

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting
Wednesday, June 20, 2018
2:00 p.m.

Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637

Carol Moore
Mayor

Cynthia Conners
Mayor Pro Tem

Noel Hatch
Councilmember



Shari L. Horne
Councilmember

Joe Rainey
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

This meeting may be recorded, televised, and made publically available.

Public Comments: Persons wishing to address the City Council are requested to complete and submit a speaker card to City staff. Speaker cards are available near the entrance to the meeting location. Persons wishing to address the City Council on an item appearing on this agenda will be called upon at the appropriate time during the item's consideration. Persons wishing to address the City Council on an item *not* appearing on the agenda will be called upon during the "Public Comments" item. Persons who do not wish to submit a Speaker Card, or who wish to remain anonymous, may indicate their desire to speak from the floor. Speakers are requested, but not required, to identify themselves.

Americans with Disabilities Act (ADA): It is the intention of the City to comply with the ADA. If you need assistance to participate in this meeting, please contact either the City Clerk's Office at (949) 639-0500/TTY (949) 639-0535 or the California Relay Service at (800) 735-2929/TTY (800) 735-2922. The City requests at least two business days' notice in order to effectively facilitate the provision of reasonable accommodations.

REGULAR MEETING SCHEDULE

The Laguna Woods City Council regularly meets on the third Wednesday of each month at 2 p.m.

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 17-30, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

Special and Emergency Meetings: Agenda posting and availability for special and emergency meetings is conducted pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act).

AGENDA DISTRIBUTION LISTS

Electronic Distribution: The City of Laguna Woods provides notification of agenda posting and availability via email. To register to receive email notifications, please email cityhall@cityoflagunawoods.org or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535. Please note that the City is not responsible for, and makes no guaranties or warranties related to, the transmission or receipt of email notifications.

Mail Distribution: The City of Laguna Woods is able to mail agendas and/or agenda materials if provided with advance payment for postage and printing (if applicable). To request mail distribution, please email cityhall@cityoflagunawoods.org or contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535.

FOR ADDITIONAL INFORMATION

For additional information, please contact the City Clerk’s Office at (949) 639-0500/TTY (949) 639-0535, cityhall@cityoflagunawoods.org, or 24264 El Toro Road, Laguna Woods, California 92637.

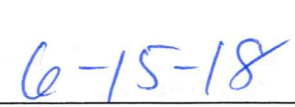
AFFIDAVIT OF POSTING

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, Yolie Trippy, Deputy City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 17-30, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.



YOLIE TRIPPY, Deputy City Clerk



Date

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

- 4.1 Rehabilitation Exploitation and Health Care Trafficking Presentation
– Orange County District Attorney’s Office

Recommendation: Receive and file.

- 4.2 Elder Abuse Awareness Month – June 2018

Recommendation: Approve and present the proclamation.

- 4.3 Gun Violence Awareness Month – June 2018

Recommendation: Approve and present the proclamation.

- 4.4 Immigrant Heritage Month – June 2018

Recommendation: Approve and present the proclamation.

- 4.5 Pride Month – June 2018

Recommendation: Approve and present the proclamation.

V. PUBLIC COMMENTS

About Public Comments: This is the time and place for members of the public to address the City Council on items *not* appearing on this agenda. Pursuant to State law, the City Council is unable to take action on such items, but may engage in brief discussion, provide direction to City staff, or schedule items for consideration at future meetings.

VI. CONSENT CALENDAR

About the Consent Calendar: All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, City staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on May 16, 2018 and special meeting on May 31, 2018.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of May 2018.

6.3 Warrant Register

Recommendation: Approve the warrant register dated June 20, 2018 in the amount of \$611,672.89.

6.4 Carryover of Budget Appropriations between Fiscal Years

Recommendation: Approve the carryover of budget appropriations authorized by the City Council on March 21, 2018 to offset costs associated with the digitization of microfiche records between fiscal years 2017-18 and 2018-19.

6.5 Fiscal Year 2018-19 Annual Appropriations Limit

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, IN ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

6.6 Budgeting, Reserves, and Reporting Policy

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING

MODIFICATIONS TO ADMINISTRATIVE POLICY 2.9
PERTAINING TO BUDGETING, RESERVES, AND
REPORTING

6.7 Employee Compensation and Benefits

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF LAGUNA WOODS, CALIFORNIA, REPEALING
RESOLUTION NO. 17-18 AND ESTABLISHING A
COMPENSATION SCHEDULE AND BENEFITS FOR CITY
EMPLOYEES

6.8 Newport Bay Watershed Total Maximum Daily Load Programs

Recommendation: Approve a cooperative agreement with the County of Orange, the Orange County Flood Control District, the City of Costa Mesa, the City of Irvine, the City of Laguna Hills, the City of Lake Forest, the City of Newport Beach, the City of Orange, the City of Santa Ana, the City of Tustin, Irvine Ranch Water District, and the Irvine Company to fund total maximum daily load programs and related activities in the Newport Bay Watershed and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.9 Animal Control and Shelter Services

Recommendation: Approve an agreement with the City of Laguna Beach for animal control and shelter services and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.10 Landscape Architecture, Landscape Plan Review, and Arborist Services

Recommendation:

1. Approve an agreement with Van Dyke Landscape Architects, Inc. for landscape architecture, landscape plan review, and arborist services and authorize the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

AND

2. Approve an extension of the agreement with NUVIS for as needed landscape architecture and forestry services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.11 As Needed Financial Consulting Services

Recommendation:

1. Waive the provisions set forth in Laguna Woods Municipal Code Section 3.06.070(c) related to competitive bidding.

AND

2. Approve an extension of the agreement with Irwin B. Bornstein for as needed financial consulting services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.12 City Attorney Services

Recommendation: Approve an amendment of the legal representation letter with Rutan & Tucker, LLP for legal services as City Attorney and authorize the Mayor to execute the amendment.

6.13 Landscape Maintenance Services

Recommendation: Approve an extension of the agreement with Nieves Landscape, Inc. for landscape maintenance services and authorize the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.14 Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)

Recommendation:

1. Approve the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)” design plans and specifications as recommended by the City Engineer.

AND

2. Award a contract agreement to Golden State Constructors for the construction of the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)”, in the amount of \$107,000, plus authorized change orders not to exceed 10% of the base amount; and authorize the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

6.15 General Municipal Election

Recommendation:

1. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATED TO GENERAL LAW CITIES

AND

2. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO CALIFORNIA ELECTIONS CODE SECTION 10403

AND

3. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 05-07 AND ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018

6.16 Conflict of Interest Code

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RESCINDING RESOLUTION NO. 16-32 AND RE-ADOPTING THE CONFLICT OF INTEREST CODE ADOPTED BY RESOLUTION NO. 16-32, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 81000 ET SEQ.

VII. PUBLIC HEARINGS

7.1 Construction and Demolition Materials Management Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 4.24.020, 4.24.040, AND 4.24.060 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO CONSTRUCTION AND DEMOLITION MATERIALS MANAGEMENT

7.2 Purchasing and Procurement Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 3.06 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT BY THE CITY

VIII. CITY COUNCIL BUSINESS

- 8.1 Fiscal Years 2017-28 Capital Improvement Program

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A NEW 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2017-18 THROUGH 2027-28, IN CONFORMANCE WITH MEASURE M2 REQUIREMENTS AND APPLICABLE CITY POLICIES AND DISCRETION

- 8.2 Fiscal Years 2017-19 Budget & Work Plan Adjustments

Recommendation:

1. Authorize the City Manager to transfer \$5,000 from the Fiscal Year 2017-18 General Fund City Council Contingency budget to the Senior Mobility Program Fund to offset costs associated with operation of the Senior Mobility Program.

AND

2. Approve a supplemental contribution of \$23,812 to the Other Post-Employment Benefits (OPEB) Trust Fund, with the appropriation drawn from the General Fund unassigned balance, in order to maintain a prefunding level of 80% of the unfunded OPEB liability.

AND

3. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2017-19 BUDGET & WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, RELATED TO APPROPRIATIONS FOR THE GENERAL FUND, CAPITAL PROJECTS FUND, FUEL TAX FUND, ROAD MAINTENANCE & REHABILITATION PROGRAM FUND, AND SENIOR MOBILITY FUND FOR THE SENIOR MOBILITY PROGRAM, THE BIENNIAL CONTRIBUTION TO THE OTHER POST-EMPLOYMENT BENEFITS TRUST FUND, AND VARIOUS CAPITAL IMPROVEMENT PROJECTS, AS WELL AS APPROPRIATIONS FOR AND FROM THE LAGUNA WOODS CIVIC SUPPORT FUND, A BLENDED COMPONENT UNIT OF THE CITY

8.3 California Public Utilities Commission Tariff Rule 20A Allocation

Recommendation:

1. Approve a memorandum of understanding with the City of Laguna Beach to transfer the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of April 5, 2018 (\$593,583) to the City of Laguna Beach for a purchase price of \$326,470.65, and authorize the City Manager to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to request that Southern California Edison transfer and assign the entire balance of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of April 5, 2018 to and for the benefit of the City of Laguna Beach, and provide any additional documentation or information that is reasonably requested by Southern California Edison to complete the transfer.

IX. CITY COUNCIL REPORTS AND COMMENTS

About City Council Comments and Reports: This is the time and place for members of the City Council to provide reports on meetings attended including, but not limited to, meetings of regional boards and entities to which they have been appointed to represent the City and meetings attended at the expense of the City pursuant to California Government Code Section 53232.3. Members of the City Council may also make other comments and announcements.

- 9.1 Coastal Greenbelt Authority
Mayor Pro Tem Conners; Alternate: Councilmember Horne
- 9.2 Orange County Fire Authority
Councilmember Hatch
- 9.3 Orange County Library Advisory Board
Councilmember Rainey; Alternate: Mayor Moore
- 9.4 Orange County Mosquito and Vector Control District
Councilmember Horne
- 9.5 San Joaquin Hills Transportation Corridor Agency
Mayor Pro Tem Conners; Alternate: Mayor Moore
- 9.6 South Orange County Watershed Management Area
Mayor Moore; Alternate: Councilmember Hatch
- 9.7 Other Comments and Reports

X. CLOSED SESSION

Prior to convening in closed session, the City Council will hear public

comments on items appearing on the closed session agenda.

10.1 The City Council will meet in closed session under the authority of California Government Code Section 54957(b)(1) to consider the following: Public Employee Performance Evaluation – City Manager.

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting: Wednesday, July 18, 2018 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

This page is intentionally blank.

4.1

**REHABILITATION EXPLOITATION AND HEALTH
CARE TRAFFICKING PRESENTATION –
ORANGE COUNTY DISTRICT ATTORNEY'S
OFFICE *(NO REPORT)***

This page is intentionally blank.

4.2
PROCLAMATION –
ELDER ABUSE AWARENESS MONTH –
JUNE 2018

This page is intentionally blank.

**Proclamation
City of Laguna Woods
Elder Abuse Awareness Month
June 2018**

WHEREAS, Laguna Woods is a community comprised mainly of older adults; and

WHEREAS, Elder Abuse Awareness Month is an international opportunity to bring attention to the all too prevalent maltreatment of older adults at home; and

WHEREAS, elder abuse is a problem that crosses all socio-economic boundaries and affects older adults regardless of gender, race, ethnicity, education, or location; and

WHEREAS, elder abuse manifests itself in a variety of forms, including physical, emotional, and financial abuse in homes and long-term care facilities; and

WHEREAS, elder abuse can cause lasting harm, financial ruin, and death; and

WHEREAS, there are physical, behavioral, and isolation warning signs that can be identified and acted upon to prevent or end instances of elder abuse; and

WHEREAS, ending instances of elder abuse often requires reporting by loved ones or other concerned parties, as well as professional intervention.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2018 as “Elder Abuse Awareness Month” in the City of Laguna Woods and encourages residents and businesses to learn the warning signs of elder abuse and report all instances of known or suspected elder abuse.

Dated this 20th day of June, 2018

Carol Moore
Mayor

Attest: Yolie Trippy
Deputy City Clerk

This page is intentionally blank.

**4.3
PROCLAMATION –
GUN VIOLENCE AWARENESS MONTH –
JUNE 2018**

This page is intentionally blank.

Proclamation
City of Laguna Woods
Gun Violence Awareness Month
June 2018

WHEREAS, every year, an average of approximately 35,141 people from across the country – or approximately 96 people per day – succumb to fatal injuries caused either intentionally or unintentionally by guns; and

WHEREAS, every year, an average of approximately 81,114 people from across the country – or approximately 222 people per day – are injured either intentionally or unintentionally by guns; and

WHEREAS, nearly two-thirds of all gun deaths are suicides, nearly one-third of all gun deaths are homicides, and less than 2% of all gun deaths are unintentional; and

WHEREAS, guns are the second leading cause of death among children and teens, with nearly 1.7 million living in a home with an unlocked and loaded gun; and

WHEREAS, every year, approximately half of all women who are killed by spouses or other intimate partners are killed using a gun.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2018 as “Gun Violence Awareness Month” in the City of Laguna Woods and encourages safe and responsible gun ownership.

Dated this 20th day of June, 2018

Carol Moore
Mayor

Attest: Yolie Trippy
Deputy City Clerk

This page is intentionally blank.

4.4
**PROCLAMATION –
IMMIGRANT HERITAGE MONTH –
JUNE 2018**

This page is intentionally blank.

**Proclamation
City of Laguna Woods
Immigrant Heritage Month
June 2018**

WHEREAS, generations of immigrants from every corner of the globe have built our country's economy and created the unique character of our nation; and

WHEREAS, immigrants provide our nation with a diversity of social and cultural influence, fundamentally enhancing its extraordinary character; and

WHEREAS, immigrants continue to grow businesses, innovate, strengthen the economy, and otherwise serve communities throughout this nation; and

WHEREAS, throughout history, immigrants have sought not only to secure their own rights and access to equal opportunity, but have also campaigned and advocated for a fairer and more just society for all Americans; and

WHEREAS, hosts of Laguna Woods residents have rich immigrant heritages, which though often unnoticed, benefit the fabric and vitality of our community.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2018 as "Immigrant Heritage Month" in the City of Laguna Woods and encourages reflection on the contributions that immigrants have made and continue to make, both locally and throughout our nation.

Dated this 20th day of June, 2018

Carol Moore
Mayor

Attest: Yolie Trippy
Deputy City Clerk

This page is intentionally blank.

4.5
PROCLAMATION –
PRIDE MONTH –
JUNE 2018

This page is intentionally blank.

**Proclamation
City of Laguna Woods
Pride Month
June 2018**

WHEREAS, Laguna Woods draws strength and vitality from the diversity of those who live, work, visit, and otherwise contribute to our community; and

WHEREAS, diversity, reason, and respect are hallmarks of a civilized society and vital to maintaining the extraordinary character of our community; and

WHEREAS, there are residents, members of the business community, and others who are a part of the lesbian, gay, bisexual, and transgender community; and

WHEREAS, Pride Month is an opportunity to reflect on the ways that we can all come together with a commitment to mutual respect and consideration; and

WHEREAS, the City of Laguna Woods opposes discrimination in all its forms and supports the fair and equitable treatment of all people.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim June 2018 as “Pride Month” in the City of Laguna Woods and encourages individuals to support understanding, to fight prejudice and discrimination in their own lives, and to treat others with dignity and respect.

Dated this 20th day of June, 2018

Carol Moore
Mayor

Attest: Yolie Trippy
Deputy City Clerk

This page is intentionally blank.

6.1-6.16
CONSENT CALENDAR SUMMARY

This page is intentionally blank.



City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 20, 2018 Regular Meeting
SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the June 20, 2018 Consent Calendar by single motion and City Council action.

Background

All items listed on the Consent Calendar are considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the City Council, staff, or the public requests that specific items be removed from the Consent Calendar for separate discussion and consideration of action.

Summary

The June 20, 2018 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on May 16, 2018 (Attachment A) and special meeting on May 31, 2018 (Attachment B).
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of May 2018.
- 6.3 Approval of the warrant register dated June 20, 2018 in the amount of \$611,672.89. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at City Hall.

- 6.4 Approval of the carryover of budget appropriations authorized by the City Council on March 21, 2018 to offset costs associated with the digitization of microfiche records between fiscal years 2017-18 and 2018-19. This work is underway but will not be complete by June 30, 2018. With the exception of capital improvement program and non-operating project budgets, carryovers of budget appropriations between fiscal years require City Council approval.
- 6.5 Adoption of a resolution adopting the annual appropriations limit (Gann Limit) for Fiscal Year 2018-19 commencing July 1, 2018 and ending June 30, 2019, in accordance with Article XIIB of the California Constitution. California’s Proposition 4, commonly referred to as the “Gann Initiative,” was approved by voters on November 6, 1979. The Gann Initiative added Article XIIB to the California State Constitution, establishing a limit on the amount of tax proceeds that the State and local governments can receive and appropriate on an annual basis (“Gann Limit”). Gann Limits vary amongst agencies and are either based on the amount of tax revenue authorized to be spent in Fiscal Year 1978-79 or, in the case of the City and other local governments that incorporated after Fiscal Year 1978-79, on an amount established by voters. Gann Limits are modified, annually, according to the calculation methods established by California’s Proposition 111 (1990).

