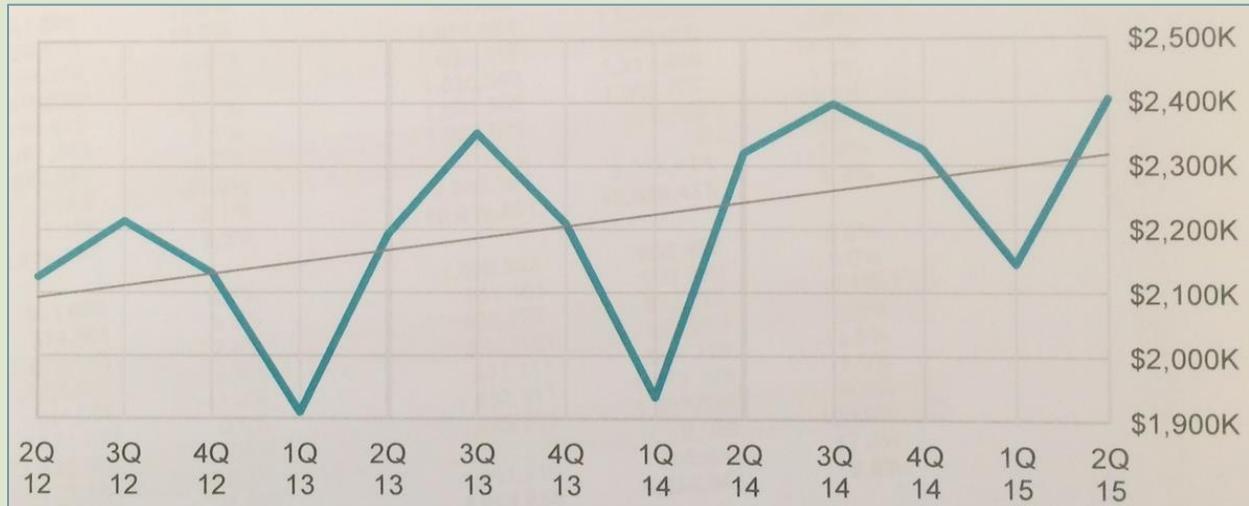


City Manager's Weekly Update

November 6, 2015

ECONOMIC DEVELOPMENT



Sales Tax Receipts

Sales tax receipts for the City continues along a positive trend line with 2nd quarter receipts increasing 5.3% higher over the same quarter one year ago. The City continues to experience strong sales from consumer interest in local casual dining and solid returns from local area hotels, automobile sales and general consumer goods. Not surprisingly, women's apparel and sporting goods are notable high performers. The city's voter approved half-cent transaction tax, Measure "H", generated an additional \$1,524,005 in revenue, an increase of 4.5% compared to the same period last year.

