL PORTIONS OF LOT "B" REC. 7/15/1959 IN BK. 7771, PG. 17 O.R. AND REC. 9/7/1995 AS INST. NO. 1995-0398027 O.R.

NOTES: THE RIGHTS TO USE ALL ROADS AND RIGHTS OF WAY TOGETHER WITH THE RIGHT AND EASEMENT TO INSTALL POLES, WIRES, PIPES, OR SIMILAR STRUCTURES ALONG SAID RIGHTS OF WAY IN FAVOR OF EDWARD KELLY, JAMES KELLY, ROBERT S. KELLY, ALICE K. MORRISON, AND LILLIE KELLY ORTEGA, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS REC. 6/29/1936 IN BK. 541, PG. 244 O.R. IS NOT PLOTTABLE.

THE RIGHT TO EXTEND DRAINAGE STRUCTURES AND SLOPES IN FAVOR OF THE COUNTY OF SAN DIEGO REC. 1/5/1938 IN BK. 727, PG. 441 O.R. IS NOT PLOTTABLE.

THE RIGHT TO ENTER THE PROPERTY TO DRILL, DIG, INSTALL EQUIPMENT, MAKE REPAIRS, AND OPERATE EQUIPMENT, TO REMOVE WATER FROM THE PROPERTY IN FAVOR OF THE CITY OF CARLSBAD REC. 6/22/1964 AS FILE NO. 111716 O.R.



LINE TABLE

LINE NO.	DIRECTION	LENGTH
L1	S 13°33'45" W	19.69'
L2	N 52°31'09" W	40.02'
L3	N 34°35'42" W	9.09'
L4	N 43°36'53" W	50.04'
L5	N 44°45'35" W	50.01'
L6	N 45°54'20" W	6.12'
L7	N 45°54'20" W	43.85'
L8	N 57°12'59" W	20.39'
L9	N 49°20'56" W	6.18'
L10	S 18°27'07" E	25.25'
L11	S 76°26'15" E	21.66'
L12	N 13°33'45" E	25.11'

SHEET 2 OF 2 SHEETS

REVISED BY:	DATE:
DRAWN BY: KA	DATE: 7-19-2022
CHECKED BY: JR	DATE: 7-19-2022
APPROVED BY:	DATE:

CITY OF CARLSBAD
EL CAMINO REAL STREET IMPROVEMENTS
 APN 209-060-48
 OWNER: THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED ON NOVEMBER 23, 2005

SCALE 1" = 60'
DOC. NO.
DWG. NO.

RECORDING REQUESTED FOR THE
BENEFIT OF THE CITY OF CARLSBAD
WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):	Assessor's Parcel No.:	<u>209-060-48</u>
Documentary transfer tax is <u>\$0.00</u>	Project ID:	<u>CIP 6094</u>
() computed on full value of property conveyed, or	Related Project ID:	<u>DWG No. 529-1</u>
() computed on full value less value of liens and	Related Project ID:	<u></u>
encumbrances remaining at time of sale.	Project Name:	<u>El Camino Real</u>
() Unincorporated area: (x) City of Carlsbad, and	Widening from	<u>Sunny Creek Rd to</u>
	Jackspar Dr.	<u></u>

GRANT OF TEMPORARY CONSTRUCTION EASEMENT

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which is hereby acknowledged,

The Kelly Family Trust, Karen R. Kelly and Robert P. Di Figlia, Co-Trustees ("Grantors"),

the owners of real property described herein and located in the City of Carlsbad, San Diego County, California ("Property") do hereby GRANT and CONVEY to the City of Carlsbad, a municipal corporation ("Grantee"), and its successor and assigns, a temporary and non-exclusive temporary construction easement ("Temporary Construction Easement"), over, above, on, under, in, across, along and through that certain portion of Grantors' real property, more particularly described in the legal description attached as Exhibit "A", and as depicted in Exhibit "B" (the "Easement Area"), for the purpose of constructing the El Camino Real Widening Project, a public project (the "Project"), and gives Grantee, its successors and assigns, including Grantee's contractor(s), the power to perform all activities necessary for the construction and completion of the Project in compliance with all laws, inclusive of ingress and egress, and necessary appurtenances thereto, in, over, across, along, through and under the Property and incidents thereto, within the bounds of the Easement Area.

It is understood that said Temporary Construction Easement shall expire on January 31, 2026, or upon completion of the Project, whichever occurs first. At the expiration of the Temporary Construction Easement, Grantee shall restore the Easement Area to the same condition as existed before construction, unless otherwise agreed to by the Grantors.

Grantee shall hold Grantors and its agents, trustees, successors, and assigns ("Grantors' Parties") harmless from and indemnify Grantors' Parties from any claims from Grantee's exercise of the easement rights granted herein.

(SIGNATURES ON FOLLOWING PAGE)

In witness whereof, grantors have caused this Grant Deed to be executed as of 10/16/, 2023.

GRANTORS: THE KELLY FAMILY TRUST, KAREN R. KELLY AND ROBERT P. DI FIGLIA, CO-TRUSTEES

By: Karen R Kelly
(Sign Here)

Karen R. Kelly
(Print Name Here)

Trustee
(Title)

By: [Signature]
(Sign Here)

ROBERT DI FIGLIA
(Print Name Here)

TRUSTEE
(Title)

(NOTARIAL ACKNOWLEDGMENT OF EXECUTION BY OWNER(S) MUST BE ATTACHED.)

NOTE THAT THE PRESIDENT OR VICE-PRESIDENT AND THE SECRETARY OR ASSISTANT SECRETARY MUST SIGN FOR CORPORATE EXECUTIONS OF THIS DOCUMENT. ALTERNATELY A TRUE COPY OF A RESOLUTION OF THE BOARD OF DIRECTORS THAT IS SIGNED BY THE SECRETARY OR ASSISTANT SECRETARY OF THE CORPORATION, UNDER CORPORATE SEAL SPECIFICALLY EMPOWERING THE INDIVIDUAL SIGNED IN BEHALF OF THE CORPORATION WILL SHOW SUFFICIENT AUTHORITY OF SAID INDIVIDUAL TO ACT IN THIS MATTER.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS EASEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

APPROVED AS TO FORM:
CINDIE K. McMAHON, City Attorney

BY: _____
Deputy City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On 10/13/2023 before me, Bethany Torbert, Notary Public, personally appeared Karen R. Kelly, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Bethany Torbert



(Seal)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of ORANGE)

On October 16, 2023 before me, John Alan Tackman, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Robert P A Fulla
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he she/they executed the same in his her/their authorized capacity(ies), and that by his her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature John Alan Tackman
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: LEAST DEED / CONSTRUCTION

Document Date: October 16, 2023 Number of Pages: MULTI

Signer(s) Other Than Named Above: —

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer — Title(s): _____

Partner — Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____



EXHIBIT "A"
TEMPORARY CONSTRUCTION EASEMENT
APN 209-060-48

THAT PORTION OF LOT "B" OF THE RANCHO AGUA HEDIONDA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY NOVEMBER 16, 1896 INCLUDED WITHIN QUITCLAIM DEED TO KAREN R. KELLY AND ROBERT P. DI FIGLIA, CO-TRUSTEES OF THE SURVIVOR'S TRUST CREATED UNDER THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED IN ITS ENTIRETY ON NOVEMBER 23, 2005, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 105 ACCORDING TO RECORD OF SURVEY MAP NO. 17271 FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 8, 2002 WHICH BEARS NORTH 68°14'31" WEST 7549.60 FEET FROM A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 108 ACCORDING TO SAID RECORD OF SURVEY MAP; THENCE SOUTH 66°25'58" EAST 3994.51 FEET TO THE INTERSECTION OF THE EASTERLY LINE OF LAND PER SAID DEED WITH A LINE THAT IS 63.00 FEET NORTHEASTERLY OF, AND PARALLEL TO, THE CENTERLINE OF ROAD SURVEY 1800-1, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING**;


1. THENCE ALONG SAID PARALLEL LINE NORTH 52°31'09" WEST 145.76 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF LAND PER SAID DEED;
2. THENCE ALONG SAID SOUTHWESTERLY LINE NORTH 45°54'20" WEST 43.87 FEET TO AN ANGLE POINT THEREIN;
3. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 57°12'59" WEST 20.39 FEET TO AN ANGLE POINT THEREIN;
4. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 47°40'05" WEST 130.05 FEET TO AN ANGLE POINT THEREIN;
5. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 41°54'04" WEST 100.24 FEET TO AN ANGLE POINT THEREIN;
6. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE NORTH 49°20'56" WEST 6.18 FEET;
7. THENCE LEAVING SAID SOUTHWESTERLY LINE NORTH 87°00'36" EAST 18.31 FEET;
8. THENCE SOUTH 54°09'17" EAST 44.14 FEET;
9. THENCE SOUTH 42°50'58" EAST 72.41 FEET;
10. THENCE SOUTH 28°07'48" EAST 62.38 FEET;
11. THENCE SOUTH 62°22'49" EAST 132.33 FEET;
12. THENCE SOUTH 50°26'53" EAST 76.49 FEET;
13. THENCE SOUTH 18°27'07" EAST 25.25 FEET;
14. THENCE SOUTH 76°26'15" EAST 21.66 FEET TO SAID EASTERLY LINE OF LAND PER SAID DEED;
15. THENCE ALONG SAID EASTERLY LINE SOUTH 13°33'45" WEST 25.11 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 8,540 SQUARE FEET, MORE OR LESS (BASED ON GROUND DISTANCES).

EXHIBIT "A"
TEMPORARY CONSTRUCTION EASEMENT
APN 209-060-48

SEE EXHIBIT "B" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, NAD83, EPOCH 1991.35. DIVIDE DISTANCES SHOWN BY 0.99996244 TO OBTAIN GROUND DISTANCES.



JOEL D. RIIPINEN LS 7942

7-19-2022

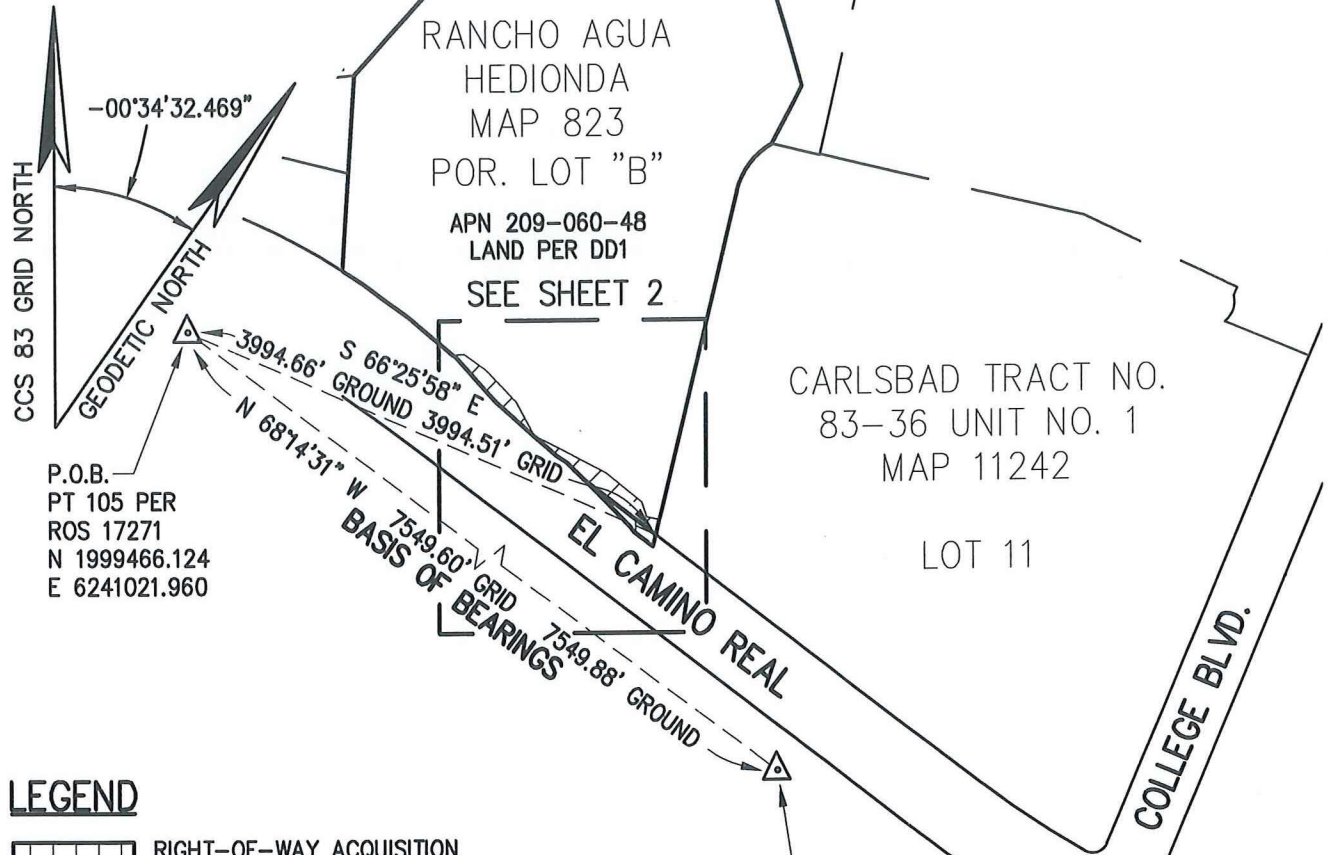


EXHIBIT "B"



0 150 300 600

AT POINT #105 PER ROS 17271
 CONVERGENCE ANGLE= $-00^{\circ}34'32.469''$
 COMB. SCALE FACTOR= 0.99996244
 NGVD 29 ELEV= 45.41'



LEGEND

RIGHT-OF-WAY ACQUISITION
 AREA = 1,557 SQ. FT., MORE OR LESS

TEMPORARY ACCESS EASEMENT
 AREA = 8,540 SQ. FT., MORE OR LESS

P.O.B. POINT OF BEGINNING

T.P.O.B. TRUE POINT OF BEGINNING

CONTROL POINT PER ROS 17271

E1 SEE EASEMENT LEGEND ON.. SHEET 2

QD1 QUITCLAIM DEED TO THE KELLY FAMILY
 TRUST DATED 10/27/1982 AND
 RESTATED 11/23/2005 REC. 5/03/2021
 AS DOC. NO. 2021-0337847 O.R.



SHEET 1 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS	SCALE 1" = 300'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022	APN 209-060-48 OWNER: THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED ON NOVEMBER 23, 2005	DWG. NO.
APPROVED BY:	DATE:		

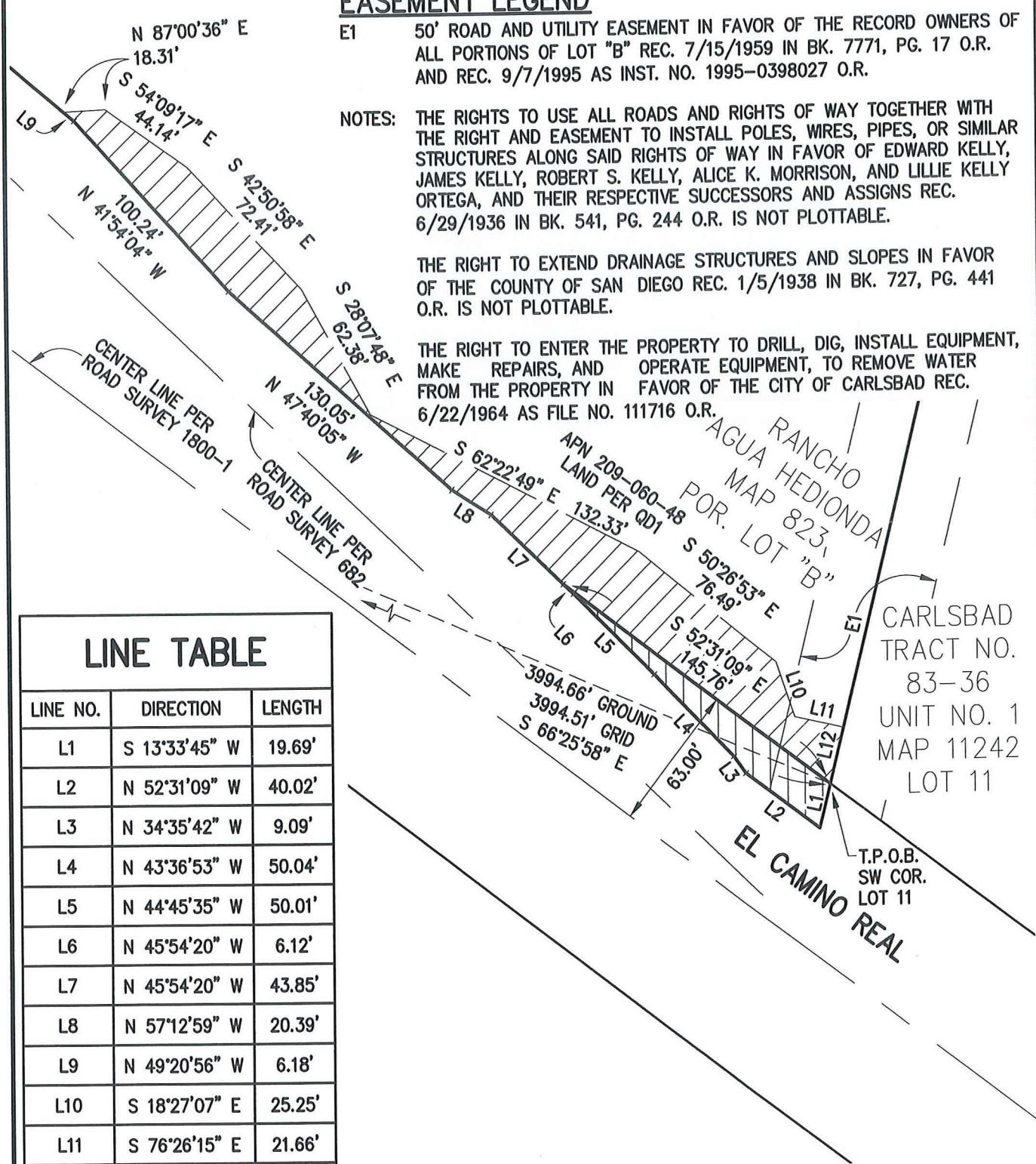
EASEMENT LEGEND

E1 50' ROAD AND UTILITY EASEMENT IN FAVOR OF THE RECORD OWNERS OF ALL PORTIONS OF LOT "B" REC. 7/15/1959 IN BK. 7771, PG. 17 O.R. AND REC. 9/7/1995 AS INST. NO. 1995-0398027 O.R.

NOTES: THE RIGHTS TO USE ALL ROADS AND RIGHTS OF WAY TOGETHER WITH THE RIGHT AND EASEMENT TO INSTALL POLES, WIRES, PIPES, OR SIMILAR STRUCTURES ALONG SAID RIGHTS OF WAY IN FAVOR OF EDWARD KELLY, JAMES KELLY, ROBERT S. KELLY, ALICE K. MORRISON, AND LILLIE KELLY ORTEGA, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS REC. 6/29/1936 IN BK. 541, PG. 244 O.R. IS NOT PLOTTABLE.

THE RIGHT TO EXTEND DRAINAGE STRUCTURES AND SLOPES IN FAVOR OF THE COUNTY OF SAN DIEGO REC. 1/5/1938 IN BK. 727, PG. 441 O.R. IS NOT PLOTTABLE.

THE RIGHT TO ENTER THE PROPERTY TO DRILL, DIG, INSTALL EQUIPMENT, MAKE REPAIRS, AND OPERATE EQUIPMENT, TO REMOVE WATER FROM THE PROPERTY IN FAVOR OF THE CITY OF CARLSBAD REC. 6/22/1964 AS FILE NO. 111716 O.R.



LINE TABLE

LINE NO.	DIRECTION	LENGTH
L1	S 13°33'45" W	19.69'
L2	N 52°31'09" W	40.02'
L3	N 34°35'42" W	9.09'
L4	N 43°36'53" W	50.04'
L5	N 44°45'35" W	50.01'
L6	N 45°54'20" W	6.12'
L7	N 45°54'20" W	43.85'
L8	N 57°12'59" W	20.39'
L9	N 49°20'56" W	6.18'
L10	S 18°27'07" E	25.25'
L11	S 76°26'15" E	21.66'
L12	N 13°33'45" E	25.11'

CARLSBAD TRACT NO. 83-36 UNIT NO. 1 MAP 11242 LOT 11

SHEET 2 OF 2 SHEETS

REVISED BY:	DATE:	<p align="center">CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS</p> <p align="center">APN 209-060-48 OWNER: THE KELLY FAMILY TRUST DATED OCTOBER 27, 1982, AS AMENDED AND RESTATED ON NOVEMBER 23, 2005</p>	SCALE 1" = 60'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022		DWG. NO.
APPROVED BY:	DATE:		

RECORDING REQUESTED FOR THE BENEFIT OF THE CITY OF CARLSBAD

WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
() computed on full value of property conveyed, or
() computed on full value less value of liens and encumbrances remaining at time of sale.
() Unincorporated area: (x) City of Carlsbad, and

Assessor's Parcel No.: 209-060-58
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID:
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Camino Carlsbad, LLC

hereby GRANTS, in fee simple, to the **City of Carlsbad, a Municipal Corporation**, for public purposes, including but not limited to street, highway, sewer, drainage, public utilities, and public access, in, upon, over, under, along and across the same, all that real property situated in the City of Carlsbad, County of San Diego, State of California, described by the attached Exhibit "A" and depicted in Exhibit "B".

Subject to:

1. Nondelinquent taxes and assessments; and
2. All matters of record or visible from an inspection of the property or which an accurate survey of the property would disclose.

(SIGNATURES ON FOLLOWING PAGE)

DATED: March 28, 2024

OWNER: Camino Carlsbad, LLC

By: 
(Sign Here)

Brett Fenerstein
(Print Name Here)

Managing member
(Title)

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of San Diego }

On March 28, 2024 before me, Melinda Brown Notary Public
(Here insert name and title of the officer)

personally appeared Brett Feuerstein,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Melinda Brown
Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

_____ (Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

EXHIBIT "A"
RIGHT-OF-WAY ACQUISITION
APN 209-060-58

THAT PORTION OF LOT "E" OF THE RANCHO AGUA HEDIONDA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY NOVEMBER 16, 1896, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 105 ACCORDING TO RECORD OF SURVEY MAP NO. 17271 FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 8, 2002 WHICH BEARS NORTH 68°14'31" WEST 7549.60 FEET FROM A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 108 ACCORDING TO SAID RECORD OF SURVEY MAP; THENCE SOUTH 70°54'36" EAST 2648.79 FEET TO THE SOUTHWEST CORNER OF PARCEL 4 OF A DEED IN FAVOR OF CAMINO CARLSBAD, LLC RECORDED FEBRUARY 4, 2003 AS DOC. NO. 2003-0130230 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 66°36'50" EAST 61.71 FEET TO THE POINT OF CUSP OF A TANGENT 55.00-FOOT RADIUS CURVE CONCAVE NORTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS SOUTH 23°23'10" WEST;
2. THENCE LEAVING SAID NORTHEASTERLY LINE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 96°34'46" A DISTANCE OF 92.71 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 4;
3. THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 4 SOUTH 29°57'56" WEST 61.71 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 844 SQUARE FEET, MORE OR LESS (BASED ON GROUND DISTANCES).

SEE EXHIBIT "B" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, NAD83, EPOCH 1991.35. DIVIDE DISTANCES SHOWN BY 0.99996244 TO OBTAIN GROUND DISTANCES.



JOEL D. RIIPINEN LS 7942

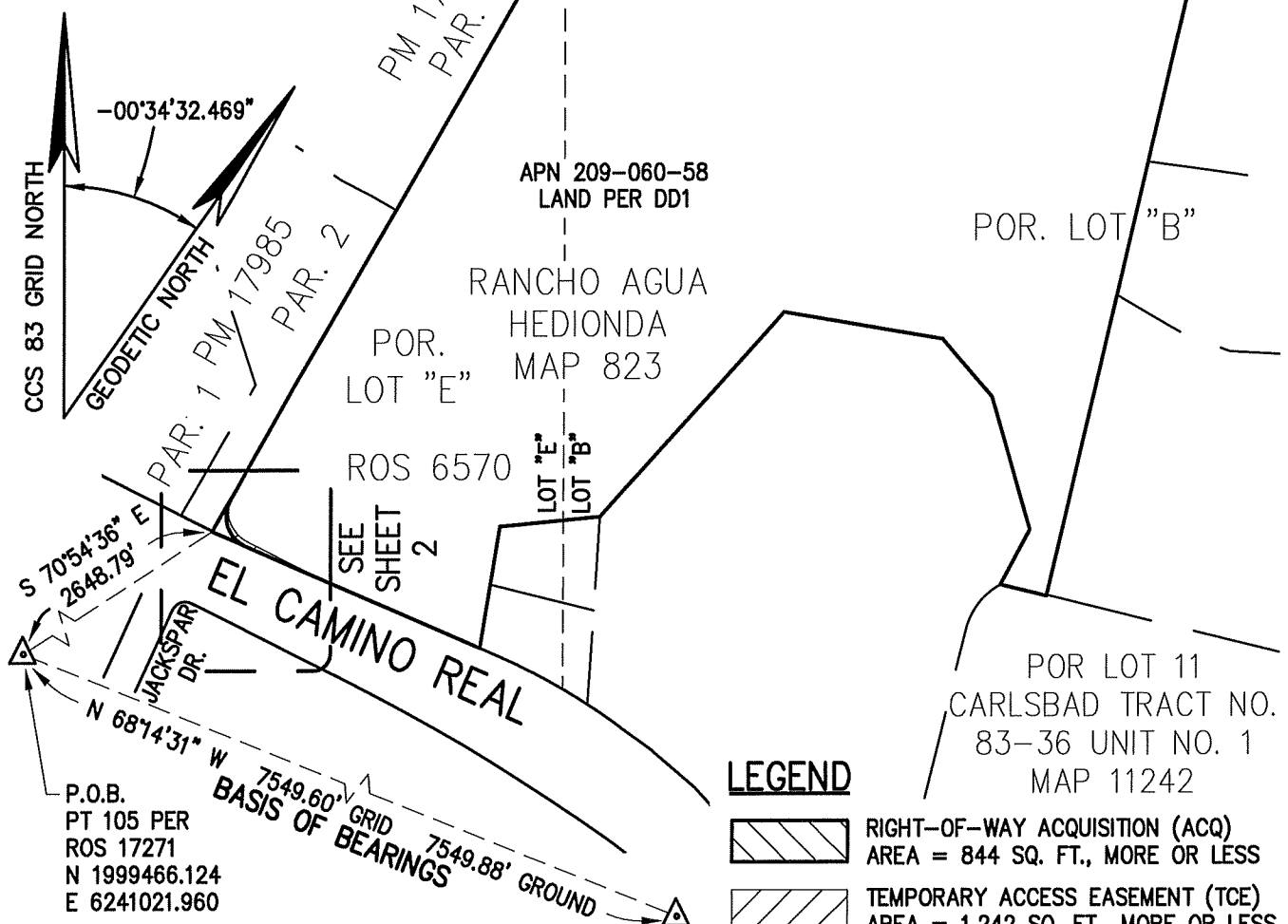
7-19-2022




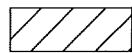

EXHIBIT "B"



AT POINT #105 PER ROS 17271
 CONVERGENCE ANGLE= $-00^{\circ}34'32.469''$
 COMB. SCALE FACTOR= 0.99996244
 NGVD 29 ELEV= 45.41'



LEGEND

-  RIGHT-OF-WAY ACQUISITION (ACQ)
AREA = 844 SQ. FT., MORE OR LESS
-  TEMPORARY ACCESS EASEMENT (TCE)
AREA = 1,242 SQ. FT., MORE OR LESS
- P.O.B. POINT OF BEGINNING
- T.P.O.B. TRUE POINT OF BEGINNING
-  CONTROL POINT PER ROS 17271
- E1 SEE EASEMENT LEGEND ON.. SHEET 2
- DD1 DEED TO CAMINO CARLSBAD, LLC
REC. 2/4/2003 AS DOC. NO. 2003-0130230 O.R.



PT 108 PER
 ROS 17271
 N 1999466.124
 E 6241021.960

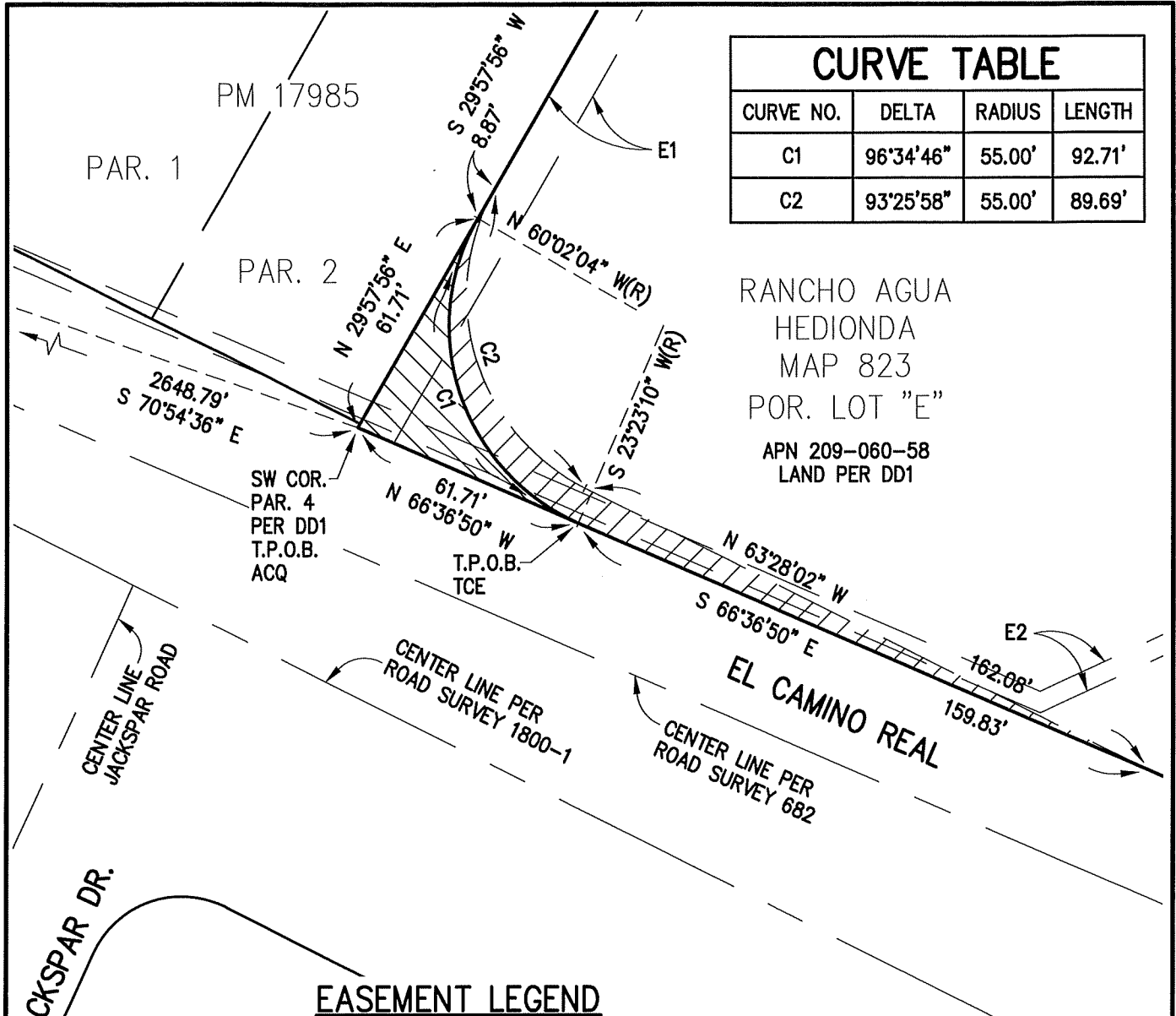
SHEET 1 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS	SCALE 1" = 300'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022	APN 209-060-58 OWNER: CAMINO CARLSBAD, LLC	DWG. NO.
APPROVED BY:	DATE:		

CURVE TABLE

CURVE NO.	DELTA	RADIUS	LENGTH
C1	96°34'46"	55.00'	92.71'
C2	93°25'58"	55.00'	89.69'

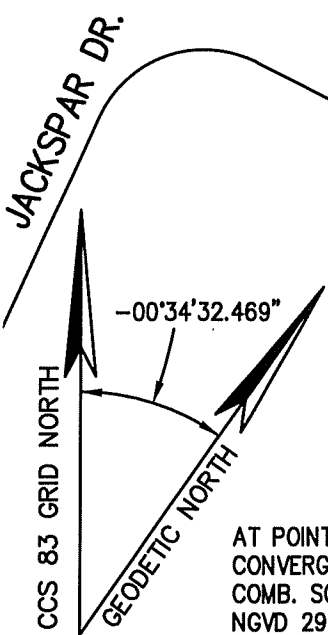
RANCHO AGUA
HEDIONDA
MAP 823
POR. LOT "E"
APN 209-060-58
LAND PER DD1



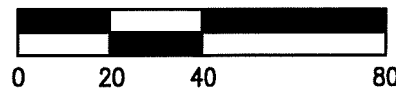
EASEMENT LEGEND

- E1 A TEMPORARY CONSTRUCTION EASEMENT IN FAVOR OF THE CITY OF CARLSBAD REC. 9/29/2000 AS DOC. NO. 2000-0523120 O.R.
- E2 5' WATER PIPELINE EASEMENT IN FAVOR OF PAUL ECKE 1/11/1954 IN BK. 5108, PG. 328 O.R.

NOTE: THE RIGHT TO EXTEND DRAINAGE STRUCTURES AND EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT OF WAY OF A COUNTY HIGHWAY GRANTED IN DEED REC. 1/5/1938 IN BK. 727, PG.441 O.R. IS NOT PLOTTABLE.



AT POINT #105 PER ROS 17271
CONVERGENCE ANGLE= -00°34'32.469"
COMB. SCALE FACTOR= 0.99996244
NGVD 29 ELEV= 45.41'



SHEET 2 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS	SCALE 1" = 40'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022	APN 209-060-58 OWNER: CAMINO CARLSBAD, LLC	DWG. NO.
APPROVED BY:	DATE:		

RECORDING REQUESTED FOR THE BENEFIT
OF THE CITY OF CARLSBAD
WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
() computed on full value of property conveyed, or
() computed on full value less value of liens and
encumbrances remaining at time of sale.
() Unincorporated area: (x) City of Carlsbad, and

Assessor's Parcel No.: 209-060-58
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID: _____
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT OF TEMPORARY CONSTRUCTION EASEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Camino Carlsbad, LLC

the owner of real property described herein located in the City of Carlsbad, San Diego County, California hereby GRANTS to City of Carlsbad, a Municipal Corporation ("Grantee") a non-exclusive TEMPORARY CONSTRUCTION EASEMENT for the purpose of constructing the **El Camino Real Widening Project**, a public project (the "**Project**"), and gives City, its successors and assigns, including City's contractor(s), the power to perform all activities in the Easement Area that are necessary for the construction and completion of the Project, inclusive of ingress and egress, and necessary appurtenances thereto, in, over, across, along, through and under the Property and incidents thereto, but only within the bounds of said easement area (the "**Easement Area**") as described in Exhibit "A", consisting of one (1) page, attached hereto and made a part hereof, and Exhibit "B" consisting of two (2) pages is attached hereto for clarity only. If any lien shall be filed against the Grantor's Property in connection with the performance of any work performed by or on behalf of the Grantee, then the Grantee shall, at its sole cost and expense, cause the lien to be discharged or bonded over within thirty (30) days following the written notice of same. Grantee shall indemnify, defend, protect and hold the Grantor harmless from and against any and all claims, expenses, liabilities, loss, damage and costs, including any actions or proceedings in connection therewith and including reasonable attorneys' fees (collectively, "Claims"), arising or resulting from work performed by or on behalf of Grantee on or about the Easement Area and/or the negligence or willful act or omission of, or the breach of this TEMPORARY CONSTRUCTION EASEMENT or any applicable laws by, Grantee or any party for which Grantee is responsible. If Grantor or Grantee hereto shall bring an action or proceeding (including, without limitation, any cross-complaint, counterclaim or third party claim) against the other by reason of the breach or alleged violation of any covenant, term or obligation hereof, or for the enforcement or interpretation of any provision of this TEMPORARY CONSTRUCTION EASEMENT, the prevailing party in such action or proceeding (as determined by a final judgment) shall be entitled to its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment. The provisions of this paragraph shall survive the termination of this TEMPORARY CONSTRUCTION EASEMENT.

It is understood that said TEMPORARY CONSTRUCTION EASEMENT shall expire on the date that is two hundred seventy (270) days following the commencement of work on the Project, but in any event no later than (i) January 31, 2026, or (ii) completion of the Project, whichever occurs first. At the earlier of the expiration of the Temporary Construction Easement or completion of the Project, City shall restore the Easement Area and any other affected Property to substantially the same condition as existed before construction, unless otherwise agreed to by the Grantor, in the Grantor's sole discretion. Upon such termination, if requested by the Grantor, Grantee will execute and record a termination of easement to confirm the termination of said TEMPORARY CONSTRUCTION EASEMENT. The provisions of this paragraph shall survive the termination of this TEMPORARY CONSTRUCTION EASEMENT.

(SIGNATURES ON FOLLOWING PAGE)

DATED March 28, 2024

OWNER: Camino Carlsbad, LLC

By: _____



(Sign Here)

Bret Feinstein

(Print Name Here)

managing member

(Title)

Grantee: **THE CITY OF CARLSBAD**,
a California municipal corporation

By: _____

Keith Blackburn,
Mayor

Approved as to Form:
CINDIE K. MCMAHON,
City Attorney

By: _____

Assistant City Attorney

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of San Diego }

On March 28, 2024 before me, Melinda Brown, Notary Public,
(Here insert name and title of the officer)

personally appeared Brett Feuerstein,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

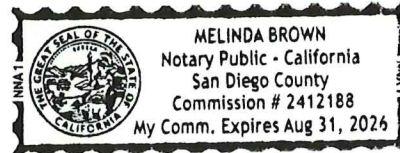
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Melinda Brown

Notary Public Signature

(Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
 Corporate Officer

_____ (Title)

- Partner(s)
 Attorney-in-Fact
 Trustee(s)
 Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

EXHIBIT "A"
TEMPORARY CONSTRUCTION EASEMENT
APN 209-060-58

THAT PORTION OF LOT "E" OF THE RANCHO AGUA HEDIONDA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY NOVEMBER 16, 1896, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 105 ACCORDING TO RECORD OF SURVEY MAP NO. 17271 FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 8, 2002 WHICH BEARS NORTH 68°14'31" WEST 7549.60 FEET FROM A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 108 ACCORDING TO SAID RECORD OF SURVEY MAP; THENCE SOUTH 70°54'36" EAST 2648.79 FEET TO THE SOUTHWEST CORNER OF PARCEL 4 OF A DEED IN FAVOR OF CAMINO CARLSBAD, LLC RECORDED FEBRUARY 4, 2003 AS DOC. NO. 2003-0130230 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL 4 SOUTH 66°36'50" EAST 61.71 FEET TO THE **TRUE POINT OF BEGINNING**;

1. THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE SOUTH 66°36'50" EAST 159.83 FEET;
2. THENCE LEAVING SAID SOUTHWESTERLY LINE NORTH 63°28'02" WEST 162.08 FEET TO THE BEGINNING OF A TANGENT 55.00-FOOT RADIUS CURVE CONCAVE NORTHEASTERLY;
3. THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 93°25'58" A DISTANCE OF 89.69 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 4;
4. THENCE ALONG SAID NORTHWESTERLY LINE SOUTH 29°57'56" WEST 8.87 FEET TO THE BEGINNING OF A TANGENT 55.00-FOOT RADIUS CURVE CONCAVE NORTHEASTERLY;
5. THENCE LEAVING SAID NORTHWESTERLY LINE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 96°34'46" A DISTANCE OF 92.71 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 1,242 SQUARE FEET, MORE OR LESS (BASED ON GROUND DISTANCES).

SEE EXHIBIT "B" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, NAD83, EPOCH 1991.35. DIVIDE DISTANCES SHOWN BY 0.99996244 TO OBTAIN GROUND DISTANCES.

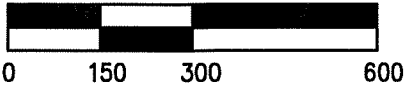


JOEL D. RIIPINEN LS 7942

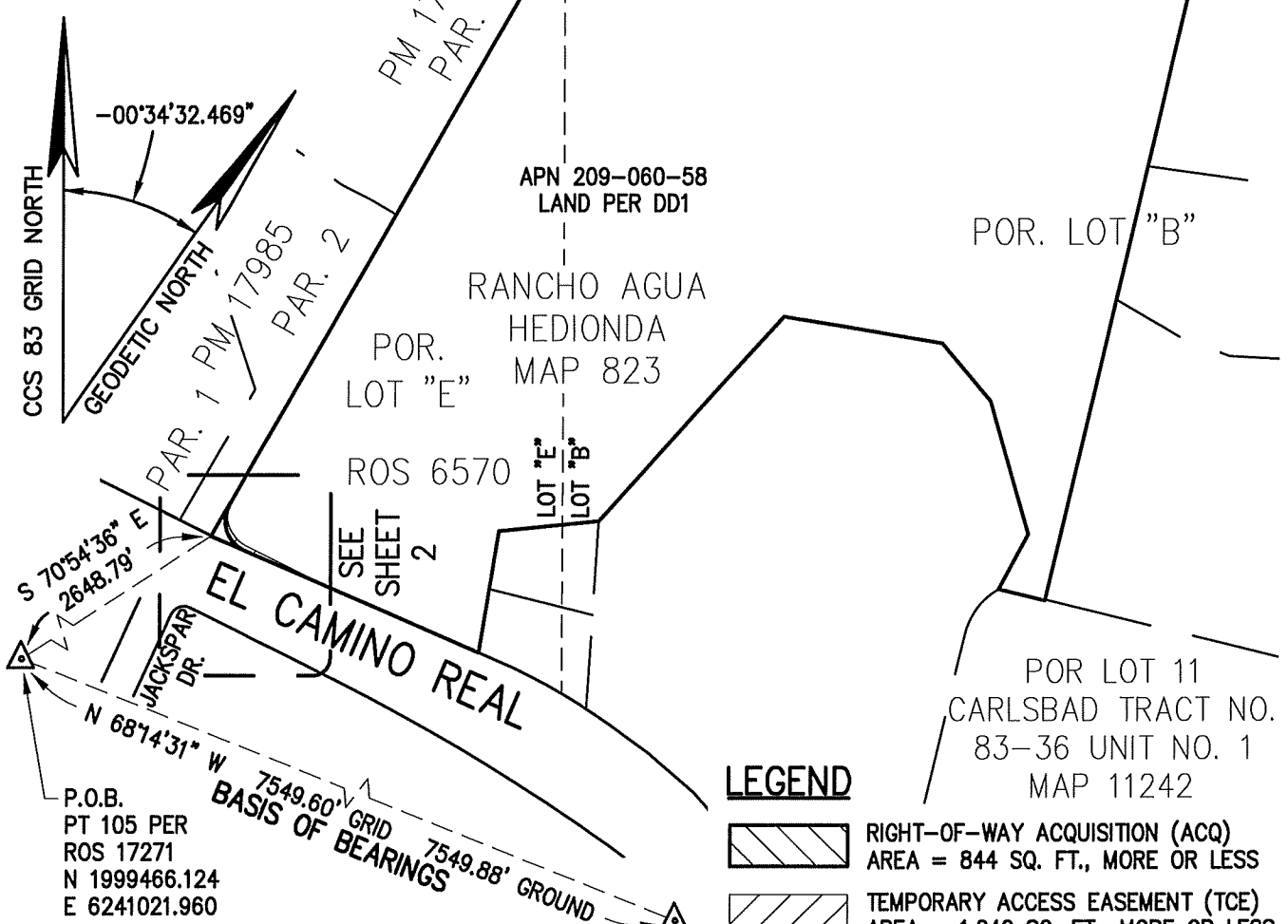
7-19-2022



EXHIBIT "B"



AT POINT #105 PER ROS 17271
 CONVERGENCE ANGLE= $-00^{\circ}34'32.469''$
 COMB. SCALE FACTOR= 0.99996244
 NGVD 29 ELEV= 45.41'



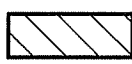
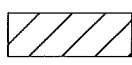

P.O.B.
 PT 105 PER
 ROS 17271
 N 1999466.124
 E 6241021.960

7549.60' GRID
 7549.88' GROUND
 BASIS OF BEARINGS

PT 108 PER
 ROS 17271
 N 1999466.124
 E 6241021.960

POR LOT 11
 CARLSBAD TRACT NO.
 83-36 UNIT NO. 1
 MAP 11242

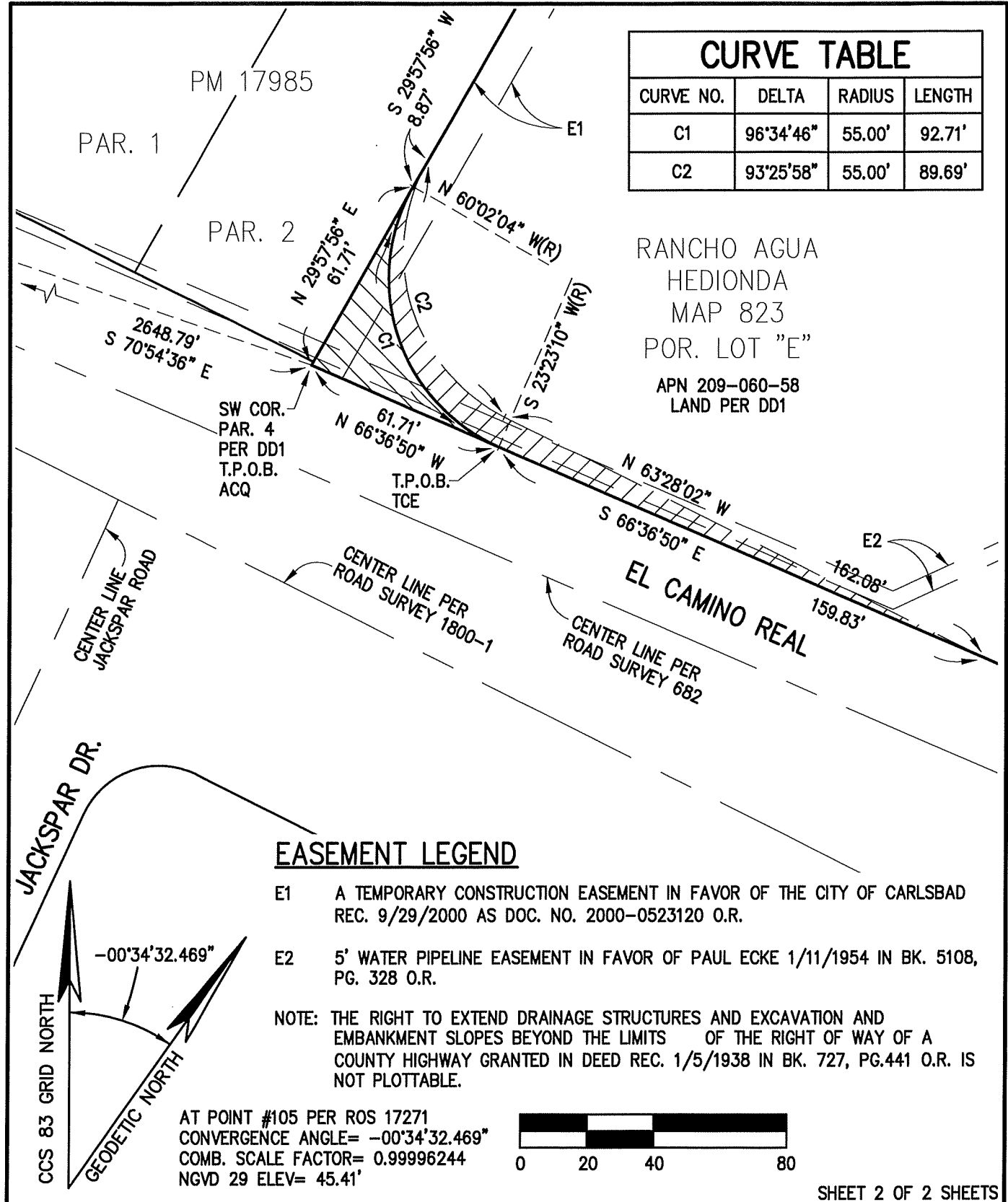
LEGEND

-  RIGHT-OF-WAY ACQUISITION (ACQ)
AREA = 844 SQ. FT., MORE OR LESS
-  TEMPORARY ACCESS EASEMENT (TCE)
AREA = 1,242 SQ. FT., MORE OR LESS
- P.O.B. POINT OF BEGINNING
- T.P.O.B. TRUE POINT OF BEGINNING
-  CONTROL POINT PER ROS 17271
- E1 SEE EASEMENT LEGEND ON.. SHEET 2
- DD1 DEED TO CAMINO CARLSBAD, LLC
REC. 2/4/2003 AS DOC. NO.
2003-0130230 O.R.



SHEET 1 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS APN 209-060-58 OWNER: CAMINO CARLSBAD, LLC	SCALE 1" = 300'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022		DWG. NO.
APPROVED BY:	DATE:		



CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	96°34'46"	55.00'	92.71'
C2	93°25'58"	55.00'	89.69'

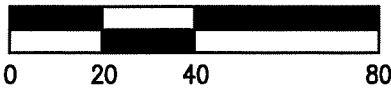
RANCHO AGUA
 HEDIONDA
 MAP 823
 POR. LOT "E"
 APN 209-060-58
 LAND PER DD1

EASEMENT LEGEND

- E1 A TEMPORARY CONSTRUCTION EASEMENT IN FAVOR OF THE CITY OF CARLSBAD REC. 9/29/2000 AS DOC. NO. 2000-0523120 O.R.
- E2 5' WATER PIPELINE EASEMENT IN FAVOR OF PAUL ECKE 1/11/1954 IN BK. 5108, PG. 328 O.R.

NOTE: THE RIGHT TO EXTEND DRAINAGE STRUCTURES AND EXCAVATION AND EMBANKMENT SLOPES BEYOND THE LIMITS OF THE RIGHT OF WAY OF A COUNTY HIGHWAY GRANTED IN DEED REC. 1/5/1938 IN BK. 727, PG.441 O.R. IS NOT PLOTTABLE.

AT POINT #105 PER ROS 17271
 CONVERGENCE ANGLE= -00°34'32.469"
 COMB. SCALE FACTOR= 0.99996244
 NGVD 29 ELEV= 45.41'



SHEET 2 OF 2 SHEETS

REVISED BY:	DATE:	CITY OF CARLSBAD EL CAMINO REAL STREET IMPROVEMENTS APN 209-060-58 OWNER: CAMINO CARLSBAD, LLC	SCALE 1" = 40'
DRAWN BY: KA	DATE: 7-19-2022		DOC. NO.
CHECKED BY: JR	DATE: 7-19-2022		DWG. NO.
APPROVED BY:	DATE:		

RECORDING REQUESTED FOR THE
BENEFIT OF THE CITY OF CARLSBAD
WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
() computed on full value of property conveyed, or
() computed on full value less value of liens and
encumbrances remaining at time of sale.
() Unincorporated area: (x) City of Carlsbad, and

Assessor 's Parcel No.: 209-090-11
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID: _____
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT OF TEMPORARY CONSTRUCTION EASEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Sunny Creek Development Partners LP

the owner of real property described herein located in the City of Carlsbad, San Diego County, California hereby GRANTS to City of Carlsbad, a Municipal Corporation ("Grantee")

the following described real property in the City of Carlsbad, County of San Diego, State of California: This TEMPORARY CONSTRUCTION EASEMENT is for the purpose of constructing the **El Camino Real Widening Project**, a public project (the "**Project**"), and gives City, its successors and assigns, including City's contractor(s), the power to perform all activities necessary for the construction and completion of the Project, inclusive of ingress and egress, and necessary appurtenances thereto, in, over, across, along, through and under the Property and incidents thereto, within the bounds of said easement as described in Exhibit "A", consisting of two (2) pages, attached hereto and made a part hereof, and Exhibit "B" consisting of two (2) pages is attached hereto for clarity only.

It is understood that said TEMPORARY CONSTRUCTION EASEMENT shall expire on January 31, 2026, or completion of the project, whichever occurs first. At the expiration of the Temporary Construction Easement, City shall restore the easement area to a condition substantially the same condition as existed before construction to the extent feasible, unless otherwise agreed to by the Grantor.

(SIGNATURES ON FOLLOWING PAGE)

DATED: 20 July 23

OWNER: SUNNY CREEK DEVELOPMENT PARTNERS LP, a Delaware limited partnership

By: Sunny Creek Developments, Inc.,
General Partner

(NOTARIAL ACKNOWLEDGMENT OF EXECUTION BY OWNER(S) MUST BE ATTACHED.)

By: *John M. Santay*
(Sign Here)

NOTE THAT THE PRESIDENT OR VICE-PRESIDENT AND THE SECRETARY OR ASSISTANT SECRETARY MUST SIGN FOR CORPORATE EXECUTIONS OF THIS DOCUMENT. ALTERNATELY A TRUE COPY OF A RESOLUTION OF THE BOARD OF DIRECTORS THAT IS SIGNED BY THE SECRETARY OR ASSISTANT SECRETARY OF THE CORPORATION, UNDER CORPORATE SEAL SPECIFICALLY EMPOWERING THE INDIVIDUAL SIGNED IN BEHALF OF THE CORPORATION WILL SHOW SUFFICIENT AUTHORITY OF SAID INDIVIDUAL TO ACT IN THIS MATTER.

JOHN M. SANTAY
(Print Name Here)

SENIOR VICE PRESIDENT, CALIFORNIA
(Title)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS EASEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)

COUNTY OF Orange)

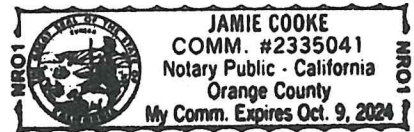
On July 20, 2023 before me, Jamie Cooke, Notary Public, personally appeared John m. Santry, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Jamie Cooke

(Seal)



AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "**Agreement**") is made and entered into as of this March 14, 2024, between **CAMINO CARLSBAD, LLC**, a California limited liability company ("**Seller**"), and **THE CITY OF CARLSBAD**, a California municipal corporation ("**Buyer**") with reference to the following facts:

- A. Seller is the owner of the Property, as hereinafter defined.
- B. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the foregoing and the mutual covenants and agreements set forth in this Agreement, Seller and Buyer agree as follows:

ARTICLE I PROPERTY

1.1 Conveyance of Property. Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, all of Seller's right, title and interest in and to the following:

(a) **Land.** Approximately 844 square feet of land for a grant deed easement and 1,242 square feet of land for a temporary construction easement both of which are located near the intersection of Rancho Carlsbad Drive and El Camino Real in Carlsbad, California 92010 described in Exhibit "A", with Assessor's Parcel Number 209-060-58 (the "**Property**");

ARTICLE II PURCHASE PRICE

2.1 Purchase Price. Buyer shall pay to Seller the purchase price of nineteen thousand six hundred twenty-five dollars (\$19,625.00) for the grant deed easement and one thousand seven hundred ten dollars (\$1,710.00) for the temporary construction easement, for a combined total of twenty-one thousand three hundred thirty-five dollars (\$21,335.00) ("**Purchase Price**").

2.2 Payment of Purchase Price. Buyer shall pay Seller the Purchase Price by check or cashier's check on the Closing Date (defined in Section 4.1 below).

ARTICLE III CONVEYANCE OF TITLE TO PROPERTY

3.1 Real Property. On the Closing Date (defined in Section 4.1), Seller shall (i) convey fee title to the Real Property to Buyer, by duly executed and acknowledged grant deed substantially in the form of Exhibit "B" hereto (the "**Deed**"); and (ii) grant to Buyer a temporary construction easement by duly executed and acknowledged temporary construction easement agreement in the form of Exhibit "C" hereto (the "**Temporary Construction Easement Agreement**"). Seller

agrees to convey the Real Property to Buyer free of financial encumbrances caused by Seller, other than the lien of non-delinquent real property taxes and special assessments.

ARTICLE IV CLOSING

4.1 Closing. The closing hereunder ("**Closing**") shall mean the date when Seller receives the Purchase Price (the "**Closing Date**"), which shall occur no later than [City to insert outside date], 2024.

If either party has complied with the terms and conditions of this Agreement as of the Closing Date and the other party is not in a position to close, the party not in a position to close shall be in material breach of this Agreement and this Agreement may be terminated by the non-defaulting party. Except as set forth herein, the Closing Date may not be extended without the written approval of both Seller and Buyer.

4.2 Delivery by Seller. Not less than one (1) business day before the Closing Date, Seller shall deposit with Buyer the following:

(1) The Deed and the Temporary Construction Easement Agreement, each duly executed and acknowledged by Seller, in recordable form, and ready for recordation on the Closing Date;

(2) Any other documents as may be necessary or appropriate to convey the Property in accordance with this Agreement; and

4.3 Delivery by Buyer. On or before the Closing Date, Buyer shall send to Seller:

(1) The Purchase Price, paid in the form of a check or cashier's check;

(2) Proof of Buyer's authority and authorization to enter into and perform under this Agreement as described in a certified copy of the City Council Resolution authorizing the Mayor to execute this Agreement; and

(3) Any other documents as may be necessary or appropriate to convey the Property in accordance with this Agreement.

4.4 Recording by Buyer. On (and not prior to) the Closing Date, Buyer shall record the Deed, with the Certificate of Acceptance, and the Temporary Construction Easement Agreement, with the San Diego County Recorder's Office and shall mail Seller a copy of the recorded Deed and Temporary Construction Easement Agreement within ten (10) business days after recordation.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Seller. As a material inducement to Buyer to enter into this Agreement, Seller hereby represents and warrants to and agrees with Buyer as follows:

(a) **Organization; Authority.** The entity making up the Seller is a California limited liability company and has the full right, power and authority to enter into this Agreement, and has taken all action necessary to consummate the transactions contemplated hereby.

(b) **Litigation.** To Seller's actual knowledge, there are no actions, suits, proceedings, judgments, arbitration, orders, decrees pending, or other legal or administrative suit against Seller or the Property that would materially or adversely affect the use or operation of the Property, or Seller's ability to perform its obligations under the Agreement or the documents to be executed in connection herewith.

(c) **No Bankruptcy.** Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

(d) **Property Taxes and Assessments.** All real estate and personal property taxes and assessments attributable to the Easement Area will be prorated at Closing. Seller is obligated to pay any property taxes and assessments attributable to the Easement Area to the Closing Date. Buyer shall pay all property taxes and assessments attributable to the Easement Area from and after the Closing Date. Buyer shall receive title free and clear of financial liens and financial encumbrances caused by Seller, other than the lien of non-delinquent real property taxes and special assessments.

5.2 Representations and Warranties of Buyer. As a material inducement to Seller to enter into this Agreement, Buyer hereby represents and warrants to and agrees with Seller as follows:

(a) **Organization.** Buyer is a chartered municipal corporation duly formed, validly existing under the laws of the State of California and has the full right, power and authority to enter into this Agreement, and has taken all action necessary to consummate the transactions contemplated by this Agreement.

(b) **Authority to Bind.** This Agreement and all documents executed by Buyer which will be delivered to Seller at or prior to the Closing are, or at the time of Closing will be: (i) duly authorized, executed, and delivered by Buyer, (ii) legal, valid and binding obligations of Buyer enforceable in accordance with their terms. This Agreement and all documents executed by Buyer which will be delivered to Seller at or prior to the Closing do not, or at the time of Closing will

not, violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer is subject.

(c) **No Bankruptcy**. Buyer has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Buyer's creditors, (iii) suffered the appointment of a receiver to take possession of all or substantially all of Buyer's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Buyer's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

5.3 No other Representations or Warranties. Except for those representations and warranties expressly set forth in this Agreement, the parties understand and acknowledge that no person acting on behalf of Seller is authorized to make, and by execution hereof Buyer acknowledges that no person has made, any representation, agreement, statement, warranty, guaranty or promise regarding the Property or the transaction contemplated herein, or regarding the zoning, construction, development, physical or environmental condition or other status of the Property.

ARTICLE VI

ACCEPTANCE OF PROPERTY AS IS, WHERE IS; RELEASE

BUYER ACKNOWLEDGES THAT IT IS A SOPHISTICATED AND EXPERIENCED PURCHASER OF REAL PROPERTY. ACCORDINGLY, NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT OR ANY EXHIBIT ATTACHED HERETO, BUYER ACKNOWLEDGES AND AGREES THAT BUYER WILL BE CONCLUDING THE PURCHASE OF THE PROPERTY BASED SOLELY UPON SELLER'S EXPRESS REPRESENTATIONS SET FORTH IN SECTION 5.1 ABOVE AND BUYER'S INSPECTION AND INVESTIGATION OF THE PROPERTY AND THAT BUYER WILL BE PURCHASING THE PROPERTY ON AN "**AS IS, WHERE IS**" BASIS, WITH ALL FAULTS, LATENT AND PATENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, IS NOT HEREBY MAKING AND SELLER HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, EXCEPT THOSE EXPRESSLY CONTAINED IN SECTION 5.1 OF THIS AGREEMENT, ON WHICH BUYER IS RELYING AS TO ANY MATTER CONCERNING THE PROPERTY, INCLUDING, WITHOUT LIMITATION, MATTERS RELATING TO THE ZONING, LAND USE OR OTHER ENTITLEMENTS, THE ENVIRONMENTAL CONDITION OF THE PROPERTY, THE EXISTENCE OF NATURAL HAZARDS, MOLD, AND/OR SOILS, SEISMIC, GEOTECHNICAL AND/OR OTHER MATTERS RELATING TO THE CONDITION OF THE PROPERTY, AND MATTERS RELATED TO THE COMPLIANCE OF THE PROPERTY WITH APPLICABLE LAWS, ORDINANCES AND REGULATIONS, INCLUDING, WITHOUT LIMITATION, THE AMERICANS WITH DISABILITIES ACT. BUYER ACKNOWLEDGES AND AGREES THAT (A) ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE PROPERTY BY OR ON BEHALF OF SELLER, WERE OBTAINED FROM A VARIETY OF SOURCES, (B) SELLER HAS NOT MADE ANY INDEPENDENT INVESTIGATION OR

VERIFICATION OF SUCH INFORMATION, (C) ALL SUCH INFORMATION HAS BEEN AND SHALL BE PROVIDED SOLELY AS AN ACCOMMODATION TO BUYER, AND SELLER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, AND (D) SELLER IS NOT, AND SHALL NOT BE, LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENT, REPRESENTATION OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION OR CONDITION THEREOF, FURNISHED BY OR ON BEHALF OF SELLER OR ANY CONSULTANT, ADVISOR, ATTORNEY, REAL ESTATE BROKER, CONTRACTOR, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON, EXCEPT FOR THE EXPRESS REPRESENTATIONS MADE SELLER IN SECTION 5.1 ABOVE.

EFFECTIVE UPON CLOSING, BUYER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES AND RELEASES ANY AND ALL ACTUAL OR POTENTIAL CLAIMS, DAMAGES, CAUSES OF ACTION, DEMANDS OR RIGHTS AGAINST SELLER, DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT IT NOW HAS OR THAT MAY ARISE IN THE FUTURE BECAUSE OF OR IN ANY WAY GROWING OUT OF OR CONNECTED WITH THIS AGREEMENT AND THE PROPERTY, INCLUDING, WITHOUT LIMITATION, (i) THE CONDITION OF THE PROPERTY (ii) ANY CONDITION OF ENVIRONMENTAL CONTAMINATION OR POLLUTION AT THE PROPERTY, HOWEVER AND WHENEVER OCCURRING, INCLUDING WITHOUT LIMITATION, THE CONTAMINATION OR POLLUTION OF ANY SOILS, SUBSOIL MEDIA, SURFACE WATERS AND GROUNDWATERS AT THE PROPERTY, PETROLEUM PRODUCTS, ASBESTOS, LEAD-BASED PAINT, MOLD, AND FUNGI; (iii) TO THE EXTENT NOT ALREADY INCLUDED IN (ii) ABOVE, THE PRIOR, PRESENT OR FUTURE EXISTENCE, RELEASE OR DISCHARGE, OR THREATENED RELEASE, OF ANY HAZARDOUS MATERIALS AT THE PROPERTY, HOWEVER AND WHENEVER OCCURRING; (iv) THE VIOLATION OF, OR NON-COMPLIANCE WITH, ANY APPLICABLE LAWS, INCLUDING, WITHOUT LIMITATION ENVIRONMENTAL LAWS, NOW OR HEREAFTER IN EFFECT, HOWEVER OR WHENEVER OCCURRING (COLLECTIVELY, "**CLAIMS**"), EXCEPT (A) SELLER'S BREACH OF THE REPRESENTATIONS AND WARRANTIES EXPRESSLY CONTAINED IN SECTION 5.1 OF THIS AGREEMENT, AND (B) SELLER'S BREACH OF ANY COVENANT OR OTHER OBLIGATION CONTAINED IN THIS AGREEMENT WHICH EXPRESSLY SURVIVE THE CLOSING. AS USED HEREIN, "**SELLER PARTIES**" SHALL INCLUDE SELLER AND EVERY ENTITY AFFILIATED WITH SELLER AND ALL OF ITS AND THEIR RESPECTIVE PARTNERS, MEMBERS, OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS, ATTORNEYS AND INDEPENDENT CONTRACTORS AND THE SUCCESSOR OF EACH AND EVERY ONE OF THEM.

AS PART OF THE PROVISIONS OF THIS SECTION, BUT NOT AS A LIMITATION THEREON, BUYER HEREBY EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE SECTION 1542, AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE EXECUTION DATE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS

AGREEMENT TO RELEASE SELLER. THE PROVISIONS OF THIS ARTICLE ARE MATERIAL AND INCLUDED AS A MATERIAL PORTION OF THE CONSIDERATION GIVEN TO SELLER BY BUYER IN EXCHANGE FOR SELLER'S PERFORMANCE HEREUNDER. SELLER AND BUYER HAVE EACH INITIALED THIS ARTICLE TO FURTHER INDICATE THEIR AWARENESS AND ACCEPTANCE OF EACH AND EVERY PROVISION OF THIS ARTICLE VI.

BUYER'S INITIALS: _____ **SELLER'S INITIALS:** BF

THE PROVISIONS OF THIS ARTICLE VI SHALL SURVIVE THE CLOSING.

**ARTICLE VII
RELEASE**

RELEASE. BUYER, AS BUYER UNDER THIS AGREEMENT, MADE BY AND BETWEEN SELLER AND BUYER HEREBY GENERALLY RELEASES AND DISCHARGES SELLER AND ALL OF ITS OFFICERS, DIRECTORS, SHAREHOLDERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND ATTORNEYS, BOTH PRESENT AND PAST, OF AND FROM ANY AND ALL CLAIMS, DEBTS, LIABILITIES, OBLIGATIONS, AND CAUSES OF ACTION OF ANY KIND OR NATURE, WHETHER KNOWN OR UNKNOWN, BASED ON, ARISING OUT OF, OR CONNECTED WITH, EITHER DIRECTLY OR INDIRECTLY, THE PROPERTY, OR TO ANY LANDLORD/TENANT RELATIONSHIP BETWEEN BUYER AND SELLER. THIS GENERAL RELEASE SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA, AND THE UNDERSIGNED BUYER HEREBY WAIVES ANY AND ALL RIGHTS IT MAY HAVE UNDER THE PROVISIONS OF SECTION 1542 OF THE CIVIL CODE OF THE STATE OF CALIFORNIA, AS NOW WORDED AND AS HEREAFTER AMENDED, WHICH SECTION PRESENTLY READS AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

IT IS UNDERSTOOD BY THE UNDERSIGNED BUYER THAT THE FACTS WITH RESPECT TO WHICH THIS GENERAL RELEASE IS GIVEN MAY HEREAFTER TURN OUT TO BE OTHER THAN OR DIFFERENT FROM THE FACTS IN THAT CONNECTION NOW KNOWN TO IT OR BELIEVED BY IT TO BE TRUE, AND IT THEREFORE EXPRESSLY ASSUMES THE RISK OF THE FACTS TURNING OUT TO BE SO DIFFERENT AND AGREES THAT THE FOREGOING GENERAL RELEASE SHALL BE IN ALL RESPECTS EFFECTIVE AND NOT SUBJECT TO TERMINATION OR RESCISSION BY ANY SUCH DIFFERENCE IN FACTS. THIS GENERAL RELEASE SHALL BIND ALL PERSONS OR BUSINESS ENTITIES CLAIMING ANY RIGHTS UNDER OR THROUGH BUYER WHETHER AS STOCKHOLDERS OR OTHERWISE.

BUYER'S INITIALS: _____

THE PROVISIONS OF THIS ARTICLE VII SHALL SURVIVE THE CLOSING.

**ARTICLE VIII
ADMINISTRATIVE PROVISIONS**

8.1 Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and sent by United States mail, registered or certified mail, postage prepaid, return receipt requested, or by facsimile, or by personal delivery (by overnight courier or otherwise), and addressed as follows:

If to Seller: Camino Carlsbad, LLC
Attn: Brett Feuerstein
9968 Hibert Street, Suite 200
San Diego, CA 92131
Email: Brett@mesacenters.com
Fax No. (858) 271-5161

If to Buyer: City of Carlsbad
Real Estate Manager
Attn: Curtis M. Jackson
3096 Harding Street
Carlsbad, CA 92008

If such notices are sent by personal delivery (by overnight courier or otherwise), such notices, including notices of change of address for either party, or other communications shall be deemed delivered upon delivery. If sent by United States mail, registered or certified mail, postage prepaid, return receipt requested, such notices or other communications shall be deemed delivered upon delivery or refusal to accept delivery as indicated on the return receipt.

8.2 Brokers and Finders. In connection with the transactions contemplated by this Agreement (a) Seller hereby represents and warrants to Buyer that Seller has not, and shall not, incur any obligation to any third party for the payment of any broker's fee, finder's fee, commission or other similar compensation, and (b) Buyer hereby represents and warrants to Seller that Buyer has not, and shall not, incur any obligation to any broker or third party for the payment of any broker's fee, finder's fee, commission or other similar compensation. In the event of a claim for any broker's fee, finder's fee, commission or other similar compensation in connection herewith, Buyer, if such claim is based upon any agreement alleged to have been made by Buyer, hereby agrees to indemnify and hold Seller harmless from and against any and all liability, loss, cost, damage and/or expense (including, without limitation, reasonable attorneys' fees and expenses) which Seller may sustain or incur by reason of such claim, and Seller, if such claim is based upon any agreement alleged to have been made by Seller, hereby agrees to indemnify and hold Buyer harmless from and against any and all liability, loss, cost, damage and/or expense (including, without limitation, reasonable attorneys' fees and expense) which Buyer may sustain or incur by

reason of such claim. The provisions of this Section shall survive the execution and delivery (or termination) of this Agreement, the delivery of the Deed and the transfer of title.

8.3 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns, except that neither Buyer's nor Seller's interests under this Agreement may be assigned, encumbered or otherwise transferred whether voluntarily, involuntarily, by operation of law or otherwise, without the prior written consent of the other party which will not be unreasonably withheld or delayed.

Notwithstanding the foregoing, (i) Buyer shall have the right to assign its rights under this Agreement to any entity controlled by or under common control (directly or indirectly) with Buyer which assumes Buyer's obligations hereunder in writing, provided, however, in no event shall Buyer's assignment of this Agreement relieve Buyer of any obligations under this Agreement, and (ii) Buyer and Seller shall have the right to assign its rights under this Agreement in connection with any tax deferred exchange under Internal Revenue Code Section 1031, provided, however, that in no event shall any such assignment of this Agreement relieve Buyer or Seller, as applicable, of any obligations under this Agreement.

8.4 Amendments. This Agreement may be amended or modified only by a written instrument executed by all of the parties hereto.

8.5 Continuation and Survival of Representations and Warranties. All representations and warranties by the parties contained in this Agreement or made in writing pursuant to this Agreement are intended to and shall remain true and correct as of the time of Closing, shall be deemed to be material, and shall survive the execution and delivery of this Agreement, the delivery of the Deed and transfer of title for a period of one hundred eighty (180) days following the Closing Date (the "**Survival Period**"). No claim for a breach of any representation or warranty of Seller will be actionable or payable if (i) Buyer does not notify Seller in writing of such breach and commence a "legal action" thereon within the Survival Period, or (ii) the breach in question results from or is based on a condition, state of facts or other matter which was actually known to Buyer prior to Closing.

8.6 Interpretation. Whenever used herein, the term "**including**" shall be deemed to be followed by the words "**without limitation**". Words used in the singular number shall include the plural, and vice versa, and any gender shall be deemed to include each other gender. The captions and headings of the Articles and Sections of this Agreement are for convenience of reference only, and shall not be deemed to define or limit the provisions hereof.

8.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, with venue in San Diego County, California. Any action at law or in equity brought by either of the parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Diego, State of California, and the parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

8.8 Merger of Prior Agreements. This Agreement, including the exhibits hereto, constitutes the entire agreement between the parties with respect to the transaction contemplated hereby and supersedes all prior agreements and understandings between the parties hereto relating to the subject matter hereof.

8.9 Time of the Essence. Time is of the essence of this Agreement.

8.10 Election of Remedies. Except as otherwise provided in this Agreement, no right or remedy conferred upon Buyer or Seller in this Agreement is intended to be exclusive of any other right or remedy contained herein or now or hereafter available to Buyer or Seller at law or in equity, and every such right and remedy shall be cumulative and shall be in addition to every other right or remedy contained in this Agreement or now or hereafter available to Buyer or Seller at law or in equity. The provisions of this Section 8.10 shall survive the Closing or the earlier termination of this Agreement.

8.11 Authority. The parties signing below represent and warrant that they have the requisite authority to bind the entities on whose behalf they are signing.

8.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

8.13 No Third Parties Benefited. This Agreement is made and entered into for the benefit of Seller and Buyer, their successors and permitted assigns, and no other person or entity shall have any rights hereunder.

8.14 Severability. The invalidity or unenforceability of any one or more of the provisions of this Agreement shall not affect the validity of enforceability of any of the other provisions of this Agreement.

8.15 Exhibits and Schedules. The exhibits and schedules attached to this Agreement are hereby incorporated by reference.

BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

Seller: **CAMINO CARLSBAD, LLC,**
a California limited liability company

By: Brett Feuerstein
Brett Feuerstein,
Managing Member

Buyer: **THE CITY OF CARLSBAD,**
a California municipal corporation

By: _____
Keith Blackburn,
Mayor

**Approved
as to Form:** **CINDIE K. MCMAHON, City Attorney**

By: Gina Herrera
Assistant City Attorney

LIST OF EXHIBITS

- A: Legal Description of Property
- B: Form of Deed
- C: Form of Temporary Construction Easement

EXHIBIT "A"
(Page 1 of 3)

APN 209-060-58

EXHIBIT "A"
RIGHT-OF-WAY ACQUISITION
APN 209-060-58

THAT PORTION OF LOT "E" OF THE RANCHO AGUA HEDIONDA, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 823, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY NOVEMBER 16, 1896, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 105 ACCORDING TO RECORD OF SURVEY MAP NO. 17271 FILED IN THE OFFICE OF THE COUNTY RECORDER ON FEBRUARY 8, 2002 WHICH BEARS NORTH 68°14'31" WEST 7549.60 FEET FROM A BRASS DISC STAMPED "LS 6215" SHOWN AS POINT NO. 108 ACCORDING TO SAID RECORD OF SURVEY MAP; THENCE SOUTH 70°54'36" EAST 2648.79 FEET TO THE SOUTHWEST CORNER OF PARCEL 4 OF A DEED IN FAVOR OF CAMINO CARLSBAD, LLC RECORDED FEBRUARY 4, 2003 AS DOC. NO. 2003-0130230 OF OFFICIAL RECORDS, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING**;

1. THENCE ALONG SAID SOUTHWESTERLY LINE SOUTH 66°36'50" EAST 61.71 FEET TO THE POINT OF CUSP OF A TANGENT 55.00-FOOT RADIUS CURVE CONCAVE NORTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS SOUTH 23°23'10" WEST;
2. THENCE LEAVING SAID NORTHEASTERLY LINE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 96°34'46" A DISTANCE OF 92.71 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL 4;
3. THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 4 SOUTH 29°57'56" WEST 61.71 FEET TO THE **TRUE POINT OF BEGINNING**.

AREA = 844 SQUARE FEET, MORE OR LESS (BASED ON GROUND DISTANCES).

SEE EXHIBIT "B" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 6, NAD83, EPOCH 1991.35. DIVIDE DISTANCES SHOWN BY 0.99996244 TO OBTAIN GROUND DISTANCES.



 _____ 7-19-2022
 JOEL D. RIIPINEN LS 7942



EXHIBIT "A"
(Page 2 of 3)

APN 209-060-58

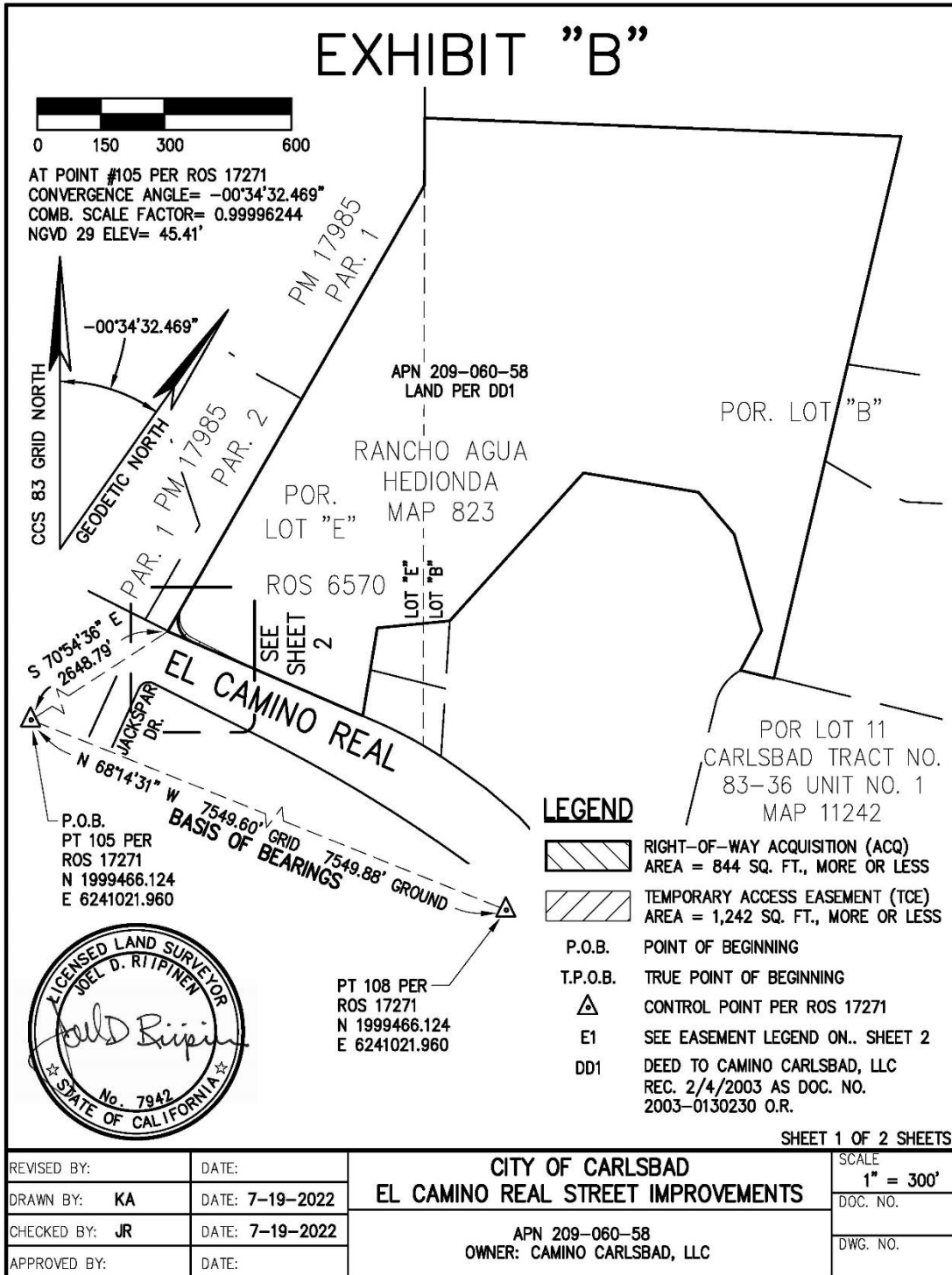


EXHIBIT "A"
(Page 3 of 3)

APN 209-060-58

EXHIBIT "B" (SHEET 2 OF 2)

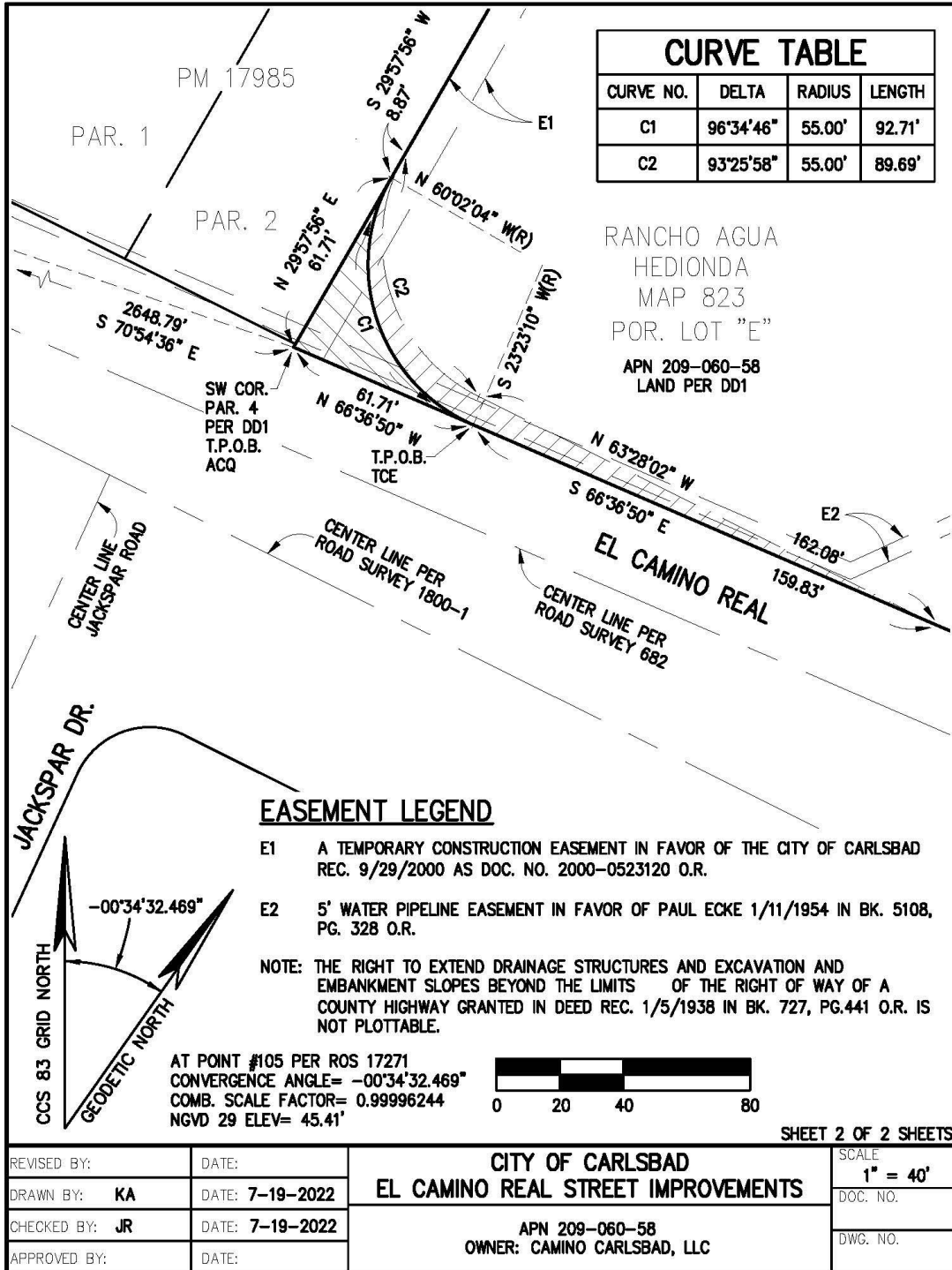


EXHIBIT "B"
(Page 1 of 5)

APN 209-060-58

FORM OF DEED

RECORDING REQUESTED FOR THE BENEFIT
OF THE CITY OF CARLSBAD

WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
 computed on full value of property conveyed, or
 computed on full value less value of liens and
encumbrances remaining at time of sale.
 Unincorporated area: City of Carlsbad, and

Assessor's Parcel No.: 209-060-58
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID: _____
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Camino Carlsbad, LLC

hereby GRANTS, in fee simple, to the **City of Carlsbad, a Municipal Corporation**, for public purposes, including but not limited to street, highway, sewer, drainage, public utilities, and public access, in, upon, over, under, along and across the same, all that real property situated in the City of Carlsbad, County of San Diego, State of California, described by the attached Exhibit "A" and depicted in Exhibit "B".

Subject to:

1. Nondelinquent taxes and assessments; and
2. All matters of record or visible from an inspection of the property or which an accurate survey of the property would disclose.

(SIGNATURES ON FOLLOWING PAGE)

EXHIBIT "B"
(Page 2 of 5)

APN 209-060-58

DATED: _____, 2024

OWNER: Camino Carlsbad, LLC

By: _____
(Sign Here)

(Print Name Here)

(Title)

EXHIBIT "B"
(Page 3 of 5)

APN 209-060-58

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT "B"
(Page 4 of 5)

APN 209-060-58

EXHIBIT "A"

LEGAL DESCRIPTION

EXHIBIT "B"
(Page 5 of 5)

APN 209-060-58

EXHIBIT "B"

DEPICTION OF EASEMENT

EXHIBIT "C"
(Page 1 of 6)

APN 209-060-58

FORM OF TEMPORARY CONSTRUCTION EASEMENT

RECORDING REQUESTED FOR THE BENEFIT
OF THE CITY OF CARLSBAD
WHEN RECORDED MAIL TO:

City Clerk
CITY OF CARLSBAD
1200 Carlsbad Village Drive
Carlsbad, CA 92008

MAIL TAX EXEMPT STATEMENTS TO:
EXEMPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned grantor(s) declare(s):
Documentary transfer tax is \$0.00
() computed on full value of property conveyed, or
() computed on full value less value of liens and
encumbrances remaining at time of sale.
() Unincorporated area: (x) City of Carlsbad, and

Assessor's Parcel No.: 209-060-58
Project ID: CIP 6094
Related Project ID: DWG No. 529-1
Related Project ID: _____
Project Name: El Camino Real
Widening from Sunny Creek Rd to
Jackspar Dr.