In the event that the City’s receipt of tax proceeds was to exceed a Gann Limit, Article XIIB of the California State Constitution would allow the City to “carry those excess funds into the subsequent year.” At the conclusion of the subsequent year, the City would be required to return remaining excess funds to taxpayers or gain voter approval to “override” the Gann Limit.

The City does not anticipate receiving or appropriating tax proceeds in excess of the Gann Limit during Fiscal Year 2018-19. As such, the Gann Limit is not expected to impact the City’s operations.

- 6.6 Adoption of a resolution approving modifications to Administrative Policy 2.9 pertaining to budgeting, reserves, and reporting. The proposed resolution would make modifications to Administrative Policy 2.9, which include (1) changes related to the City’s transition from seven- to 11-year capital improvement program development, (2) policy related to the finalization of, and accounting entries for, carryovers of budget appropriations between fiscal years, and (3) clarifications of existing policy.

- 6.7 Adoption of a resolution repealing Resolution No. 17-18 and establishing a compensation schedule and benefits for City employees. The proposed resolution would delete policies related to paid time off that were specific to the 2017 calendar year and note the increase in the City Manager’s salary from \$176,538 to \$183,770 based on the change in the Consumer Price Index provided for in his employment agreement (dated October 28, 2015).
- 6.8 Approval of a cooperative agreement with the County of Orange, the Orange County Flood Control District, the City of Costa Mesa, the City of Irvine, the City of Laguna Hills, the City of Lake Forest, the City of Newport Beach, the City of Orange, the City of Santa Ana, the City of Tustin, Irvine Ranch Water District, and the Irvine Company to fund total maximum daily load programs and related activities in the Newport Bay Watershed and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement is a successor to various agreements that the City has participated in since 2003 to facilitate compliance with watershed-related regulatory orders adopted by the Santa Ana Regional Water Quality Control Board as part of National Pollutant Discharge Elimination System (“NPDES”) stormwater requirements.
- 6.9 Approval of an agreement with the City of Laguna Beach for animal control and shelter services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement is for a two-year period from July 1, 2018 through June 30, 2020. The City has partnered with the City of Laguna Beach for animal control and shelter services since October 2000.
- 6.10 [1] Approval of an agreement with Van Dyke Landscape Architects, Inc. for landscape architecture, landscape plan review, and arborist services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. The Request for Proposals (“RFP”) for landscape architecture, landscape plan review, and arborist services was released on April 5, 2018 with proposals due by April 27, 2018. A total of four proposals were received (NUVIS, RHA Landscape Architects-Planners, RJM Design Group, and Van Dyke Landscape Architects). After reviewing all proposals and interviewing all firms, staff recommends that the City Council award the agreement to Van Dyke Landscape Architects due to factors including, but not limited to, cost, experience, and qualifications. Van Dyke Landscape Architects provides or has provided similar services

for the County of Riverside, Eastern Municipal Water District, and the cities of Jurupa Valley, Wildomar, Yucaipa, and others.

AND

[2] Approval of an extension of the agreement with NUVIS for as needed landscape architecture and forestry services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is from July 1, 2018 through December 31, 2018, in order to allow NUVIS to continue work on the “A Place for Paws” Dog Park Relocation Project and certain landscape plan review that remains underway as of June 30, 2018. New landscape architecture and forestry work would be completed by Van Dyke Landscape Architects.

- 6.11 [1] Waiver of the provisions set forth in Laguna Woods Municipal Code Section 3.06.070(c) related to competitive bidding. The City’s procurement regulations generally require competitive bidding when the estimated cost of services is \$25,000 or more over the term of the agreement, but allow for the waiver of those provisions at the discretion of the City Council. Mr. Bornstein is a highly qualified finance professional and Certified Public Accountant. He earned a Master of Business Administration degree from Stanford University and has worked in management roles for the cities of Anaheim, Whittier, and Mission Viejo, where he retired in 2011 as Assistant City Manager/Administrative Services Director. Mr. Bornstein has provided as needed financial services to the City for several years, and also provides or has provided similar services to the cities of Laguna Niguel, Placentia, Stanton, Westminster, and others. Due to the continuing need for the services provided by Mr. Bornstein, Mr. Bornstein’s performance to-date, and the value of maintaining continuity of consultant personnel as the City continues to work to enhance its financial services, staff recommends waiving competitive bidding requirements for the proposed extension.

AND

[2] Approval of an extension of the agreement with Irwin B. Bornstein for as needed financial consulting services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is for one year through June 30, 2019, as allowed by the existing agreement.

- 6.12 Approval of an amendment of the legal representation letter with Rutan & Tucker, LLP for legal services as City Attorney and authorization for the Mayor to execute the amendment. The proposed amendment would increase the standard hourly rate for services, effective July 1, 2018, as allowed by the existing agreement. The standard hourly rate has remained unchanged since June 2015.
- 6.13 Approval of an extension of the agreement with Nieves Landscape, Inc. for landscape maintenance services and authorization for the City Manager to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is from July 1, 2018 through December 19, 2018, as allowed by the existing agreement.
- 6.14 [1] Approval of the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)” design plans and specifications as recommended by the City Engineer (design plans and specifications are available at City Hall).

AND

[2] Award of a contract agreement to Golden State Constructors for the construction of the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)”, in the amount of \$107,000, plus authorized change orders not to exceed 10% of the base amount; and authorization for the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

This project is included in the City’s Capital Improvement Program and is funded by a Community Development Block Grant (“CDBG”). Bids were invited from May 3–24, 2018. Four bids were received (EBS Engineering, Golden State Constructors, J Cardenas, and Nobest,) with Golden State Constructors and Nobest bidding the lowest cost. To break the tie, the City conducted a coin toss on June 7, 2018 with both contractors and several witnesses present. Golden State Constructors won the coin toss.

- 6.15 [1] Adoption of a resolution calling and giving notice of the holding of a general municipal election to be held on Tuesday, November 6, 2018 for the

election of certain officers as required by the provisions of the laws of the State of California related to general law cities.

AND

[2] Adoption of a resolution requesting the Board of Supervisors of the County of Orange to consolidate a general municipal election to be held on Tuesday, November 6, 2018 with the statewide general election to be held on the same date pursuant to California Elections Code Section 10403.

AND

[3] Adoption of a resolution repealing Resolution No. 05-7 and adopting regulations for candidates for elective office pertaining to candidates statements submitted to the voters at a general municipal election to be held on Tuesday, November 6, 2018.

- 6.16 Adoption of a resolution rescinding Resolution No. 16-32 and re-adopting the conflict of interest code adopted by Resolution No. 16-32, in accordance with California Government Code Section 81000 *et seq.* The City is required to review conflict of interest codes at least every even-numbered year and identify whether any changes in conflict of interest codes are necessitated by changed circumstances by October 1 of the same year. Staff has reviewed the existing conflict of interest code adopted by Resolution No. 16-32 and determined that there are no changed conditions that necessitate changes in the existing conflict of interest code. Staff recommends that City Council review the existing conflict of interest code and if no changed conditions are identified, re-adopt the same to promote transparency and awareness.

6.1
CITY COUNCIL MINUTES

This page is intentionally blank.

**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
May 16, 2018
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Moore called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Hatch, Horne, Rainey, Conners, Moore
 ABSENT: -

STAFF PRESENT: City Manager Macon, City Attorney Cosgrove, Administrative
 Services Director/City Treasurer Cady, Deputy City Clerk Trippy

III. PLEDGE OF ALLEGIANCE

Chief Brian Fennessy, Orange County Fire Authority, led the flag salute.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Marilyn Ditty, Age Well Senior Services – Retirement

Councilmembers made comments.

Sergio Prince, representing Orange County Supervisor Lisa Bartlett, made comments.

Patty Mouton, Alzheimer’s Orange County, made comments.

Christine Chow, Orange County Strategic Planning for Aging, made comments.

Moved by Mayor Pro Tem Conners, seconded by Councilmember Horne, and carried unanimously on a 5-0 vote, to approve and present the commendation for Marilyn Ditty, Age Well Senior Services – Retirement.

4.2 Introduction of Orange County Fire Authority Chief Brian Fennessy

Chief Brian Fennessy, Orange County Fire Authority, made comments.

Councilmembers made comments.

4.3 Drowning Prevention Awareness Period – May-October 2018

Councilmember Hatch made comments.

Division Chief Adams, Orange County Fire Authority, made comments.

Moved by Councilmember Hatch, seconded by Mayor Pro Tem Conners, and carried unanimously on a 5-0 vote, to approve and present the proclamation for Drowning Prevention Awareness Period.

4.4 Asian American and Pacific Islander Heritage Month – May 2018

Councilmembers made comments.

Moved by Councilmember Hatch seconded by Councilmember Rainey, and carried unanimously on a 5-0 vote, to approve and present the proclamation for Asian American and Pacific Islander Heritage Month.

4.5 Stroke Awareness Month – May 2018

Councilmembers made comments.

Moved by Councilmember Rainey, seconded by Mayor Pro Tem Conners, and carried unanimously on a 5-0 vote, to approve and present the proclamation for Stroke Awareness Month.

V. PUBLIC COMMENT

Pat English, resident, requested that the City oppose California’s sanctuary state law.

VI. CONSENT CALENDAR

Moved by Councilmember Horne, seconded by Councilmember Hatch, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.12.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on April 18, 2018, adjourned regular meeting on April 25, 2018, and special meeting on May 9, 2018.

6.2 City Treasurer’s Report

Received and filed the City Treasurer’s Report for the month of April 2018.

6.3 Warrant Register

Approved the warrant register dated May 16, 2018 in the amount of \$565,016.20.

6.4 Fiscal Years 2017-19 Budget Adjustments

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2017-19 BUDGET AND WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, RELATED TO APPROPRIATIONS FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

6.5 Law Enforcement Services

Approved an agreement with the County of Orange for law enforcement services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.6 Planning and Geographic Information System (GIS) Services

Approved an agreement with Michael Baker International for planning and Geographic Information System (GIS) services and authorized the City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.7 Building Official Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.070(c) related to competitive bidding.

AND

2. Approved an extension of the agreement with Willdan Engineering for building official services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.8 Catch Basin Maintenance Services

Approved an extension of the agreement with PV Maintenance, Inc. for catch basin maintenance services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.9 City Hall Janitorial Services

Approved an extension of the agreement with Team One Management for City Hall janitorial services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.10 Street Sweeping Services

Approved an amendment and extension of the agreement with Sunset Property Services for street sweeping services and authorized the City Manager to execute the amendment and extension, subject to approval as to form by the City Attorney.

6.11 As Needed Waste Management Consulting Services

1. Waived the provisions set forth in Laguna Woods Municipal Code Section 3.06.070(c) related to competitive bidding.

AND

2. Approved an extension of the agreement with Michael Balliet for as needed waste management consulting services and authorized the City Manager to execute the extension, subject to approval as to form by the City Attorney.

6.12 Rejection of Claim

Rejected the following claim: Diana, Ellen vs. City of Laguna Woods, Claimant: Diana Ellen.

VII. PUBLIC HEARINGS – None

VIII. CITY COUNCIL BUSINESS

8.1 Orange County Strategic Plan for Aging

Councilmember Horne introduced Christine Chow, Orange County Strategic Planning for Aging.

Ms. Chow made a presentation.

Councilmembers discussed the item and Ms. Chow answered related questions.

Moved by Councilmember Horne, seconded by Mayor Pro Tem Connors, and carried unanimously on a 5-0 vote, to:

1. Receive and file an update.

AND

2. Authorize the City Manager to transfer and expend \$500 from the Fiscal Year 2017-18 General Fund City Council Contingency budget to support the Orange County Strategic Plan for Aging Initiative in the 2018 calendar year.

8.2 Orange County Fire Authority Annual Report – 2017

Division Chief Adams, Orange County Fire Authority, made a presentation.

Councilmembers discussed the item and staff answered related questions.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

Mayor Pro Tem Connors provided an update.

9.2 Orange County Fire Authority

Councilmember Hatch provided an update.

9.3 Orange County Library Advisory Board

Councilmember Rainey stated that there had been no meeting since the last meeting.

Mayor Pro Tem Connors made comments.

9.4 Orange County Mosquito and Vector Control District

Councilmember Horne provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Mayor Pro Tem Connors provided a report.

9.6 South Orange County Watershed Management Area

Councilmember Hatch provided a report.

9.7 Other Comments and Reports

Mayor Moore commented on a recent tour of the South Orange County Wastewater Authority that Councilmember Horne also attended.

Councilmember Horne announced that she was appointed to an additional four-year term on the Orange County Senior Citizens Advisory Council. She provided an update on the Orange County Strategic Plan on Aging.

ITEM 6.1 – Attachment A

Councilmember Rainey reminded everyone that Saturday, May 19, 2018 is Armed Forces Day and commented on an upcoming flag raising ceremony on Friday, May 18, 2018 at the new VA Clinic near the Florence Sylvester Memorial Senior Center.

Mayor Pro Tem Connors briefly responded to the update.

- X. CLOSED SESSION** – None
- XI. CLOSED SESSION REPORT** – None
- XII. ADJOURNMENT**

The meeting was adjourned at 3:44 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, June 20, 2018, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, Deputy City Clerk

Adopted: June 20, 2018

CAROL MOORE, Mayor

**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
SPECIAL MEETING
May 31, 2018
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Moore called the Special Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Horne, Rainey, Moore
 ABSENT: Conners, (arrived after roll call), Hatch

STAFF PRESENT: City Manager Macon, Assistant City Attorney Patterson,
 Administrative Services Director/City Treasurer Cady, Deputy City
 Clerk Trippy

III. PLEDGE OF ALLEGIANCE

Councilmember Rainey led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS – None

V. PUBLIC COMMENTS – None

VI. CITY COUNCIL BUSINESS

6.1 “A Place for Paws” Dog Park Relocation Project

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

David Cohen, resident and Chair of the Dog Park Advisory Group, spoke in support of the recommendations and commented on fundraising and other discussions occurring at Dog Park Advisory Group meetings.

Moved by Councilmember Horne, seconded by Mayor Pro Tem Conners, and carried unanimously on a 4-0 vote, with Councilmember Hatch absent, to:

1. Approve the “Dog Park Relocation Project: Phase 1” design plans and specifications as recommended by the City Engineer and project architect.

AND

2. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DETERMINING AND CERTIFYING THAT THE DOG PARK RELOCATION PROJECT: PHASE 1 IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15332 OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS

Moved by Mayor Pro Tem Conners, seconded by Councilmember Rainey, and carried unanimously on a 4-0 vote, with Councilmember Hatch absent, to adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2017-19 BUDGET AND WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, RELATED TO APPROPRIATIONS FOR THE GENERAL FUND AND CAPITAL PROJECTS FUND FOR THE “A PLACE FOR PAWS” DOG PARK RELOCATION PROJECT

Moved by Councilmember Horne, seconded by Mayor Pro Tem Conners, and carried unanimously on a 4-0 vote, with Councilmember Hatch absent, to award a contract agreement to Line Tech Contractors, Inc. for the construction of the “Dog Park Relocation Project: Phase 1”, in the amount of \$324,940, plus authorized change orders not to exceed 15% of the base amount; and authorize the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

VII. CLOSED SESSION

Prior to convening in closed session, an opportunity was provided for public comments on items appearing on the closed session agenda. No such public comments were received.

- 7.1 The City Council met in closed session under the authority of California Government Code Section 54956.9(d)(4) to consider the potential initiation of litigation in one case.

VIII. CLOSED SESSION REPORT

The City Council reconvened in open session at 3:19 p.m.

Assistant City Attorney Patterson reported that the Councilmembers present voted unanimously on a 4-0 vote, with Councilmember Hatch absent, to authorize the initiation of litigation. The City Attorney's Office anticipates litigation will be filed on June 1, 2018, at which time information about the case will be available to the public upon request.

IX. ADJOURNMENT

The meeting was adjourned at 3:21 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, June 20, 2018, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, Deputy City Clerk

Adopted: June 20, 2018

CAROL MOORE, Mayor

This page is intentionally blank.

6.2
CITY TREASURER'S REPORT

This page is intentionally blank.