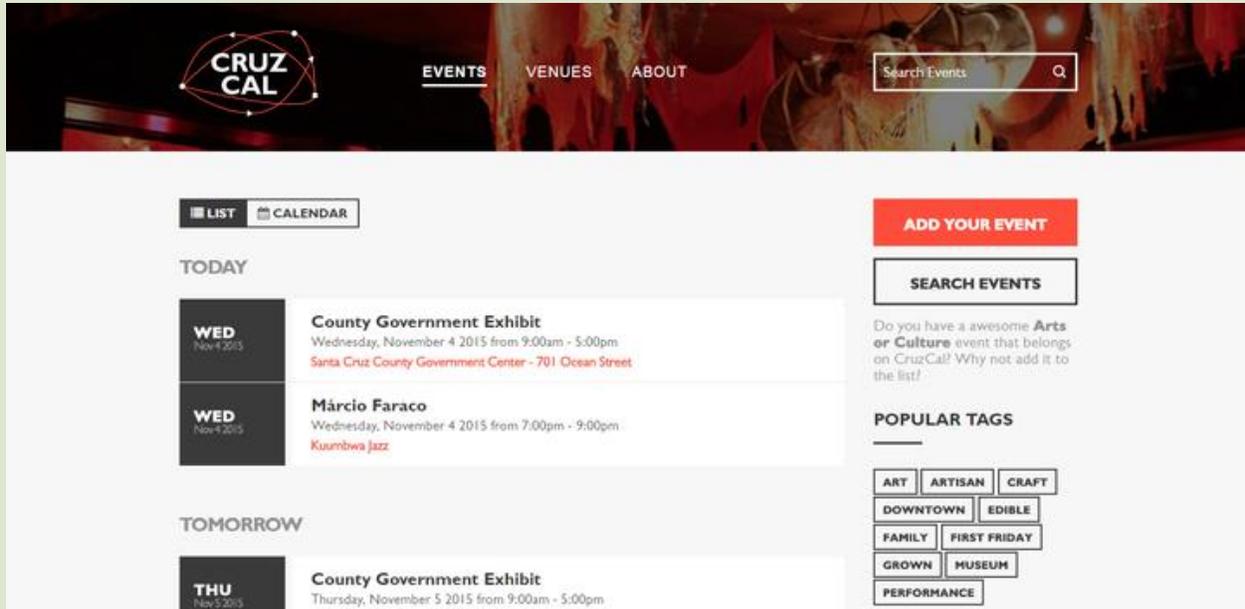
Year to year growth in specific geographic areas across the City also remains strong. Businesses in the downtown area experienced the highest growth of 6.9%, the highest 2nd quarter growth since 2007. Businesses at the Santa Cruz Boardwalk experienced 3.9% growth compared to the same period last year and the Gateway Plaza shopping area returned 4.7% growth compared to last year. Modest growth was experienced at the Swift Street/Ingalls Cluster and on the Eastside while Mission Street and the Santa Cruz Wharf experienced modest declines (after adjustments for an outlier, sales remain strong on the Wharf).

The County as a whole increased 3.9% over the same period last year and the Central Coast Region increased 1.6%. Looking at the year ahead, sales projections are forecast to remain strong through 2016-17.

CruzCal Celebrates One Year!

CruzCal.org the arts and culture calendar for Santa Cruz launched just about a year ago and we are excited to celebrate the success of this great resource for the community! CruzCal is the result of nearly two years of effort between the Arts Council Santa Cruz County, the City of Santa Cruz Arts Commission, and the City of Santa Cruz Economic Development Office. It serves

as the Santa Cruz community's convenient and open calendar resource for all arts and cultural events. Now event organizers can post their event information in one place while audiences, media, curated websites, and bloggers can easily import event information. For more information, please see the full article on our website journal, <http://choosesantacruz.com/journal/2015/happy-1st-birthday-cruzcal>.



WATER

We continue to try to wrap up many of our main replacement projects before the rainy season hits. And, we are making good progress on replacing the section of the North Coast water transmission line that has developed a significant leak in the vicinity of Lombardi Gulch Creek. We have obtained all necessary permits and approvals from local, state and federal regulatory agencies and commenced work on the project on Tuesday of this week.



We're also making progress on the design and construction of new concrete tanks for Graham Hill. The first phase of this project will replace the existing sludge storage tank and wash water

reclamation tank with two new concrete tanks. We're interested to see if this is a project that would be implemented more efficiently using an alternate project delivery method, for example design-build, and are working with our engineering consultant to evaluate this opportunity.

We took part in a workshop at the Santa Clara Valley Water District about the State's new, more restrictive regulations for new landscaping in residential, commercial and public developments. This was one of the items the Governor tasked the state with addressing in his executive order back in April. Cities and counties have to update their local ordinances to be at least as restrictive as the state's regulations. We're now reviewing all of our requirements to assess what changes might be needed.

Last, we continue to pack 'em in at Water School and the media continues to be fascinated with the program. Following in the footsteps of Al Jazeera, BBC World News, NPR, German and Japanese Television, China's main television station will attend next Monday's class to film and report.

PUBLIC WORKS

Engineering & Traffic Engineering

We have awarded a contract to improve drainage at King/Miramar with a valley gutter and access ramp. The project is being implemented prior to the spring 2016 paving of King Street.

The Branciforte Creek Flood Control Channel Vegetation Removal Project was completed. 1532 tons of material was removed from the channel at 550 Water and north of the Water Street Bridge.

The Neary Lagoon vegetation and sediment removal project has ended. Approximately 500 tons of tules and 2,000 tons of sediment were removed. Below is a photo of the now cleared and dredged main channel, which should significantly improve lagoon circulation, flow, and habitat.