GRANT OF TEMPORARY CONSTRUCTION EASEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Camino Carlsbad, LLC

the owner of real property described herein located in the City of Carlsbad, San Diego County, California hereby GRANTS to City of Carlsbad, a Municipal Corporation ("Grantee") a non-exclusive TEMPORARY CONSTRUCTION EASEMENT for the purpose of constructing the **El Camino Real Widening Project**, a public project (the "**Project**"), and gives City, its successors and assigns, including City's contractor(s), the power to perform all activities in the Easement Area that are necessary for the construction and completion of the Project, inclusive of ingress and egress, and necessary appurtenances thereto, in, over, across, along, through and under the Property and incidents thereto, but only within the bounds of said easement area (the "**Easement Area**") as described in Exhibit "A", consisting of two (2) pages, attached hereto and made a part hereof, and Exhibit "B" consisting of two (2) pages is attached hereto for clarity only. If any lien shall be filed against the Grantor's Property in connection with the performance of any work performed by or on behalf of the Grantee, then the Grantee shall, at its sole cost and expense, cause the lien to be discharged or bonded over within thirty (30) days following the written notice of same. Grantee shall indemnify, defend, protect and hold the Grantor harmless from and against any and all claims, expenses, liabilities, loss, damage and costs, including any actions or proceedings in connection therewith and including reasonable attorneys' fees (collectively, "Claims"), arising or resulting from work performed by or on behalf of Grantee on or about the Easement Area and/or the negligence or willful act or omission of, or the breach of this TEMPORARY CONSTRUCTION EASEMENT or any applicable laws by, Grantee or any party for which Grantee is responsible. If Grantor or Grantee hereto shall bring an action or proceeding (including, without limitation, any cross-complaint, counterclaim or third party claim) against the other by reason of the breach or alleged violation of any covenant, term or obligation hereof, or for the enforcement or interpretation of any provision of this TEMPORARY CONSTRUCTION EASEMENT, the prevailing party in such action or proceeding (as determined by a final judgment) shall be entitled to its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such

EXHIBIT "C"
(Page 2 of 6)

APN 209-060-58

action is prosecuted to judgment. The provisions of this paragraph shall survive the termination of this TEMPORARY CONSTRUCTION EASEMENT.

It is understood that said TEMPORARY CONSTRUCTION EASEMENT shall expire on the date that is two hundred seventy (270) days following the commencement of work on the Project, but in any event no later than (i) January 31, 2026, or (ii) completion of the Project, whichever occurs first. At the earlier of the expiration of the Temporary Construction Easement or completion of the Project, City shall restore the Easement Area and any other affected Property to substantially the same condition as existed before construction, unless otherwise agreed to by the Grantor, in the Grantor's sole discretion. Upon such termination, if requested by the Grantor, Grantee will execute and record a termination of easement to confirm the termination of said TEMPORARY CONSTRUCTION EASEMENT. The provisions of this paragraph shall survive the termination of this TEMPORARY CONSTRUCTION EASEMENT.

(SIGNATURES ON FOLLOWING PAGE)

EXHIBIT "C"
(Page 3 of 6)

APN 209-060-58

DATED _____, 2024

OWNER: Camino Carlsbad, LLC

By: _____
(Sign Here)

(Print Name Here)

(Title)

Grantee: THE CITY OF CARLSBAD,
a California municipal corporation

THE CITY OF CARLSBAD,
a California municipal corporation

By: _____
Keith Blackburn,
Mayor

By: _____
Keith Blackburn,
Mayor

Approved as to Form:
CINDIE K. MCMAHON,
City Attorney

CINDIE K. MCMAHON, City Attorney

By: _____
Assistant City Attorney

By: _____
Assistant City Attorney

EXHIBIT "C"
(Page 4 of 6)

APN 209-060-58

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

EXHIBIT "C"
(Page 5 of 6)

APN 209-060-58

EXHIBIT "A"

LEGAL DESCRIPTION

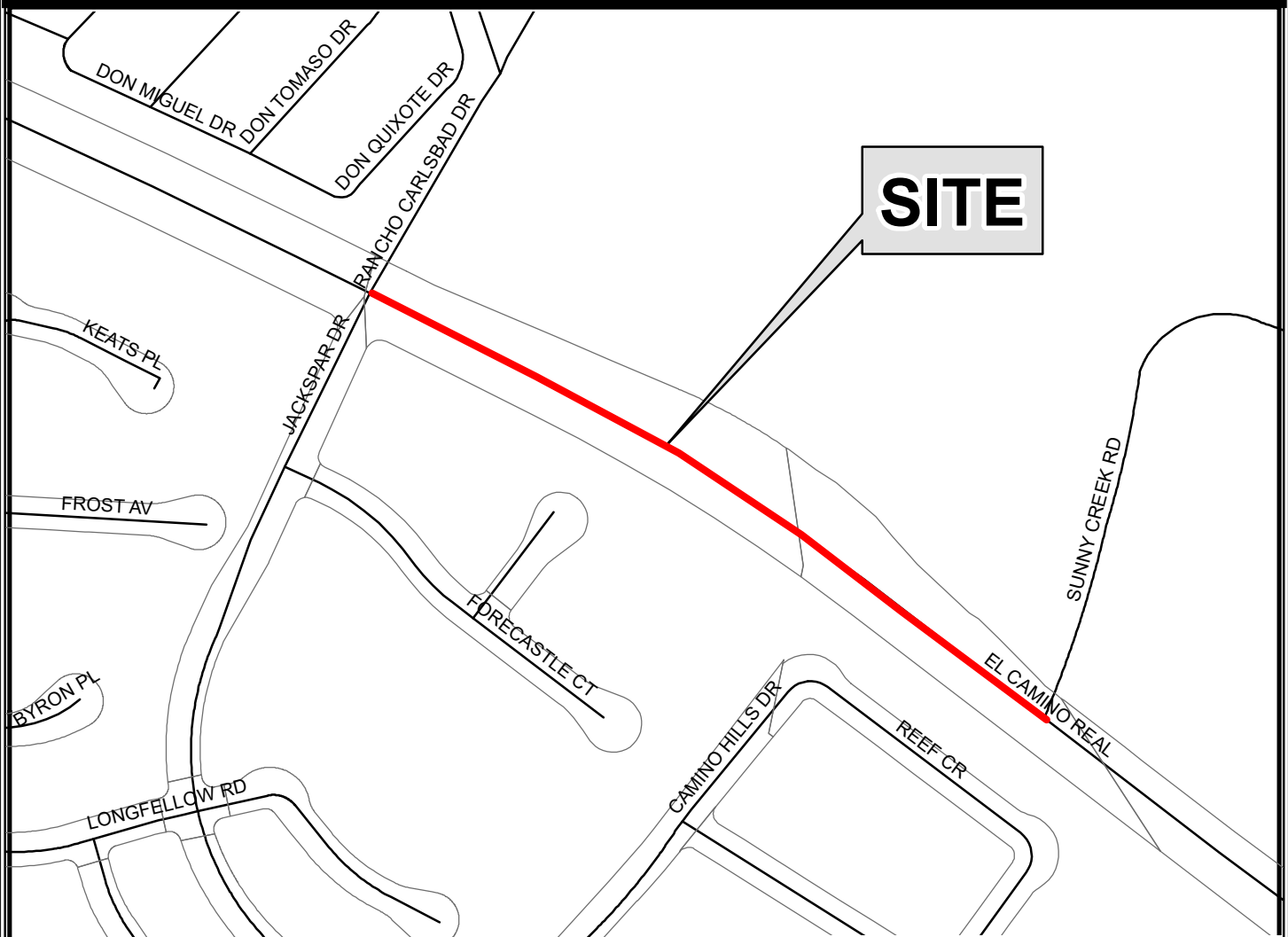
EXHIBIT "C"
(Page 6 of 6)

APN 209-060-58

EXHIBIT "B"

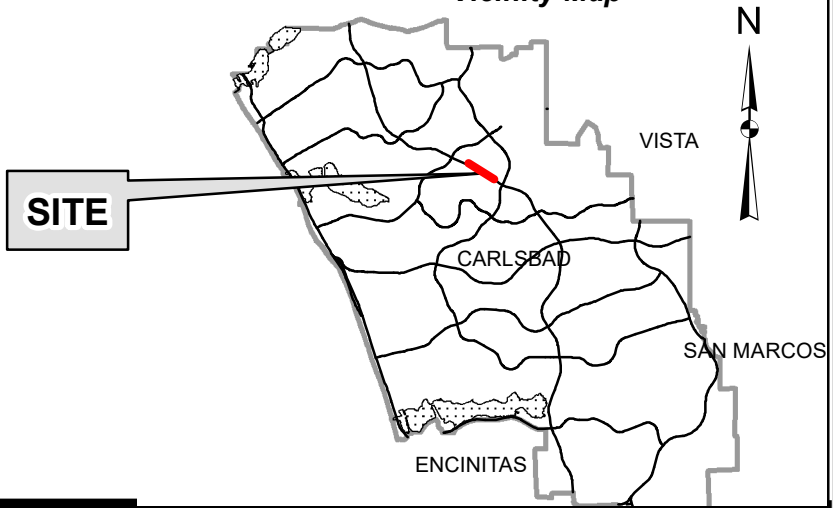
DEPICTION OF EASEMENT

LOCATION MAP



SITE

OCEANSIDE **Vicinity Map**



SITE



NOT TO SCALE



PROJECT NAME
**EL CAMINO REAL WIDENING
 FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE**

PROJECT NUMBER
6094

EXHIBIT
2



Minutes

Council Chambers
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Tuesday, Sept. 7, 2021, 4 p.m.

CALL TO ORDER: Chair Gocan called the Meeting to order at 4:04 p.m.

ROLL CALL: Present: Gocan, Perez, Penseyres, Linke and Coelho
Absent: Fowler

PLEDGE OF ALLEGIANCE: Vice-Chair Perez led the Pledge of Allegiance

This meeting was conducted virtually via Zoom due to the stay-at-home order for COVID-19.

APPROVAL OF MINUTES:

Motion by Vice-Chair Perez, seconded by Commissioner Penseyres to approve the minutes for the Aug. 2, 2021 meeting.

Motion carried: 4/0/1/1 (Abstained: Coelho; Absent: Fowler)

PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA: None

CONSENT CALENDAR:

1. EL CAMINO REAL ROADWAY IMPROVEMENTS FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 6094 - Support staff's recommendation to implement the El Camino Real Roadway Improvements from Sunny Creek Road to Jackspar Drive, Capital Improvement Program (CIP) Project No. 6094 (Project) providing operational improvements consistent with the city's General Plan Mobility Element.

This item was pulled for discussion by Vice-Chair Perez

2. SHARED LANE MARKINGS ON LEVANTE STREET FROM SEGOVIA WAY TO LA COSTA AVENUE- Support staff's recommendation to install shared lane markings on Levante Street from Segovia Way to La Costa Avenue

PUBLIC COMMENT ON ITEM 2:

David Levin - Members of the Traffic and Mobility Commission: Having shared lane markings and other appropriate signage alerting drivers to share the road for the sake of all bicyclists' safety on Levante Street will be greatly appreciated by all bicyclists who navigate the narrowness of this street, especially when parked cars and trucks are present. I am very appreciative that Council Member Teresa Acosta, City Traffic Engineer John Kim, Associate Engineer Lindy Pham, and everyone on their teams who conducted the study found that there is indeed a need to improve Levante Street for all bicyclists. And I'm pleased that the Carlsbad Traffic and Mobility Commission will be hearing the recommendation. However, I am a bit disappointed that the recommended starting point for the

sharrows and related signage will be only between Segovia Way and La Costa Avenue on Levante Street. There needs to be more territory covered on Levante Street.

The width from one side of Levante Street to the other side, starting from Escenico Terrace to Segovia Way appears to be similar to what the engineers are recommending for shared lane markings on Levante Street from Segovia to La Costa Avenue, especially with parked vehicles.

In other words, the installation of sharrows and other appropriate signage should be expanded on Levante Street from Escenico Terrace to La Costa Avenue—not just Segovia Way to La Costa Avenue. That shortcoming would not lend itself to bicycle safety to all the areas needed on Levante Street.

Without delay to deciding on the engineers' recommendation, it is my hope that the Traffic and Mobility Commission will request another look at an extended placement shared lane markings and other appropriate signage from Escenico Terrace to La Costa.

Thank you very much.

DISCUSSION:

City Traffic Engineer Kim stated that it is not common practice for engineers to consider sharrows on residential streets that are posted at 25 miles per hour. The speeds are low enough that sharrows are typically not necessary. However, since a portion of Levante Street is defined as a school street per the Mobility Element, staff has recommended the installation of sharrows upon the portion of Levante Street that is defined as a school street. Staff is willing to hear the commission's recommendation on expanding the area of sharrow installation per Mr. Levin's comment.

Commissioner Penseyres asked the distance referenced in the residents' request.

City Traffic Engineer Kim said it is over 10 intersections and about 5,000 extra feet, and relatively flat. Commissioner Linke is familiar with the street, acknowledges that this is just not a regular street, but a thoroughfare, however he supports the staff's recommendation and can consider other sections in the future.

Vice-Chair Perez mentioned that the section going west has a bit of a slope and possible blind section, but is in agreement with staff's recommendation at this time to try it out.

Chair Gocan and commissioners agreed that the resident has a concern, yet they will try it out and they will move forward.

ACTION:

Motion by Commissioner Linke, seconded by Commissioner Penseyres to approve Consent Calendar Item 2 - Shared Lane Markings on Levante Street from Segovia Way to La Costa Avenue, as presented.

Motion carried: 5/0/0/1 (Absent: Fowler)

Motion by Commissioner Linke, seconded by Vice-Chair Perez to approve Consent Calendar Item 1- El Camino Real Roadway Improvements from Sunny Creek Road to Jackspar Drive, Capital Improvement Program Project No. 6094, as presented.

Motion carried: 5/0/0/1 (Absent: Fowler)

DEPARTMENTAL REPORTS:

3. POLICE MONTHLY REPORT – (Staff Contact: Corporal Matt Bowen, Police Department)

Corporal Bowen presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk)

DISCUSSION:

Corporal Bowen pointed out that Carlsbad schools opened up on August 24, and the motors were at the schools both morning and afternoons to help with any traffic issues and to keep the kids safe, in addition to the crossing guards.

Corporal Bowen highlighted the purchase of an Electronic Message Board that is displayed on Carlsbad Boulevard with the following message “Loud Exhaust Enforced Ahead”.

Commissioner Penseyres and Vice-Chair Perez are interested in hearing about the Know Your Limit program related to driving under the influence at the next meeting.

4. ALL-WAY STOP ON CEREZO DRIVE AT LOS ROBLES DRIVE AND EL ARBOL DRIVE – (Staff Contact: Lindy Pham and John Kim, Public Works)

Staff's Recommendation: Support staff's recommendation to install an all-way stop at Cerezo Drive and Los Robles Drive.

Associate Engineer Pham presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

PUBLIC COMMENT ON ITEM 4:

Jonnie Johnson - Thank you for work to resolve traffic problems in Terramar. It is much appreciated. However, there are two issues that need further attention.

1. The most critical is the lack of red curbs/no parking signs on the western most portion of Cerezo. The curbs are painted red on the southern side of the street between Carlsbad Blvd and Los Robles, except for 2-3 parking spaces. The report states Cerezo is 36' wide. It is, in some portions. However, the street is tapered hence the western portion is narrower, approximately 33' wide, leaving 16' per lane. Per CA DOT, car widths are normally 6-8' wide making parking/driving tight. Cerezo is the primary entrance to Terramar. It is also a popular parking spot for beachgoers. Surfers bring surfboards. adding another factor (one that is not addressed in the current Residential Traffic Calming Program) to the traffic problem. They lay their boards in the street reducing the passage even more. In addition, the owner of the house located on southwest corner Cerezo/Carlsbad Blvd. has laid several large boulders on the easement, causing pedestrians to walk in the street. (see attached photos.) This situation presents a potential liability problem for the City if a pedestrian is hit, because of the boulders. The intersection at Carlsbad Blvd/Cerezo has one pedestrian crosswalk located at the south side, so it makes sense that westbound pedestrians on Cerezo be directed to the southern crosswalk on the Blvd. Highly recommend the south side of the street between Carlsbad Blvd/Los Robles be painted red.
2. Page 2, 2nd para. “Removal of on-street parking MAY not be supported by the Coastal Commission...” This is ironic, since the next street over, Manzano, has NO parking on either side and it is a blocked off from Carlsbad Blvd traffic.

DISCUSSION:

City Traffic Engineer Kim commented on the pedestrian concerns brought up by Ms. Johnson and offered that a new sidewalk, which will be analyzed by the Transportation Department. The removal of

parking would create more space, but it may also lead to other concerns as people would simply park further into the neighborhood. The removal of the parking spaces would create a wider street, which may also increase vehicle speeds. Based on these considerations, the appropriate recommendation is to install the all-way stop at Cerezo Drive and Las Robles Drive.

Chair Gocan asked and it was confirmed that staff will analyze the feasibility of a sidewalk in the future. Commissioner Penseyres inquired about the location of the boulders in relation to the right of away. City Traffic Engineer Kim said that they will look into it since they just received this comment over the weekend.

Transportation Director Frank mentioned that similar to other streets, there are private encroachments with landscaping, rocks, and boulders in the right of way. Staff has looked into this but have not reached out to the involved property owners to discuss options.

Commissioner Penseyres asked about the speed survey, have we considered putting out rubber tubes to catch the speeders when no one is there watching them. The concern is the maximum speed not the critical speed.

City Traffic Engineer Kim replied that there is no accepted standard or practice that considers maximum speed as a design factor and that critical speed is the appropriate measure. Maximum speeds are captured since the speed measurement device records on a 24-hour per day basis.

Commissioner Linke asked about the no parking signs and the barricade on Manzano Drive.

City Traffic Engineer Kim will research the installation date as well as the justification for designating a no parking zone.

Transportation Director Frank said that if staff decided to consider a sidewalk as a part of the sidewalk improvement program, staff would hold workshops with the neighbors to explore different opportunities.

Vice-Chair Perez inquired about the timing of the speed feedback sign deployment and a work-from-home philosophy.

Associate Engineer Pham said that they did consider the lower volume of traffic during a pandemic. The volume of the traffic was 118 and the minimum to qualify for consideration is 300 vehicles per hour per the Manual on Uniform Traffic Control Devices. Staff was confident that "normal" traffic levels would not reach the minimum levels

City Traffic Engineer Kim mentioned that volume of traffic around the beaches has been fairly high during the pandemic. Staff looked at the eight specific recommendations or guidance factors. The location did not meet the criteria for vehicle volume, but it did meet the criteria for the vehicle/pedestrian conflicts, which is why they are recommending the stop sign at that intersection.

Commissioner Penseyres inquired if there are any future projects that will be adding parking?

Transportation Engineering Manager Ajideh said that the Terramar project will improve Carlsbad Boulevard including some parking improvements. The Terramar project is still in the environmental review process and staff will bring it to the commission when it is appropriate.

Commissioner Linke likes the suggestion of looking at sidewalks and would appreciate a more global picture of all the parking and safety issues.

Motion by Commissioner Linke, seconded by Commissioner Penseyres to support staff's recommendations to install All-Way STOP control on Cerezo Drive at Los Robles Drive and El Arbol Drive. Motion carried: 5/0/0/1 (Absent: Fowler)

5. VILLAGE AND BARRIO INTERSECTION CONTROL AT OAK AVENUE AND ROOSEVELT STREET- (Staff Contact: Hossein Ajideh, Public Works)

Staff's Recommendation: Support staff's recommendation

Transportation Engineering Manager Ajideh presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

PUBLIC COMMENT ON ITEM 5:

Xylina Lim - Buddha Teas has operated out of our current facilities on Tyler Street for close to ten years. As a tea company, we receive large shipments of herbs and dried goods. While we encourage the efforts of creating a safer area by controlling the flow of traffic, the proposed traffic circles inhibit larger vehicles to enter our facilities. We will be one of many local businesses impacted by this change as we have personally witnessed larger truck deliveries in the area that squeeze into smaller spaces than ours. This feat alone takes a very skilled driver; the introduction of roundabouts will prevent trucks to have any access to our facilities in the current proposed locations. As safety is at the forefront of our worries, Buddha Teas would like to offer an alternative solution -- stop signs or speed bumps. We agree that the driving speed observed is sometimes far beyond the speed limits. Stop signs will allow drivers to fully stop and take in their surroundings for pedestrians and small creatures. In addition, speed bumps still allow traffic movement, just at a more reasonable speed. In conclusion, the traffic circles would result in a very detrimental loss for local businesses like ours. It is imperative for local businesses to receive shipments *at all*, no matter the size.

DISCUSSION:

Commissioner Linke asked if corner bulb outs are an option for this location.

Transportation Engineering Manager Ajideh said that they did not introduce the bulb outs because they heard the Boys and Girls Club concerns and they were trying to gain a few parking spaces. The four-way stop is the safest condition for pedestrians.

Commissioner Penseyres asked if a scramble type crosswalk is possible?

Consultant Capuzzi said that he has not seen scrambles at all-way stops. They are typically used at traffic signals.

Transportation Director Frank agreed that he has not seen a scramble at an all-way stop, it is probably not a viable option.

Commissioner Coelho asked why we originally looked at a traffic circle at this location.

Transportation Engineering Manager Ajideh said that during the design stage, they noticed that there were concerns for this specific intersection.

Deputy City Manager Gomez mentioned that during the Village and Barrio Master Plan development there was a lot of public outreach. As the ideas came forward, they were presented and vetted. They took the information included in the Village and Barrio Master Plan as a starting point and had the consultants help them develop the plans and specifications. After speaking with the local businesses, and particularly the Boys and Girls Club, there were some concerns and changes from what was previously approved by City Council and had been presented to the Traffic and Mobility Commission.

Motion by Commissioner Coelho, seconded by Commissioner Linke to support staff's recommendation for alternative intersection control feature (no-project alternative with adding continental crosswalks) at Oak Avenue and Roosevelt Street, which is part of the Village and Barrio Traffic Circles, Capital Improvement Program Project, or CIP, No. 4015.

Motion carried: 5/0/0/1 (Absent: Fowler)

6. TRANSPORTATION DEMAND MANAGEMENT (TDM) PROGRAM AND TDM HANDBOOK – (Staff Contact: Tom Frank, Public Works)

Staff's Recommendation: Receive a presentation and provide input

Transportation Director/City Engineer Frank presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

PUBLIC COMMENT ON ITEM 6:

1. Diane Nygaard - Honorable Chair and Commissioners: We were very disappointed after reading the staff report for this agenda item. Our expectation was that a status report would actually report on results. Understanding results is critical to determining what changes are needed in the program. This report unfortunately does not discuss that.

What, if any, impact has this program had on increasing the mode share for alternative transportation? How many businesses are participating? Have they completed baseline surveys? How many have completed follow up surveys- and do they show any increase in mode share for alternative transportation? What has been their experience with use of the actions from the checklist and how does that inform decisions about modifying the TDM Ordinance/Handbook for the next update?

We will separately forward to you and staff a discussion prepared by our attorney on the inadequacies of the existing TDM program. We recognize the city's position is that they are in compliance with the conditions of our settlement agreement related to the TDM program. But the concerns raised in that letter are all relevant for your consideration of what needs to be improved if this program is to achieve a meaningful reduction in GHG.

Today as we see the devastating impacts of climate change around our country and the world, taking this issue seriously is imperative.

Thank you for providing important oversight and direction to staff.

2. Mike Bullock- We should all be serious about TDM, for 5 reasons:
 - 1.) Cars are by far the category of GHG emission that emits the most GHG (CO2)
 - 2.) The Intergovernmental Panel on Climate Change (IPCC) recently reported that humanity has a "Code Red" climate emergency
 - 3.) The IPCC says this because humanity is on a path to result in climate destabilization, which is likely to end most life forms on Earth, including our own species
 - 4.) There are two climate "targets", or requirements, that must be achieved, to avoid climate destabilization or, put another way, must be achieved to stabilize the earth's climate at a livable level
 - a. The 2nd requirement is to achieve net-zero emissions by 2045 or, if we are lucky, we might be able to slip that out to 2050
 - b. The first requirement (which is the most important one, because if we fail to achieve the first requirement, achieving the later requirement won't save us) is to emit at a level that is no more than 80% below what we emitted in 1990, by 2030, as part of an overall world-wide plan to get our earth's atmospheric CO2 to stop going up. (Note that atmospheric CO2 is now around 420 PPM, but it should be around 280 PPM. 350 PPM was deemed to be "dangerous" over 10 years ago.)
 - 5.) The 2030 requirement can't be achieved by only electrifying our fleet; we must reduce driving. (I have done the math and verified this to be true.)

It seems to me that if Carlsbad were serious about TDM, then it would develop and implement a good TDM program ***for their own employees***, to show the employers in Carlsbad how it is done. Once the Carlsbad TDM is "successful", meaning that it is favored by most Carlsbad employees and it reduces driving as predicted, other companies in Carlsbad could be required to adopt the same TDM.

Since we need big reductions by 2030, we must rely on pricing. Complete streets, better transit, and better zoning need to happen ASAP, but their GHG reductions will not happen fast enough or be large enough, given the 2030 requirement of emitting at no more than 80% below what was emitted in 1990. We need systems to improve the way drivers pay for the use of roads and transit. The Road Use Charge (RUC) is a state function. Carlsbad needs to ask California to implement a good RUC system in time to help achieve the 2030 target. (ASAP!) Parking policy reform is for the municipalities. And Steve, you are correct. TDM needs to be for ***all types of development***.

I am a retired satellite system engineer. This is a systems-engineering problem. I have worked the problem of identifying a set of enforceable measures to ensure that cars will achieve the 2030 target. It has been presented multiple times, at Air and Waste Management Association (AWMA) conferences. Each time the paper was presented, it was peer reviewed. The 2nd attached file is the paper; the 3rd file is the power point file I use to present the paper.

DISCUSSION:

Chair Gocan is working with the school district, the city, and hopefully the community to make sure that bikes have safe access through the intersections. Her personal goal is that 20% to 30% of the students, especially high school student use walking or biking to go to school and create a safe place for drop off and pick up of students.

Commissioner Linke would like to highlight four different regulatory pathways. Specifically, Mobility Plan items 3P-8 to 3P-11. The items are:

1. TDM Ordinance and Handbook focusing on reducing employment related vehicle trips not only on larger new businesses.
 2. Having developers pay their fair share when they are adding traffic to the streets and congestion and are failing to meet our GMP standard.
 3. Our multi-modal level of service point system to achieve the minimum GMP standard to improve nonvehicle modes of travel which he is on the ad hoc committee, because the standard is way too low. He wants to include definitions of different TDM approaches to help the point system.
 4. A state mandated environmental review of CEQA to reduce vehicle miles traveled. He is recommending that these four regulatory pathways to be handled in the revision of the TDM Handbook.
- Transportation Director Frank appreciates the timely comments and staff will be looking at what steps are needed to update TDM to best serve our program goals.

Commissioner Linke gave examples and suggestions on how to update the TDM handbook, specifically section 1.7 to include more than just the employees, to include all patrons of the business. In section 2.2 the thresholds of compliance, needs to address the trips that are added to exempt streets at a higher standard. In section 2.5 the tier levels themselves and how they are applied from a Tier 1 to a Tier 2 or Tier 3. The strategy needs to be beefed up to adequately address the trips to the site and determine if the measures are working. He is suggesting that the survey be done every year for the first few years to make sure they are properly monitored.

Commissioner Linke suggested that staff confirm that the TDM programs have been implemented and the actual performance of those programs.

Consultant Hester agreed this is a really good comment and concern. The goal is to find out how many people are participating in the program on the commercial side.

Transportation Director Frank said that on the residential projects we don't have the same options or tools to reinforce them. Staff will look into what options they have for residential projects based on all the comments they receive. COVID-19 has made it difficult to complete the monitoring of the TDM program.

Chair Gocan asked if it is ever going to be possible for the traffic and transportation engineers to review the TDM applications.

Consultant Hester said that they will be looking at the process along with the content.

Transportation Director Frank said that the Community Development Team uses the handbook as a part of their review. All of these examples are going to help improve this new TDM program. Commissioner Linke mentioned that the City, when it updated the General Plan in 2014, discussed TDM.

Commissioner Linke would like staff to review the Innovative Feature category. Also review the definition of how projects get the number of points they receive in every category.

Commissioner Coelho inquired about who has the lead in approving the TDM plans and the roles of the different groups that participate in the process.

Deputy City Manager Gomez said that the Traffic and Mobility Commission does not review the TDM Plans for private development projects. It is in the commission purview to look at and provide input on how we can improve our processes and things that are related to traffic and mobility.

Transportation Director Frank said that he, as the City Engineer has the authority to make the changes. Staff likes to work in a transparent manner to bring forward updates and receive suggestions like we are doing tonight. Staff is currently providing Traffic Impact Analysis reviews for all projects, including Community Development projects.

Chair Gocan mentioned that transportation options, like e-bikes, have changed a lot over the years. The city is also seeing more traffic on the roads and the Traffic and Mobility Commission cannot address all the associated tasks to reduce this traffic.

Transportation Director Frank agreed, and said it is getting more challenging with the state laws coming out about higher densities. His challenges as the Transportation Director is to inform the policy makers, the commission, the City Council, and the public of the coming issues and how we are going to address it. The roads are congested, we cannot eliminate congestion, we can improve the efficiency of the road network. Staff acknowledge that transportation behavioral changes are difficult because people like to go from point A to B in a timely and convenient manner.

Commissioner Penseyres recommends that with the TDM program we could use a positive approach like employers offering an easy access for bicyclist to a private shower with lockers and towel racks. The bike parking should be close to the showers and lockers. We should be very specific about the amenities that we provide for cycling to work. There are places in the TDM options that say should, when shall do this to get the points, is more appropriate. When talking about bike racks it says if practicable then include on your drawings. If it's not practicable and they you are not going to do it, we need to make the wording tougher so that they do it. We need to be a lot more specific on what a good faith effort gets them before they can collect the points. Everything we do evolves around the automobile, like rewarding an employee with a car and/or a premium parking spot. We have to do a paradigm shift and we will need a lot of perks to change behavior. We need to provide very specific things in the TDM program to encourage people to take another look at what else they can do. Finally, we need to place more importance on education. For example, e-bike education helps the kids understand the rules of the road to get to where they need to go, like to the beach with their surf boards, this saves the parents time and car trips.

Vice-Chair Perez agreed that e-bikes are the new way we are going to be moving into the bicycle industry, one of our transportation innovations. We should try to be innovative in the city and provide some kind of charging. The e-bikes are heavy and might not fit in an office. The e-bikes might need a charge to make the return trip home. Education and safety have to be a really crucial point in the handbook, items like helmets and the importance of being seen by the cars. In the handbook when it

lists bike safety incentive the cost is medium, but the effectiveness is low. We need to place more importance on providing helmet safety and being visible to the cars. Chair Gocan mentioned the benefit of having e-bike chargers in the village as well as at the schools. To make the bicycle riders, safe, comfortable, and provide a convenient place to charge. Staff will consider all the suggestions to make the behavior change more rewarding.

7. ELECT A NEW TRAFFIC AND MOBILITY COMMISSION CHAIR AND VICE-CHAIR – (Staff Contact: John Kim, Public Works)

Staff's Recommendation: Elect a new T&MC Chair and Vice-Chair

Motion by Commissioner Penseyres, seconded by Commissioner Coelho to nominate Commissioner Perez to one-year term as Chair and to nominate Commissioner Linke to 1-year term as Vice-Chair. Motion carried: 5/0/0/1 (Absent: Fowler)

CITY TRAFFIC ENGINEER REPORT:

City Traffic Engineer Kim noted that staff had received comments regarding VMT from Commissioner Linke and would be bringing VMT as an agenda item in the near future.

City Traffic Engineer Comments: Attachment A

TRAFFIC AND MOBILITY COMMISSION COMMENTS:

Motion by Commissioner Penseyres, seconded by Vice-chair Perez to put in the agenda for the next meeting to return to 3 p.m. T&MC meetings for as long as it continues to be virtual meetings. Motion carried: 5/0/0/1 (Absent: Fowler)

Commissioner Penseyres inquired about the 2017 bicyclist crash in 2017 listed in the staff report near Levante and Anillo Way. Staff will look at the location to evaluate the potential conflict point and if needed, propose a potential solution.

Vice-Chair Perez gave a compliment to staff on the improvements at College Ave and El Camino Real, for bicyclists, as a bicyclist at that intersection. He asked and will email staff about the new park at the reservoir and the potential line of sight over the hill if that can be reviewed. He has received comments from the neighborhood near Sage Creek High School about the new drop off location and the back-up it is causing on the roadway.

Commissioner Linke gave several compliments to all aspects of the meeting, including the commission and public comments. He inquired about the Vehicle Miles Traveled analysis guidelines change. It would be nice for the commission to see the one major revision as listed in the report as a separate topic as soon as possible. Consider treating the TDM guidelines as a living document in the same manner as the Vehicle Miles Traveled analysis guidelines and consider making some changes immediately to improve the situation while we are looking at updates to the TDM handbook.

Commissioner Coelho appreciates everyone's efforts at this meeting and looks forward to working with all of them.

Chair Gocan has been working with Sage Creek and the district about e-bikes. On Carlsbad Village Drive at College Boulevard, the right turn is wide, the cars move over and the bikes are trying to get around. She recommends staff to pay attention to that and also noticed parents are parking at the bus stop and blocking the location for bikes.

Chair Gocan announced her resignation from the Traffic and Mobility Commission.

Transportation Director Frank thanked Chair Gocan for her service, her advocacy for school bike safety that can continue into the future, and most importantly, Happy Birthday!

ADJOURNMENT:

Chair Gocan adjourned the Traffic and Mobility Commission Meeting on Sept. 7, 2021, at 7:35 p.m.

Eliane Paiva

Eliane Paiva, Minutes Clerk



Minutes

Council Chambers
1200 Carlsbad Village Drive
Carlsbad, CA 92008

Oct. 3, 2022, 4:00 p.m.

CALL TO ORDER: 4:02 p.m.

ROLL CALL: Perez, Linke, Penseyres, Fowler, Coelho and Proulx
Absent: Newlands

PLEDGE OF ALLEGIANCE: Chair Perez led the Pledge of Allegiance

APPROVAL OF MINUTES:

Minutes of the Special Meeting held Aug. 18, 2022.

Motion by Vice-Chair Linke, seconded by Commissioner Proulx to approve the minutes of Aug. 18, 2022, meeting as presented. Motion carried, 6/0/0/1 (Absent: Commissioner Newlands)

Minutes of the Regular Meeting held Sept. 6, 2022.

Motion by Vice-Chair Linke, seconded by Commissioner Proulx to approve the minutes of Aug. 18, 2022, meeting as amended. Motion carried, 6/0/0/1 (Absent: Commissioner Newlands)

PUBLIC COMMENT:

Tim Morgan spoke about the intersection of Tamarack Avenue and Valley Street and its Phase II of the Traffic Calming Study. There was a lack of engagement and community involvement, and the HAWK signal is putting our community / neighbors in a dangerous situation.

Rod Hafeti spoke about speeding around Snug Harbor. The average speed limit noted during the study was over 40-mph in a 25-mph zone. He asked the Commission to consider traffic calming measures.

Brian Connor spoke about being proactive and requiring that the residents park their cars in the garage. Residents continue to leave many vehicles on the street, and this causes safety issues for pedestrians. Other cities enforce this issue and charge a permit fee to park vehicles on the street.

CONSENT CALENDAR:

Motion by Commissioner Vice-Chair Linke, seconded by Commissioner Proulx to approve Consent Item Nos. 1 and 2. Motion carried: 6/0/0/1 (Absent: Newlands)

1. EL CAMINO REAL ROADWAY IMPROVEMENTS FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 6094 – The Traffic & Mobility Commission supported staff's recommendation to approve the plans and specifications of the intersection improvements at El Camino Real from Sunny Creek Road to Jackspar Drive, Capital Improvement Program, or CIP, Project No. 6094.

Vice-Chair Linke inquired about the exception language on Item 1.

Associate Engineer Miles responded that the exception is the second paragraph background for green paint in the bike lane conflicts. We will be working with traffic to add green paint in the bike lane conflict areas.

2. EL CAMINO REAL ROADWAY IMPROVEMENTS FROM POINSETTIA LANE TO CAMINO VIDA ROBLE, CAPITAL IMPROVEMENT PROJECT NO. 6072 – The Traffic & Mobility Commission supported staff’s recommendation to approve the plans and specifications of the intersection improvements at El Camino Real from Poinsettia Lane to Camino Vida Roble, Capital Improvement Program, or CIP, Project No. 6072.

DEPARTMENTAL REPORTS:

3. POLICE REPORT REGARDING TRAFFIC & MOBILITY-RELATED MATTERS DURING THE MONTH OF SEPTEMBER 2022 – Receive a presentation from a representative of the City of Carlsbad’s Police Department that provide an overview of traffic and mobility-related police matters during the month of August 2022. (Staff Contact: Acting Sergeant George Zavala, Police Department)

Staff’s Recommendation: Receive a presentation

Acting Sergeant Zavala presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk)

Commissioner Coelho asked how the Police Department collect the community concerns and how do they aggregate them so that they make the list shown in the presentation.

Acting Sergeant Zavala responded that they receive emails and phone calls from the community with the mentioned concerns.

Vice-Chair Linke inquired about the multiple bicycle fatalities that happened in the month of August and if the police department could share the information.

Acting Sergeant Zavala replied that one of the bicycle fatalities was caused by reckless driving. The investigations on both fatalities are still ongoing and have potential criminal processing and filing.

4. APPROVE PLUM TREE ROAD AS AN EXCEPTION INTO PHASE II OF THE CARLSBAD RESIDENTIAL TRAFFIC MANAGEMENT PROGRAM AND ALL-WAY STOP ANALYSIS AT THREE INTERSECTIONS –
 - 1) Approve Plum Tree Road as an exception to the Phase II of the Carlsbad Residential Traffic Management program.
 - 2) Support staff’s recommendation to not install all-way stop on Plum Tree Road at Red Knot Street, Robinea Drive and Windflower Drive. (Staff Contact: Lindy Pham and Miriam Jim, Public Works)

Staff’s Recommendation: Receive a presentation

Associate Engineer Pham and Senior Engineer Jim presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk)

Commissioner Coelho asked staff to elaborate on what it means to be in the Carlsbad Residential Traffic Management Program. What is the path we are on if we know that we are not installing all-way stops?

Associate Engineer Pham responded that the process is the following: during the neighborhood meetings, staff will present traffic calming strategies and other options that residents can consider such as speed cushions or a traffic circle. Staff will receive comments and then go back and finalize the conceptual plan and send out a survey to all the residents in the project area. The results of the survey will determine whether we move forward with the project or not.

Commissioner Proulx clarified that staff will go back and review other options for the area, and she inquired what is currently staff recommendation.

Associate Engineer Pham responded that staff is recommending that the commission grants approval of the exception into phase two of the Carlsbad Traffic Management Program. The critical speed is below the 32-mph threshold, so they are not currently eligible for any traffic calming measures.

Commissioner Fowler asked if speed cushions are the only option left.

Associate Engineer Pham said that speed cushions would be the most effective option in this area.

Vice-Chair Linke said that he supports the recommendation to approve the exception and added that speed cushions are self-enforcing, and this approach should be used on all of the residential streets that have speeding issues.

Chair Perez inquired about what speed cushion is compared to a speed bump.

Associate Engineer Pham responded that speed bumps are often found in commercial parking areas as they are narrower and more abrupt. Speed cushions are more gradual. They are about 12 feet wide and span the length of the roadway bed.

Commissioner Coelho commented that this is an opportunity to look beyond Plum Tree Road to get the change that we want at Poinsettia Park to enhance the conditions. Maybe add alternate entrances to the park, or striping on Paseo Del Norte.

Commissioner Penseyres commented that when we use the critical speed of 32-mph this still means that 15 percent of the people are driving faster than that. If residents are asking for solutions, then we need to look way beyond the 32-mph threshold. Speeding is the most common cause of serious injuries and fatalities on these residential streets.

Commissioner Proulx inquired about the distance between the two stop signs on Plum Tree Road.

Associate Engineer Pham responded that there is an intersection between the two stop signs and we don't have the distance noted in the presentation. Residents have complained that vehicles do not always stop at these stop signs. We will work with the residents to find a solution once they are accepted into the CRTMP.

Motion by Commissioner Coelho, seconded by Commissioner Proulx to approve staff recommendations for items 1 and 2. Motion carried: 6/0/0/1 (Absent: Newlands)

5. PRESENTATION ABOUT COMPLETE STREETS IN CARLSBAD AND ACTIONS TAKEN SINCE THE AUG. 23, 2022, PROCLAMATION OF A LOCAL TRAFFIC SAFETY EMERGENCY - Receive a presentation about complete streets in Carlsbad and actions taken since the Aug. 23, 2022, proclamation of a local traffic safety emergency. (Staff Contact: Tom Frank, Public Works)

Staff's Recommendation: Receive a presentation

Transportation Director Frank presented the report and reviewed a PowerPoint presentation (on file in the Office of the City Clerk)

Chair Perez asked staff to go over the process of what will happen at the meeting being held on Oct. 27, 2022.

Transportation Director Frank said that the meeting on Oct. 27, will be a commissioners meeting. There are 44 options on attachment A for consideration. We will be looking for your recommendations for City Council.

Chair Perez inquired if they ask questions about the 44 options presented.

Transportation Director Frank says that yes, the commission can ask questions on the options.

Commissioner Coelho asked how this will overlay with City Council's meetings and their timeline?

Transportation Director Frank responded that City Council directed staff to get the public input as well as the Planning Commission and the Traffic & Mobility Commission. On Nov. 8, 2022, staff will present the recommendations received from the Planning Commission, the Traffic & Mobility Commission and from the public to the City Council.

Commissioner Coelho asked if the intent is to review all 44 items and provide a recommendation or to provide a recommendation on all 44 items?

Transportation Director Frank responded that it is to review the options and provide recommendations to the City Council.

Commissioner Proulx asked about education, engineering and enforcement, the three E's. Assuming that relates to the comments which show changing laws, controlling speed and more enforcement. It looks like change laws is not part of the three E's. Did this come out of the community input?

Transportation Director Frank said that was part of the communications input effort which was used to tailor the approach for the three E's.

Commissioner Proulx asked how staff will accommodate the change laws suggestion.

Transportation Director Frank said that will be covered under the enforcement efforts.

Commissioner Penseyres inquired about Assembly Bill 43 if it is already in effect.

Transportation Director Frank said that he does not have this information about Assembly Bill 43 which provides cities more flexibility to set their speed limits on their residential roadways. Cities would not have to comply with the 85-percentile rule. We are reviewing what a work plan would look like to review the speed limits throughout the city.

Commissioner Penseyres inquired if staff are monitoring driver behavior before and after to see how they are responding to the green paint?

Transportation Director Frank said that he does not believe staff have gone out to do an evaluation of traffic operations since we have put down the recent green markings. It is something that we will be looking at in the future.

Commissioner Penseyres said that one of the projects was to consider rumble strips. The rumble strips would be installed where there are buffered bike lanes. The rumble strips would be on the inner stripe of the buffer. Is that correct? How did you decide to make it the inner stripe versus the outer stripe?

Transportation Director Frank said this is correct and would be for higher speed roadways. It is something that could be considered and would be brought in front of the public for discussion. We would reach out to the bicycle clubs for input as well. The rumble strip would be inside of the outer bike lane stripe. It is the bike lane stripe on the inside closest to the vehicle. The intent is to notify the driver if they are weaving over the initial bike lane line. It also provides more room for the bicyclists to ride side by side if they choose to.

Vice-Chair Linke asked about whether the staff plans to present any aspect of this plan to City Council again before the meeting on Nov. 8, 2022.

Transportation Director Frank said that staff is required as part of the emergency proclamation to go back to City Council every 60 days. They will be going back to City Council on Oct 18, 2022, and he is sure there will be some mention of the actions taken as part of the Safer Streets Together Program. City Council has already acted on Option A which is moving forward. City Council will be considering options in addition to Option A on Nov. 8, 2022.

Vice-Chair Linke asked about one of the aspects of Option A which is vision zero commitment. Can staff present to us what that commitment actually entails at the next meeting. As an example, on the vision zero website it says the absolute core strategy focuses in on speeds. The goal is for all non-arterial streets to have a speed limit of 20-mph. On arterial streets the absolute limit should be 30 to 35-mph. It is a step too far to say that all arterial streets should have a speed limit of 30 to 35-mph. In the absence of making that the speed limit on arterial streets it is to have protected bike lanes with physical barriers and automated speed enforcement. What is the goal for our arterial streets as far as the speed limit, the installation of protected bike lanes and the installation of the automated speed enforcement?

Deputy City Manager Gomez responded that at the City Council meeting they discussed Vision Zero. The intent is for staff to return with a draft resolution supporting the Vision Zero concept and then City Council will task and direct staff to come back with an action plan on how we are going to move forward. It is in concept at this point and there won't be any additional information by the Oct. 27, meeting. City Council

has indicated that they want staff to move forward with Vision Zero and staff will look at that and will be asking for assistance on developing the plan.

Vice-Chair Linke asked if the Traffic and Mobility Commission will have a chance to review the resolution on Oct 27, special meeting before it goes before City Council.

Transportation Director Frank responded that there is no time schedule given for staff to return to address the Vision Zero resolution. The local agency gets to tailor their own Vision Zero program and therefore changing speed limits on Palomar Airport Road and El Camino Real down to 35-mph would be a serious consideration. He does not see the community getting behind that change. Staff will look at what makes sense for City of Carlsbad.

Deputy City Manager Gomez said that on the special meeting on Oct. 27, the Traffic and Mobility Commission will have the ability to weigh in on what they would like to see for the City of Carlsbad.

Commissioner Coelho asked if each segment of road will be evaluated individually for Vision Zero and hopes that we are not just going to blanket the entire city with one speed limit.

Commissioner Proulx said that she also viewed the website and understands that Vision Zero are strategies that we can implement within the city and not specific ideas that we have to implement. We can do what works within our community. Are we looking to hire a consultant to write this plan?

Vice-Chair Linke asked if Option C could be considered without the \$44 Million school bussing program? In his opinion, speed cushions and access plans would be more effective than crosswalks.

Deputy City Manager Gomez said the questions should be deferred until the special meeting.

CITY TRAFFIC ENGINEER COMMENTS:

Transportation Planning and Mobility Manager Schmidt said last week he sent out an email outlining the process for the Commissioners to agendaize an item. There are three opportunities for bike training this month. On Oct. 4, there is a Smart Cycling Class being held virtually from 6:00 pm – 9:00 pm.

You can register through the San Diego County Bike Coalition.

On Oct 15, there is Smart City Cycling and that is in the city of Encinitas. This is an abbreviated course from 9:00 a.m. to 12:00 pm.

On Oct 18, there is a bicycle friendly driver course virtually from 12:00 pm – 1:00 pm.

On Oct 25, is the Annual Boards and Commissioners Event and he encourages everyone to attend to celebrate their hard work.

TRAFFIC AND MOBILITY COMMISSION COMMENTS:

Commissioner Penseyres said they had a Smart Cycling class for the City of Carlsbad Police Department this past week. The intent is for these police officers to go on and take a league certified seminar so they can become instructors and teach others.

Vice-Chair Linke brought up the public comment on Valley Street and Tamarack Avenue and inquired if staff has an update. There was a promise that staff would evaluate how it is working. Are there any

metrics that will be used to evaluate how well it is working?

Transportation Director Frank said that staff has committed to a three-phase approach to addressing traffic concerns at the intersection of Tamarack Avenue and Valley Street. You heard about Phase A which we are moving forward with. We have a public meeting scheduled for next week to assess the speeding between Skyline Drive and Adams Street. The second phase is addressing the traffic signal and intersection improvements that are nearly complete. What staff committed to was returning to the Traffic and Mobility Commission within six months of completion of those improvements. We will be analyzing what will be included in that study which will be both quantitative and qualitative. We will review what operations have taken place. The third phase is what we consider our transformative project on Tamarack Avenue and that is following our Sustainable Mobility Plan. That is not going to be worked on until the next fiscal year due to staff's workload. There will be plenty of public outreach opportunities. We have been addressing some construction related issues tied to the improvements and are working with our existing contractor and staff to alleviate some of these concerns.

Vice-Chair Linke brought up the other public comment about speeding in Snug Harbor. Is there an update on this issue?

Transportation Director Frank said staff will follow-up on that.

Vice-Chair Linke inquired if there is an update on the Multi-Modal Level of Service since the last meeting of the Ad-Hoc Committee meeting on Aug. 3, 2022.

Transportation Planning and Mobility Manager Schmidt replied that the consultant is updating the tool and performing the field work analysis. Once completed they will have another ad-hoc committee meeting to present the results and consequently bring to the Traffic and Mobility Commission.

Commissioner Penseyres asked to see the results in advance to have time to look at what is being done and provide feedback. He said something good to come out of the City Council meeting last week is that they want to give the Traffic and Mobility Commission about a month to review all the documents. Do we know how soon before the meeting that we will have the information in front of us?

Transportation Planning and Mobility Manager Schmidt said that he can commit to provide the ad-hoc Committee a sufficient amount of time to review the results.

Vice-Chair Linke wants to remind everyone about the Communication Plan. It says when City Staff plans to bring forward an item related to the Work Plan for action to the Planning Commission or the City Council, staff will seek an advisory recommendation from the Commission beforehand. He says the plan they were presented today falls under the Traffic and Mobility Commissions duties and we should be reviewing it and in contact with some of the City Council members. Staff then decided to bring it to the Traffic and Mobility Commission as an information only item but not for feedback. The City Council has since voted to have us review it. He is frustrated as when he first joined the Traffic and Mobility Commission three years ago they were being bypassed on the most significant issues. He feels we are reverting back to that and that there are a lot of issues that we have been bypassed on. Staff has gone directly to City Council with items that are on our Work Plan. We need to get back to the point where our Commission is reviewing these items.

Chair Perez commented on the pedestrian bridge between Cannon Road and El Camino Real that is operational, and it is beautiful. Lastly, schools are working on sustainability. For Hope Elementary, is there something we can do about idle parking? Is there something we can do to bring attention to this issue? Can we provide information on this or on greenhouse gas?

Transportation Director Frank said that staff are working with Hope Elementary to develop their safe routes to school and access plan. Please let us know of any specific people you are talking with that we can reach out to about the idle parking.

ADJOURNMENT:

Chair Perez adjourned the Traffic & Mobility Commission Special Meeting on Oct. 3, 2022, at 6:30 p.m.



Eliane Paiva, Minutes Clerk



PLANNING COMMISSION

Minutes

May 3, 2023- *Amended***CALL TO ORDER:** 5:01 p.m.**ROLL CALL:** Hubinger, Kamenjarin, Lafferty, Meenes, Stine, Sabellico, and Merz**PLEDGE OF ALLEGIANCE:** Commissioner Hubinger led the Pledge of Allegiance.**APPROVAL OF MINUTES:**

Minutes of the Regular Meeting held on April 5, 2023

Minutes of the Regular Meeting held on April 19, 2023

Motion by Commissioner Meenes, seconded by Commissioner Kamenjarin, to approve the minutes of the Regular Meeting held April 5, 2023, 6/0/1. (Hubinger – Abstain).

Motion by Commissioner Stine, seconded by Commissioner Kamenjarin, to approve the minutes of the Regular Meeting held April 19, 2023, 7/0.

PUBLIC COMMENT:

Lance Schulte discussed his experience in the field of city planning and made comments related to community input.

CONSENT CALENDAR: None.

At the request of Chair Merz, Item #4 was moved to the end of the agenda.

PUBLIC HEARINGS:

This item was continued from the April 19, 2023, Planning Commission Regular Meeting.

- CDP 2021-0056/V 2021-0003 (DEV2021-0227) – EDWARDS RESIDENCE** - Adoption of a resolution approving a coastal development permit and minor variance to allow for the demolition of an existing single-family residence and construction of a new 3,277-square-foot, three-story single-family residence with a 537-square-foot attached accessory dwelling unit (under a separate coastal development permit) and attached two-car garage and a front yard setback reduction of five feet and a rear yard setback reduction of one foot six inches, within the Mello II Segment of the city's Local Coastal Program located at 2669 Garfield Street within Local Facilities Management Zone 1.

ACTION TYPE: Quasi-judicial**STAFF RECOMMENDATION:** Adopt the resolution.**PLANNER:** Eric Lardy **ENGINEER:** Nichole Fine

City Planner Eric Lardy introduced and reviewed the PowerPoint presentation (on file in the Office of the City Clerk) addressing the concerns that were raised in the last meeting,

At Chairperson Merz request, the following Commissioner provided his additional disclosure:

- Commissioner Sabellico disclosed that he visited the site with special attention to the ocean view.

Commissioner Lafferty expressed concerns that approving this could be setting a bad precedent and she cannot support this item.

City planner Lardy responded to Commissioner Lafferty's comments noting the variance discussed and the alternative design streets policy are two different issues and indicated that if City Council recommends that the alternative design streets policy be re-evaluated, they will do so at that time.

Commissioner Lafferty offered to share the APA's Planning for Equity Policy Guide with the other members of the Commission adding that perhaps the Commission should consider policies from there.

In response to Commissioner Lafferty's inquiry about the impact of building this home without the variance, Applicant Sam Wright responded that the City would be restricting a homeowner from building a home similar in value to their neighbors noting that most homes on that street have the 15-foot front yard setback.

The applicant's Civil Engineer, John Strominger, added that the city required the developer to design streets that facilitate future construction of future street improvements like sidewalks.

Chair Merz opened the public testimony at 5:25 p.m. and asked if there were any members of the public who wished to speak on the project.

Seeing no one else wishing to speak, Chair Merz closed the public testimony at 5:26 p.m.

In response to Commissioner **Stine's** request for confirmation that there is no reason to suspect that the applicant's statement regarding the 15-foot setbacks in the neighborhood is not accurate, Commissioner Lafferty pointed out that the corner house on the Google maps picture has sidewalks and a 15-foot setback and City Planner Lardy added that staff has no reason to believe the statement is inaccurate.

Commissioner discussion began.

Commissioner Stine, Commissioner Meenes and Chair Merz expressed their support for this project.

Motion by Commissioner Meenes, seconded by Commissioner Sabellico, to adopt Resolution No.7478. Motion carried, 6/1 (Lafferty No).

Chair Merz closed the public hearing at 5:32 p.m.

2. **CDP 2022-0052 (DEV2022-0013) – KANTER RESIDENCE** – Adoption of a resolution recommending approval of a coastal development permit for the construction of a two-story, 615-square-foot addition and a 402-square-foot second story deck to an existing single-family residence within the Mello II Segment of the city’s Local Coastal Program located at 7249 Mimosa Drive within Local Facilities Management Zone 6.

ACTION TYPE: Quasi-judicial

STAFF RECOMMENDATION: Adopt the resolution.

PLANNER: Lauren Yzaguirre **ENGINEER:** Nichole Fine

Chair Merz opened the duly noticed public hearing at 5:33p.m.

City Planner Eric Lardy introduced the item and announced that Associate Planner Lauren Yzaguirre will not be making a presentation, but that she is available for questions.

At Chair Merz’s request, the following Commissioners made disclosures as follows:

- Commissioner Hubinger drove by the site
- Commissioner Kamenjarin drove by and walked the area
- Commissioner Meenes drove by and walked the site
- Commissioner Stine drove by the site
- Commissioner Sabellico drove by the site
- Chairperson Merz drove by the site

In response to Chair Merz’s inquiry as to whether construction had begun on the project, Associate Planner Yzaguirre confirmed that it had but was halted due to the need for an updated permit requirement which is why this item is before the Commission.

In response to Commissioner Lafferty’s question, Associate Planner Yzaguirre responded that the applicant had a permit to start construction legally, but a plan/construction change required them to stop construction and update their application from a Minor Coastal Development Permit to a Major Coastal Development Permit.

In response to Commissioner Stine’s inquiry, Associate Planner Yzaguirre confirmed that there are no scenic corridor issues with this project.

Chair Merz opened the public testimony at 5:38 p.m. and asked if there were any members of the public who wished to speak on the item.

Seeing none, Chair Merz closed public testimony at 5:39 p.m.

Motion by Commissioner Meenes, seconded by Commissioner Stine, to adopt Resolution No. 7479. Motion carried, 7/0.

Chair Merz closed the public hearing at 5:40 p.m.

3. **CDP 2023-0010 - AVENIDA ENCINAS COASTAL RAIL TRAIL AND PEDESTRIAN IMPROVEMENTS** – Adoption of a resolution approving a coastal development permit for

Avenida Encinas Coastal Rail Trail improvements on property generally located along Avenida Encinas Road between Poinsettia Lane and Windrose Circle in Local Facilities Management Zones 9 and 22.

ACTION TYPE: Quasi-judicial

STAFF RECOMMENDATION: Adopt the resolution.

PLANNER: Izzak Mireles

ENGINEER: Emad Elias

Chair Merz opened the duly noticed public hearing at 5:40 p.m.

City Planner Eric Lardy introduced the item and Associate Planner Izzak Mireles who reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

At Chair Merz's request, the following Commissioners made disclosures as follows:

- Commissioner Stine walked by the project
- Commissioner Meenes walked the site
- Commissioner Lafferty indicated familiarity with the site
- Commissioner Kamenjarin has driven by the site
- Chair Merz has driven by the site
- Commissioner Sabellico has driven the site many times

In response to Commissioner Meenes' inquiry regarding loss of service (LOS) remaining an A category, Associate Planner Mireles explained that the General Plan and mobility element claim is that a certain level of service needs to be maintained. He added that in this case the vehicles that travel in north and southbound lanes will not be changed with the addition of the bicycle lanes.

Chair Merz opened the public testimony at 5:45 p.m.

Chaz Wick expressed his support for the project and requested more safety precautions for pedestrians in the corridor.

Chairperson Merz closed the public testimony at 5:48 p.m.

In response to Commissioner Meenes' request for information on improvements included in the project, Associate Engineer Brandon Miles responded with a list of improvements the City has made, based on its research in the area including enhanced crosswalks, other pedestrian/safety improvements and traffic slowing measures including narrowing streets.

In response to Commissioner Stine's question if there are plans to improve the Windsor Circle crosswalk mentioned in the public comment, Associate Engineer Miles explained the improvements that are already planned for the crosswalk.

In response an inquiry by Commissioner Lafferty, City Planner Lardy explained that this project design and construction contract was approved by the City Council based on conversations with the Coastal Commission. Mr. Lardy added that since the project changes

capacity of the roadway, staff are processing the Coastal Development Permit prior to construction.

Commissioner Stine expressed support this project adding that it is a good public safety measure.

Commissioner Sabellico concurred, adding that he appreciates the city's commitment to safety.

Motion by Commissioner Stine, seconded by Commissioner Meenes, to adopt Resolution No. 7480. Motion carried, 7/0.

Chair Merz closed the public hearing at 5:56pm.

5. **CDP 2022-0019/V 2022-0002 (DEV 2022-0005) – HOM RESIDENCE: RETAINING WALL VARIANCE** – Adoption of a resolution recommending approval of a coastal development permit and variance to allow an unpermitted retaining wall system and wood deck that exceeds standards on a manufactured uphill perimeter slope with a gradient greater than 40 percent and an elevation differential of greater than fifteen feet on property located at 2170 Twain Avenue within the Mello II Segment of the city's Local Coastal Program and Local Facilities Management Zone .

ACTION TYPE: Quasi-judicial

STAFF RECOMMENDATION: Adopt the resolution.

PLANNER: Kyle Van Leeuwen **ENGINEER:** Allison McLaughlin

Chair Merz opened the duly noticed public hearing at 5:57 p.m.

At Chair Merz's request, the following Commissioners made disclosures as follows:

- Commissioner Stine drove by the property, parked & walked the area
- Commissioner Meenes drove by the site and walked the side street
- Commissioner Kamenjarin drove by the property
- Chair Merz visited site and looked over the fence

City Planner Eric Lardy introduced the item and Planner Kyle Van Leeuwen who reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

In response to Commissioner Meenes' question about the City being able to discern if the integrity of the walls completed follow City regulations, Associate Planner Kyle Van Leeuwen explained that the soil and the retaining wall were tested on multiple occasions, and staff can say confidently that it is safe and built to a certain level of standards. Mr. Van Leeuwen added that the City used an outside evaluator for geological stability as an additional measure for stability.

In response to Commissioner Stine's inquiry, Planner Van Leeuwen confirmed that the property owners halted construction upon learning they did not have a permit and have been cooperative through the entire process.

In response to Commissioner Lafferty’s question, Associate Planner Van Leeuwen explained that this was an unusual circumstance where the contractor misled the residents and as far as informing Carlsbad residents in general, the City staff does the best they can to explain regulations to applicants. Mr. Van Leeuwen added that this is a well-known section of our code for planners who work the counter and typically people do come in and ask clarifying questions.

Applicant’s representative Paul Klukkas spoke in support of the Homs and reiterated the information provided by Associate City Planner Van Leeuwen.

Chair Merz opened the public testimony at 6:23p.m.

The following individuals spoke in support of the project: Ray Patchett, Robert Hom, Ivan Mendelson, Daniel Toro.

Chair Merz asked if there were any more members of the public who wished to speak on the project. Hearing no one else wishing to speak, he closed the public testimony at 6:33pm.

In response to Commissioner Stine’s question as to whether staff received any comments in opposition to this application, Associate Planner Van Leeuwen replied no.

Commissioner Stine explained he will support the variance.

Motion by Commissioner Meenes, seconded by Commissioner Stine, to adopt Resolution No. 7483. Motion carried, 7/0.

Chair Merz closed the public hearing at 6:40 p.m.

- 6. **CDP 2021-0044/HDP 2022-0008/SUP 2021-0002/SUP 2022-0002 (PUB 2020-0009) – EL CAMINO REAL ROAD WIDENING** - Adoption of a resolution recommending approval of a coastal development permit, hillside development permit, special use permit – floodplain, and special use permit – El Camino Real, and a waiver of General Plan Open Space Policy 4-p.6 to allow for road improvements along El Camino Real for property generally located within the public rights-of-way on El Camino Real from Jackspar Drive to Sunny Creek Road, within Local Facilities Management Zone 15.

ACTION TYPE: Quasi-judicial
STAFF RECOMMENDATION: Adopt the resolution.
PLANNER: Izzak Mireles **ENGINEER:** Tim Carroll

Chair Merz opened the duly noticed public hearing at 6:42 p.m.

Commissioner Sabellico recused himself because he lives in a community that uses that intersection regularly.

At Chair Merz's request, the following Commissioners made disclosures as follows:

- Commissioner Lafferty is familiar with the site and researched historic registry
- Commissioner Stine is familiar with site and drives by regularly
- Commissioner Meenes is familiar with site and drives by regularly
- Commissioner Hubinger is familiar with site and has driven by many times
- Chair Merz is familiar with site and drives by regularly

City Planner Eric Lardy introduced the item and Associate Planner Izzak Mireles made the staff PowerPoint presentation (on file in the Office of the City Clerk).

Associate Engineer Brandon Miles responded to Commissioner Meenes that City Council directed staff to move forward with improvements without waiting for a developer to assist with the cost.

Associate Planner Mireles responded to Commissioner Stine that there were questions but no opposition to this project.

Engineering Manager Jason Geldert replied to Commissioner Lafferty's preservation concerns by explaining that this is a low vibration work zone. He explained that with this type of grading it is not necessary to measure since no extra amount of vibration is going on. He added that experience and understanding of how vibrations effect construction informs staff that there is no threat to adobes from this project.

Chair Merz asked if there were any members of the public who wished to speak on the project. Seeing none, he opened and closed public testimony at 6:58 p.m.

Motion by Commissioner Kamenjarin, seconded by Commissioner Hubinger, to adopt Resolution No. 7484. Motion carried, 6/1 (Sabellico – Absent).

Chair Merz closed the public hearing at 7 p.m.

Chair Merz called for a 5-minute break at 7 p.m.

Chair Merz called the meeting back to order at 7:08 p.m.

4. **SDP2022-0003, CDP2022-0023, and PCD2023-0001 (DEV2022-0048) – FPC RESIDENTIAL - 1)** Adoption of a resolution denying the appeal and upholding the City Planners' determination that the project is exempt from the California Environmental Quality Act; and 2) Adoption of a resolution approving a site development plan and a coastal development permit to consolidate three parcels of land, demo an existing self-storage facility, former junkyard, and two abandoned structures, and construct 86 two- and three-story multiple-family residential apartments on a 4.64 acre property located at 7200, 7290, and 7294 Ponto Drive in the southwest quadrant of the city and Local Facilities Management Zone 22.

ACTION TYPE: Quasi-judicial

STAFF RECOMMENDATION: Adopt the resolutions.

PLANNER: Jason Goff **ENGINEER:** Allison McLaughlin

Chair Merz recused himself from Item No. 4 due to a potential conflict of interest since he is a partner at Lee & Associates, the commercial real estate firm involved with both the seller and the buyer of a certain parcel of the project.

In the absence of Chair Merz, Vice-Chair Sabellico acted as chair for the item.

City Planner Lardy reviewed the appeal hearing procedures.

Vice-Chair Sabellico opened the duly noticed public hearing at 7:10 p.m.

At Vice-Chair Sabellico's request, the following Commissioners made disclosures as follows:

- Commissioner Stine indicated familiarity with the site, has walked perimeter and surrounding areas
- Commissioner Meenes drove and walked perimeter of the site on Ponto
- Commissioner Lafferty drove by the site
- Commissioner Kamenjarin indicated familiarity with the site
- Commissioner Hubinger indicated familiarity with the site
- Commissioner Sabellico visited the site and is familiar with someone who is speaking on behalf of the applicant adding that he will still be fair and impartial

Upon Commissioner Meenes' request, Senior Assistant City Attorney Ronald Kemp reminded the Commission that the role of the Planning Commission is to assure that all the land use decisions are consistent with the policies plans and ordinances adopted by the City Council, state and federal law. Additionally, Mr. Kemp reminded the Commissioners about the Housing Accountability Act to encourage local jurisdictions on housing that directs Committees to approve housing projects unless they pose a safety or health threat that cannot be mitigated.

City Planner Eric Lardy introduced the item and Senior Planner Jason Goff reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

In response to Commissioner Lafferty's inquiry as to the sequence of consideration for this appeal, Senior Assistant City Attorney Kemp recommended that Commissioners consider the appeal of the City Planner's determination first because if the City Planner's determination is upheld, the Commission can go on to consider the project. Mr. Kemp added that if it is determined that the appellant is correct, then there is no environmental finding, and it would be sent back to staff.

In response to Commissioner Lafferty's inquiry as to whether there was documentation of the remediation and if there was a biological report done, Planner Goff responded that there was a biological report.

In response to Commissioner Lafferty's question about the most recent Environmental Impact Report (EIR) City Planner Eric Lardy responded that the 2015 EIR studied the city comprehensively, but that the determination did not rely on that for the exemption. Mr. Lardy added that this exemption could have occurred regardless of that EIR.

In response to Commissioner Lafferty's question as to whether the City has been to the site for analysis, City Planner Lardy explained that no, the analysis looked at the databases available that would list sites with hazardous materials, and nothing was identified on the site.

The applicant, David Gatsky of H.G. Fenton Company, conducted a PowerPoint presentation of the FPC Residential project. (On file in the Office of the City Clerk.)

In response to Commissioner Stine's request for more information regarding the amenities and open space this project offers, Mr. Gatsky replied with a review of that section of the slide show and reaffirmed the developers goal is to provide the residents with some type of park like amenities with the open space and places to play.

In response to Commissioner Stine's comment regarding the community's request for park dedication, the developer discussed the community engagement they did in the neighborhood around the topic and explained the City Council has decided that what they want to do to serve residents within this facilities management zone, in this part of the city, is to collect a fee to support parks located elsewhere. The developer added that this is consistent with the facilities plan.

In response to Commissioner Lafferty's inquiry regarding the necessity of reduced setbacks, Mr. Gatsky responded that setback reductions are proposed along the street frontage because they wanted to create a strong street scene and neighborly atmosphere.

Commissioner Lafferty acknowledged the gas line was another constraint and requested an explanation since the setbacks are 7,000 square feet when there is 64,000 square feet of open space. Mr. Gatsky added that the developer found that to be the best compromise since it would allow the developer to create private, usable, open space in the rear yards.

In response to Commissioner Lafferty's questions about why there are only 13 low-income units being provided, not 20, Mr. Gatsky explained that the developer meets the requirements with 15% of the 86 units provided being affordable. Mr. Gatsky added that if the developer offered more units, then the low-income number of units offered would also increase.

Senior Assistant City Attorney Kemp added that the setbacks in question are a waiver under density bonus law, which is something the City is required to give in return for the density bonus.

In response to Commissioner Sabellico's question about a fence in between residences and the rail on the easter edge of the project, Mr. Gatsky replied in the affirmative and added that the wall will provide safety as well as sound and vibration protection.

Vice Chair Sabellico directed the appellant, Mr. Lance Schulte to begin his PowerPoint presentation appealing the Planning Commission's decision to move forward with this project (on file in the Office of the City Clerk).

City Planner Lardy responded to Mr. Schulte's appeal to the project in a PowerPoint presentation (on file in the Office of the City Clerk).

Vice Chair Sabellico invited the appellant to the podium for questions.

In response to Commissioner **Stine's** request for clarification of the gas line, Sr. Planner Goff confirmed that it runs up the spine of the project.

In response to Commissioner Stine's question regarding the validity of the applicant's studies, Mr. Schulte explained state law and case law dictate that the studies need to be done publicly and the applicant's studies were not.

In response to Commissioner Stine's request for the Senior Assistant City Attorney Kemp's opinion on Mr. Schulte's last comment regarding applicant studies; Mr. Kemp emphasized that the infill exemption requires the Planning Commissioners to consider if the project does result in any significant effects in the area relating to traffic, noise, air quality or water quality. Mr. Kemp added it is a part of 15332 and he also mentioned he is not aware of any case law that makes conducting studies a violation of CEQA.

In response to Commissioner Stine's question regarding the distance to Poinsettia Park, Mr. Schulte agreed it is 2.5 miles from the site of this project and added that a freeway must be crossed to get there.

In response to Commissioner Sabellico's question if a CEQA exemption is ever justified, Mr. Schulte responded that he does think they are justified when the answer is clear that there is no threat to the environment.

Commissioner Stine asked if Mr. Schulte is arguing that **the Planning Commission, must impose a park requirement on this project.** Mr. Schulte responded yes.

Senior City Attorney Kemp added that the section Mr. Schulte referenced, 20.44 of the Carlsbad Municipal Code does not apply. Mr. Kemp argued the City can require the developer to pay park in lieu fees, so the Planning Commission does not have the ability to require a dedication of park land for this site.

In response to Commissioner Stine's inquiry regarding the claim this project is piecemealed, Mr. Schulte explained the Ponto site 18 project overlays and expands upon the boundaries of this project. Mr. Schulte argued that when the City takes that six-acre project that's not exempt from CEQA and the City makes it a 5 acre project it has been piecemealed. In response to this comment, City Planner Lardy added there are no private discretionary applications that are pending or overlay this project and these three parcels did not have any boundary adjustments. City Planner Lardy also added that the 4.6 acres was what was included in the original application.

In response to Commissioner Lafferty's request for clarification regarding the visitor commercial zone not being a part of this, City Planner Lardy explained this is a split designation zone and that this project is on 3 parcels and was submitted for residential use.

In response to Commissioner Lafferty's inquiry as to how the project will impact the recently approved road reduction and lack of commercial properties nearby this site, City Planner Lardy responded that now CEQA studies Vehicles Miles Traveled (VMT) and California Pollution Officers Association (CAPCOA), which is essentially the air pollution control office association that sets forth guidelines of types of developments that they see, and the studies have shown that higher density and low income, especially in areas such as Carlsbad, that have major job centers, does tend to reduce VMT.

In response to Engineering Manager Jason Geldert's question, Assistant City Attorney Kemp reiterated that staff and the Commission are confined to what was raised in the appeal and further clarified that if staff and Commissioners in evaluating this, think that what Mr. Schulte has now said is not what is in the appeal, then the Planning Commission does not need to consider it in their evaluation. Senior Assistant City Attorney Kemp also addressed the unusual circumstance discussed earlier which is the 10-inch pipeline running through the middle of the project. Mr. Kemp explained that the significance of making that statement is they're pointing to 15300.2, which is the exemption to the exemption. Mr. Kemp continued to explain that basically, the Commission needs to consider if someone says a 10-inch pipeline on your property is an unusual circumstance you need to consider it by substantial evidence. Mr. Kemp added that further consideration should be given to whether the appellant has testimony, comparisons or other evidence with regards to the unusual circumstances that will have an impact on the environment.

Vice Chair Sabellico opened public testimony at 8:57 p.m.

The following individuals spoke in opposition to the project: Kathleen Steindlberger, William Rouch, Dale Ordas, Dolores Welty.

The following individuals spoke in support of the project: Bret Schazenbach, Eric Brovold, Andrew Becht, Stacie Green, Jason Santos, Michael McSweeney, Hale Richardson and Heather Riley.

Speaker Chas Wick requested that the developer build a park for the residents nearby.

Vice Chair Sabellico reopened the public testimony at 9:14 p.m. to add the following 15 residents' names who submitted speaker cards to the record in support of the project but did not wish to speak at the hearing: Ruben Caballos, Mary Chaparro, Emilie Colwell, Tadd Dolfo, Constance Gaughan, Shannon Gaunt, Rhiann Haymes, Whitney Hodges, Anisa Kremer, Toni McMahon, William Morrison, Jeff O'Conner, Angie Ortiz, Chris Rosink, Nicole Weiman.

Vice Chair Sabellico closed the public testimony at 9:16 p.m.

Commissioner Stine, Vice Chair Sabellico, Commissioners Meenes and Kamenjarin expressed their support of the project and staff's recommendation.

Motion by Commissioner Meenes, seconded by Commissioner Stine to adopt Resolution No 7481. Motion carried, 6/0/1 (Merz – Absent).

Vice Chair Sabellico, Commissioner Stine, Commissioner Meenes and Commissioner Kamenjarin expressed his support for the rest of staff's recommendations.

Motion by Commissioner Stine, seconded by Commissioner Meenes to adopt Resolution No. 7482. Motion carried, 6/0/1 (Merz – Absent).

PLANNING COMMISSION REPORTS/COMMENTS:

In response to Commissioner Lafferty's question regarding if the Commission is supposed to end meetings in four hours, Senior Assistant City Attorney Kemp responded that he did not find anything in the City's Municipal Code dictating that.

Commissioner Lafferty announced that the next Historic Preservation meeting will be held Monday, May 8, 2023.

Commissioner Stine informed the Commission that the Growth Management Citizen's Committee has completed its work and there will be a report consistent with The City's determinations on performance standards going to the City Council.

CITY PLANNER REPORTS: None.

CITY ATTORNEY REPORTS: None.

ADJOURNMENT:

Vice Chair Sabellico adjourned the duly noticed meeting at 9:35 p.m.

Cynthia Vigeland

Cynthia Vigeland
Administrative Secretary

RESOLUTION NO. 2023-245

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A COASTAL DEVELOPMENT PERMIT, HILLSIDE DEVELOPMENT PERMIT, SPECIAL USE PERMIT (FLOODPLAIN, SPECIAL USE PERMIT – EL CAMINO REAL CORRIDOR DEVELOPMENT STANDARDS) AND A WAIVER OF GENERAL PLAN OPEN SPACE POLICY 4-P.6 TO ALLOW FOR A ROAD IMPROVEMENT PROJECT ALONG EL CAMINO REAL GENERALLY LOCATED WITHIN THE PUBLIC RIGHT-OF-WAY ON EL CAMINO REAL FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE WITHIN THE MELLO II SEGMENT OF THE CITY'S LOCAL COASTAL PROGRAM AND LOCAL FACILITIES MANAGEMENT ZONE 15

WHEREAS, City of Carlsbad, "Developer," has filed a verified application with the City of Carlsbad described as right-of-way and a portion of property identified by Assessor's Parcel Number 209-060-4800, 209-060-5800, 209-090-1100 ("the Property"); and

WHEREAS, the City Council of the City of Carlsbad, California has determined that it is necessary, desirable and in the public interest to widen El Camino Real from approximately 2,300 feet from Sunny Creek Road to Jackspar Drive to add a third northbound vehicular lane through a combination of roadway widening and pavement restriping, and to add curb and gutter where currently missing; and

WHEREAS, a coastal development permit, hillside development permit, special use permit – floodplain, special use permit – El Camino Real corridor development standards, and waiver of General Plan Open Space Policy 4-P.6 to allow for a road improvement project on El Camino Real between Sunny Creek Road and Jackspar Drive are required to complete the project; and

WHEREAS, a portion of the area outside the existing right-of-way includes approximately 844 square feet currently designated as a Category 3 open space, which is defined as open space for outdoor recreation; and

WHEREAS, the 844 square feet is included within an area that is landscaped under the existing conditions and does not have any natural habitat value; and

WHEREAS, the impact to the 844 square feet will require an adjustment to the boundaries of open space area shown on the General Plan Land Use Map; and

WHEREAS, the General Plan requires that adjustments of the boundaries of any open space area shown on the Land Use Map be allowed if it is replaced with open space equal in size and environmental quality and that General Plan Policy 4-P.6 allows for the City Council to exempt public rights-of-way from the open space boundary adjustment requirements if environmental analysis is completed and any significant adverse impacts to the value of the open space system are mitigated.; and

WHEREAS, Carlsbad Municipal Code Section 21.54.040.C.(3) requires all concurrently processed development permits to be considered and approved by the same decisionmaker, so the requested coastal development permit, hillside development permit, and special use permits, which normally are approved by the Planning Commission, also require the City Council's approval; and

WHEREAS, the City Planner has determined that the road improvements are categorically exempt from the California Environmental Quality Act, or CEQA, pursuant to CEQA Guidelines section 15303(d) Class 3 and that no exception to the exemption as set forth in CEQA Guidelines section 15300.2 applies; and

WHEREAS, the City Council of the City of Carlsbad, California has determined that pursuant to the provisions of the Municipal Code, the Planning Commission did, on May 3, 2023, hold a duly noticed public hearing as prescribed by law to consider Coastal Development Permit CDP2021-0044, Hillside Development Permit HDP2022-0008, Special Use Permit – Floodplain SUP2022-0002, Special Use Permit – El Camino Real Corridor Development Standards SUP2021-0002, and a waiver of General Plan Open Space Policy 4-P.6, as referenced in Planning Commission adopted Resolution No. 7484, Attachment A, recommending to the City Council that they be approved; and

WHEREAS, the City Council of the City of Carlsbad held a duly noticed public hearing to consider Coastal Development Permit CDP2021-0044, Hillside Development Permit HDP2022-0008, Special Use

Permit – Floodplain SUP2022-0002, Special Use Permit – El Camino Real Corridor Development Standards SUP2021-0002, and waiver of General Plan Open Space Policy 4-P.6; and

WHEREAS, at said public hearing, upon hearing and considering all testimony and arguments, if any, of all persons desiring to be heard, the City Council considered all factors relating to Coastal Development Permit CDP2021-0044, Hillside Development Permit HDP2022-0008, Special Use Permit – Floodplain SUP2022-0002, Special Use Permit – El Camino Real Corridor Development Standards SUP2021-0002, and waiver of General Plan Open Space Policy 4-P.6.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the recommendation of the Planning Commission for the approval of Coastal Development Permit CDP2021-0044, Hillside Development Permit HDP2022-0008, Special Use Permit – Floodplain SUP2022-0002, Special Use Permit – El Camino Real Corridor Development Standards SUP2021-0002, and waiver of General Plan Open Space Policy 4-P.6, are adopted and approved, and that the findings and conditions of the Planning Commission contained in the Planning Commission adopted Resolution No. 7484 on file with the City Clerk and incorporated herein by reference, are the findings and conditions of the City Council.
3. This action is final the date this resolution is adopted by the City Council. The provisions of Chapter 1.16 of the Carlsbad Municipal Code, “Time Limits for Judicial Review” shall apply:

“NOTICE”

The time within which judicial review of this decision must be sought is governed by Code of Civil Procedure, Section 1094.6, which has been made applicable in the City of Carlsbad by Carlsbad Municipal Code Chapter 1.16. Any petition or other paper seeking review must be filed in the appropriate court not later than the ninetieth day following the date on which this decision becomes final; however, if within ten days after the decision becomes final a request for the record is filed with a deposit in an amount sufficient to cover the estimated cost or preparation of such record, the time within which such petition may be filed in court is extended to not later than the thirtieth day following

the date on which the record is either personally delivered or mailed to the party, or his attorney of record, if he has one. A written request for the preparation of the record of the proceedings shall be filed with the City Clerk, City of Carlsbad, 1200 Carlsbad Village Drive, Carlsbad, CA 92008.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the 26th day of Sept., 2023, by the following vote, to wit:

AYES: Blackburn, Bhat-Patel, Acosta, Burkholder, Luna.

NAYS: None.

ABSTAIN: None.

ABSENT: None.



KEITH BLACKBURN, Mayor



for

SHERRY FREISINGER, City Clerk
(SEAL)





TRAFFIC SAFETY & MOBILITY COMMISSION

Minutes

Nov. 6, 2023, 4 p.m.

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

CALL TO ORDER: 4:01 p.m.

ROLL CALL: Fowler, Penseyres, Newlands, and Kohl.
Absent: Coelho, Proulx, Garcia.

PLEDGE OF ALLEGIANCE: Acting Chair Fowler led the Pledge of Allegiance.

APPROVAL OF MINUTES:

Minutes of Regular Meeting held on Oct. 2, 2023

Motion by Commissioner Kohl, seconded by Commissioner Newlands, to approve the minutes of the Regular Meeting held on Oct. 2, 2023, as presented. Motion carried, 4/0/3 (Coelho, Proulx, Garcia – Absent).

PUBLIC COMMENT: None

CONSENT CALENDAR:

Motion by Commissioner Kohl, seconded by Commissioner Penseyres to approve Consent Calendar Item Nos. 1 and 2. Motion carried, 4/0/3 (Coelho, Proulx, Garcia – Absent).

1. **EL CAMINO REAL ROADWAY IMPROVEMENTS FROM SUNNY CREEK ROAD TO JACKSPAR DRIVE, CAPITAL IMPROVEMENT PROJECT NO. 6094** – Support staff's recommendation to the City Council to approve the plans and specifications for the El Camino Real Roadway Improvements from Sunny Creek Road to Jackspar Drive, Capital Improvement Program (CIP) Project No. 6094. (Staff Contact: Brandon Miles, Public Works Department).

David Pierce spoke against the proposed widening of the roads on the El Camino Real Roadway from Sunny Creek Road to Jackspar Drive. He further added that the widening of El Camino Real is a potential safety concern to bicyclists and pedestrians..

2. **TRAFFIC CALMING PLANS FOR PARK DRIVE, BLACK RAIL ROAD, PLUM TREE ROAD AND CARRILLO WAY** - Support staff's recommendation to the City Council to approve the plans and specifications for the Traffic Calming Plans for Park Drive, Black Rail Road, Plum Tree Road and Carrillo Way, Capital Improvement Program (CIP) Project No. 6070. (Staff Contact: Miriam Jim and Lindy Pham, Public Works Department).

DEPARTMENTAL REPORTS:

3. **POLICE REPORT REGARDING TRAFFIC & MOBILITY-RELATED MATTERS DURING THE MONTH OF AUGUST AND SEPTEMBER 2023, INCLUDING NOTABLE NEWS FOR THE MONTH OF OCTOBER** – Receive a presentation from a representative of the City of Carlsbad Police Department that will provide an overview of traffic and mobility-related police matters during the months of August and September 2023, including notable news for the month of October. (Staff Contact: Lieutenant Alonso DeVelasco, Police Department).

Staff's Recommendation: Receive the presentation.

Commissioner Garcia joined the meeting at 4:15 p.m.

In response to Commissioner Kohl's inquiry regarding the number of e-bike accidents and if they involved school aged children, Lieutenant DeVelasco responded that he did not have the specifics of each collision but, based on his review of the collisions, it does appear that the majority of them did involve high school and middle school students.

In response to Commissioner Kohl's inquiry regarding courses and education for bikes and e-bikes for adults, Lieutenant DeVelasco responded that they do not have courses specifically for adults, they have encouraged adults to attend the same safety courses offered to children. He further added that adults generally have driver's licenses and therefore have a basic understanding of the rules of the road.

In response to Commissioner Penseyres' inquiry about how many traffic collisions involving bicyclists also involved vehicles, Lieutenant DeVelasco explained that the data only represents collisions with injuries, but he will see if he can bring this additional data to the next meeting. He further added that he would work with the crime analyst to generate another chart that would reflect the number of bicyclists versus vehicle collisions and if a bicyclist was at fault, if it was a solo collision or if a vehicle was involved.

In response to Vice-Chair Fowler's inquiry regarding enforcement of the number of people allowed on a bike, Lieutenant DeVelasco responded that there are laws and ordinances in place that they can enforce regarding how many people are allowed on a bike.

In response to Acting Chair Fowler's inquiry regarding the legality of bikes towing trailers for children, Lieutenant DeVelasco responded that there are no violations against it and nothing to enforce.

In response to Acting Chair Fowler's inquiry regarding the tracking of accidents caused by potholes, Lieutenant DeVelasco responded that they receive very few reports of collisions involving potholes.

4. APPROVAL OF THE 2024 REGULAR TRAFFIC SAFETY & MOBILITY COMMISSION MEETING CALENDAR - Adoption of a resolution approving the 2024 Regular Traffic Safety & Mobility Commission Meeting Calendar. (Staff Contact: Nathan Schmidt, Public Works Department).

Staff's Recommendation: Adopt the resolution.

Motion by Commissioner Newlands, seconded by Commissioner Kohl, to approve the 2024 Regular Traffic Safety & Mobility Commission Meeting Calendar. Motion carried, 5/0/2 (Coelho, Proulx – Absent).

CITY TRAFFIC ENGINEER COMMENTS:

City Traffic Engineer John Kim spoke about the ongoing East-West Corridor project and he explained that there is typically a gap between the paving work and the completion of signing and striping. He further added that this can lead to increased input from the public due to the temporary conditions. He added that once the project is complete, he expects to receive more comments regarding the finished project.

Nov. 6, 2023

Traffic Safety & Mobility Regular Meeting

Transportation Director Tom Frank spoke about the status of the ongoing East-West Corridor project and several other ongoing projects, including the pedestrian improvements on Carlsbad Boulevard south of Pine Avenue and the access ramp, pedestrian, bike, and vehicle improvements and lane configurations on the Avenida Encinas Coastal Rail Trail.

Transportation Director Frank commented that he would forward the City Manager's email addressing the ongoing construction projects.

Commissioner Penseyres requested that staff conduct bicyclist counts before and after projects to see if providing extra space for cyclists results in an increase in riders and a decrease in crashes for both individual falls and those involving vehicles.

Transportation Director Frank responded that they conducted the before project counts and will conduct the after project counts several months after the project is completed to let the users normalize their behavior.

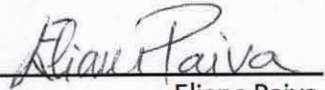
COMMISSION COMMENTARY AND REQUESTS FOR CONSIDERATION OF MATTERS:

In response to Commissioner Kohl's inquiry about whether the city is looking into implementing the no right turn on red, City Traffic Engineer Kim responded that they are aware of the news articles and will keep an eye on the issue.

In response to Commissioner Kohl's inquiry about implementing speed enforcement cameras, City Traffic Engineer Kim responded that staff does not currently support the implementation of speed enforcement cameras at this time.

In response to Commissioner Kohl's inquiry as to why staff does not currently support the implementation of speed enforcement cameras, City Traffic Engineer Kim explained that, from his own observations, agencies who had utilized them and later on had to back away from them due to various issues related to technology and privacy.

ADJOURNMENT: Acting Chair Fowler adjourned the Traffic Safety & Mobility Commission Regular Meeting on Nov. 6, 2023, at 5:04 p.m.



Eliane Paiva
Secretary

Plans, specifications and contract documents
(on file in the Office of the City Clerk)



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Tom Frank, Transportation Director/City Engineer
 tom.frank@carlsbadca.gov, 442-339-2766

Subject: Continuation of Proclamation of a Storm-Related Local Emergency for Removal of Sediment and Vegetation on the Buena Vista Creek Concrete Channel Near El Camino Real

District: 1

Recommended Action

Adopt a resolution continuing the proclamation of a storm-related local emergency for removal of sediment and vegetation in the Buena Vista Creek Concrete Channel near El Camino Real.