City of Laguna Woods
City Treasurer's Report
For the Month Ended May 31, 2018

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 4/30/18	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 5/31/18	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 4)	\$ 760,956	\$ 1,530,021	\$ (713,114)	\$ (800,000)	\$ 777,863	7.11%	
Cash Balances, Multi-Bank Securities (MBS) Account	\$ 1,072	\$ 5,350	\$ (1,072)		\$ 5,350	0.05%	
Earned Interest in Transit and Accrued Interest, Securities Account	\$ 5,880	\$ 3,040	\$ (5,350)		\$ 3,570	0.03%	
Petty Cash	\$ 1,414	\$ -	\$ (95)		\$ 1,319	0.01%	
Total Cash and Cash Equivalents	\$ 769,322	\$ 1,538,412	\$ (719,631)	\$ (800,000)	\$ 788,103	7.20%	100.00%
Pooled Money Investment Accounts (PIMA)							
Local Agency Investment Fund (LAIF) (Notes 1 and 2)	\$ 3,404,980	\$ -	\$ -	\$ 800,000	\$ 4,204,980	38.41%	
Orange County Investment Pool (OCIP) (Note 3)	\$ 4,023,532	\$ 17,263	\$ (1,001)	\$ -	\$ 4,039,794	36.90%	
Total Pooled Money Investment Accounts	\$ 7,428,513	\$ 17,263	\$ (1,001)	\$ 800,000	\$ 8,244,774	75.31%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit (book value) (Note 5)	\$ 1,915,000	\$ -	\$ -	\$ -	\$ 1,915,000	17.49%	
Total Investments	\$ 1,915,000	\$ -	\$ -	\$ -	\$ 1,915,000	17.49%	30.00%
TOTAL CASH, CASH EQUIVALENTS, AND INVESTMENTS	\$ 10,112,835	\$ 1,555,674	\$ (720,631)	\$ -	\$ 10,947,877	100.00%	

Summary of Total Cash, Cash Equivalents, and Investments (Note 4):

	General Fund	Special Revenue Funds	Totals
Analyzed Checking	\$ (94,392)	\$ 872,255	\$ 777,863
Cash, Securities Account	\$ 5,350	\$ -	\$ 5,350
Interest in Transit	\$ 3,570	\$ -	\$ 3,570
Petty Cash	\$ 1,319	\$ -	\$ 1,319
LAIF	\$ 4,204,980	\$ -	\$ 4,204,980
OCIP	\$ 4,039,794	\$ -	\$ 4,039,794
Certificates of Deposit	\$ 1,915,000	\$ -	\$ 1,915,000
Totals	\$ 10,075,622	\$ 872,255	\$ 10,947,877

(See **NOTES** on Page 3 of 3)



**City of Laguna Woods
City Treasurer's Report
For the Month Ended May 31, 2018**

INVESTMENT PORTFOLIO DETAIL

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 5)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation (FDIC) Insured)														
02006LM59	2016-1	ALLY BK MIDVALE UTAH	24 months	09/12/16	09/15/16	245,000	244,334	245,000	1.150	Semi-Annual	03/15/17	300	1.150	09/17/18
57116ANC8	2017-1	MARLIN BUSINESS BK SALT LAKE	18 months	01/13/17	01/13/17	245,000	244,880	245,000	1.250	Monthly	02/13/17	300	1.250	07/13/18
508176CH5	2017-2	LAKE CITY BANK	24 months	03/08/17	03/22/17	245,000	243,885	245,000	1.600	Monthly	04/22/17	300	1.600	03/22/19
02587DR26	2017-4	AMERICAN EXPRESS CENTURIAN	18 months	05/04/17	05/10/17	245,000	244,468	245,000	1.500	Semi-Annual	11/10/17	300	1.500	11/13/18
38148PTD9	2017-6	GOLDMAN SACHS BANK USA	36 months	11/16/17	11/22/17	245,000	240,272	245,000	2.050	Semi-Annual	05/22/18	Green*	2.050	11/23/20
61747ML58	2018-1	MORGAN STANLEY BK N A SALT LAKE	36 months	02/14/18	02/22/18	100,000	99,183	100,000	2.600	Semi-Annual	08/22/18	Green***	2.600	02/22/21
101120DW0	2018-2	BOSTON PRIVATE BANK & TR	21 months	03/09/18	03/23/18	245,000	244,062	245,000	2.300	Monthly	04/23/18	Green***	2.300	12/23/19
64944RJO	2018-3	NEW YORK COMMUNITY BANK	24 months	03/23/18	03/28/18	100,000	99,604	100,000	2.450	Semi-Annual	09/28/18	Green***	2.450	03/27/20
05580AMD3	2018-4	BMW BANK NORTH AMERICA	36 months	03/23/18	03/29/18	245,000	243,447	245,000	2.700	Semi-Annual	09/29/18	Green***	2.700	03/29/21
Accrued Interest - Month End												3,570		
Total CDs						1,915,000	1,907,704	1,915,000						

(*) At the time of purchase and until September 2017, CDs were rated or ranked using an IDC Financial Publishing, Inc. (IDC) compiled ranking, and includes a one-number summary rank of quality comprised of 35 key financial ratios. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups per Table 1. Post September 2017, CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. Table 2 below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

Table 1: CD Rankings (used prior to September 2017)

IDC Rank	Group Meaning
200-300	Superior
165-199	Excellent
125-164	Average
75-124	Below Average
2-74	Lowest Ratios
1	Highest Probability of Failure

Table 2: Veribanc Color Rankings (used post September 2017)

Veribanc Rank	Color Meaning
Green	Highest rating, exceeds qualifications in equity and income tests
Yellow	Merits attention, meets minimal qualifications in equity and income tests
Red	Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses

Pooled Money Investment Accounts (PIMA) (Notes 1, 2, and 3)

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	4,204,980	4,204,980	4,204,980	1.510	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	4,039,794	4,039,794	4,039,794	1.440	N/A	N/A	N/A	N/A	N/A
Total PIMA						8,244,774	8,244,774	8,244,774						

(See NOTES on Page 3 of 3)



**City of Laguna Woods
City Treasurer's Report
For the Month Ended May 31, 2018**

OTHER FUNDS - HELD IN TRUST

	Beginning Balances As of 4/30/18	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 5/31/18
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust)	\$ 70,025	\$ -	\$ (5)	\$ 510	\$ 70,530
Total Other Funds - Held in Trust	\$ 70,025	\$ -	\$ (5)	\$ 510	\$ 70,530

Notes:

Note 1 - LAIF / During this period \$800,000 was transferred from the City's checking account to the LAIF account.

Note 2 - LAIF / The stated earnings rate for LAIF balances is an average monthly yield applied to the City's weighted average balance within the total pool. Earnings are paid the month after the end of each quarter. Quarterly earnings for January through March of \$13,733.67 were credited in April 2018. Interest earned is offset by expense, with the net interest reported by LAIF as a single transaction. April and May earnings will be posted in July of 2018.

The LAIF investment total pool (the pool) average investment yield rate before expenses for the quarter ended March 31, 2018 was 1.540%. March 2018 and April 2018 monthly interest earnings of the pool before administrative costs were 1.524% and 1.661% respectively.

LAIF quarterly administrative costs for the quarter ended March 31, 2018 were 0.061%, resulting in net investment earnings of 1.510%.

Note 3 - OCIP / The City made no deposits or withdrawals from the OCIP account in May 2018. March interest of \$4,791.42 was credited in May 2018. April interest is anticipated to post in June 2018.

OCIP average monthly investment yield rate was 1.500% in March 2018.

OCIP monthly administrative costs in 2017 and 2018 are 0.060% per month, resulting in net investment 1.440% in March 2018.

Note 4 - Analyzed Checking Account / Monthly activity reported does not reflect May vendor invoicing processed after the date of this report.

Note 5 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest \$5,350.06 and transferred out \$1,071.62 in cash balances to the City's checking account in May 2018. Cash balances to be invested or paid out are classified separately on page 1 of 3.

City Treasurer's Certification

I, Margaret A. Cady, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

Margaret A Cady

Margaret A. Cady, City Treasurer

6/11/18

Dated

This page is intentionally blank.

6.3 WARRANT REGISTER

This page is intentionally blank.

CITY OF LAGUNA WOODS
WARRANT REGISTER
6/20/2018

This Report Covers the Period 5/10/2018 through 6/11/2018

Date	Vendor Name	Description	Amount
Debit	Automatic Bank Debits		
Debit 05/14/2018	U.S. BANK	Bank Service Charge - May 2018	\$ 0.12
Debit 05/15/2018	BANCORP	Employee Benefit Program / May 2018	20.00
Debit 05/16/2018	ADP TAX	Payroll Taxes / Pay Period Ended 05/11/2018	9,873.01
Debit 05/16/2018	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 05/11/2018	18,072.22
Debit 05/17/2018	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / May 2018	6,031.49
Debit 05/18/2018	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/11/2018	845.21
Debit 05/18/2018	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/11/2018	3,579.49
Debit 05/23/2018	BANCORP	Employee Benefit Program / May 2018	367.20
Debit 05/23/2018	BUSINESS PLANS	Employee Benefit Program / May 2018	416.67
Debit 05/25/2018	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 05/11/2018	162.97
Debit 05/30/2018	BANCORP	Employee Benefit Program / May 2018	53.66
Debit 05/30/2018	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/25/2018	845.21
Debit 05/30/2018	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 05/25/2018	3,579.49
Debit 05/30/2018	ADP TAX	Payroll Taxes / Pay Period Ended 05/25/2018	9,196.48
Debit 05/30/2018	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 05/25/2018	18,467.45
Debit 05/30/2018	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / May 2018	1,775.00
Debit 06/01/2018	CALPERS - HEALTH	Employee Benefit Program / June 2018	2,503.17
Debit 06/05/2018	BANCORP	Employee Benefit Program / June 2018	142.39
Debit 06/08/2018	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 05/25/2018	162.97
Check	Warrants:		
2100 05/10/2018	ANGELQUE FLANAGAN	Reimbursement / National Notary Association Membership / 2018-20	119.00
2101 05/10/2018	AT&T	Telephone / 452-0600 / April 2018	1,196.21
2102 05/10/2018	AT&T	Telephone / 639-0500 / April 2018	206.14
2103 05/10/2018	AT&T	Telephone / 458-3487 / April 2018	38.82
2104 05/10/2018	BARTEL ASSOCIATES, LLC	Other Post-Employment Benefits Valuation / Fiscal Year 2017-18	1,995.00
2105 05/10/2018	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / May 2018	8,364.75
2106 05/10/2018	EL TORO WATER DISTRICT	Water Service - Public ROW, Parks & City Hall / March 2018	1,761.40
2107 05/10/2018	GREAT SCOTT TREE SERVICE, INC.	Tree Pruning Services / Public ROW / April 2018	4,140.00
2108 05/10/2018	JANE C SPENCE	Waste Diversion Deposit Refund	250.00
2109 05/10/2018	JOY V MORRIS	Cancelled Permit Refund	108.50
2110 05/10/2018	KONE INC.	Elevator Maintenance / May 2018	267.64
2111 05/10/2018	LAGUNA CAFE & SPIRITS	Catering, Meeting / May 2018	61.42
2112 05/10/2018	LAND'S END BUSINESS OUTFITTERS	Logo Setup Fee / February 2018	95.00
2113 05/10/2018	MOSEN ASADI	Cancelled Permit Refund	243.00
2114 05/10/2018	ORANGE COUNTY PLUMBING HEATING & AIR CONDITIONING	Plumbing Repair / March 2018	430.89
2115 05/10/2018	PV MAINTENANCE INC	Street, City Hall, & Park Maintenance / April 2018	11,996.38
2116 05/10/2018	RICOH USA, INC.	Copier Charges / April 2018	305.91

CITY OF LAGUNA WOODS

ITEM 6.3

WARRANT REGISTER

6/20/2018

This Report Covers the Period 5/10/2018 through 6/11/2018

Date	Vendor Name	Description	Amount	
2117	05/10/2018	RUTAN & TUCKER, LLP	Legal Services / March 2018	315.00
2118	05/10/2018	SERVICE CHAMPIONS	Cancelled Permit Refund	61.00
2119	05/10/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Public ROW / April 2018	24.92
2120	05/10/2018	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / April - May 2018	1,049.64
2121	05/10/2018	STAPLES	Office Supplies	499.38
2122	05/10/2018	TEAM ONE MANAGEMENT	Janitorial Services / April 2018	1,329.89
2123	05/10/2018	THE GAS COMPANY	Gas Service - City Hall / April 2018	34.60
2124	05/21/2018	ALLIED MECHANICAL AIR SYS, INC	City Hall Maintenance / January - June 2018	750.00
2125	05/21/2018	AT&T	Telephone / White Pages / May 2018	4.50
2126	05/21/2018	AT&T	Telephone / 583-1105 / April 2018	20.20
2127	05/21/2018	BONNIE D LUTZ	Waste Diversion Deposit Refund	250.00
2128	05/21/2018	CAA	Water Quality Consulting Services / April 2018	2,241.00
2129	05/21/2018	CIVIL SOURCE	Building Inspection & Counter Services / March - April 2018	72,577.50
2130	05/21/2018	CLEARSOURCE FINANCIAL	Building, Planning, and Encroachment Fee Schedule Update Project	450.00
2131	05/21/2018	COMPUTER SERVICE COMPANY	Traffic Maintenance / April 2018	868.00
2132	05/21/2018	COPYFORCE	Printing Services	316.79
2133	05/21/2018	COUNTY OF ORANGE	Community Development Block Grant / Fund Reimbursement	2,976.00
2134	05/21/2018	COUNTY OF ORANGE	Automated Fingerprint ID System / May 2018	597.00
2135	05/21/2018	COUNTY OF ORANGE	800MHz Communication Charges / April - June 2018	710.00
2136	05/21/2018	GREAT SCOTT TREE SERVICE, INC.	Tree Pruning Services - Public ROW / April 2018	21,344.00
2137	05/21/2018	IRWIN B BORNSTEIN, CPA	Financial Consulting Service / April 2018	760.00
2138	05/21/2018	MARC DONOHUE	Administrative Services / April 2018	450.00
2139	05/21/2018	MICHAEL BAKER INTERNATIONAL	Planning Services / April 2018	9,824.26
2139	05/21/2018	MICHAEL BAKER INTERNATIONAL	General Plan Comprehensive Update Project / April 2018	2,679.45
2140	05/21/2018	MITCHELL D. TEVLIN	Financial Consulting Service / April 2018	2,580.00
2141	05/21/2018	NIEVES LANDSCAPE, INC.	Landscape Maintenance - Parks & Public ROW / April - May 2018	1,340.00
2142	05/21/2018	ORANGE COUNTY REGISTER-NOTICES	Public Notices / April 2018	1,528.00
2143	05/21/2018	PROTEL COMMUNICATIONS, INC	Telephone System Maintenance / May 2018	299.00
2144	05/21/2018	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / April 2018	262.11
2145	05/31/2018	CIVIL SOURCE	El Toro Road Traffic Signal Synchronization / May 2018	59,885.91
2145	05/31/2018	CIVIL SOURCE	Moulton Parkway Traffic Signal Synchronization / May 2018	76,131.61
2146	05/31/2018	ELECNOR BELCO ELECTRIC, INC.	El Toro Road Traffic Signal Synchronization / May 2018	17,725.00
2146	05/31/2018	ELECNOR BELCO ELECTRIC, INC.	Moulton Parkway Traffic Signal Synchronization / May 2018	13,555.08
2147	06/01/2018	AT&T	Telephone / 458-3487 / May 2018	38.88
2148	06/01/2018	AT&T	Telephone / 452-0600 / May 2018	1,190.60
2149	06/01/2018	AT&T	Telephone / 639-0500 / May 2018	206.32
2150	06/01/2018	BUSINESS PLANS, INCORPORATED	125 Cafeteria Plan Administration / May 2018	100.00
2151	06/01/2018	CALIFORNIA JPIA	Workers' Compensation & Liability Insurance / Fiscal Year 2018-19	47,040.00
2152	06/01/2018	CALIFORNIA YELLOW CAB	Taxi Voucher Services / April 2018	8,410.00
2152	06/01/2018	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / April 2018	11,840.00
2153	06/01/2018	CIVIL SOURCE	Traffic Engineering / April 2018	12,337.50
2154	06/01/2018	COMPUTER SERVICE COMPANY	Traffic Maintenance / April 2018	892.40