Resource Recovery

Landfill staff extensively cleaned all storm water drainages and made significant improvements to the site in preparation for the rainy season.

Last Monday a significant storm provided an opportunity to see how well recent renovations of the storm water conveyance systems work including bio swales. Rain will trigger the growth of hydro seeded grass which will further increase the effectiveness at removing sediment and pollutants.

Here is a photo of a sediment catch basin on the landfill deck. Note the difference in clarity between the left and right side of the Filtrex sock.



Here are two photos of filter inserts stopping trash and debris from entering the storm drain system.



Green Business

Three new Santa Cruz businesses were certified this week. Miller Maxfield, Inc., Erica Schafer, DC and Aine Sweeney, DC are added to the growing list of green businesses in the City of Santa Cruz.

Waste Reduction

Staff is preparing door hangers with recycle guides in English and Spanish for multi-family complexes. Staff is working with apartment managers to distribute this important Recycle Right information.

Carpet Care Recovery Effort has provided the City with new outreach material to assist in the effort of carpet recycling in California.



Operations: Streets/Traffic

Staff worked on clearing path and placing sandbags on Bay Creek path.



Community Outreach

Work continues on our November 21 El Nino Prep Workshop. Event booths will include the National Weather Service with the latest storm forecasts, Santa Cruz County's Community Emergency Response Team (CERT) volunteer program and Animal Service Authority with pet preparedness tips.

The Boy Scouts will offer emergency kits for purchase. There will be a family-friendly Sandbag Workshop.

City booths will include Public Works with home prep before the storm, sandbag techniques and staff to discuss areas prone to flooding and what the City is doing to protect people and property. The Water Department will instruct residents on how to monitor rainfall, runoff and reservoir conditions from their homes and explain how the water system operates to ensure reliable service and high quality drinking water during storms. The Police and Fire departments

will dialogue with visitors regarding field evacuations for residents in flood prone areas and rescue operations.



Wastewater Treatment Facility Operations and Maintenance

San Lorenzo Valley High AP Environmental class toured the Wastewater Facility Wednesday 11-4-15. Jane Orbuch who is the science teacher for the APES microscopic class brought along her students to visit the facility's laboratory and plant operations. The facility has been supporting the education of the SLV students for many years.

Wastewater Division is setting up an OSHA required annual confined space rescue drill scheduled for 11-18-15. The rescue drill allows staff to practice with training techniques learned and use of specialized equipment that allows for rescuing injured personnel from confined spaces.



Laboratory & Environmental Compliance

The Laboratory and Environmental Compliance group assisted in the monitoring and compliance reporting phases of the City's effort to perform a controlled breach of SLR lagoon.

The analyses and reporting were completed for bacteria and algal toxins of the waters in San Lorenzo River Lagoon (SLR) and the nearshore including areas as wide as Cowell Beach and Seabright Beach. The effort was coordinated by Scott Collins of the City Manager's Office, who managed the City's permit for the controlled breaching of the SLR on October 23. The data indicate that the levels of all algal toxins detected in SLR were low, and perhaps most importantly, NOT Detectable in the nearshore waters after the day of the breach. Also significantly, there was NO Domoic Acid, a particularly concerning toxin either in SLR or in the nearshore waters. Detailed reports were sent to the Water Board; NOAA; the Sanctuary; UCSC; the County Environmental Health and other stakeholders.

In addition, the indicator bacteria measured in preparation for the controlled breach, and after the breach event, all indicate that the concentration at Cowell Beach was not affected by the breach.

PARKS AND RECREATION

Lots of activity throughout the Parks and Recreation Department this week as staff prepares for late Fall and Winter.

Our Park Maintenance team met Downtown before 6:00 a.m. Sunday to clean up the after effects of **Halloween's** community gathering. Public Works and Park and Recreation staff did an amazing job getting everything cleaned up and Pacific Avenue opened early Sunday morning.

Continuing behavioral challenges at City Hall resulted in staff posting most of **the Lawn at City Hall CLOSED**. Staff is currently designing a landscape plan that we hope to roll out within the next couple of weeks.