Executive Summary

Rainfall from the atmospheric river that hit California in early February and the prior one in January 2024, increased sediment and vegetation in the Buena Vista Creek, diminishing its capacity and risking significant damage to nearby property and infrastructure. Emergency removal of sediment and vegetation was necessary to ameliorate the risk. Exhibit 3 shows the area of the channel requiring emergency sediment and vegetation removal.

- The Acting City Manager, in his role as Acting Director of Emergency Services, proclaimed a local emergency on Feb. 8, 2024, as shown in Exhibit 2, so that the removal can be exempted from the city's normal bidding procedures and the necessary repairs can be completed as swiftly as possible.
- The City Council ratified the emergency proclamation on Feb. 13, 2024, and continued the emergency proclamation on Feb. 27, 2024.
- On March 12, 2024, the City Council continued the emergency proclamation again and authorized additional appropriations in the amount of \$474,000.
- The City Council continued the emergency proclamation again on March 19, 2024, March 26, 2024, and April 9, 2024.

Staff are now requesting the City Council continue the emergency proclamation again.

Construction projects that cost less than \$200,000 may be awarded by the City Manager using informal bidding procedures under Carlsbad Municipal Code, or CMC, Section 3.28.080 Construction Projects, subsections (B) and (H), which implement California Public Contract Code Section 22032. This emergency project is expected to cost more than \$1.5 million.

California Public Contract Code Sections 22035 and 22050 and CMC Sections 3.28.110(A) and 3.28.120 provide for an exemption from formal bidding procedures for emergency construction procurements. The emergency proclamation allows the city to use these exemptions.

Public Contracting Code Section 22050 requires the City Council to review the emergency at each regularly scheduled meeting, to determine, by a four-fifths vote of the City Council, the need to continue the emergency action.

Explanation & Analysis

Buena Vista Creek is situated at the northern border of the City of Carlsbad, adjacent to the City of Oceanside. The creek is located within both the City of Carlsbad and the City of Oceanside, outside the Coastal Zone, until it reaches Jefferson Street and the Buena Vista Lagoon. The creek comprises natural stream bed sections and some man-made concrete drainage channels designed to convey runoff from a large eastern watershed to the Pacific Ocean.

One segment of the Buena Vista Creek near El Camino Real, outside the Coastal Zone, was previously constructed as a concrete trapezoidal channel, starting at South Vista Way and ending approximately 230 feet east of El Camino Real, a total of approximately 900 feet. This man-made concrete segment of the creek is entirely within the City of Carlsbad.

Over time, sediment and vegetation accumulate in the creek. The city has a Capital Improvement Program project to remove the sediment and vegetation and make other repairs to the channel. The project is currently in the environmental review stage. However, the recent severe storm events have created debris flows that occur during short-duration, high-intensity rainfalls.

More specifically, the atmospheric river in early February brought an influx of heavy rain that inundated the Buena Vista Creek with material, including vegetation, debris and sediment-dominated slurry from the Buena Vista Creek Watershed, which is about 10 miles long. These rapid debris flows have significantly diminished the capacity of the channel, which is very close to the outfall of the watershed, resulting in a significant risk of the channel overflowing, with the potential to cause significant damage to nearby property and infrastructure during severe storms.

To mitigate the emergency conditions, the City Engineer recommended expedited, or emergency, removal of some of the sediment and vegetation to increase the channel's capacity while the larger maintenance project proceeds through the environmental review and permitting process.

The emergency proclamation enabled the city to procure a contractor to perform the necessary emergency removal work and would be limited to the immediate action(s) to prevent or mitigate loss of, or damage to, life, health, property, or essential public services. The near-term scope of work – the immediate measure – is the minimum necessary to alleviate the immediate emergency.

- Staff submitted a permit application to the U.S. Army Corps of Engineers on Feb. 15, 2024, and sent a notification to the San Diego Regional Water Quality Control Board the same day that the notice of intent was included in the permit application.

- The Corps of Engineers' District Engineer coordinated review of the project with affected agencies, including the California Department of Fish and Wildlife and the Regional Water Quality Control Board, and issued a permit on Feb. 27, 2024.
- The San Diego Regional Water Quality Control Board informed staff on Feb. 28, 2024, that the notice of intent for the project complies with federal water quality regulations and is complete and has been recorded as required.
- On March 5, 2024, the U.S. Army Corps of Engineers sent a verification letter on the permit which superseded its Feb. 27, 2024, letter. The March 5 letter stated that work authorized by the permit must be underway no later than 14 calendar days from date of issuance of the letter of verification, or by March 19, 2024, and that all work must be completed no later than April 22, 2024. If the city is unable to complete the authorized work by this date, the city must request, in writing, an extension from the Corps' Regulatory Division prior to the deadline.

Upon the City Council's ratification of the emergency proclamation, staff met with contractors to determine their availability to perform the work. Staff issued a notice to proceed to the contractor, Hazard Construction, on March 4, 2024. Work started on March 8, 2024, and is expected to be completed by the authorized date of April 22, 2024. If it appears that there may be a delay, staff will request an extension in writing from the Corps' Regulatory Division prior to April 22. On March 25, 2024, the City Manager and Hazard Construction fully executed the contract.

After closer inspection of the project site, staff have determined that additional clearing of sediment, debris and vegetation in the earthen section of the Buena Vista Creek channel east of the concrete channel for approximately 1,500 feet to the Haymar Drive bridge would be needed to increase the channel's capacity. Staff submitted another emergency permit application to the U.S. Army Corps of Engineers on March 28, 2024, and sent a notification to the San Diego Regional Water Quality Control Board the same day stating that the notice of intent was included in the permit application. Staff are awaiting approval from the permitting agencies before moving forward with this additional work.

On April 3, 2024, the contractor Hazard Construction provided a quote for the additional emergency work in the amount of \$3,762,000 plus a proposed option of riprap on the north wall of the channel in the amount of an additional \$306,000 for a total cost estimate of \$4,068,000 for the additional work.

Additionally, on April 3, 2024, staff received an estimate of potential habitat mitigation costs from a consultant Environmental Science Associates, or ESA. For the work already authorized by the regulatory agencies, the impacted area is estimated at 1.87 acres, which could cost \$1.83 million for mitigation, if the regulatory agencies determine a ratio of 1.5:1 is appropriate. This estimate does not include the additional mitigation costs that could potentially be required for the proposed additional emergency work in the earthen section of the channel that has not yet been permitted by the regulatory agencies, nor approved by the City Council.

The consultant also identified a mitigation bank¹ that has 2.84 acres available of re-establishment river and floodplain credits for wetland waters of both the U.S. and the state and 0.66 acres of rehabilitated river for wetland waters of both the U.S. and the state. These credits could fulfill the mitigation required because of the project’s impacts. Once the regulatory agencies have determined the appropriate ratio, staff will return to the City Council to request additional appropriations for the mitigation bank credits.

On April 8, 2024, Kleinfelder Construction Services submitted a proposal for \$134,118 for construction management and inspection services for a projected four-month period for the proposed additional emergency work in the earthen section of the channel.

Staff recommend that the City Council continue the emergency proclamation to complete the emergency work at the Buena Vista Creek concrete channel near El Camino Real as swiftly as possible to prevent damage to nearby infrastructure and property.

Fiscal Analysis

Funding for the entire project is in the amount of \$1,548,500, which will be funded from the fiscal year 2023-24 capital budget through the Storm Drain System Rehabilitation and Repair Program.

Storm Drain System Rehabilitation and Repair Program	
Total appropriated funds to date	\$5,935,360
Total expenditures and encumbrances to date	-\$4,287,987
Total available funding	\$1,647,373
Buena Vista Creek Concrete Channel emergency work	
Emergency work (sediment, vegetation removal, estimated) – Hazard Construction	-\$999,700
Design and administrative costs (approximately 5%)	-\$50,000
Construction management and inspection – Kleinfelder Construction Services	-\$108,300
Biological monitoring – Environmental Science Associates	-\$140,500
Construction contingency (25%)	-\$250,000
Total estimated emergency project costs	-\$1,548,500
Remaining balance	\$98,873

There may be outside funding that could cover some or all of these emergency costs. On Feb. 22, 2024, the City Manager sent a letter to the California Governor’s Office of Emergency Services (CalOES) requesting any and all state and federal resources including, but not limited to, state assistance through the California Disaster Assistance Act. The state replied and subsequently requested supplemental information on the city’s budget and how recent storms

¹ A mitigation bank is a wetland, stream, or other aquatic resource area that has been restored, established, enhanced or preserved for the purpose of providing compensation for unavoidable impacts to other aquatic resources as permitted by federal, state and local regulations.

impacted it. On Feb. 26, 2024, staff provided the requested supplemental information and the initial damage estimate of \$771,000, which has now increased to over \$1.5 million.

On April 4, 2024, staff met with CalOES staff to discuss this emergency work. CalOES also requested additional information to be provided by April 11, 2024.

Next Steps

The contractor is expected to complete the initial emergency work by April 22, 2024. If staff receive permits from the regulatory agencies for the additional sediment, debris and vegetation clearing work in the earthen section of the channel east of the concrete channel, staff will return to the City Council to request approval and additional appropriations.

When staff receive confirmation from the regulatory agencies on habitat mitigation requirements, staff will request additional appropriations.

Staff will return to the City Council again on April 23, 2024, to review the emergency action and ask the City Council to determine by a four-fifths vote whether there is a need to continue the emergency proclamation.

Environmental Evaluation

The project has been determined to be exempt from the California Environmental Quality Act under Public Resources Code Section 21080(b)(3) and CEQA Guidelines Section 15269(a), which apply to projects undertaken, carried out or approved by a public agency to maintain, repair, restore, demolish or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor.

Exhibits

1. City Council resolution
2. Acting City Manager/Acting Director of Emergency Services' proclamation of a storm-related local emergency, dated Feb. 8, 2024
3. Location map

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, CONTINUING THE PROCLAMATION OF A STORM-RELATED LOCAL EMERGENCY FOR REMOVAL OF SEDIMENT AND VEGETATION IN THE BUENA VISTA CREEK CONCRETE CHANNEL NEAR EL CAMINO REAL

WHEREAS, on Feb. 4, 2024, the Governor of the State of California found that conditions of extreme peril exist in San Diego County and other counties due to the early February 2024 storms caused by an atmospheric river and proclaimed a state of emergency to make additional resources available to local governments, formalize emergency actions, and help the state prepare for the impact of the storms; and

WHEREAS, the City Council empowers the City Manager, as Director of Emergency Services or, in the City Manager's absence, the Assistant City Manager, as Acting City Manager and Acting Director of Emergency Services, to proclaim the existence of a local emergency when the city is affected by a public calamity and the City Council is not in session; and

WHEREAS, conditions or threatened conditions of extreme peril to the safety of persons and property arose within the City of Carlsbad caused by a powerful, slow moving, atmospheric river in early February that resulted in debris flows, or a "sediment-dominated slurry", which inundated the Buena Vista Creek and significantly diminished capacity in the Buena Vista Creek concrete channel (begins approximately 600 feet west/downstream of the El Camino Real bridge and extends upstream of the bridge approximately 230 feet); and

WHEREAS, on Feb. 8, 2024, the Acting City Manager/Acting Director of Emergency Services proclaimed a storm-related local emergency for removal of sediment and vegetation on the Buena Vista Creek concrete channel near El Camino Real; and

WHEREAS, on Feb. 13, 2024, the City Council ratified the proclamation of a storm-related local emergency for removal of sediment and vegetation on the Buena Vista Creek concrete channel near El Camino Real; and

WHEREAS, on Feb. 27, 2024, the City Council continued the proclamation of a storm-related local emergency for removal of sediment and vegetation on the Buena Vista Creek concrete channel near El Camino Real; and

WHEREAS, on March 12, 2024, the City Council continued the proclamation of a storm-related local emergency for removal of sediment and vegetation on the Buena Vista Creek concrete channel near El Camino Real again and authorized additional appropriations in the amount of \$474,000; and

WHEREAS, on March 19, 2024, March 26, 2024, and April 9, 2024, the City Council continued the emergency proclamation again; and

WHEREAS, Carlsbad Municipal Code, or CMC, Section 3.28.110(A) implements Public Contract Code Section 22035 and provides for an exemption from formal bidding procedures for emergency construction procurements; and

WHEREAS, Public Contract Code Section 22050(c)(1) requires the City Council to review the emergency action at every subsequent City Council meeting to determine, by a four-fifths vote, whether this is a need to continue the emergency action; and

WHEREAS, on Feb. 27, 2024, the U.S. Army Corps of Engineers issued a Regional General Permit (RGP) 63 – Repair and Protection Activities in Emergency Situations; and

WHEREAS, on Feb. 28, 2024, the San Diego Regional Water Quality Control Board informed staff that in accordance with Water Quality Order No. 2023-0095-DWQ, or Order, Clean Water Act Section 401 Water Quality Certification for U.S. Army Corps of Engineers Reauthorization of Regional General Permit 63 (RGP 63) for Emergency Repair and Protection Activities Project, the Notice of Intent is complete, and the Project is enrolled under the Order; and

WHEREAS, on March 5, 2024, the U.S. Army Corps of Engineers sent a verification letter on the permit which superseded its Feb. 27, 2024, letter, which stated that work authorized by the permit must be underway no later than 14 calendar days from date of issuance of the letter of verification, or by March 19, 2024, and that all work must be completed no later than April 22, 2024, and if it is not then the city must request, in writing, an extension from the Corps' Regulatory Division prior to the deadline; and

WHEREAS, the contractor started emergency work on March 8, 2024, and is expected to complete the work by the authorized date of April 22, 2024; and

WHEREAS, on March 28, 2024, staff submitted another RGP-63 permit application to the U.S. Army Corps of Engineers for additional sediment, debris and vegetation clearing work in the earthen channel east of the concrete channel for over 1,500 feet to the Haymar Drive bridge, and notified the San Diego Regional Water Quality Control Board the same day; and

WHEREAS, staff will return to the City Council to request approval and additional appropriations for the additional sediment, debris and vegetation clearing work in the earthen section of the channel upon receipt of permits from the regulatory agencies; and

WHEREAS, staff received a cost estimate from a consultant for potential habitat mitigation costs for the initial emergency work; and

WHEREAS, staff will return to the City Council to request additional appropriations for the habitat mitigation upon receipt of the requirements from the regulatory agencies; and

WHEREAS, staff request that the City Council continue the proclamation of a local emergency again to complete the work; and

WHEREAS, under California Public Resources Code Section 21080(b)(3) and Title 14, Section 15269 of the California Code of Regulations, the requirements of the California Environmental Quality Act do not apply to projects undertaken, carried out, or approved by a public agency to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which the Governor of the State of California has proclaimed a state of emergency, and on Feb. 4, 2024, the Governor found that conditions of extreme peril exist in San Diego County and proclaimed a state of emergency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the storm-related Proclamation for a Local Emergency for removal of sediment and vegetation in the Buena Vista Creek concrete channel near El Camino Real is continued.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



Proclamation of Local Emergency

City Hall
1200 Carlsbad Village Drive
Carlsbad, CA 92008

FOR STORM-RELATED EMERGENCY PROTECTION ACTIVITIES TO REDUCE SEDIMENT AND VEGETATION IN THE BUENA VISTA CREEK CHANNEL NEAR EL CAMINO REAL

WHEREAS, on February 4, 2024, the Governor of the State of California found that conditions of extreme peril exist in San Diego County and other counties due to the early February 2024 storms caused by a powerful, slow-moving atmospheric river and proclaimed a state of emergency to make additional resources available to local governments, formalize emergency actions and help the state prepare for the impact of the storms.

WHEREAS, California Government Code Section 8630 allows the City Council or an official designated by ordinance adopted by the City Council, to proclaim a local emergency; and

WHEREAS, the City of Carlsbad's Emergency Services Ordinance, including Carlsbad Municipal Code Section 6.04.100(A)(1), empowers the City Manager, as the City of Carlsbad's Director of Emergency Services, or, in the City Manager's absence, the Assistant City Manager, as Acting City Manager and Acting Director of Emergency Services, to proclaim the existence of a local emergency, subject to ratification by the City Council, when there exists, or there is threatened to exist, conditions of extreme peril to the safety of persons and property within the City of Carlsbad; and

WHEREAS, in the case of an emergency, California Public Contract Code Section 22050 allows the City Council, or a person delegated the authority by the City Council, to repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services and supplies for those purposes without giving notice for bids to let contract; and

WHEREAS, under California Public Resources Code Section 21080(b)(3) and Title 14, Section 15269 of the California Code of Regulations, the requirements of the California Environmental Quality Act do not apply to projects undertaken, carried out, or approved by a public agency to maintain, repair, restore, demolish or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which the government has proclaimed a state of emergency; and

WHEREAS, the Acting Director of Emergency Services finds:

1. The National Weather Service has issued multiple winter storm warnings, high wind warnings, wind advisories, and flood and flash flood watches throughout the State of California in anticipation of a powerful, slow-moving, atmospheric river.
2. Existing conditions and threatened conditions of extreme peril to the safety of persons and property have arisen within the City of Carlsbad caused this powerful, slow-moving atmospheric river, and that the unexpected occurrence poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property and essential public services.

Local Emergency – Reduction of Sediment and Vegetation in the Buena Vista Creek Channel

Page 2

3. Prior to the early February 2024 storms, powerful winter storms that occurred less than a month ago had amplified the impact of local flooding due to the record-breaking amount of rainfall including a severe rainstorm which began on January 22, 2024 (“January Storm”), in all dropping 2 to 3 inches of rain in a three-hour period, a total that exceeds that of an average wet month and rivals the rainfall needed to spur a 100-year flood event.

4. On January 22, 2024, the County of San Diego proclaimed an emergency due to the January Storm, which the county characterized as a thousand-year storm, and which caused drastic flooding and flash flooding in the county.

5. The existing conditions of the current atmospheric river causing local flooding, in addition to the impacts of the January Storm, have created conditions of extreme peril in the Buena Vista Creek Channel, in part, because the inundation of sedimentation and debris flows from the multiple, powerful winter storms, which have diminished the channel’s capacity.

6. That the City Council of the City of Carlsbad was not in session and could not be immediately called into session.

NOW, THEREFORE, IT IS PROCLAIMED that, subject to review and ratification by the City Council at its next regular meeting, a local emergency now exists in the City of Carlsbad, California, in the area of the Buena Vista Creek Channel near El Camino Real.

IT IS FURTHER PROCLAIMED AND ORDERED that, under California Public Contract Code Section 22050 and Carlsbad Municipal Code Sections 3.28.110(A) and 3.28.120, city staff may proceed at once to obtain the necessary permits, equipment, services, and supplies to reduce the sediment and vegetation in the Buena Vista Creek Channel without giving notice for bids to let contracts.

Dated: 2/8/24

By: 

GEOFF PATNOE
Acting City Manager/Acting Director of
Emergency Services

LOCATION MAP

Exhibit 3



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Copyright nearmap 2015

PROJECT NAME

BUENA VISTA CREEK CHANNEL

EXHIBIT

3



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Tom Frank, Transportation Director/City Engineer
 tom.frank@carlsbadca.gov, 442-339-2766

Subject: Continuation of Proclamation of a Storm-Related Local Emergency for Repair of the Slope Between El Camino Real and Trieste Drive

District: 1

Recommended Action

Adopt a resolution continuing the proclamation of a storm-related local emergency for repair of the slope between El Camino Real and Trieste Drive.

Executive Summary

The atmospheric river in early February 2024 and the winter storm in January 2024 resulted in unexpected slope movement in an area between El Camino Real and Trieste Drive, with the potential to affect nearby property, infrastructure and the environment. Emergency repair of the slope area behind four homes on Trieste Drive is necessary to ameliorate the risk. Exhibit 3 shows the area requiring emergency slope repair.

- The City Manager, in his role as Director of Emergency Services, proclaimed a local emergency on Feb. 14, 2024, as shown in Exhibit 2, to expedite the slope repair.
- On Feb. 15, 2024, the City Council ratified the emergency proclamation so that the repair can continue to be exempted from the city's normal bidding procedures and the necessary repairs can be completed as swiftly as possible.
- The City Council continued the emergency proclamation on Feb. 27, 2024.
- The City Council continued the emergency proclamation again on March 12, 2024, approving the plans for the repair work and authorizing additional appropriations in the amount of \$955,000.
- The City Council continued the emergency proclamation on March 19, 2024, March 26, 2024, and April 9, 2024.

Staff are now requesting that the City Council continue the emergency proclamation again to complete the work.

Construction projects that cost less than \$200,000 can be awarded by the City Manager using informal bidding procedures under Carlsbad Municipal Code, or CMC, Section 3.28.080 - Construction Projects, subsections (B) and (H), which implement California Public Contract Code Section 22032.

This project will cost approximately \$3 million. California Public Contract Code Sections 22035 and 22050 and Carlsbad Municipal Code Sections 3.28.110(A) and 3.28.120 provide for an exemption from formal bidding procedures for emergency construction procurements. The emergency proclamation allows the city to use the emergency exemption.

Public Contract Code Section 22050(c)(1) requires the City Council to review the emergency action at every subsequent City Council meeting to determine, by a four-fifths vote, whether there is a need to continue the emergency action.

Staff recommend that the City Council continue the proclamation of the storm-related local emergency again to allow for the swift repair of the slope by approving the resolution provided as Exhibit 1.

Explanation & Analysis

The slope area between El Camino Real and Trieste Drive, generally behind the backyards of four residential properties that front onto Trieste Drive (4215-4245 Trieste Drive), has experienced soil movement. The city has a Capital Improvement Program project (Project No. 6107) to repair the slope. The project was in the 50% design and environmental review stage. However, the recent severe storm events have created additional fissures in the soil that need to be repaired quickly.

The City Engineer recommended expedited, or emergency, stabilization of the slope while the larger slope repair project proceeds through the design and environmental review and permitting process. The emergency proclamation allows the city to procure a contractor to perform the necessary emergency work to prevent or mitigate loss of, or damage to, property, essential public services and the environment.

Staff and Urban Corps, a city contractor, completed emergency protective measures at a cost of \$5,774, which included removing debris and placing tarps and stakes in the right-of-way.

Upon proclamation of the emergency, Engineering Systems Inc., the city's geotechnical engineering consultant, met with contractors to check on their availability and capabilities to perform the emergency work. Condon-Johnson & Associates, Inc., or Condon-Johnson, initially provided a cost estimate of approximately \$871,000 for the emergency work.

The emergency work was initially intended to address the unexpected slope movement that occurred as a result of the recent atmospheric rivers and storms, not to perform the original scope of work of the Capital Improvement Program project. However, due to recent further slope movement, the city's geotechnical engineering consultant has recommended performing the additional final repairs at the same time as the emergency work.

The contractor Condon-Johnson's estimate increased to \$2,443,180 for the total cost, which includes the initial estimate of \$870,990 for installation of 26 emergency shore stability pins in Phase 1, which stabilize the slope, and \$1,572,190 for installation of an additional row of 28 shore stability pins and other more permanent repairs such as grading and re-compaction of the slope within the repair area as well as increased steel, additional two pins for Phase 1 and stabilizing the slope by hydroseeding.

- On March 6, 2024, staff issued a notice to proceed to the contractor to perform the emergency work. The emergency work started on March 12, 2024, and is expected to be completed by June 2024.
- On March 19, 2024, in keeping with CMC Section 15.16.060(B)(2) – Work exempt from grading permit, the City Engineer made the determination to exempt the work from the requirement that the project receive a grading permit.
- On March 19, 2024, the consultant indicated that the number of emergency shore stability pins will increase to 28 instead of the initial 26 that was proposed. This change will be reflected in the as-built drawings.
- On March 19, 2024, the contractor, Condon-Johnson, and the City Manager fully executed the contract in the amount of \$870,990.
- On March 20, 2024, the contractor submitted a change order request in the amount of \$1,572,190 for Phases 2-5. Staff are processing a change order in that amount.

Staff recommend that the City Council continue the emergency proclamation again to complete the emergency work at the slope near El Camino Real and Trieste Drive as swiftly as possible to prevent damage to nearby infrastructure and property.

Fiscal Analysis

Funding for the emergency work in the amount of \$3,317,600 will come from the funding in the General Capital Construction Fund for Capital Improvement Program Project No. 6107. Total project cost for the emergency work has increased to \$2,972,852.

Trieste Drive Slope Repair Project Capital Improvement Program Project No. 6107	
Total appropriated funds to date	\$3,317,600
Total expenditures and encumbrances to date	-\$338,974
Total available funding	\$2,978,626
Emergency work (slope repair) – Condon-Johnson & Associates, Inc.	-\$2,443,180
Design and administrative costs – Engineering Systems Inc.	-\$190,250
Construction management – Infrastructure Engineering Corporation	-\$78,320
Special inspection – Leighton Consulting, Inc.	-\$52,050
Environmental monitoring (estimated) – LSA	-\$50,000
Construction contingency balance	-\$159,052
Total estimated emergency Capital Improvement Program project costs	-\$2,972,852
Emergency protective measures – Urban Corps	-\$905
Staff labor and materials costs	-\$4,869
Total estimated emergency protective measures costs	-\$5,774
Additional appropriation needed	\$0

This emergency work could qualify for outside funding. The City Manager sent a letter to the California Governor's Office of Emergency Services (CalOES) on Feb. 22, 2024, requesting any and all state and federal resources including, but not limited to, state assistance through the California Disaster Assistance Act. The state replied and subsequently requested supplemental information on the city's budget and how recent storms impacted it. On Feb. 26, 2024, staff provided the requested supplemental information and the initial damage estimate of \$1,293,774, which has now increased to \$3 million.

On April 4, 2024, staff met with CalOES staff to discuss this emergency project and have provided additional supplemental information. CalOES staff requested additional information to be provided by April 11, 2024.

Next Steps

The contractor has begun performing the emergency work with an estimated completion date of June 2024.

Staff will return to the City Council again on April 23, 2024, to review the emergency action and ask the City Council to determine by a four-fifths vote whether there is a need to continue it.

Environmental Evaluation

The project was determined to be exempt from the California Environmental Quality Act under Sections 15301(d) and 15301(f) of the CEQA Guidelines, which apply to projects for the restoration or rehabilitation of deteriorated or damaged structures, and the addition of safety or health protection devices. None of the exceptions to the exemption applied to the project and a notice of exemption was filed on Jan. 25, 2023.

Exhibits

1. City Council resolution
2. Proclamation of a storm-related local emergency, dated Feb. 14, 2024
3. Location map

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, CONTINUING THE PROCLAMATION OF A STORM-RELATED LOCAL EMERGENCY FOR REPAIR OF THE SLOPE BETWEEN EL CAMINO REAL AND TRIESTE DRIVE

WHEREAS, on Feb. 4, 2024, the Governor of the State of California found that conditions of extreme peril exist in San Diego County and other counties due to the early February 2024 storms caused by the atmospheric river and proclaimed a state of emergency to make additional resources available to local governments, formalize emergency actions, and help the state prepare for the impact of the storms; and

WHEREAS, the City Council empowers the City Manager, as Director of Emergency Services, to proclaim the existence of a local emergency when the city is affected by a public calamity and the City Council is not in session; and

WHEREAS, conditions or threatened conditions of extreme peril to the safety of persons and property have arisen within the City of Carlsbad caused by an unexpected slope movement with potential to affect nearby property, infrastructure and the environment; and

WHEREAS, on Feb. 14, 2024, the City Manager/Director of Emergency Services proclaimed a storm-related local emergency for repair of the slope between El Camino Real and Trieste Drive, generally behind the backyards of four residential properties that front onto Trieste Drive (4215 - 4245 Trieste Drive); and

WHEREAS, Carlsbad Municipal Code, or CMC, Section 3.28.110(A) implements Public Contract Code Section 22035 and provides an exemption from formal bidding procedures for emergency construction procurements, and to use the emergency exemption, CMC Section 3.28.120 and Public Contract Code Section 22050 require a proclamation of a local public emergency by a four-fifths vote of the City Council, or by the City Manager subject to ratification by a four-fifths vote of the City Council at the next City Council meeting; and

WHEREAS, on Feb. 15, 2024, the City Council ratified the proclamation of a local emergency as the emergency proclamation and emergency exemption are appropriate in this instance because the emergency work appears to be caused by unexpected slope movement, which could pose a threat to the public, property, infrastructure and the environment; and

WHEREAS, on Feb. 27, 2024, the City Council continued the emergency proclamation; and

WHEREAS, on March 12, 2024, the City Council continued the emergency proclamation again, approved the plans and authorized additional appropriations in the amount of \$955,000; and

WHEREAS, on March 19, 2024, March 26, 2024, and April 9, 2024, the City Council continued the emergency proclamation again; and

WHEREAS, on March 19, 2024, the City Engineer made the determination to exempt the work from the requirements of a grading permit, consistent with CMC Section 15.16.060(B)(2); and

WHEREAS, a contractor commenced the emergency work on March 12, 2024, and is expected to complete the work by June 2024; and

WHEREAS, staff request that the City Council continue the emergency proclamation again to enable completion of the work; and

WHEREAS, Public Contract Code Section 22050(c)(1) requires the City Council to review the emergency action at every subsequent City Council meeting to determine, by a four-fifths vote, whether this is a need to continue the emergency action; and

WHEREAS, the project was determined to be exempt from the California Environmental Quality Act, or CEQA, under Section 15301(d) and (f) of the CEQA Guidelines, which applies to projects for restoration or rehabilitation of deteriorated or damaged structures, and the addition of safety or health protection devices; and

WHEREAS, none of the exceptions to the CEQA exemption applied to the project and a Notice of Exemption was filed on Jan. 25, 2023.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the Proclamation of a Storm-related Local Emergency for repair of the slope near El Camino Real and Trieste Drive is continued.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



Proclamation of Local Emergency

City Hall
1200 Carlsbad Village Drive
Carlsbad, CA 92008

FOR STORM-RELATED EMERGENCY PROTECTION ACTIVITIES TO REPAIR A SLOPE BETWEEN EL CAMINO REAL AND TRIESTE DRIVE

WHEREAS, on February 4, 2024, the Governor of the State of California found that conditions of extreme peril exist in San Diego County and other counties due to the early February 2024 storms caused by a powerful, slow-moving atmospheric river and proclaimed a state of emergency to make additional resources available to local governments, formalize emergency actions and help the state prepare for the impact of the storms; and

WHEREAS, California Government Code Section 8630 allows the City Council or an official designated by ordinance adopted by the City Council, to proclaim a local emergency; and

WHEREAS, the City of Carlsbad's Emergency Services Ordinance, including Carlsbad Municipal Code Section 6.04.100(A)(1), empowers the City Manager, as the City of Carlsbad's Director of Emergency Services, to proclaim the existence of a local emergency, subject to ratification by the City Council, when there exists, or there is threatened to exist, conditions of extreme peril to the safety of persons and property within the City of Carlsbad; and

WHEREAS, in the case of an emergency, California Public Contract Code Section 22050 allows the City Council, or a person delegated the authority by the City Council, to repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services and supplies for those purposes without giving notice for bids to let contract; and

WHEREAS, the repair project was determined to be exempt from the California Environmental Quality Act, or CEQA, under Section 15301 (d) and (f) of the CEQA Guidelines, which applies to projects for restoration or rehabilitation of deteriorated or damaged structures and the addition of safety or health protection devices; and

WHEREAS, none of the exceptions to the CEQA exemption applied to the project and a Notice of Exemption was filed on Jan. 25, 2023; and

WHEREAS, the Director of Emergency Services finds:

1. The National Weather Service issued multiple winter storm warnings, high wind warnings, wind advisories, and flood and flash flood watches throughout the State of California in anticipation of a powerful, slow-moving, atmospheric river in early February.
2. Conditions of extreme peril to the safety of persons and property have arisen within the City of Carlsbad caused by the powerful, slow-moving atmospheric river in early February, requiring immediate action to prevent or mitigate the loss or impairment of life, health, and property.

Local Emergency – REPAIR OF THE SLOPE BETWEEN EL CAMINO REAL AND TRIESTE DRIVE

Page 2

3. Prior to the early February 2024 storms, powerful winter storms that occurred less than a month ago had amplified the impact of local flooding due to the record-breaking amount of rainfall including a severe rainstorm which began on January 22, 2024 (“January Storm”), in all dropping 2 to 3 inches of rain in a three-hour period, a total that exceeds that of an average wet month and rivals the rainfall needed to spur a 100-year flood event.

4. On Jan. 22, 2024, the County of San Diego proclaimed an emergency due to the January Storm, which the county characterized as a thousand-year storm, and which caused drastic flooding and flash flooding in the county.

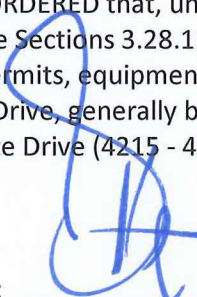
5. The conditions of the early February 2024 storms, in addition to the impacts of the January Storm, created an emergency condition on a slope that is located between El Camino Real and Trieste Drive, generally behind the backyards of four residential properties that front onto Trieste Drive (4215 - 4245 Trieste Drive) causing rapid slope movement and additional fissures in the soil that warrant immediate emergency repair.

6. That the City Council of the City of Carlsbad was not in session and could not be immediately called into session.

NOW, THEREFORE, IT IS PROCLAIMED that, subject to review and ratification by the City Council at its next meeting, a local emergency now exists in the City of Carlsbad, California, on a slope between El Camino Real and Trieste Drive, generally behind the backyards of four residential properties that front onto Trieste Drive (4215 - 4245 Trieste Drive).

IT IS FURTHER PROCLAIMED AND ORDERED that, under California Public Contract Code Section 22050 and Carlsbad Municipal Code Sections 3.28.110(A) and 3.28.120, city staff may proceed at once to obtain the necessary permits, equipment, services, and supplies to repair the slope between El Camino Real and Trieste Drive, generally behind the backyards of four residential properties that front onto Trieste Drive (4215 - 4245 Trieste Drive), without giving notice for bids to let contracts.

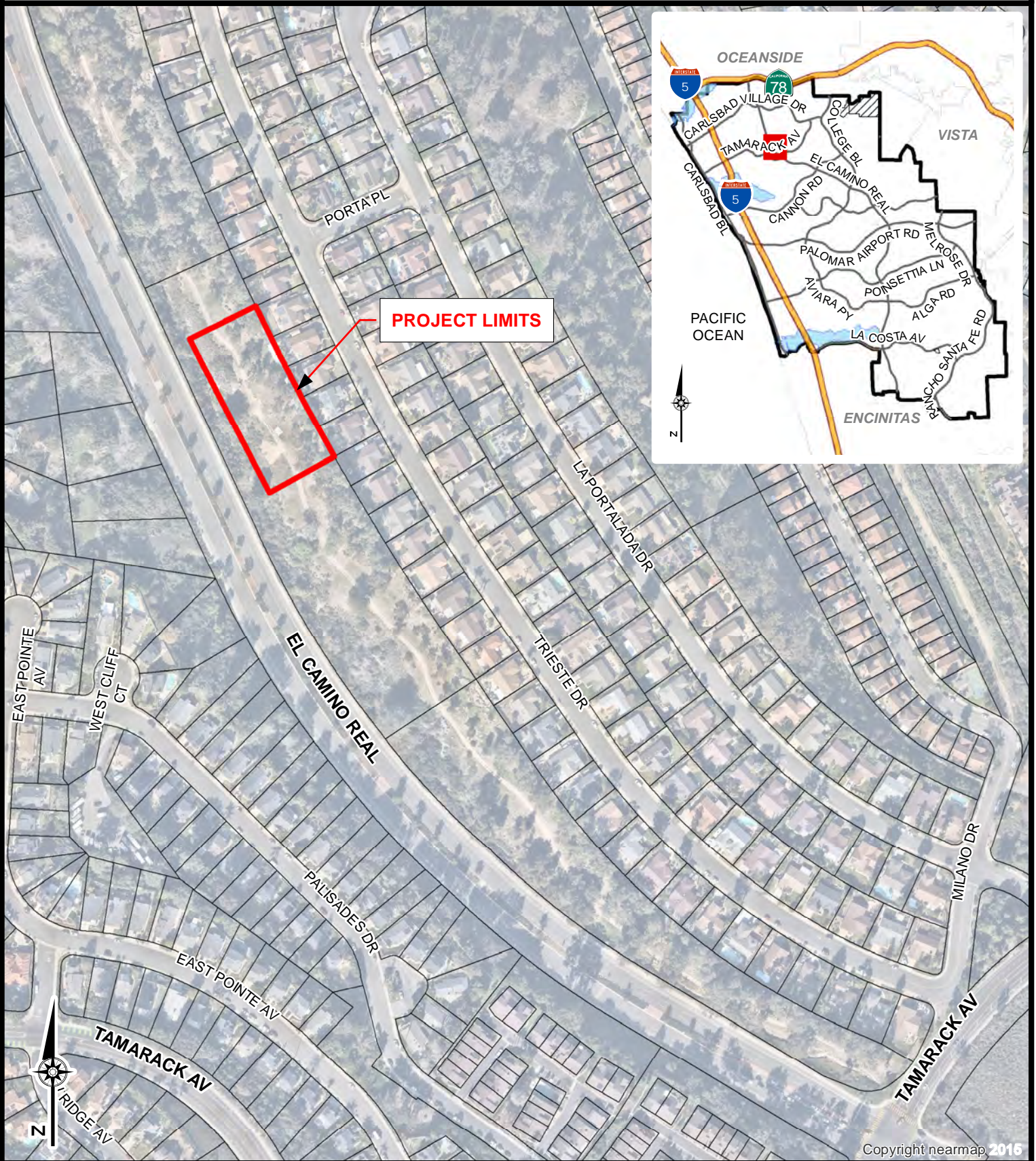
Dated: 14 FEB 24

By:  _____

SCOTT CHADWICK
City Manager/Director of Emergency Services

LOCATION MAP

Exhibit 3



TRIESTE DRIVE SLOPE REPAIR PROJECT

PROJECT
NUMBER
6107

EXHIBIT
3



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Faviola Medina, City Clerk Services Director
 faviola.medina@carlsbadca.gov, 442-339-5989

Subject: Adoption of Ordinance No. CS-469 Annual Report for AB 481

Districts: All

Recommended Action

Adoption of Ordinance No. CS-469 renewing the Police Department's Military Equipment Use Policy, in accordance with California Assembly Bill 481.

Executive Summary

Assembly Bill 481, which became law in 2021 as California Government Code Sections 7070-7075, requires law enforcement agencies to obtain approval from their governing bodies for the use of military equipment before the agencies can fund, acquire, or use military equipment, as defined in the law.

The law requires the City Council to review the ordinance each year along with an annual military equipment report prepared by the Police Department. The City Council then determines whether to renew its authorization of the military equipment use policy by considering certain factors provided under the law.

The City Council is being asked to adopt Ordinance No. CS-469.

Explanation & Analysis

Ordinance No. CS-469 was introduced and first read at the City Council meeting held on April 9, 2024. On a motion by Mayor Pro Tem Bhat-Patel, seconded by Council Member Acosta, the City Council voted 5-0 to introduce Ordinance No. CS-469 renewing the Police Department's Military Equipment Use Policy, in accordance with California Assembly Bill 481.

The second reading allows the City Council to adopt the ordinance. The ordinance shall be effective thirty days after the adoption.

The City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after their adoption.

Fiscal Analysis

There is no direct fiscal impact associated with the recommended action.

Next Steps

The City Clerk's Office will have the ordinance, or a summary of the ordinance, published in a newspaper of general circulation within 15 days following adoption of the ordinance.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. Ordinance No. CS-469

ORDINANCE NO. CS-469

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, RENEWING THE POLICE DEPARTMENT'S MILITARY EQUIPMENT USE POLICY, IN ACCORDANCE WITH CALIFORNIA ASSEMBLY BILL 481

WHEREAS, on September 30, 2021, Governor Gavin Newsom signed into law Assembly Bill 481 relating to the use of military equipment by law enforcement agencies; and

WHEREAS, Assembly Bill 481, codified at California Government Code Sections 7070 through 7075, requires law enforcement agencies to obtain approval of the governing body, by an ordinance adopting a military equipment use policy at a regular meeting held pursuant to open meeting laws, prior to taking certain actions relating to the funding, acquisition, or use of military equipment. The term "military equipment" is defined in California Government Code Section 7070; and

WHEREAS, Assembly Bill 481 requires the governing body of a city to make specified determinations before it may approve a military equipment use policy; and

WHEREAS, annually thereafter, the governing body shall review the ordinance it has adopted approving the funding, acquisition, or use of military equipment and vote on whether to renew the ordinance; and

WHEREAS, the City of Carlsbad is in possession of certain pieces of equipment which are defined as military equipment under California Government Code Section 7070; and

WHEREAS, the City of Carlsbad's proposed military equipment use policy is found within Carlsbad Police Department Policy 708; and

WHEREAS, in order to promote public safety, civil rights, and officer safety, the Carlsbad Police Department desires to continue using, seeking funding for, acquiring, and collaborating, when necessary, with other law enforcement agencies in the use of, military equipment, as described in the Carlsbad Police Department Policy 708; and

WHEREAS, the proposed Carlsbad Police Department Policy 708 was published on the Carlsbad Police Department's internet website at least 30 days prior to any public hearing concerning the military equipment at issue, in accordance with Government Code Section 7071(b); and

WHEREAS, the Carlsbad Police Department Policy 708 meets the requirements of Government Code Section 7070, subdivision (d).

NOW, THEREFORE, the City Council of the City of Carlsbad, California, ordains as follows that:

1. The above recitations are true and correct.
2. Based on the recitations above and the information provided to the City Council at the public hearing, the City Council determines as follows:
 - a. The military equipment identified in Carlsbad Police Department Policy 708, attached and incorporated herein as "Attachment A", is necessary because there is no reasonable alternative that can achieve the same objective of officer and civilian safety.
 - b. The military equipment use policy contained in Carlsbad Police Department Policy 708 will safeguard the public's welfare, safety, civil rights, and civil liberties.
 - c. The military equipment identified in Carlsbad Police Department Policy 708 is reasonably cost effective compared to available alternatives that can achieve the same objective of officer and civilian safety.
 - d. Prior military equipment use complied with the applicable equipment use policy (which included equipment now defined as military equipment) that was in effect at the time, or if prior uses that did not comply with the applicable equipment use policy, corrective action has been taken to remedy nonconforming uses and ensure future compliance.
3. The Carlsbad Police Department Policy 708 (Military Equipment Use Policy), attached hereto as Attachment A, is approved and adopted.
4. The Carlsbad Police Department is authorized to seek funds for military equipment described in Appendix A to the Military Equipment Use Policy, acquire military equipment described in Appendix A to the Military Equipment Use Policy, collaborate with another law enforcement agency in the deployment or other use of military equipment within Carlsbad, use any new or existing military equipment as provided in the Military Equipment Use Policy and solicit or respond to a proposal for, or enter into an agreement for funding, acquisition, use of, or collaboration for use of military equipment described in the Military Equipment Use Policy.
5. The City Council shall review this Ordinance at least annually and vote on whether to renew the ordinance, consistent with the requirements of state law.

EFFECTIVE DATE: This ordinance shall be effective thirty days after its adoption; and the City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

INTRODUCED AND FIRST READ at a Regular Meeting of the Carlsbad City Council on the 9th day of April, 2024, and thereafter.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM AND LEGALITY:

CINDIE K. McMAHON, City Attorney

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

Military Equipment

708.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, use, training and reporting requirements of military equipment in accordance with California Assembly Bill 481 (codified at Government Code § 7070, et seq.). Additionally, this policy outlines the fiscal impact and specific descriptions of existing military equipment within the Department's inventory.

708.1.1 DEFINITIONS

The definitions provided in Government Code section 7070 apply to this policy, including the following:

Governing body – The elected or appointed body that oversees the Department.

Military equipment – Means the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles. This definition applies to small Unmanned Aircraft Systems (sUAS) and SWAT robots.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers. However, police versions of standard consumer vehicles are specifically excluded from this definition.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached. However, unarmored all-terrain vehicles (ATVs) and motorized dirt bikes are specifically excluded from this definition.
- Tracked armored vehicles that provide ballistic protection to their occupants and utilize a tracked system instead of wheels for forward motion.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. However, items designed to remove a lock, such as bolt cutters or a handheld, one-person ram, are specifically excluded from this definition.
- Firearms and ammunition of .50 caliber or greater, However, standard-issue shotguns and standard-issue shotgun ammunition are specifically excluded from this definition..
- Specialized firearms and ammunition of less than .50 caliber, including assault weapons as defined in Penal Code sections 30510 and 30515, with the exception of standard-issue service weapons and ammunition of less than .50 caliber that are issued to sworn members.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- "Flashbang" grenades and explosive breaching tools, "tear gas," and "pepper balls" including munitions containing tear gas or OC. However, standard, service-issued handheld pepper spray is specifically excluded from this definition.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).

- The following projectile launch platforms and their associated munitions: 40 mm projectile launchers, "bean bag," rubber bullet, and specialty impact munitions (SIM) weapons.
- Any other equipment as determined by the governing body or a state agency to require additional oversight.
- "Military equipment" does not include general equipment not designated as prohibited or controlled by the federal Defense Logistics Agency.

708.2 POLICY

It is the policy of the Carlsbad Police Department that members of this department comply with the provisions of Government Code § 7071 with respect to military equipment.

708.3 MILITARY EQUIPMENT COORDINATOR

The Chief of Police should designate a member of this department to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

- a) Acting as liaison to the governing body for matters related to the requirements of this policy.
- b) Identifying department equipment that qualifies as military equipment in the current possession of the Department, or the equipment the Department intends to acquire that requires approval by the governing body.
- c) Conducting an inventory of all military equipment at least annually.
- d) Collaborating with any other law enforcement agency that may use military equipment within the jurisdiction of Carlsbad Police Department (Government Code § 7071).
- e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:
 1. Publicizing the details of the meeting.
 2. Preparing for public questions regarding the department's funding, acquisition, and use of equipment.
- f) Preparing the annual military equipment report for submission to the Chief of Police and ensuring that the report is made available on the department website (Government Code § 7072).
- g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

708.4 MILITARY EQUIPMENT INVENTORY

Appendix A contains the descriptions, purposes and authorized uses, fiscal impact, training requirements, and legal and procedural rules governing each authorized use for all military equipment of the Department.

708.5 MILITARY EQUIPMENT USE POLICY APPROVAL

The Chief of Police or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment use policy. As part of the approval process, the Chief of Police or the authorized designee shall ensure the proposed military equipment use policy is submitted

to the governing body and is available on the department website at least 30 days prior to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment use policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

- a) Requesting military equipment made available pursuant to 10 USC § 2576a.
- b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
- c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
- d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this department.
- e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.
- f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.
- g) Acquiring military equipment through any means not provided above.

708.5.1 REPLACEMENT OF APPROVED EQUIPMENT

The police department will replace, as needed, any existing approved military equipment with the equipment of the same make and model, or if unavailable, with substantially similar equipment which will be subject to the same requirements as the replaced equipment.

The Police Department may acquire additional equipment and munitions of the types (or substantially similar types) contained in Appendix A. The quantity for each type of equipment and munition in Appendix A is not intended as a cap on the number that may be acquired.

708.6 ANNUAL MILITARY EQUIPMENT REPORT AND COMMUNITY ENGAGEMENT

The Chief of Police or the authorized designee shall submit a military equipment report to the governing body for each type of military equipment approved within one year of approval of this policy, and annually thereafter, for as long as the military equipment is available for use (Government Code § 7072). The annual military equipment report shall, at a minimum, include the following information for the immediately preceding calendar year for each type of military equipment:

- a) A summary of how the military equipment was used and the purpose of its use.
- b) A summary of any complaints or concerns received concerning the military equipment.
- c) The results of any internal audits, any information about violations of the military equipment use policy, and any actions taken in response, consistent with all applicable state employee privacy laws.
- d) The total annual cost for each type of military equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the military equipment in the calendar year following

- e) The quantity possessed for each type of military equipment.
- f) If the Department intends to acquire additional military equipment in the next year, the quantity sought for each type of military equipment

The Chief of Police or the authorized designee shall make each annual military equipment report publicly available on the department website for as long as the military equipment is available for use. Within 30 days of submitting and publicly releasing the annual military equipment report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the general public may discuss and ask question regarding the annual military equipment report and the Department's funding, acquisition, or use of military equipment. The governing body will determine, based on the annual military equipment report, whether each type of military equipment identified in the report has complied with the standards for approval, as set forth in Government Code § 7071, subdivision (d). If the governing body determines that a type of military equipment identified in the annual military equipment report has not complied with the standards as set forth in Government Code § 7071, subdivision (d), it may either disapprove a renewal of the authorization for that type of military equipment or require modifications to this military equipment use policy in a manner that will resolve lack of compliance.

708.7 COORDINATION WITH OTHER JURISDICTIONS

Department members are required to adhere to this Military Equipment Use policy and all applicable Carlsbad Police Department policies and procedures, regardless of operational jurisdiction. Members of other law enforcement agencies that are providing mutual aid to this jurisdiction shall comply with their respective military equipment use policies in rendering mutual aid.

708.8 PUBLIC COMPLAINT PROCEDURE

Complaints related to the application or use of military equipment shall be handled in accordance with Department Policy 1020 - Personnel Complaints.

Appendix A


Carlsbad Police Department AB-481 Military Equipment Inventory (2024)

Technology/Electronics

AVATAR TACTICAL ROBOT											
Description	A remote-controlled belt-driven vehicle designed to handle different terrains while allowing access to its onboard camera so operators can visually clear the areas the robot has traveled.										
Quantity	1										
Capability	“Quickly and easily deployable. Navigates various terrain including stairs, sand, clothing, grass, etc. Two-way audio. Video recording capability.”										
Life Span	At or exceeded life span.										
Manufacturer’s description	“The AVATAR® enhances the capabilities of SWAT and tactical response teams by allowing them to quickly and safely inspect dangerous situations, there is no longer a need to send personnel in before you’ve had a chance to assess the situation.”										
Purpose/ Authorized Usage	Used for search and rescue to safely clear / make safe the interior/exterior of the buildings prior to putting Officers in harm's way. Can be used to communicate and negotiate with suspects.										
Legal / Procedural Rules Governing Use	PC 633.8 (Eavesdropping Device) and must comply with Carlsbad Police Policy 322 (Search and Seizure)										
Costs	<table style="width: 100%; border: none;"> <tr> <td style="padding-right: 20px;">Initial Cost:</td> <td>\$28,009.61</td> </tr> <tr> <td>Recurring Cost:</td> <td>N/A</td> </tr> <tr> <td>Maintenance:</td> <td>Replaced as damaged. Maintenance cost is equivalent to new device.</td> </tr> <tr> <td>Year Obtained:</td> <td></td> </tr> <tr> <td>How was it budgeted:</td> <td></td> </tr> </table>	Initial Cost:	\$28,009.61	Recurring Cost:	N/A	Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device.	Year Obtained:		How was it budgeted:	
Initial Cost:	\$28,009.61										
Recurring Cost:	N/A										
Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device.										
Year Obtained:											
How was it budgeted:											

Item Photograph		
Training Needed	Training per PC 633.8 (Eavesdropping Device) provided by the District Attorney's Office. SWAT provides familiarization and scenario-based training to sworn officers.	


BOUNCING IMAGE EXPLORER 2.0											
Description	A durable 360-degree camera designed to see into unknown locations.										
Quantity	2										
Capability	Extremely durable circular-shaped camera, designed to be tossed, thrown or placed into unknown locations to gain visuals on the target location.										
Life Span	N/A										
Manufacturer's description	"SAFER ROOM CLEARING - Avoid the Fatal Funnel, SAFER ATTIC/CRAWLSPACE CLEARING - Tactical Pole Camera, SAFER STAIRWELL/BASEMENT CLEARING"										
Purpose/ Authorized Usage	Used for search and rescue and to safely clear / make safe the interior/exterior of the buildings during critical incidents. Used to gain valuable lifesaving information and to observe locations prior to putting officers at risk.										
Legal / Procedural Rules Governing Use	Must comply with Carlsbad Police Policy 322 (Search and Seizure)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$5,853.62</td> </tr> <tr> <td>Recurring Cost:</td> <td>n/a</td> </tr> <tr> <td>Maintenance:</td> <td>Replaced as damaged. Maintenance cost is equivalent to new device.</td> </tr> <tr> <td>Year Obtained:</td> <td>2017</td> </tr> <tr> <td>How was it budgeted:</td> <td>Departmental savings from FY17</td> </tr> </table>	Initial Cost:	\$5,853.62	Recurring Cost:	n/a	Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device.	Year Obtained:	2017	How was it budgeted:	Departmental savings from FY17
Initial Cost:	\$5,853.62										
Recurring Cost:	n/a										
Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device.										
Year Obtained:	2017										
How was it budgeted:	Departmental savings from FY17										

Item Photograph	
Training Needed	SWAT provides familiarization training to sworn officers.


L3 Night Vision Monocular	
Description	L3 White Phosphor PVS-14 Harris Gen 3 Autogated Night Vision Monocular
Quantity	24
Capability	<p>This monocular is now available with improved white phosphor tube technology for greater target detection and recognition. Low-light and nighttime maneuvers appear more natural in black and white, with added contrast detail in shapes and shadows, providing the operator more visual information for assessment and acquisition. White phosphor offers various shades of intensity between black and white (over black and green), resulting in better contrast and depth perception</p>
Life Span	N/A
Manufacturer's description	<p>The Night Vision Device, also known by its military nomenclature AN/PVS-14, is the U.S. military standard for night vision and can be either used as a handheld pocketscope, a right or left eye-mounted monocular or a weapon sight when mounted in conjunction with an infrared laser aimer or other night vision-compatible primary optic.</p>
Purpose/ Authorized Usage	<p>Used to provide personnel with more visual information in dark to low light environments without giving away the user's location. In a low light environment, when a light is used to visually clear an area it works both ways. The officer can locate and see the suspect, but the suspect can also locate and see the officer. This can be problematic and dangerous when the suspect is in a position of advantage and or is armed. The use of Night Vision Devices allows officers to scan and assess a low light environment without putting themselves at increased risk. The information gained can then be used to make more informed tactical decisions.</p> <p>Issued to individual SWAT personnel to be used in low light environments when the device would help provide more visual information in a low light environment.</p>

Legal / Procedural Rules Governing Use	None.	
Costs	Initial Cost:	\$10,999
	Recurring Cost:	0
	Maintenance:	N/A
	Year Obtained:	2020
	How was it budgeted:	UASI Grant
Item Photograph		
Training Requirements	Familiarization training for SWAT personnel.	

L3 Night Vision Monocular (Dual Tube)	
Description	L3 AN/PVS-31A BNVD White Phosphor Binocular Night Vision Device (BNVD)
Quantity	6
Capability	The AN/PVS-31A – BNVD is a compact, lightweight, Gen III dual-tube goggle with improved white phosphor tube technology for greater target detection and recognition. Low-light and nighttime maneuvers appear more natural in black and white, with added contrast detail in shapes and shadows providing the operator more visual information for assessment and acquisition. White phosphor provides varying shades of intensity between black and white (over black and green), resulting in better contrast and depth perception.
Life Span	N/A
Manufacturer's description	The Binocular Night Vision Device (BNVD) has an ergonomic low-profile design and offers superior situational awareness compared to a single tube goggle. The BNVD was designed to increase system resolution, significantly reduce head borne-weight, improve system center of gravity, provide additional operational utility, and improve overall situational awareness as compared to currently fielded dual-tube goggles.
Purpose/ Authorized Usage	Used to provide personnel with more visual information in dark to low light environments without giving away the user's location. In a low light environment, when a light is used to visually clear an area it works both ways. The officer can locate and see the suspect, but the suspect can also locate and see the officer. This can be problematic and dangerous when the suspect is in a position of advantage and or is armed. The use of Night Vision Devices allows officers to scan and

	<p>assess a low light environment without putting themselves at increased risk. The information gained can then be used to make more informed tactical decisions.</p> <p>Issued to individual SWAT personnel to be used in low light environments when the device would help provide more visual information in a low light environment.</p>										
Legal / Procedural Rules Governing Use	None.										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$34,835.10</td> </tr> <tr> <td>Recurring Cost:</td> <td>0</td> </tr> <tr> <td>Maintenance:</td> <td>N/A</td> </tr> <tr> <td>Year Obtained:</td> <td>Pending 2022</td> </tr> <tr> <td>How was it budgeted:</td> <td>Department funds</td> </tr> </table>	Initial Cost:	\$34,835.10	Recurring Cost:	0	Maintenance:	N/A	Year Obtained:	Pending 2022	How was it budgeted:	Department funds
Initial Cost:	\$34,835.10										
Recurring Cost:	0										
Maintenance:	N/A										
Year Obtained:	Pending 2022										
How was it budgeted:	Department funds										
Item Photograph											
Training Requirements	Familiarization training for SWAT personnel.										

RECON ROBOTICS THROWBOT 2	
Description	Robotic camera
Quantity	2
Capability	Used to transmit real-time video in a dangerous and life-threatening environment.
Life Span	N/A
Manufacturer's description	Once deployed, the robot can be directed to move through a structure and transmit real-time video and audio to the OCU II. These reconnaissance features can locate and identify subjects, confirm presence of hostages and reveal the room layout.
Purpose/ Authorized Usage	Used for search and rescue and to safely clear / make safe the interior/exterior of the buildings during critical incidents. Used to gain valuable lifesaving information and to observe locations prior to putting officers at risk.

Legal / Procedural Rules Governing Use	PC 633.8 (Eavesdropping Device) and must comply with Carlsbad Police Policy 322 (Search and Seizure)	
Costs	Initial Cost:	\$16,165.00
	Recurring Cost:	N/A
	Maintenance:	In-house cleaning
	Year Obtained:	2021
	How was it budgeted:	Departmental savings
Item Photograph		
Training Needed	Training per PC 633.8 (Eavesdropping Device) provided by the District Attorney's Office. SWAT provides familiarization and scenario-based training to sworn officers.	

Unmanned Aircraft Systems	
Description	Unmanned Aircraft Systems (UAS/Drones) – CA Gov't Code 7070(c)(1)
Quantity	12 (Seven different models)
Capability	Remotely piloted aerial vehicles capable of providing live and recorded video images captured from aerial positions, including images enhanced by dual thermal and optical zoom lenses.
Life Span	Approximately 5 years, highly dependent on battery replacement
Manufacturer's description	<p>DJI Matrice 100 (2): The Matrice 100 combines the ease of use of a ready-to-fly quadcopter with the flexibility of a build-it-yourself model. Sporting an "X"-configuration design, the Matrice 100 acts as a platform for the separately available Zenmuse X3 4K camera and gimbal system or can be adapted to support compact third-party cameras (e.g. GoPro). Stackable modular bays simplify adding components such as flight control extensions or a second battery, while the prop arms can be set at a slight angle to increase torque. (\$3866)</p> <p>DJI Matrice 210 (1): Built for industrial use, the Matrice 210 RTK V2 Professional Quadcopter is meant to go into hazardous conditions to relay vital information to personnel on the ground. With the addition of built-in RTK modules and the inclusion</p>

of a GNSS mobile station, the 210 RTK V2 is also capable of high-precision mapping. With up to 33 minutes of flight time and a range of up to 5 miles, it can be implemented in a variety of industries and professions. Inspecting infrastructure and getting a clear view of emergencies are just a couple of the jobs the Matrice 210 RTK V2 can perform. **(\$9600)**

DJI Mavic Enterprise (1): Built upon the Mavic 2 flight platform, the Mavic 2 Enterprise is an advanced, enterprise-level drone solution for demanding applications. Whether you need an eye in the sky for search and rescue, policing and firefighting support, or inspections of vital infrastructure, the Mavic 2 Enterprise is designed to be a compact solution that's easily deployable. To help with these tasks, the Mavic 2 Enterprise features a top extended port for mounting helpful modular accessories. Also equipped with 24GB of onboard storage to capture all the vital data. **(\$2949)**

DJI Mavic Enterprise Advance (1): Utilizing the practical benefits of drone technology, the versatile Mavic 2 Enterprise Advanced Drone is equipped with technology to help first responders enforce the law, find and rescue victims, or fight fires. It can also inspect power equipment, structures, and even the environment, in minutes compared to hours or days. The Mavic 2 Enterprise Advanced can do all this thanks to its compact size, long-lasting battery, ability to fly missions quickly, high-tech dual thermal and visual cameras, and a host of other features. **(\$6900)**

DJI Mavic Zoom (2): The Mavic 2 Zoom with Smart Controller is a professional-quality filmmaking drone that gives you the ability to get closer to the action, thanks to its 24-48mm 2x optical zoom camera with 1/2.3" 12MP sensor. With 4x lossless zoom (including 2x optical zoom), you can capture sensitive subjects from an even greater distance. There's even a single-tap aerial mode called Dolly Zoom that gives a Hitchcockian effect to your footage. **(\$2093)**

Spark (3): The Spark features a 12-megapixel camera stabilized mechanically by a 2-axis gimbal. The Spark also carries an advanced infrared 3D camera that helps the drone detect obstacles in front of it, as well as facilitating hand-gesture control. In addition to a smartphone app with a virtual controller, the Spark also has a physical controller. **(\$499)**

Phantom 4 (2): The Phantom 4 Pro has improved resolution capable of on-controller live-view streaming, enhanced connectivity, and more. Like the original, the Phantom 4 Pro Version 2 features a 3-axis-stabilized gimbal camera with a 20MP 1" CMOS sensor capable of shooting up to 4K60 fps video and photo bursts at up to 14 fps. It also utilizes the Flight Autonomy system, which includes dual rear-vision sensors and infrared sensing for a total of five directions of obstacle sensing and four directions of obstacle avoidance. Instead of Lightbridge, the Phantom 4 Pro Version 2 now uses Ocusync, which enables improved live video stream performance. Other notable enhancements include lighter props and reduced overall

	takeoff weight, wireless integration with DJI Goggles, and bolstered transmission power. (\$1399)	
Purpose/ Authorized Usage	UAS/Drones may be utilized to enhance the Department's mission of protecting lives and property when other means and resources are not available or are less effective. Uses may include but are not limited to search and rescue; suspect apprehension; crime scene documentation; tactical operations; scene security; hazard monitoring, identification and mitigation; response to emergency calls; crisis communications; and legally authorized surveillance.	
Legal / Procedural Rules Governing Use	<p>Any use of a UAS will be in strict accordance with constitutional and privacy rights and Federal Aviation Administration (FAA) regulations. The use of the UAS potentially involves privacy considerations. Absent a warrant or exigent circumstances, operators and observers shall adhere to FAA altitude regulations and shall not intentionally record or transmit images of any location where a person would have a reasonable expectation of privacy (e.g., residence, yard, enclosure).</p> <p>Operators and observers shall take reasonable precautions to avoid inadvertently recording or transmitting images of areas where there is a reasonable expectation of privacy. Reasonable precautions can include, for example, deactivating or turning imaging devices away from such areas or persons during UAS operations.</p> <p>Carlsbad Police Policy 354 (Unmanned Aerial Systems Operations).</p>	
Costs	Initial Cost:	\$35,662
	Recurring Cost:	No defined recurring costs. Since the program's inception, eight (8) batteries have been replaced for a total cost of \$1129.00
	Maintenance:	None performed outside on-duty hours
	Year Obtained:	Matrice 100 – 2017 Phantom 4 – 2017 Spark – 2019 Matrice 210 – 2019 Mavic Enterprise – 2019 Mavic Zoom – 2019 Mavic Enterprise Adv. – 2021
	How was it budgeted:	Departmental savings

Item
Photograph

Matrice 100:



Matrice 210:



Mavic Enterprise:



Mavic Enterprise Advance:



Mavic Zoom:



Spark:



Phantom 4:



Training Requirements

Prior to piloting any UAS/Drone staff members must secure an FAA Remote Pilot License and complete all training required by our FAA COA.


Steiner DBAL-A3

Description	Steiner DBAL-A3	
Quantity	24	
Capability	<p>While the IR Laser and Visible Green Laser can be used to assist in aiming while using NVG's or Gas Mask, there are limitations to their accuracy.</p> <p>The DBAL-A³ is the first to feature new defocused adjustable IR illumination technology to enable both midrange and close quarter target acquisition. The visible green laser's direct diode allows for cold weather operation as low as -20°C.</p>	
Life Span	N/A	
Manufacturer's description	<p>Available for the commercial market, the first eye-safe IR laser pointer, IR illuminator and green laser pointer in a single compact unit. Features an adjustable IR illuminator for better illumination at longer ranges, dual activation switches and high/low power modes.</p> <p>The DBAL-A3 civilian model is based on the standard issue DBAL-A3 for U.S. warfighters. And just like the restricted models, this unit offers the latest advances in IR and visible laser technology. The dual-beam infrared laser and illuminator combination is extremely accurate in low- and no-light maneuvers. In addition, the DBAL-A³ is the first to feature new defocused adjustable IR illumination technology to enable both midrange and close quarter target acquisition. The visible green laser's direct diode allows for cold weather operation as low as -20°C.</p>	
Purpose/ Authorized Usage	<p>The dual-beam infrared laser and illuminator is used to identify and highlight objects in low light to dark environments. It allows users to illuminate areas via infrared light without giving away the users' position.</p> <p>Issued to individual SWAT personnel to be used in low light environments when the device would help provide more visual information in a low light environment.</p>	
Legal / Procedural Rules Governing Use	None.	
Costs	<p>Initial Cost: \$518</p> <p>Recurring Cost: N/A</p> <p>Maintenance: N/A</p> <p>Year Obtained: 2020</p> <p>How was it budgeted: SWAT operating budget</p>	


Item Photograph	
Training Requirements	Familiarization training for SWAT personnel.

Less Lethal Equipment and Munitions

Remington 870 Beanbag Shotgun							
Description	12-gauge shotgun used to deploy less lethal munition						
Quantity	15						
Capability	Deploying 12 gauge less lethal bean bag munitions						
Life Span	N/A						
Manufacturer's description	America's bestselling shotgun for over 50 years, the Model 870's dependability is legendary. The receiver is milled from a solid billet of steel for strength and durability, and the twin action bars ensure smooth, reliable non-binding action.						
Purpose/Authorized Usage	<p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p>						
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 312 (Firearms) 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)						
Costs	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Initial Cost:</td> <td style="text-align: right;">800.00</td> </tr> <tr> <td>Recurring Cost:</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Maintenance:</td> <td style="text-align: right;">0</td> </tr> </table>	Initial Cost:	800.00	Recurring Cost:	0	Maintenance:	0
Initial Cost:	800.00						
Recurring Cost:	0						
Maintenance:	0						

	Year Obtained: Pre 1990 How was it budgeted: Unknown
Item Photograph	
Training Requirements	8-hour POST Certified Less Lethal Operator Course, Qualification every 6 months.

40 MM Launcher - LMT	
Description	40LMTS- 40 mm LMT Tactical Single Launcher
Quantity	4
Capability	Deploying 40mm less lethal impact projectiles. Deploying 40mm chemical agent (CS) barricade penetrating (DefTech 2262) rounds.
Life Span	N/A
Manufacturer's description	40LMTS is a tactical single shot launcher that features an expandable ROGERS Super Stoc and an adjustable Integrated Front Grip (IFG) with light rail. The ambidextrous Lateral Sling Mount (LSM) and QD mounting systems allow both a single and two point sling attachment. The 40LMTS will fire standard 40mm less lethal ammunition, up to 4.8 inches in cartridge length. The Picatinny Rail Mounting System will accept a wide array of enhanced optics/sighting systems.
Purpose/Authorized Usage	<p>KINETIC ENERGY PROJECTILE GUIDELINES</p> <p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p> <p>TEAR GAS GUIDELINES</p>

	Used to deploy chemical agent into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$1000.00</td> </tr> <tr> <td>Recurring Cost:</td> <td>\$0</td> </tr> <tr> <td>Maintenance:</td> <td>\$0</td> </tr> <tr> <td>Year Obtained:</td> <td>2018</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$1000.00	Recurring Cost:	\$0	Maintenance:	\$0	Year Obtained:	2018	How was it budgeted:	Operating budget
Initial Cost:	\$1000.00										
Recurring Cost:	\$0										
Maintenance:	\$0										
Year Obtained:	2018										
How was it budgeted:	Operating budget										
Item Photograph											
Training Requirements	8-hour POST Certified Less Lethal Operator Course. Qualification every 6 month										

Defense Technology 40 MM Launcher	
Description	Def Tech 40mm Tactical Single Launcher
Quantity	4
Capability	Deploying 40mm less lethal impact projectiles. Deploying 40mm chemical agent (CS) barricade penetrating (DefTech 2262) rounds.
Life Span	N/A
Manufacturer's description	40LMTS is a tactical single shot launcher that features an expandable ROGERS Super Stoc and an adjustable Integrated Front Grip (IFG) with light rail. The ambidextrous Lateral Sling Mount (LSM) and QD mounting systems allow both a single and two point sling attachment.

	The 40LMTS will fire standard 40mm less lethal ammunition, up to 4.8 inches in cartridge length. The Picatinny Rail Mounting System will accept a wide array of enhanced optics/sighting systems.	
Purpose/Authorized Usage	<p>KINETIC ENERGY PROJECTILE GUIDELINES</p> <p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles, or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p> <p>TEAR GAS GUIDELINES</p> <p>Used to deploy chemical agents into a specific location from a distance. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p>	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)	
Costs	Initial Cost: \$1000.00 Recurring Cost: \$0 Maintenance: \$0 Year Obtained: 2018 How was it budgeted: Operating budget	


Item Photograph	 A black less-lethal rifle, possibly a 40mm gas launcher, is shown against a white background. In the top left corner of the image area, there is a small logo featuring a red and yellow shield with a sword and the text "POST CERTIFIED".
Training Requirements	8-hour POST Certified Less Lethal Operator Course. Qualification every 6 month

40MM Multi Launcher – Penn Arms GL6-40

Description	40MM Multi Launcher	
Quantity	2	
Capability	Deploying 40mm less lethal impact projectiles. Deploying 40mm chemical agent (CS) barricade penetrating (DefTech 2262) rounds.	
Life Span	N/A	
Manufacturer's description	A 40MM spring-advance magazine drum launcher with a six-shot capacity and a rifled barrel and 6" cylinder.	
Purpose/Authorized Usage	<p>(PRIMARY) KINETIC ENERGY PROJECTILE GUIDELINES</p> <p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p> <p>TEAR GAS GUIDELINES</p> <p>Used to deploy chemical agent into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p>	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)	
Costs	Initial Cost: \$3000 Recurring Cost: 0 Maintenance: 0 Year Obtained: 2019 How was it budgeted: Operating budget	


Item Photograph	
Training Requirements	8-hour POST Certified Less Lethal Operator Course. Qualification every 6 month

CSI Combined Systems 12 GA SuperSock Bean Bag or Equivalent	
Description	Less-lethal projectiles which, when deployed out of a shotgun, are intended to incapacitate without causing extreme injury or death.
Quantity	1810
Capability	Deployed via a 12-gauge shotgun
Life Span	5-year manufacturer's warranty
Manufacturer's description	<p>The Model 2581 Super-Sock® is in its deployed state immediately upon exiting the barrel. It does not require a minimum range to “unfold” or “stabilize.” The Super-Sock® is an aerodynamic projectile. However, accuracy is relative to the shotgun, barrel length, environmental conditions, and the operator. The Super-Sock® is very accurate. However, effectiveness depends on many variable, such as distance, clothing, stature, and the point where the projectile impacts.</p>
Purpose/Authorized Usage	<p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p>
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)

Costs	Initial Cost: \$3123 Recurring Cost: Approx. \$30 per package of 5 Maintenance: N/A Year Obtained: 2020 How was it budgeted: Department funds
Item Photograph	
Training Needed	8-hour POST Certified Less Lethal Operator Course, Qualification every 6 months.

Exact Impact 40 MM Standard Range Sponge Round


Description	Exact Impact 40MM Standard Range Sponge Round
Quantity	345
Capability	This intermediate less lethal specialty munition allows for direct impact from a minimum range of 5ft./1.5m out to a maximum effective range of 131ft / 40m.
Life Span	5 years from date of manufacture
Manufacturer's description	The eXact iMPact™ 40 mm Sponge Round is a point-of-aim, point-of-impact direct-fire round. This lightweight, high-speed projectile consisting of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40 mm launcher's rifled barrel. The round utilizes smokeless powder as the propellant, and, therefore, have velocities that are extremely consistent. Used for Crowd Control, Patrol, and Tactical Applications.
Purpose/Authorized Usage	<p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p>
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-

	escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)
Costs	Initial Cost: \$3855 Recurring Cost: Replace as needed Maintenance: N/A Year Obtained: 2020 How was it budgeted: Operating Budget
Item Photograph	
Training Requirements	6-hour POST Certified Less Lethal Course and qualification every 6 months.

Exact Impact 40 MM Extended Range Sponge Round	
Description	Exact Impact 40MM Extended Range Sponge Round
Quantity	75
Capability	This intermediate less lethal specialty munition allows for direct impact from a minimum range of 33ft./10 m out to a maximum effective range of 230ft / 70m.
Life Span	5 years from date of manufacture
Manufacturer's description	The eXact iImpact™ 40 mm Sponge Round is a point-of-aim, point-of-impact direct-fire round. This lightweight, high-speed projectile consists of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40 mm launcher's rifled barrel. The round utilizes smokeless powder as the propellant, and, therefore, has velocities that are extremely consistent. Used for Crowd Control, Patrol, and Tactical Applications.
Purpose/Authorized Usage	<p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p>

Legal / Procedural Rules Governing Use	The eXact iMPact™ 40 mm Sponge Round is a point-of-aim, point-of-impact direct-fire round. This lightweight, high-speed projectile consisting of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40 mm launcher's rifled barrel. The round utilizes smokeless powder as the propellant, and, therefore, have velocities that are extremely consistent. Used for Crowd Control, Patrol, and Tactical Applications.	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$1631 Replace as needed N/A 2020 Operating budget
Item Photograph		
Training Requirements	8-hour POST Certified Less Lethal Operator Course. Qualification every 6 month	

Tippman APLS Marker	
Description	Tippman FT-12 Marker (Air Powered Launcher System)
Quantity	10
Capability	Deploys Pepperball type projectile with chemical agent
Life Span	15 years
Manufacturer's description	The FT-12 is a compact marker with an ergonomically-positioned front vertical grip, which is ideal for players of all ages. The marker's patent-pending design makes gaining access to internals significantly easier - simply remove the barrel, unscrew the collar and flip the top. No tools are required.
Purpose/ Authorized Usage	<p>KINETIC ENERGY PROJECTILE</p> <p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers.</p>


	<p>There is probable cause to believe that the suspect has already committed a crime of violence and is refusing to comply with lawful orders.</p> <p>TEAR GAS (CS) Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p> <p>OLEORESIN CAPSICUM (OC) As with other control devices, oleoresin capsicum (OC) spray and pepper projectiles may be considered for use to bring under control an individual or groups of individuals who are engaging in, or are about to engage in violent behavior. Pepper projectiles and OC spray should not, however, be used against individuals or groups who merely fail to disperse or do not reasonably appear to present a risk to the safety of officers or the public.</p>										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$1,810</td> </tr> <tr> <td>Recurring Cost:</td> <td>\$1,051 (SCBA tanks and bottles must be serviced or replaced every 5 years.)</td> </tr> <tr> <td>Maintenance:</td> <td>\$30 (parts and equipment)</td> </tr> <tr> <td>Year Obtained:</td> <td>2020</td> </tr> <tr> <td>How was it budgeted:</td> <td>Savings from general operating budget</td> </tr> </table>	Initial Cost:	\$1,810	Recurring Cost:	\$1,051 (SCBA tanks and bottles must be serviced or replaced every 5 years.)	Maintenance:	\$30 (parts and equipment)	Year Obtained:	2020	How was it budgeted:	Savings from general operating budget
Initial Cost:	\$1,810										
Recurring Cost:	\$1,051 (SCBA tanks and bottles must be serviced or replaced every 5 years.)										
Maintenance:	\$30 (parts and equipment)										
Year Obtained:	2020										
How was it budgeted:	Savings from general operating budget										
Item Photograph											
Training Requirements	6-hour POST Certified Less Lethal Operator Course										

Firearms


SIG M400											
Description	The M400 is an air-cooled, direct impingement gas-operated, magazine-fed carbine that is based on the earlier AR-15 rifle										
Quantity	24										
Capability	The M400 is a lightweight, magazine-fed, gas-operated rifle.										
Life Span	N/A										
Manufacturer's description	The SIG M400 5.56 NATO Rifle is a tactical-style rifle that offers versatile performance and customization. Ambidextrous controls on this AR-15 rifle allow use by both right- and left-handed shooters. As a 5.56 NATO rifle, this Sig Sauer is capable of chambering both 5.56 NATO and .223 rounds. A mid-length direct impingement gas system cycles gas back through the barrel for smoother auto-loading and semi-auto action. This tactical rifle features an optics-ready rail and free-floating handguard for mounting accessories like sights and grips. With an included 30-round mag, the SIG M400 TREAD NATO 5.56 Rifle delivers a comfortable, customizable experience right out of the box.										
Purpose/Authorized Usage	<p>Officers may deploy the patrol rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the patrol rifle may include, but are not limited to:</p> <ol style="list-style-type: none"> a. Situations where the officer reasonably anticipates an armed encounter; b. When an officer is faced with a situation that may require the delivery of accurate and effective fire at long range; c. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; d. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; e. When an officer believes that a suspect may be wearing body armor; f. When authorized or requested by a supervisor. 										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 312 (Firearms), 313 (Firearms Qualification and Remediation)										
Costs	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Initial Cost:</td> <td>\$850 Each</td> </tr> <tr> <td>Recurring Cost:</td> <td>0</td> </tr> <tr> <td>Maintenance:</td> <td>0</td> </tr> <tr> <td>Year Obtained:</td> <td>Pre-2010</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating Budget</td> </tr> </table>	Initial Cost:	\$850 Each	Recurring Cost:	0	Maintenance:	0	Year Obtained:	Pre-2010	How was it budgeted:	Operating Budget
Initial Cost:	\$850 Each										
Recurring Cost:	0										
Maintenance:	0										
Year Obtained:	Pre-2010										
How was it budgeted:	Operating Budget										

Item Photograph	
Training Requirements	16-hour POST Patrol Rifle Course, POST certified biannual training, quarterly department qualification.


Patrol Rifle Suppressor	
Description	HX-QD 556K Suppressor
Quantity	120
Capability	Lowers sound to sub-140 dB
Life Span	15+ years
Manufacturer's description	<p>A short and extremely durable suppressor, the HX-QD 556k – updated with our newly designed flash cap – is built with patented and proven Flow-Through® technology, delivers sub-140 dB and zero flash performance, is full-auto rated, easily passes the USSOCOM Reliability Stress Test, and has no minimum barrel restrictions – it's designed and built for extreme use.</p>
Purpose/Authorized Usage	<p>A device that greatly reduces sound, recoil, and muzzle rise. Suppressors do not completely remove the need for hearing protection, but they can help a great deal. When you fire a gun, a large volume of hot, high-pressure gas exits the muzzle along with the bullet. This gas shooting down the gun barrel and exiting makes a lot of noise (“muzzle blast”). A suppressor contains some of those gasses for a fraction of a second and allows them to expand and cool more gradually by circulating them around internal baffles. This helps to lower the decibel level.</p> <p>The Occupational Safety & Health Administration (OSHA) has determined that a decibel (dB) level greater than 140 can cause permanent hearing loss. suppressors can lower the dB level below the detrimental 140 dB level.</p> <p>These devices are attached to issued Patrol Rifles.</p>
Legal / Procedural Rules Governing Use	<p>Because these devices are attached to rifles, all applicable State, Federal and Local laws governing police use of force apply. (See Sig M400 and Smith and Wesson M&P Rifle Legal/Procedural Rules Governing Use for further details)</p>

Costs	Initial Cost: 656.67 Recurring Cost: 0 Maintenance: 0 Year Obtained: 2021 How was it budgeted: Departmental savings
Item Photograph	
Training Requirements	Training in conducted in conjunction with Sig M400 Rifles and Smith and Wesson M&P Rifles (See Sig M400 and Smith and Wesson M&P Training Requirements for further details)


SIG MCX	
Description	WRMCX-300B-6B-TAP-SDHG-SBR
Quantity	24
Capability	The MCX is a lightweight, portable, magazine-fed, gas-operated rifle.
Life Span	N/A
Manufacturer's description	Configurable in more than 500 combinations, the ground-breaking and modular MCX VIRTUS is engineered for unmatched reliability and is designed to perform beyond 20,000 rounds without the need for replacement parts.
Purpose/Authorized Usage	Officers may deploy the patrol rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the patrol rifle may include, but are not limited to: <ul style="list-style-type: none"> g. Situations where the officer reasonably anticipates an armed encounter; h. When an officer is faced with a situation that may require the delivery of accurate and effective fire at long range; i. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; j. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; k. When an officer believes that a suspect may be wearing body armor; l. When authorized or requested by a supervisor.
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 312 (Firearms), 313 (Firearms Qualification and Remediation)

Costs	Initial Cost: \$1377.00 Recurring Cost: 0 Maintenance: 0 Year Obtained: 2022 How was it budgeted: Departmental savings
Item Photograph	
Training Requirements	16-hour POST Patrol Rifle Course, POST certified biannual training, Quarterly department qualification, Quarterly SWAT qualification.


SIG SLX762-QD SUPPRESSOR	
Description	SIG SLX762-QD
Quantity	24
Capability	Lowers sound
Life Span	15+ years
Manufacturer's description	<p>The SLX series of rifle suppressors feature the new Clutch-LOK QD mounting system which is easy to use, repeatable, and extremely durable. The internal multi-flow path within the SLX suppressors allows gasses to exhaust at a faster rate than traditional baffle-style suppressors. This results in 70-80% less toxic fumes flowing back through the ejection port into the shooter's face. The SLX series is a performance-based suppressor designed for use with supersonic ammunition and ideal for users focused on flash reduction and lower toxic fumes. The new low-tox SLX suppressors deliver a superior shooting experience, unlike any other suppressor.</p> <p>The internal multi-flow path of the SLX with low resistance exhausts gases at a faster rate than traditional baffles. SLX features 70-80% less PPM than traditional baffle suppressors.</p>

Purpose/Authorized Usage	<p>A device that greatly reduces sound, recoil, and muzzle rise. Suppressors don't completely remove the need for hearing protection, but they can help a great deal. When you fire a gun, a large volume of hot, high-pressure gas exits the muzzle along with the bullet. This gas shooting down gun barrel and exiting makes a lot of noise ("muzzle blast"). A suppressor contains some of those gasses for a fraction of a second and allows them to expand and cool more gradually by circulating them around internal baffles. This helps to lower the decibel level.</p> <p>The Occupational Safety & Health Administration (OSHA) has determined that a decibel (dB) level greater than 140 can cause permanent hearing loss. suppressors can lower the dB level below the detrimental 140 dB level.</p> <p>These devices are attached to issued SWAT Rifles.</p>	
Legal / Procedural Rules Governing Use	<p>Because these devices are attached to rifles, all applicable State, Federal and Local laws governing police use of force apply. (See MCX Rifle Legal/Procedural Rules Governing Use for further details)</p>	
Costs	<p>Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:</p>	<p>\$827 0 0 2022 Departmental savings</p>
Item Photograph		
Training Requirements	<p>Training in conducted in conjunction with MXC rifles (See MCX Rifle Training Requirements for further details)</p>	

Smith & Wesson M&P Patrol Rifle	
Description	Smith & Wesson M&P 15 SBR
Quantity	120
Capability	The M&P Patrol rifle is a lightweight, magazine-fed, gas-operated rifle, and is designed for longer, more precise shots.
Life Span	N/A
Manufacturer's description	M&P15 Rifles are the ideal modern sporting rifle. Built to perform multiple uses under various conditions, M&P15 Rifles are as versatile as they are reliable. Engineered for a wide variety of recreational,

	sport shooting and professional applications, M&P15 Rifles are easy to accessorize, but hard to put down. M&P15 Rifles are lightweight and rugged embodying the best combination of function and form.	
Purpose/Authorized Usage	<p>Officers may deploy the patrol rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the patrol rifle may include, but are not limited to:</p> <ol style="list-style-type: none"> a. Situations where the officer reasonably anticipates an armed encounter; b. When an officer faced with a situation that may require the delivery of accurate and effective fire at long range; c. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; d. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; e. When an officer believes that a suspect may be wearing body armor; f. When authorized or requested by a supervisor. 	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force) 312 (Firearms) 313 (Firearms Qualification and Remediation)	
Costs	Initial Cost: 716.90 Recurring Cost: 0 Maintenance: 0 Year Obtained: 2021 How was it budgeted: Departmental savings	
Item Photograph		
Training Requirements	16-hour POST Patrol Rifle Course, POST certified biannual training, quarterly department qualification.	

Remington 870 Shotgun


Description	12-gauge shotgun	
Quantity	35	
Capability	Deploying 12-gauge shotgun ammunition and 12 gauge slug ammunition.	
Life Span	N/A	
Manufacturer's description	<p>America's best selling shotgun for over 50 years, the Model 870's dependability is legendary. The receiver is milled from a solid billet of steel for strength and durability, and the twin action bars ensure smooth, reliable non-binding action.</p> <p>Its solid, dependable action makes it America's favorite, and our continual upgrades make it the most advanced, well-rounded family of pump shotguns around. Along with continually evolving designs, this shotgun's superiority is a matter of rugged dependability, great pointing characteristics and versatility. In fact, the Model 870™ has been the standard for slide-action performance for more than 60 years.</p>	
Purpose/Authorized Usage	Shotguns offer superior terminal ballistic characteristics when shooting through intermediate barriers compared to a handgun or rifle. A shotgun is to be displayed only under circumstances known or believed to be dangerous.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 312 (Firearms), 313 (Firearms Qualification and Remediation).	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	800.00 0 0 Pre 1990 Operating budget
Item Photograph		
Training Requirements	Semi annual qualification.	

Remington 700 LTR


Description	Remington 700 R LTR (Light Tactical Rifle) Bolt Action Rifle	
Quantity	5	
Capability	Long rang precision shooting	
Life Span	End of life 01/01/2022	
Manufacturer's description	Sniper-grade accuracy meets police-grade tactical toughness with the legendary Remington 700 Police LTR platform, engineered to deliver extended-range precision.	
Purpose/Authorized Usage	<p>The Remington 700 is an accurate rifle for precision shooting. These rifles are equipped with magnified optics and can be utilized to take precision shots at intermediate to long ranges. The .308 caliber bullet it shoots is also larger and heavier than a typical .223 caliber bullet from an AR-15 which means it will penetrate intermediate barriers such as glass with less deflection.</p> <p>The rifle may only be deployed by the CBPD SWAT Sniper Team. CBPD SWAT Sniper Team members may deploy the rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the rifle may include, but are not limited to:</p> <ol style="list-style-type: none"> a. Situations where the officer reasonably anticipates an armed encounter; b. When an officer faced with a situation that may require the delivery of accurate and effective fire at long range; c. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; d. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; e. When an officer believes that a suspect may be wearing body armor; f. When authorized or requested by a supervisor. 	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 312 (Firearms), 313 (Firearms Qualification and Remediation)	
Costs	Initial Cost: N/A Recurring Cost: N/A Maintenance: 0 Year Obtained: N/A How was it budgeted: Department Funds	

Item Photograph	
Training Needed	CA POST Certified Sniper School, Quarterly ASA Sniper Qualification, Monthly Sniper Firearms Training and Qualification.