**CITY OF LAGUNA WOODS
WARRANT REGISTER
6/20/2018**

ITEM 6.3

This Report Covers the Period 5/10/2018 through 6/11/2018

Date	Vendor Name	Description	Amount	
2155	06/01/2018	CSG CONSULTANTS INC	Plan Check & Building Official Services / April 2018	680.00
2156	06/01/2018	CSMFO	Orange County Chapter Meeting / June 2018	30.00
2157	06/01/2018	DAVID T WASDEN, INC.	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	3,287.79
2158	06/01/2018	DELTA DENTAL OF CALIFORNIA	Employee Benefits Program / June 2018	382.82
2159	06/01/2018	MANAGED HEALTH NETWORK	Employee Benefits Program / June 2018	16.72
2160	06/01/2018	MUNICIPAL CODE CORP	Codification of Ordinances	2,457.82
2161	06/01/2018	NIEVES LANDSCAPE, INC.	Landscape Maintenance / May 2018	12,206.25
2162	06/01/2018	RICOH USA, INC.	Copier Lease / June 2018	214.20
2163	06/01/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Parks / May 2018	24.35
2164	06/01/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Parks / May 2018	23.37
2165	06/01/2018	SOUTHERN CALIFORNIA EDISON	Electric Service - City Hall / May 2018	1,209.80
2166	06/01/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Public ROW / May 2018	24.63
2167	06/01/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Public ROW / May 2018	95.75
2168	06/01/2018	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	52.00
2169	06/01/2018	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / June 2018	120.18
2170	06/01/2018	WILLDAN ENGINEERING	Code Enforcement Services / April 2018	2,175.00
2170	06/01/2018	WILLDAN ENGINEERING	Building Official Services / April 2018	8,280.00
2171	06/01/2018	PETTY CASH	Replenish Petty Cash (expenditures reported separately - see note 2)	0.00
2172	06/11/2018	360 BUSINESS CONSULTING	Website Hosting / May 2018	200.00
2173	06/11/2018	ANAHEIM COMMUNITY PUBLISHING	Graphic Design / March 2018	549.75
2174	06/11/2018	AT&T	Telephone / 583-1105 / May 2018	20.27
2175	06/11/2018	AT&T	Telephone / 581-3974 / June 2018	7.81
2176	06/11/2018	AT&T	White Pages / June 2018	4.50
2177	06/11/2018	BALLIET, MICHAEL	Waste Management Consulting / April - May 2018	3,416.25
2178	06/11/2018	BARTEL ASSOCIATES, LLC	Other Post-Employment Benefits Valuation / Fiscal Year 2017-18	745.00
2179	06/11/2018	CAA	Water Quality Consulting Services / May 2018	2,532.00
2180	06/11/2018	CALIFORNIA INTERNET LP	City Hall Internet Service / June 2018	399.00
2181	06/11/2018	CALIFORNIA YELLOW CAB	Taxi Voucher Services / May 2018	8,091.00
2182	06/11/2018	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / June 2018	8,364.75
2183	06/11/2018	CLAIRE TALBOT	Taxi Voucher Refund	8.40
2184	06/11/2018	COMPUTER SERVICE COMPANY	Traffic Maintenance / May 2018	868.00
2185	06/11/2018	COPYFORCE	Printing Services	4,314.05
2186	06/11/2018	COUNTY OF ORANGE	Automated Fingerprinting ID System / June 2018	597.00
2187	06/11/2018	EL TORO WATER DISTRICT	Water Service / April 2018	3,340.80
2188	06/11/2018	GOVERNMENT FINANCE OFFICERS	Membership Dues / Fiscal Year 2018-19	150.00
2189	06/11/2018	IRWIN B BORNSTEIN, CPA	Financial Consulting Service / May 2018	1,662.50
2190	06/11/2018	MARC DONOHUE	Administrative Services / May 2018	200.00
2191	06/11/2018	MICHAEL BAKER INTERNATIONAL	General Plan Comprehensive Update Project / May 2018	13,576.60
2191	06/11/2018	MICHAEL BAKER INTERNATIONAL	Planning Services / May 2018	10,260.00
2192	06/11/2018	NUVIS	Landscape Architectural Services / April 2018	3,319.63
2193	06/11/2018	ORANGE COUNTY REGISTER-NOTICES	Public Notices / May 2018	776.00
2194	06/11/2018	PV MAINTENANCE INC	Street, City Hall & Park Maintenance / May 2018	7,738.85
2195	06/11/2018	RICOH USA, INC.	Copier Usage / May 2018	252.05
2196	06/11/2018	RUTAN & TUCKER, LLP	Legal Services / February - March 2018	10,432.50

**CITY OF LAGUNA WOODS
WARRANT REGISTER
6/20/2018**

This Report Covers the Period 5/10/2018 through 6/11/2018

Date	Vendor Name	Description	Amount	
2197	06/11/2018	SOUTHERN CALIFORNIA EDISON	Traffic Signal Controllers / May - June 2018	1,069.46
2198	06/11/2018	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / May 2018	1,547.44
2199	06/11/2018	SOUTHERN CALIFORNIA EDISON	Irrigation Controllers - Public ROW / May 2018	27.50
2200	06/11/2018	STAPLES	Office & Janitorial Supplies	263.15
2201	06/11/2018	SUNSET PROPERTY SERVICES	Street Sweeping Services / April - May 2018	6,128.91
2202	06/11/2018	TEAM ONE MANAGEMENT	Janitorial Services / May 2018	740.81
2203	06/11/2018	THE GAS COMPANY	Gas Service - City Hall / May 2018	36.36
2204	06/11/2018	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / April - May 2018	5,472.05
2205	06/11/2018	YOLIE TRIPPY	Reimbursement / Supplies	79.18
			Total Bank Debits and Warrants:	<u>\$611,621.93</u>
Petty Cash Expenditures Paid Out (See Note 2)				
		FedEx Office	Document Services	23.66
		The Home Depot	Supplies	20.83
		Kustom Lock	Supplies	6.47
			Total Petty Cash:	<u>\$50.96</u>
			TOTAL	<u>\$611,672.89</u>

NOTES:

Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of June 2018, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne, and Rainey.

Note 2 - Petty cash is reported as cash is paid out.

Note 3 - The table below summarizes credit card expenditures paid via Check #2168 to U.S. Bank totaling \$52.00.
Orange County City Manager Association Meeting Registration

52.00
Total Credit Card Reimbursement: **\$52.00**

Administrative Services Director/City Treasurer's Certification

I, Margaret A. Cady, Administrative Services Director / City Treasurer, do hereby certify:

- In accordance with California Government Code Section 37202, I hereby certify to the accuracy of the demands on cash
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.
- That the City is in compliance with California Government Code Section 27108.

Margaret A. Cady, Administrative Services Director/City Treasurer

Margaret A. Cady, Administrative Services Director/City Treasurer

6/12/18

Dated

6.4

**CARRYOVER OF BUDGET APPROPRIATIONS
BETWEEN FISCAL YEARS *(NO REPORT)***

This page is intentionally blank.

6.5

**FISCAL YEAR 2018-19 ANNUAL
APPROPRIATIONS LIMIT**

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT (GANN LIMIT) FOR FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, IN ACCORDANCE WITH ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

WHEREAS, Article XIII B of the California State Constitution restricts the appropriations growth rate for cities and other local jurisdictions; and

WHEREAS, annual appropriations limits established pursuant to Article XIII B (sometimes referred to as “Gann Limits”) are required to be modified on an annual basis for changes in population and inflation according to calculation methods established by California’s Proposition 111 (1990); and

WHEREAS, in November 2002, Laguna Woods voters established a base annual appropriations limit for the City of \$4,165,544; and

WHEREAS, the City has complied with the provisions of Article XIII B in determining an appropriations limit for Fiscal Year 2018-19; and

WHEREAS, the City has complied with California Government Code Section 7910 by making documentation regarding its determination available for public review at least 15 days prior to adoption, beginning on May 18, 2018.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the adjustment factors for the annual appropriations limit for Fiscal Year 2018-19 calculation shall be the annual percentage change in Orange County population and the annual percentage change in California per capita personal income, with sources as identified on Exhibit A attached hereto.

SECTION 2. That the annual appropriations limit for Fiscal Year 2018-19 shall be \$10,404,837, as calculated in Exhibit A attached hereto.

SECTION 3. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

**CITY OF LAGUNA WOODS
ANNUAL APPROPRIATIONS LIMIT
Fiscal Year 2018-19 Calculation**

Calculation of Appropriations Limit:

Appropriations Limit for Fiscal Year 2017-18	\$9,967,274
Adjustment Factors:	
Population Change (County of Orange)*	1.0069
Cost of Living (Per Capita Personal Income)*	x <u>1.0367</u>
Combined Adjustment Factor*	<u>1.0439</u>
Appropriations Limit for Fiscal Year 2018-19	<u>\$10,404,837</u>
Appropriations Subject to Limitation for Fiscal Year 2018-19	\$3,968,509

* State of California, Department of Finance, *Price and Population Information*. May 2018.
Factors are rounded to four decimal places for presentation purposes.

This page is intentionally blank.

6.6
BUDGETING, RESERVES,
AND REPORTING POLICY

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING MODIFICATIONS TO ADMINISTRATIVE POLICY 2.9 PERTAINING TO BUDGETING, RESERVES, AND REPORTING

WHEREAS, the City’s budgeting, reserves, and reporting policy is contained in Administrative Policy 2.9 and was last modified by the City Council on June 21, 2017; and

WHEREAS, as the City continues to undertake longer-term financial planning, the review and update of related administrative policies is a necessary and prudent course of action; and

WHEREAS, City staff has prepared modifications to Administrative Policy 2.9 for consideration by the City Council (incorporated into the administrative policy attached hereto as Exhibit A), which include (1) changes related to the City’s transition from seven- to 11-year capital improvement program development, (2) policy related to the finalization of, and accounting entries for, carryovers of budget appropriations between fiscal years, and (3) clarifications of existing policy.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the administrative policy attached hereto as Exhibit A is approved and is a statement of the City’s budgeting, reserves, and reporting policy. The administrative policy attached hereto as Exhibit A replaces and supersedes all previous versions of Administrative Policy 2.9.

SECTION 2. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

**CITY OF LAGUNA WOODS
ADMINISTRATIVE POLICY 2.9**

BUDGETING, RESERVES, AND REPORTING

2.9.01. Statement of Purpose.

This Administrative Policy is intended to provide a framework for the development of the City of Laguna Woods' budget, with an emphasis on balance, transparency, fiscal responsibility, and long-term planning.

2.9.02. Budget Periods.

The City operates on a fiscal year beginning on July 1 and ending on the following June 30. The City Manager shall present a proposed biennial fiscal years budget to the City Council no later than June 30, 2017, and every two years thereafter.

2.9.03. Budget Adoption.

The City Council shall adopt a budget for the upcoming two fiscal years no later than June 30, 2017, and every two years thereafter. Such adoption shall occur at a public meeting duly noticed pursuant to all applicable provisions of California Government Code (Ralph M. Brown Act). Members of the public shall have an opportunity to comment on the proposed budget prior to adoption.

2.9.04. Budget Standards.

1. The budget and the underlying accounting shall be prepared in accordance with applicable State law and Generally Accepted Accounting Principles (GAAP) for municipal governments on a modified accrual basis.
2. The budget shall be adopted at the fund level. Sufficient detail shall be provided in accompanying narrative to describe significant programs, projects, and services, as well as employee staffing levels.
3. The budget shall be developed using conservative projections of revenue and expenditure levels. Projections shall consider economic forecasts and data from multiple sources, including independent third-party analysis of the two largest sources of ongoing General Fund revenue – property tax and sales tax.

4. The budget development process is intended to weigh competing requests for City resources within anticipated fiscal constraints. Notwithstanding emergency needs and circumstances that may dictate otherwise, requests for new, ongoing programs made outside of the budget development process are discouraged.
5. Current fiscal year revenues should fund current fiscal year expenditures. Use of the unassigned General Fund balance should be limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.
6. Unless specifically restricted by law, GAAP, a funding source, or an agreement, revenues shall be deposited in the General Fund and allocated in accordance with this Administrative Policy. Restricted revenues shall be deposited and allocated as required, including in a manner that ensures that revenues are spent and/or obligated for eligible purposes within required timeframes.
7. Grant funds are often distributed on a reimbursement basis, meaning that the City is required to make expenditures in advance of receiving the offsetting revenue. The unassigned General Fund balance may be used to make temporary “loans” to grant-funded programs, projects, and services until reimbursements are received. Such temporary “loans” are not reflected in the budget.
8. In order to assist with the long-term development of funding for major capital improvement projects on public property, an 11-year Capital Improvement Program (CIP) for “major capital improvements projects” shall be adopted as a part of each budget. To comply with Orange County Transportation Authority requirements for maintaining eligibility to receive Measure M2 funds, a CIP shall also be adopted at each fiscal year intervening biennial budget adoptions. The adoption of intervening CIPs may also necessitate amendment of adopted budgets. A “major capital improvement project” is any project that meets the definition of a “public project” in California Public Contracts Code Section 22002, including “construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work” of facilities owned, leased, or operated by the City, as well as any non-minor “painting or repainting.” Maintenance is not considered a public project. A “major capital improvement project” also includes pavement management work included in the City’s 11-year Pavement Management Plan.
9. While the first two years of the 11-year CIP are included in the budget, the City Council shall retain the ability to modify the CIP at its discretion and no funding

commitment is created by the inclusion of unfunded projects or projects phased for future fiscal years.

10. With the exception of CIP and non-operating project budgets, which shall be automatically carried over until the project is completed, carryovers of budget appropriations between fiscal years require approval of the City Council. All carryovers of budget appropriations between fiscal years shall be finalized and all necessary accounting entries made within 60 days of the date that each Comprehensive Annual Financial Report is submitted to the City Council. Once a CIP or non-operating project is completed, the balance remaining within the budget shall be automatically returned to the fund from which it originated.

2.9.05. Budget Adjustments.

During fiscal years, circumstances may require adjustment of the appropriations established in the adopted budget. The City Manager is authorized to make budget adjustments within adopted fund-level appropriations, and may also reduce adopted fund-level appropriations, based on economic conditions or the needs of the City. Increases in adopted-fund level appropriations require City Council approval.

2.9.06. Reserves and Fund Balance.

Reserves are a key component of fiscal responsibility and financial resilience. They provide the City with options for responding to unanticipated events and risk.

Reserves are set aside as a part of fund balance. The term “fund balance” is used to describe the net position of the General Fund and other governmental funds. There are five categories of fund balance recognized by the Governmental Accounting Standards Board (GASB): *nonspendable, restricted, committed, assigned, and unassigned*. The committed, assigned, and unassigned categories are collectively known as “unrestricted fund balance.” Unrestricted fund balance may be considered the financial resources that are available, or are capable of being made available, for periodic, unanticipated and, emergency needs, without limitation.

Annually, the City shall evaluate current and future risk and funding requirements that may impact reserve levels and requirements. After considering best practices established by the Government Finance Officers Association (GFOA) and other authoritative agencies, the City shall establish an overall target for committed and assigned reserves and individual targets by reserve category. Beginning no later than June 30, 2017, reserve policies, targets, and funding levels shall be evaluated as a

part of a long-term strategic financial planning process and adjusted, as necessary, to maintain consistency with Section 2.9.06 of this Administrative Policy.

The time and method for replenishment of reserves shall be defined at the time of reserve usage, based on the category of reserve, reason required, amount used, and other relevant factors. Typically, replenishment of reserve balances should occur within one to three years of use. Funds for replenishment may be drawn from one-time revenues, excess revenues, year-end surpluses, reductions in appropriations, or other means deemed appropriate at the time reserve funds are used. A long-term perspective shall be considered when evaluating methods for replenishment.

Overall Target for Committed and Assigned Reserves

Based on risk assessment and long-term projection of potential reserve needs, the overall target for committed and assigned reserves shall be established in an amount equal to 50% of the adopted General Fund revenue budget at the beginning of each fiscal year (July 1), less any one-time revenues and non-operating revenues. Although annual revenues may fluctuate, they have historically been more stable than annual appropriations, allowing for greater consistency in committed and assigned reserve calculations year-over-year. The fund balance equal to the overall target for committed and assigned reserves shall be allocated first to other committed and assigned reserves and then to the General Fund Contingency Fund.

Committed and Assigned Reserves

Paid Leave Contingency Fund

The City shall maintain a Paid Leave Contingency Fund with an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30), in accordance with the City's paid leave policies and obligations. An estimate of the annual target shall be adopted as a part of the City's budget and finalized by City Council action after fiscal-year-end calculations are available. The City Manager is authorized to make expenditures from the Paid Leave Contingency Fund in amounts necessary to comply with the City's paid leave policies and obligations, when such amounts exceed adopted budgets (e.g., the payment of accrued paid leave upon the retirement or resignation of an employee). The City Manager shall notify the City Council of all expenditures made from the Paid Leave Contingency Fund as a part of the quarterly budget reporting described in Section 2.9.09.

Self-Insurance Contingency Fund

The City shall maintain a Self-Insurance Contingency Fund for liability and workers' compensation claim settlements not covered by insurance policies. In developing the annual target for this reserve, the City shall consider its five-year claims settlement history, the status of any pending claims, and any reasonably anticipated future claims activity. The City Manager is authorized to make expenditures from the Self-Insurance Contingency Fund of up to \$50,000 per individual claim settlement. The City Manager shall notify the City Council of all expenditures made from the Self-Insurance Contingency Fund as a part of the quarterly budget reporting described in Section 2.9.09. Expenditures from the Self-Insurance Contingency Fund in excess of \$50,000 per claim settlement require approval of the City Council.

General Fund Contingency Fund

The City shall maintain a General Fund Contingency Fund for economic uncertainty, operating contingencies, and emergencies caused by calamitous events. This reserve shall be established, annually, in an amount not less than the current overall target for total reserves less the amounts set aside for other reserves. Expenditures from the General Fund Contingency Fund require City Council approval.