Accuracy International AT	
Description	.308 Accuracy International AT Bolt Action Sniper Rifle System
Quantity	5
Capability	Long rang precision shooting
Life Span	N/A
Manufacturer's description	<p>The AT (Accuracy Tactical) continues the legacy of the combat proven AW308 and takes the AW to new levels. The AIAT has a 20-inch quick change barrel and a folding stock. The rifle is fixed with a Thunder Beast Dominus noise suppressor. The AT is ideal for Law Enforcement and civilian users.</p>
Purpose/Authorized Usage	<p>The AIAT is an accurate rifle for precision shooting. These rifles are equipped with magnified optics and can be utilized to take precision shots at intermediate to long ranges. The .308 caliber bullet it shoots is also larger and heavier than a typical .223 caliber bullet from an AR-15 which means it will penetrate intermediate barriers like glass with less deflection.</p> <p>The rifle may only be deployed by the CBPD SWAT Sniper Team. CBPD SWAT Sniper Team members may deploy the rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the rifle may include, but are not limited to:</p> <ol style="list-style-type: none"> a. Situations where the officer reasonably anticipates an armed encounter; b. When an officer faced with a situation that may require the delivery of accurate and effective fire at long range; c. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; d. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; e. When an officer believes that a suspect may be wearing body armor;

	f. When authorized or requested by a supervisor.										
Legal/Procedures Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 312 (Firearms), 313 (Firearms Qualification and Remediation)										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$32,758.68</td> </tr> <tr> <td>Recurring Cost:</td> <td>\$1000 every 5 years</td> </tr> <tr> <td>Maintenance:</td> <td>0</td> </tr> <tr> <td>Year Obtained:</td> <td>2022</td> </tr> <tr> <td>How was it budgeted:</td> <td>Department Funds</td> </tr> </table>	Initial Cost:	\$32,758.68	Recurring Cost:	\$1000 every 5 years	Maintenance:	0	Year Obtained:	2022	How was it budgeted:	Department Funds
Initial Cost:	\$32,758.68										
Recurring Cost:	\$1000 every 5 years										
Maintenance:	0										
Year Obtained:	2022										
How was it budgeted:	Department Funds										
Item Photograph											
Training Needed	80-Hour POST Certified SWAT Academy, CA POST Certified Sniper School, Quarterly ASA Sniper Qualification, Monthly Sniper Firearms Training and Qualification.										

AR-10 Rifle	
Description	Tactical Armament Technologies
Quantity	1
Capability	The AR-10 rifle is a magazine-fed, gas-operated rifle, and is designed for longer, more precise shots, and for intermediate barrier penetration.
Life Span	N/A
Manufacturer's description	A tactical workhorse, the AR10 is the perfect tool for duty and defense. An adjustable gas block also allows the rifle to be individually tuned for optimal performance for your choice of ammunition and/or suppressor use.
Purpose/Authorized Usage	<p>Officers may deploy the patrol rifle in any circumstance where the officer can articulate a reasonable expectation that the rifle may be needed. Examples of some general guidelines for deploying the patrol rifle may include, but are not limited to:</p> <ol style="list-style-type: none"> a. Situations where the officer reasonably anticipates an armed encounter; b. When an officer faced with a situation that may require the delivery of accurate and effective fire at long range; c. Situations where an officer reasonably expects the need to meet or exceed a suspect's firepower; d. When an officer reasonably believes that there may be a need to deliver fire on a barricaded suspect or a suspect with a hostage; e. When an officer believes that a suspect may be wearing body armor; f. When authorized or requested by a supervisor.

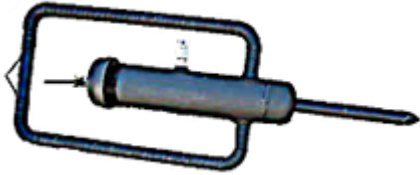
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force) 312 (Firearms) 313 (Firearms Qualification and Remediation)	
Costs	Initial Cost:	0
	Recurring Cost:	0
	Maintenance:	Regular in-house cleaning
	Year Obtained:	Unknown, excess of 10 years ago
	How was it budgeted:	N/A- Asset Seized
Item Photograph		
Training Requirements	16-hour POST Patrol Rifle	

Simunition FX Marking Cartridges or Equivalent	
Description	Simunitions rounds are low-yield cartridges with a hollow, paint-filled "bullet" that allows Officers to engage in practical combat scenarios, both against each other and with designated role players, with a significantly reduced risk of injury.
Quantity	1000 (approx.)
Capability	Deployed via designated Simunition firearms or standard firearms equipped with Simunition conversion kits.
Life Span	5-year shelf life for cartridges
Manufacturer's description	The FX® marking cartridges, which come in six colors, are at the core of the FX® Training System known as "the world's most realistic close-range combat training system". The patented, reduced-energy, non-lethal cartridges leave a detergent-based, water-soluble color-marking compound. The visible impacts allow accurate assessment of simulated lethality. The cartridges are available in .38 cal. and 9mm and feature tactical accuracy up to 25 feet (7.6 meters). The 5.56mm is tactically accurate with ball cartridges to 100 feet (30 meters). No special ballistic facilities are required. They meet the need for a force-on-force and man-to-man training system that is realistic, effective, inexpensive, adaptable and fully portable.
Purpose /Authorized Usage	This department is committed to training and development of front line staff. Simunitions allow personnel to train in real-world scenarios with

	force-on-force and person-to-person live fire scenario training without the associated dangers to acclimate personnel to stress. This allows officers to use their own service weapons in safe, force-on-force exercises.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation),										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$433</td> </tr> <tr> <td>Recurring Cost:</td> <td>As needed</td> </tr> <tr> <td>Maintenance:</td> <td>N/A</td> </tr> <tr> <td>Year Obtained:</td> <td>2017</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$433	Recurring Cost:	As needed	Maintenance:	N/A	Year Obtained:	2017	How was it budgeted:	Operating budget
Initial Cost:	\$433										
Recurring Cost:	As needed										
Maintenance:	N/A										
Year Obtained:	2017										
How was it budgeted:	Operating budget										
Item Photograph											
Training Needed	Regional police academy, 24-hour Simunition Scenario Instructor and Safety Certification Course										


Chemical Agents/Diversionsary Devices

Gas Ram	
Description	Custom Metal Concepts Gas Ram
Quantity	2
Capability	To safely deploy chemical agents through hard barriers or enclosed areas such as vehicles and building walls.
Life Span	N/A
Manufacturer's description	GasRam are multi-purpose tools. They enable tactical teams various ways to deal with barricaded suspects by delivering non-lethal chemical agents into hardened structures. The systems are designed so that a delivery team can deploy the tools into the structure with minimal risk of starting a fire.
Purpose/Authorized Usage	To deploy chemical agents into the structure with minimal risk of starting a fire and through hardened structures.


Legal / Procedural Rules Governing Use	Because these devices are used in conjunction with various tear gas (CS) agents, all applicable State, Federal and Local laws governing police use of force apply. (See tear gas (CS) guidelines for further details)	
Costs	Initial Cost: \$2370 Recurring Cost: N/A Maintenance: 0 Year Obtained: 2021 How was it budgeted: Operating funds	
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	

Burn Safe		
Description	Custom Metal Concepts Burn Safe	
Quantity	2	
Capability	Safely deploying incendiary chemical devices while reducing the risk of causing an unintended fire.	
Life Span	N/A	
Manufacturer's description	Burn Safes are multi-purpose tools. They enable tactical teams various ways to deal with barricaded suspects by delivering non-lethal chemical agents into structures. The systems are designed so that a delivery team can deploy the tools into the structure with minimal risk of starting a fire.	
Purpose/Authorized Usage	To safely resolve critical situations such as high-risk tactical operations by deploying chemical agents within a structure and reducing the risk of causing an unintended fire.	
Legal / Procedural Rules Governing Use	Because these devices are used in conjunction with various tear gas (CS) agents, all applicable State, Federal and Local laws governing police use of force apply. (See tear gas (CS) guidelines for further details)	
Costs	Initial Cost: \$1900 Recurring Cost: N/A Maintenance: 0 Year Obtained: 2021 How was it budgeted: Operating budget	

Item Photograph	
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.


MINI Burn Safe											
Description	MINI Burn Safe										
Quantity	3										
Capability	Safely deploying incendiary chemical devices while reducing risk of causing an unintended fire.										
Life Span	N/A										
Manufacturer's description	Burn Safes are multi-purpose tools. They enable tactical teams' various ways to deal with barricaded suspects by delivering non-lethal chemical agents into hardened structures. The systems are designed so that a delivery team can deploy the tools into the structure with minimal risk of starting a fire.										
Purpose/Authorized Usage	To safely resolve critical situations such as high-risk tactical operations by deploying chemical agents within a structure and reducing the risk of causing an unintended fire.										
Legal / Procedural Rules Governing Use	Because these devices are used in conjunction with various tear gas (CS) agents, all applicable State, Federal and Local laws governing police use of force apply. (See tear gas (CS) guidelines for further details)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$300</td> </tr> <tr> <td>Recurring Cost:</td> <td>0</td> </tr> <tr> <td>Maintenance:</td> <td>0</td> </tr> <tr> <td>Year Obtained:</td> <td>2021</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$300	Recurring Cost:	0	Maintenance:	0	Year Obtained:	2021	How was it budgeted:	Operating budget
Initial Cost:	\$300										
Recurring Cost:	0										
Maintenance:	0										
Year Obtained:	2021										
How was it budgeted:	Operating budget										
Item Photograph											
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.										

Def-Tech Ferret 40mm Barricade Round (Liquid), CS	
Description	Def-Tech Ferret 40mm Barricade Round (Liquid), CS
Quantity	25


Capability	Deployed via 40mm Launcher										
Life Span	5 years from date of manufacture										
Manufacturer's description	The Ferret 40mm Round is non-burning and suitable for indoor use. Used primarily by tactical teams, it is designed to penetrate barriers, such as windows, hollow core doors, wallboard, and thin plywood. Upon impacting the barrier, the nose cone ruptures and instantaneously delivers a small chemical payload inside of a structure or vehicle. In a tactical deployment situation, the 40mm Ferret is primarily used to dislodge barricaded subjects from confined areas. Its purpose is to minimize the risks to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.										
Purpose/Authorized Usage	Used to deploy chemical agent into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation), 471 (First Amendment Assemblies).										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$292</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replace as needed</td> </tr> <tr> <td>Maintenance:</td> <td>Consumable item. Replace as used or expired.</td> </tr> <tr> <td>Year Obtained:</td> <td>2019</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$292	Recurring Cost:	Replace as needed	Maintenance:	Consumable item. Replace as used or expired.	Year Obtained:	2019	How was it budgeted:	Operating budget
Initial Cost:	\$292										
Recurring Cost:	Replace as needed										
Maintenance:	Consumable item. Replace as used or expired.										
Year Obtained:	2019										
How was it budgeted:	Operating budget										
Item Photograph											
Training Requirements	80-hour POST Basic SWAT Academy, 6-hour POST Certified Less Lethal Operator Course, annual exposure, and training in the use of Chemical Agents.										

Def-Tech Ferret 40mm Barricade Round (Liquid), CS


Description	Def-Tech Ferret 40mm Barricade Round (Liquid), CS
Quantity	31
Capability	Deployed via 40mm Launcher
Life Span	5 years from date of manufacture

Manufacturer's description	The Ferret 40mm Round is non-burning and suitable for indoor use. Used primarily by tactical teams, it is designed to penetrate barriers, such as windows, hollow core doors, wallboard and thin plywood. Upon impacting the barrier, the nose cone ruptures and instantaneously delivers a small chemical payload inside of a structure or vehicle. In a tactical deployment situation, the 40mm Ferret is primarily used to dislodge barricaded subjects from confined areas. Its purpose is to minimize the risks to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.	
Purpose/Authorized Usage	Used to deploy chemical agents into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation), 471 (First Amendment Assemblies).	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$814 Replace as needed Consumable item. Replace as used or expired. 2020 Operating budget
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, 6-hour POST Certified Less Lethal Operator Course, annual exposure and training in the use of Chemical Agents.	


Def-Tech Ferret 40mm Barricade Round (Powder), CS	
Description	Def-Tech Ferret 40mm Barricade Round (Powder), CS
Quantity	41
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Ferret 40mm Round is non-burning and suitable for indoor use. Used primarily by tactical teams, it is designed to penetrate barriers,

	such as windows, hollow core doors, wallboard and thin plywood. Upon impacting the barrier, the nose cone ruptures and instantaneously delivers a small chemical payload inside of a structure or vehicle. In a tactical deployment situation, the 40mm Ferret is primarily used to dislodge barricaded subjects from confined areas. Its purpose is to minimize the risks to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.										
Purpose/Authorized Usage	Used to deploy chemical agents into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation), 471 (First Amendment Assemblies).										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$292</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replace as needed</td> </tr> <tr> <td>Maintenance:</td> <td>Consumable item. Replace as used or expired</td> </tr> <tr> <td>Year Obtained:</td> <td>2019</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$292	Recurring Cost:	Replace as needed	Maintenance:	Consumable item. Replace as used or expired	Year Obtained:	2019	How was it budgeted:	Operating budget
Initial Cost:	\$292										
Recurring Cost:	Replace as needed										
Maintenance:	Consumable item. Replace as used or expired										
Year Obtained:	2019										
How was it budgeted:	Operating budget										
Item Photograph											
Training Requirements	80-hour POST Basic SWAT Academy, 6-hours POST Certified Less Lethal Operator Course, annual exposure, and training in the use of Chemical Agents.										


Def-Tech Ferret 40mm Barricade Round (Powder), CS	
Description	Def-Tech Ferret 40mm Barricade Round (Powder), CS
Quantity	29
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Ferret 40mm Round is non-burning and suitable for indoor use. Used primarily by tactical teams, it is designed to penetrate barriers, such as windows, hollow core doors, wallboard and thin plywood. Upon

	impacting the barrier, the nose cone ruptures and instantaneously delivers a small chemical payload inside of a structure or vehicle. In a tactical deployment situation, the 40mm Ferret is primarily used to dislodge barricaded subjects from confined areas. Its purpose is to minimize the risks to all parties through pain compliance, temporary discomfort and/or incapacitation of potentially violent or dangerous subjects.										
Purpose/Authorized Usage	Used to deploy chemical agents into a specific location from a distance. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation), 471 (First Amendment Assemblies).										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$619</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replace as needed</td> </tr> <tr> <td>Maintenance:</td> <td>Consumable item. Replace as used or expired</td> </tr> <tr> <td>Year Obtained:</td> <td>2020</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$619	Recurring Cost:	Replace as needed	Maintenance:	Consumable item. Replace as used or expired	Year Obtained:	2020	How was it budgeted:	Operating budget
Initial Cost:	\$619										
Recurring Cost:	Replace as needed										
Maintenance:	Consumable item. Replace as used or expired										
Year Obtained:	2020										
How was it budgeted:	Operating budget										
Item Photograph											
Training Requirements	80-hour POST Basic SWAT Academy, 6-hour POST Certified Less Lethal Operator Course, annual exposure, and training in the use of Chemical Agents.										


Def-Tech Maximum Smoke HC, Smoke	
Description	Def-Tech Maximum Smoke HC, Smoke.
Quantity	26
Capability	Can be hand thrown, deployed via robot, and munitions pole.
Life Span	5 years from date of manufacture

Manufacturer's description	The Military-Style Maximum Smoke Grenade comes from the Defense Technology® #3 smoke grenade. It is a slow burning, high volume, continuous discharge grenade designed for outdoor use in crowd management situations. Emits grey-white smoke only for approximately 1.5 to 2 minutes.	
Purpose/Authorized Usage	To test wind direction prior to tear gas deployment or to aid in the dispersion of chemical agent in an open area environment. To provide concealment during movement or a distraction for officers during critical incidents.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).	
Costs	Initial Cost:	\$400
	Recurring Cost:	Replace as needed
	Maintenance:	Consumable item. Replace as used or expired
	Year Obtained:	2020
	How was it budgeted:	Operating fund
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	

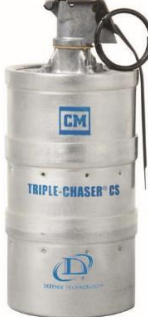
Def-Tech Pocket Tactical, CS	
Description	Def-Tech Pocket Tactical CS
Quantity	27
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Pocket Tactical CS Grenade is small, and lightweight. The 0.9 oz. of active agent will burn approximately 20-40 seconds. At 4.75 in. by 1.4 inches in size, it easily fits in most tactical pouches. This is a launchable grenade; however, it is normally used as a signaling or covering device. Though this device is slightly over four inches in length, it produces a smoke cloud so fast it appears to be an enveloping screen produced by a full size tactical grenade.

Purpose/Authorized Usage	Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$692 Replace as needed Consumable item. Replace as used or expired 2020 Operating budget
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	

Def-Tech Pocket Tactical Safe-Smoke	
Description	Def-Tech Pocket Tactical Saf-Smoke
Quantity	46
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Pocket Tactical Saf-Smoke Grenade is small, and lightweight. The saf-smoke will burn approximately 20-40 seconds. At 4.75 in. by 1.4 inches in size, it easily fits in most tactical pouches. This is a launchable grenade, however it is normally used as a signaling or covering device. Though it is slightly over four inches in length, it produces a smoke cloud so fast it appears to be an enveloping screen produced by a full size tactical grenade.
Purpose/Authorized Usage	To test wind direction prior to tear gas deployment or to aid in the dispersion of chemical agent in an open area environment. To provide concealment during movement or a distraction for officers during critical incidents.
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-

	escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).	
Costs	Initial Cost:	\$413
	Recurring Cost:	Replace as needed
	Maintenance:	Consumable item. Replace as used or expired
	Year Obtained:	2020
	How was it budgeted:	Operating budget
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	


Def-Tech Triple Chaser, CS	
Description	Def-Tech Triple Chaser, CS
Quantity	40
Capability	Can be hand thrown, deployed via robot, and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Triple-Chaser® CS consists of three separate canisters pressed together with separating charges between each. When deployed, the canisters separate and land approximately 20 feet apart allowing increased area coverage in a short period of time. This grenade can be hand thrown or launched from a fired delivery system. The grenade is 6.5 in. by 2.7 in. and holds approximately 3.2 oz. of active agent payload. It has an approximate burn time of 20-30 seconds.
Purpose/Authorized Usage	<p>Specifically designed for better dispersion in an open-air environment. Can be used to disperse a crowd or deny access to a specific location. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances.</p> <p>Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p>
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).
Costs	Initial Cost: \$413
	Recurring Cost: Replace as needed
	Maintenance: Consumable item. Replace as used or expired

	Year Obtained: 2020 How was it budgeted: Operating budget
Item Photograph	
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.


First Defense 1.3% MC MK-9 Stream OC Aerosol											
Description	First Defense 1.3% MC MK-9 Stream OC Aerosol										
Quantity	2										
Capability	Hand deployment only										
Life Span	5 years from date of manufacture										
Manufacturer's description	The MK-9 features an easy-to-use trigger handle, is intended for use in crowd management and will deliver 14 short bursts of OC at an effective range of 18-20 ft. This 1.3% MC OC aerosol product utilizes a stream delivery method providing a target-specific, strong concentrated stream for greater standoff. Non-flammable / Electronic Discharge Weapon (EDW) safe.										
Purpose/Authorized Usage	As with other control devices, oleoresin capsicum (OC) spray and pepper projectiles may be considered for use to bring under control an individual or groups of individuals who are engaging in or are about to engage in violent behavior. Pepper projectiles and OC spray should not, however, be used against individuals or groups who merely fail to disperse or do not reasonably appear to present a risk to the safety of officers or the public.										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$113</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replace as needed</td> </tr> <tr> <td>Maintenance:</td> <td>Consumable item. Replace as used or expired</td> </tr> <tr> <td>Year Obtained:</td> <td>2013</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating funds</td> </tr> </table>	Initial Cost:	\$113	Recurring Cost:	Replace as needed	Maintenance:	Consumable item. Replace as used or expired	Year Obtained:	2013	How was it budgeted:	Operating funds
Initial Cost:	\$113										
Recurring Cost:	Replace as needed										
Maintenance:	Consumable item. Replace as used or expired										
Year Obtained:	2013										
How was it budgeted:	Operating funds										

Item Photograph	
Training Requirements	POST Certified Police Academy.


Flameless Tri-Chamber, CS	
Description	Flameless Tri-Chamber, CS
Quantity	27
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	<p>The design of the Tri-Chamber Flameless CS Grenade allows the contents to burn within an internal can and disperse the agent safely with reduced risk of fire. The grenade is designed primarily for indoor tactical situations to detect and/or dislodge a barricaded subject. This grenade will deliver approximately .70 oz. of agent during its 20-25 seconds burn time. The Tri-Chamber Flameless Grenade can be used in crowd control as well as tactical deployment situations by Law Enforcement and Corrections but was designed with the barricade situation in mind. Its applications in tactical situations are primarily to detect and/or dislodge barricaded subjects. The purpose of the Tri-Chamber Flameless Grenade is to minimize the risks to all parties through pain compliance, temporary discomfort, and/or incapacitation of potentially violent or dangerous subjects. The Tri-Chamber Flameless Grenade provides the option of delivering a pyrotechnic chemical device indoors, maximizing the chemicals' effectiveness via heat and vaporization, while minimizing or negating the chance of fire to the structure.</p>
Purpose/Authorized Usage	<p>Can be used in a mobile field force environment or tactical situation. Can be deployed inside a structure with a reduced risk of fire. Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p>

Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).	
Costs	Initial Cost:	\$178
	Recurring Cost:	Replace as needed
	Maintenance:	Consumable item. Replace as used or expired
	Year Obtained:	2015
	How was it budgeted:	Operating funds
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	


Def-Tech Aerosol OC Vapor	
Description	Def-Tech Aerosol OC Vapor
Quantity	9
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Defense Technology® OC Vapor Aerosol Grenade is for law enforcement and corrections use to deliver a high concentration of Oleoresin Capsicum (OC) in a powerful mist. The grenade is designed for indoor use in confined areas and, once deployed, inflames the mucous membranes and exposed skin resulting in an intense burning sensation. The incapacitating effect of the OC Vapor on the subject is dramatic, yet requires minimal decontamination. Removing the subject from the affected area to fresh air will resolve respiratory effects within minutes. The OC Vapor Aerosol Grenade is ideal for cell extractions or barricade situations where the use of pyrotechnic, powder or liquid devices is not practical or desired.
Purpose/Authorized Usage	Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only

	after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$666 Replace as needed Consumable item. Replace as used or expired 2020 Operating budget
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents	


OC Aerosol Grenade 1.3% Fogger, 1 oz. / 6 oz	
Description	OC Aerosol Grenade 1.3% Fogger, 1 oz. / 6 oz
Quantity	10
Capability	Can be hand thrown, deployed via robot, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The 1 oz. / 6 oz. OC Aerosol Grenade will deliver its payload of 1/3% MC% OC in 15-20 seconds. This is an anatomized mist which enhances the pungent 1.3% OC formulation. Ideal for area denial areas like attics, garages, etc. This device has minimum clean up. The canister may also be handheld to direct the spray pattern. This product is designed to provide room clearing ability with minimum clear up requirements.
Purpose/Authorized Usage	As with other control devices, oleoresin capsicum (OC) spray and pepper projectiles may be considered for use to bring under control an individual or groups of individuals who are engaging in, or are about to engage in violent behavior. Pepper projectiles and OC spray should not, however, be used against individuals or groups who merely fail to disperse or do not reasonably appear to present a risk to the safety of officers or the public.

Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies)	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$216 Replace as needed Consumable item. Replace as used or expired 2021 Operating budget
Item Photograph		
Training Requirements	POST Certified Police Academy.	


Spede-Heat CS Gas	
Description	Speed-Heat Continuous Discharge Grenade, CS
Quantity	49
Capability	Can be hand thrown, deployed via robot, launched, placed into a Gas Ram, Burn Safe and Munitions Pole
Life Span	5 years from date of manufacture
Manufacturer's description	The Spede-Heat CS Grenade is a high-volume continuous burn device. It expels its payload in approximately 30-40 seconds. The payload is discharged through four gas ports on top of the canister, three on the side and one on the bottom. This launchable grenade is 6.12 inches by 2.62 inches and holds approximately 81.2g of CS chemical agent.
Purpose/Authorized Usage	Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 471 (First Amendment Assemblies).
Costs	Initial Cost: \$700 Recurring Cost: Replace as needed Maintenance: Consumable item. Replace as used or expired Year Obtained: 2018


	How was it budgeted:	SWAT operating budget
Item Photograph		
Training Requirements	80-hour POST Basic SWAT Academy, annual exposure, and training in the use of Chemical Agents.	

PepperBall LIVE-X, Mission Munitions, Byrna or Equivalent	
Description	Hollow spheres containing Oleoresin Capsicum (commonly known as OC), 2-Chlorobenzylidene Malononitrile (commonly known as CS) and other such irritants that, when exposed, causes minor to moderate irritation to the eyes, mouth, lungs, throat, and skin in order to temporarily incapacitate.
Quantity	6,500
Capability	Deployed via a APLS launcher
Life Span	5-year manufacturer's warranty
Manufacturer's description	<p>Our most powerful proprietary pepper and tear gas blend: OC, CS all in one shot, with quick-acting incapacitating effects, higher dispersion, and higher concentration of chemical irritants than any other round found on the market today, our Byrna Max projectiles are designed for maximum stopping power.</p> <p>Physical symptoms of chemical irritants often result in disorientation and agitation, which can lead to a state of fear, anxiety and panic in would-be attackers. Upon impact the projectiles burst, creating a cloud of chemical irritant that rapidly disperses into the air to quickly incapacitate an attacker. Within seconds, the saturation area extends in all directions around the point of impact</p>
Purpose/Authorized Usage	<p>This department is committed to reducing the potential for violent confrontations. Kinetic energy projectiles, when used properly, are less likely to result in death or serious physical injury and can be used in an attempt to de-escalate a potentially deadly situation.</p> <p>Circumstances appropriate for deployment include, but are not limited to, situations in which: The suspect is armed with a weapon and the tactical circumstances allow for the safe application of approved munitions. The suspect has made credible threats to harm him/herself or others. The suspect is engaged in riotous behavior or is throwing rocks, bottles or other dangerous projectiles at people and/or officers. There is probable cause to believe that the suspect has already</p>


	<p>committed a crime of violence and is refusing to comply with lawful orders.</p> <p>TEAR GAS (CS) Tear gas may be used for crowd control, crowd dispersal or against barricaded suspects based on the circumstances. Only the Watch Commander, Incident Commander or Crisis Response Unit Commander may authorize the delivery and use of tear gas, and only after evaluating all conditions known at the time and determining that such force reasonably appears justified and necessary.</p> <p>OLEORESIN CAPSICUM (OC) As with other control devices, oleoresin capsicum (OC) spray and pepper projectiles may be considered for use to bring under control an individual or groups of individuals who are engaging in, or are about to engage in violent behavior. Pepper projectiles and OC spray should not, however, be used against individuals or groups who merely fail to disperse or do not reasonably appear to present a risk to the safety of officers or the public.</p>										
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)										
Costs	<table border="1"> <tr> <td>Initial Cost:</td> <td>\$1810</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replace as needed</td> </tr> <tr> <td>Maintenance:</td> <td>N/A</td> </tr> <tr> <td>Year Obtained:</td> <td>2020</td> </tr> <tr> <td>How was it budgeted:</td> <td>Operating budget</td> </tr> </table>	Initial Cost:	\$1810	Recurring Cost:	Replace as needed	Maintenance:	N/A	Year Obtained:	2020	How was it budgeted:	Operating budget
Initial Cost:	\$1810										
Recurring Cost:	Replace as needed										
Maintenance:	N/A										
Year Obtained:	2020										
How was it budgeted:	Operating budget										
Item Photograph											
Training Needed	6-hour POST Certified Less Lethal Operator Course, Qualification every 6 months.										

PepperBall Glass Breaker, Mission Munitions, Byrna or Equivalent	
Description	Solid spheres that, when launched from a APLS launcher, are intended to break glass from a distance in order for Law Enforcement to access the interior of a building or vehicle.
Quantity	125
Capability	Deployed via a APLS launcher
Life Span	5-year manufacturer's warranty
Manufacturer's description	A solid polymer projectile used for breaking out residential windows and side-glass of automobiles. Not for use on humans or animals.


Purpose/ Authorized Usage	Used in conjunction with OC, CS, or other less-lethal equipment to safely resolve critical situations such as high-risk tactical operations. Glass breaker rounds are designed to break glass to enable vision into vehicles or buildings, or to deploy gas into an area.	
Legal / Procedural Rules Governing Use	All applicable State, Federal and Local laws governing police use of force. Carlsbad Police Policies 208 (Training), 300 (Use of Force), 303 (De-escalation), 308 (Control Devices and Techniques), 313 (Firearms Qualification and Remediation) 471 (First Amendment Assemblies)	
Costs	Initial Cost: Recurring Cost: Maintenance: Year Obtained: How was it budgeted:	\$400 As needed N/A 2019 Operating budget
Item Photograph		
Training Needed	6-hour POST Certified Less Lethal Operator Course, Qualification every 6 months.	

Defense Technology Low Roll Reloadable Distraction Device Body											
Description	Reloadable low-roll noise flash diversionary device body										
Quantity	72										
Capability	Can be thrown, deployed via robot, munitions pole										
Life Span	5 years										
Manufacturer's description	The Low Roll™ reloadable steel body is the newest version of the original Multi-Port Plus™, reusable, non-bursting canister body.										
Purpose/ Authorized Usage	<p>Coupled with a Distraction Device Reload, the purpose of this Distraction Device is to draw or direct someone's attention to a different object or location during a high-risk tactical operation. The device accomplishes this by producing a loud noise and bright light when deployed. This bright light and loud noise create a physiological and psychological response also intended to create lag time in an individual's reaction. The Distraction Device can be used to arouse or awaken unresponsive individuals during dangerous critical incidents.</p> <p>Devices are deployed at the discretion of the SWAT Commander/Incident Commander or by a trained individual if it is determined exigent circumstance exists.</p>										
Legal / Procedural Rules Governing Use	Carlsbad Police Policies 300 (Use of Force) and 303 (De-escalation)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$2995.23</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replacement after 5 years per manufacturer or 25 deployments</td> </tr> <tr> <td>Maintenance:</td> <td>Replaced as damaged. Maintenance cost is equivalent to fuse price. Reloadable with replacement fuses upon use.</td> </tr> <tr> <td>Year Obtained:</td> <td>2019</td> </tr> <tr> <td>How was it budgeted:</td> <td>Departmental savings from FY18</td> </tr> </table>	Initial Cost:	\$2995.23	Recurring Cost:	Replacement after 5 years per manufacturer or 25 deployments	Maintenance:	Replaced as damaged. Maintenance cost is equivalent to fuse price. Reloadable with replacement fuses upon use.	Year Obtained:	2019	How was it budgeted:	Departmental savings from FY18
Initial Cost:	\$2995.23										
Recurring Cost:	Replacement after 5 years per manufacturer or 25 deployments										
Maintenance:	Replaced as damaged. Maintenance cost is equivalent to fuse price. Reloadable with replacement fuses upon use.										
Year Obtained:	2019										
How was it budgeted:	Departmental savings from FY18										
Item Photograph											
Training Needed	Completion of an 80-hour POST Certified SWAT Academy.										


Distraction Device 12-gram Reload with Safety Clip

Description	Distraction Device® 12-Gram Reload with Safety Clip	
Quantity	35	
Capability	The 12-Gram Distraction Device® Reload w/ Safety Clip utilizes an M201A1 type fuze that was designed for use with the Distraction Device reloadable steel body. The safety clip is designed to keep the pull-pin against the device body to prevent the pin from protruding and possibly snagging on other objects. The 12-Gram Distraction Device Reload w/ Safety Clip is only to be used when properly inserted and tightened into the Distraction Device body	
Life Span	5 years of date of manufacture	
Manufacturer's description	The Distraction Device® Reload utilizes a standard military-style M201A1 type fuze and produces 175 dB of sound output at 5 feet and 6-8 million candelas for 10 milliseconds.	
Purpose/ Authorized Usage	<p>When coupled with a Reloadable low-roll noise flash diversionary device body, the purpose of this Distraction Device is to draw or direct someone's attention to a different object or location during a high-risk tactical operation. The device accomplishes this by producing a loud noise and bright light when deployed. This bright light and loud noise create a physiological and physiological response also intended to create lag time in an individual's reaction. The Distraction Device can be used to arouse or awaken unresponsive individuals during dangerous critical incidents.</p> <p>Devices are deployed at the discretion of the SWAT Commander/Incident Commander or by a trained individual if it is determined exigent circumstance exists.</p>	
Legal / Procedural Rules Governing Use	Carlsbad Police Policies 300 (Use of Force) and 303 (De-escalation)	
Costs	Initial Cost: \$2,432.56 Recurring Cost: n/a Maintenance: Consumable item. Replaced as used or expiration. Maintenance cost is equivalent to new device. Year Obtained: 2019 How was it budgeted: Departmental savings from FY18	
Item Photograph		

Training Needed	Completion of an 80-hour POST Certified SWAT Academy.
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Defense Technology Low Roll Reloadable Distraction Device Training Body											
Description	Reloadable low-roll noise flash diversionary device training body										
Quantity	8										
Capability	Can be thrown, deployed via robot, munitions pole during training										
Life Span	5 years										
Manufacturer's description	The Defense Technology Low Roll™ Training Body is a replica of the Low Roll™ Distraction Device® body.										
Purpose/ Authorized Usage	Used for training.										
Legal / Procedural Rules Governing Use	Training Only.										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$</td> </tr> <tr> <td>Recurring Cost:</td> <td>Replacement after 5 years per manufacturer</td> </tr> <tr> <td>Maintenance:</td> <td>Replaced as damaged. Maintenance cost is equivalent to new device. Reloadable with replacement fuses upon use.</td> </tr> <tr> <td>Year Obtained:</td> <td>2019</td> </tr> <tr> <td>How was it budgeted:</td> <td>Departmental savings from FY18</td> </tr> </table>	Initial Cost:	\$	Recurring Cost:	Replacement after 5 years per manufacturer	Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device. Reloadable with replacement fuses upon use.	Year Obtained:	2019	How was it budgeted:	Departmental savings from FY18
Initial Cost:	\$										
Recurring Cost:	Replacement after 5 years per manufacturer										
Maintenance:	Replaced as damaged. Maintenance cost is equivalent to new device. Reloadable with replacement fuses upon use.										
Year Obtained:	2019										
How was it budgeted:	Departmental savings from FY18										
Item Photograph											
Training Needed	Completion of an 80-hour POST Certified SWAT Academy.										

Combined Systems (CTS) 7290T Flash Bang Training Body	
Description	A durable 360-degree camera designed to see into unknown locations.
Quantity	2
Capability	Can be thrown, deployed via robot, munitions pole during training
Life Span	N/A
Manufacturer's description	The Model 7290T training system makes for excellent training scenarios. The system is built and weighs exactly the same as the Model 7290 Flash-Bang, but has no flash charge. The 7290T body is painted with a bright, blue coating and can be used an unlimited number of times.

Purpose/ Authorized Usage	Used for training to simulate the deployment of duty issue distraction devices.	
Legal / Procedural Rules Governing Use	Training Only.	
Costs	Initial Cost: \$ Recurring Cost: n/a Maintenance: Replaced as damaged. Maintenance cost is equivalent to new device. Year Obtained: How was it budgeted: Department funds	
Item Photograph		
Training Needed	Completion of an 80-hour POST Certified SWAT Academy.	

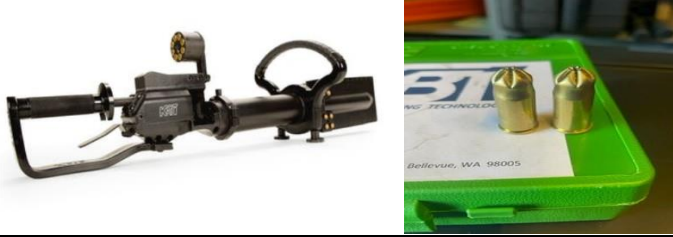
Low Roll Distraction Device Training Fuze


Description	Reloadable training fuze for Low Roll Distraction Device® Training Body.	
Quantity	48	
Capability	The Defense Technology Low Roll Distraction Device Training Fuze offers a reliable and safe way to introduce students to the proper deployment protocols used by your department.	
Life Span	5 years of date of manufacture	
Manufacturer's description	The Distraction Device® Reload utilizes a standard military-style M201A1 type fuze and produces 175 dB of sound output at 5 feet and 6-8 million candelas for 10 milliseconds.	
Purpose/ Authorized Usage	Used for training to simulate the deployment of duty issue distraction devices.	
Legal / Procedural Rules Governing Use	Training Only.	
Costs	Initial Cost: \$2,432.56 Recurring Cost: n/a Maintenance: Consumable item. Replaced as used or expiration. Maintenance cost is equivalent to new device. Year Obtained: 2019 How was it budgeted: Departmental savings from FY18	

Item Photograph	
Training Needed	Completion of an 80-hour POST Certified SWAT Academy.


Forcible Entry (Breaching) Equipment

KINETIC BREACHING TOOL											
Description	Breaching tool designed to safely open doors										
Quantity	1										
Capability	Used to safely breach different types of residential and commercial doors										
Life Span	N/A										
Manufacturer's description	A tool that bridges the gap of mechanical breaching, shotgun breaching, and explosive breaching. The KBT tool uses a .45 caliber handgun blank to force the attached ram head into the door to defeat a lock and door. No projectile or explosive energy leaves the device except for the force of the ram which is permanently attached to the tool.										
Purpose/ Authorized Usage	Used to safely breach different types of residential and commercial doors in a rapid fashion without the use of a projectile.										
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$10,482.88</td> </tr> <tr> <td>Recurring Cost:</td> <td>Varies</td> </tr> <tr> <td>Maintenance:</td> <td>In-house cleaning</td> </tr> <tr> <td>Year Obtained:</td> <td>2021</td> </tr> <tr> <td>How was it budgeted:</td> <td>SWAT operating budget</td> </tr> </table>	Initial Cost:	\$10,482.88	Recurring Cost:	Varies	Maintenance:	In-house cleaning	Year Obtained:	2021	How was it budgeted:	SWAT operating budget
Initial Cost:	\$10,482.88										
Recurring Cost:	Varies										
Maintenance:	In-house cleaning										
Year Obtained:	2021										
How was it budgeted:	SWAT operating budget										


Item Photograph	
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.


HURST TOOL											
Description	Jaws of Life StrongArm HURST Tool										
Quantity	2										
Capability	Rescue tool used gain entry into vehicles, to safely breach different types of residential and commercial doors, and to cut heavy locks and chain										
Life Span	N/A										
Manufacturer's description	The HURST tool provides a portable hydraulic power system to use anywhere. The purpose of the tool is to breach doors, cut through rebar and security bars, break locks, and pry open car doors										
Purpose/ Authorized Usage	Rescue tool used gain entry into vehicles, to safely breach different types of residential and commercial doors, and to cut heavy locks and chains.										
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)										
Costs	<table border="0"> <tr> <td>Initial Cost:</td> <td>\$1,673.08</td> </tr> <tr> <td>Recurring Cost:</td> <td>n/a</td> </tr> <tr> <td>Maintenance:</td> <td>In-house</td> </tr> <tr> <td>Year Obtained:</td> <td>2020</td> </tr> <tr> <td>How was it budgeted:</td> <td>SWAT operational budget</td> </tr> </table>	Initial Cost:	\$1,673.08	Recurring Cost:	n/a	Maintenance:	In-house	Year Obtained:	2020	How was it budgeted:	SWAT operational budget
Initial Cost:	\$1,673.08										
Recurring Cost:	n/a										
Maintenance:	In-house										
Year Obtained:	2020										
How was it budgeted:	SWAT operational budget										
Item Photograph											

Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.
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BREACHING ROUNDS											
Description	Defense Technology Safariland 3105 breaching rounds										
Quantity	185										
Capability	Used to defeat locks, deadbolts, hinges										
Life Span	5 years from manufacturing date										
Manufacturer's description	A 12-gauge shotgun breaching round loaded with compressed zinc, utilizing smokeless powder as a propellant. This round is a widely used method to breach door locks or hinges for entry during tactical operations. Upon impact with the target, the zinc slug disintegrates into a fine powder eliminating fragmentation.										
Purpose/ Authorized Usage	Used to defeat locks, deadbolts, hinges in a rapid fashion. Used during crisis entry when speed is of the utmost importance or when its use appears necessary to defeat a specific breaching problem.										
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)										
Costs	<table border="0"> <tr> <td style="padding-right: 20px;">Initial Cost:</td> <td>Approximately \$20/box of 5</td> </tr> <tr> <td>Recurring Cost:</td> <td>Varies</td> </tr> <tr> <td>Maintenance:</td> <td>n/a</td> </tr> <tr> <td>Year Obtained:</td> <td>2017</td> </tr> <tr> <td>How was it budgeted:</td> <td>SWAT operating budget</td> </tr> </table>	Initial Cost:	Approximately \$20/box of 5	Recurring Cost:	Varies	Maintenance:	n/a	Year Obtained:	2017	How was it budgeted:	SWAT operating budget
Initial Cost:	Approximately \$20/box of 5										
Recurring Cost:	Varies										
Maintenance:	n/a										
Year Obtained:	2017										
How was it budgeted:	SWAT operating budget										
Item Photograph											
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training from SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.										

BREACHING SHOTGUN

Description	Royal Arms Breaching Shotgun	
Quantity	1	
Capability	Used to defeat locks, deadbolts, hinges	
Life Span	N/A	
Manufacturer's description	<ul style="list-style-type: none"> • POSITIVE PLACEMENT • DEFLECT DEBRIS AND GASES AWAY FROM SHOOTER • 100% KINETIC ENERGY & MUZZLE BLAST • SIGNIFICANT RECOIL REDUCTION • ELIMINATES MOST OR ALL MUZZLE LIFT 	
Purpose/ Authorized Usage	Used to defeat locks, deadbolts, hinges in a rapid fashion. Used during crisis entry when speed is of the utmost importance or when its use appears necessary to defeat a specific breaching problem.	
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)	
Costs	Initial Cost: \$900.00 Recurring Cost: N/A Maintenance: In-house cleaning Year Obtained: Estimated Pre-2010 How was it budgeted: SWAT operating budget	
Item Photograph		
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.	

Breaching Shotguns											
Description	Remington Breaching Shotgun										
Quantity	3										
Capability	Used to defeat locks, deadbolts, hinges										
Life Span	N/A										
Manufacturer's description	<ul style="list-style-type: none"> • POSITIVE PLACEMENT • DEFLECT DEBRIS AND GASES AWAY FROM SHOOTER • 100% KINETIC ENERGY & MUZZLE BLAST • SIGNIFICANT RECOIL REDUCTION • ELIMINATES MOST OR ALL MUZZLE LIFT 										
Purpose/ Authorized Usage	Used to defeat locks, deadbolts, hinges in a rapid fashion. Used during crisis entry when speed is of the utmost importance or when its use appears necessary to defeat a specific breaching problem.										
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)										
Costs	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Initial Cost:</td> <td>\$900.00</td> </tr> <tr> <td>Recurring Cost:</td> <td>N/A</td> </tr> <tr> <td>Maintenance:</td> <td>In-house cleaning</td> </tr> <tr> <td>Year Obtained:</td> <td>Estimated Pre- 2010</td> </tr> <tr> <td>How was it budgeted:</td> <td>SWAT operating budget</td> </tr> </table>	Initial Cost:	\$900.00	Recurring Cost:	N/A	Maintenance:	In-house cleaning	Year Obtained:	Estimated Pre- 2010	How was it budgeted:	SWAT operating budget
Initial Cost:	\$900.00										
Recurring Cost:	N/A										
Maintenance:	In-house cleaning										
Year Obtained:	Estimated Pre- 2010										
How was it budgeted:	SWAT operating budget										
Item Photograph											
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.										

RESCUE CHAINSAW	
Description	STIHL MS 461 Rescue Chainsaw
Quantity	1
Capability	Rescue chainsaw made to gain entry through fortified doors and walls
Life Span	N/A
Manufacturer's description	Made specially for rescue operations. A high-speed wood cutting tool.


Purpose/ Authorized Usage	Rescue chainsaw made to gain entry through fortified doors and walls.	
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)	
Costs	Initial Cost:	\$1,309.99
	Recurring Cost:	N/A
	Maintenance:	In-house cleaning
	Year Obtained:	2019
	How was it budgeted:	SWAT operating budget
Item Photograph		
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.	

CIRCULAR SAW		
Description	STIHL TS 700 Circular Saw	
Quantity	1	
Capability	Rescue saw to gain entry through fortified doors and walls	
Life Span	N/A	
Manufacturer's description	Designed for handling the toughest cutting jobs	
Purpose/ Authorized Usage	Rescue saw to gain entry through fortified doors and walls	
Legal / Procedural Rules Governing Use	Must comply with 844 PC and 1531 PC (Knock and Notice Requirement)	
Costs	Initial Cost:	\$1,549.99
	Recurring Cost:	N/A
	Maintenance:	In-house cleaning
	Year Obtained:	2019
	How was it budgeted:	SWAT operating budget

Item Photograph	
Training Needed	80-Hour POST Certified Basic SWAT Academy and recurring training provided by SWAT certified breachers. Certified Breachers must complete a 40-Hour Manual, Mechanical, Ballistic, Thermal, and Hydraulic Breacher Certification Course.


Vehicles

Lenco Bearcat	
Description	Lenco Bearcat Armored Rescue Vehicle
Quantity	1
Capability	The primary function of an armored rescue vehicle is to provide protection against ballistic threats.
Life Span	N/A
Manufacturer's description	The Lenco BearCat is the standard tactical armored vehicle for special operations units within the US Law Enforcement community. Since the early 2000s, agencies such as LAPD, LASD SEB, NYPD ESU, Boston PD and hundreds of Federal, State and Local Law Enforcement agencies have made the BearCat G2 part of their standard operating procedure. The G2 has excellent on-road driving characteristics and maneuverability in tight urban settings. The large floor plan seats 10 – 12 fully equipped officers with a long list of tactical features only found on the Lenco BearCat line of armored SWAT vehicles for Police and Government.
Purpose/ Authorized Usage	The Lenco BearCat will improve the ability to mobilize personnel and equipment to provide tactical support during critical incidents anywhere in the City and County, including but not limited to weapons of mass destruction, chemical, biological, explosive (CBRNE) incidents, active shooter situations, terrorist and fugitive suspects, hostage rescue

	situations, barricaded suspect, high-risk warrant service, dignitary protection, and other illegal activities. The BearCat will also greatly increase our ability to protect our critical infrastructure within the city.	
Legal / Procedural Rules Governing Use	Carlsbad Police Policies 704 (Vehicle Maintenance), 706 (Vehicle Usage)	
Costs	Initial Cost:	\$254,000.00
	Recurring Cost:	None
	Maintenance:	Routine vehicle maintenance
	Year Obtained:	2011
	How was it budgeted:	Grant funded
Item Photograph		
Training Requirements	California class C license. Reoccurring department Emergency Vehicles Operation Course.	

SWAT Tactical Command/Equipment Vehicle		
Description	Ford Ambulance (Conversion)	
Quantity	1	
Capability	The SWAT Command Vehicle provides a forward operating location and equipment transport platform.	
Life Span	Due to mechanical challenges, vehicle needs replacement in a future budget cycle (Previously retired fire ambulance)	
Manufacturer's description	Quality is a priority when lives are on the line. Rely on the dependable, durable Ambulance Chassis, 24-7.	
Purpose/ Authorized Usage	The SWAT command vehicle is dedicated to ensuring the storage and transport of equipment needed to resolve a tactical situation that requires adaptability and changing needs during the progression of the incident. The vehicle is equipped with adequate storage and electrical capabilities and can be used jointly as a "Tactical Command" vehicle for dispatchers and SWAT supervisors.	
Legal / Procedural Rules Governing Use	Carlsbad Police Policies 704 (Vehicle Maintenance), 706 (Vehicle Usage)	
Costs	Initial Cost:	\$0 (Retired CFD Ambulance)
	Recurring Cost:	None
	Maintenance:	Routine vehicle maintenance.
	Year Obtained:	2015

	How was it budgeted:	Re-purposed vehicle/existing department funds
Item Photograph		
Training Requirements	California class C license. Reoccurring department Emergency Vehicles Operation Course.	

Mobile Command Post		
Description	Mobile Command Post (CP)	
Quantity	1	
Capability	Mobile Emergency Operations Center	
Life Span	20 years	
Manufacturer's description	<p>"Leveraging our 45 years of experience and our second-to-none craftsmanship, we go to great lengths to ensure spot-on performance of mission-critical communications and technology. Not to mention, we do so with an eye on the future, extending the life of your mobile command center by strategically designing interiors for easy, cost-effective upgrades."</p>	
Purpose/Authorized Usage	<p>The Mobile Command Post (CP) program supports the mission of public safety through the provision of mobile, on-site platforms for command, control and communications during critical incidents, natural disasters, special events and other similar occurrences. Mobile Command Post Team (Class B licensed drivers required)</p>	
Legal / Procedural Rules Governing Use	<p>Carlsbad Police Policies 704 (Vehicle Maintenance), 706 (Vehicle Usage)</p>	
Costs	<p>Initial Cost: \$744,756.00 Recurring Cost: \$2,000 (DirecTV) Maintenance: \$5,000 (Estimated) Year Obtained: 2018 How was it budgeted: Departmental savings</p>	
Item Photograph		

Training Needed	CA DMV Class B license and quarterly driver training.
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CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Faviola Medina, City Clerk Services Director
faviola.medina@carlsbadca.gov, 442-339-5989

Subject: Adoption of Ordinance No. CS-470 California Coastal Commission's Suggested Modifications to Amendments to Carlsbad Municipal Code Title 21

Districts: All

Recommended Action

Adoption of Ordinance No. CS-470 acknowledging receipt of and approving the California Coastal Commission's suggested modifications to the Local Coastal Program for ZCA 2022-0001/LCPA 2022-13 and ZCA 2022-0002/LCPA 2022-14.

Executive Summary

Carlsbad Municipal Code Title 21 contains the city's Zoning Ordinance, which establishes the regulations for properties in Carlsbad, and the Local Coastal Program, which establishes the regulations for properties in the Coastal Zone. Any amendment to the Zoning Ordinance is also an amendment to the Local Coastal Program and must be certified by the California Coastal Commission.

Staff submitted two amendments to the Coastal Commission for approval as a package in December 2022 and the commission approved the amendments on Feb. 8, 2024, with three suggested modifications, asking the city to:

- Clarify that the basis for approval of coastal development permits for affordable multifamily housing projects is not limited to objective standards.
- Clarify that residential uses in mixed use projects must be accessory to nonresidential uses on commercial properties.
- Clarify that mobile home projects and small wireless communication facilities must comply with the city's certified Local Coastal Program.

The City Council is being asked to adopt Ordinance No. CS-470. The city has until Aug. 8, 2024, to consider and approve these modifications. Only the City Council has the authority to approve amendments to the Local Coastal Program.

Explanation & Analysis

Ordinance No. CS-470 was introduced and first read at the City Council meeting held on April 9, 2024. On a motion by Mayor Pro Tem Bhat-Patel, seconded by Council Member Acosta, the City Council voted 5-0 to introduce Ordinance No. CS-470 acknowledging receipt of and approving the California Coastal Commission's suggested modifications to the Local Coastal Program for ZCA 2022-0001/LCPA 2022-13 and ZCA 2022-0002/LCPA 2022-14.

The second reading allows the City Council to adopt the ordinance. The ordinance shall be effective thirty days after its adoption or upon the date the Executive Director of the California Coastal Commission certifies that implementation of LCPA 2022-0013 and LCPA 2022-0014 will be consistent with the Coastal Commission's approval of the Local Coastal Program amendments with suggested modifications, whichever occurs later.

The City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after their adoption.

Fiscal Analysis

There is no direct fiscal impact associated with the recommended action.

Next Steps

The City Clerk's Office will have the ordinance, or a summary of the ordinance, published in a newspaper of general circulation within 15 days following adoption of the ordinance.

Environmental Evaluation

The City Planner has determined that the amendments are exempt from the California Environmental Quality Act under the commonsense exemption, Section 15061(b)(3) of the CEQA Guidelines, since there would be no possibility of a significant effect on the environment because the proposed amendments do not directly or indirectly authorize or approve any actual changes in the physical environment.

Exhibits

1. Ordinance No. CS-470

ORDINANCE NO. CS-470

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, ACKNOWLEDGING RECEIPT OF AND APPROVING THE CALIFORNIA COASTAL COMMISSION'S SUGGESTED MODIFICATIONS TO THE LOCAL COASTAL PROGRAM (ZONING ORDINANCE) FOR ZCA 2022-0001/LCPA 2022-13 AND ZCA 2022-0002/LCPA 2022-14

WHEREAS, on May 10, 2022, the City Council adopted Ordinance No. CS-422, approving ZCA 2022-0001/LCPA 2022-0013 – Housing Element Program Implementation; and

WHEREAS, on Sept. 13, 2022, the City Council adopted Ordinance No. CS-432, approving ZCA 2022-0002/LCPA 2022-0014 – 2022 Zoning Ordinance Cleanup; and

WHEREAS, the Carlsbad Zoning Ordinance is the implementing ordinance of the Carlsbad Local Coastal Program, and therefore, an amendment to the Zoning Ordinance also constitutes an amendment to the Local Coastal Program; and

WHEREAS, the California Coastal Act requires Coastal Commission certification of any local coastal program amendment; and

WHEREAS, on Feb. 8, 2024, the California Coastal Commission approved the city's Local Coastal Program Amendments (LCPA 2022-0013 and LCPA 2022-0014) with suggested modifications; and

WHEREAS, the California Coastal Commission's approval of LCPA 2022-0013 and LCPA 2022-0014 will not become effective until the Commission certifies that the city has amended its Local Coastal Program pursuant to the Commission's suggested modifications; and

WHEREAS, on April 9, 2024, the City Council held a duly noticed public hearing as prescribed by law to consider the Coastal Commission's suggested modifications.

NOW, THEREFORE, the City Council of the City of Carlsbad, California, ordains as follows that:

1. The above recitations are true and correct.
2. Carlsbad Municipal Code Section 21.26.015.A is amended to read as follows:
 - A. Residential uses are allowed either vertically, meaning within the same building, or horizontally, meaning within a separate building on the same site. Residential uses must be accessory to the nonresidential uses permitted by Section 21.26.010 of this title.
3. Carlsbad Municipal Code Section 21.28.015.A is amended to read as follows:

- A. Residential uses are allowed either vertically, meaning within the same building, or horizontally, meaning within a separate building on the same site. Residential uses must be accessory to the nonresidential uses permitted by Section 21.26.010 of this title.
4. Carlsbad Municipal Code Section 21.31.065.A is amended to read as follows:
- B. Residential uses are allowed either vertically, meaning within the same building, or horizontally, meaning within a separate building on the same site. Residential uses must be accessory to the nonresidential uses permitted by Section 21.26.010 of this title.
5. Carlsbad Municipal Code Section 21.37.010.A is amended to read as follows:
- A. The intent and purpose of the mobile home park zone is to:
 - 1. Provide locations where mobile homes and mobile home parks may be established, maintained and protected;
 - 2. Provide a means to regulate and control the conversion of existing mobile home parks to another use;
 - 3. Promote and encourage an orderly residential environment with appropriate physical amenities; and
 - 4. Implement the goals and objectives of the general plan, including all residential land use designations and the housing element, consistent with the coastal resource policies set forth in the certified Local Coastal Program.
6. Carlsbad Municipal Code Section 21.37.090.A is amended to read as follows:
- A. The following design criteria shall apply to all mobile home parks to the extent permitted according to California Health and Safety Code Section 18200, et seq. and Section 18860 et seq., respectively:
 - 1. The overall plan shall be comprehensive, embracing land, buildings for common use or park service and maintenance, landscaping and their interrelationships, and shall conform to adopted plans for all governmental agencies for the area in which the proposed development is located;
 - 2. The plan shall provide for adequate circulation, off-street parking, open recreational areas and other pertinent amenities. Buildings, structures and facilities for common use in the park or for service and maintenance of the park shall be well integrated, oriented and related to the topographic and natural landscape features of the site;
 - 3. The proposed development shall be compatible with existing and planned land use and with circulation patterns on adjoining properties. It shall not constitute a disruptive element to the neighborhood or community; and

4. Common areas and recreational facilities shall be located so as to be readily accessible to the occupants of the dwelling units and shall be well related to any common open spaces provided.
7. Carlsbad Municipal Code Section 21.53.120.B is amended to read as follows:
 - B. Development Standards.
 1. The development (both for multi-family residential and affordable housing) shall be subject to the development standards of the zone in which the development is located and/or any applicable specific or master plan except for affordable housing projects as expressly modified by the site development plan. The site development plan for affordable housing projects may allow less restrictive development standards than specified in the underlying zone or elsewhere provided that the project is in conformity with the general plan and adopted policies and goals of the city, it would have no detrimental effect on public health, safety and welfare, and, in the coastal zone, any project processed pursuant to this chapter shall be consistent with all certified local coastal program provisions, with the exception of density. The decision-making authority for the site development plan and any other associated permits, other than coastal development permits, shall require only objective requirements that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards shall be consistent with the Zoning Ordinance, General Plan, any applicable Master or Specific Plan, certified Local Coastal Program, and the Government Code of the State of California.
 8. Carlsbad Municipal Code Section 21.53.260 is amended to read as follows:

21.53.260 Small wireless facilities (SWF).

 - A. Small wireless facilities shall comply with all applicable city requirements and the certified Local Coastal Program. An application for a SWF located on public or private property may be processed as a building permit, and an application for a SWF located within the public right-of-way of roads may be processed as a right-of-way permit pursuant to Title 11 of the Carlsbad Municipal Code. For a SWF located in the Coastal Zone, a coastal development permit may be required pursuant to Chapter 21.201.
 - B. Small wireless facilities between the first public roadway and the ocean or lagoons shall not create significant impacts to public views from scenic corridors, scenic public view areas, public paths, bikeways, beaches and public recreational facilities, and shall not require the construction of shoreline protective devices. If there is no feasible alternative that can comply with this requirement without resulting in a significant gap in communication coverage, then the alternative

that would result in the fewest or least significant impacts to public views, public access and recreation, and shoreline processes shall be selected.

EFFECTIVE DATE: This ordinance shall be effective either thirty days after its adoption, or upon the date the Executive Director of the California Coastal Commission certifies that implementation of LCPA 2022-0013 and LCPA 2022-0014 will be consistent with the Coastal Commission's approval of the Local Coastal Program amendments with suggested modifications, whichever occurs later. The City Clerk shall certify the adoption of this ordinance and cause the full text of the ordinance or a summary of the ordinance prepared by the City Attorney to be published at least once in a newspaper of general circulation in the City of Carlsbad within fifteen days after its adoption.

INTRODUCED AND FIRST READ at a Regular Meeting of the Carlsbad City Council on the 9th day of April, 2024, and thereafter

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM AND LEGALITY:

CINDIE K. McMAHON, City Attorney

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)



COMMUNITY DEVELOPMENT COMMISSION

Staff Report

Meeting Date: April 16, 2024

To: Chair and Commissioners

From: Scott Chadwick, Executive Director

Staff Contact: Christian Gutierrez, Housing Services Manager
christian.gutierrez@carlsbadca.gov, 442-300-6555

Subject: Carlsbad Housing Agency 2024-25 Public Housing Agency Annual Plan

Districts: All

Recommended Actions

1. Hold a public hearing; and
2. Adopt a Community Development Commission resolution approving the City of Carlsbad's 2024-25 Public Housing Agency Annual Plan for Submission to the U.S. Department of Housing and Urban Development.

Executive Summary

The Housing & Homeless Services Department, operating as the Carlsbad Housing Agency, administers the federal Housing Choice Voucher Program on behalf of the City of Carlsbad. This program provides federal funds that the housing agency uses to help low-income and very low-income families within Carlsbad with housing.

As part of this program, the City Council, acting as the Community Development Commission, is being asked to approve an annual plan that is aligned with the five-year Public Housing Agency Plan. The plan serves to inform the U.S. Department of Housing and Urban Development (HUD) and the local community about the housing agency's overarching mission and strategic initiatives aimed at meeting the needs of low-income and very low-income families within its jurisdiction.

The plan must be formally adopted by the housing agency's board of commissioners. The City Council, acting as the Community Development Commission, is the governing board for the Carlsbad Housing Agency and the Housing Commission makes recommendations to the Community Development Commission on housing related matters.

Explanation & Analysis

The Housing Choice Voucher Program is governed by federal regulations, which allow local discretion on some policy decisions and administrative procedures. Federal law requires every public housing agency to file a five-year public housing agency plan with HUD as well as an annual plan that is consistent with the five-year plan.

The Carlsbad 5-Year Public Housing Agency Plan outlines objectives intended to address the needs of low-income, very low-income, and extremely low-income families. These objectives include expanding the supply of government-assisted housing, increasing assisted housing choices, promoting self-sufficiency and asset development of families and individuals, and ensuring equal opportunity and affirmatively further fair housing.

Every public housing agency is required each year to identify any elements of the plan that have been revised since its last annual plan was submitted. There is one area that has been updated for this period:

Financial resources - The overall funding received for housing assistance payments and program administration increased by approximately 9% in the 2023 calendar year.

	2021	2022	2023
Annual contributions	\$9,006,045	\$9,074,705	\$9,861,136
For rental assistance payments	\$8,145,383	\$8,365,470	\$9,167,172
For program operating expenses	\$860,662	\$709,235	\$693,964

The Housing Commission passed a resolution on April 11, 2024, recommending approval of the annual plan for 2024-25 (Exhibit 2).

Community Engagement

The Carlsbad Housing Agency 2024-25 Public Housing Agency Plan was available for public review and comment for 45 days before it was considered by the Community Development Commission. Public comments from the public review period and the public hearing will be included in the final public housing agency plan to be submitted to HUD.

Fiscal Analysis

There is no direct fiscal impact associated with approving these plans. The programs in the public housing agency plan receive federal funds allocated for administration of the rental assistance program.

Next Steps

All required documents will be executed and submitted to the Department of Housing and Urban Development along with any public comments.

Environmental Evaluation

This action does not require environmental review because it does not constitute a project within the meaning of the California Environmental Quality Act under California Public Resources Code Section 21065 in that it has no potential to cause either a direct physical change or a reasonably foreseeable indirect physical change in the environment.

Exhibits

1. Community Development Commission resolution
2. Housing Commission Resolution No. 2024-004

RESOLUTION NO.

A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING THE CITY OF CARLSBAD'S 2024-25 PUBLIC HOUSING AGENCY ANNUAL PLAN FOR SUBMISSION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, Housing & Homeless Services Department staff, on behalf of the Carlsbad Housing Agency, administers the Housing Choice Voucher Rental Assistance Program for the City of Carlsbad; and

WHEREAS, the U.S. Department of Housing and Urban Development has issued regulations requiring public housing agencies such as the Carlsbad Community Development Commission to submit a five-year plan and an annual plan consistent with the City of Carlsbad's Consolidated Plan and local objectives; and

WHEREAS, the Community Development Commission approved the five-year plan on April 7, 2020; and

WHEREAS, the Carlsbad Housing Commission passed Resolution No. 2024- which recommended that the Carlsbad Community Development Commission recommended approval of the annual plan for 2024-25; and

WHEREAS, HUD requires that the Community Development Commission hold a public hearing to receive public comment on the annual public housing agency plan and approve the Carlsbad Public Housing Agency Annual Plan for 2024-25, authorizing execution of the public housing agency certifications of compliance for submission to the U.S. Department of Housing and Urban Development.

NOW, THEREFORE, BE IT RESOLVED by the Community Development Commission of the City of Carlsbad, California, as follows that:

1. The above recitations are true and correct.

2. That the streamlined Carlsbad Public Housing Agency Annual Plan for 2024-25 (Attachment A) is approved by the Community Development Commission.
3. That the Chair of the Community Development Commission is authorized to execute the public housing agency certification (Attachment B), and to submit the plan and related documents to the U.S. Department of Housing and Urban Development.
4. That the Chair of the Community Development Commission and Executive Director is authorized to execute the public housing agency certification (Attachment C), and to submit the plan and related documents to the U.S. Department of Housing and Urban Development.

PASSED, APPROVED AND ADOPTED at a Special Meeting of the Community Development Commission of the City of Carlsbad on the _____ day of _____ 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Chair

SCOTT CHADWICK, Secretary
(SEAL)

Streamlined Annual PHA Plan <i>(HCV Only PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.
A.1	<p>PHA Name: <u>Carlsbad Housing Agency</u> PHA Code: <u>CA077</u></p> <p>PHA Plan for Fiscal Year Beginning: (MM/YYYY): <u>07/2024</u></p> <p>PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)</p> <p>Number of Housing Choice Vouchers (HCVs) <u>756</u> (includes 47 Mainstream Vouchers)</p> <p>PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p>The Carlsbad Housing Agency's Annual PHA Plan, Administrative Plan and supporting documents are available for inspection at the following locations:</p> <p><u>Main administrative office of the PHA</u></p> <ul style="list-style-type: none"> • City of Carlsbad Housing and Homeless Services 1200 Carlsbad Village Drive Carlsbad, CA 92008 <p><u>Public Libraries</u></p> <ul style="list-style-type: none"> • City of Carlsbad Main Library 1775 Dove Lane Carlsbad, CA 92011 • City of Carlsbad Georgina Cole Library 1250 Carlsbad Village Drive Carlsbad, CA 92008 <p><u>PHA Website</u></p> <ul style="list-style-type: none"> • www.carlsbadca.gov/housing <p><u>Other:</u></p> <ul style="list-style-type: none"> • City of Carlsbad Senior Center 799 Pine Avenue Carlsbad, CA 92008

<input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below)				
Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program
Lead PHA:				

B. Plan Elements.

B.1 Revision of Existing PHA Plan Elements.

(a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?

Y N

Statement of Housing Needs and Strategy for Addressing Housing Needs.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.

Financial Resources.

Rent Determination.

Operation and Management.

Informal Review and Hearing Procedures.

Homeownership Programs. *N/A.*

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.

Substantial Deviation.

Significant Amendment/Modification.

(b) If the PHA answered yes for any element, describe the revisions for each element(s):

CY 2024 Financial Resources – Annual Contributions from HUD

Program/Account	HUD Budget Authority Funding	Description
Housing Choice Voucher program	\$8,383,140	Housing Assistance Payments (HAP)
Mainstream Voucher program –	\$784,032	Non-elderly Person with Disabilities
HCV Administrative Fees	\$693,792	HCV program operations
Total Resources	\$9,860,964	

B.1	<u>Significant Amendment/Modification</u> – Not Applicable
B.2	New Activities. – Not Applicable

<p>B.3</p>	<p>Progress Report.</p> <p>Provide a description of the PHA’s progress in meeting its Mission and Goals described in its 5-Year PHA Plan.</p> <ol style="list-style-type: none"> 1. Expand the supply of assisted housing. <ul style="list-style-type: none"> • Mainstream Special Purpose Vouchers. The CHA was awarded vouchers for non-elderly persons with disabilities: 28 vouchers (2020), nine vouchers (2021) and ten vouchers in (2022). • Portability Vouchers. In 2021, the CHA began administering 100% of port-in vouchers, which increased program participation by 60 households per month. • New Vouchers Issued: 7 HCV and 3 Mainstream in 2023 2. Improve Voucher management. <ul style="list-style-type: none"> • The CHA received a High-performance rating from HUD for fiscal year 2023 of the Section Eight Management Assistance Program (SEMAP) report. • The CHA converted to a new software program to meet the changing requirements of HUD regulations and/or directives. • The CHA expanded owner customer service by launching an owner portal, improving the access of information for CHA participating owners and property managers. 3. Increase assisted housing choice. <ul style="list-style-type: none"> • The CHA has maintained payment standards between 90% and 110% of the HUD published Fair Market Rents to ensure voucher holders are able to utilize the HCV program to locate adequate housing in Carlsbad. • The CHA’s Housing Navigator assists new voucher holders by providing services with housing navigation within the CHA jurisdiction. 4. Promote self-sufficiency and asset development of families and individuals. <ul style="list-style-type: none"> • The CHA voluntarily administers the Family Self-Sufficiency Program for participants who have ported into our jurisdiction. Since FY 2015, we have administered seven Family Self-Sufficiency (FSS) participants, three of which graduated successfully with escrow accounts. 5. Ensure equal opportunity and affirmatively further fair housing. <ul style="list-style-type: none"> • The CHA enlisted the services of the Center for Social Advocacy (CSA) and the Legal Aid Society of San Diego to deliver Fair Housing counseling and seminars for housing staff, participants, and owners. Through cooperation with neighboring cities in North County, the San Diego Regional Analysis of Impediments to Fair Housing has provided direction to both individual cities and the wider region to actively pursue fair housing objectives. • Informational resources, accessible in English and Spanish, can be found in the lobby. These materials are also included in the introductory packets for new participants in the HCV program.
<p>B.4</p>	<p>Capital Improvements. – Not Applicable</p>
<p>B.5</p>	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>
<p>C.</p>	<p>Other Document and/or Certification Requirements.</p>

C.1	<p>Resident Advisory Board (RAB) Comments. <i>To be completed after the Housing Commission meeting.</i></p> <p style="text-align: center;">Y N</p> <p>(a) Did the RAB(s) have comments to the PHA Plan? <input type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
C.2	<p>Certification by State or Local Officials. Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan. Attached.</p>
C.3	<p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan. Attached.</p>
C.4	<p>Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.</p> <p>Did the public challenge any elements of the Plan? <i>To be completed after the public hearing.</i></p> <p style="text-align: center;">Y N</p> <p><input type="checkbox"/> <input type="checkbox"/> If yes, include Challenged Elements.</p>
D.	Affirmatively Furthering Fair Housing (AFFH).
D.1	<p>Affirmatively Furthering Fair Housing (AFFH). Provide a statement of the PHA’s strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015.</p> <p>Fair Housing Goals: Goal. All Carlsbad housing opportunities (ownership and rental, market rate and assisted) are offered in conformance with open housing policies and free of discriminatory practices.</p> <p>Strategies and Actions. With assistance from the City’s fair housing provider, the City will continue to offer fair housing services to its residents and property owners. Services to be included:</p> <ul style="list-style-type: none"> • Disseminating educational materials to landlords, property managers, and tenants; • Issuing public announcements through diverse media channels (e.g., social media, newspaper advertisements, and public service announcements on local radio and television); • Hosting workshops and training sessions in collaboration with various community groups; • Addressing and investigating discrimination complaints, including intake procedures and resolution efforts; Referring individuals to relevant services and agencies; • Conducting randomized fair testing at various locations to assess compliance and rectify any hindrances through the enforcement of fair housing laws; and • Sustaining collaborative efforts with the San Diego Regional Alliance for Fair Housing (SDRAFFH) to advance fair housing, education, and advocacy. The SDRAFFH is also responsible for overseeing the regional compilation of the Analysis of Impediments. <p>The City partnered closely with the San Diego Regional Alliance for Fair Housing to conduct the Analysis of Impediments to Fair Housing for the fiscal years 2020-2025. This analysis identifies obstacles to fair housing practices in the city, particularly in areas marked by racial and economic disparities. The practices identified to mitigate these barriers encompass various initiatives, such as increased outreach in Spanish, enforcing housing safety codes, targeted efforts to inform about home financing opportunities, ensuring equal access to information, and organizing diversity awareness events and programs at various locations across the city.</p>

**Certification by State or Local
Official of PHA Plans Consistency
with the Consolidated Plan or
State Consolidated Plan
(All PHAs)**

U. S Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

**Certification by State or Local Official of PHA Plans
Consistency with the Consolidated Plan or State Consolidated Plan**

I, Keith Blackburn, the Chair of the Community Development Commission
Official's Name *Official's Title*

certify that the 5-Year PHA Plan for fiscal years _____ and/or Annual PHA Plan for fiscal year 2024-2025 of the Carlsbad Housing Agency is consistent with the Consolidated Plan or State Consolidated Plan including the Analysis of Impediments (AI) to Fair Housing Choice or Assessment of Fair Housing (AFH) as applicable to the

City of Carlsbad
Local Jurisdiction Name

pursuant to 24 CFR Part 91 and 24 CFR §§ 903.7(o)(3) and 903.15.

Provide a description of how the PHA Plan's contents are consistent with the Consolidated Plan or State Consolidated Plan.

- Actively collaborate with non-profit agencies and social service agencies for resources to assist the underserved needs of the community.
- As able, provide Fair Housing Workshops to HCV program participants and owners.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official:	Title:
Keith Blackburn	Chair, Community Development Commission
Signature:	Date:

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure consistency with the consolidated plan or state consolidated plan.

Public reporting burden for this information collection is estimated to average 0.16 hours per year per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Certifications of Compliance with
PHA Plan and Related Regulations
(Standard, Troubled, HCV-Only, and
High Performer PHAs)**

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
OMB No. 2577-0226
Expires 3/31/2024

**PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations
including PHA Plan Elements that Have Changed**

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the ___ 5-Year and/or X Annual PHA Plan, hereinafter referred to as "the Plan", of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the PHA fiscal year beginning 07/01/2024, in connection with the submission of the Plan and implementation thereof:

1. The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located (24 CFR § 91.2).
2. The Plan contains a certification by the appropriate State or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments (AI) to Fair Housing Choice, or Assessment of Fair Housing (AFH) when applicable, for the PHA's jurisdiction and a description of the manner in which the PHA Plan is consistent with the applicable Consolidated Plan (24 CFR §§ 91.2, 91.225, 91.325, and 91.425).
3. The PHA has established a Resident Advisory Board or Boards, the membership of which represents the residents assisted by the PHA, consulted with this Resident Advisory Board or Boards in developing the Plan, including any changes or revisions to the policies and programs identified in the Plan before they were implemented, and considered the recommendations of the RAB (24 CFR 903.13). The PHA has included in the Plan submission a copy of the recommendations made by the Resident Advisory Board or Boards and a description of the manner in which the Plan addresses these recommendations.
4. The PHA provides assurance as part of this certification that:
 - (i) The Resident Advisory Board had an opportunity to review and comment on the changes to the policies and programs before implementation by the PHA;
 - (ii) The changes were duly approved by the PHA Board of Directors (or similar governing body); and
 - (iii) The revised policies and programs are available for review and inspection, at the principal office of the PHA during normal business hours.
5. The PHA made the proposed Plan and all information relevant to the public hearing available for public inspection at least 45 days before the hearing, published a notice that a hearing would be held and conducted a hearing to discuss the Plan and invited public comment.
6. The PHA certifies that it will carry out the public housing program of the agency in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), title II of the Americans with Disabilities Act (42 U.S.C. 12101 et seq.), and other applicable civil rights requirements and that it will affirmatively further fair housing in the administration of the program. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with the Fair Housing Act, title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, title II of the Americans with Disabilities Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of the program.
7. The PHA will affirmatively further fair housing, which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR § 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR § 903.7(o)(3). The PHA will fulfill the requirements at 24 CFR § 903.7(o) and 24 CFR § 903.15(d). Until such time as the PHA is required to submit an AFH, the PHA will fulfill the requirements at 24 CFR § 903.7(o) promulgated prior to August 17, 2015, which means that it examines its programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintains records reflecting these analyses and actions.
8. For PHA Plans that include a policy for site-based waiting lists:
 - The PHA regularly submits required data to HUD's 50058 PIC/IMS Module in an accurate, complete and timely manner (as specified in PIH Notice 2011-65);

- The system of site-based waiting lists provides for full disclosure to each applicant in the selection of the development in which to reside, including basic information about available sites; and an estimate of the period of time the applicant would likely have to wait to be admitted to units of different sizes and types at each site;
 - Adoption of a site-based waiting list would not violate any court order or settlement agreement or be inconsistent with a pending complaint brought by HUD;
 - The PHA shall take reasonable measures to assure that such a waiting list is consistent with affirmatively furthering fair housing; and
 - The PHA provides for review of its site-based waiting list policy to determine if it is consistent with civil rights laws and certifications, as specified in 24 CFR 903.7(o)(1).
9. The PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
 10. In accordance with 24 CFR § 5.105(a)(2), HUD's Equal Access Rule, the PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
 11. The PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
 12. The PHA will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
 13. The PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
 14. The PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
 15. The PHA will provide the responsible entity or HUD any documentation that the responsible entity or HUD needs to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58 or Part 50, respectively.
 16. With respect to public housing the PHA will comply with Davis-Bacon or HUD determined wage rate requirements under Section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
 17. The PHA will keep records in accordance with 2 CFR 200.333 and facilitate an effective audit to determine compliance with program requirements.
 18. The PHA will comply with the Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act of 1992, and 24 CFR Part 35.
 19. The PHA will comply with the policies, guidelines, and requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Financial Assistance, including but not limited to submitting the assurances required under 24 CFR §§ 1.5, 3.115, 8.50, and 107.25 by submitting an SF-424, including the required assurances in SF-424B or D, as applicable.
 20. The PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the regulations and included in its Plan.
 21. All attachments to the Plan have been and will continue to be available at all times and all locations that the PHA Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the PHA in its PHA Plan and will continue to be made available at least at the primary business office of the PHA.
 22. The PHA certifies that it is in compliance with applicable Federal statutory and regulatory requirements, including the Declaration of Trust(s).

Carlsbad Housing Agency
 PHA Name

CA077
 PHA Number/HA Code

Annual PHA Plan for Fiscal Year 2024-25

5-Year PHA Plan for Fiscal Years 20__ - 20__

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Name of Executive Director		Name Board Chairman	
Scott Chadwick, City Manager		Keith Blackburn, Chair Community Development Commission	
Signature	Date	Signature	Date

The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality. This information is collected to ensure compliance with PHA Plan, Civil Rights, and related laws and regulations including PHA plan elements that have changed.

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RESOLUTION NO.2024-004

A RESOLUTION OF THE HOUSING COMMISSION OF THE CITY OF CARLSBAD, CALIFORNIA, RECOMMENDING APPROVAL OF THE CARLSBAD FISCAL YEAR 2024-25 ANNUAL PUBLIC HOUSING AGENCY PLAN

WHEREAS, the Housing & Homeless Services Department administers the Housing Choice Voucher (Section 8) Rental Assistance Program for the City of Carlsbad's Public Housing Agency (PHA); and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has issued regulations requiring PHAs to submit a 5-Year and Annual Plans consistent with the City of Carlsbad's Consolidated Plan and local objectives; and

WHEREAS, the 5-Year Plan for 2020-2025 was approved by the Community Development Commission on April 7, 2020; and

WHEREAS, federal regulations provide that Annual Plans must be adopted by the Carlsbad Community Development Commission and submitted to the U.S. Department of Housing and Urban Development.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Housing Commission of the City of Carlsbad, California, as follows:

1. The above recitations are true and correct.
2. That based on the information provided within the Housing Commission Staff Report, the Housing Commission adopts this resolution, recommending that the Carlsbad Community Development Commission approve the Carlsbad Fiscal Year 2024-25 Annual Plan (attached hereto as Attachment A) for submission to the U.S. Department of Housing and Urban Development.

PASSED, APPROVED AND ADOPTED at a Regular meeting of the Housing Commission of the City of Carlsbad on the _____ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSENT:

ABSTAIN:

TYLER COLLINS, Chair

MANDY MILLS, Director

DRAFT



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Randy Metz, Division Chief - Fire Marshal
 randy.metz@carlsbadca.gov, 442-339-2661

Subject: 2024 Hazard Reduction Program - Abatement

Districts: All

Recommended Action

1. Hold a public hearing; and
2. Adopt a resolution authorizing abatement of weeds, rubbish and refuse upon private property under the terms of the City of Carlsbad's Hazard Reduction Program and scheduling a public hearing on July 30, 2024, to consider the final Hazard Reduction Cost Report.

Executive Summary

The City of Carlsbad conducts an annual Hazard Reduction Program to eliminate fire hazards and nuisances caused by the accumulation of dry weeds and rubbish on vacant lots within the city. As noted in California Government Code Section 39560-39588, the City Council may declare weeds, rubbish and refuse on private property to be public nuisances.

This is the second of three reports for the Hazard Reduction Program. The public hearing is an opportunity for property owners to voice objections to parcels being declared as nuisances. Staff recommend scheduling a public hearing for July 30, 2024, to consider and confirm the final Hazard Reduction Cost Report.

Explanation & Analysis

The Carlsbad Fire Department completed its annual hazard survey and identified 164 parcels that have, or are likely to have, potential hazards during the drier months when the risk of fire is high. The parcel list is included as Attachment A to Exhibit 1.

The City Council declared these parcels as public nuisances on March 19, 2024. The Fire Department and City Clerk mailed notices to property owners the following day explaining the City Council's action and providing information for the public hearing on April 16, 2024. A copy of the notice to property owners is attached as Exhibit 2.

After May 15, 2024, hazards that have not been removed by property owners will be subject to removal by the city.

The costs associated with abatement of a parcel are forwarded to the San Diego County Tax Assessor for inclusion in the property tax bills for the individual properties. This occurs at the close of the program in August, after the City Council has an opportunity to hear any objections from property owners.

Fiscal Analysis

City administrative and contractor costs associated with weed abatement work are recoverable from property owners.

The Fire Department's operating budget has sufficient funds for weed abatement expenditures in the current year. Expenditures will be recouped on property tax bills in the following year.

Next Steps

- The city will use a contractor for weed abatement work starting May 16, 2024.
- All work will be completed by June 30, 2024.
- A public hearing will be scheduled on July 30, 2024, for the City Council to consider and confirm the final Hazard Reduction Cost Report.
- Staff will forward the report to the San Diego County Tax Assessor for costs associated with weed abatement work for inclusion in property tax bills.

Environmental Evaluation

The City Planner, through the process outlined in Carlsbad Municipal Code Section 19.04.070, has determined that this project is exempt pursuant to California Code of Regulations Section 15321 - Enforcement by Regulatory Agencies because the report and recommendations relates to and is a prelude to a series of potential enforcement actions.

Exhibits

1. City Council resolution
2. Notice to property owners with hazard reduction information sheet

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AUTHORIZING ABATEMENT OF WEEDS, RUBBISH AND REFUSE UPON PRIVATE PROPERTY UNDER THE TERMS OF THE CITY OF CARLSBAD'S HAZARD REDUCTION PROGRAM AND SCHEDULING A PUBLIC HEARING ON JULY 30, 2024, TO CONSIDER THE FINAL HAZARD REDUCTION COST REPORT

WHEREAS, the City Council of the City of Carlsbad, California has determined that weeds, rubbish and refuse exist or are likely to exist on vacant parcels throughout the city; and

WHEREAS, said weeds, rubbish and refuse constitute a hazard to public safety and to private property during the drier months of the year due to combustibility.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That this resolution, and all action subsequently taken in connection with it, is taken pursuant to the provisions of California Government Code Section 39560, et seq. (Alternate Procedures for Weed and Rubbish Abatement).
3. Words used in this resolution and subsequent action in connection with it shall be defined as outlined in said code sections.
4. The City Council of the City of Carlsbad declared weeds, rubbish and refuse as public nuisances upon those certain parcels of private property in the City of Carlsbad described in Attachment A, incorporated by reference.
5. The City Council of the City of Carlsbad declared its intention to cause the removal of said weeds, rubbish and refuse. The City Clerk of the City of Carlsbad mailed written notices of the proposed abatement of said nuisances to all persons owning the property described in Attachment A.
6. Property owners were notified that nuisances existing after May 15, 2024, are subject to abatement by the City of Carlsbad, and the cost of abatement will appear on the property tax bill.
7. A public hearing was held in the City of Carlsbad Chamber at 1200 Carlsbad Village Drive, Carlsbad, CA, on April 16, 2024, to consider responses from property owners to said proposed removal of weeds, rubbish and refuse.