Unassigned General Fund Balance

In addition to committed and assigned reserves, unassigned General Fund balance is available for any governmental purpose and can be appropriated upon direction from the City Council. Use of the unassigned General Fund balance should be limited to one-time projects, capital improvement projects, the payment of long-term liabilities for periods beyond the current fiscal year, and emergency expenditures.

2.9.07. Unfunded Accrued Liability for Retirement Plans.

The City shall consider making lump sum payments to reduce unfunded accrued liability for California Public Employees' Retirement System (CalPERS) plans at least as frequently as each biennial budget development process.

2.9.08. Other Post-Employment Benefits Trust Fund.

The City shall maintain an irrevocable Other-Post Employment Benefits (OPEB) Trust Fund to prefund OPEB through the California Public Employees' Retirement System (CalPERS) in an amount not less than 80% of the unfunded OPEB liability

calculated on the frequency that CalPERS requires actuarial valuations of OPEB liability for participation in its California Employers' Retiree Benefit Trust Fund. The OPEB Trust Fund is held by a trustee and amounts set aside for funding are calculated independent of all other reserve and contingency funds. Contributions to the OPEB Trust Fund require approval of the City Council. Expenditures from the OPEB Trust Fund shall be made in a manner approved by the City Council.

2.9.09. Reporting.

1. The City Treasurer shall prepare and submit a Comprehensive Annual Financial Report, which shall also include an independent audit performed by a certified public accounting firm, to the City Council within eight months of the end of each fiscal year. The City shall strive for an unqualified opinion and submission to the City Council within six months of the end of each fiscal year.
2. The City Treasurer shall prepare and submit a quarterly budget report to the City Council within 60 days of the end of each quarter. The report shall include actual year-to-date revenues and expenditures by fund; information regarding any change in projections that is likely to result in the receipt of any ongoing revenue in an amount 10% or lower than the amount budgeted; and, notification of all expenditures made from the Paid Leave Contingency Fund and Self-Insurance Contingency Fund during the subject quarter.
3. The City Treasurer shall prepare and submit a monthly investment report to the City Council within 30 days of the end of each month. The report shall include the information specified in Section 2.2.17 of Administrative Policy 2.2.
4. The City Council may request additional or supplemental budget, investment, or financial reports at any time by providing direction to the City Manager.

2.9.10. Relationship to Federal and State Laws.

Where federal or state laws are more restrictive than or contradict this Administrative Policy, such laws shall take precedence. Where this Administrative Policy is more restrictive than federal or state laws, this Administrative Policy shall take precedence. The City Treasurer shall advise the City Council of any contradictions of federal or state law for consideration during each budget development process.

City Council Adoption: June XX, 2018

6.7

EMPLOYEE COMPENSATION AND BENEFITS

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 17-18 AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Effective July 1, 2018, Resolution No. 17-18 is hereby repealed and replaced by this resolution.

SECTION 2. The compensation schedule for City employees is established as follows:

Exempt Full-Time Employees (Annual Equivalent)

City Manager	\$183,770
Administrative Services Director/ City Treasurer	\$104,706 – \$146,588
Senior Management Analyst	\$71,232 – \$99,720
Management Analyst	\$63,372 – \$88,716
Deputy City Clerk	\$51,948 – \$72,727

Non-Exempt Full-Time Employees (Hourly Rate)

Senior Accountant	\$32.48 – \$45.47
Administrative Coordinator	\$22.40 – \$31.36
Accounting Clerk	\$18.93 – \$26.50

Non-Exempt Part-Time/Limited Part-Time Employees (Hourly Rate)

Customer Service Representative	\$15 – \$18
---------------------------------	-------------

The City Manager is authorized to hire, promote, and compensate employees within established compensation ranges, and to fill any full-time position as a part-time or limited part-time position, consistent with City Council-adopted budgets and this resolution.

SECTION 3. All employees who work 40 or more hours per week on a regularly assigned basis shall be considered “full-time employees” for the purpose of this resolution. Full-time employees shall receive the following benefits:

- A. **Paid Holidays:** The City shall observe the following holidays with full-time employees receiving compensation for hours that would otherwise regularly be worked: New Year’s Day, Martin Luther King’s Birthday, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving, Friday after Thanksgiving, and December Holiday (December 24 through January 1). Except for December Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the prior Friday; when a holiday falls on a Sunday, it shall be observed the following Monday.
- B. **Retirement:** All City employees, including full-time and part-time employees, are required to participate in the Social Security system. In addition, the City shall contract with the California Public Employees’ Retirement System (CalPERS) for retirement benefits for all eligible full-time employees. Full-time employees considered “classic” by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Full-time employees considered “new members” by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.
- C. **Retiree Medical:** As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who have worked for the City for a minimum of 10 years. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet the 10 year requirement, with each 174 hours counting as one month.
- D. **Monthly Benefit Allowance:** The City shall provide each full-time employee with a monthly benefit allowance of \$1,000 per month. A portion of the allowance shall be allocated to pay for the employee assistance program and health insurance, as provided in this resolution. The remaining balance of the monthly benefit allowance may be allocated by the employee to (1) elect benefits available through the City’s Section 125 Flexible Benefits Plan, in

accordance with applicable plan documents; (2) make contributions to an ICMA-RC 457 Deferred Compensation Plan, in accordance with applicable plan documents; or, (3) purchase additional paid time off as provided in Subsection J of Section 3 of this resolution. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Full-time employees shall be required to make elections for the annual calendar year use of the entirety of monthly benefit allowances during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents.

- E. Employee Assistance Program: The City shall contract for an employee assistance program; enrollment in the program shall be mandatory for all full-time employees. The cost of enrollment in the employee assistance program shall be deducted from each full-time employee's monthly benefit allowance.
- F. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under the Patient Protection and Affordable Care Act. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all full-time employees unless proof of coverage under a qualifying, alternate basic health insurance is provided. The cost of enrollment in a CalPERS health plan shall be deducted from each full-time employee's monthly benefit allowance.
- G. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan by electing to allocate a portion of their monthly benefit allowance and/or contributing through a salary reduction at their sole expense.
- H. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all full-time employees. Full-time employees may contribute to the plan by electing to allocate a portion of their monthly benefit allowance and/or contributing through a salary reduction at their sole expense.
- I. Paid Time Off: Full-time employees shall accrue 160 hours per year of annual paid time off (leave), which may be used for doctors' appointments, personal

and family sick time, bereavement leave, jury duty leave, vacation, and personal business. Hours earned are accrued on a pro-rata basis by pay period.

Full-time employees may maintain a balance of no more than 480 hours of paid time off (Accrual Limit) and shall cease to accrue additional paid time off when the Accrual Limit has been reached. When a full-time employee's balance of paid time off falls below the Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Accrual Limit. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

Full-time employees may also use their monthly benefit allowance to purchase up to 40 hours per year of additional paid time off. Full-time employees shall be required to make this election for the annual calendar year during an enrollment/election period established by the City Manager, as may change from time to time. Modifications of annual calendar year elections following any enrollment/election period shall be limited to qualifying events as set forth in applicable plan documents. If hours purchased are not used by plan year end, any related unused benefit allowance shall be forfeited.

SECTION 4. All employees who are not full-time employees, but who work 20 or more hours per week on a regularly assigned basis, shall be considered "part-time employees" for the purpose of this resolution. Part-time employees shall receive the following benefits:

- A. Paid Holidays: The City shall observe the following holidays with part-time employees receiving compensation for hours that would otherwise regularly be worked: New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving, Friday after Thanksgiving, and December Holiday (December 24 through January 1). Except for December Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the prior Friday; when a holiday falls on a Sunday, it shall be observed the following Monday.
- B. Retirement: All City employees, including full-time and part-time employees, are required to participate in the Social Security system. Part-time employees who work 1,000 hours or more in a fiscal year, shall be eligible for membership in CalPERS for retirement benefits. Eligible part-time employees considered "classic" by CalPERS shall pay the 7% employee contribution

pursuant to the terms of Resolution No. 12-18. Eligible part-time employees considered “new members” by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.

- C. **Retiree Medical:** As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who have worked for the City for a minimum of 10 years. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet the 10 year requirement, with each 174 hours counting as one month.
- D. **Employee Assistance Program:** The City shall contract for an employee assistance program; enrollment in the program shall be mandatory for all part-time employees. The cost of enrollment in the employee assistance program shall be deducted from each part-time employee’s salary.
- E. **Health Insurance:** All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under the Patient Protection and Affordable Care Act. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all part-time employees whose appointment with the City is intended to last more six months and whose time base is half-time or greater, unless proof of coverage under a qualifying, alternate basic health insurance is provided. The cost of enrollment in a CalPERS health plan shall be deducted from each part-time employee’s salary.
- F. **Flexible Benefits Plan:** The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan by contributing through a salary reduction at their sole expense.
- G. **Deferred Compensation Plan:** The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan by contributing through a salary reduction at their sole expense.
- H. **Paid Time Off:** After the first 30 calendar days of employment, and every January 1 thereafter, part-time employees shall accrue 24 hours of annual paid time off (leave), which may be used for personal illness, to care for a sick

family member, for preventive care or diagnosis, care or treatment of an existing health condition, or for specified purposes if the part-time employee is a victim of domestic violence, sexual assault, or stalking. Paid time off shall not be used within the first 90 calendar days of employment for new part-time employees. There is no accrual or carryover of paid time off between or across calendar years. Upon termination from the City, part-time employees shall not be compensated for the balance of their paid time off. If a part-time employee separates from and is rehired by the City within one year, previously accrued and unused paid time off shall be reinstated.

SECTION 5. All employees who are not full-time employees and who work less than 20 per week on a regularly assigned basis shall be considered “limited part-time employees” for the purpose of this resolution. Limited part-time employees shall receive the following benefits:

- A. **Deferred Compensation Plan:** The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all limited part-time employees. Limited part-time employees may contribute to the plan by contributing through a salary reduction at their sole expense.
- B. **Paid Time Off:** After the first 30 calendar days of employment, and every January 1 thereafter, limited part-time employees shall accrue 24 hours of annual paid time off (leave), which may be used for personal illness, to care for a sick family member, for preventive care or diagnosis, care or treatment of an existing health condition, or for specified purposes if the limited part-time employee is a victim of domestic violence, sexual assault, or stalking. Paid time off shall not be used within the first 90 calendar days of employment for new limited part-time employees. There is no accrual or carryover of paid time off between or across calendar years. Upon termination from the City, limited part-time employees shall not be compensated for the balance of their paid time off. If a limited part-time employee separates from and is rehired by the City within one year, previously accrued and unused paid time off shall be reinstated.

SECTION 6. The Deputy City Clerk shall certify to the passage of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

6.8

**NEWPORT BAY WATERSHED TOTAL MAXIMUM
DAILY LOAD PROGRAMS**

This page is intentionally blank.

COOPERATIVE AGREEMENT TO FUND TOTAL MAXIMUM DAILY LOAD PROGRAMS AND
RELATED ACTIVITIES IN THE NEWPORT BAY WATERSHED

THIS AGREEMENT, for purposes of identification numbered MA-080-18011416, referred to hereinafter as "Agreement", is made and entered into this ____ day of _____, 2018, by and between the County of Orange ("County"), the Orange County Flood Control District, the City of Costa Mesa, the City of Irvine, the City of Laguna Hills, the City of Laguna Woods, the City of Lake Forest, the City of Newport Beach, the City of Orange, the City of Santa Ana, the City of Tustin, Irvine Ranch Water District, and the Irvine Company. These entities are hereinafter sometimes jointly referred to as "Parties" and individually as "Party." City entities are hereinafter sometimes jointly referred to as "Cities." The Cities, County, and the Orange County Flood Control District are hereinafter sometimes jointly referred to as the "Municipal Parties."

RECITALS

WHEREAS, the California Regional Water Quality Control Board, Santa Ana Region ("Regional Board") adopted Resolution No. 98-9, as amended by Resolution No. 98-100, amending the Water Quality Control Plan for the Santa Ana River Basin ("Basin Plan") to incorporate a Nutrient Total Maximum Daily Load ("TMDL") for the Newport Bay/San Diego Creek Watershed on April 17, 1998, and Resolution 99-10 amending the Basin Plan to incorporate a TMDL for Fecal Coliform in Newport Bay on April 9, 1999, pursuant to the provisions of Section 303(d) of the Clean Water Act; and,

WHEREAS, the United States Environmental Protection Agency established technical TMDLs for toxic pollutants ("Toxics TMDLs") for San Diego Creek and Newport Bay, California, on June 14, 2002, and the Regional Board has been in the process of developing implementation plans or updating these Toxics TMDLs through separate Basin Plan processes, and, as of the end of 2017, Basin Plan amendments for Diazinon and Chlorpyrifos TMDLs and Organochlorines TMDLs have been adopted, Basin Plan amendments for selenium are in progress, and Basin Plan amendments for metals are in development; and,

WHEREAS, the Newport Bay Nutrient, Fecal Coliform, and Toxics TMDLs (collectively referred to as “Newport Bay TMDLs”) contain requirements for studies, monitoring, and the development of programs to attain TMDL targets over a multi-year period; and,

WHEREAS, the Newport Bay TMDLs are included in the National Pollutant Discharge Elimination System Municipal Stormwater Permit (“NPDES Permit”), Order No. R8-2009-0030, issued to the Municipal Parties by the Regional Board, which encourages a cooperative watershed program approach; and,

WHEREAS, the Parties entered into Agreement No. D99-128 on September 18, 2003 and subsequent amendments on July 5, 2006, March 29, 2008, and July 8, 2010, to provide funding for the studies and implementation activities related to the Newport Bay TMDLs; and,

WHEREAS, the Parties subsequently entered into Agreement No. D11-066 on June 26, 2012 as a successor to Agreement No. D99-128, with a further amendment on October 20, 2015; and,

WHEREAS, the Parties intend this Agreement as a successor to Agreement D11-066, to provide for the performance of: additional studies, research, monitoring, reporting, development and/or revision of programs related to the Newport Bay TMDLs; assessment and development of programs related to current and future Clean Water Act §303(d) listings and/or NPDES Permit requirements for watershed management plans; actions in response to threats of administrative enforcement and citizen suits; and planning, permitting, design, construction, and maintenance of TMDL pilot projects; and,

WHEREAS, the Parties have reached agreement on funding shares which are shown in Exhibit A; and,

WHEREAS, the Parties hereto share a common interest in the regulatory compliance gained through the activities to be funded and performed pursuant to this Agreement, and the Parties further acknowledge that: each Party is entering into this Agreement for such purpose; there are common issues/questions of law and fact among the Parties; it is the understanding of each Party that, in the

performance of this Agreement, as with preceding agreements to which this Agreement is successor, confidential communications protected by the attorney-client privilege and attorney work product doctrine may be disclosed among the Parties. Based on the foregoing, the parties now wish to enter into a common interest group agreement to memorialize their mutual understanding that confidential communications are to be kept confidential and protected from disclosure to the fullest extent allowed by law; and

WHEREAS, it is recognized that additional compliance efforts may be necessary and the Parties may choose to fund projects under separate agreements.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the Parties agree as follows:

Section 1. PURPOSE. This Agreement is entered into for the purpose of funding and performing program activities related to the Newport Bay TMDLs, NPDES Permit requirements specific to the Newport Bay watershed, current and future Clean Water Act §303(d) listings in the Newport Bay watershed, and other related matters which may affect NPDES Permit compliance and/or enforcement within the Newport Bay watershed.

Section 2. TERM. The term of this Agreement shall commence upon approval and execution of this Agreement by all Parties or July 1, 2018, whichever is later, and shall continue until June 30, 2023.

Section 3. PROGRAM WORK PLAN. The County shall work in concert with all Parties to develop a work plan for the following fiscal year and will provide longer term financial forecasts. The work plan for the upcoming fiscal years shall be submitted to each of the Parties by January 15 of each year. The work plan may designate a Party as a lead other than the County for a work plan task(s).

Section 4. BUDGET AND COSTS. The budget for the initial 2018-19 fiscal year, subject to appropriations, is \$1,332,597 and is shown in Exhibit A. The County shall work in concert with all the Parties to develop a budget for the following fiscal years. Budgeted amounts for pilot project(s) shall not exceed \$200,000 for all pilot projects in any one fiscal year. For the following fiscal year and thereafter, a

budget shall be submitted to each of the Parties by January 15 of each year. The budget shall contain an explanation of any recommended program changes, an estimate of all planned expenditures and an estimate of the payment required from each Party for the following fiscal year.

The County shall be entitled to charge to the program all costs for direct labor, materials, equipment, and outside contract services for costs associated with carrying out the approved scope of work. Recoverable costs will also include an overhead charge.

Section 5. WORK PLAN TASK LEAD REIMBURSEMENT. The County may designate a Party as a task lead with respect to specific tasks on the operative work plan. If a Party is designated as a task lead, upon prior written authorization from County, the Party shall invoice the County for authorized expenses up to the approved budget amount for the work plan task.