8. The Fire Chief of the City of Carlsbad is designated to perform the duties imposed on the Superintendent by California Government Code Section 39560, et seq.
9. The Superintendent is authorized to abate the nuisance declared by Resolution No. 2024-052 by having the weeds removed from the properties listed in Attachment A to this Resolution. The Superintendent may enter upon those private parties to abate the nuisance. Before the Superintendent arrives, any property owner may remove the weeds, at the property owner's expense.
10. The Superintendent shall keep an account of the cost of abatement for each parcel of land where the work is done by the City. The Superintendent shall submit to the City Council the final Hazard Reduction Cost Report at the schedule City Council meeting on July 30, 2024, where a public hearing will be held in the City Council Chamber at 1200 Carlsbad Village Drive, Carlsbad, California, to consider and confirm the final Hazard Reduction Cost Report.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

NUMBER	APN	PHYSICAL ADDRESS	OWNER	MAILING ADDRESS	CITY
1	APN 1552210500	BUENA VISTA CR, CARLSBAD, CA 92008	PAMELA KAYE SULLIVAN MARTIN LIVING TRUST	3301 LINCOLN ST	CARLSBAD, CA 92008
2	APN 1560511800 09000	CARLSBAD, CA 92008	SEGEL ROBERT AND DORIS SURVIVORS TRUST C/O CATHY BERRY	1290 LAS FLORES DR	CARLSBAD, CA 92008-1029
3	APN 1560511900 09000	CARLSBAD, CA 92008	SEGEL ROBERT AND DORIS MARITAL TRUST C/O CATHY BERRY	1290 LAS FLORES DR	CARLSBAD, CA 92008-1029
4	APN 1560512300 09000	CARLSBAD, CA 92008	SEGEL ROBERT AND DORIS CREDIT S C/O CATHY BERRY	1290 LAS FLORES DR	CARLSBAD, CA 92008-1029
5	APN 1561108300 09000	1369 FOREST AVE, CARLSBAD, CA 92008	MOSALLAIE MOUSAUD/GHAHRAMANI KATIA	1952 ALTA OAKS RD	ARCADIA, CA 91006
6	APN 1561108400 09000	1373 FOREST AVE, CARLSBAD, CA 92008	NEWBY BRENT K AND PUZO LISA J TRUST	1373 FOREST AVE	CARLSBAD, CA 92008
7	APN 1561901100 09000	CARLSBAD, CA 92008	MARQUEZ SARAH S G	1801 AVACADO RD	OCEANSIDE, CA 92054
8	APN 1561902400 09000	CARLSBAD, CA 92008	HARVEY FAMILY TRUST 04-22-85	20152 EVENING BREEZE DR	WALNUT, CA 91789
9	APN 1561903400 09000	3035 HIGHLAND DR, CARLSBAD, CA 92008	BACCUS DENNIS	4114 CONQUISTA AVE	LAKEWOOD, CA 90713
10	APN 1563501200 09000	2339 PIO PICO DR, CARLSBAD, CA 92008	TONG CHRISTOPHER AND DO MARY H	2339 PIO PICO DR	CARLSBAD, CA 92008
11	APN 1563501000 09000	CARLSBAD, CA 92008	CARLSBAD LANA PROPERTY LLC	4921 ALAMEDA DR	OCEANSIDE, CA 92056-5490
12	APN 1670306400	2707 AVENIDA DE ANITA, CARLSBAD, CA 92008	TMG CARLSBAD APARTMENTS LLC C/O TRIUMPH PROPERTIES GROUP	9601 WILSHIRE BLVD #560	BEVERLY HILLS, CA 90210-5220
13	APN 1670307000	EL CAMINO REAL, CARLSBAD, CA 92008	3069 INVESTMENTS LLC	PO BOX 2829	RAMONA, CA 92065-0949
14	APN 1670701200 09000	CHESTNUT AVE, CARLSBAD, CA 92008	MENCHER JEREMY	PO BOX 301363	ESCONDIDO, CA 92030
15	APN 1670803400 09000	EL CAMINO REAL, CARLSBAD, CA 92008	CHESTNUT CARLSBAD LLC	3910 CHAPMAN ST #A	SAN DIEGO, CA 92110
16	APN 1670803500 09000	EL CAMINO REAL, CARLSBAD, CA 92008	VLADIMIR MOGOREAN/KOSENKOVA OXANA	4127 WOODSTOCK AVE	MINNEAPOLIS, MN 55422-5239
17	APN 1670805000	CARLSBAD, CA 92008	ROSEBUD CARLSBAD LLC	PO BOX 7218	SAN DIEGO, CA 92167-0218
18	APN 1670805200 09000	3817 EL CAMINO REAL, CARLSBAD, CA 92008	HOPE COREY E/HOPE E	PO BOX 1901	CARLSBAD, CA 92018-1901
19	APN 1670805300 09000	EL CAMINO REAL, CARLSBAD, CA 92008	HOPE COREY E/HOPE E	PO BOX 1901	CARLSBAD, CA 92018-1901
20	APN 1670907200	3140 EL CAMINO REAL, CARLSBAD, CA 92008	NORTHSHORE HEALTHCARE HOLDINGS LLC	905 CALLE AMANECER UNIT 300	SAN CLEMENTE, CA 92673
21	APN 1672302400 09000	3700 EL CAMINO REAL, CARLSBAD, CA 92008	SPRAGUE JACK H C/O ROBERT F KEVANE	8480 LA MESA BLVD	LA MESA, CA 91942
22	APN 1672302500 09009	EL CAMINO REAL, CARLSBAD, CA 92008	SPRAGUE JACK H C/O ROBERT F KEVANE	8480 LA MESA BLVD	LA MESA, CA 91942
23	APN 1674421300	CARLSBAD, CA 92008	STANDARD-PACIFIC CORPORATION	7290 CLAIREMONT MESA BLVD	SAN DIEGO, CA 92111
24	APN 1680412200	CARLSBAD, CA 92008	ROBERTSON VIRGINIA/KELLY ELSIE M	PO BOX 35	CARLSBAD, CA 92018-0035
25	APN 1680501700	CARLSBAD, CA 92008	HOLLY SPRINGS DEVELOPMENT LLC C/O SUSAN KELLY	PO BOX 2484	CARLSBAD, CA 92018-2484
26	APN 2031021500	2690 ROOSEVELT ST, CARLSBAD, CA 92008	ROSEVELT NINE LLC	2033 SAN ELIJO AVE #423	CARDIFF BY THE SEA, CA 92007
27	APN 2031022400 09098	ROOSEVELT ST, CARLSBAD, CA 92008	JARMOLOWICZ EDWARD S/JEANMARIE	46 PERRY HENDERSON DR	FRAMINGHAM MA 01701
28	APN 2031440400 09000	2710 OCEAN ST, CARLSBAD, CA 92008	FRONT PORCH COMMUNITIES AND SERVICES	800 N BRAND BLVD 19TH FLOOR	GLENDALE, CA 91203
29	APN 2031440500	2720 OCEAN ST, CARLSBAD, CA 92008	FRONT PORCH COMMUNITIES AND SERVICES	800 N BRAND BLVD 19TH FLOOR	GLENDALE, CA 91203
30	APN 2031440600	2730 OCEANS ST, CARLSBAD, CA 92008	FRONT PORCH COMMUNITIES AND SERVICES	800 N BRAND BLVD 19TH FLOOR	GLENDALE, CA 91203
31	APN 2031440700	2740 OCEANS ST, CARLSBAD, CA 92008	FRONT PORCH COMMUNITIES AND SERVICES	800 N BRAND BLVD 19TH FLOOR	GLENDALE, CA 91203
32	APN 2031440800	GARFIELD ST, CARLSBAD, CA 92008	FRONT PORCH COMMUNITIES AND SERVICES	800 N BRAND BLVD 19TH FLOOR	GLENDALE, CA 91203
33	APN 2031720500 09098	2733 WASHINGTON, CARLSBAD, CA 92008	FAGRELL FAMILY TRUST 05-01-01	2640 HIGHLAND DR	CARLSBAD, CA 92008
34	APN 2032610300	354 OAK AVE, CARLSBAD, CA 92008	GOLDSTEIN FAMILY TRUST	160 TAMARACK AVE	CARLSBAD, CA 92008-4059
35	APN 2042100300	3535 HARDING ST, CARLSBAD, CA 92008	HARDING-PALM LLC	3276 HIGHLAND DR	CARLSBAD, CA 92008
36	APN 2052803200 09000	HIGHLAND DR, CA 92008	JTWW 2023 TRUST	29026 SPRINGSIDE PL	HIGHLAND, CA 92346
37	APN 20660422800	608 CHINQUAPIN AVE, CARLSBAD, CA 92008	GLAZEBROOK WARD M AND DENISE E/ KISKY ALEX A AND MELISSA D	180 FREMONT AVE	LOS ALTOS, CA 94022
38	APN 2061200100 09000	1015 CHINQUAPIN AVE, CARLSBAD, CA 92008	INLAND LAND PROPERTIES LLC	PO BOX 17358	ANAHEIM, CA 92817
39	APN 2061200200 09000	1039 CHINQUAPIN AVE, CARLSBAD, CA 92008	INLAND LAND PROPERTIES LLC	PO BOX 17358	ANAHEIM, CA 92817
40	APN 2061201600 09000	ADAMS ST, CARLSBAD, CA 92008	TERRA PACIFIC ENTERPRISES LLC	PO BOX 5766	ORANGE, CA 92863-5766
41	APN 2061201800 09000	HARRISON ST, CARLSBAD, CA 92008	CONTRERAS GEORGE & ELENA TRUST	8224 FIELDSTREAM CT	EASTVALE, CA 92880
42	APN 2061201900 09000	HARRISON ST, CARLSBAD, CA 92008	SNUG HARBOR ENTERPRISES LLC	PO BOX 22159	SAN DIEGO, CA 92192-2159
43	APN 2061203600 09000	HARRISON ST, CARLSBAD, CA 92008	SNUG HARBOR ENTERPRISES LLC	PO BOX 22159	SAN DIEGO, CA 92192-2159
44	APN 2061405000 09000	4060 SYME DR, CARLSBAD, CA 92008	ITTER JOSH L & MARY M, LAVON S	4060 SYME DR	CARLSBAD, CA 92008
45	APN 2061502900	1168 HOOVER ST, CARLSBAD, CA 92008	BLACKBURN ROBERT S AND ELAINE 1994 TRUST 09-06-94 ET AI	1240 HOOVER ST	CARLSBAD, CA 92008
46	APN 2061503000	1178 HOOVER ST, CARLSBAD, CA 92008	BLACKBURN ROBERT S AND ELAINE 1994 TRUST 09-06-94 ET AI	1240 HOOVER ST	CARLSBAD, CA 92008
47	APN 2061710300 09000	HOOVER ST, CARLSBAD, CA 92008	SARKARIA-ENGLERT FAMILY TRUST/SARKARIA JANN N REVOCABLE TRUST	PO BOX 69	VISTA, CA 92085-0069
48	APN 2061720500 09000	ADAMS ST, CARLSBAD, CA 92008	TERRA PACIFIC ENTERPRISES LLC	PO BOX 5766	ORANGE, CA 92863-5766
49	APN 2061720600 09000	ADAMS ST, CARLSBAD, CA 92008	TERRA PACIFIC ENTERPRISES LLC	PO BOX 5766	ORANGE, CA 92863-5766
50	APN 2061720700 09000	ADAMS ST, CARLSBAD, CA 92008	TERRA PACIFIC ENTERPRISES LLC	PO BOX 5766	ORANGE, CA 92863-5766
51	APN 2061920700 09000	CARLSBAD, CA 92008	B W LIVING TRUST 08-10-88	PO BOX 2794	BEVERLY HILLS, CA 90213
52	APN 2061921400 09000	HIGHLAND DR, CA 92008	NEWMAN ROGER P/NEWMAN KAREN E	4400 HIGHLAND DR	CARLSBAD, CA 92008-4227
53	APN 2061924100 09000	ADAMS ST, CARLSBAD, CA 92008	SAHU AMIT K AND AJMERA PARULBEN N	PO BOX 503928	SAN DIEGO, CA 92150-3928
54	APN 2061924800 09000	4407 PARK DR, CARLSBAD, CA 92008	GAITAUD RENEE D	4415 PARK DR	CARLSBAD, CA 92008
55	APN 2062000100 09000	ADAMS ST, CARLSBAD, CA 92008	ROMAYA NIBRA'S/ROMAYA SURA	1714 MERLITN CT	EL CAJON, CA 92019
56	APN 2070902000 09000	EL CAMINO REAL, CARLSBAD, CA 92008	HALL FAMILY TRUST	3810 ALDER AVE	CARLSBAD, CA 92008
57	APN 2071021400	CARLSBAD, CA 92008	HENROID SPENCER	4814 KELLY DR	CARLSBAD, CA 92009
58	APN 2071206800	TAMARACK ST, CARLSBAD, CA 92008	APPLEBY ROBERT E AND LILLIAN C	23918 INGOMAR ST	WEST HILLS, CA 91304
59	APN 2071500100 09000	PARK DR, CARLSBAD, CA 92008	LOVULLO FAMILY BYPASS TRUST C/O VIF CPA INC	18425 BURBANK BLVD #708	TARZANA, CA 91356
60	APN 2071500200 09000	PARK DR, CARLSBAD, CA 92008	LOVULLO FAMILY BYPASS TRUST C/O VIF CPA INC	18425 BURBANK BLVD #708	TARZANA, CA 91356
61	APN 2071500300 09000	PARK DR, CARLSBAD, CA 92008	LOVULLO FAMILY BYPASS TRUST C/O VIF CPA INC	18425 BURBANK BLVD #708	TARZANA, CA 91356
62	APN 2071800800 09000	EL CAMINO REAL, CARLSBAD, CA 92008	JOSE PATHIVIL	349 VISTA MARAZUL	OCEANSIDE, CA 92057
63	APN 2071800900 09000	EL CAMINO REAL, CARLSBAD, CA 92008	JOSE PATHIVIL	349 VISTA MARAZUL	OCEANSIDE, CA 92057

64	APN 2071801000 09000	EL CAMINO REAL, CARLSBAD, CA 92008	JOSE PATHIVIL	349 VISTA MARAZUL	OCEANSIDE, CA 92057
65	APN 2071801200 09000	EL CAMINO REAL, CARLSBAD, CA 92008	JOSE PATHIVIL	349 VISTA MARAZUL	OCEANSIDE, CA 92057
66	APN 20804001200	EUCALYPTUS LN, CARLSBAD, CA 92008	MUNIT WEST REAL ESTATE INC C/O GUY OLIVER	PO BOX 131706	CARLSBAD, CA 92013-1706
67	APN 2081331100 09013	TAMARACK ST, CARLSBAD, CA 92008	CSAFITIS RYAN AND CECELIA	PO BOX 10070	PALM DESERT, CA 92255
68	APN 2081840900	HEMINGWAY DR, CARLSBAD, CA 92008	CALLAGHAN FAMILY TRUST 08-20-03	38 REDHAWK	IRVINE, CA 92604
69	APN 20904004300	PALMER WAY, CARLSBAD, CA 92008	LAND DEVELOPMENT LLC C/O AUDREY INSEEP	PO BOX 12469	EL CAJON, CA 92022
70	APN 2090602300 09162	3004 SUNNY CREEK RD, CARLSBAD, CA 92010	BECKWAM COLTLER INC C/O KAYE WILLIAMS	11800 SW 147TH AVE	MIAMI, FL 33196
71	APN 2090604800 09162	2764 FARADAY AVE, CARLSBAD, CA 92008	RANCH TIMOTHY B 2014 TRUST 10/15/1914	3004 SUNNY CREEK RD	CARLSBAD, CA 92010
72	APN 2090606500 09162	CARLSBAD, CA 92008	KELLY FAMILY TRUST	2770 SUNNY CREEK RD	CARLSBAD, CA 92010
73	APN 2090607000 09162	CARLSBAD, CA 92008	A K A SAVMILL LLC	1207 CRESTVIEW DR	CARDIFF BY THE SEA, CA 92007
74	APN 2090607000 09162	CARLSBAD, CA 92008	W S L DOS COLINAS R/E LLC C/O WEST DEVELOPMENT LLC	5800 ARMADA DR #100	CARLSBAD, CA 92008-4611
75	APN 2090607200 09162	2820 SUNNY CREEK RD, CARLSBAD, CA 92008	WP GOLF AND EQUESTRIAN LLC C/O WEST DEVELOPMENT LLC	5800 ARMADA DR #100	CARLSBAD, CA 92008-4611
76	APN 2090700700 09089	CARLSBAD, CA 92008	MANDANA CAL CO	PO BOX 10249	NEWPORT BEACH, CA 92658
77	APN 2090701600 09000	SUNNY CREEK RD, CARLSBAD, CA 92008	KATO FAMILY LP	4278 CAMELLIA AVE	STUDIO CITY, CA 91604
78	APN 20909001100 09125	COLLEGE BLVD, CARLSBAD, CA 92008	SUNNY CREEK DRV PARTNERS LP	6405 MIRA MESA BLVD #200	SAN DIEGO, CA 92121
79	APN 2101105900 09000	CARLSBAD, CA 92008	ZIESCHE FAMILY TRUST 01-15-99	2401 CLIFF DR	NEWPORT BEACH, CA 92663
80	APN 2101151900 09000	CARLSBAD, CA 92008	REEL CRAZY LLC C/O ROBERT & E BONNIE SIEMER	5441 LOS ROBLES DR	CARLSBAD, CA 92008
81	APN 2120210400 0900	SALK AVE, CARLSBAD, CA 92008	SCRIPPS HEALTH	10140 CAMPUS POINT DR UNIT #AX265	SAN DIEGO, CA 92121
82	APN 2120407400	CARLSBAD, CA 92008	TMM AVIARA LP	5120 SHOREHAM PL #150	SAN DIEGO, CA 92122
83	APN 2121100100 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
84	APN 2121100200 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
85	APN 2121100300 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
86	APN 2121100400 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
87	APN 2121100500 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
88	APN 2121100700 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
89	APN 2121100800 09087	CARLSBAD, CA 92008	CARLSBAD WESTOAKS PROJECT OWNER LLC	888 SAN CLEMENTE DR #100	NEWPORT BEACH, CA 92660
90	APN 2121201800 09013	DARWIN CT, CARLSBAD, CA 92008	CITATION II LLC / JOLSON KOLO PROPERTIES LLC	7352 AUTOPARK DR	NEWPORT BEACH, CA 92660
91	APN 2130927500 09018	CARLSBAD, CA 92008	PALOMAR OAKS BUSINESS CENTER ASSN C/O CHARLES DUINN CO	888 PROSPECT ST #110	LA JOLLA, CA 92037
92	APN 2144715200 09027	BATIQUITOS DR, CARLSBAD, CA 92008	EDBELL LLC	2 VIA TUNAS	SAN CLEMENTE, CA 92673
93	APN 2150700400 09165	6595 BLACK RAIL RD, CARLSBAD, CA 92008	MALDONADO DAVID & OLIVIA	3319 JAMES DR	CARLSBAD, CA 92008
94	APN 2150702300	TRITON, CARLSBAD, CA 92008	SCHULER FOSTER R TRUST 08-19-81	655 W BROADWAY UNIT 1600	SAN DIEGO, CA 92101
95	APN 2150703700 09165	6591 BLACK RAIL RD, CARLSBAD, CA 92011	GHAFFARY KHOURY FAMILY TRUST 05-08-03 C/O ESSIE GHAFFARY	6591 BLACK RAIL RD	CARLSBAD, CA 92011
96	APN 2150703800	CARLSBAD, CA 92008	FERNANDEZ VICTORIA TRUST	PO BOX 395	CARDIFF, CA 92007
97	APN 2150704300	CARLSBAD, CA 92008	SHUKLA TRUST 04-16-21	5751 CAJON CANAL CIR	YORBA LINDA, CA 92887-5656
98	APN 2150704400	CARLSBAD, CA 92008	SHUKLA TRUST	5751 CAJON CANAL CIR	YORBA LINDA, CA 92887-5656
99	APN 2150704500 09165	POINSETTA LN, CARLSBAD, CA 92008	SHUKLA TRUST 04-16-21	5751 CAJON CANAL CIR	YORBA LINDA, CA 92887-5656
100	APN 2152202400 09058	7127 ALMADEN LN, CARLSBAD, CA 92008	SHAWWA TARIK AND AMENA	4637 CAPE CHARLES DR	PLANO, TX 75024
101	APN 2152206000 09058	7119 ALMADEN LN, CARLSBAD, CA 92008	L C INVESTMENT 2010 LLC C/O Matthew Dummyer	4001 MAPLE AVE #600	DALLAS, TX 75219
102	APN 2152206000	ALMADEN LN, CARLSBAD, CA 92008	L C INVESTMENT 2010 LLC C/O Matthew Dummyer	4001 MAPLE AVE #600	DALLAS, TX 75219
103	APN 2152403600	CARLSBAD, CA 92008	LANSHIRE HOUSING PARTNERS LLC	PO BOX 2671	CARLSBAD, CA 92018-2671
104	APN 2152700400 09053	UNICORNIO ST, CARLSBAD, CA 92008	YACABUCCI JAMES E SEPARATE PROPERTY TRUST 02-21-20	2635 VISTA DEL CONQUISTADOR	JAMUL, CA 91935-4022
105	APN 2153100500 09053	LUCIERNAGA ST, CARLSBAD, CA 92008	FONLEY FAMILY TRUST 06-25-97	9024 WINDFLOWER LN	ANNANDALE, VA 22003-4057
106	APN 2153504800 09053	2634 UNICORNIO ST, CARLSBAD, CA 92008	VEDDER LINDA A ET AL	14770 EAGLE RIDGE	FOREST RANCH, CA 95942
107	APN 2153702800 09183	CARLSBAD, CA 92008	CZ FUERTE HOLDINGS LLC C/O CHAD CLIFFORD	3355 DESCANSO AVE	SAN MARCOS, CA 92078
108	APN 2154001100 09053	EL FUERTE ST, CARLSBAD, CA 92008	BOZIER	2924 CAPAZO CT	CARLSBAD, CA 92009
109	APN 2154001500 09053	ARONAUTA ST, CARLSBAD, CA 92008	CARLSBAD SECURITY INC C/O SEABOARD ELECTRONICS INC	70 CHURCH ST	NEW ROCHELLE, NY 10805-3204
110	APN 2154301500 09065	OBELISCO CIR, CARLSBAD, CA 92009	CONROY DYLAN C/CONROY MYLA K	2709 OBELISCO CT	CARLSBAD, CA 92009
111	APN 2154401300 09053	7212 BABILONIA ST, CARLSBAD, CA 92009	MARY AND JOHN GRANT FOUNDATION	3298 GOVERNOR DR #221029	SAN DIEGO, CA 92122
112	APN 2154401900 09053	7203 BABILONIA ST, CARLSBAD, CA 92009	PEARSON DOROTA M TRUST	7224 BABILONIA ST	CARLSBAD, CA 92009
113	APN 2154600200 09053	2665 CAZADERO DR, CARLSBAD, CA 92009	RAMOS CHRISTOPHER J & JANN M/MANANTAN ALEX O JR	2665 CAZADERO DR	CARLSBAD, CA 92009
114	APN 2154911200 09052	ACUNA CT, CARLSBAD, CA 92009	RUTLAND GEORGE+DAWN FAMILY TRUST	2625 ACUNA CT	CARLSBAD, CA 92009
115	APN 2154914601 09052	CARLSBAD, CA 92009	OPTIMAL RETIREMENT LLC	PO BOX 503928	SAN DIEGO, CA 92150-3928
116	APN 2154914602 09052	CARLSBAD, CA 92009	OPTIMAL RETIREMENT LLC	PO BOX 503928	SAN DIEGO, CA 92150-3928
117	APN 2154914701 09053	CARLSBAD, CA 92009	OPTIMAL RETIREMENT LLC	PO BOX 503928	SAN DIEGO, CA 92150-3928
118	APN 2154914702 09053	CARLSBAD, CA 92009	OPTIMAL RETIREMENT LLC	PO BOX 503928	SAN DIEGO, CA 92150-3928
119	APN 2154914800 09075	EL FUERTE ST, CARLSBAD, CA 92009	PRIOR FRANK E	341 LAURINDA AVE	LONG BEACH, CA 90803-2207
120	APN 2154915000 09052	EL FUERTE ST, CARLSBAD, CA 92009	SAFAEI-SEMINYAN AND ABASSI FAMILY TRUST	37 VIA VICINI	RANCHO SANTA MARGARITA, CA 92688-3872
121	APN 2154921600 09061	CARLSBAD, CA 92009	SANTISTEVAN DAVID R	4660 LA JOLLA VILLAGE DR UNIT 200	SAN DIEGO, CA 92122
122	APN 2154931400 09061	7335 BOLERO ST, CARLSBAD, CA 92009	LANE FYFE FAMILY TRUST	429 FULVIA ST	ENCINITAS, CA 92024
123	APN 2154931800 09053	7319 BOLERO ST, CARLSBAD, CA 92009	LOPES FAMILY TRUST	21082 CIMMARON LN	TRABUCO CANYON CA 92679
124	APN 2154932100	CARLSBAD, CA 92009	BCE DEVELOPMENT PROPERTIES INC	33 S 6TH ST	MINNEAPOLIS, MN 55402-3601
125	APN 2154942200 09061	2911 MANGUVA PL, CARLSBAD, CA 92009	BODIANAC FAMILY TRUST 09-19-02	2425 SACADA CIR #A	CARLSBAD, CA 92009
126	APN 2154942900 09061	BOLERO ST, CARLSBAD, CA 92009	RUSSELL RICHARD L TRUST 07-27-89	5425 PARKVIEW DR	LA JOLLA, CA 92037
127	APN 2158301400 09027	BLACKRAIL CT, CARLSBAD, CA 92009	AVIARA RESORT ASSOCIATES LTD PARTNERSHIP C/O CONTINENTAL HOMES	12636 HIGH BLUFF DR #300	SAN DIEGO, CA 92130

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128	APN 2160100100	CARLSBAD, CA 92011	SCHREIBER DALE L/SURVIVORS DONNA E C/O KAREN J SCHREIBER	PO BOX 902	CARDIFF BY THE SEA, CA 92007-0902
129	APN 2160100200	CARLSBAD, CA 92011	SCHREIBER DALE L/SURVIVORS DONNA E C/O KAREN J SCHREIBER	PO BOX 902	CARDIFF BY THE SEA, CA 92007-0902
130	APN 2160100300	CARLSBAD, CA 92011	SCHREIBER DALE L/SURVIVORS DONNA E C/O KAREN J SCHREIBER	PO BOX 902	CARDIFF BY THE SEA, CA 92007-0902
131	APN 2160100400	CARLSBAD, CA 92011	SCHREIBER DALE L/SURVIVORS DONNA E C/O KAREN J SCHREIBER	PO BOX 902	CARDIFF BY THE SEA, CA 92007-0902
132	APN 2160100500	CARLSBAD, CA 92011	SCHREIBER DALE L/SURVIVORS DONNA E C/O KAREN J SCHREIBER	PO BOX 902	CARDIFF BY THE SEA, CA 92007-0902
133	APN 2161241600 09102	7720 EL CAMINO REAL, CARLSBAD, CA 92009	AP BEACON CARLSBAD LP	1616 CAMDEN RD #210	CHARLOTTE, NC 28203
134	APN 2161241700 09186	7710 EL CAMINO REAL, CARLSBAD, CA 92009	VONS LF AP BEACON CARLSBAD	1616 CAMDEN RD #210	CHARLOTTE, NC 28203
135	APN 2161404300	CARLSBAD, CA 92011	PONTO INVESTMENTS LLC	7577 MISSION VALLEY RD	SAN DIEGO, CA 92108-4432
136	APN 2161600500 09046	2416 LA COSTA AVE, CARLSBAD, CA 92009	PACIFICA ESTATES LLC	2348 LA COSTA AVE #311	CARLSBAD, CA 92009
137	APN 2161601000 09046	2436 LA COSTA AVE, CARLSBAD, CA 92009	STARK HOUSE LLC	290 LANDIS AVE #C	CHULA VISTA, CA 91110
138	APN 2161601800 09046	2484 LA COSTA AVE, CARLSBAD, CA 92009	ROOHANI ZOBAIR A / JAMI FOUZIA	13523 PENFIELD PT	SAN DIEGO, CA 92130
139	APN 2161602300 09046	CARLSBAD, CA 92009	HAMDARD AMAN C/O AMAN HAMDARD	2349 CARINGA WAY #3	CARLSBAD, CA 92009
140	APN 2161701400 09046	VIEJO CASTILLA WAY, CARLSBAD, CA 92008	PWK LLC	VIEJO CASTILLA WAY	CARLSBAD, CA 92009
141	APN 2161701500 09046	VIEJO CASTILLA WAY, CARLSBAD, CA 92008	PWK LLC	VIEJO CASTILLA WAY	CARLSBAD, CA 92009
142	APN 2161900100 09047	LEVANTE ST, CARLSBAD, CA 92009	KWONG FAMILY TRUST ET AL C/O ERNA KWONG	1915 MANDEVILLE CANYON RD	LOS ANGELES, CA 90049
143	APN 2161902000 09047	OVIDO PL, CARLSBAD, CA 92009	ANDERSON CHRISTOPHER H AND VELYN G	3314 VENADO ST	CARLSBAD, CA 92009-7849
144	APN 2161902100 09047	OVIDO PL, CARLSBAD, CA 92009	BODIANAC FAMILY TRUST 09-19-02	2425 SACADA CIR #A	CARLSBAD, CA 92009
145	APN 2161902200 09047	OVIDO PL, CARLSBAD, CA 92009	SELLARDS C/O ROBERT SELLARDS	57-091 LALO KULIMA PL #52	KAHUKU, HI 96731
146	APN 2161903900 09047	CARLSBAD, CA 92009	MOWER MINA N	1856 AVENIDA LA POSTA	ENCINITAS, CA 92024
147	APN 2162306200 09186	CALLE MADERO, CARLSBAD, CA 92009	WALENZUELA NANCY N	7023 SNAPDRAGON DR	CARLSBAD, CA 92011
148	APN 2162401800 09047	TORREJON PL, CARLSBAD, CA 92009	DOSHI A SHOK AND DOSHI MEGHAMALA	931 GOLDENROD LN	LAKE FOREST, IL 60045-4611
149	APN 2162801200 09046	LA COSTA AVE, CARLSBAD, CA 92009	COUPAL NANCY F REVOCABLE TRUST	420 GOLDEN OAK DR	PORTOLA VALLEY, CA 94028
150	APN 2163000500	GIBRALTAR ST, CARLSBAD, CA 92009	400 GIBRALTAR LLC	3525 DEL MAR HEIGHTS RD UNIT 724	SAN DIEGO, CA 92130
151	APN 2163000600 09046	GIBRALTAR ST, CARLSBAD, CA 92009	LA COSTA A L C LLC	7668 EL CAMINO REAL #104-463	CARLSBAD, CA 92009
152	APN 2163001200 09046	7525 ROMERIA ST, CARLSBAD, CA 92009	MMK MANAGEMENT GROUP LLC	700 W E ST	SAN DIEGO, CA 92101-5984
153	APN 2163001300 09046	7535 ROMERIA ST, CARLSBAD, CA 92009	MMK MANAGEMENT GROUP LLC	700 W E ST	SAN DIEGO, CA 92101-5984
154	APN 2163600900 09046	LA COSTA AVE, CARLSBAD, CA 92009	DUNNING GILMORE J ET AL	504 HIGHVIEW ST	NEWBURY PARK, CA 91320
155	APN 2163800200	CARLSBAD, CA 92009	BCE DEVELOPMENT	999 S HASTINGS ST	VANCOUVER, BC V6C 2W7 CANADA
156	APN 2165931000	CARLSBAD, CA 92009	LC INVESTMENT 2010 LLC	4001 MAPLE AVE #600	DALLAS, TX 75219
157	APN 2231802600	CARLSBAD, CA 92009	BCE DEVELOPMENT	33 S 6TH ST	MINNEAPOLIS, MN 55402-3601
158	APN 2232711300 09186	3203 FOSSA ST, CARLSBAD, CA 92009	JOE JULIEANNE W	947 BAYTREE DR	BARTLETT, IL 60103
159	APN 2232301100	CARLSBAD, CA 92009	BCE DEVELOPMENT PROPERTIES INC	33 S 6TH ST	MINNEAPOLIS, MN 55402
160	APN 2232402300 09186	CARLSBAD, CA 92009	HAWK'S VIEW GROUP	3312 CABO CT	CARLSBAD, CA 92009
161	APN 2232501200 09186	3346 VERNADO ST, CARLSBAD, CA 92009	KHAWAR OSMAN S	3464 CORTE SELVA	CARLSBAD, CA 92009
162	APN 2232601100 09186	CARLSBAD, CA 92009	NGUYEN FAMILY TRUST	11457 KEISHA CV	SAN DIEGO, CA 92126
163	APN 2232832000	CARLSBAD, CA 92009	BCE DEVELOPMENT CORP	33 S 6TH ST	MINNEAPOLIS, MN 55402
164	APN 2550540400	CARLSBAD, CA 92009	BCE DEVELOPMENT CORP	999 S HASTINGS ST	VANCOUVER, BC V6C 2W7 CANADA

April 16, 2024

Notice to Property Owners

APN
Owner
Mailing Address
City, State Zip

Dear Property Owner:

To reduce hazardous conditions on lots throughout the community, the City of Carlsbad has begun its Annual Hazard Reduction Program. Your property has been identified since a potential fire hazard exists upon the property. As the property owner, the reduction of hazards on the property is your responsibility. Should you no longer own the property, please notify this office immediately.

In conformity with the provisions of Sections 39560, et. seq., of the California Government Code, you are hereby notified that hazardous vegetation and/or rubbish shall be removed from the above-mentioned property by **May 15, 2024**.

Notices will not be placed on the property. **PLEASE REFER TO THE NOTICE AND INSTRUCTIONS ON THE REVERSE SIDE OF THIS LETTER, PARTICULARLY THE SPECIAL ACTIONS TO BE TAKEN WITH CERTAIN PROTECTED (SENSITIVE) NATIVE HABITAT.**

Property cleared and maintained free of combustible vegetation and/or rubbish, and in compliance with the requirements listed on the enclosed City of Carlsbad Fire Department Hazard Reduction Information sheet, is not subject to further action by this department. Additionally, certain protected (sensitive) native habitats, as determined by city staff at the request of the property owner, is exempt from these requirements and should not be cleared. Protected native habitat is not subject to further action by this department. After **May 15, 2024**, property that is not cleared of a hazardous condition, maintained in a safe condition, or otherwise determined to be exempt is subject to abatement by City contracted crews. **THE COST FOR ABATEMENT BY THE CITY, PLUS AN ADMINISTRATIVE CHARGE (THE ADMINISTRATIVE CHARGE NOT TO EXCEED \$341.00), WILL BE ADDED TO THE OWNER'S TAX STATEMENT.** The condition of property remains the responsibility of the owner and legal action may be initiated to enforce applicable regulations.

TO AVOID ADMINISTRATIVE CHARGES AND/OR OTHER ENFORCEMENT ACTION, THE CITY URGES PROPERTY OWNERS TO MAKE PRIVATE ARRANGEMENTS FOR THE CLEARING OF HAZARDS FROM THEIR PROPERTIES BY MAY 15, 2024. A list of local contractors is enclosed for your convenience.

For further information or assistance, you may contact the Hazard Reduction Specialist Medi Maldonado at 442-339-2665, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday or via email: medi.maldonado@carlsbadca.gov. Questions regarding special actions to be taken with sensitive native habitat may be directed to Senior Program Manager Rosanne Humphrey during the same timeframe at 442-339-2689 or via email: rosanne.humphrey@carlsbadca.gov.

MICHAEL CALDERWOOD
Fire Chief

SEE NOTICE NEXT PAGE

NOTICE TO DESTROY WEEDS & REMOVE RUBBISH

NOTICE IS HEREBY GIVEN that on the 19th day of March 2024, the City Council of the City of Carlsbad passed a resolution declaring that noxious or dangerous weeds were growing upon or in front of the property on certain streets in the City as described in the resolution, and/or that rubbish and refuse were upon or in front of said property, and that the weeds, rubbish and refuse constitute a public nuisance which must be abated by the removal of the weeds, rubbish and refuse by the property owner. Otherwise, they will be removed, and the nuisance will be abated by the City, and the cost of removal assessed upon the land from or in front of which the weeds, rubbish or refuse are removed and will constitute a lien upon such said land until paid.

NOTE: CERTAIN PROTECTED (SENSITIVE) NATIVE HABITAT MAY BE EXEMPT FROM THESE REQUIREMENTS AND SHOULD NOT BE CLEARED. Please contact the City Fire Marshal at (442) 339-2665 or the Habitat Management Program Manager at (442) 339-2689 prior to April 16, 2024, if, after reviewing this notice, you believe this exemption applies. **PROPERTY OWNERS WITH ALL OTHER SPECIAL CLEANING PROBLEMS MUST CONTACT THE CITY FIRE MARSHAL AT (442) 339-2665 PRIOR TO APRIL 16, 2024.**

All property owners having an objection to the removal of such weeds are hereby notified of a meeting of the Carlsbad City Council on April 16, 2024, at 5:00 p.m. The agenda of this meeting includes a public hearing to consider objections of property owners.

A public hearing will be scheduled for 5:00 p.m. on July 30, 2024, by the Carlsbad City Council to consider the Hazard Reduction Cost Report. This Cost Report will be posted for one week prior to the hearing. Objections may be heard at this public hearing.

For further information on the locations of these meetings, please call (442) 339-2665.

Reference is hereby made to said resolution for further particulars. A copy of the resolution is on file in the Office of the City Clerk.

Dated this 20th day of March 2024.

MICHAEL CALDERWOOD
Fire Chief

SHERRY FREISINGER
City Clerk

CITY OF CARLSBAD FIRE DEPARTMENT HAZARD REDUCTION INFORMATION

I. HAZARD REDUCTION STANDARDS

Items A through F are the basic standards employed by the City of Carlsbad Fire Department when abating hazardous conditions. Properties cleaned by owners or private contractors will be evaluated using the following standards:

- A. Grass, weeds, trash, and other rubbish shall be removed from vacant lots, yards, courtyards, parkways, and other locations as specified by the Fire Department.
- B. Native brush and chaparral that have been cleared or thinned previously in the past five years shall be modified in the same manner for a minimum distance of 60 feet measured from the closest combustible structure, discounting fences. Fuel modification shall conform to the standard requirements. Further information may be obtained from the Carlsbad Fire Department Fire & Life Safety Division at (442) 339-2665.
- C. Native brush and chaparral that have not been previously cleared or modified in the past five years must be assessed on a case-by-case basis to determine whether the removal will conflict with the Federal Endangered Species Act of 1993. Please refrain from any clearing activity prior to contacting/consulting with the Fire & Life Safety Division at (442) 339-2665 and/or the City's Habitat Management Program at (442) 339-2689.
- D. Fuel breaks of 60 feet or more that have been previously required in the past five years shall be maintained by mowing. New fuel breaks may be required on a case-by-case basis and owners of affected properties will be notified by mail before abatement.
- E. Abatement shall be accomplished by power mowing to three inches in height. In some areas, such as fuel breaks or problem areas involving hazards to mowing equipment, discing may be approved. Regardless of method used, standing weeds remaining around perimeters of lots after mowing or discing shall be cut to three inches in height. Cut vegetation shall be reduced on-site or disposed of in an approved method.
- F. Open burning is prohibited.

II. SPECIAL CONDITIONS

- A. Eucalyptus trees (within 60 feet of structures): Remove all heavy accumulation of leaves to a maximum depth of four inches. Remove fallen limbs, litter, debris, and loose bark from the ground. Trim low-hanging limbs and foliage to a height of six feet. Existing native vegetation must be thinned by 50 percent. Grasses must be mowed or trimmed to 3 inches.
- B. Inactive groves (citrus, avocado, etc.): Remove all dead growth, disc the property and maintain free of hazard.
- C. Palm trees on vacant lots (within 60 feet of structures) shall have dead fronds removed as necessary. Should the property be abated, palm trees will be removed.
- D. Trimmings from trees and other vegetation may be reduced by chipping to mulch and may be evenly dispersed on the site to a level of four inches.

III. STRUCTURES IN BRUSH COVERED AREAS

- A. All chimneys, stovepipe or flue outlets are required to be equipped with an approved spark arrester.
- B. Remove portion of any tree which extends within ten feet of the outlet of any chimney, stovepipe, or roof line.
- C. Maintain any tree adjacent to any building, free of dead or dying wood.
- D. Trim low hanging foliage of trees located within 60 feet of structures to a height of six feet above ground level.

IV. HOMEOWNER ASSOCIATIONS

- A. Homeowners Associations that have Fuel Modification Zones, must maintain these areas in compliance with these standards.
- B. Necessary maintenance should occur on both a regular schedule and as needed.
- C. Should a Drought Alert occur, that limits water to Fuel Modification Zones, it will be critical that these areas are monitored. Accumulations of dead material will require removal.

V. COST OF CLEANING BY THE CITY OF CARLSBAD

- A. The cost of cleaning parcels by the City is based upon a square foot unit price for discing, mowing, and handwork, and by the cubic yard for mulching or chipping.
- B. The cost of rubbish removal is based upon a flat rate per ton, including loading, hauling and disposal.
- C. The charge for cleaning by the City will also reflect an administration charge of \$341.00 per parcel.

WEED ABATEMENT CONTRACTORS

HABITAT RESTORATION SCIENCES (HRS) (760) 479-4210

ED WHITNEY (760) 269-9270



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Kyle Van Leeuwen, Associate Planner
kyle.vanleeuwen@carlsbadca.gov, 442-339-2611
Curtis M. Jackson, Real Estate Manager
curtis.jackson@carlsbadca.gov, 442-339-2836

Subject: Appeal of a Planning Commission Decision to Approve a Minor Conditional Use Permit and Coastal Development Permit for a new Wireless Communication Facility within Poinsettia Community Park and a resolution to consider directing the City Manager to initiate negotiations for a license agreement with AT&T (CUP 2022-0023/CDP 2022-0070/DEV2022-0206)

District: 3

Recommended Actions

1. Hold a public hearing; and
2. Adopt a resolution denying an appeal and upholding a decision of the Planning Commission to approve a minor conditional use permit and coastal development permit to allow the installation, operation and maintenance of a wireless communication facility consisting of six panel antennas mounted within a 48-inch radome cylinder on a new 78-foot-tall light pole, which will replace an existing light pole, and associated ground equipment within an eight-foot tall enclosure in and adjacent to the northwest corner of the southern parking lot of Poinsettia Community Park generally located at 6600 Hidden Valley Road (assessor parcel number 214-140-13-00). The property is within the Mello II Segment of the Certified Local Coastal Program and Local Facilities Management Zone 20.
3. Consider adopting a resolution directing the City Manager to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park.

Executive Summary

The proposed project will construct an AT&T wireless communication facility, located at Poinsettia Community Park at 6600 Hidden Valley Road and will be comprised of the following:

- Removal and replacement of an existing 78-foot-tall baseball field light pole.

- Installation of six panel antennas, nine remote radio units, and three surge protectors concealed within a 4-foot diameter radome (a combination of radar and dome) on the new light pole.
- Ground level equipment within a new enclosure (replacing an existing trash enclosure).

The Planning Commission conducted a public hearing on Dec. 6, 2023, and continued the item to its meeting on Jan. 17, 2024, to allow for the applicant to return with additional information related to the review of the proposed project. The Planning Commission considered the additional information on Jan. 17, 2024, and voted 4-3-0 to approve the project, with Commissioners Lafferty, Hubinger, and Sabellico voting no. A timely appeal of the Planning Commission decision was filed by Carlsbad Residents Against Cell Towers in Parks on Jan. 24, 2024.

Carlsbad Municipal Code Chapter 21.54 states that an appeal of a Planning Commission decision shall be presented to the City Council, which may affirm, modify or reverse the decision.

Staff are recommending that the City Council adopt a resolution (Exhibit 1) denying the appeal and upholding the decision of the Planning Commission to approve a minor conditional use permit and coastal development permit to allow the installation, operation, and maintenance of a wireless communication facility at Poinsettia Community Park.

Staff are also recommended that the City Council consider whether to adopt a resolution (Exhibit 2) directing the City Manager to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park.

Explanation & Analysis

Project description

The project consists of the installation, operation and maintenance of a wireless communication facility wireless communication facility at 6600 Hidden Valley Road, within Poinsettia Community Park. The facility wireless communication facility would include equipment mounted on a baseball field light pole and within a ground level enclosure within the parking lot of the park.

The project includes the installation of a replacement baseball field light pole, with six panel antennas, nine remote radio units, and three surge protectors installed on the light pole. The light pole will be 78 feet high, the same height as the current baseball field light pole, with the panel antennas installed between 50 feet and 67 feet high on the pole, and the facility and surge protectors installed between 37 feet and 49 feet high on the pole.

The antennas and other pole mounted equipment will be screened from view by a four-foot-diameter radome cylinder around the pole. The location proposed for the light pole is approximately 177 feet from the nearest property line to the south and just west of the south parking lot of the park.

Ground level equipment within an equipment enclosure is also proposed. The equipment enclosure will be located in the northwest portion of the park's southern parking lot, just east of the proposed light pole, and on the same footprint of an existing trash enclosure. The trash

enclosure being removed is no longer needed within the park due to a change in maintenance procedures. The proposed equipment enclosure has been designed to be compatible with the existing and adjacent park maintenance building, with materials, colors, and textures that will match.

The project would also include the installation of an approximately 1,600-foot-long conduit to connect the wireless communication facility to existing communication infrastructure located near the park's vehicle entrance. Refer to the Planning Commission staff report and meeting minutes, dated Jan. 17, 2024, (Exhibit 3 & 4) and for additional information.

Required entitlements¹

The city has two roles for this project. The first as the land use regulator, deciding whether to approve the permits to allow the use, and the second as property owner, deciding whether the city will consider entering into a license agreement with the provider. The first action being considered is the land use permit approvals.

To authorize this installation, the project requires approval of two permit types, a minor conditional use permit and a coastal development permit.

Under Carlsbad Municipal Code Section 21.42.140.B.165.b, a wireless communication facility wireless communication facility application that complies with both the preferred location and the stealth design guidelines of City Council Policy Statement No. 64 is processed as a minor conditional use permit. The proposed project site is a preferred location and exhibits stealth design techniques. A minor conditional use permit would normally be acted upon by the City Planner as the decision-maker. However, the project also required approval of a coastal development permit, which requires an action of the Planning Commission, so, under Carlsbad Municipal Code Section 21.54.040, both applications required Planning Commission action.

If the City Council denies the appeal, approving the permits for the project, the decision on the permits is final.

Planning Commission hearing

The Planning Commission considered the proposed project at a public hearing held on Dec. 6, 2023, and continued to Jan. 17, 2024. At the hearing, about a dozen members of the public spoke and there were two group presentations. Their comments contended that:

- The project is not consistent with City Council Policy 64, including that a public park does not qualify as a preferred location for wireless communication facilities
- The applicant did not conduct an adequate alternative sites analysis
- That radio frequency exposure negatively effects human health
- That the installation of a wireless communication facility aesthetically degrades the quality of the public park

¹ The land use entitlement process is the legal process in which a developer or landowner seeks to obtain government approval for their development plans.

Public comment also was received via mail and email leading up to the hearings, with the opinions expressed largely against the project. Two emails were also received in support of the project, commenting on poor cell reception in the area.

The applicant and staff responded to the issues raised before the Planning Commission, some of which were cited in the appeal and are discussed further below. After questions and discussion, the commission voted to approve the project on a vote of 4-3, with Commissioners Lafferty, Hubinger, and Sabellico voting no. A full account of the commission's actions and a complete description and staff analysis of the proposed project is provided in the attached minutes (Exhibit 4) and Planning Commission staff report (Exhibit 3). Public comments received on the project prior to the hearing can be found attached to the Planning Commission staff report.

City Council Policy No. 64

Before discussing the issues cited in the appeal, it is important to summarize the city's regulatory authority over wireless facilities. Processing private applications for wireless facilities is highly regulated by the Telecommunications Act of 1996, Federal Communications Commission regulations, and state law. To maintain consistency with these regulations and keep up with changes in these laws, City Council Policy No. 64 (Exhibit 5) establishes the rules and regulations for placement of wireless facilities. Policy No. 64, first adopted on Oct. 3, 2001, lists preferred and discouraged locations for such facilities. The policy lists parks as a preferred location for wireless communication facilities (wireless communication facility) and requires them to be built with stealth design techniques.

Policy No. 64 also establishes what aspects of wireless communication facilities are subject to review and what aspects are not. Possible health risks from exposure to the radio frequency emissions generated by wireless communication facilities have also generated public concern. The Federal Communications Commission (FCC) requires facilities to comply with radio frequency exposure guidelines, and the FCC is the regulating authority over radiofrequency exposure limits generated by wireless communication facilities.

The city ensures compliance with the FCC rules and regulations in its review of permits for wireless communication facilities. However, if federal standards are met, the city cannot deny an application because of perceived radio frequency health hazards.

Because of this limitation, Policy No. 64 requires that applicants submit a report showing they have complied with the FCC rules and regulations. In regard to this site, a reduction in the number of antenna panels in the revised design reduced the amount of radio frequency the site would produce. The Planning Commission staff report (Exhibit 3) includes a radio frequency electromagnetic fields exposure study prepared by EBI Consulting (Oct. 25, 2023) demonstrating that the cumulative exposure levels from this facility will be below the FCC's maximum permissible exposure limits for the public.

Issues cited in the appeal

An appeal of the Planning Commission's Jan. 17, 2024, decision was timely filed on Jan. 24, 2024 – within the prescribed period – by Kevin Fritz and the Poinsettia Cove Homeowners Association on behalf of Carlsbad Residents Against Cell Towers in Parks. (Exhibit 6). The appellant's positions and staff's responses are summarized in the sections below.

Alternative sites

Appellant's position

There are viable alternative sites in more desirable locations (per Location Guidelines A1 "a-g") than a park in a residential area ("h") listed in the alternative sites analysis that were dismissed because of an incomplete study and/or omitted information.

Staff's response

City Council Policy No. 64's Review and Approval Guidelines provide a list of preferred and least preferred sites, listed in order of descending preference as "a" through "i" in section A.1 of the policy. "Parks and community facilities....in residential zones or areas" are listed in the preferred zones as "h," As such, staff finds that Poinsettia Community Park is a preferred site under City Council Policy No. 64.

Additionally, Section (E)(1)(a) of the policy states that all wireless communication facility applications, whether located in a preferred location or not, shall include the following items:

A description of the site selection process undertaken for the WCF proposed. Technical service objectives and the reasons for selecting the proposed site and rejecting other sites should be provided.

An alternative sites analysis that fulfilled this application requirement was provided to the Planning Commission hearing as part of the staff report on the Dec. 6, 2023. This analysis considered seven alternative sites that would either be a collocation on an existing wireless communication facility site or a site that is higher on the preferred location list. Prior to the Jan. 17, 2024 hearing, the applicant provided an additional analysis of 10 other possible sites that were identified by the public as possible alternatives to the park.

The alternative sites considered were determined not to be viable for several reasons, such as site elevation, non-interest by property owners, or because the site was outside the targeted area or would provide limited increase in area coverage. Additionally, some sites that were cited by the public as possible alternatives, and were analyzed by the applicant, are not listed as preferred locations, such as major power transmission towers next to residential zones and areas. The site analysis requirement, as stated in the Review and Approval Guidelines of Policy No. 64, has been met.

The target area identified by the applicant primarily consists of land designated for open space and residential land use, and staff are unaware of any sites within the applicant's target area that would be more preferred than the project site.

Application of Policy No. 64

Appellant's position

The applicant made only a cursory attempt at co-location, a priority of Policy No. 64. Another alternative, AT&Ts contingency, was revealed at the remand meeting – this contingency calls for a small cell technology that was not explored. Policy No. 64 is being misinterpreted by staff and the spirit and intent of the policy is not at the forefront.

Staff's response

This portion of the appellant's appeal covers three components: Lack of collocation options, AT&T contingency proposal and staff's application of Policy No. 64.

- Collocation - Collocation of wireless communication facility wireless communication facilities allows for a particular provider to install antennas and other equipment on sites that are already approved for the use but for a different provider, so long as stealthing requirements are maintained. Collocation also typically requires little to no entitlement review. Due to the target area for service consisting primarily of land designated for open space and residential land use, collocation opportunities in this part of the city are limited. The appeal does not provide any specific locations that should or could be considered for collocation. However, two sites for collocation were analyzed in the initial sites analysis and secondary analysis. The analysis found that these sites are located outside the target area and/or would not allow for completion of the network. Staff are unaware of any existing wireless communication facility sites that would be within the applicant's target area to consider for collocation.
- AT&T's contingency plan - The appeal is referring to the testimony given by an AT&T representative who answered questions from the planning commissioners at the Jan. 17, 2024 hearing. The AT&T representative was asked what the company's contingency plans were if the current project were not approved, or, what is "Plan B" for providing coverage in this area if not in the park. Their response was that AT&T would likely provide service through the installation of multiple, approximately eight, smaller antenna sites within the right-of-way of roads in the neighboring residential area.

City Council Policy No. 64 lists preferred locations for wireless communication facility wireless communication facilities in order of preference, with parks in residential zones being listed as the second to last preference. Public right-of-way of certain roads are also listed as preferred locations. The public right-of-way of roads adjacent to residential zones is listed as the last preferred location. Facilities in public right-of-way are typically shorter and closer to residences, often attached to light poles or traffic signals. Given that AT&T's target coverage area for network completion has little to no industrial or commercial zones within it, the only opportunity for wireless communication facilities within the right-of-way of roads would be adjacent to residential zones. State and federal laws prohibit a city from excluding coverage to a specific geographic area. Therefore, if the current project is not approved, and AT&T still requests to provide coverage in this primarily residential area, the city would be required to process, and may be obliged to approve, such an application.

Policy No. 64 includes a goal that wireless communication facilities "represent the fewest possible facilities necessary to complete a network without discriminating against providers of functionally equivalent services or prohibiting the provision of wireless services." In keeping with this goal, staff support this application to install one facility to cover a geographic region rather than multiple smaller facilities within the same area.

- Staff's interpretation of Policy No. 64 - The appeal does not provide a section or specific language within Policy No. 64 that is being misinterpreted by staff, or what

specific position staff have taken with their interpretation of the policy that would be counter to the intent of the policy.

Staff have researched past wireless communication facility applications to see what precedents had been set by previous Planning Commission decisions. Most notably, staff reviewed past applications for a wireless communication facility within a public park and a wireless communication facility that proposed a similar approach to screening and stealthing. Staff found that in 2016, a wireless communication facility was approved by the Planning Commission on 6-0-1 vote for the Army & Navy Academy athletic field, which proposed a four-foot radius radome to screen six antennas on a sports-field light pole that is nearly identical to this project's proposal. Staff also found that in 2004 a wireless communication facility was unanimously approved for a wireless communication facility within Calaveras Hills Community Park, a park in an area zoned for residential and open space. Policy No. 64 has the same preferred location list as it did when this project was approved.

Staff's recommendation to the Planning Commission to approve the project was consistent with past interpretations of Policy No. 64 and the resulting decisions by the Planning Commission. The "spirit and intent" of the policy is not defined within the policy itself, and therefore is up for interpretation, but the precedent set by past Planning Commission actions supports staff's interpretation of the policy and staff's recommendations.

Aesthetics and noise assessment

Appellant's position

The proposed wireless communication facility also does not meet all of Policy No. 64 aesthetics requirements and the noise assessment is questionable.

Staff's response

- Aesthetics - The appeal does not specify what specific aesthetic requirements are not being met by the project. The proposed project includes stealth design of the antennas, which are on a new ball-field light pole and within a 4-foot radius cylindrical radome, which is the same approach used for the wireless communication facility application at other private and public locations of similar sizes.

Policy No. 64 requires any new equipment to be located within existing buildings, screened with walls or plants, or placed within a new building designed to match the architecture of nearby existing buildings. The applicant proposes to create a new enclosure, in the same location as an existing trash enclosure, that would fully screen the equipment and would be designed to match the adjacent maintenance and storage building. Staff find that the proposal is consistent with the aesthetic guidelines of Policy No. 64.

- Noise - A noise assessment letter was provided by the applicant to affirm that the proposed emergency generator would operate within the city's exterior noise limits, as measured at the nearest receiving property line. Specifically, the assessment found that the calculated noise level at the nearest property line would be 53.8 decibels (dB). The maximum daytime exposure at a residential property line from any non-transportation

noise sources is 55 dB. The original assessment letter incorrectly stated that the lowest applicable noise limit is 60 dB, which is the limit applicable to transportation noise sources. The applicant has corrected that assessment. So, while the assessment letter cites the wrong standard and limit, the study still indicates that the noise generated by the generator (53.8 dB) will be below the applicable daytime noise exposure limit of 55 dB.

It should also be noted that the noise levels predicted in the assessment letter assumes a “free-field environment”, which does not include factors such as ground absorption, reflecting surfaces, barriers or other obstructions. Given that the generator will be kept within an enclosure, the expected noise exposure at the nearest residential property would be even less than the assessment predicts.

License agreement

The City Council is also being asked to consider whether to adopt a resolution (Exhibit 2) directing the City Manager to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park. As noted above, the city has two roles in this matter. First, as the land use regulator, it is responsible for reviewing the wireless communication facility application for compliance with city’s Zoning Ordinance standards and City Council Policy No. 64, as documented in this staff report.

The city is also the property owner for the proposed site at Poinsettia Community Park. In this role as landowner, the city is not constrained by FCC rules and regulations, provisions of the 1996 Telecommunications Act, the California Government Code or any local ordinances or policies. The city maintains full discretion as to whether to enter into a license agreement for a wireless communication facility on city-owned property.

The typical license agreement the city uses for wireless communication facilities on city or district owned property generally provides a 10-year initial term, with two, five-year extensions, an initial rent of approximately \$57,000 per year, with 3% to 6% annual rent increases. It is estimated that a new license agreement for a wireless communication facility at Poinsettia Community Park would yield the city approximately \$689,967 in revenue for the first 10 years, and \$1,711,287 over a full term of a 20-year license agreement.

If the city decides to not initiate negotiations for a license agreement for a wireless communication facility at Poinsettia Community Park, AT&T would need to find an alternative location or locations that were compliant with Council Policy No. 64 to achieve similar cell service coverage as would be provided by the facility at Poinsettia Community Park. Federal and state law prevents jurisdictions from prohibiting the provision of personal wireless service or cell coverage in neighborhoods. Any alternative wireless communication facility site chosen to achieve similar coverage that was compliant with Council Policy No. 64 would likely be a privately-owned site. In that case, the city would receive no revenue.

The remaining alternative location in the coverage area that would be compliant with Council Policy No. 64 is the “Public right-of-way of roads adjacent to residential zones”. Based on testimony at the Planning Commission by the applicant’s representatives, the applicant preliminarily estimated that it would require eight small wireless facilities within the city road right-of-way to provide similar coverage. These small wireless facilities are typically located on

street light poles and would be located close to residences. These types of facilities are reviewed and approved via a right-of-way permit, which is a ministerial permit application.²

A 2019 Federal Communications Commission order limits the revenue a local government can charge for installation of facilities within the right-of-way. An estimate of revenue for the possible eight small wireless facilities would be \$270 per site or \$2,160 annually for the eight installations, \$24,762 over a 10-year period, and \$58,401 over a 20-year term.

Public notification and comments

The applicant completed the early public notice procedures established in City Council Policy No. 84 - Development Project Public Involvement Policy. One, 2-foot-tall by 3-foot-wide yellow sign was posted at the project site on Jan. 4, 2023. The sign provided the project's name, application numbers, description, as well as both the developer and city staff's contact information. A notice of project application was mailed on Jan. 23, 2023, to property owners within 600 feet and occupants within 100 feet of the subject property. A total of 361 notifications were mailed to property owners and occupants.

A total of 28 individuals sent emails to city staff with questions and concerns about the project during the months of January and February 2023. This feedback included:

- Concerns about design, height, and visual impact
- Health concerns about radio frequency emission exposure
- Concerns about potential effects to real estate value
- Impacts to residents during construction and installation of the facility

While most of the response to the early public notice was generally not in favor of the project, two emails in support of the project were received, citing inadequate cellphone reception in the adjacent neighborhoods.

In response to concerns about design, height, and visual impact, the applicant worked with city staff to improve the design of the project and increase screening/stealth of the equipment on the light pole. The initial proposal of the project included 15 antennas and 24 remote radio units placed above the ballfield lights – a 90-foot overall height – with no screening of the equipment. Over the course of six-months, the applicant twice redesigned the project to lower the overall height, reduce the amount of equipment proposed on the light pole and incorporate adequate screening/stealth of that mounted equipment. Renderings of the design changes are provided in the Planning Commission staff report (Exhibit 3).

Fiscal Analysis

Generally, license agreements for wireless communication facilities on city property are granted for an initial period of 10-years, with two five-year extension options. These license agreements currently generate annual revenue of approximately \$57,000 per year, subject to 3% to 6%-annual increases. The city anticipates the total revenue generated from a license agreement for

² Ministerial refers to a governmental decision in which a public official applies the law to the facts as presented but uses no special discretion or judgment in reaching a decision, only established standards.

a wireless communication facility at Poinsettia Community Park to be approximately \$689,967 for the first 10 years, and \$1,711,287 over the full term of a 20-year license agreement.

Options

Staff's recommendation is to deny the appeal and uphold the Planning Commission's decision. The City Council may uphold, modify, or overturn the Planning Commission's decision. A decision to overturn the Planning Commission's approval must be based upon evidence that was provided to the Planning Commission and raised in the appeal. The City Council will need to provide specific reasons for denial of the application, so that staff may return to a future meeting with the appropriate resolution.

Next Steps

If the City Council denies the appeal, approving the project, the decision on the permits is final.

If the City Council approves the second resolution directing the City Manager to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park, the city will begin negotiations on a license agreement and will return to the City Council for consideration and adoption of the license agreement. Staff will then work with the applicant to implement all project conditions. The applicant will be required to finalize a building permit and grading permit and can proceed with construction if the license agreement is approved and all permits are issued.

Environmental Evaluation

In accordance with the California Environmental Quality Act and the CEQA Guidelines, the City Planner has determined that the project qualified for an exemption pursuant to CEQA Guidelines Section 15303 - New Construction or Conversion of Small Structures. A notice of intended decision regarding the environmental determination was advertised on Oct. 13, 2023, and posted on the city's website. No comment letters or appeal was received and consistent with Chapter 21.54, Procedures, Hearings, Notices, and Fees, of the Zoning Ordinance.

The City Planner's written decision is final.

Exhibits

1. City Council resolution denying appeal
2. City Council resolution approving license agreement
3. [Planning Commission Jan. 17, 2024, staff report](#) (On file in the Office of the City Clerk)
4. Planning Commission Jan. 17, 2024, meeting minutes,
5. City Council Policy No. 64
6. Appeal form dated Jan. 24, 2024

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING A DECISION OF THE PLANNING COMMISSION TO APPROVE A MINOR CONDITIONAL USE PERMIT AND COASTAL DEVELOPMENT PERMIT TO ALLOW THE INSTALLATION, OPERATION, AND MAINTENANCE OF A WIRELESS COMMUNICATION FACILITY CONSISTING OF SIX PANEL ANTENNAS MOUNTED WITHIN A 48 INCH RADOME CYLINDER ON A NEW 78-FOOT-TALL LIGHT POLE, THAT WILL REPLACE AN EXISTING LIGHT POLE, AND ASSOCIATED GROUND EQUIPMENT WITHIN AN EIGHT-FOOT TALL ENCLOSURE IN AND ADJACENT TO THE NORTHWEST CORNER OF THE SOUTHERN PARKING LOT OF POINSETTIA COMMUNITY PARK GENERALLY LOCATED AT 6600 HIDDEN VALLEY ROAD (ASSESSOR PARCEL NUMBER 214-140-13-00). THE PROPERTY IS WITHIN THE MELLO II SEGMENT OF THE CERTIFIED LOCAL COASTAL PROGRAM AND LOCAL FACILITIES MANAGEMENT ZONE 20
CASE NAME: POINSETTIA COMMUNITY PARK WIRELESS FACILITY
CASE NO.: CUP 2022-0023/ CDP 2022-0070 (DEV2022-0206)

WHEREAS, the City Council of the City of Carlsbad, California has determined that AT&T Wireless, “Applicant” has filed a verified application with the City of Carlsbad described as:

THAT PORTION OF THE WEST HALF OF SECTION 21, TOWNSHIP 12 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY.

(“the Property”); and

WHEREAS, the verified application constitutes a request for a Minor Conditional Use Permit and Coastal Development Permit as shown on Exhibit(s) “A” – “K” dated Dec. 6, 2023, on file in the Planning Division, CUP 2022-0023/ CDP 2022-0070 (DEV2022-0206) – Poinsettia Park WCF (AT&T), as provided by Chapters 21.42 and 21.201.030 of the Carlsbad Municipal Code; and

WHEREAS, the Planning Commission did, on Jan. 17, 2024, hold a duly noticed public hearing as prescribed by law to consider the applicant’s request and adopted Planning Commission Resolution 7504; and

WHEREAS, at the public hearing the Planning Commission voted 4-3-0 to approve the Minor Conditional Use Permit and Coastal Development Permit application for the project; and

WHEREAS, on Jan. 24, 2024, the appellant Kevin Fritz and the Poinsettia Cove Homeowners Association on behalf of the Carlsbad Residents Against Cell Towers in Parks, timely filed an appeal with the city as provided in accordance with Chapter 21.54 of the Carlsbad Municipal Code; and

WHEREAS, the project applicant provided a description of the site selection process undertaken for the wireless communication facility proposed, including the technical service objectives and the reasons for selecting the proposed site and rejecting other sites, as required by City Council Policy Statement No. 64, which included consideration of alternative sites for the facility and opportunities for collocation on existing sites; and

WHEREAS, City Council Policy Statement No. 64 lists parks and community centers within residential areas as a more preferred location for wireless communication facilities than public right-of-way of roads adjacent to residential zones, and of which a goal is to assure wireless communication facilities represent the fewest possible facilities necessary to complete a network without discriminating against providers of functionally equivalent services or prohibiting the provision of wireless services; and

WHEREAS, City Council Policy Statement No. 64 was correctly interpreted by city staff, who reviewed past decisions on wireless communication facilities made by the Planning Commission to ensure consistency in their interpretation of the policy; and

WHEREAS, the project is consistent with the design guidelines of City Council Policy Statement No. 64 through use of “stealth” design techniques and by designing the equipment enclosure to match nearby architecture; and

WHEREAS, the emergency generator proposed by the project will operate consistent with the city noise standards, as stipulated by the performance guidelines of City Council Policy Statement No. 64 and consistent with the Noise Element of the General Plan; and

WHEREAS, the Planning Commission found that they had adequate information and analysis to make an informed decision to approve the project with the provided plans and documents establishing the project’s compliance with City standards and policies, including City Council Policy Statement No. 64; and

WHEREAS, the City Council of the City of Carlsbad, held a duly noticed public hearing to consider the appeal of the Planning Commission's decision to approve the project’s site development plan; and

WHEREAS, at said public hearing, upon hearing and considering all testimony and arguments, if

any, of all persons desiring to be heard, the City Council considered all factors relating to the appeal.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the appeal of the Planning Commission’s decision is denied, that all other matters not specified in the appeal have been supported by substantial evidence with findings and approved by the Planning Commission, and that the findings and conditions contained in Planning Commission Resolution No. 7504 on file in the Office of the City Clerk and incorporated herein by reference and as “Attachment A”, are the findings and conditions of the City Council.
3. That this action is final on the date this resolution is adopted by the City Council. The provisions of Chapter 1.16 of the Carlsbad Municipal Code, “Time Limits for Judicial Review” shall apply.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

PLANNING COMMISSION RESOLUTION NO 7504

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARLSBAD, CALIFORNIA, APPROVING A MINOR CONDITIONAL USE PERMIT AND COASTAL DEVELOPMENT PERMIT TO ALLOW THE INSTALLATION, OPERATION AND MAINTENANCE OF A WIRELESS COMMUNICATION FACILITY CONSISTING OF SIX (6) PANEL ANTENNAS MOUNTED WITHIN A 48 INCH RADOME CYLINDER ON A NEW 78-FOOT LIGHT POLE THAT WILL REPLACE AN EXISTING LIGHT POLE AND ASSOCIATED GROUND EQUIPMENT WITHIN AN EIGHT-FOOT TALL ENCLOSURE EAST OF THE SOUTHERN PARKING LOT OF POINSETTIA COMMUNITY PARK GENERALLY LOCATED AT 6600 HIDDEN VALLEY ROAD IN THE MELLO II SEGMENT OF THE CERTIFIED LOCAL COASTAL PROGRAM AND IN LOCAL FACILITIES MANAGEMENT ZONE 20.

CASE NAME: POINSETTIA PARK WCF (AT&T)
 CASE NO.: CUP 2022-0023/CDP 2022-0070
 (DEV2022-0206)

WHEREAS, **AT&T Wireless**, “Developer”, has filed a verified application with the City of Carlsbad regarding property described as

THAT PORTION OF THE WEST HALF OF SECTION 21, TOWNSHIP 12 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY CARLSBAD, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY.

(“the Property”); and

WHEREAS, said verified application constitutes a request for a Conditional Use Permit and Coastal Development Permit as shown on Exhibit(s) “A” – “K” dated **Dec. 6, 2023**, on file in the Planning Division, **CUP 2022-0023/ CDP 2022-0070 (DEV2022-0206) – POINSETTIA PARK WCF (AT&T)**, as provided by Chapter 21.42 and Chapter 21.201.030 of the Carlsbad Municipal Code; and

WHEREAS, the Planning Division studied the **Conditional Use Permit and Coastal Development Permit** application and performed the necessary investigations to determine if the

project qualified for an exemption from further environmental review under the California Environmental Quality Act, (CEQA, Public Resources Code section 21000 et. seq.), and its implementing regulations (the State CEQA Guidelines), Article 14 of the California Code of Regulations section 15000 et. seq. After consideration of all evidence presented, and studies and investigations made by the city planner and on its behalf, the city planner determined that the project was exempt from further environmental review pursuant to State CEQA Guidelines section 15303 – New Construction or Conversion of Small Structures, in that the project is consistent with the General Plan, Zoning Ordinance and Local Coastal Program; the project includes the construction and location of small facilities or structures, and the installation of small equipment and facilities in small structures. The project will not have a significant effect on the environment and all the requirements of CEQA have been met; and

WHEREAS, on Oct. 16, 2023, the city distributed a notice of intended decision to adopt the “New Construction or Conversion of Small Structures” exemption. The notice was circulated for a 10-day period, which began on Oct. 16, 2023, and ended on Oct. 26, 2023. The city did not receive any comment letters on the CEQA findings and determination. The effective date and order of the city planner CEQA determination was Oct. 26, 2023; and

WHEREAS, the Planning Commission did, on **Jan. 17, 2024** hold a duly noticed public hearing as prescribed by law to consider said request; and

WHEREAS, at said public hearing, upon hearing and considering all testimony and arguments, if any, of all persons desiring to be heard, said Commission considered all factors relating to the Conditional Use Permit and Coastal Development Permit.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Planning Commission of the City of

Carlsbad as follows:

- A) That the foregoing recitations are true and correct.
- B) That based on the evidence presented at the public hearing, the Commission APPROVES CUP 2022-0023/ CDP 2022-0070 (DEV2022-0206) – POINSETTIA PARK WCF (AT&T), based on the following findings and subject to the following conditions:

Findings:

Conditional Use Permit, CUP 2022-0023

1. That the requested use is necessary or desirable for the development of the community and is in harmony with the various elements and objectives of the general plan, including, if applicable, the certified local coastal program, specific plan or master plan, in that **the use is consistent with the General Plan in that the Open Space Land Use designation does not preclude the provision of WCF uses. Within the Open Space (O-S) zone, CMC Chapter 21.33; WCFs are conditionally permitted uses. The requested WCF is necessary and desirable for the development of the community because of the benefit and demand for digital communications and data transmissions for businesses, residences, individuals, public agencies and emergency service systems in this part of the city. The use is consistent with the General Plan in that the Open Space Land Use designation does not preclude the provision of WCF uses. The use is in harmony with objectives that seek to maintain and enhance Carlsbad's appearance in that the WCF is integrated into a light pole; is designed so that the antennas will be attached as close to the light pole as possible with a concealing radome; and associated equipment is located within an enclosure designed to be compatible with the adjacent maintenance building, utilizing materials, colors, and textures that will match the maintenance building.**
2. That the requested use is not detrimental to existing uses or to uses specifically permitted in the zone in which the proposed use is to be located in that **the antennas are proposed to be mounted to a replacement light pole that is the same height as the existing light pole, and antennas are mounted as close to the light pole as technology will allow, thus reducing an outward noticeable appearance and minimizing visual impacts.**

The Telecommunication Act of 1996 preempts local governments from regulating the "placement, construction and modification of wireless communication facilities on the basis of the environmental effects of Radio Frequency (RF) emissions to the extent that such facilities comply with the Federal Communication Commission's (FCC) standards for such emissions." The proposed project would be consistent with the FCC's

regulations for wireless facilities. The project complies with the FCC RF Exposure Guidelines.

Lastly, a Generator Noise Assessment Letter was prepared by EBI Consulting (Oct. 28, 2022) in accordance with the City of Carlsbad's Noise Element of the General Plan and Noise Guidelines. The analysis concludes that the noise produced from operation of the proposed emergency back-up generator will comply with the Carlsbad Exterior Noise Limits at all receiving property lines.

Therefore, based on the above, the project would not result in any detriment or significant health or safety risks to the surrounding area.

3. That the site for the proposed conditional use is adequate in size and shape to accommodate the yards, setbacks, walls, fences, parking, loading facilities, buffer areas, landscaping and other development features prescribed in this code and required by the City Planner, planning commission or City Council, in order to integrate the use with other uses in the neighborhood, in that **the light pole on which the proposed antennas are to be located is the same height as the existing pole; the associated equipment is proposed to be located within an enclosure designed to be compatible with the adjacent remaining maintenance building, utilizing materials, colors, and textures that will match the maintenance building; the light pole and equipment are not within any required front, rear or side yard setbacks; and the proposed pole and equipment enclosure are located more than 160 feet from the nearest adjacent residential property.**
4. That the street system serving the proposed use is adequate to properly handle all traffic generated by the proposed use, in that **the unmanned WCF will require, on average, only monthly maintenance visits and occasional visits in response to operational issues. The existing street system is adequate to properly handle any traffic generated by the use.**
5. That the proposed WCF is consistent with City Council Policy No. 64 in that **the location, a public park, is a "preferred" location. The WCF is proposed to be installed on a structure that already exists, which will reduce its visibility and will be the least disruptive to the appearance of the park. The WCF will not be located on an exposed ridgeline and is satisfactorily screened and disguised by being located on a structure which will light an athletic field. The new antennas will be mounted as close to the light pole as technologically feasible within a four-foot diameter radome. The radome will be painted to match the color of the light pole, thereby minimizing visual impacts. The proposed ground mounted equipment will be located within an enclosure, which is designed and treated to match and compliment the adjacent maintenance building. The proposed light pole is consistent with the height requirements of the Open Space zone and will be the same height as the existing light pole to be replaced and the other existing light poles for the baseball field. The proposed installation is more than 160 feet away from the adjacent residentially zoned properties, which is more than double the 78-foot setback called for by the policy. Site selection information was provided**

that indicates other locations are not feasible. Color photo-simulations have been provided to show that the project will not substantially alter views to the site from surrounding viewpoints. A Generator Noise Assessment Letter was prepared by EBI Consulting (Oct. 28, 2022) in accordance with the City of Carlsbad's Noise Element of the General Plan and Noise Guidelines. The analysis concludes that the noise produced from operation of the proposed emergency back-up generator will comply with the Carlsbad Exterior Noise Limits at all receiving property lines.

Coastal Development Permit, CDP 2021-0031

6. That the proposed development is in conformance with the Certified Local Coastal Program and all applicable policies in that **the site is designated for non-residential uses and is already developed with an athletic-fields with field lights and other park amenities. The project consists of replacing one of the existing field light poles with a new pole that is the same height as the existing, and installing an unmanned WCF on the light pole. The WCF will not obstruct views of the coastline as seen from public lands or the public right-of-way, nor otherwise damage the visual beauty of the coastal zone. No agricultural activities, sensitive resources, geological instability, flood hazard or vertical coastal access opportunities exist onsite. Furthermore, the WCF facility is not in an area of known geologic instability or flood hazards.**
7. The proposal is in conformity with the public access and recreation policies of Chapter Three of the Coastal Act in that **the project is located outside of the coastal shoreline development overlay zone. Therefore, compliance with the public access and recreation policies of Chapter 3 of the Coastal Act is not required.**
8. The project is consistent with the provisions of the Coastal Resource Protection Overlay Zone (Chapter 21.203 of the Zoning Ordinance) in that the project will adhere to the city's Master Drainage Plan, Grading Ordinance, Storm Water Ordinance, BMP Design Manual and Jurisdictional Runoff Management Program (JRMP) to avoid increased urban runoff, pollutants, and soil erosion. No steep slopes or native vegetation are located on the subject property and the site is not located in an area prone to landslides, or susceptible to accelerated erosion, floods, or liquefaction.

General

9. The Planning Commission has reviewed each of the exactions imposed on the Developer contained in this resolution, and hereby finds, in this case, that the exactions are imposed to mitigate impacts caused by or reasonably related to the project, and the extent and the degree of the exaction is in rough proportionality to the impact caused by the project.

Conditions:

NOTE: Unless otherwise specified herein, all conditions shall be satisfied prior to **building permit, whichever occurs first.**

1. Approval is granted CUP 2022-0023/CDP 2022-0070 (DEV 2022-0206) – POINSETTIA PARK WCF (AT&T) as shown on Exhibits “A” – “K”, dated Dec. 6, 2023, on file in the Planning Division and incorporated herein by reference. Development shall occur substantially as shown unless otherwise noted in these conditions.
2. If any of the following conditions fail to occur, or if they are, by their terms, to be implemented and maintained over time, if any of such conditions fail to be so implemented and maintained according to their terms, the city shall have the right to revoke or modify all approvals herein granted; deny or further condition issuance of all future building permits; deny, revoke, or further condition all certificates of occupancy issued under the authority of approvals herein granted; record a notice of violation on the property title; institute and prosecute litigation to compel their compliance with said conditions or seek damages for their violation. No vested rights are gained by Developer or a successor in interest by the city’s approval of this **Conditional Use Permit and Coastal Development Permit.**
3. Staff is authorized and directed to make, or require the Developer to make, all corrections and modifications to the **Conditional Use Permit and Coastal Development Permit** documents, as necessary to make them internally consistent and in conformity with the final action on the project. Development shall occur substantially as shown on the approved Exhibits. Any proposed development, different from this approval, shall require an amendment to this approval.
4. Developer shall comply with all applicable provisions of federal, state, and local laws and regulations in effect at the time of building permit issuance.
5. If any condition for construction of any public improvements or facilities, or the payment of any fees in-lieu thereof, imposed by this approval or imposed by law on this Project are challenged, this approval shall be suspended as provided in Government Code Section 66020. If any such condition is determined to be invalid, this approval shall be invalid unless the City Council determines that the project without the condition complies with all requirements of law.
6. Developer/Operator shall and does hereby agree to indemnify, protect, defend, and hold harmless the City of Carlsbad, its Council members, officers, employees, agents, and representatives, from and against any and all liabilities, losses, damages, demands, claims and costs, including court costs and attorney’s fees incurred by the city arising, directly or indirectly, from (a) city’s approval and issuance of this **Conditional Use Permit and Coastal Development Permit**, (b) city’s approval or issuance of any permit or action, whether

discretionary or nondiscretionary, in connection with the use contemplated herein, and (c) Developer/Operator's installation and operation of the facility permitted hereby, including without limitation, any and all liabilities arising from the emission by the facility of electromagnetic fields or other energy waves or emissions. This obligation survives until all legal proceedings have been concluded and continues even if the city's approval is not validated.

7. Prior to the issuance of a building permit, the Developer shall provide proof to the Building Division from the **Carlsbad Unified** School District that this project has satisfied its obligation to provide school facilities.
8. This project shall comply with all conditions and mitigation measures which are required as part of the Zone **10** Local Facilities Management Plan and any amendments made to that Plan prior to the issuance of building permits.
9. This approval shall become null and void if building permits are not issued for this project within 24 months from the date of project approval.
10. Developer shall pay the Citywide Public Facilities Fee imposed by City Council Policy #17, the License Tax on new construction imposed by Carlsbad Municipal Code Section 5.09.030, and CFD #1 special tax (if applicable), subject to any credits authorized by Carlsbad Municipal Code Section 5.09.040. Developer shall also pay any applicable Local Facilities Management Plan fee for Zone **10** pursuant to Chapter 21.90. All such taxes/fees shall be paid at issuance of building permit. If the taxes/fees are not paid, this approval will not be consistent with the General Plan and shall become void.
11. Prior to the issuance of the **Conditional Use Permit** and **Coastal Development Permit**, Developer shall submit to the city a Notice of Restriction executed by the owner of the real property to be developed. Said notice is to be filed in the office of the County Recorder, subject to the satisfaction of the City Planner, notifying all interested parties and successors in interest that the City of Carlsbad has issued a **Conditional Use Permit** and **Coastal Development Permit** by Resolution(s) No. 7492 on the property. Said Notice of Restriction shall note the property description, location of the file containing complete project details and all conditions of approval as well as any conditions or restrictions specified for inclusion in the Notice of Restriction. The City Planner has the authority to execute and record an amendment to the notice which modifies or terminates said notice upon a showing of good cause by the Developer or successor in interest.
12. **CUP 2022-0070** shall be reviewed by the City Planner annually to determine if all conditions of this permit have been met and that the use does not have a substantial negative effect on surrounding properties or the public health, safety and general welfare. If the City Planner determines that: 1) the Conditional Use Permit was obtained by fraud or misrepresentation; or 2) the use for which such approval was granted is not being exercised; or 3) the Conditional Use Permit is being or recently has been exercised

contrary to any of the terms or conditions of approval or the conditions of approval have not been met; or 4) the use for which such approval was granted has ceased to exist or has been suspended for one year or more; or 5) the use is in violation of any statute, ordinance, law or regulation; or 6) the use permitted by the Conditional Use Permit is being or has been so exercised as to be detrimental to the public health, safety or welfare or so as to constitute a nuisance, the City Planner shall recommend that the Planning Commission hold a public hearing and after providing the permittee the opportunity to be heard, the Planning Commission may revoke and terminate the Conditional Use Permit in whole or in part, reaffirm the Conditional Use Permit, modify the conditions or impose new conditions.

13. This Conditional Use Permit is granted for a period of **ten (10)** years from **Dec. 6, 2023**, through **Dec. 6, 2033**. This permit may be revoked at any time after a public hearing, if it is found that the use has a substantial detrimental effect on surrounding land uses and the public's health and welfare, or the conditions imposed herein have not been met. This permit may be extended for a reasonable period of time not to exceed **10** years upon written application of the permittee made no less than 90 days prior to the expiration date. The Planning Commission may not grant such extension, unless it finds that there are no substantial negative effects on surrounding land uses or the public's health and welfare. If a substantial negative effect on surrounding land uses or the public's health and welfare is found, the extension shall be denied or granted with conditions which will eliminate or substantially reduce such effects. There is no limit to the number of extensions the Planning Commission may grant.
14. Developer shall report, in writing, to the City Planner within 30 days, any address change from that which is shown on the permit application, any change in the telecommunications provider, or any transfer in ownership of the site.
15. Developer/Operator shall comply with the Federal Communication Commission's guidelines on limits for human exposure to radio frequency (RF) electromagnetic fields. Within six (6) months after the issuance of occupancy, and with any time extension or amendment request, the Developer/Operator shall submit to the City Planner either (1) verification that the project is categorically excluded from having to determine compliance with the RF exposure guidelines per 47 CFR §1.1307(b)(1); or (2) a project implementation report which provides cumulative field measurements of RF emissions of all antennas installed at the subject site. The report shall quantify the RF emissions and compare the results with the exposure limits established by the FCC guidelines. Said report shall be subject to review and approval by the City Planner for consistency with the Project's preliminary report on RF exposure submitted with the initial project application and for consistency with the FCC guidelines. If, on review, the City finds that the Project does not meet the FCC guidelines, the City may revoke or modify this conditional use permit.

16. **Except in an emergency posing an immediate public health and safety threat, maintenance activities shall only occur between 7 AM (8 AM on Saturdays) and sunset. Maintenance shall not take place on Sundays or holidays.**
17. **Future modifications to the facility shall not be approved unless the screening proposed and approved with this application, a four-foot radius radome cylinder, will continue to adequately screen new or replacement equipment. No expansion in size of the radome is allowed unless an amendment to CUP 2022-0023 and CDP 2022-0070 is approved.**
18. **No installed antennas or equipment shall be energized or activated unless the approved screening, a four-foot radius radome cylinder, is in place and secured on the light pole. This applies to any new or replacement equipment or antennas installed at a future date.**
19. **All installation activities shall be coordinated with the Community Development Department and the Parks & Recreation Department to avoid impacts to events within the public park.**
20. **The Developer/Operator shall maintain compliance at all times with all federal, state and local statutes, regulations, orders or other rules that carry the force of law ("laws") applicable to the Developer/Operator, the subject property, the wireless communication facility or other infrastructure deployment or any use or activities in connection with the use authorized by this resolution, which includes without limitation any laws applicable to human exposure to RF emissions and any standards, specifications or other requirements identified by the city planner or engineering manager (such as, without limitation, those requirements conditioned with this resolution). If the city planner or engineering manager finds good cause to believe that the facility is not in compliance with any laws applicable to human exposure to RF emissions, the city planner or engineering manager may require the Developer/Operator to submit a written report certified by a qualified radio frequency engineer familiar with the facility that certifies that the facility is in compliance with all such laws. The city planner or engineering manager may order the facility to be powered down if, based on objective evidence, the city planner or engineering manager finds that the facility is in fact not in compliance with any laws applicable to human exposure to RF emissions until such time that the Developer/Operator demonstrates actual compliance with such laws. The Developer/Operator expressly acknowledges and agrees that this obligation is intended to be broadly construed and that no other specific requirements in these conditions are intended to reduce, relieve or otherwise lessen the Developer/Operator's obligations to maintain compliance with all laws. No failure or omission by the City to timely notice, prompt or enforce compliance with any applicable provision in the Carlsbad Municipal Code, this Policy, any permit, any permit condition or any applicable law or regulation, shall be deemed to relieve, waive or lessen Developer/Operator's obligation to comply in all respects with all applicable**

provisions in the Carlsbad Municipal Code, this Policy, any permit, any permit condition or any applicable law or regulation.

Code Reminders:

1. Approval of this request shall not excuse compliance with all applicable sections of the Zoning Ordinance and all other applicable City ordinances in effect at time of building permit issuance, except as otherwise specifically provided herein.

NOTICE TO APPLICANT

An appeal of this decision to the City Council must be filed with the City Clerk at 1200 Carlsbad Village Drive, Carlsbad, California, 92008, within ten (10) calendar days of the date of the Planning Commission's decision. Pursuant to Carlsbad Municipal Code Chapter 21.54, section 21.54.150, the appeal must be in writing and state the reason(s) for the appeal. The City Council must make a determination on the appeal prior to any judicial review.

NOTICE

Please take **NOTICE** that approval of your project includes the "imposition" of fees, dedications, reservations, or other exactions hereafter collectively referred to for convenience as "fees/exactions."

You have 90 days from date of final approval to protest imposition of these fees/exactions. If you protest them, you must follow the protest procedure set forth in Government Code Section 66020(a), and file the protest and any other required information with the City Manager for processing in accordance with Carlsbad Municipal Code Section 3.32.030. Failure to timely follow that procedure will bar any subsequent legal action to attack, review, set aside, void, or annul their imposition.

You are hereby FURTHER NOTIFIED that your right to protest the specified fees/exactions DOES NOT APPLY to water and sewer connection fees and capacity charges, nor planning, zoning, grading, or other similar application processing or service fees in connection with this project; NOR DOES IT APPLY to any fees/exactions of which you have previously been given a NOTICE similar to this, or as to which the statute of limitations has previously otherwise expired.

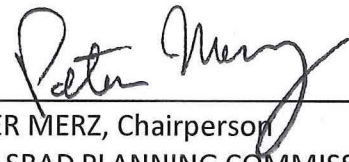
PASSED, APPROVED, AND ADOPTED at a regular meeting of the Planning Commission of the City of Carlsbad, California, held on **Jan. 17, 2024** by the following vote, to wit:

AYES: Merz, Kamenjarin, Meenes, Stine

NAYES: Hubinger, Lafferty, Sabellico

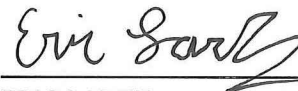
ABSENT:

ABSTAIN:



PETER MERZ, Chairperson
CARLSBAD PLANNING COMMISSION

ATTEST:



ERIC LARDY
City Planner

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, DIRECTING THE CITY MANAGER TO INITIATE NEGOTIATIONS FOR A LICENSE AGREEMENT WITH AT&T FOR A WIRELESS COMMUNICATION FACILITY AT POINSETTIA COMMUNITY PARK

WHEREAS, the Planning Commission held a public hearing and considered a proposed project (CUP 2022-0023/CDP 2022-0070) on Dec. 6, 2023, and continued to Jan. 17, 2024, where the commission approved a Minor Conditional Use Permit and Coastal Development Permit to allow AT&T to install a wireless communication facility at Poinsettia Community Park; and

WHEREAS, a timely appeal of the Planning Commission decision was filed by Carlsbad Residents Against Cell Towers in Parks on Jan. 24, 2024; and

WHEREAS, on April 16, 2024, the City Council held a public hearing and adopted a resolution denying the appeal and upholding the decision of the Planning Commission to approve a minor conditional use permit and coastal development permit to allow AT&T to install a wireless communication facility at Poinsettia Community Park.

NOW, THEREFORE, BE IT RESOLVED by the City of Carlsbad, California, as follows that:

1. The above recitations are true and correct.
2. That the City Manager or his designee is directed to initiate negotiations for a license agreement with AT&T for a wireless communication facility at Poinsettia Community Park.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

[Planning Commission Staff Report, Jan. 17, 2024](#)
(on file in the Office of the City Clerk)



PLANNING COMMISSION

Minutes

Jan. 17, 2024, 5 p.m.

Council Chamber
1200 Carlsbad Village Drive
Carlsbad, CA 92008

CALL TO ORDER: 5:01p.m.

ROLL CALL: Merz, Hubinger, Kamenjarin, Lafferty, Meenes, Sabellico and Stine

PLEDGE OF ALLEGIANCE: Planning Commissioner Stine led the Pledge of Allegiance.

APPROVAL OF MINUTES:

Minutes of the Regular Meeting held on Nov. 15, 2023, were approved as presented. – 6/0/1 (Hubinger – Abstain).

Minutes of the Regular Meeting held on Dec. 6, 2023, were approved as presented. – 4/0/3 (Hubinger, Kamenjarin and Lafferty – Abstain).

PUBLIC COMMENT:

*Tim Morgen spoke in opposition of the proposed Valley Middle School field fence project.
Gary Nessim commented on how the City is dealing with low income housing projects.
Robert Wilkinson spoke in opposition to the contemporary, eclectic architectural style of the Carlsbad Village and lack of street tree theme.*

CONSENT CALENDAR: None.

PUBLIC HEARING:

This item was continued from the Planning Commission Meeting of Dec. 6, 2023

1. **CUP 2022-2023 /CDP 2022-0070 (DEV2022-0206) POINTSETTIA PARK WCF (AT&T)** – Adoption of a resolution approving a Minor Conditional Use Permit amendment and Coastal Development Permit to allow the installation, operation and maintenance of a wireless communication facility consisting of six (6) panel antennas mounted within a 48 inch radome cylinder on a new 78-foot light pole that will replace an existing light pole and associated ground equipment within an eight-foot tall enclosure east of the southern parking lot of poinsettia community park generally located at 6600 Hidden Valley Road in the Mello II segment of the certified Local Coastal Program and in Local Facilities Management zone 20.

ACTION TYPE: Quasi-Judicial

STAFF RECOMMENDATION: Take public input, close the public hearing, and adopt the resolution.

PLANNER: Kyle Van Leeuwen **ENGINEER:** Linda Ontiveros

Chair Merz requested exparte from the commissioners regarding the site for this project.

- Commissioners Hubinger, Kamenjarin, Meenes, Merz and Stine are familiar with the site and have visited the site.
- Commissioner Lafferty disclosed a discussion in person and via email with residents of the neighborhood and noted that she is a long time AT&T customer.

Chair Merz opened the duly noticed public hearing at 5:14 p.m.

Senior Assistant City Attorney Allegra Frost requested that commissioners absent from the last meeting on Dec. 6, 2024 state for the record the steps they took to familiarize themselves with the evidence presented at that meeting.

- Commissioner Hubinger watched the video and read the materials that were sent out.
- Commissioner Kamenjarin watched the video multiple times and reviewed the materials.
- Commissioner Lafferty reviewed the materials, the video and the correspondence from the public.

City Planner, Eric Lardy introduced Associate Planner, Kyle Van Leeuwen who reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

Representative for Applicant, AT&T External Affairs Manager, John Heffernan introduced the AT&T's vendor MD7's Lead Project Manager, Harold Thomas Jr., who reviewed a presentation on AT&T's behalf.

In response to Commissioner Hubinger's inquiry, regarding a backup business plan if AT&T does not get approval for this particular site, AT&T External Affairs Manager, John Heffernan, explained at this height, with this signal propagation, AT&T would not be able to replace this design for a light design in the right of way. Mr. Heffernan added that it would likely require six or eight smaller units to provide the same strength and quality of service for phone, data, and indoor coverage.

In response to Commissioner Hubinger's inquiry as to whether AT&T has explored other options that may incur a cost to them, AT&T External Affairs Manager, John Heffernan added that AT&T has not reviewed this topic of cost because cost is not the issue.

In response to Commissioner Stine's inquiry, regarding the danger of the radio frequency emissions for this project, MD7 representative, Radio Frequency (RF) Engineer, Christian Soto, explained that the report on page 77 of the Staff Report clearly illustrates that anything clear, outside of the blue zone noted on the diagram, is well below the FCC minimum standard and compliant with the FCC rules.

Chair Merz opened the public testimony at 6:12 p.m. and asked if there were any members of the public who wished to speak on the project.

The following individuals spoke in opposition to the project: Deborah von Rosenberg, Karen Sparks, Richard Heimlich, Brian Carstens, Maribel Carstens, Nicole Dore, Zachary Schubert, Lynda Schubert, Frank Sung, Kimberly DesMarais, Anne Hampton, and Nora George.

The following individuals spoke in opposition to and reviewed a PowerPoint presentation (on file in the office of the City Clerk).

Gretchen M. Ashton spoke on behalf of herself and on behalf of Dave George, Edward Vendeinlle, and Aileen Heiderich. Kevin Fritz spoke on behalf of himself, Valerie Fisher, Ellen Fritz, and Robert Hampton

Hearing no one else wishing to speak, Chair Merz closed the public testimony at 6:56 p.m.

In response to public comments, MD7's Lead Project Manager, Harold Thomas Jr, reviewed alternative sites proposed by the residents and his communications with the homeowners association the Cove, and the reason's MD7 did not find these sites acceptable.

In response to Commissioner Stine's inquiry, MD7, RF Engineer, Christian Soto explained the distance from any radio frequency waves to any hills or elevation gains around Poinsettia Park were negligible when considering health risks of this cell tower since the closest hill to the 40-foot safety margin for radio frequency waves was likely approximately 500 feet.

Planning Commissioner discussion ensued.

Motion by Commissioner Stine, seconded by Commissioner Meenes, to adopt Planning Commission Resolution No. 7504. Motion carried, 4/3 (Hubinger, Lafferty and Sabellico - No)

Chair Merz closed the duly noticed public hearing on Item Number 1 at 7:13 p.m.

Chair Merz called for a recess at 7:14 p.m.

Chair Merz reconvened the meeting at 7:24 p.m.

2. SDP 2023-0012/CDP 2023-0022 (DEV2023-0061) - LEGOLAND CALIFORNIA PROJECT 2025 – A resolution of the Planning Commission of the city of Carlsbad, California, recommending approval of a Site Development Plan and Coastal Development Permit to allow for the replacement of an existing “driving school” and “junior driving school” themed attractions with a new space-themed attraction located within the Inner Park Area of Legoland California in Planning Area 4 of the Carlsbad Ranch Specific Plan on property located at 1 Legoland Dr., Assessor Parcel Number 211-100-09-00, within the Mello II Segment of the Local Coastal Program and in Local Facilities Management Zone 13.

ACTION TYPE: Quasi-Judicial

STAFF RECOMMENDATION: Take public input, close the public hearing, and adopt the resolution.

PLANNER: Jason Goff **ENGINEER:** Nichole Fine

Chair Merz requested exparte from the commissioners regarding the site for this project.

- All commissioners noted that they have been to the Legoland park, although not with this item in mind.
- Commissioner Lafferty recused herself because her son worked there a year ago.

Chair Merz opened the duly noticed public hearing at 7:32 p.m.

City Planner, Eric Lardy introduced Senior Planner, Jason Goff who reviewed a PowerPoint presentation (on file in the Office of the City Clerk).

Motion by Commissioner Meenes, seconded by Commissioner Kamenjarin, to adopt Planning Commission Resolution No. 7505. Motion carried, 6/0/1. (Lafferty; recused)

Chair Merz closed the duly noticed public hearing at 7:41 p.m.

3. ELECTION OF OFFICERS – ADOPTION OF A RESOLUTION ADOPTING PLANNING COMMISSION PROCEDURES.

ACTION TYPE: Legislative

STAFF RECOMMENDATION: Take public input, close the public hearing, and adopt the resolution.

PLANNER: Eric Lardy **ENGINEER:** N/A

Chair Merz opened the duly noticed public hearing on Item Number 3 at 8:12 p.m.

Chair Merz made a motion to select Vice Chair Sabellico for Chairperson in 2024. Motion failed due to lack of a second.

Motion made by Commissioner Stine to elect Commissioner Kamenjarin for Chair in 2024, seconded by Commissioner Lafferty. Motion passed, 6/1 (Sabellico – No).

Motion by Commissioner Meenes, seconded by Commissioner Lafferty, to appoint Commissioner Sabellico for Vice Chair. Motion carried, 7/0.

Motion by Commissioner Stine, seconded by Commissioner Meenes, to adopt Planning Commission Resolution No. 7506. Motion carried, 7/0.

Chair Merz closed the public hearing on Item Number 3 at 8:27 p.m.

DEPARTMENTAL REPORTS: None.

PUBLIC COMMENT: Continuation of the Public Comments *This portion of the agenda is set aside for continuation of public comments, if necessary, due to exceeding the total time allotted in the first public comments section. In conformance with the Brown Act, no Council action can occur on these items.*

CITY PLANNER REPORT:

City Planner, Eric Lardy reviewed the upcoming Planning Commission schedule and noted that on Jan. 30, 2024, the City Council will be reviewing the General Plan Amendment and Rezone Program for the Housing Element.

PLANNING COMMISSION MEMBER REPORT:

Commissioner Lafferty gave a Historic Preservation Committee update from the Jan. 8, 2024, meeting.

CITY ATTORNEY REPORT: None.

ADJOURNMENT: 9:02pm



Cynthia Vigeland
Administrative Secretary



Policy No. 64
 Date Issued: 9/26/2017
 Effective Date: 12/14/2021
 Resolution No. 2021-289
 Cancellation Date:
 Supersedes No. 64 04/10/12

Council Policy Statement

Category: WIRELESS COMMUNICATION FACILITIES
Specific Subject: Review and Operation Guidelines for Wireless Communication Facilities

PURPOSE:

Wireless communication facilities, or WCFs, refer to the many facilities with antennas and supporting equipment that receive and transmit signals and together enable mobile or other “wire-free” communication and information services. Unlike wireline communications, such as the land-based telephone system, wireless communication technologies, by their operational nature, require a network of antennas mounted at various heights and attached typically to buildings, structures and poles. A common name for a WCF is “cell site.”

WCF proposals to the city became commonplace in the mid-1990s. Since then, Carlsbad has processed dozens of new WCF applications and numerous permit renewals for existing facilities, all without benefit of specific review criteria. As the city’s population and the popularity and variety of wireless services grow, providers are expected to install more facilities to improve coverage and gain user capacity.

The following Review and Operation Guidelines (Guidelines) have been developed to supplement and clarify the requirements of Carlsbad Municipal and Zoning codes, including chapter 21.42 of the Carlsbad Zoning Code. These requirements are meant to provide a general overview of the procedures and requirements for installation of WCFs, while accommodating and supporting deployment of WCFs to provide adequate coverage and capacity throughout the city. They also outline definitions that are quantifiable and measurable and detail development standards and design requirements which the city will use to review proposed facilities. This policy’s purpose is to guide the public, applicants, boards and commissions, and staff in reviewing the placement, construction, and modification of WCFs. The goal is to assure WCFs in Carlsbad:

- Are reviewed and provided within the parameters of law.
- Protect the health, safety, and welfare of the public to the extent permitted by applicable laws.
- Are encouraged to locate away from residential and other sensitive areas, except as allowed by Sections A, B and C of this policy.
- Represent the fewest possible facilities necessary to complete a network without discriminating against providers of functionally equivalent services or prohibiting the provision of wireless services.
- Use, as much as possible, “stealth” techniques so they are not seen or easily noticed.
- Operate consistent with Carlsbad’s quality of life.

This policy applies to all commercial providers of wireless communication services. It does not apply to amateur (HAM) radio antennas, dish antennas, collocations and/or modifications covered under Federal Communications Commission (FCC) regulations at 47 C.F.R. §§ 1.6100 *et seq.* (implementing Section 6409(a) of the Spectrum Act (codified as 47 C.F.R. § 1455(a)) for non-substantial modifications to existing wireless towers and base stations)¹ and other antennas installed on a residence for an individual's private use.

The Guidelines shall not relieve a person from the responsibility of complying with all other applicable regulations of any other local, state, or federal agencies. These Guidelines supplement existing regulations and provide clear standards and guidelines for all wireless infrastructure deployments unless specifically prohibited by applicable law. The standards and procedures contained in these Guidelines are intended to, and should be applied to, protect and promote public health, safety and welfare, and balance the benefits that flow from robust, advanced wireless services with the city's local values. Except as expressly provided otherwise, these Guidelines shall be applicable to all applications and requests for authorization to construct, install, attach, operate, collocate, modify, reconstruct, replace, relocate or otherwise deploy WCFs, inclusive of applications which affect existing facilities.

These Guidelines are also intended to establish clear procedures for application intake and completeness review. Conditional use permit applications for WCFs that were denied shall follow the process in Carlsbad Municipal Code Section 21.54.130 for reapplication of a new CUP. Building permit and ROW permit applications for facilities that were denied may be submitted to the Community Development Department as new applications at any time, without prejudice. Said new application will be processed as a completely separate application, with new submittal materials and fees required, and shall demonstrate compliance with these Guidelines.

BACKGROUND:

To secure the right to provide personal wireless services to a region, companies often must obtain airwave licenses that are auctioned by the FCC, the federal agency that regulates the communications industry. For radio services that use license spectrum, the FCC mandates the licensees establish their service networks as quickly as possible.

In Carlsbad, there are three common types of WCF systems: Cellular, PCS (Personal Communications Services), and ESMR (Enhanced Specialized Mobile Radio).

POLICY:

REVIEW RESTRICTIONS:

The Federal Telecommunications Act of 1996 (TCA) preserves the city's ability to regulate the placement, construction, and modification of wireless communication facilities subject to the following restrictions.

¹ If the city determines that an application submitted for approval pursuant to Section 6409(a) is, in fact, not covered by the applicable federal regulations, the applicant may resubmit the request for approval pursuant to the applicable provisions in this policy.

- ***The city may not favor any carrier.***
Regulations may not unreasonably discriminate among functionally equivalent service providers. A “functionally equivalent provider” means a competitor.
- ***The city may not prevent completion of a network.***
Regulations may not prohibit or have the effect of prohibiting the provision of personal wireless services. According to the FCC’s recent order in 2018, the denial of a single permit application may cause an effective prohibition if it “materially inhibits or limits the ability of any competitor or potential competitor to compete in a fair and balanced legal and regulatory environment.” *Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment*, Declaratory Ruling and Third Report and Order, WT Docket No. 17-79, WC Docket No. 17-84, 33 FCC Rcd. 9088 at ¶ 37 (2018) (*Small Cell Order*). In addition, local aesthetic requirements may be prohibitory unless they are reasonable and published in advance. *Small Cell Order* at ¶ 40, *rev’d in part, City of Portland v. United States*, 969 F.3d 1020 (9th Cir. 2020).
- ***Applications are to be processed in a reasonable time.***
A city must act on an application for WCFs within a “reasonable” amount of time, which the FCC generally defines as either 60, 90, or 150 days from the time an application is submitted and depending on the nature and scope of the proposed wireless facility.
- ***Failure to approve or deny applications may result in automatic approvals and court orders.***
Under California Government Code 65964.1, an application for a wireless facility may be “deemed approved” if a city or county fails to act within the presumptively reasonable timeframes established by the FCC. This provision contains some exceptions but generally applies to new facilities and very large modifications to existing facilities both on private property and in the public rights-of-way. The FCC’s regulations contain a similar “deemed granted” remedy for less-than substantial collocations and modifications to existing facilities. In addition, the *Small Cell Order* establishes that a permitting agency’s failure to act within the referenced timeframes will amount to a presumptive prohibition on the provision of personal wireless services, the remedy for which may be a court injunction.
- ***The city cannot deny an application because of perceived radio frequency health hazards.***
If federal standards are met, cities may not deny permits on the grounds that radio frequency emissions (RF) are harmful to the environment or to the health of residents. However, local governments may require wireless carriers to prove compliance with the standards. The FCC has established procedures to enforce compliance with its rules.
- ***The city cannot deny, and shall approve, any eligible facilities request for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station (Section 6409(a) non-substantial modifications).***
The FCC promulgated detailed regulations for this restriction, including a definition for “substantial change” and procedural rules for processing these applications, which can be found at 47 C.F.R. §§ 1.6100 *et seq.*
- ***Certain collocation facilities are not subject to discretionary permit requirements.***
Under California Government Code section 65850.6, a collocation facility (where two or more wireless operators have located their antennas at a common location) shall be a permitted use not subject to discretionary permit requirements if it satisfies the requirements of that statute.
- ***A decision to deny an application must be supported by substantial evidence.***
A decision to deny a WCF application must be in writing and supported by substantial evidence contained in a written record. The reasons for the denial must also be contained in a written record contemporaneously available with the written denial notice and must be clear enough to enable judicial review.

HEALTH CONCERNS & SAFEGUARDS:

Possible health risks from exposure to the RF electromagnetic fields generated by WCFs are a significant community concern. Accordingly, the FCC requires facilities to comply with RF exposure guidelines published in the Code of Federal Regulations (see 47 CFR § 1.1307 and 47 CFR §1.1310). The limits of exposure established by the guidelines are designed to protect the public health with a very large margin of safety as they are approximately 50 times below the levels that generally are accepted as having the potential to cause a measurable change in human physiology. Both the Environmental Protection Agency and Food and Drug Administration have endorsed the FCC's exposure limits, and courts have upheld the FCC rules requiring compliance with the limits.

Most WCFs create maximum exposures that are only a small fraction of the limits. Furthermore, because the antennas in a PCS, cellular, or other wireless network operate more efficiently when in a line of sight arrangement to effectively transmit, their power is focused on the horizon instead of toward the sky or ground. Generally, unless a person is physically next to and at the same height as an antenna, it is not possible to be exposed to RF emissions that exceed the maximum permissible exposure.

The FCC requires providers, upon license application, renewal, or modification, to demonstrate compliance with RF exposure guidelines. Where two or more wireless operators have located their antennas at a common location (called "collocation"), the total exposure from all antennas taken together must be within FCC guidelines. Many facilities are exempt from routine compliance demonstrations under FCC guidelines, however, because their low power generation or height above ground level is highly unlikely to cause exposures that exceed the guidelines in areas accessible by people.

PERMIT PROCESS:

Wireless communication facilities (WCFs) are defined in Carlsbad Municipal Code Section 21.04.379. Carlsbad Municipal Code Section 21.42.140(B)(165) allows WCFs in all zones with the approval of a minor conditional use permit (MCUP) or a conditional use permit (CUP) and subject to this policy. New WCFs are allowed in the public right-of-way of roads (ROW) subject to the requirements of this policy and the processing requirements of Table A below.

Small wireless facilities (SWFs) are WCFs that also meet the definition in FCC regulations at 47 C.F.R. §§ 1.6002(l).

For WCFs and SWFs to be located in the public right-of-way of roads, which generally is not zoned, a right-of-way permit pursuant to Title 11 of the Carlsbad Municipal Code may be used as outlined in Table A – WCF and SWF Processing Requirements.

Table A – WCF and SWF Processing Requirements

Category	Code reference/ definition	Application Review Process		Coastal Zone and Coastal Development Permit (CDP) requirements	Applicable Policy 64 Guidelines
New WCFs on public or private property	Carlsbad Municipal Code (CMC) Section 21.04.379	CUP or Minor CUP ¹		CDP or Minor CDP required per CMC Chap. 21.201 unless specifically exempted	A, B, D, and E
New WCFs in the public right-of-way of roads	CMC Section 21.04.379	ROW permit ² , Minor CUP ³ or CUP ⁴		Exempt per CMC Section 21.201.B.11 ⁵	A, B, D and E
Existing WCF – Section 6409(a) eligible facilities request	CMC Section 21.04.379 and 47 U.S.C. § 1455(a)	Section 6409(a) worksheets		Exempt per CMC Section 21.201.B.11 ⁵	N/A – Policy 64 does not apply
Existing WCF – Emergency Generators	CMC Section 21.04.379 and Government Code Section 65850.75	Building Permit		Exempt per CMC Section 21.201.B.11 ⁵	N/A – Policy 64 does not apply
Small Wireless Facilities (SWF)	CMC Section 21.04.379 and the definition in FCC regulations at 47 C.F.R. § 1.6002(l)	Within the public right-of-way of roads:	Right-of-way Permit	Exempt per CMC Section 21.201.B.11 ⁵	C, D, and E
		Outside the public right-of-way of roads:	MCUP	Minor CDP required per CMC Chap. 21.201 unless specifically exempted ⁵	B, C, D, and E

Notes:

- These guidelines apply in the review of CUPs or Minor CUPs for new WCFs.
- A right of way permit shall be required instead of a CUP for a WCF that is (i) to be located on an existing or replacement pole, (ii) is consistent with the preferred locations in Location Guideline A.1 (or if in a discouraged location in Location Guideline A.2, has all equipment underground), and (iii) is consistent with Design Guidelines for WCFs in the Public Right-of-Way C
- A minor CUP by Process 1 shall be required for a WCF that is (i) to be located on an existing or replacement pole, (ii) is in a discouraged location in Section A with above-ground equipment, and (iii) is consistent with Design Guidelines for WCFs in the Public Right-of-Way C
- A CUP by Process 2 shall be required for all other WCFs not meeting the criteria for approval subject to a right of way permit or a minor CUP by process 1
- When located within the city’s jurisdiction of the Coastal Zone.

REVIEW AND APPROVAL GUIDELINES

A. *Location Guidelines for Placement of WCFs (excluding SWFs)*

1. *Preferred Locations* – WCFs are encouraged to locate on existing buildings and structures. In addition, WCFs should be located in the following zones and areas, which are listed in order of descending preference:
 - a. Industrial zones.
 - b. Commercial zones.
 - c. Other non-residential zones, except open space.
 - d. Public right-of-way of roads adjacent to industrial and commercial zones and identified on the map attached as Exhibit A.
 - e. Public property (e.g., city facilities) not in residential areas.
 - f. Major power transmission towers in non-residential zones or areas.
 - g. Public and private utility installations (not publicly accessible) in residential and open space zones (e.g., water tanks, reservoirs, or the existing communication towers near Maerke Reservoir).
 - h. Parks and community facilities (e.g., places of worship, community centers) in residential zones or areas.
 - i. Public right-of-way of roads adjacent to residential zones and identified on the map attached as Exhibit A.
2. *Discouraged Locations* – WCFs should not locate in any of the following zones or areas unless the applicant demonstrates that alternatives in more-preferred locations are not technically feasible or potentially available as required by Application and Review Guideline E.3.
 - a. Open space zones and lots (except as noted in Location Guideline A.1.).
 - b. Residential zones or areas (except as noted in Location Guideline A.1.).
 - c. Major power transmission towers in corridors located in/or next to a residential zone or area.
 - d. Environmentally sensitive habitat.
 - e. Public right-of-way of roads not identified on the map attached as Exhibit A.
 - f. On vacant land.
3. *Visibility to the Public* – In all areas, WCFs should be located where least visible to the public and where least disruptive to the appearance of the host property. Furthermore, no WCF should be installed on an exposed ridgeline or in a location readily visible from a public place, recreation area, scenic area or residential area unless it is satisfactorily located and/or screened so it is hidden or disguised.
4. *Collocation* – Collocating with existing or other planned wireless communication facilities is recommended whenever feasible and appropriate. Service providers are also encouraged to collocate with water tanks, major power transmission and distribution towers, and other utility structures when in compliance with these guidelines. The city must approve collocation applications unless the expansion adds significantly to the height or width of a facility.

5. *Monopoles* – No new ground-mounted WCF monopoles should be permitted unless the applicant demonstrates no existing monopole, building, or structure can accommodate the applicant’s proposed antenna as required by Application and Review Guideline E.4.

B. *Design Guidelines for WCFs and SWFs Outside the Public Right-Of-Way of Roads*

1. *Stealth Design* – All aspects of WCFs and SWFs, including the supports, antennas, screening methods, and equipment should exhibit “stealth” design techniques so they visually blend into the background or the surface on which they are mounted. Subject to city approval, developers should use false architectural elements (e.g., cupolas, bell towers, dormers, and chimneys), architectural treatments (e.g., colors, textures and materials), elements replicating natural features (e.g., trees and rocks), landscaping, and other creative means to hide or disguise the facilities. Stealth can also refer to facilities completely hidden by existing improvements, such as parapet walls.
2. *Equipment* – Equipment should be located within existing buildings to the extent feasible. If equipment must be located outside, it should be screened with walls and plants. If small outbuildings or extensions to existing structures are constructed specifically to house equipment, they should be designed and treated to match nearby architecture or the surrounding landscape.
3. *Collocation* – Whenever feasible and appropriate, design and placement should promote and enable collocation.
4. *Height* – facilities should adhere to the existing height limitations of the zone in which they are located. When installed on an existing structure, new facilities and collocations should not exceed the height of the existing/replacement structure on which they are being installed.
5. *Setbacks* – WCFs and SWFs, including all equipment and improvements, should adhere to the building setback requirements of the zone in which they are located, with the following clarifications:
 - a. If on a site next to a residential zone, a setback should be maintained from the residential zone boundary a minimum distance equal to the above-ground height of the overall support structure’s height.
 - b. If in a residential zone and in a public utility installation, park, or community facility, a setback should be maintained from the property boundaries of the utility installation, park, or community facility a minimum distance equal to the above-ground height of the overall support structure’s height.
 - c. The decision-maker for WCFs may decrease or increase these setbacks if it finds such changes would improve the overall compatibility of the WCF based on the factors contained in Application and Review Guideline E.4.
6. *Building or Structure-Mounted WCFs and SWFs* –
 - a. Antennas and their associated mountings should generally not project outward more than 24 inches from the face of the building.
 - b. Roof-mounted antennas should be located as far away as possible from the outer edge of a building or structure and should not be placed on roof peaks.

- c. If permitted, WCFs and SWFs on residential buildings should only be allowed if disguised as a typical residential feature (e.g., a chimney, a dormer) and if all equipment is located inside, not outside, the building.
7. *Ground-mounted Monopole WCFs* –
 - a. All antennas should be mounted as close as possible to the monopole to improve facility appearance.
 - b. The placement, screening, and disguise of the monopole should fit with the surrounding site design, architecture, and landscaping. Tree disguises, such as a “mono-palm,” may be acceptable depending on their quality and compatibility with landscaping nearby.
 - c. Landscaping should be provided as necessary to screen, complement, or add realism to a monopole. Landscaping should include mature shrubs and trees. Some of the trees should be tall enough to screen at least three-quarters of the height of the monopole at the time of planting. Sometimes, landscaping may not be needed because of the monopole’s location or vegetation already nearby.
 - d. When possible and in compliance with these guidelines, monopoles should be placed next to tall buildings, structures, or tall trees.
 8. Pole mounted SWFs shall comply with the Design Guidelines in section C.2 of this policy as applicable, including height limits.
 9. *Lattice Towers* – New lattice towers should not be permitted in the city. On existing lattice towers:
 - a. All antennas should be mounted as close as possible to the tower so they are less noticeable, and should match the color of the tower.
 - b. Wiring must be concealed in conduit that is flush-mounted to the tower. The conduit and mounting hardware shall match the color of the tower.
 - c. Non-antenna equipment mounted on the tower should be placed behind the antennas to conceal them from view, and should be enclosed in a cabinet that matches the color and finish of the structures on which they are mounted. Ground mounted equipment shall comply with B.2 above.
 10. *Undergrounding* – All utilities should be placed underground.
 11. *Regulatory Compliance* – WCFs should comply with all FCC, FAA (Federal Aviation Administration), CPUC (California Public Utilities Commission) and local zoning and building code requirements.

C. *Design Guidelines for WCFs and SWFs in the Public Right-of-Way of Roads*

The general intent of these design and development standards is to preserve the character of the city’s neighborhoods and corridors by requiring WCFs and SWFs to utilize the least intrusive design available with regard to appearance, size, and location, and to blend into the existing streetscape as much as possible. They also seek to prevent conflict with existing and planned roadway, utility, and storm drain improvements.

1. *Support pole installation preferences for the right-of-way of roads*

- a. The city prefers WCFs and SWFs to be installed on support poles in the public rights-of-way of roads, ordered from most preferred to least preferred, as follows:
 - (1) Existing or replacement streetlight poles.
 - (2) Existing or replacement wood utility poles.
 - (3) Existing or replacement traffic signal poles.
 - (4) New, non-replacement streetlight poles.
 - (5) New, non-replacement poles (not wood).
 - b. The city prohibits WCFs and SWFs facilities to be installed on the following support poles or structures:
 - (1) Signs.
 - (2) Any utility pole scheduled for removal or relocation within 12 months from the time the approval authority acts on the small wireless facility application.
 - (3) New, non-replacement wood poles.
 - (4) Pieces of public art, structures placed in the in the right-of-way through charitable donations, commemorative memorial structures or archways over roads and pedestrian walkways, or other similar structures as determined by the engineering manager.
 - c. The engineering manager shall determine whether an application for a WCF or SWF utilizes the least intrusive design available or if there is a more preferred support pole type within 500 feet of the proposed location. For purposes of these guidelines, least intrusive design available means the most preferred design or development standard as provided in these Guidelines that is technically feasible. For individual antennas, shrouds/radomes, accessory equipment, mounting brackets/attachments and any other physical aspect of a facility, the city strongly prefers the smallest such item that is technically feasible. If the application does not propose the least intrusive design, or if there is a more preferred support pole within 500 feet, the application shall provide written evidence of the following:
 - (1) A clearly defined technical service objective
 - (2) A technical analysis that includes the factual reasons why the least intrusive design or a more preferred support pole type within 500 feet of the proposed location is not technically feasible.
2. *Requirements applicable to all WCFs and SWFs in the public right-of-way of roads*
- a. Overall height. WCFs and SWFs mounted to existing poles shall not exceed the height of a support pole by more than five feet measured from the top of the pole, except as necessary to comply with CPUC General Order 95 relating to utility poles. Replacement poles and new non-replacement poles shall not exceed the city height standards for streetlight poles or traffic signal poles, as applicable, by more than ten percent, plus five feet for the antenna. Replacement utility poles shall not exceed ten percent of the height of the existing utility pole, plus five feet for the antenna.
 - b. Antenna stealth/concealment. The antenna(s) associated with the installation shall be stealth to the maximum extent feasible and concealed with a radome(s), shroud(s) or other cover(s) that also conceals the cable connections, antenna mount, and other hardware. The radome, shroud or other cover must be a flat, non-reflective color to match the underlying support structure.

- c. Antenna size.
 - (1) Each antenna shall not exceed 3 cubic feet in volume.
 - (2) Top-mount antennas (including the shroud) shall be no more than 16 inches wide when placed on light poles, and shall not exceed the width of any wooden utility pole on which they are mounted.
 - (3) Any top-mounted antennas which are wider than the light pole on which they are mounted shall be tapered to match the width of the pole at the point of attachment to the pole.
- d. Equipment location. Accessory equipment may be both pole mounted and non-pole mounted. Pole mounted limits are described in Section C.2.e , the balance located according to the following preference: (1) underground, (2) above ground and screened consistent with Section C.2.f. The city's preferences is for non-pole mounted equipment to be placed underground to the extent possible, unless the applicant demonstrates that it is technically infeasible or there are conflicts with other utilities, obstructions or it is otherwise not feasible, as determined by the engineering manager. If undergrounding is not feasible, the city prefers the equipment to be pole-mounted.
- e. Pole mounted equipment.
 - (1) Design and stealth/concealment. Accessory equipment must be stealth to the maximum extent feasible and/or concealed within a cabinet or shroud, and should be flush mounted and centered on the pole, except to the extent necessary to comply with CPUC General Order 95 for wood utility poles. The installation should be designed to minimize the overall visual profile, and installations that are partially or completely wrapped around the pole are encouraged. All equipment cabinets or shrouds shall be painted to match the color of the surface of the pole on which they are attached to reduce their visibility. Equipment may be installed behind street, traffic or other signs (between the pole and sign) to the extent that the installation complies with applicable regulations. All cables and conduits associated with the equipment shall be concealed from view within the same shroud or other cover and routed directly through the pole when feasible. Microwave or other wireless backhaul shall not have a separate and unconcealed antenna.
 - (2) Size limits. All non-antenna equipment mounted to the pole is included in the equipment volume limit. Electric meters and disconnect switches that are mounted on the pole are not included in the equipment volume limit. All pole mounted non-antenna equipment, including cabinets, shall not exceed:
 - (a). A width of 24 inches; and
 - (b). Nine (9) cubic feet in volume if installed within or adjacent to a residential district or within 500 feet from any structure approved for a residential use; or
 - (c). Seventeen (17) cubic feet in volume if installed within or adjacent to a non-residential district.
- f. Ground mounted equipment. If underground equipment is not feasible because there are conflicts with other utilities, obstructions or it is otherwise not technically feasible, as determined by the engineering manager per section (d) above, then all above ground equipment shall be: (1) placed in a ground-mounted

equipment shroud or cabinet that contains all equipment associated with the small wireless facility other than the antenna; and (2) set back at least 2.5 feet from the back of the curb and within the parkway or greenway or 2.5 feet back from the edge of the sidewalk when it is contiguous to the curb. All cables and conduits associated with the equipment shall be concealed from view, routed directly through the pole, and placed underground between the pole and the ground-mounted cabinet. All ground mounted equipment shall be stealth and/or screened completely, unless it is disguised to the satisfaction of the engineering manager. Volume limits for ground-mounted equipment shall be the same as applicable to pole-mounted equipment. The engineering manager may elect to waive volumetric limits for equipment that is installed or placed underground.

- g. All equipment associated with the WCF or SWF shall be located so as to avoid impacts to pedestrian access and vehicular site distance and safety. Pole mounted equipment should be mounted a minimum of eight feet above grade.
- h. To reduce clutter and deter vandalism, excess fiber optic or coaxial cables shall not be spooled, coiled, or otherwise stored on the pole unless concealed within a cabinet.
- i. If the proposed WCF or SWF would damage or displace any street trees or trees on public property, the applicant shall comply with CMC Chapter 11.12 and City Council Policy No. 4 and will be responsible for planting replacement trees to the satisfaction of the Parks & Recreation Director or designee.
- j. If an applicant proposes to replace a streetlight pole, the replacement pole should be substantially similar to the existing pole and comply with city standards and specifications for streetlight poles.

3. *Supplemental requirements for WCFs and SWFs on New Poles for the right-of-way of roads*

- a. All WCFs on new poles require a CUP by Process 2.
- b. Any new pole and/or equipment and other improvements associated with a new pole or an existing pole must be set back from intersections, alleys, and driveways and placed in locations where it will not obstruct motorists' sight lines or pedestrian access. In general, there is a presumption of no obstruction where a new pole and/or equipment is set back at least:
 - i. A minimum of 50-feet from the extension of the curb of the intersecting street at intersections. Distances of less than 50-feet may be allowed through approval of the engineering manager and the city traffic engineer;
 - ii. Six feet from any driveway cut or alley entrance or exit;
 - iii. Six feet from any permanent object or existing lawfully-permitted encroachment in the public right-of-way, including without limitation bicycle racks, traffic signs and signals, trees, open tree wells, benches or other street furniture, streetlights, door swings, gate swings, or sidewalk café enclosures.
- c. The city may, in its discretion, require an additional setback for a specific pole when the city determines that the presumptively acceptable setback would obstruct motorists' sight lines or pedestrian access.
- d. The city may require the applicant to install a stealth pole, which may include without limitation functional streetlights and/or banners when technically feasible and the city determines that such additions would enhance the overall appearance and usefulness of the new pole.

- e. The city will consider new pole designs proposed by an applicant if they meet the intent of this policy for stealth and attractive designs that adequately conceal equipment, as determined by the engineering manager. If a new pole without a streetlight is proposed, antennas and all equipment not installed underground must be concealed and integrated into the overall design of the pole, no exterior equipment boxes or shrouds attached to the pole will be permitted.

4. *Areas with decorative streetlight poles.*

- a. Replacement poles and new non-replacement poles installed within the following areas shall be substantially similar in color, style and design to the existing decorative streetlights, as determined by the engineering manager in consultation with the city planner. Poles in each area shall use a single consistent design theme to maintain the existing character established by existing streetlights:
 - (1) Carlsbad Village
 - (2) Villages of La Costa Master Plan
 - (3) Bressi Ranch Master Plan
 - (4) La Costa Master Plan (MP 149)
 - (5) Various roads including El Camino Real and Aviara Parkway that utilize the mission bell streetlight design
 - (6) Any other areas as determined by the city planner or engineering manager

5. *Supplemental requirements for WCFs and SWFs on existing wood utility poles.*

- a. All antennas must be installed within a radome, shroud or other cover mounted to the pole at the top, side, or on a stand-off bracket or extension arm that is attached to the pole. The city's preference is for side-mounted antennas located in the communications space below the electric lines.²
- b. All cables, wires and other connectors must be concealed within the antenna shroud, stand-off bracket/extension arm and conduit that is flush-mounted to the pole to the maximum extent feasible and of the smallest diameter and shortest length necessary to serve the facility. No loose, exposed, or dangling wiring or cables shall be allowed.
- c. All shrouds, conduit or other items stealth/concealing antennas, equipment and wires shall be painted to match the color of the pole.

D. Performance Guidelines

- 1. *Noise* – All equipment, such as emergency generators and air conditioners, should be designed and operated consistent with the city noise standards.
- 2. *Maintenance* – All facilities, related equipment, and landscaping should be maintained in good condition and free from trash, debris, graffiti, and any form of vandalism. All required landscaping should be automatically irrigated. Damaged equipment and

² Strand-mount antennas are also considered a preferred installation type.

damaged, dead, or decaying landscaping should be replaced promptly. Replacement of landscaping that provides facility screening should be, as much as possible, of similar size (including height), type, and screening capability at the time of planting as the plant(s) being replaced.

3. *Maintenance Hours* – Except in an emergency posing an immediate public health and safety threat, maintenance activities in or within 100 feet of a residential zone should only occur between 7 AM (8 AM on Saturdays) and sunset. Maintenance should not take place on Sundays or holidays.
4. *Lighting* – Security lighting should be kept to a minimum and should only be triggered by a motion detector where practical.
5. *Compliance with laws and FCC RF Exposure Guidelines* – The permittee shall maintain compliance at all times with all federal, state and local statutes, regulations, orders or other rules that carry the force of law (“laws”) applicable to the permittee, the subject property, the WCR, SWF or other infrastructure deployment or any use or activities in connection with the use authorized by a required permit, which includes without limitation any laws applicable to human exposure to RF emissions and any standards, specifications or other requirements identified by the city planner or engineering manager (such as, without limitation, those requirements affixed to a required permit). If the city planner or engineering manager finds good cause to believe that the facility is not in compliance with any laws applicable to human exposure to RF emissions, the city planner or engineering manager may require the permittee to submit a written report certified by a qualified radio frequency engineer familiar with the facility that certifies that the facility is in compliance with all such laws. The city planner or engineering manager may order the facility to be powered down if, based on objective evidence, the city planner or engineering manager finds that the facility is in fact not in compliance with any laws applicable to human exposure to RF emissions until such time that the permittee demonstrates actual compliance with such laws. The permittee expressly acknowledges and agrees that this obligation is intended to be broadly construed and that no other specific requirements in these conditions are intended to reduce, relieve or otherwise lessen the permittee’s obligations to maintain compliance with all laws. No failure or omission by the City to timely notice, prompt or enforce compliance with any applicable provision in the Carlsbad Municipal Code, this Policy, any permit, any permit condition or any applicable law or regulation, shall be deemed to relieve, waive or lessen the permittee’s obligation to comply in all respects with all applicable provisions in the Carlsbad Municipal Code, this Policy, any permit, any permit condition or any applicable law or regulation. .
6. *Abandonment of antennas and equipment*- Any WCF or SWF that is not operated for a continuous period of 180 days will be considered abandoned. Within 90 days of receipt of notice from the city notifying the owner of such abandonment, the facility owner must remove the facility and restore the site, as much as is reasonable and practical, to its prior condition. If such facility is not removed within the 90 days, the facility will be considered a nuisance and in addition to any other available remedy, will be subject to abatement under Chapter 6.16 of the Carlsbad Municipal Code. If there are two or more users of a single WCF, then this provision will not become effective until all users stop using the

WCF. The provider or owner must give notice to the city of the intent to discontinue use of any facility before discontinuing the use.

E. Application and Review Guidelines

1. Application requirements for WCFs. In addition to the typical submittal requirements for a CUP or Minor CUP (see Planning Division Form P-2), right-of-way permit or building permit (including plans, landscape details, and color and material samples, as appropriate), all WCF applications shall include the following items:
 - a. A description of the site selection process undertaken for the WCF proposed. Technical service objectives and the reasons for selecting the proposed site and rejecting other sites should be provided.
 - b. A description or map of the applicant's existing and other proposed sites.
 - c. A description of the wireless system proposed (e.g., cellular, PCS, etc.) and its consumer features (e.g., voice, video, and data transmissions).
 - d. Verification that the proposed WCF will either comply with the FCC's guidelines for human exposure to RF electromagnetic fields or will be categorically excluded from having to determine compliance with the guidelines per 47 CFR §1.1307(b)(1). If WCFs are proposed for collocation, the verification must show the total exposure from all facilities taken together meets the FCC guidelines. The applicant shall submit an RF exposure compliance report that certifies that the proposed facility, both individually and cumulatively as applicable under 47 C.F.R. § 1.1307(b)(5), will comply with applicable federal RF exposure standards and exposure limits.
 - e. Color photo-simulation exhibits, prepared to scale, of the proposed WCF to show what the project would look like at its proposed location and from surrounding viewpoints. The city planner or engineering manager may waive the requirement to provide the exhibits if he/she determines they are unnecessary.
 - f. Provide confirmation that an environmental assessment, or other application determination, has been completed by or on behalf of the FCC for any facility proposed in a location identified in 47 C.F.R. 1.307 (including a floodplain) or as otherwise required by National Environmental Policy Act or the National Historic Preservation Act.

2. Application requirements for SWFs. In addition to the typical submittal requirements for a right-of-way permit or building permit (including plans, landscape details, and color and material samples, as appropriate), all SWF applications shall include the following items:
 - a. A description of the wireless system proposed (e.g., cellular, PCS, etc.) and its consumer features (e.g., voice, video, and data transmissions).
 - b. For new poles that are least preferred, a description of the site selection process undertaken for the proposed SWF. A technical service objective and the reasons for selecting the proposed site and rejecting other sites should be provided.
 - c. Verification that the proposed SWF will either comply with the FCC's guidelines for human exposure to RF electromagnetic fields or will be categorically excluded from having to determine compliance with the guidelines per 47 CFR §1.1307(b)(1). The applicant shall submit an RF exposure compliance report that certifies that the proposed facility, both individually and cumulatively as

- applicable under 47 C.F.R. § 1.1307(b)(5), will comply with applicable federal RF exposure standards and exposure limits.
- d. Color photo-simulation exhibits, prepared to scale, of the proposed WCF to show what the project would look like at its proposed location and from surrounding viewpoints. The city planner or engineering manager may waive the requirement to provide the exhibits if he/she determines they are unnecessary.
 - e. Environmental impact assessment form to determine whether the proposed project is categorically exempt under Article 19 of the CEQA Guidelines, or whether the proposed project will require a Negative Declaration, Mitigated Negative Declaration or an Environmental Impact Report. In addition, provide confirmation that an environmental assessment, or other application determination, has been completed by or on behalf of the FCC for any facility proposed in a location identified in 47 C.F.R. 1.307 (including a floodplain) or as otherwise required by National Environmental Policy Act or the National Historic Preservation Act.
3. For WCFs proposed in a zone or area that is a discouraged WCF location as listed in Location Guideline A.2., the applicant shall provide evidence that no location in a preferred zone or area as listed in Location Guideline A.1. is technically feasible or potentially available to accommodate the applicant's proposed facility. Evidence should document that preferred zone or area locations do not meet engineering, coverage, location, or height requirements, or have other unsuitable limitations.
 4. For proposed new ground-mounted monopole WCFs, the applicant shall also provide evidence to the city's satisfaction that no existing monopole, building, structure, or WCF site ("existing facility") could accommodate the proposal. Evidence should demonstrate any of the following:
 - a. No existing facility is located within the geographic area or provides the height or structural strength needed to meet the applicant's engineering requirements.
 - b. The applicant's proposed WCF would cause electromagnetic interference with the existing antennae array or vice versa.
 - c. The fees, costs, or contractual provisions required by the owner to locate on an existing facility or to modify the same to enable location are unreasonable. Costs exceeding new monopole development are presumed to be unreasonable.
 - d. The applicant demonstrates to the decision-maker's (Planning Commission or city planner) satisfaction that there are other limiting factors that render an existing facility unsuitable.
 5. In approving a WCF or SWF, the decision-maker (Planning Commission, city planner or engineering manager) shall make the findings in Carlsbad Municipal Code Section 21.42.020 if applicable, and shall give consideration to the following factors:
 - a. Compliance with these guidelines.
 - b. Height and setbacks.
 - c. Proximity to residential uses.
 - d. The nature of uses on adjacent and nearby properties.
 - e. Surrounding topography and landscaping.
 - f. Quality and compatibility of design and screening.
 - g. Impacts on public views and the visual quality of the surrounding area.

- h. Availability of other facilities and buildings for collocation.
6. Conditional Use Permits (CUPs)/Minor CUPs for WCFs shall be granted for a period not to exceed ten years unless public safety reasons and/or substantial land use reasons justify a shorter term. A WCF that is decommissioned, discontinued, or otherwise abandoned by the owner or operator for a continuous one-year period is subject to revocation under Section 21.42.120 of the Carlsbad Municipal Code. Upon a request for either an extension or an amendment of a CUP or Minor CUP, the WCF will be reevaluated to assess the impact of the facility on adjacent properties, the record of maintenance and performance with reference to the conditions of approval, and consistency with these guidelines. Additionally, the city will review the appropriateness of the existing facility's design, and that the applicant documented that the WCF maintains the design that is the smallest, most efficient, and least visible and that there are not now more appropriate and available locations for the facility, such as the opportunity to collocate or relocate to an existing building.
7. Collocation for WCFs. Pursuant to California Government Code Section 65850.6, qualifying collocation facilities for WCFs shall not be approved with a conditional use permit or conditional use permit amendment. This section does not apply to SWFs.
- a. For the purposes of collocation, the following definitions apply:
 - (1) "Collocation facility" means the placement or installation of WCFs, including antennas, and related equipment, on or immediately adjacent to, a wireless telecommunications collocation facility.
 - (2) "Wireless telecommunications facility" means equipment and network emergency power systems that are integral to providing wireless telecommunications services.
 - (3) "Wireless telecommunications collocation facility" or "WTCF" means a wireless telecommunications facility that includes Collocation facilities.
 - b. A building permit shall be required for a proposed WCF Collocation facility which will be placed on a previously approved WTCF provided that:
 - (1) The new WCF Collocation facility is consistent with requirements for the existing WTCF installation; and
 - (2) The modification of an existing wireless tower or base station does not physically change the dimensions of such tower or base station.
 - c. Approval of an application to construct or reconstruct a WCF wireless facility shall not require an escrow deposit for removal of the WCF Collocation facility or any component thereof.
 - d. Notwithstanding subsection (b) above, the city may require a performance bond or other surety or another form of security if the amount required is rationally related to the cost of removal.
8. Applications from a single provider of wireless communication services for up to 10 SWF permits may be batched and processed together. A single provider may not submit more than one batch of applications at one time. Batched applications will only be accepted prior to 4:00pm Monday through Thursday.

9. Applications must be submitted in-person and with an appointment. Application materials delivered by U.S. mail or other delivery service will not be processed and do not constitute a submitted and duly filed application. An application is not considered duly filed and submitted unless it is provided in-person to a representative of the Community Development Department and assigned a case number or permit number as appropriate.
10. SWFs that propose to use an existing pole, replacement pole or other existing structure shall be required to provide authorization from the pole or structure owner. Authorization may include signatures, letters, agreements or other similar methods acceptable to the city planner or engineering manager. Authorization from the owner in connection with joint utility poles may be evidenced by documentation that shows that authorization has been granted in accordance with the joint pole committee's rules, which may include authorization deemed granted by lapse of time.
11. Exceptions to this policy. The city may grant an exception to the requirements of this policy but only to the extent necessary to avoid conflict with applicable federal or state law. When the applicant requests an exception, the approval authority shall consider the findings in subsection (a) of this section. Each exception is specific to the facts and circumstances in connection with each application. An exception granted in one instance shall not be deemed to create a presumption or expectation that an exception will be granted in any other instance.
 - a. The decision maker may grant an exception to any provision or requirement in this policy only if the decision maker finds that:
 - (1) A denial based on the application's noncompliance with a specific provision or requirement would violate federal law, state law or both; or
 - (2) A provision in this policy, as applied to the applicant, would violate any rights or privileges conferred on the applicant by federal or state law.
 - b. If the decision maker finds that an exception should be granted, the exception shall be narrowly tailored so that the exception deviates from this policy to least extent necessary for compliance with federal or state law.
 - c. The applicant shall have the burden to prove to the decision maker that an exception should be granted pursuant to this section. The standard of evidence shall be the same as required by applicable federal or state law for the issue raised in the applicant's request for an exception.
12. Pre-Application Meetings. Federal laws and policies establish time limitations (referred to as a "shot clock") related to processing of all types of WCFs and SWFs permits. The city is required to act on a WCF or SWF permit within the established shot clock timeframes. Pre-application meetings are strongly encouraged in order to ensure that proposed facilities comply with the requirements of these Guidelines and that application materials include adequate and accurate information. A pre-application meeting is voluntary and is intended to streamline the review process through informal discussion between the potential applicant and staff that includes, without limitation, the appropriate project classification and review process; any latent issues in connection with the proposed project, including compliance with generally applicable rules for public health and safety; potential concealment issues or concerns (if applicable); coordination with other city

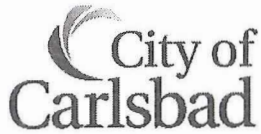
departments responsible for application review; and any foreseen application completeness issues.

13. Pre-approved designs. To expedite the review process, encourage collaborative designs among applicants and the city, and ensure cohesive and high-quality designs for new or replacement poles in areas such as those with decorative streetlights, the engineering manager in consultation with the city planner, may designate one or more pre-approved designs for small wireless facilities and other infrastructure deployments.
 - a. Any applicant may propose a design for consideration as a pre-approved design. The city may, in its discretion, establish a pre-approved design when the proposed pre-approved design exceeds the design guidelines in this policy.
 - b. The city may modify or repeal any pre-approved design by written notice to any applicants who have used the pre-approved design, and by posting the notice at the Land Use Engineering counter. The modification or repeal shall be effective immediately.
 - c. Any applicant may propose to use any pre-approved design whether the applicant initially requested that the city adopt such pre-approved design or not. The city's decision to adopt a preapproved design expresses no preference or requirement that applicants use the specific vendor or manufacturer that fabricated the design depicted in the pre-approved plans. Any other vendor or manufacturer that fabricates a facility to the standards and specifications in the pre-approved design with like materials, finishes and overall quality shall be acceptable as a pre-approved design.
14. A master license agreement or other authorization is required prior to permit submittals for WCF or SWF installations that will locate on city-owned property or facilities.
15. At the time of filing the application, the applicant shall pay all applicable fees contained in the most recent fee schedule adopted by the city council.
16. An applicant may voluntarily elect to defer submittal of any permit or agreement which is otherwise required as part of a whole application. The voluntary deferral of any such permit or agreement shall toll the shot clock on that item. Once the voluntarily deferred item is received, the city will provide comments on any deferred submittal in the same manner as if it was a new application. The city will continue to process all other permits and agreements that are not deferred.

SEVERABILITY:

If any sections, subsections, sentence, clause, or phrase of the policy is for any reason held to be invalid or unconstitutional by the decision or legislation of any court of competent jurisdiction, or by reason of preemptive legislation, such decision or legislation shall not affect the validity of the remaining portions of the policy. The City Council declares that it would have approved this policy, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that one or more of the sections, subsections, sentences, clauses, or phrases thereof is declared invalid or unconstitutional.

These Guidelines have been adopted, and may be amended, by resolution of the City Council. Revisions to address clerical errors may be made administratively by the Director of Community Development.



APPEAL FORM
P-27

Development Services

Planning Division
1635 Faraday Avenue
(760) 602-4610
www.carlsbadca.gov

RECEIVED
JAN 24 2024
CITY OF CARLSBAD
CITY CLERK'S OFFICE

Date of Decision you are appealing: January 17, 2024

Subject of the Appeal:

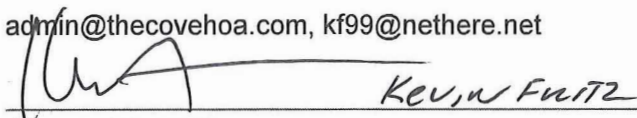
BE SPECIFIC Examples: if the action is a City Planner's Decision, please say so. If a project has multiple applications, (such as a Coastal Development Permit, Planned Unit Development, Minor Conditional Use Permit, etc) please list all of them. If you only want to appeal a part of the whole action, please state that here. Please see fee schedule for the current fee.

Wireless Communications Facility (WCF) proposed for Poinsettia Park
by AT&T CUP 2022-2023 /CDP 2022-0070 (DEV2022-0206)

Reason(s) for the Appeal: PLEASE NOTE: The appeal shall specifically state the reason(s) for the appeal. Failure to specify a reason may result in denial of the appeal, and you will be limited to the grounds stated here when presenting your appeal.

BE SPECIFIC How did the decision-maker err? What about the decision is inconsistent with local laws, plans, or policy? Please see Carlsbad Municipal Code (CMC) Section 21.54.140(b) for additional information (attached). Please attach additional sheets or exhibits if necessary.

The Poinsettia neighborhoods are appealing the Planning Commission's decision on this item based on inconsistencies with Council Policy 64 (CP64) in that there are viable alternative sites in more desirable locations (per Location Guidelines A1 "a-g") than a park in a residential area ("h") listed in the Alternative Sites Analysis that were dismissed because of an incomplete study and/or omitted information. The applicant made only a cursory attempt at co-location, a priority of CP64. Another alternative, AT&T's contingency, was revealed at the remand meeting — this contingency calls for a small cell technology which was not explored. CP64 is being misinterpreted by staff and the spirit and intent of the policy is not at the forefront. The proposed WCF also does not meet all of CP64 aesthetics requirements and the noise assessment is questionable. This lack of information, misinterpretation of CP64, and AT&T unscrupulously forcing their preferred site into the application process led the Planning Commission to arrive at the wrong decision.

NAME (Print): Carlsbad Residents Against Cell Towers in Parks
MAILING ADDRESS: c/o Poinsettia Cove Hoa
P.O. Box 1699
CITY, STATE, ZIP: Carlsbad, CA 92018
TELEPHONE: 760-930-9669
EMAIL ADDRESS: admin@thecovehoa.com, kf99@nethere.net
SIGNATURE: 
DATE: January 24, 2023

Poinsettia Cove Maintenance Corp.

P.O. Box 1699
Carlsbad, CA 92018

Chase Bank
90-7162/3222

2339

01/23/2024

PAY TO THE
ORDER OF City of Carlsbad

\$ **900.00

Nine hundred and 00/100*****

DOLLARS

City of Carlsbad
City of Carlsbad
P.O. Box 9009
Carlsbad, CA 92018


AUTHORIZED SIGNATURE

MEMO
City Council Appeal Fee for AT&T Cell Tower in Poin



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Katie Hentrich, Senior Program Manager
katie.hentrich@carlsbadca.gov, 442-339-2623

Subject: Climate Action Plan Annual Report for Reporting Period 7, Jan. 1, 2023-
Dec. 31, 2023

Districts: All

Recommended Action

Adopt a resolution accepting the Climate Action Plan Annual Report for Reporting Period 7, Jan. 1, 2023-Dec. 31, 2023.

Executive Summary

Carlsbad's Climate Action Plan outlines the city's strategies and policies to reduce greenhouse gas emissions to meet state-mandated targets and the community's goal of promoting a sustainable environment. The plan targets the community's greenhouse gas inventory, a list of emission sources and their associated emissions.

The city implemented several programs, updated city laws and policies and took other steps to surpass the Climate Action Plan's 2020 target, which was to reduce greenhouse gas emissions by 44% below 2012 levels. The Climate Action Plan's target for 2035 is to reduce emissions by 52% below 2012 levels.

As part of the Climate Action Plan's implementation, staff provide a report to the City Council on its progress every year. This report summarizes those activities and results for the calendar year 2023. With the comprehensive update to the Climate Action Plan expected to be completed later this year, this will be the final annual report for the measures and actions within the existing Climate Action Plan.

Explanation & Analysis

The Climate Action Plan includes an inventory of greenhouse gas emissions to identify the magnitude of emissions within the city and to forecast what those emissions will be in coming years. The plan also includes a range of measures and actions the city must pursue to reach its emission reduction targets.

The City Council approved an amendment to the plan on July 14, 2020, revising the greenhouse gas inventory, reduction targets and forecast, updating the anticipated reductions from existing

measures and incorporating community choice energy¹ as a new reduction measure. (Resolution No. 2020-146). The City Council also approved a related addendum to the plan's environmental impact report.

Progress in 2023

The city continued to make progress on implementing the Climate Action Plan during 2023. Notable accomplishments include:

- Continued implementation of:
 - City ordinances related to energy efficiency, solar photovoltaic energy and alternative water heating in new construction and major renovations.
 - The Carlsbad Green Business Program, which encourages businesses to conserve energy, water and other resources and recognizes their successes in those efforts. In 2023, 18 more businesses were certified, bringing the total to 32.
 - The Home Energy Score Assessment pilot program, which provides free energy assessments to Carlsbad residents. In 2023, 52 households participated in the pilot program, bringing the total to 73.
 - The city's Transportation Demand Management ordinance, which requires businesses of a certain size to prepare a plan to reduce the number of single-occupant vehicle trips by employees.
 - Climate Action Plan measures and actions related to:
 - Energy-efficiency retrofits at city facilities
 - Installation of electric vehicle charging stations at city facilities
 - Purchasing plug-in hybrid and electric fleet vehicles
- Continued hosting a #CaliforniansForAll College Corps climate fellow
- Coordinated with regional partners such as the San Diego Association of Governments (SANDAG), other local jurisdictions and the San Diego Regional Climate Collaborative

More implementation details are included in Attachment A to Exhibit 1.

Status of the Climate Action Plan update

Following the direction of the City Council, staff have been working with a consultant since 2021² to prepare a comprehensive update to the Climate Action Plan. This update is intended to meet two state targets, to:

- Reduce emissions to 50% below 2016 levels by 2035
- Reduce emissions to 85% below 2016 levels by 2045

¹ Community choice energy refers to cities and counties buying electricity on behalf of their residents and businesses, which enables them to select more environmentally friendly energy sources than are offered by existing investor-owned utility companies. The Clean Energy Alliance is Carlsbad's community choice energy source.

² On April 19, 2022, the City Council directed staff to use a customized run of SANDAG's most recent activity-based model in the Climate Action Plan update to forecast the impact of potential actions. This was done to align with the land use assumptions and analysis prepared to support the Housing Element rezoning program, as well as to avoid additional staff time and consultant costs. The customized data from SANDAG was significantly delayed and staff did not receive the necessary data until spring 2023.

In 2023, the consultant's team and staff prepared an updated greenhouse gas inventory and projections, analyzed and developed potential measures to include in the updated Climate Action Plan, shared the potential measures with the public and the City Council, and received input on the potential measures, as described further in the Community Engagement section. Staff began reviewing this public input and preparing an implementation cost analysis by the end of the reporting period.

Community Engagement

During the reporting period, Phase II of public engagement for the Climate Action Plan update was completed. During this phase, staff held meetings with stakeholders to discuss the proposed measures and get feedback, as well as to share a summary of the measures through an online survey in which community members could provide input.

To help raise awareness of the Climate Action Plan Update, city staff attended local events, community centers and parks to discuss the proposed measures and invite feedback. The online survey was promoted through the city's communication channels, including e-newsletters, social media, a news release and direct emails to interested stakeholders, including those who previously provided feedback during Phase I. A public input summary report is being prepared and will be included as an appendix in the updated Climate Action Plan.

The city also continued participating in the #CaliforniansForAll College Corps program, a volunteer service initiative that pairs college students with local governments and community-based organizations. The city was paired with a fellow from the University of San Diego, who supported several outreach activities related to the updated Climate Action Plan.

Fiscal Analysis

There is no fiscal impact associated with this report.

Next Steps

Staff plan to share a public draft of the updated Climate Action Plan, appendices including an implementation cost analysis and updated public input summary report, and the review document by early summer 2024.

Staff anticipate presenting the final Climate Action Plan to the Planning Commission and the City Council in late summer 2024, after a public review period. Staff will continue to implement the existing Climate Action Plan until then.

Environmental Evaluation

The California Environmental Quality Act and its implementing regulations, the CEQA Guidelines, adopted by the Secretary of the California Natural Resources Agency, list classes of projects that have been determined not to have a significant effect on the environment and as a result are exempt from further environmental review under CEQA. The City Planner has determined that this report is statutorily exempt from the requirements of CEQA under CEQA Guidelines sections 15378(b)(5), which exempts organizational or administrative activities of governments that will not result in direct or indirect changes to the environment. The organizational and administrative activity relates to annually reporting on the Climate Action Plan. This general direction does not have a legally binding effect on any possible future discretionary action.

Exhibits

1. City Council resolution
2. [Climate Action Plan](#), as amended in 2020 (on file in the Office of the City Clerk)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, ACCEPTING THE CLIMATE ACTION PLAN ANNUAL REPORT FOR REPORTING PERIOD 7, JAN. 1, 2023-DEC. 31, 2023

WHEREAS, on Sept. 22, 2015, the City Council adopted a Climate Action Plan along with the General Plan Update and associated Environmental Impact Report with Resolution Nos. 2015-244 and 2015-242, respectively; and

WHEREAS, on July 14, 2020, the City Council adopted Resolution No. 2020-146, approving the Climate Action Plan Amendment No. 1, which revised the greenhouse gas inventory, reduction targets and forecasts, updated reductions from existing measures and incorporated community choice energy as a new reduction measure; and

WHEREAS, the purpose of the Climate Action Plan is to describe how greenhouse gas emissions within the City of Carlsbad will be reduced in accordance with statewide targets; and

WHEREAS, the statewide targets used for the Climate Action Plan are derived from the Governor’s Executive Order S-3-05 and the Global Warming Solutions Act of 2005, Assembly Bill 32; and

WHEREAS, the Climate Action Plan calls for annual monitoring and preparation of an annual report to be presented to the City Council at a public meeting; and

WHEREAS, staff prepared the Annual Report for Reporting Period 7, Jan. 1, 2023-Dec. 31, 2023, which is referenced herein and presented to the City Council on April 16, 2024.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the City Council hereby accepts the Climate Action Plan Annual Report for Reporting Period 7, Jan. 1, 2023 – Dec. 31, 2023, attached hereto as Attachment A.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the __ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

City of Carlsbad Climate Action Plan Annual Report

Reporting Period 7: Jan 1, 2023 – Dec. 31, 2023

April 16, 2024

City of Carlsbad
Environmental Sustainability
1635 Faraday Avenue
Carlsbad, CA 92008
Contact: Katie Hentrich, Climate Action Plan Administrator
katie.hentrich@carlsbadca.gov; 442-339-2623



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I. Executive Summary

The purpose of this document is to provide an update on the status of implementation of the Climate Action Plan (CAP) that occurred during the most recent reporting period. The CAP requires that the city annually monitor and report on CAP implementation activities and present this report to the City Council in a public meeting. This annual report for Year 7 (AR7) covers the period from Jan. 1, 2023, to Dec. 31, 2023.

The CAP established a 2012 baseline of 977,000 metric tons of carbon dioxide equivalent (MTCO₂e). This baseline was used to project greenhouse gas (GHG) emissions into the future and set targets within the CAP; specifically, the CAP sets goals to reduce GHG emissions by 4% below the 2012 baseline by 2020 (a reduction of approximately 39,080 MTCO₂e) and 52% below baseline by 2035 (a reduction of approximately 508,040 MTCO₂e). The most recent complete GHG inventory from 2018¹ shows the city surpassing its 2020 targets with a 4.8% reduction in GHG emissions (a reduction of approximately 47,000 MTCO₂e), as seen in Figure 1.

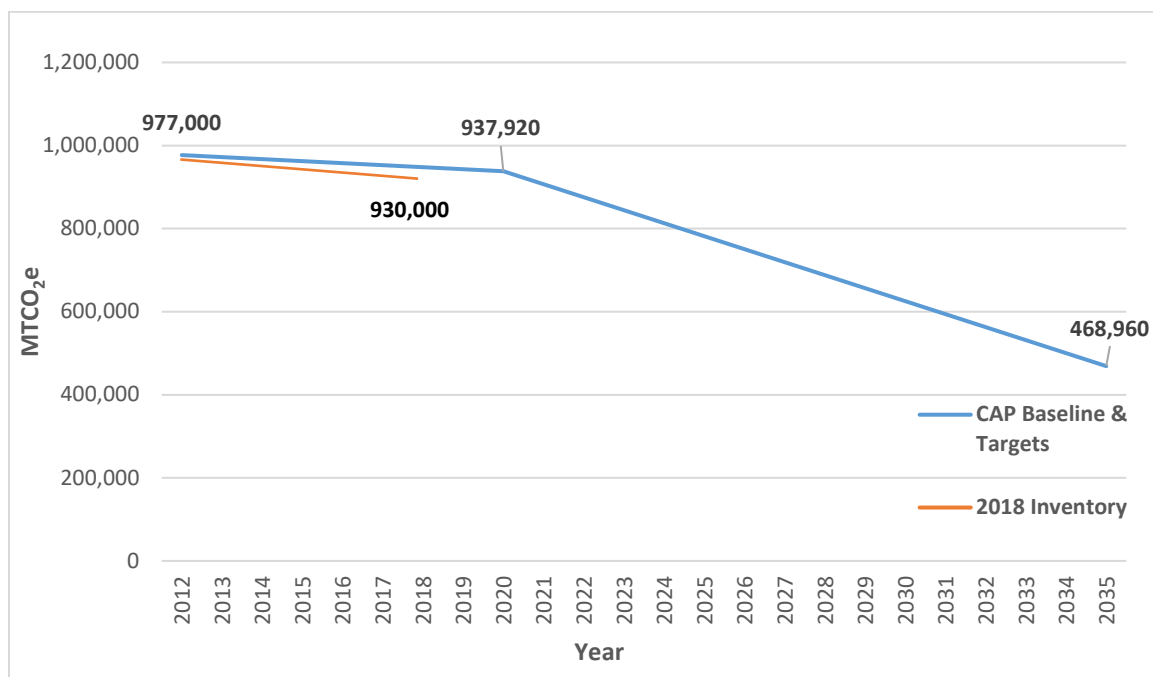


Figure 1. GHG Emissions Baseline, Reductions, and Targets

¹ More details on this and other GHG inventories are included in Section VI.

The CAP includes measures and actions that the city must pursue to meet its GHG reduction targets. There are 12 measures and 35 actions included in the CAP². Through Year 7, 16 actions have been completed, 15 are in progress and on schedule, 3 are in progress and delayed, and 1 action has no progress³. Figure 2 shows this information as percentages.

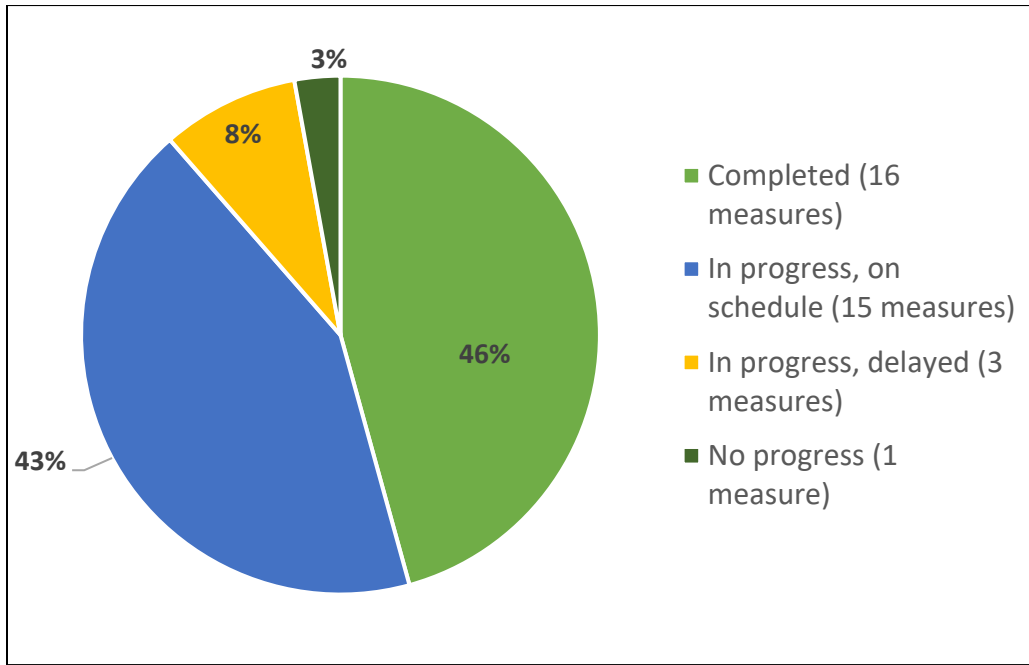


Figure 2. AR7 CAP Action Status

II. Background

The City of Carlsbad’s CAP was adopted on Sept. 22, 2015, along with the General Plan Update and associated Environmental Impact Report (EIR). The purpose of the CAP is to describe how GHG emissions within Carlsbad will be reduced in accordance with statewide targets. The CAP was updated and amended on July 14, 2020 (CAP Amendment No. 1). This amendment revised the GHG inventory and reduction targets and forecast, updated reductions from existing measures, added a new reduction measure, and incorporated new regional and statewide

² A list of CAP measures can be found in Table 2 and implementation status of each measure and action can be found in Appendix A.

³ Actions categorized as “completed” met the implementation goals in the time indicated in the CAP; however, some of these actions continue to be implemented and are denoted as such. Actions with an “ongoing” implementation timeframe were assumed to be “in progress” versus “completed”, since implementation of the measures continues for the duration of CAP implementation.

guidance and protocols; an Addendum to the EIR was also prepared. Since CAP Amendment No. 1 is the currently adopted CAP, its details are reflected throughout this report.

Chapter 2 of the CAP contains information about the 2012 GHG inventory. A GHG inventory identifies the major sources and overall magnitude of GHG emissions in the city using standard modeling methods and protocols. Typical inputs include electricity consumed, natural gas consumed, vehicles miles traveled (VMT), solid waste disposed, wastewater treated, and potable and recycled water used.

Chapter 3 of the CAP contains a discussion of the forecasting used to determine the city's GHG targets for 2020 and 2035, as well as the GHG reductions anticipated by state and federal policies and certain General Plan policies.

Chapter 4 of the CAP describes the additional measures and actions that the city must pursue to reach its GHG emissions reduction targets.

To implement these additional measures and actions, the city needed to identify and allocate appropriate funding. Therefore, after CAP adoption, staff contracted with University of San Diego's Energy Policy Initiatives Center (EPIC) to study incremental internal costs to the city for CAP implementation. All the participating city departments and divisions were surveyed to quantify the resources needed to effectively implement the CAP.

On Feb. 23, 2016, staff presented the findings of the study to City Council and noted that these costs would be included in subsequent departmental budget requests. Most recently, on Oct. 11, 2022, the City Council approved the Five-Year Strategic Plan with policy goals to reflect the most important priorities of the community, with sustainability and the natural environment included as one of those values. GHG emissions are included as a key performance indicator and implementation of the CAP is listed as a strategic objective.

CAP implementation is a team effort involving several city departments and divisions, coordinated by the CAP Administrator. The interdepartmental CAP implementation team consists of: Public Works (PW) Branch – Fleet & Facilities, Traffic and Mobility, Environmental Sustainability and Utilities; Community Services – Community Development, Parks & Recreation; Administrative Services – Finance; City Attorney; and City Manager – Communication & Engagement.

Figure 3 and Table 1 below show the 2012 GHG emissions graphically and in tabular form for the entire city, including emissions from both municipal operations and the community. Municipal operations constitute approximately 1% of all GHG emissions. Since there are several different types of GHGs, GHG emissions are typically expressed in MTCO_{2e} to allow for standardization and comparison.

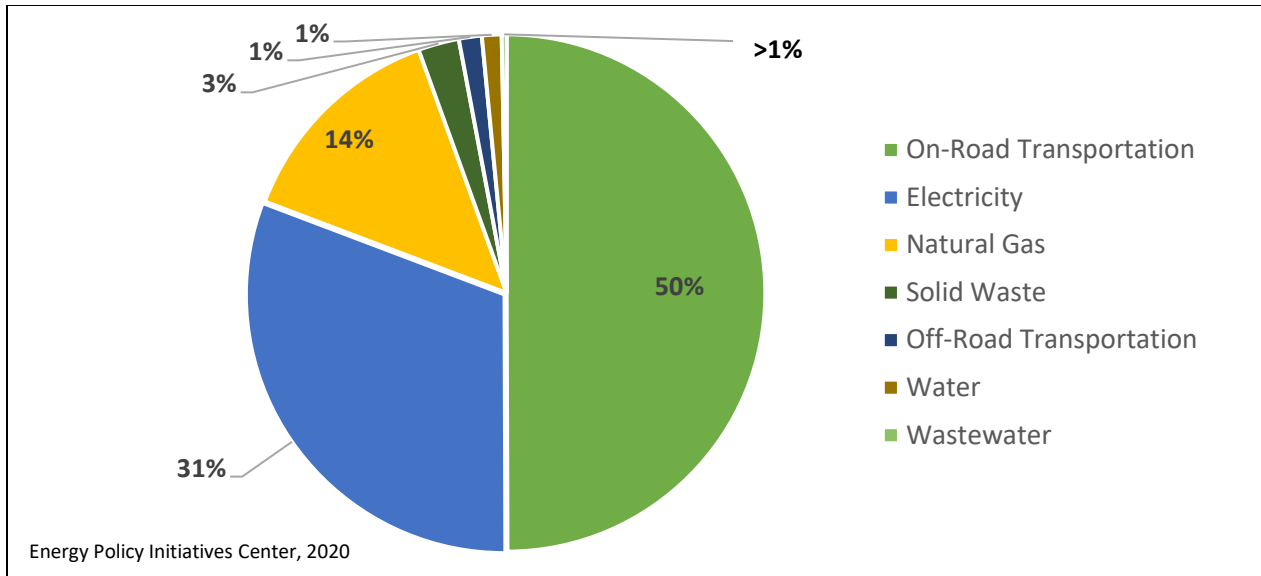


Figure 3 – 2012 Community GHG Emissions by Sector

Table 1 – 2012 Community GHG Emissions by Sector

Emissions Category	GHG Emissions (MTCO ₂ e)	Percentage of Total Emissions (%)
On-Road Transportation	488,000	49.9
Electricity	301,000	30.8
Natural Gas	134,000	13.7
Solid Waste	25,000	2.5
Off-Road Transportation	14,000	1.4
Water	12,000	1.2
Wastewater	3,000	<1
Total	977,000	100

Emissions in each category are rounded. Sum may not add up to totals due to rounding.

Energy Policy Initiatives Center, 2020

Of the total emissions in 2012, 97% are attributed to the residential, commercial, industrial, and transportation sectors (e.g., buildings, automobiles). This emissions profile by sector is typical of other cities; therefore, like most other CAPs, Carlsbad’s CAP focuses primarily on GHG emission reduction strategies in these sectors.

EPIC conducted forecasts for the Carlsbad CAP for 2020 and 2035 GHG emissions. The CAP used the 2012 inventory as the baseline. The first step in forecasting is to determine what is known

as the “Business-As-Usual” (BAU) projection. This projection is the amount of GHG emissions increase anticipated over time due to population and job growth and vehicular traffic levels. The forecast then deducts the anticipated emission reductions derived from state and federal policies, such as low carbon fuel standards, building energy code requirements, and requirements for utilities to provide electricity from renewable energy sources; these reductions are known as the “legislatively adjusted BAU”, as shown in Figure 4.

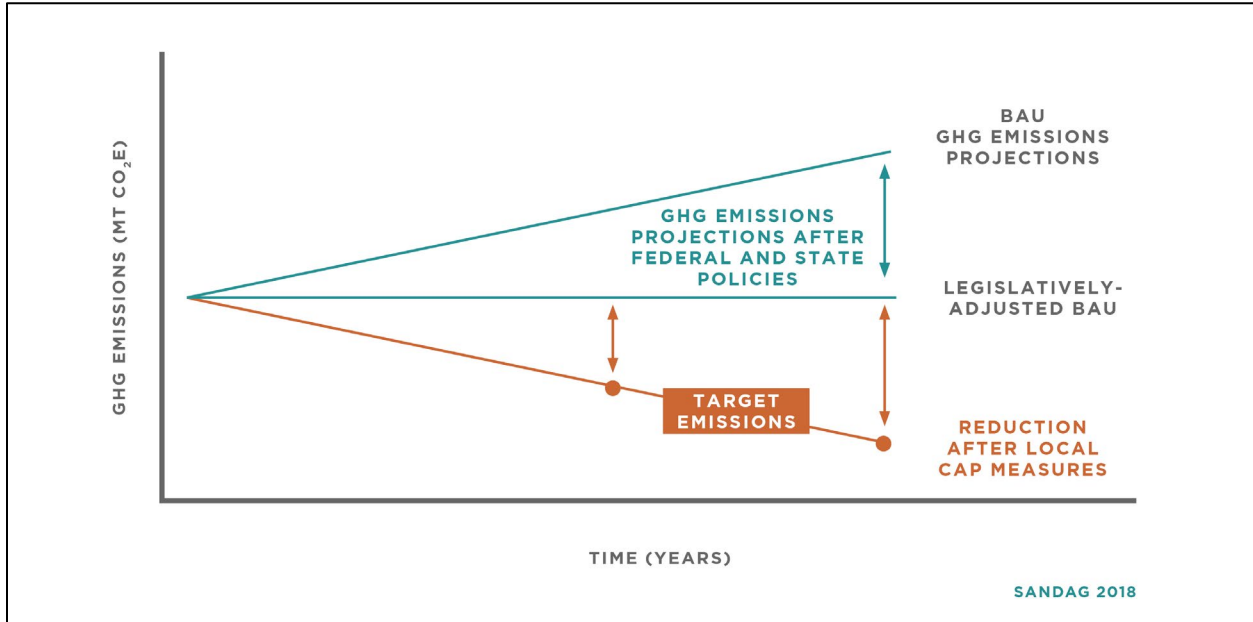


Figure 4. Sample CAP projections and targets

The Carlsbad CAP considered another category of anticipated GHG emissions reduction from the BAU and legislatively adjusted BAU projections: additional General Plan policies and actions. These policies and actions deal with the transportation sector and include bikeway and pedestrian system improvements, traffic calming, parking facilities and policies, and transportation system improvements. After deducting these anticipated GHG emissions reductions from the BAU projection, the model then calculates the amount of additional GHG emissions reductions needed to reach the 2020 and 2035 targets.

The statewide targets used for the CAP are taken from Executive Order (EO) S-3-05 and the Global Warming Solutions Act of 2006, Assembly Bill (AB) 32. Collectively they call for a reduction to 1990 levels by 2020 and 80% below 1990 levels by 2050. For Carlsbad, the targets are 4% below the 2012 baseline by 2020 and 52% below the 2012 baseline by 2035. Prior to 2020, Carlsbad had surpassed the reductions needed to meet the 2020 goal.

The additional GHG emission reductions necessary to reach the targets are known as the CAP measures; these measures are noted in Table 2. Each measure has actions, which once implemented by the city, should result in the modeled GHG emissions reductions, also shown in

Table 2. Since CAP Amendment No. 1 removed some of the measures included in the 2015 CAP, the measures have some letters “missing.”

Table 2 – CAP Measures and GHG Reductions

Measure Letter	GHG Reduction Measures	GHG Reductions in 2035 (MTCO ₂ e)
B	Install commercial and industrial photovoltaic (PV) systems	4,457
D	Encourage single-family residential efficiency retrofits	7,986
E	Encourage multi-family residential efficiency retrofits	3,993
F	Encourage commercial and city facility efficiency retrofits	7,579
I	Replace Incandescent bulbs with light-emitting diode (LED) bulbs	22
J	New construction residential and commercial solar water heater/heat pump installation & retrofit of existing residential	2,813
K	Promote Transportation Demand Management	6,325
L	Increase zero-emission vehicles travel	49,912
M	Develop more citywide renewable energy projects	2,774
N	Reduce the GHG intensity of water supply conveyance, treatment and delivery	713
O	Encourage the installation of greywater and rainwater systems	137
P	Implement Community Choice Energy	56,207
Total GHG Reductions		142,918

III. CAP Measures and Actions

The CAP measures listed in Table 2 can be grouped into four strategy areas: Energy Efficiency, Renewable Energy (including Clean Electricity), Transportation, and Water. For each of the

measures, there are detailed actions that, taken together, should result in the anticipated GHG emission reductions.

The following section describes the progress made by the city in implementing the CAP measures and actions, organized by the different strategy areas. A more detailed description of activities conducted for each CAP action, along with the 2035 performance goals for each measure, is contained in Appendix A of this report. The activities involving public outreach and education are described in a separate section, since those efforts encompass all strategy areas.

A. Energy Efficiency

Energy efficiency is an important component to reducing energy consumption and lowering GHG emissions. The State of California’s Energy Commission (CEC) has adopted a “loading order,” or a prioritized list of actions needed to reduce energy use, and energy efficiency is at the top of the list. For Carlsbad, energy efficiency CAP measures account for approximately 15%⁴ of the planned GHG emission reductions.

Measures D, E, F, and I all deal with energy efficiency, both in community and municipal operations. These measures call for ordinances mandating energy efficiency improvements in residential and non-residential construction, implementation of energy conservation measures in city facilities, and promotion of energy efficiency rebate and incentive programs.

B. Renewable Energy

The provision of energy through distributed renewable sources can significantly reduce the need for electricity from the grid and, therefore, lower GHG emissions. The CEC’s loading order prioritization of energy efficiency is to lessen the amount of energy used, thereby minimizing the size and cost of the renewable energy system needed to power the building. According to the CAP, renewable energy measures will account for approximately 46%⁵ of the planned GHG emission reductions.

Measures B, J, M, and P relate to community and city renewable energy improvements and increasing the amount of renewable energy on the electrical grid. These measures include ordinances requiring solar photovoltaic (PV) systems in new non-residential construction and existing commercial buildings, alternative energy water heating systems, citywide renewable energy projects, promotion of renewable energy rebate and incentive programs, and participation in a community choice energy program.

C. Transportation

There are two primary facets of GHG emission reductions related to transportation. The first is to reduce the number of miles a vehicle is driven. Reducing the length of trips and/or the need

⁴ This value is rounded.

⁵ This value is rounded.

to use a motorized vehicle can significantly reduce GHG emissions. The second facet is to reduce or eliminate the GHG emissions coming from vehicles. Known as low- or zero-emission vehicles (ZEVs), these automobiles include alternative-fueled vehicles, hybrids, and electric vehicles (EVs). In the CAP, transportation-related measures account for approximately 39%⁶ of the planned GHG emission reductions.

Measures K and L address transportation-related GHG emission reductions. Measure K relates to reducing vehicle miles traveled (VMT) and is closely tied to policies contained in the General Plan Mobility Element. These measures include implementing the Transportation Demand Management (TDM) ordinance for non-residential development that meets the ordinance’s trip threshold; data from this ordinance is tracked through the city’s online permit database. These measures also include implementing elements of the TDM Plan and making updates to the TDM Handbook, as needed.

Measure L involves reducing tailpipe emissions through an increase in the proportion of low-emission vehicles and ZEVs on the road. Staff continued implementation of an ordinance requiring installation of EV-charging infrastructure for all new residential and non-residential development and major renovations of existing residential buildings; data for this ordinance is tracked in the city’s online permit database. However, the 2022 California Building Code expanded the number, location, and dimension of required EV parking spaces and “EV-ready” spaces. 2023 was the first year this became a mandatory part of the state’s Building Code, therefore fewer permits were subject to the city’s reach code.

D. Water

Water conservation can lower GHG emissions because movement of water and wastewater requires energy. Measures N and O promote increasing energy efficiency in the potable water, recycled water, and wastewater conveyance systems and using greywater and rainwater collection systems. In the Carlsbad CAP, water measures account for less than 1%⁷ of the planned GHG emissions reductions.

The Carlsbad Municipal Water District (CMWD) analyzes energy usage of their pumps and endeavors to increase energy efficiency of equipment whenever it is replaced. Implementation of the actions associated with Measures N and O will continue in the mid- to long-term timeframe.

E. Public Outreach and Education

In addition to the provision of energy-efficient buildings or the availability of PV systems and EVs, a critical component to reducing GHG emissions is encouraging members of the public to

⁶ This value is rounded.

⁷ This value is rounded.

engage in behaviors that reduce GHG emissions. Bike lanes, pedestrian improvements, and transit expansion only reduce GHG emissions if people use them. Measures D, E, F, and I all contain actions related to public outreach and education.

IV. Monitoring

Monitoring of CAP implementation can be divided into three general areas: 1) progress on implementing the CAP Actions; 2) progress on reaching the CAP measures’ performance goals; and 3) progress in reaching the CAP GHG emission reduction targets for 2035.

A detailed description of the activities undertaken to implement the CAP actions is contained in Appendix A. Regarding the CAP measures and their corresponding performance goals, there is variability in the monitoring data sources. This data will be collected during the biennial GHG inventory process, conducted by SANDAG, and reported in the corresponding CAP Annual Report.

A. Renewable Energy

Measure B involves increasing the amount of solar PV systems in Carlsbad. Data for the reporting period were obtained from the city's online permit database. Table 3 shows the number and capacity in kilowatts (kW) of PV system installations in the residential and non-residential sectors during the reporting period.

Table 3 – PV System Installations in Reporting Period 7 (Jan. 1, 2023 – Dec. 31, 2023)

Sector	Total Finaled Permits (#)	Total Capacity (kW)	Highest Capacity Project (kW)	Lowest Capacity Project (kW)	Median Project Capacity (kW)
Residential	1,816	12,216.05	26.4	0.73	5.2
Non-residential	20	5,243.64	723.60	3.24	126.20

As of January 2020, the California Building Code requires PV in new residential construction, which is a contributing factor to the increase in residential PV. Because of this legislation, CAP Amendment No. 1 removed the residential PV measure and subsequent target. Figure 5 shows the non-residential PV installations as it relates to the CAP projections and target. The data was obtained from the city’s online permit database.

As seen in Figure 5, the non-residential installations currently exceed the trend line amount for reaching the CAP target of 33.54 MW of capacity by 2035. Through 2023, 25.06 MW have been installed.

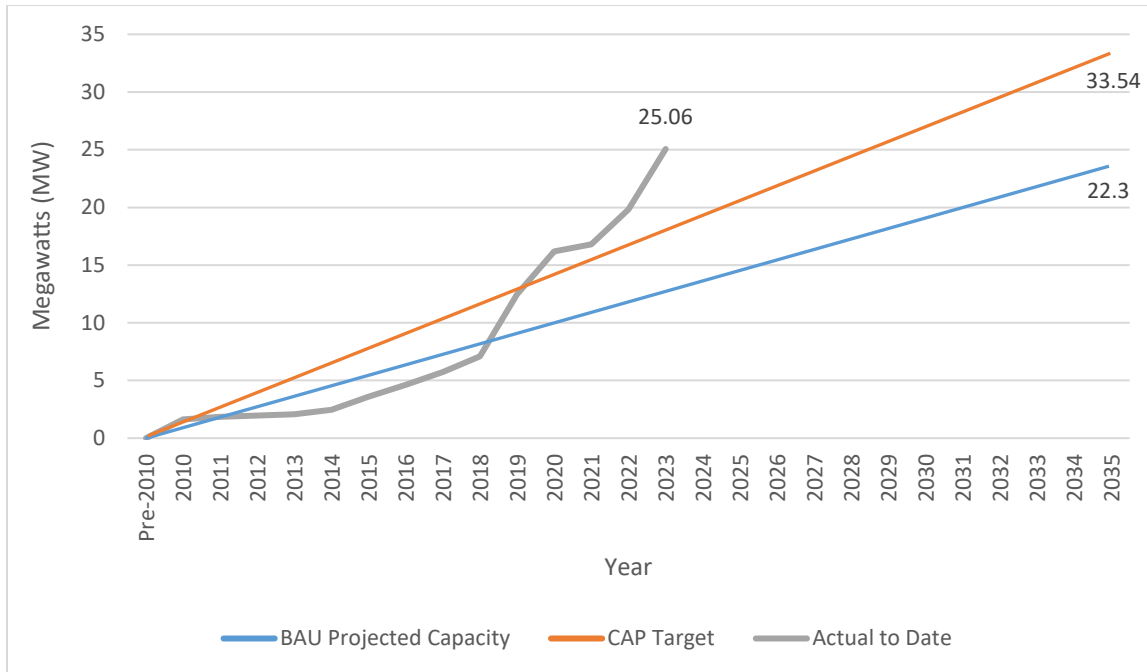


Figure 5 – Non-residential PV Installations and CAP Projections and Target

B. Electric Vehicles

CAP Measure L involves promoting an increase in the proportion of ZEV miles traveled, specifically EVs, of total VMT. One way to promote an increase in EV ownership and use is to increase the number and locations of publicly available EV charging stations.

The California Air Resources Board (CARB) administers the Air Quality Improvement Program (AQIP), intended to fund clean vehicle and equipment projects, air quality research, and workforce training. One of the AQIP programs is the Clean Vehicle Rebate Program (CVRP). Administered by the Center for Sustainable Energy (CSE), the CVRP provides rebates for the purchase or lease of clean vehicles. CVRP participation statistics can be used to gauge EV ownership. Figure 6 shows the annual CVRP participation within Carlsbad, expressed through number of rebates, from March 2011 through November 2023, after which the CVRP stopped accepting new applications⁸.