Section 6. APPROVALS AND ADJUSTMENTS. The Parties shall be permitted to review and approve the budget and program work plan for the forthcoming year, review work products, and provide direction for performance of the work plan. The Parties shall be notified of the intent to issue contracts to perform the program work plan, shall be permitted to participate in the preparation and review of the scope of work for such contracts, and to serve on the committee evaluating consultant qualifications/proposals subject to the requirements of the County of Orange Contract Policy Manual. Criteria for approval of the work plan and budget shall be affirmative responses from Parties representing ninety percent (90%) of the funding shares in Exhibit A and 12 of the 13 Parties. The County and Orange County Flood Control District will constitute one approving Party. Any Party not providing a response by July 15 of each year shall be considered as rendering an affirmative response.

Criteria for approval of adjustments to scopes of work shall be the same as for the approval of the work plan and budget.

Section 7. FUNDING SHARE PERCENTAGES. Exhibit A, which is attached to this Agreement and by this reference is made a part hereof, presents the funding share percentages for the Parties for the term of the Agreement and the costs for the Parties for fiscal year 2018-19.

Section 8. PAYMENTS. For the initial year of the Agreement, the County shall invoice each Party for its deposit either at the beginning of the fiscal year or thirty (30) days after approval of the Agreement, whichever is later. In following years, the County shall invoice each Party for its annual deposit at the beginning of each fiscal year. Each Party shall pay the deposit within 45 calendar days of the date of the invoice. Each Party's deposit shall be based on its prorated share of the approved annual budget, reduced by the sum of (a) its prorated share of any surplus identified in the prior fiscal year end accounting, and (b) its prorated share of any funding provided for programs in the approved budget from entities not party to this Agreement.

Interest earned on the Parties' deposits will not be paid to the Parties, but will be credited against the Parties' share of the program costs.

The County shall notify each of the Parties if it appears that costs may exceed the budget approved by the Parties in any fiscal year. The County shall prepare a fiscal year end accounting within 60 calendar days of the end of the fiscal year. If the fiscal year end accounting results in costs (net of interest earnings) exceeding the sum of the deposits, and the County has notified and obtained approval from the Parties of potential cost overruns, the County shall seek approval of the excess cost from the Parties in the form of a revised budget and, upon approval, shall invoice each Party for its prorated share of the excess cost up to the amount of the revised approved budget. Each Party shall pay the billing within 45 calendar days of the date of the invoice. If the fiscal year end accounting results in the sum of the deposits exceeding costs (net of interest earnings), the excess deposits will carry forward to reduce the billings for the following year. The fiscal year end accounting results and associated invoices for each Party will take into consideration any outside funding provided for programs in the approved budget from entities not party to this Agreement.

Upon termination of the program, a final accounting shall be performed by the County. If costs remaining after the deduction of interest costs exceed the sum of the deposits, the County shall invoice each Party for its prorated share of the deficit. Each Party shall pay the invoice within 45 calendar days of

the date of the invoice. If the sum of the deposits, including interest, exceeds the costs, the County shall reimburse to each Party its prorated share of the excess, within 45 calendar days of the final accounting.

Section 9: CONFIDENTIAL COMMUNICATIONS

a. The term Confidential Communications shall mean all communications, regardless of form, including documents and oral or written communications, whether prepared by the Parties or by consultants or experts retained by any Party, exchanged by or among the Parties, their non-employee consultants or experts, and/or their counsel, that are: (i) related to the purpose and/or performance of this Agreement; and (ii) privileged or protected from disclosure to adverse or other persons by reason of the attorney-client privilege, the attorney work product doctrine, or the common interest and/or joint defense privilege. The term Confidential Communications does not include any publicly available information.

b. The Parties agree that the disclosure of Confidential Communications between or among the Parties or their counsel will not diminish the confidentiality of such materials or constitute waiver of any applicable privilege or protection from disclosure. The Parties intend that all Confidential Communications shall be protected from disclosure and discovery, to the fullest extent allowed by law, including under the common interest and/or joint defense privileges. Inadvertent disclosure of Confidential Communications to third parties shall not constitute waiver of any applicable privilege, and shall be entitled to the fullest protection under the law, including the triggering of ethical obligations for the recipient(s) to return such inadvertently disclosed Confidential Communications.

c. The Party providing or disclosing any Confidential Communications to another party to this Agreement, pursuant to this Agreement, shall mark it as: "PRIVILEGED AND CONFIDENTIAL PURSUANT TO AGREEMENT NO. MA-080-18011416." Communications marked in this or substantially similar manner shall be Confidential Communications. The failure to so mark such communications, however, will not diminish the confidentiality of such communications or constitute waiver of any applicable privilege or protection from disclosure.

d. Confidential Communications shall be held in confidence by the Parties, unless disclosure is required by law or court order. Each Party shall take reasonable and appropriate measures to prevent inadvertent disclosures of Confidential Communications to third parties. In the event any Party receives a third-party request or demand for Confidential Communications marked "PRIVILEGED AND CONFIDENTIAL PURSUANT TO AGREEMENT NO. MA-080-18011416," per section 9.c., or bearing the name of one or more attorneys for any Party, prior to the release of any such Confidential Communications, the receiving Party shall notify all other Parties that such a request or demand has been received, so that the other Parties have the opportunity to seek a protective order or other relief. In the event any Party receives a third-party request or demand for Confidential Communications that are not marked per section 9.c. and do not bear the name of any attorney for any Party, prior to the release of such Confidential Communications, the receiving Party shall endeavor to notify all other Parties, so that the other Parties have the opportunity to seek a protective order or other relief.

e. To the extent allowed by law, the obligations of the Parties under this Section 9 shall survive the termination of this Agreement and shall remain in full force and effect.

f. Neither this Agreement nor the actions of any Party or counsel to a Party shall create any attorney-client relationship between any counsel and any Party that have not otherwise entered into an attorney-client relationship.

Section 10. ADDITIONAL PARTIES. It is recognized that there may be other parties who wish to participate in and provide funding for the activities described in this Agreement. Nothing in this Agreement is intended to preclude additional participants being added by written amendment as parties to this Agreement pursuant to Section 11. Exhibit A will be revised to add funding share percentage(s) for the additional party(ies) and proportionately reduced percentage shares for the Parties.

Section 11. AMENDMENT. This Agreement may be amended in writing only with the unanimous written approval of the parties.

Section 12. **LIABILITY.** It is mutually understood and agreed that, merely by the virtue of entering into this Agreement, each Party neither relinquishes any rights nor assumes any liabilities for its own actions or the actions of other Parties. It is the intent of the Parties that the rights and liabilities of each Party shall remain the same, while this Agreement is in force, as it was before this Agreement was made, except as otherwise specifically provided in this Agreement.

Section 13. **TERMINATION.** Any Party wishing to terminate its participation in this Agreement shall so notify all other Parties in writing by March 1 of any year. Such termination shall be effective the following June 30. The terminating Party shall be responsible for financial obligations hereunder to the extent incurred in accordance with this agreement by the Party prior to the effective date of termination. The balance of the Parties may continue in the performance of the terms and conditions of this Agreement with a proportionate reallocation of the terminating Party's cost share in Exhibit A among the remaining Parties.

Section 14. **AVAILABILITY OF FUNDS.** The obligation of each Party is subject to the availability of funds appropriated for this purpose, and nothing herein shall be construed as obligating the Parties to expend or as involving the Parties in any contract or other obligation for the future payment of money in excess of appropriations authorized by law.

Section 15. **NO THIRD PARTY BENEFICIARIES.** Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person (except the Parties hereto and any entity in which a Party has a legal interest (such as, but not limited to, a limited liability membership interest or a partnership interest), and any permitted successors or assigns of a Party) any legal or equitable right, remedy or claim under or in respect of this Agreement or any provisions herein contained. This Agreement and any conditions and provisions hereof is intended to be and is for the sole and exclusive benefit of the Parties and the entities in which they have a legal interest and their successors or assigns and for the benefit of no other person, agency or entity.

Section 16. REFERENCE TO CALENDAR DAYS. Any reference to the word “day” or “days” herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.

Section 17. ATTORNEY’S FEES. In any action or proceeding brought to enforce or interpret any provision of this Agreement, or where any provision hereof is asserted as a defense, each Party shall bear its own attorney’s fees and costs.

Section 18. ENTIRE AGREEMENT. This Agreement is intended by the Parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the Parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein. This Agreement supersedes all prior agreements and understandings between the Parties with respect to such matter.

Section 19. SEVERABILITY. If any part of this Agreement is held, determined or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.

Section 20. SUCCESSORS AND ASSIGNS. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns.

Section 21. NOTICES. All notices required or desired to be given under this Agreement shall be in writing and (a) delivered personally, or (b) sent by certified mail, return receipt requested or (c) sent by electronic mail followed by a mailed copy, to the addresses specified below, provided each Party may change the address for notices by giving the other Parties at least ten (10) days written notice of the new address. Notices shall be deemed received when actually received in the office of the addressee or when delivery is refused, as shown on the receipt of the U.S. Postal service, or other person making the delivery, except that notices sent by electronic mail shall be deemed received on the first business day following transmission.

Director of Public Services
City of Costa Mesa
P.O. Box 1200
Costa Mesa, CA 92628-1200
Facsimile: (714) 754-5028

Director of Community Development
City of Irvine
P.O. Box 19578
Irvine, CA 92623-9578
Facsimile: (949) 724-6440

Director of Public Services
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653
Facsimile: (949) 707-2633

Director of Community Development
City of Laguna Woods
24264 El Toro Road
Laguna Woods CA 92637
Facsimile: (949) 639-0591

Director of Public Works
City of Lake Forest
25550 Commercentre Dr. Suite 100
Lake Forest, CA 92630
Facsimile: (949) 461-3511

Director of Public Works
City of Newport Beach
100 Civic Center Drive
Newport Beach, CA 92660
Facsimile: (949) 644-3308

Director of Public Works
City of Orange
300 E. Chapman Ave
Orange, CA 92866
Facsimile: (714) 744-5573

Executive Director, Public Works Agency
City of Santa Ana
20 Civic Center Plaza (M21)
Santa Ana, CA 92702
Facsimile: (714) 647-5635

Director of Public Works
City of Tustin
300 Centennial Way
Tustin, CA 92780
Facsimile: (714) 734-8991

Director, OC Public Works
County of Orange
300 N. Flower Street
Santa Ana, CA 92702-4048
Facsimile: (714) 834-2395

Executive Director of Water Policy
Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA 92618
Facsimile: (949) 453-0228

Vice President of Environmental Affairs
The Irvine Company
550 Newport Center
Newport Beach, CA 92658-8904
Facsimile: (949) 720-2448

Section 23. EXECUTION OF AGREEMENT. This Agreement may be executed in counterparts and the signed counterparts shall constitute a single instrument.

Section 24. GOVERNING LAW AND VENUE. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394. Furthermore, the Parties have specifically agreed, as part of the consideration given and received for entering into this Agreement, to waive any and all rights to request that an action be transferred for trial to another county under Code of Civil Procedure Section 394 or any other provision of law.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first
above written:

COUNTY OF ORANGE,
a political subdivision of the State of
California

Date: _____

By: _____
Chairman of the Board of Supervisors

ORANGE COUNTY FLOOD CONTROL DISTRICT
a body corporate and politic

By: _____
Chairman of the Board of Supervisors

SIGNED AND CERTIFIED THAT A COPY OF THIS
AGREEMENT HAS BEEN DELIVERED TO THE
CHAIR OF THE BOARD.

Date: _____

By _____
Robin Stieler
Clerk of the Board of Supervisors of
Orange County, California

APPROVED AS TO FORM
COUNTY COUNSEL

By _____
Deputy

Date: _____

CITY OF COSTA MESA

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Costa Mesa

CITY OF IRVINE

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Irvine

CITY OF LAGUNA HILLS

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Laguna Hills

CITY OF LAGUNA WOODS

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Laguna Woods

CITY OF LAKE FOREST

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Lake Forest

CITY OF NEWPORT BEACH

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Newport Beach

CITY OF ORANGE

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Orange

ATTEST:

CITY OF SANTA ANA

City Clerk

RAUL GODINEZ II
City Manager

APPROVED AS TO FORM:

SONIA CARVALHO
City Attorney

By: _____
John M. Funk
Assistant City Attorney

CITY OF TUSTIN

Date: _____

By: _____
Mayor

APPROVED AS TO FORM:

ATTEST:

City Clerk

City Attorney of Tustin

THE IRVINE RANCH WATER DISTRICT

Date: _____

By: _____
General Manager

Approved as to Form

Date: _____

By: _____

Name: _____

Title: _____

THE IRVINE COMPANY

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

EXHIBIT A - FUNDING SHARES*

PARTIES	FUNDING SHARE PERCENTAGES	FISCAL YEAR 2018-19 BUDGET
Costa Mesa	4.00	\$53,304
County of Orange	9.00	\$119,934
Irvine	29.00	\$386,453
Laguna Hills	1.00	\$13,326
Laguna Woods	1.00	\$13,326
Lake Forest	6.00	\$79,956
Newport Beach	9.00	\$119,934
Orange	1.00	\$13,326
Santa Ana	9.00	\$119,934
Tustin	6.00	\$79,956
Orange County Flood Control District	10.00	\$133,260
Irvine Ranch Water District	7.50	\$99,944
Irvine Company	7.50	\$99,944
Total	100.00	\$1,332,597

*Funding shares are based on a consideration of land area and population, an equal split for some compliance responsibilities, and a minimum share of one percent.

6.9

ANIMAL CONTROL AND SHELTER SERVICES

This page is intentionally blank.

AGREEMENT FOR ANIMAL CONTROL AND SHELTER SERVICES

THIS AGREEMENT, entered into this 1st day of July 2018, which date is enumerated for purposes of reference only, by and between the CITY OF LAGUNA BEACH, a municipal corporation, hereinafter referred to as “LAGUNA BEACH,” and the CITY OF LAGUNA WOODS, a municipal corporation, hereinafter referred to as “LAGUNA WOODS.”

WITNESSETH:

LAGUNA WOODS desires to contract with LAGUNA BEACH for the performance of the hereinafter-described animal control and animal shelter services.

LAGUNA BEACH is willing and able to render such services on the terms and conditions hereinafter set forth.

NOW THEREFORE, IT IS MUTUALLY AGREED as follows:

1. TERM

- A. This Agreement shall become effective on July 1, 2018 and continue in effect for a period of twenty-four months ending on June 30, 2020 unless otherwise terminated as described in paragraph 2.

2. TERMINATION

- A. Either party may terminate this Agreement without cause by providing written notice of said termination to the other party. The written notice of termination must be given at least six (6) months in advance of the effective date of the termination.

3. SERVICES

- A. LAGUNA BEACH agrees to provide animal control services within the corporate limits of LAGUNA WOODS. The level of animal control and shelter services to be provided under this Agreement are enumerated below. Services provided by LAGUNA BEACH shall include the enforcement of State statutes and Municipal Code sections deemed applicable to LAGUNA WOODS by LAGUNA BEACH. LAGUNA BEACH will not be obligated to enforce any ordinances adopted by LAGUNA WOODS except those adopted in compliance with Paragraph 5 of this Agreement and ordinances pertaining to spay, neutering, and number of animals permitted. Services shall be provided in the following categories:

- 1) **FIELD SERVICES:** LAGUNA BEACH shall be responsible for and provide all animal control field services in LAGUNA WOODS. Field services shall generally be provided seven days a week, 365 days a year, between the hours of 6:00 a.m. and 4:00 p.m. and as late as 6:00 p.m. when overlapping staff are available. Calls for service will be dispatched and handled based first on priority and then as they were received. Field service activities shall include, but are not, at the discretion of the LAGUNA BEACH Animal Services staff, limited to: impounding and/or capture of stray dogs; impounding of unattended dogs or cats due to death or illness of the owner where a family member or other person is not available; pick up or disposal of injured raccoons, opossums, deer, bobcats, coyotes, mountain lions; transportation of all injured impounded animals to appropriate medical treatment; conduct cruelty investigations; bite investigations; chronic barking dog complaints; manage and conduct quarantine activities; enforcement of state laws and local ordinances and issuance of citations; impounding of dead animals for disposal; and public information and education services regarding barking dogs, wildlife or other animal concerns.

While LAGUNA BEACH intends to maintain routine coverage of two animal services officers each day in LAGUNA BEACH, LAGUNA WOODS accepts and understands that the animal services officers are limited in number, and as employees, routinely take leave in the form of vacation, sick, holidays, "Family Leave" as set forth in the Family Leave Act, and all other local, state and federally protected leave. During such periods of leave, the ability of LAGUNA BEACH to respond to calls in a timely manner may be significantly impacted. LAGUNA WOODS also accepts and understands that an animal services officer's position may become vacant which will also affect the ability of LAGUNA BEACH to respond to calls in a timely manner. In either event, calls for service will be dispatched and handled based first on priority and then as they were received.

- 2) **TELEPHONIC SERVICES:** LAGUNA BEACH staff will be available to receive calls for service seven days a week, twenty-four hours a day, 365 days a year. LAGUNA BEACH Animal Services staff will take or return calls during the hours when field staff is available to provide advice and/or referrals to members of the community of LAGUNA WOODS for the proper handling and/or disposal of feral cats, rats, mice, rabbits, gophers, squirrels, insects, spiders or other "vector" species.
- 3) **SPECIAL SERVICES:** LAGUNA BEACH shall be responsible for and provide all pet licensing and license renewal, canvassing, and animal facility licensing and inspection in LAGUNA WOODS. New license applications shall be made available at Laguna Woods City Hall, the Laguna Beach Animal Shelter, and in the field through routine contact

with Animal Services Officers. Pet License renewals shall be processed and issued by mail through the existing renewal process, or in person at the Laguna Beach Animal Shelter. LAGUNA BEACH will process renewals and answer telephone and in-person questions regarding licensing requirements. LAGUNA BEACH shall periodically canvass LAGUNA WOODS residences, as appropriate, to locate and license unlicensed dogs.

Some animal-related businesses in LAGUNA WOODS will be inspected annually as required by law and in response to any complaints to assure that facilities meet required laws and standards. LAGUNA BEACH shall provide advance notification of such inspections to LAGUNA WOODS, and will advise LAGUNA WOODS of any violations and/or enforcement action taken.

A low-cost vaccination clinic will be coordinated and conducted once a year. The clinic will be located at the Laguna Beach Animal Shelter at 20612 Laguna Canyon Road, or at another appropriate location within the City of Laguna Woods

- 4) SHELTER SERVICES: LAGUNA BEACH shall be responsible for and provide animal shelter services to LAGUNA WOODS. Services shall be provided at the Laguna Beach Animal Shelter, 20612 Laguna Canyon Road, Laguna Beach. The shelter will be open to the public to locate lost pets or for pet adoption seven days per week, except holidays. Public hours may vary from day to day, but shall generally be between 11 a.m. and 4 p.m.

LAGUNA BEACH agrees to maintain its animal shelter in a humane manner and keep said premises in a clean condition at all times in accordance with policies and the budget approved by LAGUNA BEACH for the shelter, and that all services furnished by it hereunder shall be in accordance with the laws of the State of California, and that it will give required notices and use humane methods of care and destruction of any animal coming under its jurisdiction pursuant to its policies.

After review by the Evaluation Committee, vicious or seriously sick or injured domestic animals may be euthanized by lethal injection.

- B. LAGUNA WOODS understands that while the cost of the services provided were originally based on the salary and benefits of one full-time Animal Services Officer, LAGUNA BEACH is entering into the agreement with the expectation that the actual field services provided should not exceed 1250 hours annually. LAGUNA WOODS understands that the expense of operating the entire Animal Services program also includes but is not limited to

the operation of the Animal Shelter facility, medical treatment of animals, animal disposal, police communications, administration, management, supervision, report preparation, court testimony, ongoing training, and driving time between the two cities.

- C. LAGUNA WOODS agrees to maintain all animal service related fees and license fees equal to the fee schedule of LAGUNA BEACH.
- D. LAGUNA WOODS understands that all revenues generated through licensing, fines, penalties, and fees generated through the activities and actions described in this agreement will not be reimbursed to LAGUNA WOODS. Such revenues will be used to offset the variable costs of setting up the licensing records of all licensed dogs, printing of related forms, notices, documents, tags, and care and feeding of impounded animals.
- E. LAGUNA BEACH shall furnish and supply all necessary labor, supervision, equipment and supplies to provide the services described in this Agreement. In all instances wherein special supplies, stationery, notices, forms and the like are issued in the name of LAGUNA WOODS, the same shall be supplied by LAGUNA WOODS at its own expense subject to approval by LAGUNA WOODS.
- F. The method by which services are provided, the standard of performance, any other matters incidental to the performance of such services, and the control of personnel so employed, shall be determined by LAGUNA BEACH. In the event of a dispute between the parties as to the extent of the duties and functions to be provided hereunder, or the level and manner of such services, the parties shall meet in good faith to resolve their differences. In the event of an impasse, the decision of the City Manager of LAGUNA BEACH shall be final.
- G. To facilitate the performance of services hereunder, LAGUNA BEACH shall have full cooperation and assistance from LAGUNA WOODS, its officers, agents and employees.
- H. If agreeable to both parties, additional services may be rendered by LAGUNA BEACH and paid for by LAGUNA WOODS. Additional services must be approved in writing by LAGUNA WOODS.
- I. The Laguna Beach Animal Shelter is under the direct supervision of the Laguna Beach Police Department. Complaints, concerns,

and problems may be directed to the on-duty Police Department Watch Commander, Animal Shelter Manager, or Animal Services Manager (or other Police Department Supervisor or Management level employee.)

- J. LAGUNA WOODS shall be responsible for negotiating, managing and paying for any contracts entered into with a private service provider to handle the abatement of coyotes, mountain lions, or any other non-domesticated animals that are deemed to be causing a nuisance.

4. STATUS OF CONTRACTOR

Although the services herein described are municipal functions, all persons employed by LAGUNA BEACH to provide said services shall be LAGUNA BEACH employees; no person employed hereunder shall have the right to any LAGUNA WOODS pension or civil service status. When performing services under this Agreement and for the purpose of giving official status to the performance therefor where necessary, but not for the purpose of liability or indemnification, every LAGUNA BEACH officer or employee shall be deemed to be an officer or agent of LAGUNA WOODS.

5. CONFORMITY OF LAWS OR REGULATIONS

- A. Notwithstanding anything to the contrary herein contained, this Agreement shall terminate at any time that LAGUNA WOODS fails to enact, and to maintain in full force and effect an ordinance substantially the same as the provisions of Title 6 of the LAGUNA BEACH Municipal Code, and other regulations presently adopted by the LAGUNA BEACH City Council concerning animal control, including those which relate to fees. This Agreement shall also terminate if LAGUNA WOODS does not enact the same amendments to its Municipal Code as those adopted by LAGUNA BEACH City Council regarding animal control within sixty (60) days after a request to do so by LAGUNA BEACH'S City Manager. The LAGUNA BEACH City Manager, acting on behalf of LAGUNA BEACH, may use discretion and need not request LAGUNA WOODS to adopt amendments, which do not apply to LAGUNA WOODS.
- B. LAGUNA WOODS agrees to take all actions and adopt and approve such ordinances, resolution or other regulations necessary to enable LAGUNA BEACH personnel to enforce the ordinances and laws within the corporate jurisdiction of LAGUNA WOODS.

6. PREPARATION OF ANNUAL BUDGET

LAGUNA BEACH assumes all responsibility for the preparation of the Animal Services budget for Fiscal Year 2018- 2019, and the budget for all successive fiscal years for which this Agreement remains in effect.

7. PREPARATION OF STATISTICAL REPORTS

LAGUNA BEACH will prepare and provide statistical information to LAGUNA WOODS on a monthly basis containing information on all animal services related calls for service in LAGUNA WOODS received by the LAGUNA BEACH Police Communications Center; and all Animal Shelter related services provided to LAGUNA WOODS (e.g. licensing, permitting, and numbers of animals, duration held, and disposition).

LAGUNA BEACH will assist and provide LAGUNA WOODS with special requests for information either on specific calls, special statistical information, or other similar requests as is reasonably available through the Police Department computerized dispatching system and Animal Shelter records.

8. PAYMENTS

A. BASIS FOR PAYMENT

LAGUNA WOODS shall pay LAGUNA BEACH for the actual costs of providing animal control and animal shelter services to the area located within LAGUNA WOODS.

B. PAYMENT METHOD

- (1) In consideration for the animal control, transition costs, and shelter services provided by LAGUNA BEACH during the term of the Agreement, LAGUNA WOODS shall make a Fiscal Year 2018-2019 Payment to LAGUNA BEACH in the amount of \$109,200.00, and a Fiscal Year 2019-2020 Payment to LAGUNA BEACH in the amount of \$113,100.00.
- (2) The 2018-2019 Fiscal Year Payment shall be paid to LAGUNA BEACH in monthly installments, each payment equal to \$9,100.00 or one-twelfth (1/12) of the total Provisional Payment for the 2018-2019 Fiscal Year. The first payment is due on July 30, 2018, and subsequent

ITEM 6.9

monthly payments shall be due on the 30th of each calendar month thereafter, with the last payment due on June 30, 2019. The 2019-2020 Fiscal Year Payment shall be paid to LAGUNA BEACH in monthly installments, each payment equal to \$9,425.00 or one-twelfth (1/12) of the total Provisional Payment for the 2019-2020 Fiscal Year. The first payment is due on July 30, 2019, and subsequent monthly payments shall be due on the 30th of each calendar month thereafter, with the last payment due on June 30, 2020.

- (3) If a payment is not received by LAGUNA BEACH within thirty (30) days after the due date, LAGUNA BEACH may cease providing any further service under this Agreement with LAGUNA WOODS and may satisfy the indebtedness in any manner prescribed by law.
- (4) LAGUNA WOODS shall not be called upon to assume any liability for (1) the direct payment of any salaries, wages or other compensation to any LAGUNA BEACH personnel performing services pursuant to this Agreement, (2) any liability for any LAGUNA BEACH employee for injury or sickness arising out of his or her employment while performing services pursuant to this Agreement: provided, however, the costs of such liabilities described in this subparagraph shall be considered expenditures for the Animal Services program and shall be allocated pursuant to the terms of Paragraph 8C of this Agreement.

C. DETERMINATION OF COST OF SERVICES

- (1) LAGUNA BEACH shall use the salary and benefits of one full-time Animal Services Officer to determine the Actual Cost of the animal control and shelter services provided to LAGUNA WOODS for each fiscal year during the term of this Agreement. This figure will be adjusted annually to reflect any changes in those salary or benefits such as a negotiated salary increase.

D. FEE REVENUE

- (1) LAGUNA BEACH shall receive all cooperation possible from LAGUNA WOODS to enable efficient enforcement of fee collection. LAGUNA BEACH shall retain all fees and revenue derived from the enforcement of the

LAGUNA WOODS ordinances pertaining to the animal control services provided by LAGUNA BEACH.

- (2) LAGUNA BEACH agrees to keep and make available to LAGUNA WOODS a record of all license revenue collected from residents of LAGUNA WOODS, and all fee revenue generated from animals received from LAGUNA WOODS residents or impounded within the corporate limits of LAGUNA WOODS.

9. CONSULTATION

LAGUNA BEACH agrees to consult with LAGUNA WOODS during the consideration of, and prior to any final decision and/or implementation of the following:

- A. Any proposed change in the level of service, staffing, days or hours of operation of field services, special services or shelter services.
- B. Any proposal to offer or contract for the provision of animal control and shelter services to another public agency.
- C. Any proposed change to LAGUNA BEACH ordinances, regulations, and fees concerning animal control services that LAGUNA BEACH would propose be adopted by LAGUNA WOODS.

10. RECORDS

All records created or received by LAGUNA BEACH in accordance with this Agreement shall be LAGUNA BEACH records. LAGUNA BEACH agrees to keep such books and records in such form and manner as specified in the Municipal Code. Said Books shall be open for examination by LAGUNA WOODS at all reasonable times.

11. ALERTION OF TERMS

This Agreement fully expresses all understandings of LAGUNA BEACH and LAGUNA WOODS with respect to the subject matter of this Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition to, or alteration of, the terms of this agreement shall be valid unless made in writing, formally approved and executed by duly authorized agents of both parties.

12. INDEMNIFICATION

LAGUNA WOODS agrees to and shall defend, indemnify and hold LAGUNA BEACH, its elected officials, officers, agents and employees harmless from any and all claims actions and judgments for injury, loss or damage arising out of or resulting from the performance of services by LAGUNA BEACH under this Agreement in or for the benefit of LAGUNA WOODS; provided however, this obligation shall not apply where the alleged injury, loss or damage arises out of or results from an act or omission of LAGUNA BEACH personnel not within the scope of employment or an act or omission constituting actual fraud, corruption or actual malice.

LAGUNA BEACH agrees to and shall defend, indemnify and hold LAGUNA WOODS, its elected officials, officers, agents and employees harmless from any and all claims actions and judgments for injury, loss or damage arising out of or resulting from the performance of services by LAGUNA BEACH under this Agreement in or for the benefit of LAGUNA WOODS; provided however, this obligation shall not apply where the alleged injury, loss or damage arises out of or results from the enactment and maintenance by LAGUNA WOODS of the ordinance and regulations required under Section 5 of this Agreement; and provided further, however, this obligation shall not apply where the alleged injury, loss or damage arises out of or results from an act or omission of LAGUNA WOODS personnel not within the scope of employment or an act or omission constituting actual fraud, corruption or actual malice.

13. BREACH OF AGREEMENT

If either LAGUNA BEACH or LAGUNA WOODS defaults in the performance of the terms or conditions of the Agreement, it shall have thirty (30) days after service upon it of a written notice of default in which to cure the default by rendering satisfactory performance. In the event that a party fails to cure its default within such period of time, the other party shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, inequity, or under this Agreement. The failure of either party to object to any default in the performance of the terms and conditions of this Agreement shall not constitute a waiver of either the term or condition, or of any other term or condition of this Agreement.

14. ATTORNEYS' FEES

If any legal proceeding, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the party may be entitled.

15. NOTICES

Unless the persons or addresses are otherwise identified by notice given in the manner specified by this paragraph, all notices authorized or required by this Agreement shall be deemed effective when reduced to writing and deposited in the United States mail, certified, and addressed as follows:

To LAGUNA BEACH: City Manager
 City of Laguna Beach
 505 Forest Avenue
 Laguna Beach, CA 92651

To LAGUNA WOODS: City Manager
 City of Laguna Woods
 24264 El Toro Road
 Laguna Woods, CA 92637

IN WITNESS WHEREOF, the City of Laguna Beach by motion duly adopted by its City Council caused this Agreement to be signed by its City Manager and attested by its City Clerk, and the City of Laguna Woods, by motion duly adopted by its City Council caused this Agreement to be signed by its City Manager and attested by its City Clerk, to become effective on the day first above written.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

DATED: _____

DATED: _____

By: _____
CHRISTOPHER MACON
Laguna Woods City Manager

By: _____
JOHN PIETIG
Laguna Beach City Manager

DATED: _____

DATED: _____

By: _____
YOLIE TRIPPY
Laguna Woods Deputy City Clerk

By: _____
LISETTE CHEL-WALKER
Laguna Beach City Clerk

DATED: _____

DATED: _____

By: _____
DAVID COSGROVE
Laguna Woods City Attorney

By: _____
PHILIP D. KOHN
Laguna Beach City Attorney

This page is intentionally blank.

6.10
**LANDSCAPE ARCHITECTURE, LANDSCAPE
PLAN REVIEW, AND ARBORIST SERVICES**

This page is intentionally blank.

**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
VAN DYKE LANDSCAPE ARCHITECTS, INC.
FOR LANDSCAPE ARCHITECTURE, LANDSCAPE PLAN REVIEW,
AND ARBORIST SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 1st day of July 2018 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Van Dyke Landscape Architects, Inc. ("CONSULTANT").

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

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on July 1, 2018 and ending at 11:59 p.m. on June 30, 2020. Such term may be extended upon written agreement of both parties to this AGREEMENT through a maximum of 11:59 p.m. on June 30, 2022.

SECTION 2. SCOPE OF SERVICES.

CONSULTANT shall perform the services set forth in EXHIBIT "A" "SCOPE OF SERVICES" and made a part of this AGREEMENT. All work to be performed by CONSULTANT shall be coordinated with, and approved by City Manager of CITY or his or her designee. CONSULTANT shall not begin work on any individual task or assignment until authorized by the City Manager of CITY or his or her designee to proceed.

SECTION 3. ADDITIONAL SERVICES.

CONSULTANT shall not be compensated for any services rendered in connection with its performance of this AGREEMENT which are in addition to or outside of those set forth in this AGREEMENT or listed in EXHIBIT "A" "SCOPE OF SERVICES", unless such additional services are authorized in advance and in writing by the City Council or the City Manager of CITY or his or her designee. CONSULTANT shall be compensated for any such additional services only in the amounts and in the manner agreed to by the City Council or City Manager of CITY or his or her designee.

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a

ITEM 6.10 – Attachment A

part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

(b) No later than the 15th of each month CONSULTANT shall furnish to CITY an **original** invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the categories required by CITY, which are subject to change at the discretion of CITY. CITY shall independently review each invoice submitted by the CONSULTANT to determine whether the work performed and expenses incurred are in compliance with the provisions of this AGREEMENT. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event that any charges or expenses are disputed by CITY, the original invoice shall be returned by CITY to CONSULTANT for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by CITY, CITY will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT's invoice.

(d) Payment to CONSULTANT for work performed pursuant to this AGREEMENT shall not be deemed to waive any defects in work performed by CONSULTANT, nor to constitute any waiver of any type of relief or remedy, legal or equitable, arising out of any breach or nonperformance of any aspect of the AGREEMENT by CONSULTANT.