⁸ Center for Sustainable Energy (2023). California Air Resources Board Clean Vehicle Rebate Project, Rebate Statistics. Data last updated Jan. 23, 2024. Retrieved Feb. 14, 2024 from <https://cleanvehiclerebate.org/en/rebate-statistic>

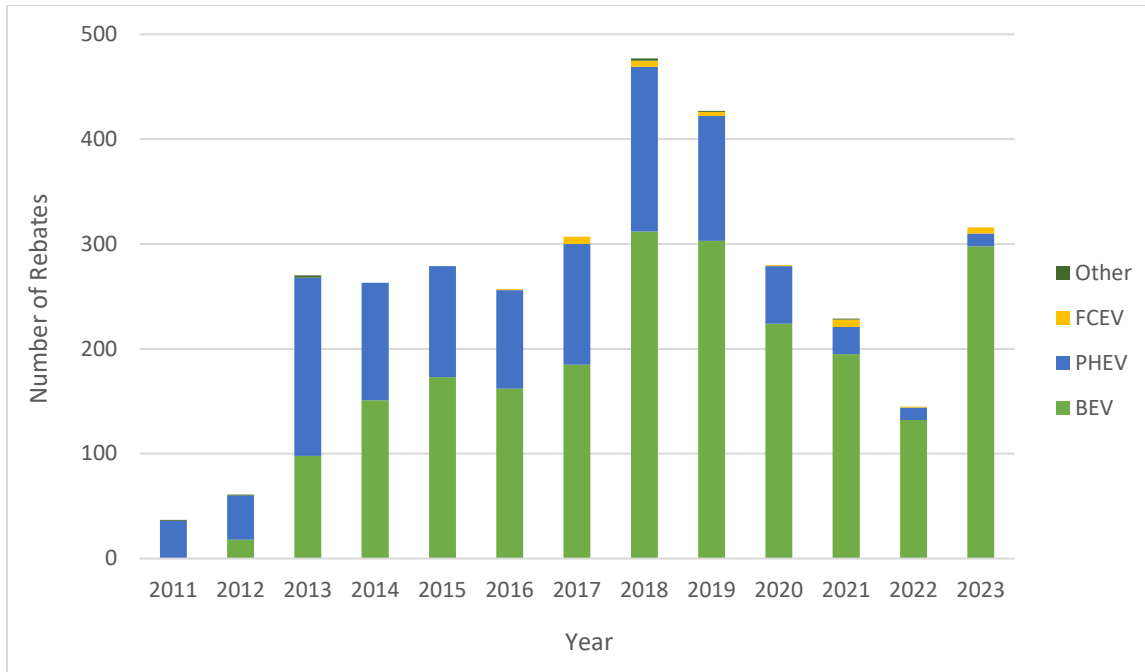


Figure 6 – CVRP Participation in Carlsbad – March 2011 through November 2023⁹

Data for the reporting period is available from January 2023 to November 2023, and CVRP participation is available in Table 4. The city also continues to acquire clean vehicles as part of its fleet conversion strategy; during the reporting period, the city purchased six plug-in hybrid electric vehicles (PHEVs) and EVs.

Table 4. CVRP participation in Carlsbad – January 2023 to November 2023

Clean Vehicle Type	Number of Rebates
Battery electric vehicle (BEV)	298
Plug-in hybrid electric vehicle (PHEV)	12
Fuel cell electric vehicle (FCEV)	6
Other	0

C. General Plan Transportation Policies

In addition to the CAP Measures and Actions described in Section III of this report, the CAP also relies upon implementation of some transportation-related General Plan policies for GHG reductions. These policies involve bikeway system improvements, pedestrian improvements and increased connectivity, traffic calming, parking facilities and policies, and transportation

⁹ BEV = battery-electric vehicle; PHEV = plug-in hybrid electric vehicle; FCEV = fuel-cell electric vehicle; other = non-highway, motorcycle & commercial BEV.

improvements. While the overall GHG reduction of these General Plan policies is relatively small (approximately 7.6% of 2035 reductions), it is important to track progress in completing these improvements because they contribute to increased and multimodal mobility within the city.

During the reporting period, green paint was installed at 37 bike lane locations throughout the city, six miles of new bike lanes were installed, and over 16 miles of bike lanes were improved through the east/west corridors resurfacing and restriping effort. The city currently has 195.19 miles of bikeways, as shown in Figure 7.

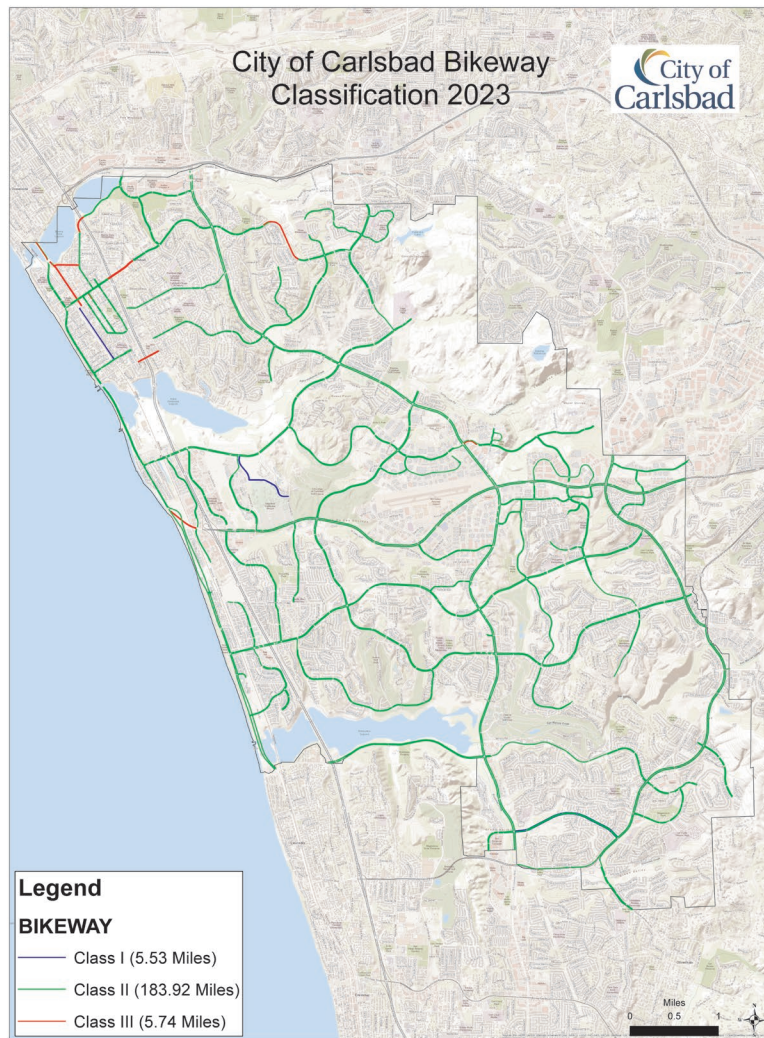


Figure 7 – Bikeways by Classification

Parking Facilities and Policies

On Sept. 26, 2017, the City Council accepted a Parking Management Plan (PMP) for the Carlsbad Village, Barrio and Beach Area, which contains many of the parking policies described in the CAP. Implementation of the plan will occur through the Carlsbad Village and Barrio Master Plan, which was adopted by the City Council on July 24, 2018. The recommendations in the PMP include hiring a parking program manager, incentivizing shared and leased parking, reducing parking requirements, allowing bicycle parking as a replacement for required parking, and installing digital parking locator infrastructure and wayfinding signs.

The most recent parking studies of the downtown area Parking Study identified that the parking demand increased from earlier years in some beach and business areas, but that the conclusions and recommendations were the same. Additionally, a new state law was enacted in 2022 (Assembly Bill or AB 2097) that prohibits a local jurisdiction from imposing or enforcing minimum parking requirements for projects within one-half mile of a major transit stop or high-quality transit corridor, with exceptions. Therefore, AB 2097 restricts a local government's ability to provide parking standards in most of the Carlsbad Village and Barrio Master Plan area due to its proximity to the Carlsbad Village Coaster station. City staff is currently reviewing the associated plans to ensure consistency with state law, while adequately managing existing and future parking demands in the downtown area.

Transportation Improvements

During the reporting period, staff continued to develop the programs and projects identified in the Sustainable Mobility Plan. The Sustainable Mobility Plan consolidates decades of planning and community input to plan the city's future active transportation networks, improve transportation-related safety, reduce GHG emissions and VMT, and shift how residents get around the city away from private automobiles toward modes that are more sustainable. Some of the specific actions completed during the reporting period include:

- To balance the needs of all roadway users, the city has resurfaced and restriped approximately 16 miles of several east-west roadways throughout the city, which included travel lane narrowing, and in some cases a reduced number of car lanes and expanded bike lanes and buffer areas between bike and car lanes
- Implementation of 10 new traffic calming projects citywide to reduce speeding in residential neighborhoods
- Installation of 2,551 feet of new sidewalks
- Continued development of Safe Routes to School plans for four schools in the city including Hope Elementary, Jefferson Elementary, Sage Creek High School and Aviara Oaks Elementary / Middle Schools

- Provided 24 e-bike safety courses for over 1,000 middle and high school students in coordination with the Carlsbad Unified School District
- Initiated key program recommendations from the Sustainable Mobility Plan, including the annual active transportation monitoring program, adult cycling education and Growth Management Plan monitoring
- Coordinated with the Carlsbad Tourism Business Improvement District to launch a sustainable transportation initiative including a complimentary electric shuttle service available to hotel guests staying in Carlsbad, which is a service that aims to provide a convenient and sustainable travel option for visitors

D. New Development Projects

The CAP serves as an environmental review tiering document, or “Qualified CAP,” pursuant to Section 15183.5 of the California Environmental Quality Act (CEQA) Guidelines. MTCO₂e must either demonstrate consistency with the CAP or submit a project specific GHG analysis for review and approval.

To evaluate project CAP consistency, the Planning Division uses the CAP Consistency Checklist (Checklist) and accompanying Guidance for Demonstrating Consistency with the CAP – For Discretionary Projects Subject to CEQA (Guidance). The Checklist and Guidance are available at: <http://www.carlsbadca.gov/services/building/forms/default.asp>.

During the reporting period, no projects exceeded the 900 MTCO₂e threshold; therefore, no projects were subject to CEQA CAP compliance review.

V. GHG Emissions Inventories

As part of its Climate program, SANDAG coordinates with local jurisdictions to prepare biennial GHG inventories. These inventories are based upon energy consumption data from San Diego Gas & Electric (SDGE), VMT modeling data from SANDAG, and other information such as waste disposal and water consumption. These inventories, along with other local GHG reduction activity, are released as a jurisdiction-specific “ReCAP Snapshot.” To date, SANDAG has released 2016, 2018, and 2020 Snapshots¹⁰, though the 2020 ReCAP Snapshot was incomplete¹¹. A 2022 Snapshot is expected later in 2024. Figure 8 shows the 2016, 2018, and 2020 Snapshot data.

¹⁰ All ReCAP Snapshot data are available on SANDAG’s website at: <https://opendata.sandag.org/stories/s/pd9g-cay7>

¹¹ The SANDAG 2020 ReCAP Snapshots state that “on-road transportation has been omitted due to the lack of suitable data for the 2020 year...the Covid-19 pandemic had extreme effects on regional transportation and the [Activity Based Model] had no way of anticipating these effects” and that the observed data available “does not have enough detail to provide accurate VMT estimates for individual jurisdictions within the region.”

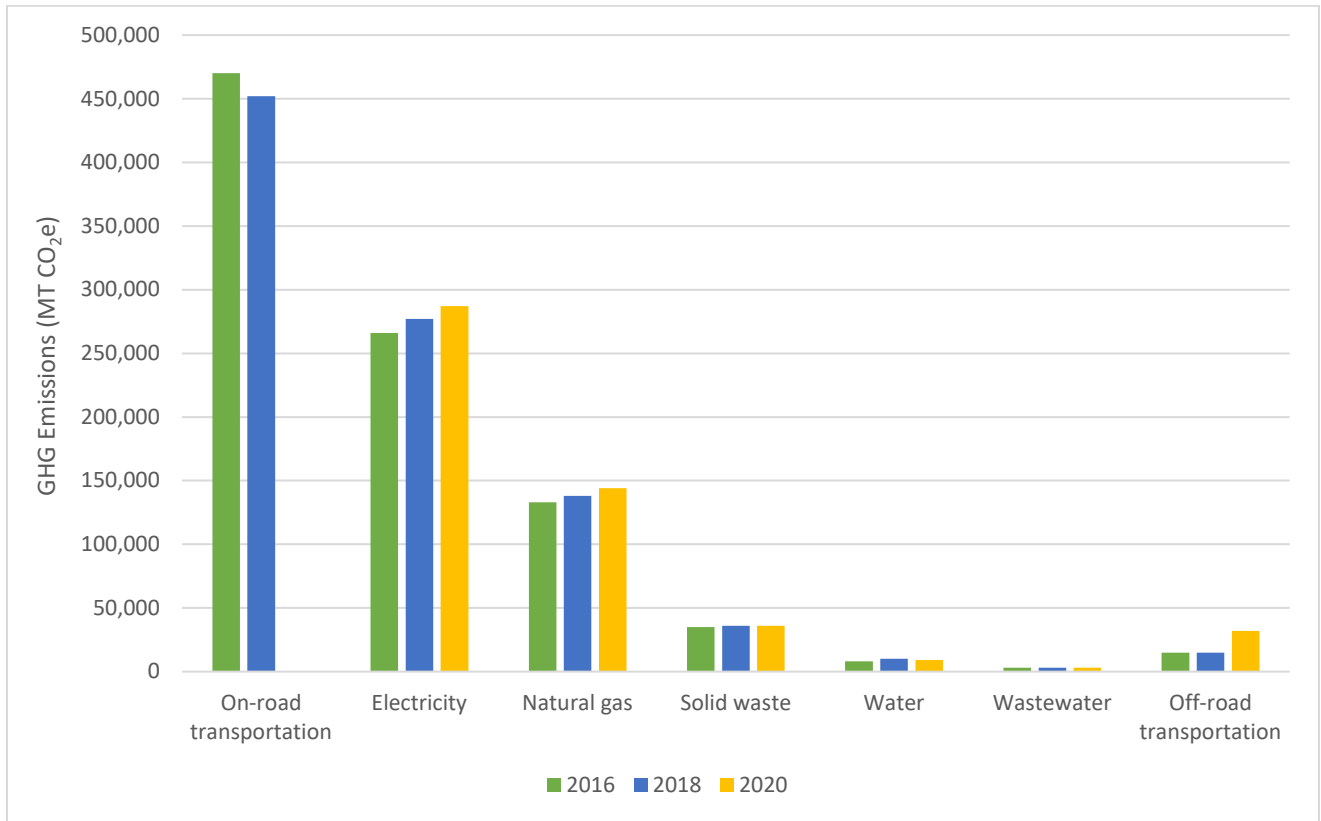


Figure 8– 2016, 2018, and 2020 Community GHG Emissions by Sector¹²

As discussed in Section I of this report, the CAP sets goals to reduce GHG emissions by 4% below the 2012 baseline by 2020 (a reduction of approximately 39,080 MTCO₂e) and 52% below baseline by 2035 (a reduction of approximately 508,040 MTCO₂e). The most recent complete GHG inventory from 2018 shows the city surpassing its 2020 targets with a 4.8% reduction in GHG emissions (a reduction of approximately 47,000 MTCO₂e). This trendline can be seen in Figure 1 in Section I.

¹² Methodologies used to calculate GHG emissions for different emission sectors change from inventory year to inventory year; therefore, comparisons to other years should be done with that understanding. Specific details about what data sources have changed from inventory to inventory are available in SANDAG’s ReCAP Snapshots.

VI. CAP Update

Following the direction of the City Council, staff have been working with a consultant to prepare a comprehensive update to the Climate Action Plan since 2021¹³. This update is intended to meet two state targets: to reduce emissions to 50% below 2016 levels by 2035 and to reduce emissions to 85% below 2016 levels by 2045. During the reporting period, the consultant’s team and staff prepared an updated greenhouse gas inventory and projections, analyzed and developed potential measures to be included in the updated Climate Action Plan, shared the potential measures with the public and the City Council, and received input on the potential measures. Staff had begun reviewing this public input and preparing an implementation cost analysis by the end of the reporting period.

Staff plan to share a public draft of the updated Climate Action Plan, appendices, and environmental document by early summer 2024. After a review period, staff anticipate presenting the final Climate Action Plan to the Planning Commission and the City Council in late summer 2024.

VII. Conclusion

During the seventh CAP reporting period, staff continued to make progress in carrying out the CAP measures and actions. With the CAP update expected to be completed in summer 2024, this will be the final Annual Report for this existing CAP. Moving forward, a new Annual Report focusing on the measures included in the CAP Update will be provided following the adoption of the CAP Update.

¹³ On April 19, 2022, the City Council directed staff to use a customized run of SANDAG’s most recent activity-based model in the Climate Action Plan update to forecast the impact of potential actions. This was done to align with the land use assumptions and analysis prepared to support the Housing Element rezoning program, as well as to avoid additional staff time and consultant costs. The customized data from SANDAG was significantly delayed and staff did not receive the necessary data until spring 2023.

Appendix A

CAP AR7 Implementation Activities by Measure and Action

CAP Measures and Actions 2035 Performance Goals for Measures	Progress Indicators	CAP AR7 Implementation Activities and Status
<p><i>Timeframes in CAP:</i> Short-term = 1 - 2 years Mid-term = 2 - 5 years Short to Long-term & Mid to Long-term = begun but not completed in 5 years Ongoing = continue for the duration of CAP implementation</p>	<p>Types of data collected to measure progress¹⁴</p>	<p>Implementation status: Complete In progress, on schedule In progress, delayed Not started</p>
<p>B - Promote installation of commercial and industrial photovoltaic systems Promote installation of commercial and industrial PV systems to produce an additional 11.24 MW above projected amounts by 2035.</p>		
<p>B-1</p> <p>Implement and enforce Title 18, Chapter 18.30, Section 18.30.130 of the Carlsbad Municipal Code, mandating solar photovoltaic energy generation systems on new non-residential buildings. <i>(Ongoing)</i></p>	<p>MW installed PV</p>	<p>Staff continued to implement the solar PV ordinance adopted by City Council as Ordinance No. CS-347. This ordinance requires all new non-residential buildings to install solar PV systems to offset a portion of their electricity requirements. In 2023, 5.24 MW of PV was installed on non-residential buildings (see Table 3). <i>(In progress, on schedule)</i></p>
<p>B-2</p> <p>Implement and enforce Title 18, Chapter 18.30, Section 18.30.130 of the Carlsbad Municipal Code, mandating solar photovoltaic energy generation systems on existing non-residential buildings undergoing major renovations. <i>(Ongoing)</i></p>	<p>MW installed PV</p>	<p>Staff continued to implement the solar PV ordinance adopted by City Council as Ordinance No. CS-347. This ordinance requires existing non-residential buildings that undergo major renovations or additions to install solar PV systems to offset a portion of their electricity requirements. In 2023, 5.24 MW of PV was installed on non-residential buildings (see Table 3). <i>(In progress, on schedule)</i></p>
<p>D - Encourage single-family residential efficiency retrofits Encourage single-family retrofits with the goal of 50% energy reduction compared to baseline in 30% of the total single-family homes citywide (approximately 10,000 single-family homes out of total of 35,000.)</p>		
<p>D-1</p> <p>Publicize available incentive and rebate programs, such as SDG&E's Residential Energy Efficiency Program, on the city's website and by other means. <i>(Short-term)</i></p>	<p>Promotional activities conducted</p>	<p>Staff continued to maintain a website with rebate and incentive information and promoted this information at various events. <i>(Complete)</i></p>
<p>D-2</p> <p>Create a citywide "Energy Challenge," similar to the Department of Energy's Better Buildings Challenge, to promote cost-effective energy improvements, while having residents and building owners commit to reducing energy consumption. <i>(Short-term)</i></p>	<p>Program launch Promotional activities conducted</p>	<p>The city continued promoting its Home Energy Score Assessment Program, which offers residents a free, customized assessment to measure their home's energy use and identify ways to conserve energy and save money. During the reporting period, 52 assessments were completed, covering 110,262 square feet. Staff will continue to implement this pilot program as funding is available. <i>(Complete)</i></p>

¹⁴ As stated in the CAP, "Progress indicators will be confirmed as part of the implementation of each measure. If a recommended progress indicator is found to be infeasible to collect or track, an alternative indicator will be identified." Since CAP Amendment No. 1 was adopted, no alternative indicators have been identified.

			Number of program participants and/or sq. footage of buildings in program	
D-3	Implement and enforce Title 18, Chapter 18.30, Section 18.30.30, mandating energy efficiency measures in existing residential buildings undergoing major renovations. <i>(Ongoing)</i>	Number and/or sq. footage of existing homes retrofitted	Staff continued to implement the energy efficiency ordinance adopted by City Council as Ordinance No. CS-347. This ordinance requires specified energy efficiency measures in all major residential renovations. In 2023, 25 residential building permits issued for major renovations had energy efficiency measures included as a part of the renovation. <i>(In progress, on schedule)</i>	
E - Encourage multi-family residential efficiency retrofits				
Encourage multi-family retrofits with the goal of 50% energy reduction compared to baseline in 30% of the total multi-family homes citywide (approximately 5,000 single-family homes out of total of 17,000.)				
E-1	See D-1 above	See D-1 above	See D-1 above	
E-2	See D-3 above	See D-3 above	See D-3 above	
E-3	See D-3 above	See D-3 above	See D-3 above	
F - Encourage commercial and city facility efficiency retrofits				
Encourage commercial and city facility efficiency retrofits with the goal equivalent to a 40% energy reduction in 30% of commercial square footage citywide and in city-owned buildings by 2035.				
F-1	Undertake a program of energy efficiency retrofits for city-owned buildings, with the goal of 40% reduction in energy use, beginning with retrofits that would result in most substantial energy savings. <i>(Short-term)</i>	Sq. footage of buildings retrofitted % energy use reduction	Staff surpassed the 40% reduction goal in the previous reporting period. Moving forward, staff will continue to make energy efficiency retrofits in city-owned buildings. <i>(Complete)</i>	
F-2	Promote available incentive and rebate programs, such as SDG&E's Energy Efficiency Business Rebates and Incentives Program, on the city's website and by other means. <i>(Short-term)</i>	Promotional activities conducted Number of program	Staff continued to maintain a website with information on rebates and incentives. <i>(Complete)</i>	

		participants and/or sq. footage of buildings retrofitted	
		% energy use reduction	
		% energy use reduction	
F-3	Implement and enforce Title 18, Chapter 18.21, Section 18.21.155, mandating energy efficiency measures in new non-residential buildings and existing non-residential buildings undergoing major renovations. <i>(Ongoing)</i>		Staff continued to implement the energy efficiency ordinance adopted by City Council as Ordinance No. CS-347. This ordinance requires specified energy efficiency measures in all new and certain existing nonresidential buildings undergoing major renovations. In 2023, 24 commercial building permits issued for major renovations had energy efficiency measures included as part of the renovations. <i>(In progress, on schedule)</i>
I - Promote replacement of incandescent and halogen bulbs with LED or other energy efficient lamps			
Replace 50% of incandescent and halogen light bulbs citywide with LED or similarly efficient lighting by 2035.			
I-1	Replace 50% of incandescent or halogen light bulbs in city facilities with LED or similarly efficient lighting, or follow SANDAG Energy Roadmap recommendations for lighting in city facilities, whichever results in greater energy savings. <i>(Short-term)</i>	Building sq. footage upgraded Number of fixtures replaced	Staff met the 50% replacement goal during the previous reporting period. Moving forward, staff will continue to replace lighting as identified in this CAP measure and action. <i>(Complete)</i>
I-2	Promote the use of LED or other energy efficient lamps by publicizing rebate programs and information from SDG&E on the benefits of the use of LED or other energy efficient lighting on the city's webpage. <i>(Short-term)</i>	Promotional activities conducted	Staff continued to maintain a website with information about rebates and incentives. <i>(Complete)</i>
I-3.i	Evaluate the feasibility of adopting a minimum natural lighting and ventilation standard, developed based on local conditions. <i>(Mid-term)</i>	Feasibility study conducted	In 2018, the Center for Sustainable Energy (CSE) performed a qualitative feasibility evaluation for natural lighting and ventilation. CSE determined that it would be difficult to provide a cost-effective natural ventilation requirement that goes beyond the 2019 Building Energy Efficiency Standards. CSE noted that nonresidential natural lighting is well-governed in state codes, reducing the need for additional local standards. Daylighting in residential spaces is less likely to be cost-effective than in nonresidential spaces because the code assumes occupants are not typically present in residential spaces during the day to take advantage of daylighting; therefore, the cost of these

				controls may not be offset by the savings. The feasibility assessment also concluded that there are no known reach codes that include natural lighting and/or natural ventilation requirements that go beyond current code requirements. <i>(Complete)</i>
I-3.ii	Demonstrate natural lighting and ventilation features in future facility upgrade or new construction. <i>(Mid-term)</i>	Number of buildings with natural lighting and ventilation features % energy use reduction		Staff are incorporating natural lighting and ventilation in the future Orion Center, which is a Public Works and Parks operations and maintenance facility that will be constructed near the Fleet Maintenance Facility. <i>(In progress, delayed)</i>
J - New construction residential and commercial solar water heater/heat pump installation & retrofit of existing residential				
Install solar water heaters or heat pumps on all new residential and commercial construction. Retrofit up to 30% of existing homes and commercial buildings to include solar water heaters or heat pumps.				
J-1	Promote the installation of residential solar water heaters and heat pumps by publicizing incentive, rebate and financing programs, such as PACE programs and the California Solar Initiative for renovations of existing buildings by posting this information on the city's website and by other means. <i>(Short-term)</i>	Promotional activities conducted Solar heater/heat pump installations		Staff continued to maintain a website with incentive, rebate and financing program information. <i>(Complete)</i>
J-2	Implement and enforce Title 18, Chapter 18.30, Sections 18.30.150 and 18.30.170, mandating alternative water heating requirements in new residential and non-residential buildings. <i>(Ongoing)</i>	Solar heater/heat pump installations MW installed PV		Staff continued to implement the water heating ordinance adopted by City Council as Ordinance No. CS-347. This ordinance requires new residential and nonresidential buildings to install solar thermal water heating or electric heat pump water heaters for water heating needs. In 2023, 7 permits were issued that resulted in the installation of alternative water heaters in new construction projects (5 residential [3 single-family and 2 multi-family totaling 117 units], 2 non-residential). The PV installed for these projects totaled 0.12 MW (115.16 kW for residential and 5 kW for commercial). <i>(In progress, on schedule)</i>
K - Promote transportation demand management strategies				
Promote Transportation Demand Management Strategies with a goal of achieving a 10% increase in alternative mode use by workers in Carlsbad, for a total of 32% alternative mode use.				

K-1	Implement the citywide transportation demand management (TDM) plan and strategies. <i>(Ongoing)</i>	<p>TDM plan adopted</p> <p>TDM participation rates</p> <p>% VMT reduced</p>	<p>In 2023, the Carlsbad Commuter program (program) coordinated TDM efforts with 45 employers and property managers in the city. Approximately 8,000 employees work for employers that have completed and are implementing TDM plans under the TDM ordinance. The program continued to deliver relevant TDM strategies, content development, and tactics that matched the continually changing commuter behavior patterns that have evolved from the COVID-19 pandemic. The program promoted local and regional transportation campaigns including Bike to Work Day, Carpooling, and Safer Streets Together by developing and distribution promotional materials and hosting outreach events. The program engaged directly with an estimated 500 commuters at in-person outreach events. The program maintained partnerships with regional transportation agencies and service providers to monitor and relay ongoing service changes due to national, state, and local protocols that affected transit and other modal availability. The program maintained and promoted a comprehensive system of digital resources to help employers implement carpool programs, active transportation programming, and hybrid work. The program promoted their ongoing campaign, Balanced Work, which provides employers, managers, and business leaders with leading resources to implement a hybrid workforce. <i>(In progress, on schedule)</i></p>
K-2	Implement and enforce Title 18, Chapter 18.51, mandating TDM improvements and strategies for non-residential development. <i>(Ongoing)</i>	<p>TDM participation rates</p> <p>% VMT reduced</p>	<p>The TDM ordinance efforts for 2023 include the development of additional updates to the TDM handbook, the approval of 11 additional TDM plans and 29 baseline surveys. 17 of the 29 worksites exceeded their 2020-2025 Sustainable Mode Share goals. Six properties conducted follow-up surveys in fall 2023 with five out of six exceeding their mode share goal. All six employers showed a reduction in per capita VMT from the baseline survey. The average sustainable mode share was 41% compared to the average baseline mode share of 24%. <i>(In progress, on schedule)</i></p>
<p>L - Promote an increase in the amount of zero-emissions vehicle travel</p> <p>Promote an increase in the amount of ZEV miles traveled from a projected 4.5% to 25% of total VMT by 2035.</p>			
L-1	Working with industry partners, construct a "PV to EV" pilot project to install a PV charging station at a city facility (such as Faraday Center) to charge city ZEVs. The purpose of the pilot project would be to evaluate the feasibility of incorporating more ZEV into the city's fleet. <i>(Short-term)</i>	<p>kW installed PV</p> <p>Number of ZEV charging units</p>	<p>Staff continues to assess the feasibility of a direct "PV to EV" pilot project(s). <i>(In progress, delayed)</i></p>

L-2	Prepare a community-wide charging station siting plan, which evaluates site visibility and exposure, EV driving ranges, high volume destinations, locations with high ownership or interest in EVs, and cost of construction. <i>(Short-term)</i>	Siting Plan prepared	Staff continues to utilize the completed EV charging station site analysis to select locations for future charging stations. <i>(Complete)</i>
L-3	Construct ZEV charging stations based on the community-wide charging station siting plan described in L-2 above. The ZEV charging stations will be funded by grant funds when available, and the city will post signage directing ZEVs to charging stations. <i>(Mid-term)</i>	Number of charging stations installed kWh charging sessions	During the reporting period, staff continued to evaluate funding opportunities to construct EV charging stations. Utilizing the Power Your Drive for Fleets funds, SDGE completed construction of two fleet DC Fast Charging stations at the Fleet Maintenance Facility, which was the first time a municipality completed such a project in the SDGE region. <i>(In progress, on schedule)</i>
L-4	Offer dedicated ZEV parking, and provide charging stations adjacent to ZEV parking as identified in the community-wide charging station siting plan. <i>(Mid-term)</i>	Number of installed ZEV parking spaces/charging stations kWh charging sessions	An EV charging infrastructure ordinance was adopted by City Council as Ordinance No. CS-349, which requires new residential and nonresidential buildings, and major renovations to existing residential buildings, to install EV charging infrastructure. Staff continued to implement this ordinance during the reporting period. However, the 2022 California Building Code expanded the number, location, and dimension of required electric vehicle parking spaces and “EV-ready” spaces. 2023 was the first year this became a mandatory part of the state’s Building Code, therefore fewer permits were subject to the city’s reach code. In 2023, permits issued for residential buildings yielded 30 EV chargers (either charging stations, “EV ready”, or “EV capable” wiring), and permits issued for nonresidential buildings yielded 15 EV chargers. <i>(In progress, on schedule)</i>
L-5	Adopt requirements for ZEV parking for new developments. <i>(Short-term)</i>	Number of installed ZEV parking spaces/charging stations kWh charging sessions	On March 12, 2019, an EV charging infrastructure ordinance was adopted by City Council as Ordinance No. CS-349, which requires new residential and nonresidential buildings to install EV charging infrastructure. However, the 2022 California Building Code expanded the number, location, and dimension of required electric vehicle parking spaces and “EV-ready” spaces. 2023 was the first year this became a mandatory part of the state’s Building Code, therefore fewer permits were subject to the city’s reach code. In 2023, permits issued for residential buildings yielded 30 EV chargers (either charging stations, “EV ready”, or “EV capable” wiring), and permits issued for nonresidential buildings yielded 15 EV chargers. <i>(Complete)</i>
L-6	Implement and enforce Title 18, Chapter 18.21, Sections 18.21.140 and 18.21.150, mandating electric vehicle charging infrastructure in new residential and non-residential buildings and existing residential and non-residential buildings undergoing major renovations. <i>(Ongoing)</i>	Number of EV chargers installed	Staff continued to implement the EV charging infrastructure ordinance adopted by City Council as Ordinance No. CS-349, which requires new residential and nonresidential buildings, and major renovations to existing residential buildings, to install EV charging infrastructure. However, the 2022 California Building Code expanded the number, location, and dimension of required electric vehicle parking spaces and “EV-ready”

			spaces. 2023 was the first year this became a mandatory part of the state’s Building Code, therefore fewer permits were subject to the city’s reach code. In 2023, permits issued for residential buildings yielded 30 EV chargers (either charging stations, “EV ready”, or “EV capable” wiring), and permits issued for nonresidential buildings yielded 15 EV chargers. <i>(In progress, on schedule)</i> The 25% low- and zero-emission city-related VMT goal for this measure (including patrol vehicles) was surpassed in a previous reporting period and continues to grow. Staff continued to implement the fleet conversion plan. On Oct. 13, 2021, Administrative Order #3 (Fleet Management Program) was updated to include a vehicle acquisition policy to require the purchase of low- and zero-emission vehicles where feasible. The Five-Year Strategic Plan includes a 100% EV purchase requirement for all passenger vehicles beginning in FY 23/24. During the reporting period, a total of eight city vehicles, including four ICE vehicles, were replaced with hybrid alternatives (1 hybrid, 3 plug-in hybrid, 4 electric); all eight of these vehicles were purchased following the adoption of the Five-Year Strategic Plan. There were a total of 47 hybrid or electric fleet vehicles in the fleet at the end of the reporting period. <i>(Complete)</i>
L-7	Update the city’s Fleet Management Program to include a low and zero-emissions vehicle replacement/purchasing policy. Increase the proportion of city fleet low and zero-emissions VMT to 25% of all city-related VMT by 2035. <i>(Short-term)</i>	% LEV and ZEV fleet VMT	
M - Develop more citywide renewable energy projects			
Produce an equivalent amount of energy to power 2,000 homes (roughly equivalent to a 5% reduction) by 2035 from renewable energy projects.			
M-1	Conduct a feasibility study to evaluate citywide renewable energy projects and prioritize accordingly. <i>(Short-term)</i>	Feasibility study conducted	Leveraging SANDAG’s Energy Engineering contract with TRC, a Microgrid Feasibility Study for the Carlsbad Safety and Service Center on Orion Way was completed and presented to City Council on June 12, 2018. If implemented, the microgrid would include enough renewable energy generation and energy storage to power the entire complex in case of a blackout. <i>(Complete)</i>
M-2	Incorporate renewable energy measures such as PV system installation on city buildings and parking lots, or microturbine installation on city facilities, with the goal of producing approximately 12,000 megawatt-hours per year. <i>(Mid to Long-term)</i>	MW installed renewable energy systems	In accordance with the city’s solar PV ordinance, future city facilities will be required to incorporate renewable energy. The potential for retrofitting PV on existing buildings is evaluated when other improvements and/or renovations are planned. <i>(In progress, on schedule)</i>
M-3	Pursue available funding sources for the construction of renewable energy projects by the city, such as Energy Efficiency Financing for Public Sector Projects and SGIP. <i>(Mid to Long-term)</i>	Number of EEFP or SGIP-funded projects	City staff continually monitors potential funding sources to support CAP implementation, including renewable energy projects. <i>(In progress, on schedule)</i>

N - Reduce the GHG intensity of water supply conveyance, treatment and distribution			
Reduce the intensity of GHG emissions from water utilities (including water supply, wastewater, and recycled water) conveyance, treatment and distribution by 8% by 2035.			
N-1	<p>Improve water utilities (including water supply, wastewater, and recycled water) conveyance, treatment and distribution, and other system improvements. <i>(Mid to Long-term)</i></p>	<p>Number of water system improvement projects</p> <p>% energy use reduction</p>	<p>Incorporating energy efficiency into system improvements is standard practice for Carlsbad Utilities, which analyzes energy usage of their pumps and endeavors to increase energy efficiency of equipment whenever it is replaced.</p> <p>The potable water distribution system is almost completely gravity-fed. Specifically, CMWD receives treated water from the San Diego County Water Authority at the highest point in the system and uses gravity instead of electric pumps to move it downhill to customers throughout the city.</p> <p>The 2012 baseline inventory for the CAP had GHG emissions from water at 12,000 MT CO₂e. The city has surpassed the 8% emissions reduction goal for Measure N (or a reduction of 960 MT CO₂e). The 2020 GHG inventory had emissions from water at 9,000 MT CO₂e. Staff will continue to improve water utilities conveyance, treatment and distribution, and other system improvements as identified in this CAP measures and action. <i>(Complete)</i></p>
O - Encourage the installation of greywater and rainwater systems			
Encourage the installation of greywater and rainwater collections systems with a goal of 15% of homes by 2035.			
O-1	<p>Host workshops on greywater and rainwater collection systems through the Carlsbad Municipal Water District, or partner with existing workshop providers, for homeowners interested in installing systems suitable for their property. <i>(Mid-term)</i></p>	<p>Number of workshops conducted</p> <p>% water use reduction</p>	<p>CMWD participated in a rain barrel rebate program with other north San Diego County water districts to encourage and provide financial incentive for rainwater collections systems. Details on the program can be found at: https://solanacenter.org/rain-barrels/</p> <p>Carlsbad Utilities posted information on greywater systems on its website at: https://www.carlsbadca.gov/departments/utilities/water/water-conservation/gray-water/. <i>(Complete)</i></p>
O-2	<p>Create a greywater design reference manual, or provide links to an existing one, for the design of greywater and rainwater collection systems. <i>(Mid-term)</i></p>	<p>Reference manual created</p> <p>% water use reduction</p>	<p>Staff updated the Utilities website to include a link to the County of San Diego's greywater design manual. <i>(Complete)</i></p>
O-3	<p>Evaluate the feasibility of offering a rebate for residential greywater systems that require a permit to cover the cost of obtaining a permit. <i>(Mid-term)</i></p>	<p>Feasibility study conducted</p>	<p>Staff continued evaluating the feasibility of this measure, but there are remaining legal questions around its funding. <i>(In progress, delayed)</i></p>

		Number of permit rebates issued % water use reduction	
P – Increase the proportion of clean electricity in community energy consumption Achieve 100% renewable electricity by 2030 for 95% of the residential bundled load and 85% commercial + industrial bundled load.			
P-1	Continue participation in the Clean Energy Alliance (CEA) Community Choice Energy program. <i>(Ongoing)</i>	Continued participation	The city continued participation in CEA, which launched in May 2021. <i>(In progress, on schedule)</i>
P-2	Explore the purchase of renewable energy credits if Community Choice Energy program is not reaching 2035 goal.	CCE participations rates and percentage of customers at 100% renewable energy	Staff will monitor program participation and implement this action if necessary. <i>(Not started)</i>

Climate Action Plan, as amended in 2020
(on file in the Office of the City Clerk)



MUNICIPAL WATER DISTRICT

Staff Report

Meeting Date: April 16, 2024

To: President and Board Members

From: Scott Chadwick, Executive Manager

Staff Contact: Vicki Quiram, General Manager
vicki.quiram@carlsbadca.gov, 442-339-2722
Jason Haber, Intergovernmental Affairs Director
jason.haber@carlsbadca.gov, 442-339-2958

Subject: Update on the Maerkle Reservoir Solar Energy Study

District: 2

Recommended Action

Receive an update on the Maerkle Reservoir Solar Study Project and provide input to staff on next steps.

Executive Summary

The Carlsbad Municipal Water District's Maerkle Reservoir site is identified as a potential site for a solar photovoltaic energy-generating and storage facility in Capital Improvement Program Project No. 4722. This project has long been envisioned to contribute to the use of renewable energy sources, promote energy sustainability and offset the CMWD's and potentially the city's energy costs.

The city's Climate Action Plan acknowledges the project's potential to achieve renewable energy production goals, and the city's Five-Year Strategic Plan (2023-2027) identifies this project as a city priority.

CMWD staff have been working with a consulting firm and various city departments to conduct the due diligence needed to determine the project's feasibility and advance it to completion.

Staff are providing this report to update the CMWD Board on the results of this study and request the board's input on the project. Staff will return to the CMWD Board at a future date to ask the board to approve the release of a request for proposals and/or qualifications to hire a consultant who would lead a phased solar energy generation and energy storage project.

Explanation & Analysis

Opportunities and constraints

Staff and a consultant met with stakeholders, including project proponents and industry experts – the Carlsbad Sustainability Coalition and the Clean Energy Alliance, or CEA – to explore the various financing, development and operating models to be considered. In addition, staff researched similar solar projects, power purchase agreement strategies and design-build construction¹ proposals.

In conducting this study, utilities staff and the city's Intergovernmental Affairs Director coordinated with the CMWD's General Counsel, the city's Community Services Branch and its Real Estate Division, as well as the Finance, Community Development and Planning departments. This collaboration revealed potential opportunities and constraints to be addressed during the project feasibility, scoping and development phases. These include:

- System financing, development and operating models
- System sizing, including energy production and storage capacity
- Energy off-taker/load serving entity the electric service provider to partner with
- Site's land use constraints
- City and regional environmental considerations
- Site's design considerations
- Electrical grid interconnection

Potential models

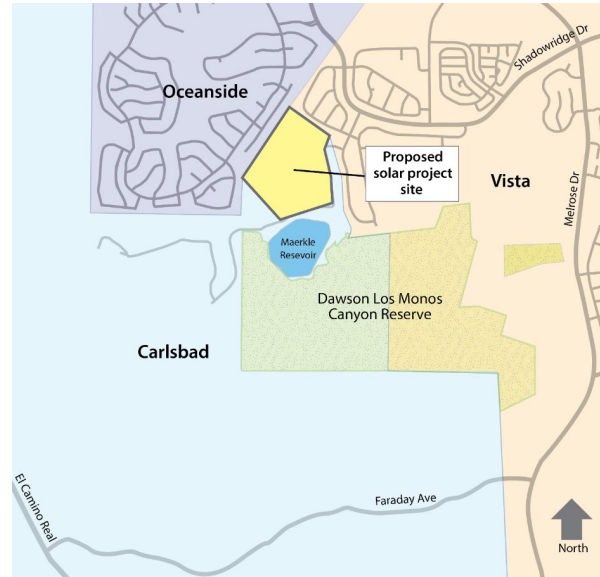
There are a variety of project development and operational models to consider in pursuing a solar energy generation and storage project at Maerle Reservoir. They include, but are not limited to:

- CMWD-owned and operated
- A power purchase agreement, or PPA
- A CMWD land lease

These models, the most commonly used, are described in greater detail below. The selection of a model will depend largely on what objectives CMWD has for the project and will require the services of an expert consultant to assist staff in evaluating the options and determining what is most advantageous to the CMWD, its customers and the city.

CMWD-owned and operated

Under this model, the CMWD, which owns the site, would provide the capital required for project development. The CMWD would be responsible for project design, permitting,



¹ Design-build construction is a project delivery method that combines the design and construction of a project into one contract.

construction and coordinating the grid interconnection with San Diego Gas & Electric (SDGE). Additional staff would be required to maintain this model, and there would be ongoing costs associated with system administration, monitoring, inspection, preventive maintenance and repairs that would be incurred over the life of the project.

Power purchase agreement

With a power purchase agreement, the CMWD would lease the land to an outside developer who would finance, construct, maintain and operate the solar energy generation and storage system. The CMWD would negotiate to purchase power produced by the system for its own use, and any excess power could be served onto the electrical grid and sold to a load-serving entity (e.g., the CEA, SDGE or others) for resale to their ratepayers.

Under this scenario, the CMWD would not be required to provide any upfront capital and would not assume any responsibility for ongoing maintenance and operation. The developer would bear the full cost of buying and installing equipment, developing the site, obtaining permits and making the interconnection to the electrical grid. The developer would also be responsible for the operation and maintenance of all project-related infrastructure and would recover these costs over the term of the agreement through negotiated electricity rates paid by the CMWD and/or the sale of excess generation.

The contract terms in a power purchase agreement model could contain provisions to ensure that the CMWD would receive renewable energy to satisfy its own power needs, generate revenue by selling excess generation, and retain ownership of the project's renewable energy certificates. These certificates are legal instruments used in renewable electricity markets to account for and assign ownership of renewable electricity and its attributes. Each certificate represents one megawatt hour of energy generated, and the owner of a renewable energy certificate has exclusive rights to make claims regarding the use of the renewable electricity that generated the certificate. Renewable energy certificates can also be used to offset emissions associated with non-renewable electricity use and can be sold for profit.

A power purchase agreement would allow the CMWD to negotiate electrical rates to be paid over a 20- to 30-year term with the potential benefit of serving as a hedge against future electricity price volatility. In this scenario, having predictable electrical costs for annual budgeting would be a benefit.

CMWD land lease

If the CMWD were to simply lease the land to a solar company for development and operation of a solar project, the lease revenue would benefit customers through the CMWD reduced rates. The project would still be subject to the city's land use planning restrictions and project development requirements, and the CMWD's role and risk would be as the landowner.

CMWD's obligations

It's important to note that under all development and operational models, the CMWD would bear the cost of evaluating the land to determine open space requirements, developing a request for proposals/qualifications, solar consultant fees and staff time. The financial viability of the project and estimated capital cost to the CMWD, payback and annual savings would be determined as part of the request for proposals/qualifications review process, feasibility assessment and later project phases.

Energy Off-Taker/Load Serving Entity

Regardless of which project development and operational model is selected, power produced by the project could be used to offset the CMWD's power demands. Depending on the size of the system, the project could also produce excess electricity to be served onto the grid for purchase and resale by an electric load serving entity such as the CEA or SDGE, generating new revenue for the CMWD and benefitting its customers with reduced water rates.

The CMWD cannot legally sell the energy it produces to ratepayers, but it can sell to a qualified load-serving entity such as the CEA or SDGE. Identifying a load-serving entity to purchase excess energy produced by the system would result in a lower negotiated cost of energy to the CMWD because the project developer would not have to account for the uncertainty associated with securing an energy buyer.

The CEA, the city's community choice energy provider,² and SDGE, the investor-owned utility that also provides power, transmission and distribution in the city, are two potential off-takers for the project's excess energy supply. However, there may be other load serving entities interested in adding the project's excess generation to their portfolios, so it may be in the CMWD's interest to specify that any excess energy should be sold to the highest bidder.

Should the CMWD Board direct staff to move forward with developing a request for proposals/qualifications, staff would engage both the CEA and SDGE in preliminary discussions to determine whether they would be interested in serving as the project's energy off-taker, and at what price.

Land use issues

Staff conducted preliminary research on the land use issues associated with the project and will further analyze and provide updates on them, along with the necessary findings, should the project advance to the point of requiring CMWD Board action in the future. These issues include, but are not limited to:

- How the state's Surplus Land Act, which requires local public agencies to prioritize the development of affordable housing on surplus land, might affect plans for the project
- The property's open space land use designation
- Allowable land uses
- Existing easements
- Potential environmental impacts
- Requirements of the city's Habitat Management Plan
- California Environmental Quality Act documentation and permitting

Project site design considerations

The technology for solar power generation and storage systems continues to evolve rapidly, and the viability of the project and the benefits to the CMWD require further analysis by solar industry experts. Staff have identified about 32 acres of usable space on the site, taking into

² State law allows local governments to form community choice energy programs that offer an alternative to investor-owned utilities, such as SDGE. Under this model, local governments purchase and manage their community's electric power supply, and the existing utility continues to distribute the energy to customers.

account an existing site access road used by the CMWD to operate the Maerkle reservoir and facilities, and a potential buffer zone around the perimeter.

The hilly topography at the Maerkle Reservoir site will play a significant role in the project's design and configuration, either to minimize the site grading requirements or to maximize the site's potential for energy generation. The project's design will need to consider the necessary infrastructure improvements and potential construction and the impacts on the surrounding neighborhoods.

Electrical grid interconnection

SDGE owns and controls the energy transmission and distribution network infrastructure in Carlsbad. The interconnection of a solar energy generation and storage project at the Maerkle Reservoir site to the SDGE power grid is a critical design issue. The interconnection location will be specified by SDGE. The scale, location and cost of infrastructure necessary to connect the project to the power grid must be studied thoroughly during the feasibility and preliminary design phases.

Recommended approach

As outlined above, there are several issues still to consider and evaluate in determining whether and how to proceed with developing a solar energy generation and storage project at the Maerkle Reservoir site. Additional information and analysis are needed to determine the project's feasibility, define its scope and fully evaluate potential development and operational models. It is staff's opinion that completing this work requires the services of a team of industry experts to partner with the city.

After receiving input from the CMWD Board at this meeting, staff proposes to return at a future date to receive Board authorization to release a request for proposals/qualifications, in keeping with Carlsbad Municipal Code Section 3.28.060 - Procurement of professional services and services, to engage a qualified firm to perform a phased scope of professional services.

The phased work would include:

1. Preparation of a feasibility study and evaluation of potential project development and operational models, including a pro-forma analysis³ and general evaluation of project economics, the recommended ownership structure, generation and sizing calculations, an estimate of system interconnection costs, the project schedule and other project recommendations
2. Once it's determined that the project is feasible, advancing to a preliminary design and scoping phase
3. Negotiating and executing the necessary development and site control agreements to develop the project, including environmental review and permitting, final design and contract document preparation, bid phase support services, construction management and utility licensing and permitting

³ A pro forma analysis is a set of assumptions and calculations that predicts the financial return of a proposed project.

The request for proposals/qualifications and phasing process would be designed to include specified opportunities for both the CMWD and the consultant or consultants to terminate work on the project subject to terms that will identify the compensation due for work performed during each phase.

Fiscal Analysis

This is an informational presentation with no immediate direct fiscal impact. The current available funding for the project is \$228,587. Additional funding in the amount of \$231,413, for a total of \$460,000, will be requested during the budget development process for fiscal year 2024-25 as it may be needed for energy consulting services to assist with preparing the request for proposals/qualifications and evaluating of the proposals received as well as funding costs that may be incurred during the project's feasibility assessment phase.

Next Steps

Upon receiving the CMWD Board input and direction, staff will prepare a request for proposals/qualifications for future CMWD Board review and approval. With the CMWD Board's continued support for the project, staff will proceed with issuing a request for proposals/qualifications to engage an energy consulting firm to conduct a feasibility study for the project, with an option to advance the professional services into the project development and scoping phase.

Staff will then return to the CMWD Board with the findings of the study for further direction before executing the necessary development and site control agreements to further develop the project.

Environmental Evaluation

This action does not constitute a project within the meaning of the CEQA under Public Resources Code Section 210656 in that it has no potential to cause either direct physical change in the environment or reasonably foreseeable indirect physical change in the environment. The work to develop plans and present conceptual design for consideration by the City Council does not have a legally binding effect on future discretionary actions to approve the project. Public input received and technical information prepared will be used during the planning and environmental evaluation process.

Exhibits

None



CITY COUNCIL
Staff Report

Meeting Date: April 16, 2024

To: Mayor and City Council

From: Scott Chadwick, City Manager

Staff Contact: Steven Stewart, Municipal Projects Manager
steven.stewart@carlsbadca.gov, 442-339-2938

John Maashoff, Public Works Manager
john.maashoff@carlsbadca.gov, 442-339-2856

Subject: Authorizing a transfer of funds from a Public Works storage facility project to the Orion Center project and approving a design services agreement with Carrier Johnson for the Orion Center project

District: 2

Recommended Action

Adopt a resolution authorizing and directing the City Manager or designee to transfer funds from the Public Works Storage Facility, Capital Improvement Program Project No. 4092, to the Orion Center Project, Capital Improvement Program Project No. 3572, removing Capital Improvement Program Project No. 4092 from the Capital Improvement Program Budget and authorizing a design services agreement with Carrier Johnson, a California Corporation, for the Orion Center Project, Capital Improvement Program Project No. 3572.

Executive Summary

The Orion Center Project will construct an operations and maintenance facility that will house Public Works Branch and Parks & Recreation Department staff at 2600 Orion Way. The project will consolidate the city's city public works and parks maintenance operations centers into a single more efficient and centralized facility.

The Planning Commission approved the conceptual design, environmental review and a conditional use permit for the Orion Center Project on April 5, 2023. (Resolution Nos. 7474 and 7475.) Before the city proceeded to the next step, the City Manager asked staff to evaluate the city's current needs in light of several changes since the COVID-19 pandemic and recent decisions about other city facilities.

This report presents the outcome of staff's evaluation. Staff are now recommending a smaller and less expensive facility that could also accommodate the city's storage needs. With this change, the city would no longer need to build a stand-alone storage facility, as had been planned.

Staff are seeking the City Council’s approval to proceed with designing this smaller combined public works facility, cancel the stand-alone storage facility project and transfer the \$99,000 that had been set aside to begin planning the storage facility project to the Orion Center project.

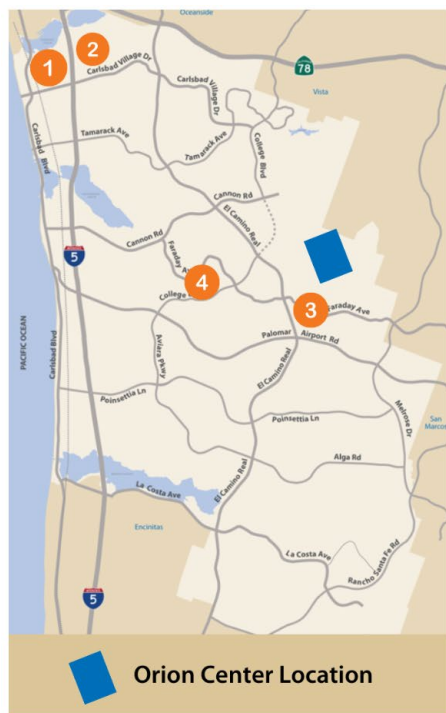
The funding source for both projects is developer fees that can only be used for civic facilities. If the city were to decide not to proceed with projects funded by the fees, those fees may need to be returned to the developers who paid them.

No additional funding is needed, but the City Council’s approval is required for this agreement under Carlsbad Municipal Code Section 3.28.060(D), Formal Bidding for Services, because the cost exceeds \$100,000 per agreement year.

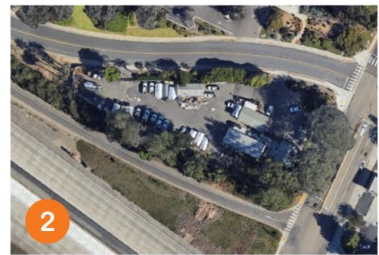
Explanation & Analysis

Overview

The city’s public works and parks maintenance operations currently operate out of several city facilities, as shown on the map below.



Streets & Facilities



Parks Maintenance



Utilities



Construction Mgmt & Inspection

Combining the city’s operations and maintenance functions into a centralized facility has long been envisioned to accomplish several goals:

1. Increase efficiency by consolidating similar operations in a single facility.
2. Free up city-owned property to be redeveloped or sold, generating revenue to fund future community needs.
3. Reduce greenhouse gas emissions by putting public works and maintenance operations in a central city location, close to other city operations, in a modern, more environmentally friendly building.

Original concept

The city has been exploring future facilities needs to replace old buildings, better serve the community and streamline city operations. Two main projects considered were a new City Hall/civic center complex and a centralized public works facility.

The City Council made an important decision about the City Hall project on Aug. 16, 2022. Given the shift to online service and remote work options accelerated by the COVID-19 pandemic, the City Council decided to scale back the original project. The approved project now includes rebuilding the existing City Hall at its current location and maintaining the city's Faraday Administration Center, rather than relocating those services to a centralized City Hall that could have also served as a civic center. That decision had several benefits, the project is expected to cost less and can be implemented more swiftly. This decision also meant that fewer employees who would need to be accommodated at the Orion Center project.

Under the original plans for the Orion Center project, the city's utilities, streets, construction management, facilities and parks maintenance operations would be moved to the new facility. With the decision to keep the Faraday Administration Center, and in light of the exponential and continuing increases in construction costs since the pandemic, staff analyzed three other possible scenarios for the Orion Center project:

1. Not including the Construction Management & Inspection Department, which is based at the Faraday Center
2. Not including the Utilities Department, based in the Carlsbad Municipal Water District Building on El Camino Real at Orion Way
3. Excluding both from the Orion Center Project

Staff's analysis found that scenario three, having both departments remain where they are now, would offer the greatest value.

The Utilities Department's proximity to the Orion Center site, just a half mile apart, still allows for the desired operational efficiencies, cross-training and collaboration among staff. Likewise, keeping the Construction Management & Inspection staff at the nearby Faraday Center, less than two miles away, would still provide enhanced opportunities for collaboration.

The Orion Center site will still incorporate the operations now done at the city's Oak Maintenance Yard on Oak Street in the Barrio and its parks maintenance yard on Pio Pico across the street from City Hall, freeing up those city-owned properties to be redeveloped or sold or for other uses. The city would retain and continue to use the Utilities Department building.

Storage facility

The city had a separate Capital Improvement Program project to build a new Public Works storage facility, CIP Project No. 4092. If the Orion Center site is developed under the Scenario 3 option, the new storage facility could be built on this site.

The storage building, for materials used citywide, would provide approximately 20,000 square feet of storage and add roughly \$3 million to the construction budget. The city owns the land, so there are no acquisition costs.

Staff are recommending incorporating the Public Works Storage Facility Project, CIP Project No. 4092, into the Orion Center Project, Capital Improvement Program Project No. 3572, removing

it from the Capital Improvement Program budget, and transferring its existing appropriations into the Orion Center Project.

The cost of constructing the modified Orion Center Project is estimated to be in the range of \$35 million to \$38 million, which was previously authorized and the project was appropriated with additional funding by the City Council on Aug. 21, 2018. (Resolution No. 2018-156.)

Bidding process

- Staff advertised a request for proposals In October 2023 to complete the design of the modified Orion Center Project and to develop the plans, specifications and construction documents necessary to obtain building permits and advertise the project for construction bids.
- Twelve proposals were received and evaluated.
- The selection committee then held interviews with the top four ranked firms, deliberated and identified Carrier Johnson as the best qualified design firm for this project.
- Staff then opened this firm’s price proposal and negotiated a professional services fee on a time and materials basis in an amount not to exceed \$4,014,609.

Staff are recommending that the City Council award a design services agreement to Carrier Johnson for design of the modified Orion Center Project, which would include the Public Works Storage Facility project. Staff anticipate the construction cost of building Scenario 3 will be on the order of \$35 million to \$38 million. Formal cost estimates will be developed at various stages of the final design, should the City Council approve the design services agreement with Carrier Johnson.

Fiscal Analysis

Developers building in Carlsbad over the years have paid fees into the Community Facilities District No. 1 Fund, to pay for city facilities needed to serve the needs of the increased population who would be living in these new homes.

Funding for the Orion Center Project has been allocated from the Community Facilities District No. 1 Fund, and from the Utilities’ Water Capital Replacement, Recycled Water Replacement and Sewer Replacement funds, as summarized below.

Orion Center Project Capital Improvement Program Project No. 3572	
Total project appropriations from Community Facilities District No. 1 Fund	\$35,257,727
Total project appropriations from utilities funds	\$1,000,000
Total expenditures/encumbrances	-\$5,109,894
Total available project balance	\$31,147,833
Agreement with Carrier Johnson	-\$4,014,609
Pre-construction soft costs (i.e., consultant and staff time)	-\$1,330,000
Total pre-construction project costs	-\$5,344,609
Remaining balance	\$25,803,224

Funding for the Public Works Storage Facility Project has been allocated from the General Capital Construction Fund, as summarized in this table:

Public Works Storage Facility Project Capital Improvement Program Project No. 4092	
Total project appropriations from General Capital Construction Fund	\$99,000
Total expenditures/encumbrances	\$0
Total available project balance	\$99,000

As indicated in the fiscal analysis table above, no funding is needed at this time to support the design services agreement with Carrier Johnson. Funding for the construction phase of the project will not be needed until fiscal year 2025-26.

Staff are requesting that the City Council authorize the City Manager or designee to transfer the current appropriations of \$99,000 in CIP Project No. 4092 to CIP Project No. 3572.

If the City Council approves proceeding with Scenario 3, which will exclude the Construction Management & Inspection and Utilities departments from the relocation plans, staff will reconcile expenditures to date and return any unused Utilities Funds as part of the upcoming fiscal year 2024-25 budget process.

Options

1. Not including the Construction Management & Inspection Department in the new Orion Center Project
2. Not including the Utilities Department
3. Excluding both from the project

Staff recommend Option 3, having both departments remain where they are. This will save the cost and disruption of moving those work groups and their operations into the new Orion Center but allow for the desired operational efficiencies. Staff have identified no drawbacks from this revised plan for the Orion Center. The project will still consolidate the operations now being done at the Oak Maintenance Yard and the parks maintenance facility, freeing up those properties for sale or other uses.

Next Steps

If the design services agreement is authorized by the City Council, staff will finalize the agreement and initiate the design work.

Design work is expected to begin in May 2024 and be complete in summer 2025. Upon completion of the design, contract documents, and issuance of building permits, staff will return to the City Council with a request to approve the project and authorize soliciting construction bids.

Environmental Evaluation

In accordance with the California Environmental Quality Act, or CEQA, and the CEQA Guidelines, on April 5, 2023, the Planning Commission approved a mitigated negative Declaration (State Clearinghouse No. 2023010580) for this project. Mitigation measures were incorporated into the design of the project and included in a mitigation monitoring and reporting program such that all potentially significant impacts would be mitigated below a level of significance.

If the City Council recommends proceeding with Scenario 3, removing the Construction Management & Inspection and the Utilities departments, and authorizes the design services agreement, staff will submit the revised project's revised scope to the Community Development Department during the design process for a determination that it is consistent with the project's conditional use permit (CUP 2018-0022)

Exhibits

1. City Council resolution
2. Location Map

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARLSBAD, CALIFORNIA, AUTHORIZING AND DIRECTING THE CITY MANAGER, OR DESIGNEE, TO TRANSFER FUNDS FROM THE PUBLIC WORKS STORAGE FACILITY, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 4092, TO THE ORION CENTER PROJECT, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 3572, REMOVING CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 4092 FROM THE CAPITAL IMPROVEMENT PROGRAM BUDGET AND AUTHORIZING A DESIGN SERVICES AGREEMENT WITH CARRIER JOHNSON, A CALIFORNIA CORPORATION, FOR THE ORION CENTER PROJECT, CAPITAL IMPROVEMENT PROGRAM PROJECT NO. 3572

WHEREAS, the City Council of the City of Carlsbad, California has determined that it is desirable and in the best financial interest of the city to collocate certain city departments for operational efficiency; and

WHEREAS, a professional design firm has prepared preliminary design plans and specifications for the Orion Center Project, Capital Improvement Program, or CIP, Project No. 3572, or Project; and

WHEREAS, on April 5, 2023, the Planning Commission approved a Conditional Use Permit, CUP 2018-0022, for the Project; and

WHEREAS, on April 5, 2023, the Planning Commission approved a Mitigated Negative Declaration (State Clearinghouse No. 2023010580) for the Project and incorporated mitigation measures into the design requirement for the Project and included in a Mitigation Monitoring and Reporting Program such that all potentially significant impacts would be mitigated below a level of significance, in accordance with the California Environmental Quality Act, or CEQA, and the CEQA Guidelines; and

WHEREAS, staff obtained an updated cost estimate for the Project and are recommending the scope of the Project be modified to remove the Construction, Management & Inspection Department and the Utilities Department from the scope of work and reduce the scope to more closely match available funding; and

WHEREAS, staff are recommending the scope of the Project now include the Public Works Storage Facility, CIP Project No. 4092, transfer funds in CIP Project No. 4092 into the Project, and removal of CIP Project No. 4092 from the CIP budget; and

WHEREAS, based on recent experience, staff have determined that the design-build procurement model will not save significant time or cost for this Project and have reverted back to the traditional design-bid-build procurement model; and

WHEREAS, staff advertised a Request for Proposals, or RFP, for design of the modified Orion Center Project, inclusive of a Public Works Storage Facility; and

WHEREAS, staff received 12 proposals in response to the advertisement and interviewed the top four ranked firms based on weighted evaluation criteria provided in the RFP; and

WHEREAS, staff selected and recommend Carrier Johnson, a California Corporation, as the best qualified design firm for the Orion Center Project; and

WHEREAS, staff then opened this firm's price proposal and negotiated a professional services fee in an amount not to exceed \$4,014,609; and

WHEREAS, a professional services agreement with Carrier Johnson has been prepared.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carlsbad, California, as follows:

1. That the above recitations are true and correct.
2. That the revised Project scope change, eliminating space requirements for the Construction Management & Inspection and Utilities Departments and including a Public Works Storage Facility, is approved.
3. That the City Manager, or designee, is directed to transfer funds from the Public Works Storage Facility, CIP Project No. 4092, to the Orion Center Project, CIP Project No. 3572.
4. That the Public Works Storage Facility, CIP Project No. 4092, is removed from the CIP Budget.
5. That the proposal tendered by Carrier Johnson is approved and the Mayor is authorized and directed to execute the design services agreement attached hereto as Attachment A.

PASSED, APPROVED AND ADOPTED at a Regular Meeting of the City Council of the City of Carlsbad on the ___ day of _____, 2024, by the following vote, to wit:

AYES:

NAYS:

ABSTAIN:

ABSENT:

KEITH BLACKBURN, Mayor

SHERRY FREISINGER, City Clerk
(SEAL)

**AGREEMENT FOR ORION CENTER DESIGN SERVICES
CARRIER JOHNSON**

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2024, by and between the City of Carlsbad, California, a municipal corporation ("City") and Carrier Johnson, a California corporation ("Contractor").

RECITALS

- A. City requires the professional services of a consultant that is experienced in design services.
- B. Contractor has the necessary experience in providing professional services and advice related to design services.
- C. Contractor has submitted a proposal to City under RFP24-2279FAC and has affirmed its willingness and ability to perform such work.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, City and Contractor agree as follows:

1. SCOPE OF WORK

City retains Contractor to perform, and Contractor agrees to render, those services (the "Services") that are defined in attached Exhibit "A and B," which is incorporated by this reference in accordance with this Agreement's terms and conditions.

2. STANDARD OF PERFORMANCE

While performing the Services, Contractor will exercise the reasonable professional care and skill customarily exercised by reputable members of Contractor's profession practicing in the Metropolitan Southern California area and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

3. TERM

The term of this Agreement will be effective for a period of three (3) years from the date first above written. The City Manager may amend the Agreement to extend it for three (3) additional one (1) year terms or parts thereof. Extensions will be based upon a satisfactory review of Contractor's performance, City needs, and appropriation of funds by the City Council. The parties will prepare a written amendment indicating the effective date and length of the extended Agreement.

4. TIME IS OF THE ESSENCE

Time is of the essence for each and every provision of this Agreement.

5. COMPENSATION

The total fee payable for the Services to be performed during the initial Agreement term, based on time and materials, shall not exceed four million fourteen thousand six hundred eight dollars and fifty cents (\$4,014,608.50). No other compensation for the Services will be allowed except for items covered by subsequent amendments to this Agreement. The City reserves the right to withhold a ten percent (10%) retention until City has accepted the work and/or Services specified in Exhibit "A and B."

Incremental payments, if applicable, should be made as outlined in attached Exhibit "A."

6. **PUBLIC WORKS**

6.1 **Prevailing Wage Rates.** Any construction, alteration, demolition, repair, and maintenance work, including work performed during design and preconstruction such as inspection and land surveying work, cumulatively exceeding \$1,000 and performed under this Agreement constitute "public works" under California Labor Code section 1720 et seq. and are subject to state prevailing wage laws. The general prevailing rate of wages, for each craft or type of worker needed to execute the contract, shall be those as determined by the Director of Industrial Relations pursuant to the Section 1770, 1773 and 1773.1 of the California Labor Code. Pursuant to Section 1773.2 of the California Labor code, a current copy of applicable wage rates is on file in the office of the City Engineer. Contractor shall not pay less than the said specified prevailing rates of wages to all such workers employed by him or her in the execution of the Agreement. Contractor and any subcontractors shall comply with Section 1776 of the California Labor Code, which generally requires keeping accurate payroll records, verifying and certifying payroll records, and making them available for inspection. Contractor shall require any subcontractors to comply with Section 1776.

6.2 **DIR Registration.** California Labor Code section 1725.5 requires the Contractor and any subcontractor or subconsultant performing any public work under this Agreement to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code section 1725.5. Labor Code section 1771.1 provides that a contractor or subcontractor/subconsultant shall not be qualified to engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code section 1725.5. Prior to the performance of public work by any subcontractor or subconsultant under this Agreement, Contractor must furnish City with the subcontractor or subconsultant's current DIR registration number.

7. **CONSTRUCTION MANAGEMENT SOFTWARE**

Procore Project Management and Collaboration System. This project may utilize the Owner's Procore (www.procore.com) online project management and document control platform. The intent of utilizing Procore is to reduce cost and schedule risk, improve quality and safety, and maintain a healthy team dynamic by improving information flow, reducing non-productive activities, reducing rework and decreasing turnaround times. The Contractor is required to create a free web-based Procore user account(s) and utilize web-based training / tutorials (as needed) to become familiar with the system. Unless the Engineer approves otherwise, the Contractor shall process all project documents through Procore because this platform will be used to submit, track, distribute and collaborate on project. If unfamiliar or not otherwise trained with Procore, Contractor and applicable team members shall complete a free training certification course located at <http://learn.procore.com/procore-certification-subcontractor>. The Contractor is responsible for attaining their own Procore support, as needed, either through the online training or reaching out to the Procore support team. It will be the responsibility of the Contractor to regularly check Procore and review updated documents as they are added. There will be no cost to the Contractor for use of Procore.

It is recommended that the Contractor provide mobile access for Windows, iOS located at <https://apps.apple.com/us/app/procore-construction-management/id374930542> or Android devices located at <https://play.google.com/store/apps/details?id=com.procore.activities> with the Procore App installed to at least one on-site individual to provide real-time access to current posted drawings, specifications, RFIs, submittals, schedules, change orders, project documents, as well as any deficient observations or punch list items. Providing mobile access will improve communication, efficiency, and productivity for all parties. The use of Procore for project management does not relieve the contractor of any other requirements as may be specified in the contract documents.

8. STATUS OF CONTRACTOR

Contractor will perform the Services in Contractor's own way as an independent contractor and in pursuit of Contractor's independent calling, and not as an employee of City. Contractor will be under control of City only as to the result to be accomplished, but will consult with City as necessary. The persons used by Contractor to provide services under this Agreement will not be considered employees of City for any purposes.

The payment made to Contractor pursuant to the Agreement will be the full and complete compensation to which Contractor is entitled. City will not make any federal or state tax withholdings on behalf of Contractor or its agents, employees or subcontractors. City will not be required to pay any workers' compensation insurance or unemployment contributions on behalf of Contractor or its employees or subcontractors. Contractor agrees to indemnify City within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which City may be required to make on behalf of Contractor or any agent, employee, or subcontractor of Contractor for work done under this Agreement. At the City's election, City may deduct the indemnification amount from any balance owing to Contractor.

9. SUBCONTRACTING

Contractor will not subcontract any portion of the Services without prior written approval of City. If Contractor subcontracts any of the Services, Contractor will be fully responsible to City for the acts and omissions of Contractor's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Contractor is for the acts and omissions of persons directly employed by Contractor. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Contractor and City. Contractor will be responsible for payment of subcontractors. Contractor will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Contractor's work unless specifically noted to the contrary in the subcontract and approved in writing by City.

10. OTHER CONTRACTORS

The City reserves the right to employ other Contractors in connection with the Services.

11. INDEMNIFICATION

Contractor agrees to defend (with counsel approved by the City), indemnify, and hold harmless the City and its officers, elected and appointed officials, employees and volunteers from and against all claims, damages, losses and expenses including attorney's fees arising out of the performance of the work described herein caused by any negligence, recklessness, or willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

The parties expressly agree that any payment, attorney's fee, costs or expense City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this section, and that this section will survive the expiration or early termination of this Agreement.

12. INSURANCE

Contractor will obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the services by Contractor or Contractor's agents, representatives,

employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. The insurance carrier is required to have a current Best's Key Rating of not less than "A-:VII"; **OR** with a surplus line insurer on the State of California's List of Approved Surplus Line Insurers (LASLI) with a rating in the latest Best's Key Rating Guide of at least "A:X"; **OR** an alien non-admitted insurer listed by the National Association of Insurance Commissioners (NAIC) latest quarterly listings report.

12.1 Coverages and Limits. Contractor will maintain the types of coverages and minimum limits indicated below, unless Risk Manager or City Manager approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Contractor's indemnification obligations under this Agreement. City, its officers, agents and employees make no representation that the limits of the insurance specified to be carried by Contractor pursuant to this Agreement are adequate to protect Contractor. If Contractor believes that any required insurance coverage is inadequate, Contractor will obtain such additional insurance coverage, as Contractor deems adequate, at Contractor's sole expense. The full limits available to the named insured shall also be available and applicable to the City as an additional insured.

12.1.1 Commercial General Liability (CGL) Insurance. Insurance written on an "occurrence" basis, including personal & advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

12.1.2 Automobile Liability. (if the use of an automobile is involved for Contractor's work for City). \$2,000,000 combined single-limit per accident for bodily injury and property damage.

12.1.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code. Workers' Compensation will not be required if Contractor has no employees and provides, to City's satisfaction, a declaration stating this.

12.1.4 Professional Liability. Errors and omissions liability appropriate to Contractor's profession with limits of not less than \$1,000,000 per claim. Coverage must be maintained for a period of five years following the date of completion of the work.

12.2 Additional Provisions. Contractor will ensure that the policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

12.2.1 The City will be named as an additional insured on Commercial General Liability which shall provide primary coverage to the City.

12.2.2 Contractor will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage.

12.2.3 This insurance will be in force during the life of the Agreement and any extensions of it and will not be canceled without thirty (30) days prior written notice to City sent by certified mail pursuant to the Notice provisions of this Agreement.

12.3 Providing Certificates of Insurance and Endorsements. Prior to City's execution of this Agreement, Contractor will furnish certificates of insurance and endorsements to City.

12.4 Failure to Maintain Coverage. If Contractor fails to maintain any of these insurance coverages, then City will have the option to declare Contractor in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order to maintain the required coverages. Contractor is responsible for any payments made by City to obtain or maintain insurance and City may collect these payments from Contractor or deduct the amount paid from any sums due Contractor under this Agreement.

12.5 Submission of Insurance Policies. City reserves the right to require, at any time, complete and certified copies of any or all required insurance policies and endorsements.

13. BUSINESS LICENSE

Contractor will obtain and maintain a City of Carlsbad Business License for the term of the Agreement, as may be amended from time-to-time.

14. ACCOUNTING RECORDS

Contractor will maintain complete and accurate records with respect to costs incurred under this Agreement. All records will be clearly identifiable. Contractor will allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of records and any other documents created pursuant to this Agreement. Contractor will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

15. OWNERSHIP OF DOCUMENTS

All work product produced by Contractor or its agents, employees, and subcontractors pursuant to this Agreement is the property of City. In the event this Agreement is terminated, all work product produced by Contractor or its agents, employees and subcontractors pursuant to this Agreement will be delivered at once to City. Contractor will have the right to make one (1) copy of the work product for Contractor’s records.

16. COPYRIGHTS

Contractor agrees that all copyrights that arise from the services will be vested in City and Contractor relinquishes all claims to the copyrights in favor of City.

17. NOTICES

The name of the persons who are authorized to give written notice or to receive written notice on behalf of City and on behalf of Contractor under this Agreement are:

For City

Name Steven Stewart
Title Municipal Projects Manager
Department Public Works
City of Carlsbad
Address 1635 Faraday Ave.
Carlsbad, CA 92008
Phone No. 442-339-2938

For Contractor

Name Ray Varela
Title President
Address 185 West F Street, Suite 500
San Diego, CA 92101
Phone No. 619-239-2353
Email rav@carrierjohnson.com

Each party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

18. CONFLICT OF INTEREST

Contractor shall file a Conflict of Interest Statement with the City Clerk in accordance with the requirements of the City of Carlsbad Conflict of Interest Code. The Contractor shall report investments or interests as required in the City of Carlsbad Conflict of Interest Code.

Yes No

If yes, list the contact information below for all individuals required to file:

Name	Email	Phone Number

19. GENERAL COMPLIANCE WITH LAWS

Contractor will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Contractor, or in any way affect the performance of the Services by Contractor. Contractor will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of Contractor's services with all applicable laws, ordinances and regulations.

Contractor will be aware of the requirements of the Immigration Reform and Control Act of 1986 and will comply with those requirements, including, but not limited to, verifying the eligibility for employment of all agents, employees, subcontractors and consultants whose services are required by this Agreement.

20. CALIFORNIA AIR RESOURCES BOARD (CARB) ADVANCED CLEAN FLEETS REGULATIONS

Contractor's vehicles with a gross vehicle weight rating greater than 8,500 lbs. and light-duty package delivery vehicles operated in California may be subject to the California Air Resources Board (CARB) Advanced Clean Fleets regulations. Such vehicles may therefore be subject to requirements to reduce emissions of air pollutants. For more information, please visit the CARB Advanced Clean Fleets webpage at <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>.

21. DISCRIMINATION AND HARASSMENT PROHIBITED

Contractor will comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

22. DISPUTE RESOLUTION

If a dispute should arise regarding the performance of the Services the following procedure will be used to resolve any questions of fact or interpretation not otherwise settled by agreement between the parties. Representatives of Contractor or City will reduce such questions, and their respective views, to writing. A copy of such documented dispute will be forwarded to both parties involved along with recommended methods of resolution, which would be of benefit to both parties. The representative receiving the letter will reply to the letter along with a recommended method of resolution within ten (10) business days. If

the resolution thus obtained is unsatisfactory to the aggrieved party, a letter outlining the disputes will be forwarded to the City Manager. The City Manager will consider the facts and solutions recommended by each party and may then opt to direct a solution to the problem. In such cases, the action of the City Manager will be binding upon the parties involved, although nothing in this procedure will prohibit the parties from seeking remedies available to them at law.

23. TERMINATION

In the event of the Contractor's failure to prosecute, deliver, or perform the Services, City may terminate this Agreement for nonperformance by notifying Contractor by certified mail of the termination. If City decides to abandon or indefinitely postpone the work or services contemplated by this Agreement, City may terminate this Agreement upon written notice to Contractor. Upon notification of termination, Contractor has five (5) business days to deliver any documents owned by City and all work in progress to City address contained in this Agreement. City will make a determination of fact based upon the work product delivered to City and of the percentage of work that Contractor has performed which is usable and of worth to City in having the Agreement completed. Based upon that finding City will determine the final payment of the Agreement.

City may terminate this Agreement by tendering thirty (30) days written notice to Contractor. Contractor may terminate this Agreement by tendering thirty (30) days written notice to City. In the event of termination of this Agreement by either party and upon request of City, Contractor will assemble the work product and put it in order for proper filing and closing and deliver it to City. Contractor will be paid for work performed to the termination date; however, the total will not exceed the lump sum fee payable under this Agreement. City will make the final determination as to the portions of tasks completed and the compensation to be made.

24. COVENANTS AGAINST CONTINGENT FEES

Contractor warrants that Contractor has not employed or retained any company or person, other than a bona fide employee working for Contractor, to solicit or secure this Agreement, and that Contractor has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, City will have the right to annul this Agreement without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

25. CLAIMS AND LAWSUITS

By signing this Agreement, Contractor agrees that any Agreement claim submitted to City must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Contractor acknowledges that if a false claim is submitted to City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that California Government Code sections 12650 *et seq.*, the False Claims Act applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorney's fees. Contractor acknowledges that the filing of a false claim may subject Contractor to an administrative debarment proceeding as the result of which Contractor may be prevented to act as a Contractor on any public work or improvement for a period of up to five (5) years. Contractor acknowledges debarment by another jurisdiction is grounds for City to terminate this Agreement.

26. JURISDICTION AND VENUE

Any action at law or in equity brought by either of the parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Diego, State of California, and the parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

27. SUCCESSORS AND ASSIGNS

It is mutually understood and agreed that this Agreement will be binding upon City and Contractor and their respective successors. Neither this Agreement nor any part of it nor any monies due or to become due under it may be assigned by Contractor without the prior consent of City, which shall not be unreasonably withheld.

28. ENTIRE AGREEMENT

This Agreement, together with any other written document referred to or contemplated by it, along with the purchase order for this Agreement and its provisions, embody the entire Agreement and understanding between the parties relating to the subject matter of it. In case of conflict, the terms of the Agreement supersede the purchase order. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties. This Agreement may be executed in counterparts.

29. AUTHORITY

The individuals executing this Agreement and the instruments referenced in it on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions of this Agreement.

[signatures on following page]

Executed by Contractor this 8 day of April, 2024.

CONTRACTOR
CARRIER JOHNSON, a California corporation

CITY OF CARLSBAD, a municipal corporation of
the State of California

By:

Ray Varela
(sign here)

By:

Keith Blackburn, Mayor

Ray Varela, President
(print name/title)

ATTEST:

SHERRY FREISINGER, City Clerk

By:

Jackie Angel
(sign here)

By:

Deputy City Clerk

Jackie Angel, CFO & Secretary
(print name/title)

If required by City, proper notarial acknowledgment of execution by contractor must be attached. If a corporation, Agreement must be signed by one corporate officer from each of the following two groups.

Group A

Chairman,
President, **or**
Vice-President

Group B

Secretary,
Assistant Secretary,
CFO **or** Assistant Treasurer

Otherwise, the corporation **must** attach a resolution certified by the secretary or assistant secretary under corporate seal empowering the officer(s) signing to bind the corporation.

APPROVED AS TO FORM:

CINDIE K. McMAHON, City Attorney

BY: Gina Herrera
Assistant City Attorney

EXHIBIT A**SCOPE OF SERVICES AND FEE**

Item No.	Description	Total Fee
1	Architecture and Interiors	\$2,287,870.00
2	Landscape Architecture	\$104,920.00
3	Irrigation Consultant	\$21,050.00
4	Structural Engineering	\$278,000.00
5	Mechanical/Plumbing Engineering	\$242,270.00
6	Electrical Engineering	\$230,985.00
7	Fire/Life Safety	\$40,220.00
8	Civil and Land Survey Engineering	\$362,045.00
9	Geotechnical Engineering	\$26,500.00
10	Telecommunications and ESS	\$173,047.50
11	Cost Estimation	\$100,976.00
12	Dry Utilities	\$46,225.00
13	Fixtures, Furnishings and Equipment	35,100.00
14	Design - Reimbursable Allowance (Not to Exceed)	65,000.00
15	Dry Utilities - Reimbursable Allowance (Not to Exceed)	\$400.00
	Total (not to exceed)	\$4,014,608.50

See attached Exhibit B dated Nov. 22, 2023, for professional rates and alternate valuation breakdown.

ORION CENTER DESIGN SERVICES
PROPOSAL NO. RFP24-2279FAC

ATTACHMENT
SCOPE OF WORK



PROPOSAL NO. RFP24-2279FAC

PROJECT DESCRIPTION

We understand that the project consists of a new maintenance and operations center to be located on the City of Carlsbad's operation site at 2600 Orion Way in Carlsbad, California. The center includes a new 1-story office building with movable walls for future office configurations, police evidence storage, two Butler-type warehouses with mezzanine levels, police evidence vehicle stacked storage, refurbishment of an existing carwash, two uncovered storage structures, and a 2-story storage building. The project includes a rooftop solar photovoltaic system on the office building and potentially on select warehouse buildings, and/or solar parking canopies. Parking for 200 staff and 44 operational vehicles, will have stalls for Electric Vehicle (EV) charging stations and a perimeter security fence. The construction budget is anticipated to be \$35 to \$38 million. The design phase is expected to be 8 months long, including submissions at 60%, 90% and 100%.

SCOPE OF WORK

Our scope of work is based on the RFP, and specifically Exhibit "A", Tasks 1 through 5, and the site plan shown in "Scenario 3".

Services	Responsibility	Location of Service Description
§ 4.1.1 Validation of Programming	Architect	Basic Services
§ 4.1.2 2-3 optional site layouts for the site to optimize the development area	Architect	Basic Services
§ 4.1.3 Measured drawings	Architect	Not Applicable
§ 4.1.4 Existing facilities surveys	Not Provided	Not Provided
§ 4.1.5 Preparation and Submittal of Conditional Use Permit Consistency Determination	Architect	Basic Services
§ 4.1.6 Building information modeling	Architect	Basic Service
§ 4.1.7 Civil engineering	Architect	Basic Service – See Attachment for Assumptions, Inclusions and Exclusions
§ 4.1.8 Landscape design	Architect	Basic Service
§ 4.1.9 Architectural Interior Design	Architect	Basic Service
§ 4.1.10 Value Analysis (Recommended Prior to Bid)	Contractor	Separate Agreement
§ 4.1.11 Cost estimating	Architect	Basic Service
§ 4.1.12 On-site project representation	Architect	Add Service

City of Carlsbad – Orion Center Design Services
PROPOSAL NO. RFP24-2279FAC

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§ 4.1.13 Conformed construction documents	Architect	Add Service
§ 4.1.14 As-Designed Record drawings	Architect	Basic Service
§ 4.1.15 As-Constructed Record drawings	Contractor	Separate Agreement
§ 4.1.16 Post occupancy evaluation	Architect	Add Service
§ 4.1.17 Facility Support Services	Not Provided	Not Provided
§ 4.1.18 Tenant-related services	Architect	Add Service
§ 4.1.19 Coordination of Owner's consultants	Architect	Basic Service
§ 4.1.20 Telecommunications/data design	Owner	Separate Agreement
§ 4.1.21 Security Evaluation and Planning	Owner	Separate Agreement
§ 4.1.22 Commissioning	Contractor	Separate Agreement
§ 4.1.23 Extensive environmentally responsible design	Architect	Add Service
§ 4.1.24 LEED® Certification	Not Provided	Not Provided
§ 4.1.25 Fast-track design services	Architect	Add Service
§ 4.1.26 Historic Preservation	Not Provided	Not Provided
§ 4.1.27 Furniture, Furnishings, and Equipment Design	Architect	Basic Services - SEE ATTACHMENT FOR FF&E SCOPE OF WORK
§ 4.1.28 Land Survey Services	Architect	Basic Services
§ 4.1.29 Geotechnical Services	Architect	Basic Services
§ 4.1.30 Economic Feasibility Studies	Owner	Separate Agreement
§ 4.1.31 Site Analysis and Selection	Owner	Separate Agreement
§ 4.1.32 Environmental Studies and Reports	Owner	Separate Agreement
§ 4.1.33 Owner-Supplied Data Coordination	Owner	Separate Agreement
§ 4.1.34 Structural Engineering	Architect	Basic Service – See Attachment for Assumptions, Inclusions and Exclusions
§ 4.1.35 Mechanical Engineering	Architect	Basic Service– See Attachment for Assumptions, Inclusions and Exclusions

City of Carlsbad – Orion Center Design Services
PROPOSAL NO. RFP24-2279FAC

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§ 4.1.36 Plumbing Engineering	Architect	Basic Service– See Attachment for Assumptions, Inclusions and Exclusions
§ 4.1.37 Fire Protection Engineering	Architect	Spec Only - Basic Service– See Attachment for Assumptions, Inclusions and Exclusions
§ 4.1.38 Electrical Engineering	Architect	Basic Service– See Attachment for Assumptions, Inclusions and Exclusions
§ 4.1.39 Schedule Development & Monitoring	Architect/Owner	Basic Service-Design Schedule Only
§ 4.1.40 Special Bidding or Negotiation	Owner	Separate Agreement
§ 4.1.41 Construction Management	Owner	Separate Agreement
§ 4.1.42 Start-up Assistance	Contractor	Separate Agreement
§ 4.1.43 Acoustical Services	Architect	Add Service
§ 4.1.45 Telecommunications (Audio/Visual)	Architect	Basic Service
§ 4.1.47 Electronic Security Systems	Architect	Basic Service
§ 4.1.48 Wayfinding & Monument Signage	Architect	Add Service

A. DELEGATED DESIGN

1. Fleet & Facilities Warehouse (Prefab Steel Bldg)
2. Parks Warehouse (Prefab Steel Bldg)
3. Building Exterior Envelope (i.e. storefronts, exterior cladding, curtain walls, windows including wind load analysis and anchorage to Bldg)
4. Vehicle Stacked Storage Structure
5. Fire Alarm System Including, where required, Emergency Voice and Alarm Communication System per Section 907.5.2.2
6. Fire Sprinkler System
7. Guards (including anchorage to the Bldg): Glass and Metal Railing System(s)
6. Metal Stairs (structural frame, handrails, guards)
7. Precast Concrete Vault (including sumps, dry wells, etc.)
8. Raised Floor System
9. Skylights (custom designed and pre-manufactured)
10. Trusses (floor, roof - custom designed and pre-manufactured)
11. Façade Access Anchorage
12. Solar Photovoltaic System

B. ASSUMPTIONS & EXCLUSIONS

1. We assume that the storage needs have been documented and are available to the team.
2. We assume that the programming needs (including square footages and adjacencies) have been documented and are

City of Carlsbad – Orion Center Design Services
PROPOSAL NO. RFP24-2279FAC

Page 4 of 4

- available to the team as the basis of validation.
3. High resolution architectural renderings or models are excluded.
 4. Permit or plan check fees are excluded.
 5. Responses to constructability reviews by third parties are excluded.
 6. Measured drawings or existing facilities surveys are excluded.
 7. All exclusions related to Civil, Structural, Mechanical, Electrical and Plumbing as noted in the related attachments.
 8. Specialty consultants as required by the Conditional Use Permit are excluded.





3131 Camino Del Rio North, Suite 1080 San Diego, CA 92108 619.521.8500 kpff.com

November 17, 2023

Katee Chard
Carrier Johnson + CULTURE
185 West F Street, Suite 500
San Diego, CA 92101

Re: City of Carlsbad – Orion Center
Proposal for Structural Engineering Services
KPFF Project No. 2300466

Dear Katee:

We are pleased to submit this proposal for structural engineering services required for the **City of Carlsbad – Orion Center** project. This proposal is based on our email correspondence from October 4 through 23, 2023, the linked RFP named “RFP24-2297FAC; Orion Center Design Services.pdf” and the subsequent Addendum #1 dated November 14, 2023.

PROJECT DESCRIPTION

We understand that the project consists of a new maintenance and operations center to be located on the City of Carlsbad’s operation site at 2600 Orion Way in Carlsbad, California.

The center includes a new 1-story office building with movable walls for future office configurations, police evidence storage, two Butler-type warehouses with mezzanine levels, police evidence vehicle stacked storage, a carwash, two uncovered storage structures, and a 2-story storage building. The project includes a rooftop solar photovoltaic system on the office building and potentially on select warehouse buildings, and/or solar parking canopies. Parking for 200 staff and 44 operational vehicles, will have stalls for Electric Vehicle (EV) charging stations and a perimeter security fence.

The construction budget is anticipated to be \$35 to \$38 million. The design phase is expected to be 8 months long, including submissions at 60%, 90% and 100%.

SCOPE OF WORK

Our scope of work is based on the RFP, and specifically Exhibit “A”, Tasks 1 through 5, and the site plan shown in “Scenario 3”. Please refer to Attachment B for a description of our proposed scope of structural engineering services. Specifically, our scope includes the following items:

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPFF Project No. 2300466
Page 2 of 9

Structure	Scope	Area
Office Building – Fleet & Facilities and Parks offices	Full building design	13,826-sf
Police Storage Building	Full building design	6,500-sf
Fleet & Facilities Warehouse (Prefab Steel Bldg)	Building by others, KPFF does foundation and misc design only	9,870-sf
Parks Warehouse (Prefab Steel Bldg)	Building by others, KPFF does foundation and misc design only	5,950-sf
Parks & Streets Covered Storage	Bare steel canopy structure design	7,500-sf
Police Vehicle Stacked Covered Storage	Stackers by others, KPFF designs foundations and enclosure building	4,050-sf
Carwash	Carwash by others, KPFF designs foundations and enclosure building	640-sf
Streets Uncovered Storage	No structural scope	5,419-sf
Parks Uncovered Storage	No structural scope	5,500-sf
Storage – 2-story storage, size to be determined	Full building design	20,000-sf
Site work (flagpoles, miscellaneous site walls, landscape improvements)	As needed, assumed 60 hours of engineering maximum	N/A
Solar (PV) shade canopy	Maximum of two steel structures assumed, as needed	10,000-sf
TOTAL		89,255-sf

ASSUMPTIONS

1. We have assumed standard spread footing and slab-on-grade foundations. Deep foundations or mat foundations, if needed, would require an additional design fee.
2. This fee is based on a single permit and continuous construction for the primary structures. Phased design or construction will require an additional fee.
3. The prefabricated steel warehouse buildings will be designed by others, with the following exceptions, which will be KPFF scope:
 - a. Foundations and slab on grade will be by KPFF, with loads provided by prefab engineer.
 - b. Interior mezzanine will be by prefabricator, but miscellaneous architectural elements not included in their scope will be covered by KPFF.
4. Record Drawings or as-built drawings incorporating changes made during construction are not included in this fee proposal but can be provided as an additional service.
5. Design of solar photovoltaic system includes design of base structure to accommodate such a system, but assumes that the design of racking will be performed by the solar PV supplier.
6. Perimeter fence design will be by others, but KPFF can provide design assistance with foundation depth and other structural aspects as needed.
7. Design of nonstructural interior and exterior walls is excluded. Connection to structure and assistance with coordination of details is included.

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPF Project No. 2300466
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Attachment B

Structural Engineering Scope of Services

KPFF Consulting Engineers has expertise in the analysis and design of all elements associated with typical building structures such as exterior wall systems, shoring, stairs, etc. We are available to provide structural design services on any or all of the many elements, which comprise a finished building. Shown below is our understanding of the scope, which is required for this project. If this scope is to be modified, we will be glad to revise our fee proposal to reflect any such change.

This is an exhibit attached to and made part of Agreement dated November 17, 2023 between KPFF Consulting Engineers and Carrier Johnson + CULTURE for City of Carlsbad – Orion Center
(SER) (Client) (Project)

The services of the Structural Engineer of Record (SER) for this proposal include those summarized below.

Scope of SER's Basic Services		Included	Not Included	Remarks
2.2 SCHEMATIC DESIGN PHASE				
2.2.1	a. Confirm Scope of Structural Services	✓		
	b. Assist in Development of Schedule	✓		
	c. Confirm Fees and Payment Schedule	✓		
	d. Execute Contract	✓		
2.2.2	a. Attend Meetings	✓		As required in San Diego
	b. Establish Structural Design Criteria	✓		
	c. Prepare Studies of Alternative Structural Systems	✓		Max of 2 alternates
	d. Assist in Selection of Structural System	✓		
	e. Provide Structural Criteria for Geotechnical Consultant	✓		
	f. Assist in Determining Need for Special Studies	✓		
	g. Consult with Public Agencies	✓		
	h. Prepare Schematic Design Documents: Preliminary foundation and framing plans	✓		
2.2.3	a. Prepare Schematic Opinion of Probable Construction Costs		✓	Prepare quantity information for others to price
	b. Suggest Possible Changes to Effect Savings	✓		
2.3 DESIGN DEVELOPMENT PHASE				
2.3.1	a. Attend Meetings	✓		As required in San Diego
	b. Prepare Design Development Documents	✓		
	1. Prepare Preliminary Structural Design Calculations for Typical Elements	✓		

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPFF Project No. 2300466
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Scope of SER's Basic Services		Included	Not Included	Remarks
2.	Prepare Preliminary Foundation Drawings	✓		
3.	Prepare Preliminary Framing Layout Drawings	✓		
4.	Prepare Typical Detail Sheet(s)	✓		
c.	Prepare or Edit Outline Specifications for Structural Items	✓		
d.	Identify Pre-Engineered Structural Elements	✓		
e.	Review Results of Special Studies	✓		
f.	Coordinate Structural Design with Special Design Criteria	✓		
g.	Incorporate Value Engineering Revisions	✓		
2.3.2	Revise Schematic Opinion of Probable Construction Costs		✓	Prepare quantity information for others to price
2.4 CONSTRUCTION DOCUMENTS PHASE				
2.4.1	a. Prepare Structural Design of Primary Structural System	✓		
	b. Designate Elements to be Designed by Specialty Engineers, and Specify Structural Criteria for Specialty Engineer's Design of Pre-Engineered Structural Elements	✓		
	c. Review Effect of Secondary or Non-Structural Elements Attached to Primary Structural System	✓		
	d. Attend Meetings	✓		As required in San Diego
	e. Assist in Coordination with Building Code Officials	✓		
	f. Complete Structural Calculations	✓		
	g. Complete Structural Drawings	✓		
	h. Edit Specifications for the Primary Structural System	✓		
	i. Assist in Establishing Testing and Inspection Requirements	✓		
	j. Perform Checking and Coordination of the Structural Documents	✓		
	k. Revisions to Project Involving Re-Design		✓	
2.4.2	Revise Opinion of Probable Construction Costs		✓	Prepare quantity information for others to price
2.4.3	a. File Construction Documents for Approval by Building Official		✓	
	b. Make Revisions to Construction Documents as Required by Building Official (and/or Peer Reviewer)	✓		
2.5 BIDDING OR NEGOTIATION PHASE				
2.5.1	a. Assist in Evaluating Bidders Qualifications		✓	
	b. Provide Structural Addenda and Clarifications	✓		
	c. Attend Pre-Bid Conference	✓		As required
	d. Assist in Bid Evaluation		✓	

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPFF Project No. 2300466
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Scope of SER's Basic Services		Included	Not Included	Remarks
e.	Incorporate Value Engineering Revisions		✓	Additional service
2.6 CONSTRUCTION PHASE - ADMINISTRATION OF THE CONSTRUCTION CONTRACT				
2.6.1	a. Attend Pre-Construction Meeting	✓		
	b. Assist in Establishing Communications Procedures	✓		
	c. Assist in Establishing Procedures for Testing and Inspections	✓		
	d. Assist in Confirming Submittal Procedures	✓		
	e. Assist in Selection of Testing and Inspection Agency	✓		
	f. Advise Client and Contractor which Structural Elements Require Construction Observation by SER	✓		
2.6.2	a. Make Site Visits at Intervals Appropriate to the Stages of Construction	✓		(8) Visits included in base fee
	b. Prepare Site Visit Reports	✓		
2.6.3	Assist in Determining the Amounts Due the Contractor for the Structural Work	✓		
2.6.4	Provide Interpretations of Structural Construction Documents	✓		
2.6.5	Provide Recommendations Regarding Claims, Disputes and Other Matters Relating to Execution or Progress of the Structural Work	✓		
2.6.6	Assist in Determining Whether Non-Conforming Structural Work Shall be Rejected	✓		
2.6.7	a. Review Specified Submittals for Pre-Engineered Structural Elements	✓		
	b. Review Submittals for Items Designed by SER	✓		
	c. Review Testing and Inspection Reports	✓		
	d. Initiate Appropriate Action to Those Reports, if Required	✓		
2.6.8	Assist in Reviewing Change Orders Relating to the Structural Work	✓		
2.6.9	Assist in Conducting Jobsite Observation Visits to Determine Substantial Completion of the Structural Work		✓	
2.6.10	Engineer's Design Time for Field Fixes		✓	Additional service
2.6.11	Construction Engineering		✓	Optional additional service
3.4 OPTIONAL ADDITIONAL SERVICES				
3.4.1	Assist in Providing Analysis of Owner's Needs for This Part of the Project		✓	
3.4.2	Provide Special Studies		✓	
3.4.3	Provide Comparative Studies of Prospective Sites		✓	
3.4.4	Provide Special Surveys		✓	
3.4.5	Provide Services Relative to Future Facilities, Systems, and Equipment		✓	
3.4.6	Provide Service to Investigate Existing Conditions of Facilities, or to Make Measured		✓	

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPFF Project No. 2300466
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Scope of SER's Basic Services		Included	Not Included	Remarks
	Drawings Thereof			
3.4.7	Provide Services to Verify Accuracy of Information Furnished by Architect		✓	
3.4.8	Provide Coordination of Construction Performed by Separate Contractors or by Owner's Forces		✓	
3.4.9	Provide Services Regarding Work of a Construction Manager or Separate Consultants Retained by Owner		✓	
3.4.10	Provide Detailed Estimates of Construction Cost		✓	
3.4.11	Provide Detailed Quantity Surveys or Inventories of Material and Labor		✓	
3.4.12	Provide Analysis of Owning and Operating Costs		✓	
3.4.13	Provide Services Related to Interior Design Services		✓	
3.4.14	Provide Services for Planning Tenant or Rental Spaces		✓	
3.4.15	Make Investigations or Appraisals of Existing Materials or Facilities		✓	
3.4.16	Prepare Record Drawings	✓		
3.4.17	Provide Assistance in the Utilization of Equipment or Systems		✓	
3.4.18	Provide Services after Final Certificates for Payment or More than 60 days after Date of Substantial Completion		✓	
3.4.19	Provide Coordination of Work in Conjunction with Owner Supplied Equipment or Materials		✓	
3.4.20	Provide Services Related to Non-structural or Secondary Structural Elements and Their Attachments			
a.	Exterior Cladding System		✓	Connection to structure included.
b.	Interior Architectural Systems		✓	
c.	Façade Maintenance		✓	Connection to structure included
d.	Antenna or Flagpoles		✓	
e.	Mechanical, Electrical, or Plumbing Equipment or Distribution		✓	Equipment anchorage or pipe bracing not included
f.	Storage Tanks or Underground Vaults		✓	
g.	Mechanisms or Guide Systems for Elevators, Escalators or other Conveying Equipment		✓	
h.	Stairs - Standard		✓	Subcontractor designed
i.	Stairs - Feature		✓	
j.	Swimming Pool Support Structure		✓	
k.	Operable Partition Support	✓		
l.	Decorative Exterior Trim and Canopies Attached to the Building	✓		Items not part of 3.4.20.a that are designed by architect
m.	Coordinate Connection of Secondary Elements Designed by Others	✓		
n.	Railings	✓		Check railings designed by architect

City of Carlsbad – Orion Center
Katee Chard, Carrier Johnson + CULTURE
November 17, 2023

Proposal for Structural Engineering Services
KPFF Project No. 2300466
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Scope of SER's Basic Services	Included	Not Included	Remarks
o. Solar Panel Support Structure		✓	Design base structure for loads, coordinate with racking design by supplier
3.4.21 Provide Services Related to Sitework Elements		✓	
a. Retaining Walls	✓		Minor site walls included
b. Culverts or Bridges		✓	
c. Landscape Furnishings	✓		
d. Flagpoles or Lighting Poles	✓		Foundation design included
e. Signs		✓	
f. Miscellaneous Site Structures	✓		
3.4.22 Provide Dynamic Seismic Analysis	✓		As needed
3.4.23 Provide Analysis of Floor Response to Foot-Fall	✓		AISC Design Guide 11
3.4.24 Provide Vibration Analysis for Equipment		✓	Equipment should be on isolators
3.4.25 Provide Services Relative to Special Wind Analysis		✓	
3.4.26 Provide Services Related to Seismic Risk Analysis		✓	
3.4.27 Prepare Demolition Documents		✓	
3.4.28 Prepare Excavation, Excavation Shoring, or Underpinning Documents		✓	
3.4.29 Continuous Job Inspection or "Special Inspection" as Required by Section 1701.5 of the Building Code		✓	
3.4.30 Sustainability			
a. Assist Design Team	✓		
b. Prepare LEED Documentation		✓	
3.4.31 Blast and Security Analysis		✓	
3.4.32 Performance Based Seismic Engineering		✓	
3.4.33 Building Information Model			
LOD 300 Level Model	✓		
LOD 400 Level Model		✓	
Provide Clash Detection Services			
3.4.34 Provide Full-time or Part-time On-site Engineering and Support During Construction		✓	
3.4.35 Condition Assessment of Adjacent Building at Property Line		✓	Recommended prior to construction



APPENDIX A - SCOPE OF WORK – CIVIL

The civil scope of service includes the scope outlined in the RFP and Addendum 1, as described below.

BASIC SERVICES & ASSUMPTIONS – CIVIL

I. Schematic Design Phase

It is understood that a Conditional Use Permit (CUP) Consistency Determination will be required in order to confirm the proposed project substantially conforms to the approved CUP documents/design. Engineering services necessary to support this effort are outlined below. No additional entitlement engineering services are included.

1. **Boundary & Topographic Survey:** Provide boundary and topographic survey showing 0.5-foot contours, including existing site improvements, surface utilities, underground utility mark outs as provided under the Utility Locating task, and edge conditions. Boundary will be established from record data and field confirmation of existing monuments based on client-provided preliminary title report.
2. **Utility Locating:** Provide utility locating mark-outs within the project boundary and adjacent public roadways. Utility locating outside this area may be provided for an additional fee.
3. **Existing Site Research:** Review available documents including title report, existing easement information, site survey, and other documents made available to Coffman in order to incorporate applicable requirements and constraints into the proposed design. Existing as-built/record drawings will be provided by the City.
4. **Schematic Design (SD):** Prepare schematic drawings showing preliminary site layout, possible utility routing, grading concepts, and approximate water quality and HMP mitigation measures. Site layout to be provided by Architect. Up to 3 site layout options are included. Also includes coordination with Client and design team for this effort.
5. **CUP Consistency Determination Plans:** Provide civil engineering drawings and/or exhibits for use in the CUP Consistency Determination package and process with the City. These plans will include preliminary grading, preliminary utility design, public improvements, easements/right of way, fire access, and offsite improvements.
6. **Meetings & Coordination:** Attend and help facilitate virtual meetings and conference calls with Client, design team, and City staff to coordinate the above tasks. A budget of 30 hours is included for this effort.

II. Design Development Phase

1. **Design Development (DD):** Upon completion and acceptance of the SD plans, Coffman will develop a DD plan set showing additional detail and provide a starting point for the preparation of the Public Grading and Improvement Plans and Construction Documents.
2. **Preliminary Drainage Study:** Prepare a preliminary drainage study addressing pre- and post-developed runoff flows. The study will include narratives, hydrology calculations, and

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exhibits identifying impacts to existing and proposed drainage basins/patterns. Storm drain sizing, configurations, points of treatment, detention, and discharge will be determined through this study. The goal is to demonstrate to the City of Carlsbad that existing drainage patterns are being maintained (i.e. no proposed diversion of runoff) and that significant increase in storm runoff will be mitigated. This study will include a hydraulics analysis to current City and Regional standards. The study will be processed and approved in conjunction with the Grading Plans.

3. **Preliminary Stormwater Quality Management Plan (SWQMP):** Prepare a preliminary SWQMP to evaluate, document and select and post-construction Best Management Practices (BMPs) and associated maintenance responsibilities, along with addressing the City's Hydromodification Plan (HMP) requirements, which will be mitigated by a biofiltration basin or underground storage vaults. Treatment is anticipated to be through biofiltration basins and/or proprietary treatment devices. This effort will require confirmation and coordination with the geotechnical engineer's infiltration testing. Also included is the preparation of a Storm Water Management and Maintenance Discharge Control Agreement.
4. **Meetings & Coordination:** Attend and help facilitate virtual meetings and conference calls with Client, design team, and City staff to coordinate the above tasks. A budget of 30 hours is included for this effort.

III. Construction Documents – Public Grading & Improvement Plans

1. **Mass Grading Plans:** Prepare and process Mass Grading Plans through the City of Carlsbad. The plans will reflect the final, rough graded condition of the site showing 1-foot contour intervals and will generally match the final precise grading as provided with the Construction Documents phase. Includes demolition plan for existing site demolition. Also shown will be building pad(s) for the proposed building(s), backbone drainage improvements, biofiltration basins/swales (if included in the design), earthwork quantities, and construction notes necessary to obtain a Grading Permit. Includes preparation of plan and profile drawings for proposed retaining walls. Plans will include alignment and top/bottom of walls. Retaining wall(s) will be designed by the Structural Engineer.
2. **Public Improvement Plans:** Prepare and process Public Improvement Plans through the City of Carlsbad. The plans will reflect the proposed driveway modifications, utility connections or modifications, and sidewalk replacement made within the public right of way. No street widening is included. Details, dimensioning, sections, and construction notes will be provided to support the design. Plans do not include street widening, which can be provided separately as an optional service.
3. **Public Water Line Redesign:** As requested by the City, Coffman will work with the Utilities Department to redesign the waterline in the public right of way to avoid needing to relocate the existing 10-inch water line at the north side of the site.
4. **Final Drainage Study:** Prepare a final drainage study addressing pre- and post-developed runoff flows. The study will include narratives, hydrology calculations, and exhibits identifying impacts to existing and proposed drainage basins/patterns. Storm drain sizing, configurations, points of treatment, detention, and discharge will be determined through this study. The goal is to demonstrate to the City of Carlsbad that existing drainage patterns are being maintained (i.e. no proposed diversion of runoff) and

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that significant increase in storm runoff will be mitigated. This study will include a hydraulics analysis to current City and Regional standards. The study will be processed and approved in conjunction with the Grading Plans.

5. **Final Stormwater Quality Management Plan (SWQMP):** Prepare a final SWQMP to evaluate, document and select and post-construction Best Management Practices (BMPs) and associated maintenance responsibilities, along with addressing the City's Hydromodification Plan (HMP) requirements, which will be mitigated by a biofiltration basin or underground storage vaults. Treatment is anticipated to be through biofiltration basins and/or proprietary treatment devices. This effort will require confirmation and coordination with the geotechnical engineer's infiltration testing. Also included is the preparation of a Storm Water Management and Maintenance Discharge Control Agreement.
6. **Stormwater Pollution Prevention Plan (SWPPP):** Coffman will prepare and submit to the Regional Water Board a SWPPP report in general conformance with Federal, State, and County requirements. The SWPPP will identify construction Best Management Practices (BMPs) for controlling silt and pollutants during construction and will include data forms for completion and processing by the Owner or Owner's representative during construction. Also included is assistance with filing the Notice of Intent (NOI). Project Owner will be responsible as the Legally Responsible Person (LRP) to certify the NOI and any subsequent revisions. Includes up to four (4) site visits / visual inspections. QSP services, preparation of Rain Event Action Plans (REAPs), and other updates to the SWPPP are not included.
7. **Cost Estimate:** Prepare and process engineer's cost estimates associated with the Grading Plan and Improvement Plan using City template construction costs.
8. **Encroachment Agreements:** Prepare Encroachment Agreements for the proposed private improvements within the public right of way, including non-standard driveways, sidewalks, utility laterals, and landscaping. Exhibits will be provided, as needed.
9. **Processing & Plan Revisions:** Revise Public Grading & Improvement Plans as required by the City of Carlsbad. Two rounds of plan revisions are included. A budget of 115 hours is provided for this effort.
10. **Meetings & Coordination:** Attend and help facilitate virtual meetings and conference calls with Client, design team, and City staff to coordinate the above tasks. A budget of 55 hours is included for this effort.

IV. Construction Document – Building Permit

These services are for plans that will be part of the architectural building permit submittal package with the understanding that the Architect will take the lead in processing said plans. This service is also being provided under the assumption that to commence design and plan preparation, the Architect will issue one site plan with no major revisions to occur and this plan will be substantially the same as the site plan developed during the DD efforts. The plans listed below will be combined into one drawing set for processing.

1. **Construction Documents**
 - a. **Precise Grading Plan:** Prepare a precise grading plan reflecting the precise grades of the surface improvements and landscape areas around the building, parking areas, drive aisles, etc. This plan will show 1-foot contours; spot elevations at transitional curb

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- and paving locations, pedestrian walkways and ADA paths of travel, grade breaks, and other detailed areas; building pads; drainage improvements; and other landscaped areas as needed to aid in construction. Accessible paths shall be designed to a gradient not greater than 0.5% less than the maximum allowed by the governing code (as provided by the project architect) to the extent practical.
- b. **Layout and Paving Plan:** Prepare a layout and paving plan for the building and surface improvements. Dimensions and pavement sections will be shown for parking stalls, drive aisles, other site paving, walkways, building footprints, and fire lanes and will include typical parking stall details, curb ramp details, and other information deemed necessary for construction. Pavement structural sections will be provided per recommendations by the geotechnical engineer.
 - c. **Private Utility Plan:** Prepare a utility plan showing the private fire, sewer and water services with points of connection to within 5-feet the building(s). Information for appurtenances for each utility will be included, along with the proposed storm drain design provided in the Mass Grading Plans, as well as area drains and roof drains coinciding with the precise grading design. This plan will also reflect franchise utility lines and structures, as provided by others.
 - d. **Fire Access Plan:** Prepare and process a fire access plan with the Carlsbad Fire Department. The plan will show fire access lanes, hydrant locations, hose pull lengths, and aerial ladder access, if required.
2. **Easement Dedications / Vacations:** Provide legal descriptions and exhibits for the vacation of existing water easements and dedication of new water easements, as shown on the CUP drawings in the RFP, for processing by the City of Carlsbad. Includes coordination with the City of Carlsbad.
 3. **Right of Way Dedication:** Provide legal descriptions and exhibits for the dedication of additional right of way, as required per Planning Commission Resolution No. 7475, for processing by the City of Carlsbad. Includes coordination with the City of Carlsbad.
 4. **LEED Documentation:** Provide narratives and calculations, as needed, in support of the LEED documentation process. A separate LEED consultant and/or the Client will be responsible for overall LEED coordination, submittals, and processing.
 5. **Specifications:** Prepare 3-part specification sections for civil related items shown on the civil engineering drawings.
 6. **Processing Support & Plan Revisions:** Revise Construction Documents as required by the City of Carlsbad. Two rounds of plan revisions are included. A budget of 145 hours is provided for this effort.
 7. **Meetings & Coordination:** Attend and help facilitate virtual meetings and conference calls with Client, design team, and City staff to coordinate the above tasks. A budget of 60 hours is included for this effort.

V. Bidding Phase

1. **Bid Support:** Support Owner with bid efforts for contractor selection. Effort includes civil design clarifications, base estimate preparation and review, scope/proposal comparisons, and schedule review. A budget of 22 hours is included for this effort.

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VI. Construction Phase

1. **Construction Administration:** Attend construction meetings as required, address Contractor RFI's, coordinate with City inspector, provide general plan interpretation, and facilitate plan/document requests. A budget of 130 hours is included. This service includes CA for the grading, public improvement, and building permits. Any significant construction changes not as a result of Coffman will be evaluated for an additional authorization.
2. **Public Grading & Improvement Plan As-Builts:** Prepare and process as-constructed redlines to the permitted Public Grading and Improvement Plans with the City of Carlsbad. These as-built drawings will be based solely on redline drawings provided by the Client and/or Contractor. Includes coordinating with Contractor and City Inspector, hand drafting of mylars, and bond exoneration services. This service assumes that the as-graded geotechnical study will be provided by the project Geotechnical Engineer.

VII. Close-Out Phase

1. **Public Grading & Improvement Plan As-Builts:** Prepare and process as-constructed redlines to the permitted Public Grading and Improvement Plans with the City of Carlsbad. These as-built drawings will be based solely on redline drawings provided by the Client and/or Contractor. Includes coordinating with Contractor and City Inspector, hand drafting of mylars, and bond exoneration services. This service assumes that the as-graded geotechnical study will be provided by the project Geotechnical Engineer.

VIII. Optional Services

1. **Sewer Study:** Prepare one sewer study for the proposed project. The scope of this study will be focused on identifying peak flows for the project and its effect on the existing public sewer, if any, and will analyze up to one node downstream of the project. It is anticipated that there will be one major sewer connection point at the northwest corner of the site. This connection may require offsite improvements, which could require additional authorization.

IX. Assumptions

1. Any services not specifically included in the above scope are expressly excluded.
2. The provided scope does not include any offsite improvements, other than driveway/sidewalk improvements and utility connections within the public ROW.
3. It is understood that the prior CUP process confirmed that existing capacities/pressures of the public utilities to which the project will connect are sufficient for the proposed use and no offsite upgrades will be required. Analysis of the existing utilities is not included.
4. No separate permitting will be required for the car wash portion of the project.
5. Geotechnical Investigation report will be provided by Client.
6. Current title report will be provided by Owner.
7. The Client or Client's representative will process all permits required with the City.
8. All fees shall be paid by the Client.
9. The above scope assumes that Coffman will receive one (1) set of building footprints and

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site plan in an acceptable AutoCAD format. Additional services may be required if the building footprint changes during the preparation and processing of the plans.

10. All standard details for the civil site improvements will be identified with reference to the San Diego Regional Standard Drawings and/or Greenbook standards. Coffman will provide special details only necessary and where not covered in the standard details.
11. Drawings will be produced electronically and backgrounds will be provided by the Client.
12. Processing of the above documents and narratives is based upon a maximum of two (2) plan check cycles along with receipt of consistent and timely comments received from City reviewers. Should the comments from the City materially affect the project scope, the Client will be advised of its impact (e.g. additional scope and/or schedule) prior to proceeding with the associated scope.
13. Any required parking requirement calculations will be provided by the Architect.

X. Services Not Included

1. Technical Studies not listed above.
2. Accessibility/ADA Assessment of existing conditions.
3. Environmental documents (EIR, MND, etc.)
4. Geotechnical Investigations/Engineering.
5. Mapping Services not specifically listed above, including Lot Adjustments/Consolidations.
6. Construction Staking.
7. Construction cost estimating.
8. Stormwater Pollution Prevention Plan (SWPPP).
9. Qualified SWPPP Practitioner (QSP) services.
10. Demolition permitting.
11. FAA filings.
12. Utility Studies or review of adequacy of existing utilities.
13. Shoring Plans.
14. Pavement Design.
15. Traffic Control Plans.
16. Reclaimed Water design.
17. Project phasing.
18. Dry Utility / Franchise Utility coordination.
19. Significant changes to the design after completion of the SD plans.
20. Meetings or discipline scope not specifically listed above.

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APPENDIX B – SCOPE OF WORK – MECHANICAL AND PLUMBING

The mechanical scope of service includes the Basic Services described below as well as the following specific items:

- A. 13,800 sqft Office Building
 - a. Provide HVAC and Plumbing engineering services for a standard office building.
 - B. Warehouse 1 – 9,870 sqft
 - a. Anticipate design for ventilation and heat (assumed scope)
 - Warehouse 2 – 5,950 sqft
 - a. Anticipate design for ventilation and heat (assumed scope)
 - C. 6,500 sqft Climate Controlled Police Evidence Storage Building
 - a. Provide HVAC and Plumbing engineering services. Anticipated temperatures and humidities for this building are expected to be achievable with off the shelf HVAC equipment (specialized humidity and dehumidification equipment, not anticipated)
 - D. 4,050 sqft Evidence Vehicle Stacked Storage Structure
 - a. No anticipated mechanical engineering services (HVAC by premanufactured building manufacturer)
 - b. Plumbing design for drainage, sump pump, and possibly an oil interceptor.
 - E. 20,000 Storage Building
 - a. Anticipate design for ventilation and heat (assumed scope)
-
- 1. Building Air Conditioning, Heating, and Ventilation
 - a. Comfort air conditioning to meet owner and code requirements
 - b. Process air conditioning to meet specific room requirements such as network rooms, mechanical rooms, electrical rooms
 - c. Ventilation to meet owner and California T-24 requirements for occupant health, odor control, and other ventilation requirements
 - d. Building control systems required by owner and California T-24 requirements
 - 2. Building Plumbing Systems
 - a. Building domestic cold and hot water
 - b. Building waste and vent
 - c. HVAC Condensate

DESIGN CRITERIA – MECHANICAL AND PLUMBING

The project will be designed according to the following criteria:

- 1. 2022 California Building Code
- 2. 2022 California Mechanical Code
- 3. 2022 California Plumbing Code
- 4. 2022 Title-24 Nonresidential and Residential Standards

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CLIENT RESPONSIBILITIES – MECHANICAL AND PLUMBING

1. Quantities and locations of equipment producing heat into the space and requiring plumbing or electrical connections (computers, printers, refrigerators, plumbed coffee makers, etc.).
2. Building occupancy schedule for the energy model.

SERVICES & ASSUMPTIONS – MECHANICAL AND PLUMBING

I. Schematic Design Phase

1. Attend an initial "kick-off" meeting with the Client in the greater San Diego area.
2. Review client program and criteria requirements.
3. Review of record mechanical documents provided by Client.
4. Coordinate type of HVAC system to be implemented on the project.
5. Basis of design for mechanical and plumbing systems.

II. Design Development Phase

1. Attend up to one (1) project team meeting in the greater San Diego area. Additional meetings will be considered an additional service.
2. Provide up to one (1) site visit to collect data and conduct visual inspections.
3. In addition to team meetings, participate in biweekly internet/conference call meetings.
4. Mechanical and plumbing design development drawings to include preliminary equipment selections and locations as well as team coordination items such as space and shaft requirements.
5. Updated basis of design for mechanical and plumbing systems.
6. Attend (1) review meeting to discuss comments and incorporate as applicable.

III. Construction Document Phase

1. Attend up to one (1) project team meeting in the greater San Diego area. Additional meetings will be considered an additional service.
2. In addition to team meetings, participate in biweekly internet/conference call meetings.
3. Provide mechanical and plumbing construction documents including general notes, schedules, floor plans, controls, details, and isometric diagrams.

IV. Construction Administration Phase

1. Make up to two (2) mechanical observation site visits at intervals appropriate to the stages of construction.
2. Additional site visits and/or meetings will be accommodated as an additional service.
3. Answer contractor's Request For Information (RFI's) that relate to the above defined scope
4. Review one package of submittals, shop drawings, and one resubmittal package for systems in the above defined scope.
5. Preparation of Mechanical Record Documents showing significant mechanical changes made during construction, based on information provided by Contractor to Client.

V. Assumptions

1. Plan check will be performed by others. This includes plotting of drawings, delivering drawings to the authority having jurisdiction, plan check fees, permits, and correspondences directly with the

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authority having jurisdiction.

2. Drawings will be provided electronically as PDF files or 2D AutoCAD. Electronic AutoCAD backgrounds will be provided by the Client.
3. Revit Mechanical Model will not be required.
4. Submittal review and RFI responses are expected to be performed within 5 days

VI. Services Not Included

1. Meetings and site visits not mentioned above are excluded.
2. Submittals not mentioned above are excluded.
3. LEED forms to be completed by the LEED consultant.
4. This project will not be reviewed by USGBC for LEED requirements. Systems will be designed to LEED silver equivalent.
5. Any new or revised utility additions or modifications will be by others.
6. The design for elements not identified or included in this proposal.
7. Review of Value Engineering Reports or Studies conducted after the completion of Design Phase. May be provided as an add service to the project if needed.
8. Design changes initiated by Client or Owner after completion of Pre-Final Design Phase.



APPENDIX C – SCOPE OF WORK – ELECTRICAL

The electrical scope of service includes the Basic Services described below as well as the following specific items:

1. Electrical Distribution and Branch Systems
 - a. Utility electrical service entrance equipment
 - b. Building power distribution system – switchboard, panels and feeders
 - c. Branch power circuitry to receptacles and equipment, including head end equipment for low voltage systems furnished by owner or others.
 - d. Roof mounted Photovoltaic system.
 - e. On-site Battery Energy Storage System (BESS)
2. Lighting and Lighting Control Systems
 - a. Interior lighting systems using standard layouts and fixtures
 - b. Exterior area lighting and building perimeter lighting
 - c. Low voltage lighting control systems per Title 24 requirements
3. HVAC System Support
 - a. Power circuits to HVAC, mechanical and plumbing equipment
 - b. Safety switches and starters for equipment
 - c. Power circuits to mechanical and control system panels

SERVICES & ASSUMPTIONS – ELECTRICAL

I. Schematic Design Phase

1. Attend an initial “kick-off” meeting with the Client in the City of Carlsbad area.
2. Review client program and criteria requirements.
3. Review of record electrical documents provided by Client.
4. Provide up to one (1) site visits to collect data and conduct visual inspections.
5. Preliminary single line diagram and space allocations for electrical panel.
6. Basis of design for electrical system.
7. Provide Electrical Division 26 Outline Specifications.
8. Review a single design opinion of probable construction cost prepared by others.

II. Design Development Phase

1. Attend up to two (2) project team meeting in the City of Carlsbad area. Additional meetings will be considered an additional service.
2. Provide up to one (1) site visits to collect data and conduct visual inspections.
3. In addition to team meetings, participate in biweekly internet/conference call meetings.
4. Electrical construction documents including lighting, power, single line diagram, panel schedules, final calculations and details.

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5. Updated basis of design for electrical systems.
6. Attend one (1) review meeting to discuss comments and incorporate as applicable.

III. Construction Document Phase

1. Attend up to three (3) project team meetings in the City of Carlsbad area. Additional meetings will be considered an additional service.
2. In addition to team meetings, participate in biweekly internet/conference call meetings.
3. Provide progress Electrical plans at 60%, 90% & 100% increments.
4. Respond to Owner comments and incorporate in the next incremental submittal at 60%, 90% & 100% CD Phases.
5. Final Electrical construction documents including lighting, power, single line diagram, panel schedules, final calculations and details.
6. Final Electrical Division 26 Specifications.
7. Title 24 Compliance documentation.

IV. Construction Administration Phase

1. Make up to Four (5) electrical observation site visits at intervals appropriate to the stages of construction and includes final punch list.
2. Additional site visits and/or meetings will be accommodated as an additional service.
3. Answer contractor's Request For Information (RFI's) that relate to the above defined scope
4. Review one package of submittals, shop drawings and one resubmittal package for systems in the above defined scope.
5. Preparation of Electrical Record Documents showing significant electrical changes made during construction, based on information provided by Contractor to Client.

V. Assumptions

1. Energy demand readings (1 year or if not available 30-day load recordings) will be provided by owner if required.
2. Drawings will be produced electronically in Revit. Electronic backgrounds will be provided by the Client.
3. BIM Platform will utilize BIM360.

VI. Services Not Included

1. The design of elements not identified or included in this proposal.
2. Dry Utility Coordination with SDGE and low voltage service providers.
3. Review of Value Engineering Reports or Studies conducted after the completion of Design Phase.
4. Design changes initiated by Client or Owner after completion of Pre-Final Design Phase.

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APPENDIX D – SCOPE OF WORK – TELECOMMUNICATIONS & ELECTRONIC SECURITY SYSTEM

The telecommunications and electronic security system scope of service includes the services described below.

BUILDINGS & STRUCTURES ASSUMED IN SCOPE

- 13,800 SF 1-story Office Building
- 6,500 SF Police Storage building
- 9,870 SF Fleet and Facilities Warehouse/Shop
- 5,950 SF Parks and Recreation Warehouse/Shop
- 20,000 SF 2-story Future Storage Building
- 7,500 SF Covered Storage Building
- 640 SF Car Wash
- Parking Lot

TELECOMMUNICATIONS

- Design of telecommunication outside plant (OSP) system, building entrance facility, telecommunication spaces, backbone distribution system, and horizontal distribution system
- Design of telecommunication inside plant (ISP) system
- Design of telecommunication structured cabling and fiber network cabling
- Design of telecommunication grounding and bonding system per TIA standards
- Design of CATV backbone infrastructure design
- Design of Public Address system
- Audio-Visual systems in the necessary conference and training rooms

ELECTRONIC SECURITY SYSTEMS (ESS)

- Design of fully functional Access Control System
- Design of fully functional Intrusion Detection System
- Design of fully functional CCTV System

SERVICES & ASSUMPTIONS – COMMUNICATIONS & SECURITY

I. Schematic Design

- i. Attend an initial design conference/charrette/presentation meeting virtually. It is assumed the initial design conference/charrette/presentation will occur over one day.
- ii. Attend weekly teleconferences with design team.
- iii. Provide revised documents and drawings incorporating all applicable comments from the

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initial design conference/charrette/presentation meeting review.

- iv. Provide communications and security outline specifications.
- v. Provide responses to government submittal review comments.
- vi. Attend an over the shoulder meeting virtually.

II. Design Development

- i. Attend weekly teleconferences with design team.
- ii. Provide revised documents and drawings incorporating all applicable comments from the previous submittal.
- iii. Provide communications and security edited specifications.
- iv. Provide responses to government submittal review comments.
- v. Attend an over the shoulder meeting virtually.

III. Construction Documents

- i. Attend weekly teleconferences with design team.
- ii. Provide revised documents and drawings incorporating all applicable comments from the previous submittal.
- iii. Provide communications and security fully edited specifications.
- iv. Provide responses to government submittal review comments.

IV. Construction Administration

- i. Answer contractor's Requests for Information (RFIs) that relate to the above defined scope.
- ii. Provide two (2) reviews of a complete shop drawing submittal package for each of the communications and security submittals.
- iii. Provide construction oversight as the Engineer of Record.
- iv. Attend a construction observation visit at the completion of the rough-in effort for communications and electronic security systems. A letter summarizing noted deficiencies will be provided after the site visit.
- v. Attend a construction observation site visit for punch list close-out and final systems acceptance. A letter finalizing close-out of identified deficiencies and recommending systems acceptance will be provided after the site visit.
- vi. Provide review of contractor close-out documentation.

V. Assumptions

1. The Client or Client's representative will process all permits required with the building official.
2. The project will be built as a single phase and construction will commence upon completion of the Design and Permitting Phase.
3. Drawings will be produced electronically. Electronic backgrounds will be provided by the Client.

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4. Specifications will be edited and provided utilizing MasterSpecs.
5. Where submittals and/or cutsheets are required as part of the design submittal, the contractor will provide submittals for use.
6. Submittal review and RFI responses are expected to be performed within 5 days.

VI. Services Not Included

1. Cybersecurity design. May be provided as an add service to the project if needed.
2. Blue Light emergency system. May be provided as an add service to the project if needed.
3. ERRC or DAS. May be provided as an add service to the project if needed.
4. Intercommunication system. May be provided as an add service to the project if needed.
5. Cost Estimating.
6. Meetings and site visits not mentioned above are excluded.
7. The design for elements not identified or included in this proposal.
8. Review of Value Engineering Reports or Studies conducted after the completion of Design Phase. May be provided as an add service to the project if needed.



APPENDIX E – SCOPE OF WORK – FIRE PROTECTION/LIFE SAFETY CODE CONSULTING

The fire protection/life safety code consulting scope of service includes the Basic Services described below for the following buildings:

1. Single-story office building approximately 13,800 square feet.
2. Two separate warehouses each with a mezzanine – Public works warehouse approximately 9,870 square feet and Parks and Rec warehouse approximately 5,950 square feet.
3. Police evidence storage approximately 6,500 square feet.
4. Evidence vehicle stacked storage approximately 4,050 square feet.
5. Another storage building not exceeding 20,000 square feet.

DESIGN CRITERIA – FIRE PROTECTION

The project will be designed according to the following criteria:

1. 2022 California Building Code
2. 2022 California Fire Code

SERVICES & ASSUMPTIONS – FIRE PROTECTION

1. Attend virtual meetings.
2. Conduct reviews of the architectural drawings for general compliance with the major fire protection and life safety provisions of the building and fire codes. This review will also encompass any drawings depicting life safety/code compliance information. Provide the Client with a PDF markups of our findings.
3. Prepare preliminary review questions for the city discussing any subjective fire protection/code related items and approach.
4. Obtain water flow test data to determine if fire pump is required for site and fire flow parameters.
5. Attend virtual meetings with city personnel to discuss the preliminary review questions and/or subjective code items.
6. Attend virtual meetings with city to discuss fire department access and methodology for fire sprinkler (i.e., fire department connections, hydrants, etc.) integration.
7. Classify up to 20 hazardous materials chemicals.
8. Provide high-piled storage reports for each warehouse.
9. Determine fire sprinkler and fire alarm parameters for each building.
10. Assist in addressing plan check comments related to fire protection/life safety items and alternate design report.
11. Provide general fire protection, life safety and code consulting services.
12. Provide construction administration services including answering RFI's for fire/life safety related items.

Carrier Johnson + CULTURE
Carlsbad Orion Center
November 13, 2023
Appendix E - Page 2

I. Assumptions

1. Design and construction will be simultaneous.
2. Drawings will be provided electronically as PDF files. Electronic backgrounds will be provided by the Client.
3. Preparation of drawings will be provided by others.



March 4, 2024

RE: 2600 Orion Way Landscape Scope of Work

PROJECT DESCRIPTION

It is anticipated, under current assumptions, that the Carrier Johnson team will provide the following services and deliverables for a new operations and maintenance facility located at 2600 Orion Way, Carlsbad, CA, 92010. A conceptual design has been developed reflecting the co-location of staff from the City Public Works Branch's Street Maintenance and Facilities Maintenance Divisions, as well as the Parks & Recreation Department's Trees and Parks Maintenance Division. CJ Landscape understands the exterior scope of work includes parking lot tree canopy and understory plantings with a focus on bioinfiltration planting and drip irrigation, building buffer planting and streetscape improvement planting. Adjustments to hardscape layouts and design as needed in concert with architectural layout and design.

PROJECT DELIVERABLES

I. Schematic Design

- Meeting with Client and Client's Project Team to review project objectives, discuss potential issues, and confirm direction based on development feasibility and yield analysis.
- Meetings and coordination with Client's Civil Engineer; their preparation of preliminary grading, drainage, and wet utility plans.
- Workshop meeting with Client and Project Team to review "green" building strategies and confirm direction.
- Meeting and coordination with Client and Project Team including Structural Engineer, Mechanical Engineer and Electrical Engineer and confirm exterior amenity requirements.
- Review the conceptual design prepared. Confirm findings and provide revisions to the conceptual design as needed.
- **Code Review:** review codes, Campus Design Guidelines, regulations, submittal requirements etc. for civil engineering and landscape architectural items with a focus on grading and drainage, accessibility, parking and planting and irrigation; prepare summary memorandum for review by Client.
- **Site Analysis:** Provide an updated analysis of proposed project including: relationship to future site plan; existing and interim views and site conditions; grading and drainage constraints and opportunities; dry utility needs (if any); circulation and parking; planting and irrigation requirements; maintenance and security considerations and city and campus design requirements.
- **Programming/ Design Principles:** Review objectives and program; verify and refine design goals to be used in evaluating a preferred alternative.
- **Layout Options:** Design team to develop 2-3 optional layouts for the site to optimize the development area. Following evaluation and design team discussion, the city will provide a decision on the layout to continue forward with design development.
- Based on Schematic Design information, confirm with Client and Project Team, basic Architectural, Structural, Mechanical, and Electrical systems design and obtain Client's approval of Schematic Design package.
- Working Rendering Views (as needed)



City of Carlsbad
March 4, 2024
Page 2 of 7

II. Design Development

- Attend weekly meetings with Client and Project Team to discuss progress of the work, identify issues, and confirm direction.
- Meetings and coordination with Client's Civil Engineer; their preparation of horizontal control and updated grading, drainage, utility plans, and off-site improvements.
- Obtain and review updated dry utility information by Client's Utility Consultant and coordinate with Project Team.
- Preparation of Landscape Architectural Design Development plans including hardscape, planting, and irrigation for:
 - Off-site Improvements
 - On-site / On-structure Improvements
- Landscape Architectural Design Development plans include:
 - **Hardscape plans:** Locations, patterns, sizes, materials, colors, finishes of hardscape elements coordinated with Architect and Interior Designer as appropriate. Coordinate with Civil Engineer for storm water mitigation and drainage strategies.
 - **Planting:** Develop planting plans and legend as a "such as" list to convey planting intent and final selection in Construction Documents. Prepare existing plant material protection plans as needed.
 - **Irrigation:** Coordinate landscape layout and planting design with irrigation consultant.
- Meeting and coordination with Owner to review comments.
- Obtain Client's approval of Design Development documents at 50% working drawings.

III. Construction Documents

- Attend weekly meetings as needed with Client and Project Team to discuss progress of the work, identify issues, and confirm direction.
- Coordination with Client's Civil Engineer; their preparation of final horizontal control plan, grading and drainage plans, wet utilities plans, and public improvements plans.
- Finalization of Landscape Architectural Construction Document plans including hardscape, planting and irrigation for:
 - a. Off-site Improvements as needed
 - b. On-site / On-structure Improvements
- Coordination with Client's Utility Consultant; their preparation of final dry utility drawings for coordination with utility companies.
- Meetings and coordination with Client to review comments.
- Preparation of draft final specifications based on assumptions, updated information, and final material selections.



City of Carlsbad
March 4, 2024
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- a. Distribute to Client and Contractor for review and comment.
- Landscape Architect to prepare the following Construction Documents and coordinate with all Consultants:
 - a. Drawings to illustrate, describe and further develop the approved Design Development Documents consisting of Drawings and Specifications setting forth in detail the quality levels of materials and all other requirements for construction.
 - b. Coordination of Non-Scope Items by others (Landscape is not to be held responsible for photometric studies, drain calculations, signage fabrication, utility connections, art fabrication / installation or waterproofing and equipment connections for water features.)
 - c. Coordinate Civil and Plumbing Engineers in specifying drainage systems, on grade bioretention basins and swales, on structure storm water gardens/flow through planters, (Drain grates, top of wall heights etc.) in concert with Architect and Structural Engineers.
 - d. **Hardscape plans:** Completed list of products, materials, equipment and finishes with supplier information. Finalization of construction details within landscape scope excluding integration with structural slab, roof terrace profiles, foundation, and reinforcement of retaining walls, planter walls, stairs, ramps, etc., and waterproofing for on-deck planting.
 - e. **Planting:** Finalize planting plans and legend with selected species, descriptions, quantities, planter area mulch, root barriers, tree grates and percolation / soils test locations.
 - f. **Irrigation:** Finalize landscape layout and planting design with irrigation consultant.
 - g. **Bidding and Negotiations:** Upon issuance of the Construction Documents to one preselected general contractor or several general contractors for competitive bidding, the Landscape Architect will be available to respond to questions from bidders and revise the Construction Documents as needed for clarification.

PERMITTING & CONSISTENCY DETERMINATION SUBMISSION

IV. Agency Review and Approval

- The Agency Review Phase will review and conform to access compliance and general California Building Code (CBC) requirements, City code and mandates as they pertain to the exterior landscape.
- The number of review cycles conducted by the City and various agencies is difficult to anticipate and may request additional services.
- **Public/Street Improvement Plan:** set submitted to the City per City standards and in conjunction with Civil Engineering submittal as needed.
- **Plan Check Comments:** review and responses as needed. (Number and degree of City comments unknown until submittal and review).



City of Carlsbad
March 4, 2024
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V. Construction Administration

- a. In the Construction Administration Phase, Carrier Johnson + Culture shall provide those services designated necessary for the administration of the construction contract as set forth in the General Conditions of the Contract for Construction.
- b. The scope of services for the number of site visits, observations and contractor responses are estimated and may request additional services.
- c. The Client is to include provisions in the General Conditions of the specifications to allow back-charges to the Contractor to compensate for Submittal Reviews beyond quantity specified and for Site Observations called by the Contractor when it is apparent that the Contractor is not prepared.
- d. Responsibility on site: Landscape Architect shall NOT have control over or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs in connection with the project.

Meetings:

- e. Landscape Pre-Construction Meeting: meet to review project and answer any questions prior to commencement of construction.
- f. Bi-weekly OAC meetings (assume 20 meetings)
- g. Job site visit to monitor and report on the progress and quality of work for consistency with the Construction Documents (assume 3 site visits)
- h. *Time and schedule items that are represented in the below scope is based on teleconference or in-person meetings within the San Diego Metro Area. Additional meetings other than those described shall be billed at the hourly rates indicated.*

Construction Administration Tasks

- i. Clarifications, RFI, ASI with supporting documentation
- j. Review all submittals of shop drawings, samples and test reports required to complete the Project.
- k. Review Contractor proposals and change order requests as to validity of scope, accuracy of quantities and reasonableness of cost and time.
- l. **Hardscape:** Submittal review for paving types, cast in place concrete and furnishing.
- m. **Irrigation:** Submittal review for irrigation systems, equipment and proper installation/function.
- n. **Planting:** Submittal reviews for trees, vines, understory, and groundcover.
- o. **Tree/Palm Tagging:** Allow (3) nursery visits within a 25-mile radius. Additional nursery visits or nursery visits beyond the 25-mile radius

Observation reports (1 for each listed observation visit, assume 3 site visits). The Landscape Architect will make visits to the site at intervals appropriate to the stage of construction, as stipulated below, to observe the progress and quality of construction of the work within the Landscape



City of Carlsbad
March 4, 2024
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Architect's scope-of-work and to determine in general if the construction is proceeding in accordance with the design intent and construction documents.

Irrigation construction administration to be scheduled simultaneously to landscape site visits to the best extent possible. Irrigation reports to be reviewed by Landscape Architect and integrated into the observation report submittal.

- p. **Site Visit #1:** Hardscape formwork layout and mockup review if ready, planting review of soil preparation, fine grading, tree and understory layout and installation.
- q. **Site Visit #2:** Planting review and pre-maintenance observation. Review of completed and outstanding items from Site Visit #1.
- r. **Site Visit #3:** Substantial completion punch list and conformance to previous coordination action items.
- s. **Project Close Out / Record Drawings:** Revise planting, site furnishings and hardscape plans based on contractor mark ups. This set of documents shall consist of record specifications and record drawings showing the reported location of the work. In that record drawings are based on information provided by others, the Consultant cannot and does not warrant their accuracy.

ASSUMPTIONS

Carrier Johnson understands the project assumptions as follows:

We understand that the General Contractor will be required to run the construction meeting minutes, RFI, submittal and punch list process through a Construction Management System.

We additionally understand that the invitation to bid will include a mandatory job walk by the prospective bidders to familiarize themselves with the existing current conditions of the job site.

It is CJ+C's assumption that CJ+C team will receive electronic architectural files to be used as background for the proper development of the landscape design drawings set, preferably in AutoCAD.

Information contained in architectural drawings should be accurate and previously approved by Client/Developer and/or Client's Representative. Architect of Record will be notified of any potential conflict resulting from this scope of work and conditions represented in architectural drawings for proper resolution before proceeding with the landscape design development.

In the event of modifications to any of the approved deliverables described in the below scope of work requested by Client/Developer and/or Client's Representative, additional services on an hourly basis will be provided.

All meetings are assumed to be videoconference format. In-person meetings are to be at CJ+C San Diego office or metropolitan area as specified for each phase. Additional In-person or meetings outside San Diego metropolitan area will incur in additional travel time in an hourly base and expenses accordingly billed to the project.

Any provided timeline is an average estimate with the intention of establishing the fee. Schedule for this scope of work will be developed based on project duration established by Client/Developer and/or Client's Representative at time of signed contract and corroborated or adjusted by selected General Contractor prior to DD phase.



City of Carlsbad
March 4, 2024
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CLIENT RESPONSIBILITIES

Client agrees to provide the Landscape Architect the following:

1. Any testing required by the City, local and/or state agencies if applicable.
2. Fire lane as required by the City, local and/or state agencies.
3. Previously completed work, drawings, municipal requirements and/or reports by other consultants that will assist us in our work.

EXCLUSIONS

Services not included as a part of Landscape Architectural Design services:

- Survey plans (drawn to scale) indicating at a minimum - topographic contours; spot elevations of existing structures, streets, curbs, walks; utility equipment/fixtures/connections, runs and easements; property boundaries; all existing plant material with individual identification of all trees over 2" diameter trunk with labeling of location, trunk diameter at breast height (DBH), canopy spread and species.
- Soils testing and/or geotechnical engineering.
- Lighting fixture selection, photometrics, & detailing.
- FF&E selection, specifications, & detailing
- On-grade drainage and grading calculations. Landscape Architect will work in conjunction with Civil grading strategies.
- On-grade or on-structure vertical construction item footing, embedment, and reinforcement structural calculations outside of manufacturer recommendations. Details to be reviewed by Structural / Civil engineer for reinforcement compliance and extent.
- Bioremediation swale or planter soil profile depth and specifications. The Landscape Architect will provide design based on provided area/volumetric requirements specifying planting, mulch cover and guide railing as required.
- General on-grade / on-structure items, but not limited to:
 - Root barrier products
 - Drainage plans and products
 - Soil load calculations
 - Topping slab drainage
 - On-structure planter drain detailing and assembly
 - On-structure downspout detailing and assembly
 - Waterproofing of building and garage for on-grade and on-structure landscape and hardscape design
- Revit / BIM Model development and Cloud updating
- Consultants typ. But not limited to:
 - MEP
 - Civil Engineering / topographic or utility surveying
 - Structural Engineering
 - Life-safety
 - Acoustical
 - IT-Data



City of Carlsbad
March 4, 2024
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- Branding, signage and wayfinding design / specifications
- LEED certification processing
- Arboricultural or Horticultural services
- Irrigation consultation and services
- Security
- Pool/Spa/Fountain Design
- Live wall design and detailing
- Waterproofing and damp proofing
- Municipal artist selection for public projects.
- Any anticipated or established Construction Budgets for the project.
- Photorealistic renderings outside of concept Sketchup/Enscape renders.
- Permit and permit fees.
- Identification of all applicable codes and regulations governing the project.
- Any governmental or regulatory authority application fee.
- Change orders
- All Legal services

ADDITIONAL SERVICES

Services not included at this time but available upon request in a separate agreement:

- Revisions, changes or the preparation of design alternatives to Client approved drawings and after the completion of design development documents.
- Any work required to address any changes to Client provided base map or electronic base file data received after 50% Construction Documents.
- Graphics or publicity materials at Design Development or Construction Document phases beyond conceptual layouts.
- Presentations to Public Agencies or meetings beyond those listed in the above Scope of Services.
- Preparation of digital or scale physical model for presentation.
- Providing prolonged Construction Observation should the construction time be substantially extended through no fault of the Landscape Architect.
- LEED certification processing



2150 W Washington St,
Suite 203
San Diego, CA 92110

619.291.4600 t
ocmi.com

13 February 2024

Katee Chard
Carrier Johnson + CULTURE
185 West F Street, Suite 500
San Diego, CA 92101

Regarding: City of Carlsbad: Orion Center
Cost Estimating Services

Dear Ms. Chard:

OCMI, Inc. is pleased to transmit this proposal to provide cost-estimating services. Our fee proposal is based upon the details and email communication through 15 November 2023.

Understanding of the Project Scope

We understand the project consists of one 41,900 SF, two story office operations building, two 9,870 SF warehouse/shop buildings, one for Public Works Utilities and one for Public Works Fleet & Facilities totaling 19,740 SF, One 5,950 SF warehouse/shop building for the Parks & Recreation Department, One 11,230 SF covered outdoor storage area for Public Works Utilities, Public Works Fleet & Facilities, and Parks & Recreation personnel, One 92,300 SF four-story parking structure with 229 vehicle spaces. Within the first floor of the parking structure, 6,500 SF of enclosed conditioned space would be used for evidence storage by the Police Department, one 4,050 SF stacked vehicle covered storage area used for vehicles impounded by the Police Department, and one 640 SF carwash.

Schedule

We will require two weeks, at each phase, to render our estimating services from receipt of the design documents. This will allow us sufficient time to complete the work and ensure that we deliver the project on time.

Exclusions

Meetings, cost studies, and revisions due to changes in the scope of work are not included and will be billed on a time and materials basis in accordance with the fee schedule.

Scope of Work

- 30% Design Cost Estimate*
- 60% Design Cost Estimate*
- 90% Design Cost Estimate*
- 100% Design Cost Estimate*



EXHIBIT A
PROJECT ASSUMPTIONS/SCOPE OF WORK
ORION CENTER - CARLSBAD, CA
CARRIER JOHNSON

Based on our initial review and understanding of the project, we have identified the scope of work to include the following:

Projection Location: Impala Drive and Orion Street Carlsbad, CA
Project Type: Commercial

Task 1 – Temporary Power Service Coordination

TDUG will coordinate with SDG&E for a temporary power service work order. This includes two (2) separate work orders: one for installation and another for the removal of the temporary facilities.

Task 2 – New Business Utility Line Extension Services

a. Dry Utility Coordination & Management (SDG&E)

TDUG will provide dry utility coordination and management for the new line extension to the project site for SDG&E (Electric). This includes the coordination of designs, agreements and construction scheduling. One (1) work order is assumed. TDUG will request, coordinate and obtain the necessary utility easements for Carrier Johnson acceptance and signature. Third party coordination is excluded from this scope.

b. SDG&E Electric Applicant Design

TDUG will prepare the SDG&E electric underground design (one preliminary design and one final design) and specifications under the “Applicant Design” option. One (1) work order is assumed. Please see Exhibit A-2 for further details.

Task 3 – Telecommunications and Cable/TV Coordination & Management

TDUG will provide dry utility coordination and management for the new line extension to the project site for AT&T – Telephone and CATV – Cable Television. This includes the coordination of designs, agreements and construction scheduling.

Task 4 – SDG&E PME 11 Switch Relocation Services

a. Dry Utility Coordination & Management (SDG&E)

TDUG will provide dry utility coordination and management for the relocation of the PME 11 Switch at the project site for SDG&E. This includes the coordination of designs, agreements and construction scheduling. One (1) work order is assumed.

b. SDG&E Electric Applicant Design

TDUG will prepare the SDG&E electric underground design for the PME 11 Switch relocation (one preliminary design and one final design) and specifications under the “Applicant Design” option. One (1) work order is assumed. Please see Exhibit A-2 for further details.



EXHIBIT A – PAGE 2
PROJECT ASSUMPTIONS/SCOPE OF WORK
ORION CENTER - CARLSBAD, CA
CARRIER JOHNSON

Task 5 – Team Meetings/Conference Calls

TDUG will participate in development team meetings as requested by Carrier Johnson project team.

Task 6 – Construction Coordination

TDUG will provide construction coordination services during the utility scheduled installation process between project construction team and utility companies.

Assumptions and Exclusions

- Proposal is for work related to this development only and does not include any effort to support improvements required by the utility. The Dry Utility Group, Inc. is available to assist as requested and this time will be billed hourly on a monthly basis based on rate sheet provided.
- Delays by SDG&E or other services providers may increase the level of effort required and result in the need for a change order.
- Proposal assumes an estimated 24 hours for team meetings. Support requirements beyond this budgetary figure will be billed hourly on a monthly basis based on rate sheet provided.
- Proposal assumes an estimated 12 hours of construction support beyond the pre-construction meeting. Requested Construction Support will be billed hourly on a monthly basis based on rate sheet provided.
- Any work not mentioned in the Proposal or attached fee estimate will be considered to be out of scope of work and subject to additional fees as agreed between TDUG and Carrier Johnson.
- Proposal does not include the following:
 - Carrier Johnson permit acquisition and/or fees
 - Construction inspections
 - Markout
 - Potholing
 - Easement quitclaims, prior Land Rights research, or CPUC 851 Review



EXHIBIT A-1
UTILITY COORDINATION & DESIGN SERVICES SCOPE OF WORK
ORION CENTER – CARLSBAD, CA
CARRIER JOHNSON

TDUG will perform the following for the Coordination & Management of the work orders as described on the Exhibit A.

I. SITE PROFILE

- A. Field project site to visually review existing utility systems and potential site constraints.
- B. Confirm project needs with Carrier Johnson and determine utility work orders and/or service orders required.
- C. Prepare one (1) dry utility cost estimate, upon Carrier Johnson request, summarizing utilities' charges, contractor costs, and public street light costs.

II. SUBMITTAL PHASE

- A. Coordinate with utilities and consulting team members to obtain and review pertinent design information (utility to panel) and prepare for utility's submittal.
- B. Communicate with utilities to verify schedule and review conflicts with proposed improvement plans.
- C. If necessary, obtain civil engineer, architectural, landscape plans, mechanical, electrical and plumbing plans for project loads, and project schedule from Carrier Johnson; prepare plan submittal letters to each utility company.
- D. Review utility design requirements and identify potential issues with consulting team members.
- E. Obtain work orders required to submit plan package to utility companies and establish schedule for design, review, and completion.

III. PRELIMINARY DESIGN PHASE

- A. Attend utility design meetings as necessary and continue liaison role with all parties involved.
- B. Forward preliminary utility design to Carrier Johnson and consulting team members for their review, conflict identification, and acceptance.
- C. Review preliminary design revisions with each utility and ensure all necessary modifications are complete.



EXHIBIT A-1- PAGE 2

IV. FINAL DESIGN PHASE

- A. Forward revised preliminary design to Carrier Johnson and project team for final approval/signature and engineering certification.
- B. Coordinate with utilities, Carrier Johnson, and consulting team members for final utility design preparation.
- C. Obtain and review utility agreements for accuracy of cost methodology and rule application. Process agreements and right-of-way documents as required by the utility company.
- D. Deliver final utility agreements/contracts to Carrier Johnson.
- E. Coordinate with Carrier Johnson, utilities, and consulting team members for scheduling and/or attendance of pre-construction meeting.

Upon completion of the pre-construction meeting, the trenching contractor/superintendent/owner will be responsible for following through as per this final pre-construction meeting of the designs and communicating directly with each utility planner and/or inspector through final installation and inspection of the dry utility system.



EXHIBIT A-2
ELECTRIC APPLICANT DESIGN SCOPE OF WORK
ORION CENTER - CARLSBAD, CA
CARRIER JOHNSON

TDUG will perform the following electric design services for SDG&E as follows:

1. Meet with Carrier Johnson design team to establish project loads and service requirements.
2. Research utility as-builts to determine viable take-off source.
3. Prepare and request necessary utility permits.
4. Process an Engineering Field Check Request to verify existing distribution conditions.
5. Develop line extension layout for Carrier Johnson design team coordination and planning.
6. Submit meter location typical for Utility approval.
7. Prepare engineering calculations; including voltage drop, flicker, pulling tension, transformer loading, etc...
8. Prepare and submit SDGE required engineering documents (e.g. Load Studies, Fuse Request, Distribution Planning, etc...) for utility approval.
9. Develop structure placement details.
10. Develop one-line diagram.
11. Submit "Applicant Approve" design to project civil engineer and Carrier Johnson for conflict review and Carrier Johnson approval.
12. Input Bill of Material for each location in SDG&E's ICUE inventory system as required by SDG&E guidelines.
13. Identify and request necessary SDG&E permits for construction.
14. Identify rights-of-way as requested by the utility
15. Coordination with other utilities if joint trench or joint pole
16. Submit for final SDG&E approval of Applicant Design
17. Perform design review corrections as directed by the Utility's Applicant Design Coordinator.
18. Stamped approved design by a Registered Professional Engineer (PE)

The following services are not included:

- Base Maps (to be provided by Carrier Johnson)
- Surveying
- Geotechnical
- SWPP
- Environmental
- SDG&E Design Standard Changes occurring after project has been initiated



February 25, 2024

Steven Stewart
Facilities Engineering Division
Public Works, Fleet & Facilities Department
1635 Faraday
Carlsbad, CA 92008

RE: Furniture, Fixtures, and Equipment

Dear Mr. Stewart:

It is Carrier Johnson + CULTURE's pleasure to present this proposal for the above-referenced project.

FF& E DESIGN

Purpose

Carrier Johnson will assist Client on the development of a comprehensive furniture package to complement the project's concept for all areas in scope of work or as requested.

It is anticipated, under current assumptions, the Carrier Johnson team will provide the following services and deliverables for the above referenced project:

- A. **Furniture General Project Description:** Furniture Coordination Services for the following interior spaces for a new facilities site per the Approved Site Plan attached.
 - 1. Building A; 1-Story Office Building - 13,800 sq. feet
 - a. Reception and Lobby
 - b. Private Offices (2 types)
 - c. Open Office Workstations
 - d. Conference Rooms
 - e. Breakroom
 - f. Training Room
 - 2. Building B1; 2-Story Parks Warehouse/ Shop Building – 5,950sq. feet
 - a. Reception/ Greeting Area
 - b. Workshop
 - c. Private Office
 - d. Storage Space
 - 3. Building B2; 2-Story Fleet and Facilities Warehouse/ Shop Building – 9,870 sq. feet
 - a. Reception/ Greeting Area
 - b. Workshop
 - c. Private Office
 - d. Storage Space
 - 4. Building C; 1-Story Police Storage Building - 6,500 sq. feet
 - a. Reception/ Greeting Area
 - b. Private Office
 - c. Storage Space
 - 5. Building E; 2-Story Storage Building - 20,000 sq. feet
 - a. Reception/ Greeting Area
 - b. Private Office
 - c. Storage Space



Orion Center Design Services
Proposal No. RFP24-2279FAC
February 25, 2024

1. FURNITURE POWER & DATA CONSTRUCTION DOCUMENTS COORDINATION

- A. With written acceptance of furniture specifications, CJ+C will develop a Power and Data location plan in coordination with the Client's preferred furniture vendor.
- B. Client's preferred furniture vendor will review and approve final documentation for construction with their proposed furniture package.

DELIVERABLES

- 1. Scaled and dimensioned Power and Data Plan.

2. PURCHASE ORDER COORDINATION & PUNCH LIST

- A. CJ+C will coordinate with Furniture Vendor to finalize specifications/ finishes for the creation of Purchase Orders.
- B. Purchase Order creation, review and management is done by Furniture Vendor.
- A. CJ+C will conduct a walk-through and punch list of furniture after installation is completed with Furniture Vendor and Client. Furniture Vendor is responsible for documenting Punch List and addressing any outstanding issues.

ASSUMPTIONS

Carrier Johnson understands the project assumptions as follows:

We understand that the Client has a preferred Furniture Vendor selected. CJ+C can assist in Furniture Vendor selection at an additional hourly rate if requested.

Furniture Design scope is based on early assumptions based on preliminary square footage amounts and building descriptions provided by the initial site plan. Changes to these above-described assumptions in the Furniture General Project Description may result in additional services.

CLIENT RESPONSIBILITIES

Client agrees to provide architect the following:

Client will be purchasing all goods/ furnishings directly from preferred Furniture Vendor and pay all freight, taxes and installation charges directly to Furniture Vendor. CJ+C can provide Furniture Procurement services in a separate agreement once the space plan is determined and approved by Client.



Orion Center Design Services
Proposal No. RFP24-2279FAC
February 25, 2024

EXCLUSIONS

Services not included at this time but available upon request in a separate agreement:

1. Design, specification and coordination of art and accessories
2. Design and Specification of technology (IT) equipment and accessories
3. Selection of Client's Preferred Furniture Vendor
4. Furniture Specification and Warranty Information package
5. Furniture Inventory.
6. Furniture Fixtures & Equipment Purchase Order & Procurement.
7. Exterior Furnishing design and specifications.
8. Restroom/ Locker Room furniture.
9. Photorealistic Renderings.
10. Branding



Orion Center Design Services Fee Proposal

Proposal No. RFP24-2279FAC

Carlsbad | CA

November 22, 2023

carrierjohnson + CULTURE

+ FEE PROPOSAL

Orion Center Design Services Request for Proposal #RFP24-2279FAC

April 16, 2024

Carrier Johnson
Architecture & Interiors

Staff Hours + Fee Rates

Not-to-Exceed Fee	Katee Chard	John Beck	Dawn Zimmer	Alejandro Gutierrez	Maria Lopez	Architect (Support)	Job Captain	Jr. Designer (Support)
N/A	\$235	\$235	\$235	\$250	\$235	\$200	\$115	\$115
\$40,366.00	40	80	-	-	40	-	18	-
\$69,150.00	80	80	-	40	80	-	18	-
\$344,225.00	306	459	20	225	180	-	100	419
\$783,410.00	621	920	92	252	198	920	920	-
\$635,519.00	696	696	120	20	225	696	696	-
\$90,000.00	80	200	-	-	22	-	160	-
\$305,000.00	125	840	-	40	-	-	600	-
\$20,000.00	1948	3275	232	577	745	1616	2512	419
\$2,287,870.00	Total Fees + Hours							
\$65,000.00	Reimbursable not to Exceed							

Carrier Johnson
Landscape Architecture

Staff Hours + Fee Rates

Not-to-Exceed Fee	Amber Lake	Alexandra Trofimov	Kevin Vankham	Not-to-Exceed Fee
-	\$280	\$200	\$165	-
Incorporated below	9	13	-	-
\$11,980.00	12	49	85	-
\$14,570.00	19	75	131	\$5,000
\$57,470.00	37	151	262	\$11,800.00
\$3,975.00	5	19	33	\$1,050.00
\$11,925.00	19	75	131	\$3,200
\$8,000.00	28	219	412	\$21,050.00
\$104,920.00	Total			\$125,970.00

Irrigation Consultant Allowance

Carrier Johnson
Landscape Architecture

Staff Hourly Rates	Not-to-Exceed Fee
1.0 City Review Meetings / Design Charrettes	-
2.0 Schematic Design	Incorporated below
3.0 Design Development	\$11,980.00
4.0 Construction Documents	\$14,570.00
5.0 Permitting + Bid Assistance	\$57,470.00
6.0 Construction Administration	\$3,975.00
7.0 Record Drawings	\$11,925.00
Subtotal + Hours	\$8,000.00
	\$104,920.00

Coffman
Mechanical / Plumbing Engineering

Staff Hourly Rates	Not-to-Exceed Fee
2.0 Schematic Design	-
3.0 Design Development	\$24,210.00
4.0 Construction Documents	\$48,460.00
5.0 Permitting + Bid Assistance	\$96,895.00
6.0 Construction Administration	\$24,210.00
7.0 Close Out	\$36,312.50
	\$12,182.50
	\$242,270.00

Louis Abbott	Justin Peterson	Ben Noriega	Conrad Gonzalez	Manny Carreon
\$265	\$190	\$145	\$170	\$170
12	40	34	30	20
16	50	80	86	50
30	100	150	133.5	150
10	40	40	40	8
20	59	54.5	50	20
8.5	20	20	19	-
96.5	309	378.5	358.5	248

* CA fee includes record drawings

KPFF
Structural Engineering

Staff Hourly Rates	Not-to-Exceed Fee
1.0 City Review Meetings / Design Charrettes	-
2.0 Schematic Design	\$5,400.00
3.0 Design Development	\$35,100.00
4.0 Construction Documents	\$54,000.00
5.0 Permitting + Bid Assistance	\$108,000.00
6.0 Construction Administration	\$13,500.00
7.0 Record Drawings	\$54,000.00
Total Fees + Hours	\$8,000.00
	\$278,000.00

Coffman
Electrical Engineering

Staff Hourly Rates	Not-to-Exceed Fee
2.0 Schematic Design	-
3.0 Design Development	\$27,740.00
4.0 Construction Documents	\$38,920.00
5.0 Permitting + Bid Assistance	\$112,120.00
6.0 Construction Administration	\$6,520.00
7.0 Close Out	\$41,120.00
	\$4,565.00
	\$230,985.00

Joe Dews	Rae Ferritolo	Brian Snow	Hamza Saleem	Mauricio Vitela
\$265	\$250	\$200	\$145	\$140
12	26	48	40	19
14	20	80	70	29
40	60	220	230	65.5
4	8	8	8	5
18	32	62	62	24
2	2	7	7	8
90	148	443	417	150.5

* CA fee includes record drawings

+ FEE PROPOSAL

**Orion Center Design Services
Request for Proposal #RFP24-2279FAC**

April 16, 2024

Staff Hours + Fee Rates

Coffman
Fire / Life Safety

Staff Hourly Rates	Not-to-Exceed Fee
2.0 Schematic Design	\$10,340.00
3.0 Design Development	\$11,240.00
4.0 Construction Documents	\$14,480.00
5.0 Permitting + Bid Assistance	-
6.0 Construction Administration	\$4,160.00
7.0 Close Out	-
Total Fees + Hours	\$40,220.00

Staff Hourly Rates	Reagan Lawson
2.0 Schematic Design	\$180
3.0 Design Development	33
4.0 Construction Documents	38
5.0 Permitting + Bid Assistance	56
6.0 Construction Administration	-
7.0 Close Out	4
Total Fees + Hours	144.00

Nova
Geotechnical

Staff Hourly Rates	Not-to-Exceed Fee
1.0 Update Geotechnical Report	\$20,000
2.0 Review of Plans and Specifications:	\$4,000
3.0 Virtual meetings:	\$2,500
Total Fees	\$26,500

Staff Hours + Fee Rates

Coffman
Telecomm / ESS

Staff Hourly Rates	Not-to-Exceed Fee
2.0 Schematic Design	\$20,760
3.0 Design Development	\$29,497.50
4.0 Construction Documents	\$84,800.00
5.0 Permitting + Bid Assistance	\$3,455.00
6.0 Construction Administration	\$31,075.00
7.0 Close Out	\$3,460.00
Total Fees + Hours	\$173,047.50

* CA fee includes record drawings

James Chen	Joe Chang	Ben Verchick	Mauricio Vitela
\$265	\$200	\$145	\$140
12	40	40	27
17.5	50	60	44
40	150	160	150
5	8.5	2	1
20	60	95	-
4	12	-	-
98.5	320.5	357	222

Staff Hours + Fee Rates

Coffman
Civil & Land Survey

Staff Hourly Rates	Not-to-Exceed Fee
2.0 Schematic (includes topo. & util. location)	\$66,950.00
3.0 Design Development	\$36,050.00
4.0 Construction Documents	\$190,275.00
5.0 Permitting + Bid Assistance	\$4,635.00
6.0 Construction Administration*	\$24,720.00
7.0 Close Out	\$5,665.00
8.0 SWPP	\$8,000.00
9.0 Water Redesign	\$10,300.00
10.0 ROW Dedication	\$15,450.00
Total Fees + Hours	\$362,045.00

John Arenz	Armando Urquidez	Gilbert Macrid	Seth Santa Maria
\$250	\$225	\$160	\$145
16	65	105	45
9	46	65	90
50	200	445	423
3	5	10	8
9	38	58	32
3	3	12	16
52.00	144.00	144.00	144.00

TDUG
DRY UTILITIES

Not-to-Exceed Fee
-
\$46,225
\$46,225
\$400
Total Fees
Reimbursable not to Exceed

CJ+C
FF&E

Not-to-Exceed Fee
-
\$35,100
\$35,100
Total Fees

Discipline Fee (NTE) Reimbursable (NTE)

Architecture + Interiors	2,287,870.00	65,000.00
Landscape Architecture	104,920.00	
Irrigation Consultant	21,050.00	
Structural Engineering	278,000.00	
Mechanical / Plumbing Engineering	242,270.00	
Electrical Engineering	230,985.00	
Fire / Life Safety	40,220.00	
Civil & Land Survey	362,045.00	
Geotechnical	26,500.00	
Telecomm / ESS	173,047.50	
Cost Estimation	100,976.00	
Dry Utilities	46,225.00	400.00
Furniture Fixtures & Equipment (FF&E)	35,100.00	
NTE Fee Total	3,949,208.50	
Reimbursable NTE	65,400.0	

NOT TO EXCEED TOTAL FEE

Staff Hours + Fee Rates

OCMI
Cost Estimation

Staff Hourly Rates	Not-to-Exceed Fee
1.0 Review of Site Conditions	-
2.0 City Review Meetings/Design Charrettes	-
3.0 Design Development	\$100,976
4.0 Construction Documents	-
5.0 Permitting + Bid Assistance	-
6.0 Construction Administration	-
Total Fees + Hours	\$100,976

Michael Mejia	Sr. Cost Estimator	Estimator II	Estimator I
\$197	\$187	\$172	\$162
-	-	-	-
-	-	-	-
24	264	152	128
-	-	-	-
-	-	-	-
-	-	-	-
118.00	460.00	568.00	40.00



Hourly Rate Schedule
ARCHITECTURE / ENVIRONMENTAL DESIGN / PLANNING

Title	Hourly Billing Rate
Design Principal/Managing Partner	\$340.00
Principal	\$280.00
Associate Principal/ Sr. Project Manager	\$250.00
Sr. Associate/Sr. Project Architect/Sr. Interior Designer	\$235.00
Project Manager/Project Architect/Project Lead/Interior Designer	\$200.00
Project Designer	\$165.00
Designer	\$140.00
Jr. Designer/Jr. Interior Designer/Technical Support	\$115.00
Administrative Support/Intern	\$ 95.00

- Actual out-of-pocket expenses for travel, reproduction, photography, messenger, etc. are billed with a 15% mark-up to cover the administrative costs of handling these items. Direct billing to client accounts is another viable option.
- Billing Rates are subject to revision every six months.
- CASP Fees available upon request.
- Expert Witness Rates available upon request.

165 west f street suite 500 san diego ca 92101 | phone 619-239-2353 | fax 619-239-6227 | www.carrierjohnson.com

Effective January 2023

CLASSIFICATION	CIVIL / STRUCTURAL / MECHANICAL / ELECTRICAL	FIRE PROTECTION & CODE
Principal III	\$295	\$305
Principal II / General Manager	\$275	\$295
Principal I	\$265	\$275
Senior Discipline Manager	\$250	\$260
Senior Discipline Engineer	\$235	\$250
Senior Project Engineer	\$240	-
Senior Project Manager	\$225	\$240
Discipline Engineer	\$218	-
Senior Engineer	\$200	\$230
Project Manager	\$190	\$190
Engineer III	\$180	\$205
Engineer II	\$160	\$180
Engineer I	\$145	\$155
Engineering Intern	\$105	\$105
Senior Consultant	-	\$245
Senior Engineering Tech	-	\$235
Engineering Tech III	-	\$160
Engineering Tech II	-	\$150
Engineering Tech I	-	\$120
Senior Designer	\$170	-
Designer III	\$150	-
Designer II	\$140	-
Designer I	\$117	-
Drafter II	\$109	-
Drafter I	\$100	-
Administrative Supervisor 1	\$93	\$93
Clerical	\$85	\$85

These rates are effective through December 2023.
 F:\01 Agreement and Proposal Forms\04 Standard Hourly Rates\2023\SD_2023 Hourly Billing Rates_ALL DISCIPLINES.docx

1445 Frazee Road, Suite 600 | San Diego, CA 92108
 Phone 619.232.4673
 www.coffman.com



2150 W Washington St,
Suite 203
San Diego, CA 92110

619.291.4600 t
ocmi.com

Attachment A
HOURLY RATE SCHEDULE
KPFF San Diego
2023

PRINCIPAL-IN-CHARGE.....	\$290
SENIOR PROJECT MANAGER.....	\$235
PROJECT MANAGER.....	\$215
PROJECT ENGINEER.....	\$180
DESIGN ENGINEER	\$165
PROJECT DRAFTER	\$190
DRAFTER / CAD OPERATOR.....	\$165
ADMINISTRATIVE/SECRETARY	\$110

Note: Hourly rates will be updated on an annual basis throughout the duration of the project and services will be billed at the hourly rates in place at the time the service is provided, with Client approval.

Professional Rates

Fee Schedule 2023

	Title	Hourly Rate
Management	Cost Manager	\$192
Senior Professional	Senior Estimator	\$182
Professional	Cost Estimator II	\$167
	Cost Estimator I	\$157

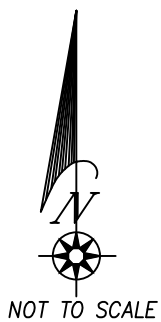
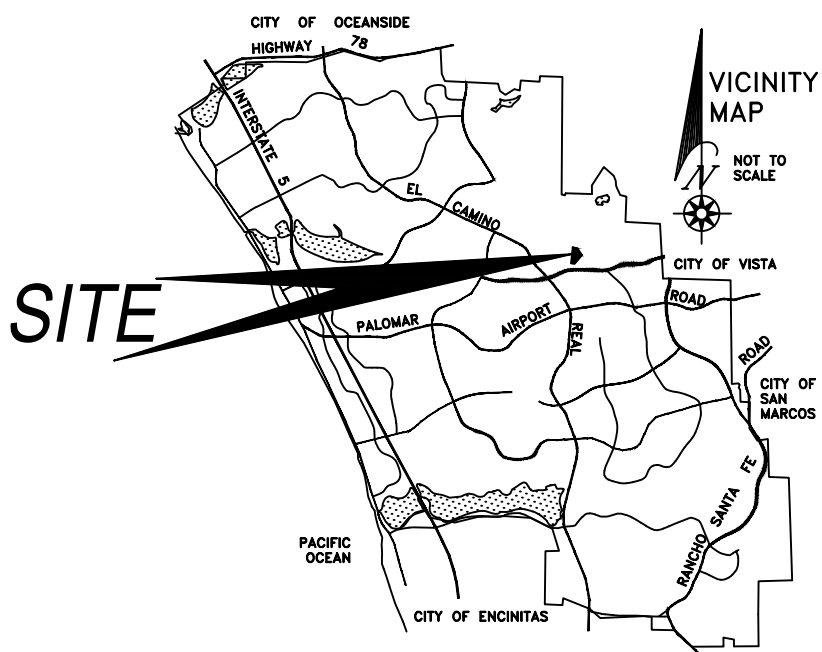
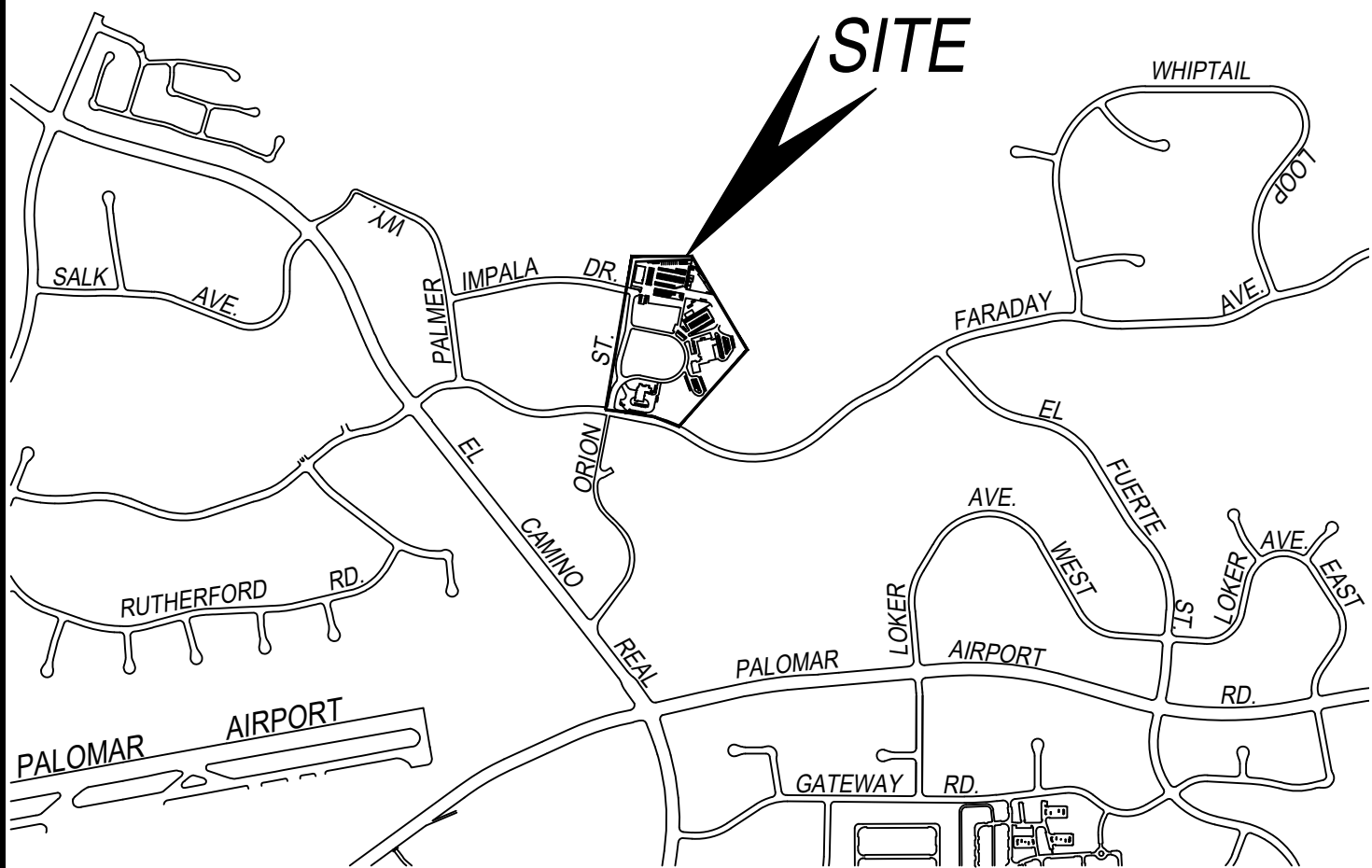
Rates are valid through December 31, 2023

carrierjohnson + CULTURE



Ray Varela
President, Design Principal
619.239.2353 ext. 465
949.939.2027 mobile
rav@carrierjohnson.com

LOCATION MAP



PROJECT NAME

CIP 3572 - Orion Center Project

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