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

CITY may inspect and accept or reject any of CONSULTANT's work under this AGREEMENT, either during performance or when completed. CITY shall reject or finally accept CONSULTANT's work in its discretion within sixty (60) days after submitted to CITY. Any rejection of work by CITY shall be by written explanation. Acceptance of any of CONSULTANT's work by CITY shall not constitute a waiver of any of the provisions of this AGREEMENT including, but not limited to, sections 15 and 16, pertaining to indemnification and insurance, respectively.

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT. CONSULTANT shall not be held liable for any

ITEM 6.10 – Attachment A

modification or reuse for purposes outside this AGREEMENT of CITY-owned work product generated or produced by CONSULANT.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

(a) CONSULTANT shall maintain any and all documents and records demonstrating or relating to CONSULTANT's and any of CONSULTANT's subcontractors' performance of services pursuant to this AGREEMENT. CONSULTANT shall maintain any and all drafts of studies or planning documents, correspondence, notices, ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to CITY pursuant to this AGREEMENT. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by CONSULTANT pursuant to this AGREEMENT. Any and all such documents or records shall be maintained for five (5) years from the end of the term of this AGREEMENT and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon written request by CITY, Federal government, State of California, or their designated representatives. Copies of such documents or records shall be provided directly to the requesting party for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at CONSULTANT's address indicated for receipt of notices in this AGREEMENT.

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

(d) CONSULTANT shall prepare and submit to CITY reports concerning the performance of the work in this AGREEMENT as CITY shall require.

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. Except in instances of direct conflicts of interest with CONSULTANT's performance of the services under this AGREEMENT, CONSULTANT shall have no restriction on performing like services as those under this AGREEMENT for other public agencies or other parties during the term of this AGREEMENT. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by

ITEM 6.10 – Attachment A

contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT, at its sole discretion and in compliance with applicable laws, shall determine the compensation it pays to its staff who perform services under this AGREEMENT. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY. CONSULTANT shall provide, at its sole discretion and at its sole expense, any additional training as may be necessary for CONSULTANT's personnel to perform satisfactorily the services under this AGREEMENT.

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

(d) This AGREEMENT shall in no way prohibit the CITY from entering into other agreements or contracts, hiring staff or making other such arrangements with other persons and/or entities relative to the services set forth in EXHIBIT "A" "SCOPE OF SERVICES".

(e) CONSULTANT's personnel shall not be subject to any formal employee performance evaluation by CITY during the term of this AGREEMENT. Notwithstanding the foregoing, to the extent CONSULTANT's personnel fail to perform satisfactorily the services under this AGREEMENT, CITY may advise CONSULTANT of failures or shortcomings in CONSULTANT's personnel's performance, and may request replacement personnel, provided the replacement personnel is determined by CONSULTANT.

SECTION 9. STANDARD OF PERFORMANCE.

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

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

ITEM 6.10 – Attachment A

(a) CONSULTANT shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this AGREEMENT, including but not limited to regulations and rules pertaining to any grant awards or third-party funding with which this AGREEMENT is funded in whole or in part. CONSULTANT shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this AGREEMENT. CITY shall not be responsible for monitoring CONSULTANT's compliance with federal, state, and local laws, statutes, codes, ordinances, or regulations. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONSULTANT to comply with this section.

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts, subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, religion, creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy, childbirth or related medical conditions, veteran status, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, sex, age over 40 years, or any other basis protected by applicable federal, state, or local law, including association with individuals with one or more of these protected characteristics or perception that an individual has one or more of these protected characteristics in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

CONSULTANT shall comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, *et seq.*, as amended from time to time or replaced by a successor statute, and in connection therewith, shall not employ unauthorized aliens as defined therein. The term "unauthorized aliens" means and includes "undocumented foreign nationals" as defined in the proposed Federal Correcting Hurtful and Alienating Names in Government Expression (CHANGE) Act (H.R. 3785, introduced October 21, 2015). Should CONSULTANT so employ such unauthorized aliens for the performance of work and/or services covered by this AGREEMENT, and should the any liability or sanctions be imposed against CITY for such use of unauthorized aliens, CONSULTANT shall reimburse CITY for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by CITY.

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm,

ITEM 6.10 – Attachment A

has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

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

(b) CONSULTANT, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager of CITY or his or her designee or unless requested by the City Attorney of CITY, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this AGREEMENT. Response to a subpoena or court order shall not be considered "voluntary" provided CONSULTANT gives CITY notice of such court order or subpoena.

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

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any

ITEM 6.10 – Attachment A

response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT to the extent caused in whole or in part by the negligent acts, errors, or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation the violation of any federal, state, and local law, statute, code, ordinance, regulation, or rule.

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

(c) The provisions of this section do not apply to CLAIMS occurring as a result of the CITY's sole negligence or willful acts or omissions.

(d) CONSULTANT's duty to defend shall follow the requirements of California Civil Code Section 2782.8, which requires that CONSULTANT's indemnity and duty to defend must arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional CONSULTANT. In no event shall the cost to defend charged to the design professional CONSULTANT exceed the design professional's proportionate percentage of fault.

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and

ITEM 6.10 – Attachment A

made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

The expertise and experience of CONSULTANT are material considerations for this AGREEMENT. CITY has an interest in the qualifications of and capability of the persons and entities who will fulfill the duties and obligations imposed upon CONSULTANT under this AGREEMENT. In recognition of that interest, CONSULTANT shall not assign or transfer this Agreement or any portion of this AGREEMENT or the performance of any of CONSULTANT's duties or obligations under this AGREEMENT without the prior written consent of the City Council. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this AGREEMENT entitling CITY to any and all remedies at law or in equity, including summary termination of this AGREEMENT. CITY acknowledges, however, that CONSULTANT, in the performance of its duties pursuant to this AGREEMENT, may utilize subcontractors. CONSULTANT shall be solely liable and responsible for the actions, conduct, and performance of subcontractors, including but not limited to ensuring their compliance with Section 10 of this AGREEMENT (Compliance with Applicable Laws; Permits and Licenses).

SECTION 18. CONTINUITY OF PERSONNEL.

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's staff assigned to perform the services required under this AGREEMENT. CONSULTANT shall advise CITY in writing of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to implementing any such changes.

SECTION 19. TERMINATION OF AGREEMENT.

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

(b) CONSULTANT may terminate this AGREEMENT at any time upon sixty (60) days written notice of termination to CITY. In the event such notice is given, CITY may require CONSULTANT to cease immediately all work in progress.

(c) If CONSULTANT fails to perform any material obligation under this AGREEMENT, then, in addition to any other remedies, CITY may terminate this AGREEMENT immediately upon written notice.

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be

ITEM 6.10 – Attachment A

returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

SECTION 20. DEFAULT.

In the event that CONSULTANT is in default under the terms of this AGREEMENT, the CITY shall not have any obligation or duty to continue compensating CONSULTANT for any work performed after the date of default and may terminate this AGREEMENT immediately by written notice to the CONSULTANT.

SECTION 21. EXCUSABLE DELAYS.

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

SECTION 22. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to CITY as public records, and which are necessary for carrying out the work as outlined in the EXHIBIT "A" "SCOPE OF SERVICES", shall be furnished to CONSULTANT in a reasonable way to facilitate, without undue delay, the work to be performed under this AGREEMENT.

SECTION 23. NOTICES.

All notices required or permitted to be given under this AGREEMENT shall be in writing and shall be personally delivered, or sent by telecopy or certified mail, postage prepaid and return receipt requested, addressed as follows:

To CITY: City of Laguna Woods
Attn: City Manager
24264 El Toro Road
Laguna Woods, CA 92637

To CONSULTANT: Van Dyke Landscape Architects, Inc.
ATTN: Mitch Phillippe, President
462 Stevens Avenue, Suite 107
Solana Beach, CA 92075

ITEM 6.10 – Attachment A

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

SECTION 24. AUTHORITY TO EXECUTE.

The person or persons executing this AGREEMENT on behalf of CONSULTANT represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind CONSULTANT to the performance of its obligations hereunder.

SECTION 25. BINDING EFFECT.

This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

SECTION 26. MODIFICATION OF AGREEMENT.

No amendment to or modification of this AGREEMENT shall be valid unless made in writing and approved by the CONSULTANT and by the City Council or City Manager of CITY. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 27. WAIVER.

Waiver by any party to this AGREEMENT of any term, condition, or covenant of this AGREEMENT shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this AGREEMENT shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this AGREEMENT. Acceptance by CITY of any work or services by CONSULTANT shall not constitute a waiver of any of the provisions of this AGREEMENT.

SECTION 28. LAW TO GOVERN; VENUE.

This AGREEMENT shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Orange. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the District of California in which CITY is located.

SECTION 29. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this AGREEMENT, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys' fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 30. ENTIRE AGREEMENT.

ITEM 6.10 – Attachment A

This AGREEMENT, including the attached EXHIBITS "A" through "C", is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between CONSULTANT and CITY prior to the execution of this AGREEMENT. No statements, representations or other agreements, whether oral or written, made by any party which is not embodied herein shall be valid and binding. No amendment to this AGREEMENT shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 31. SEVERABILITY.

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

SECTION 32. NO THIRD-PARTY BENEFICIARIES.

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be, nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this AGREEMENT to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Yale Hooper, Vice President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT shall perform and complete landscape architecture, landscape plan review, and arborist services by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, in accordance with standards and specifications as contained in this AGREEMENT.

CONSULTANT shall be available on short-term notice to provide services on an as-needed, task order basis. When CITY identifies a need for services, CITY shall coordinate with CONSULTANT to identify the appropriate personnel type and amount of time necessary to provide the required level of coverage. It is CITY's expectation that CONSULTANT will take all reasonable steps to provide the requested services in a timely manner.

As requested by city, tasks may include, but are not limited to, the following:

- **Design of City Projects**
 - Developing conceptual plans, design schemes, plant palettes, construction plans, technical specifications, irrigation plans, and landscape documentation packages as required by Laguna Woods Municipal Code Chapter 10.03, as may change from time-to-time, including coordination with CITY staff, CITY's City Engineer, CITY's Building Official, the El Toro Water District, utilities, etc.;
 - Developing budgets, cost estimates, and bid schedules; and
 - Assisting with bid processes.

- **Construction Administration for City Projects**
 - Facilitating and participating in pre-construction, construction progress, and post-construction meetings, including preparing documentation thereof;
 - Reviewing, negotiating, and acting on (e.g., determining completeness, approving, approving with conditions, and denying) contractor submittals;
 - Reviewing, negotiating, and making recommendations related to change orders;
 - Preparing reports, addenda, and responses to requests for information; and
 - Conducting inspections and preparing reports and punch lists.

- **Planning for City Projects**
 - Developing master plans, management plans, and operations and maintenance plans, including coordination with public and private parties.

- **Development Plan Review of City and Private Projects¹**
 - Conducting peer reviews of arborist reports and studies;
 - Reviewing and acting on tree removal and replacement requests;
 - Reviewing and acting on landscape plans; and
 - Reviewing and acting on landscape documentation packages as required by Laguna Woods Municipal Code Chapter 10.03, as may change from time-to-time.

- **City Forester and Arborist**
 - Serving as the “City Forester” as described by Laguna Woods Municipal Code Chapter 4.26, as may change from time-to-time;
 - Conducting limb and root investigations and making related recommendations;
 - Conducting tree evaluations and making recommendations related to tree health, pruning, protection, and removal;
 - Monitoring tree pruning and removal activities; and
 - Making recommendations related to landscape policies and regulations.

- **Other**
 - Conducting evaluations of contract landscape maintenance services;
 - Participating in and making presentations at public meetings/events; and
 - Assisting with the preparation of landscape-related grant applications.

¹ When CITY receives a private development application for which plan review services are required, CITY shall distribute the application materials and a scope of work to CONSULTANT. CONSULTANT shall comply with all applicable governmental processing times, including, but not limited to, the California Permit Streamlining Act, as well as CITY standards as may change and be communicated to CONSULTANT, from time-to-time. CONSULTANT shall complete all initial plan reviews and return comments to CITY within ten (10) business days. CONSULTANT shall complete subsequent plan reviews and return comments to CITY within five (5) business days. For the purpose of these plan review “turnaround” requirements, a “business day” is defined as any day excluding Saturdays, Sundays, and federal holidays.

Other Requirements

CONSULTANT shall designate a primary point of contact to whom CITY shall distribute all service requests. CONSULTANT’s primary point of contact or a designated alternate point of contact shall be available by telephone at all times during regular business hours, Monday through Friday, 8 a.m. to 5 p.m., excluding federal holidays.

CONSULTANT shall maintain proven in-house expertise or the ability to retain qualified sub-consultants with the following certifications/licenses to provide technical assistance and support:

- Leadership in Energy and Environmental Design (LEED) Accredited Professional (AP);
- American Society of Consulting Arborists’ (ASCA) Registered Consulting Arborist (RCA) or International Society of Arboriculture (ISA) Certified Arborist; and
- Licensed professionals to provide landscape-related engineering services.

EXHIBIT "B"
COMPENSATION

CONSULTANT's rates shall be as follows:

Table 1-1: Compensation Schedule

Personnel Type	Rate*,**
General Services (Van Dyke Landscape Architects, Inc.)	
Principal	\$165 per hour
Landscape Designer – Project Manager	\$110 per hour
Landscape Planning – Project Manager	\$110 per hour
Construction Administration – Project Manager	\$110 per hour
Plan Check Review Specialist	\$100 per hour
Professional Staff	\$90 per hour
Arborist Services (Subcontractor: Monarch Environmental)	
Arborist Services	\$150 per hour
Non-Arborist/Horticulture Assessment	\$125 per hour
In-House Reprographics	
Black and White Bond Plots	\$0.39 per square foot
Black and White Mylar Plots	\$2.82 per square foot
Color Bond Plots	\$4.60 per square foot
8 ½ x 11” Black and White Printing	\$0.06 per page
8 ½ x 11” Color Printing	\$0.55 per page
11 x 17” Black and White Printing	\$0.12 per page
11 x 17” Black and White Printing	\$1.10 per page

* All “per hour” services and other rates set forth in Table 1-1 shall be provided on an as-needed basis with no specific, minimum, or expected amount of work or compensation.

** California State Sales Tax shall be added to any applicable charges or invoices.

The rates set forth in Table 1-1 are all inclusive, with the exception of plan check, permit, and other related fees; other reprographics costs; and, courier/mailing services, all of which must be

ITEM 6.10 – Attachment A

authorized by CITY, in advance, and may only be charged to CITY at cost (as evidenced by receipts). Subcontractor services, including the Arborist Services included in Table 1-1, shall be subject to a 10% markup over cost (as evidenced by receipts). Reprographics costs not included in Table 1-1 shall be subject to a 15% markup over cost (as evidenced by receipts). In-house reprographics and subcontractor services of any kind may only be utilized by CONSULTANT with prior written approval by the CITY. CONSULTANT shall not be reimbursed for any other expenses including, but not limited to, mileage; travel; food; drink; computer, voice, and data line usage; and, provision of required electronic systems.

Rates shall not increase through June 30, 2020. If this AGREEMENT is extended beyond June 30, 2020, CONSULTANT reserves the right to increase the “per hour” rates set forth in Table 1-1 by a maximum of 3% over the subsequent maximum term provided by this AGREEMENT, subject to CITY’s acceptance, which shall be granted or denied at CITY’s sole discretion.

EXHIBIT "C"
INSURANCE

A. Insurance Requirements. CONSULTANT shall provide and maintain insurance, acceptable to the City Manager of CITY or his or her designee or City Attorney, in full force and effect throughout the term of this AGREEMENT, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by CONSULTANT, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII. CONSULTANT shall provide the following scope and limits of insurance:

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

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

(2) Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of CITY.

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT. Subcontractors or any other persons not covered by CONSULTANT's Workers' Compensation insurance shall carry separate and equivalent Workers' Compensation insurance as required by this subsection.

2. Minimum Limits of Insurance. CONSULTANT shall maintain limits of insurance no less than:

(1) General Liability: \$1,000,000 per occurrence for all covered losses and no less than \$2,000,000 general aggregate for bodily injury, personal injury and property damage.

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

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

B. Other Provisions. Insurance policies required by this AGREEMENT shall contain the following provisions:

ITEM 6.10 – Attachment A

1. All Policies. Each insurance policy required by this AGREEMENT shall be endorsed and state that the coverage shall not be suspended, voided, cancelled by the insurer or either party to this AGREEMENT, reduced in coverage or in limits except after 30 days' prior written notice by Certified mail, return receipt requested, has been given to the City Manager of CITY or his or her designee by either CONSULTANT or CONSULTANT's insurer.

2. General Liability and Automobile Liability Coverages.

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

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

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

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

3. Workers' Compensation and Employer's Liability Coverage. Unless the City Manager of CITY or his or her designee otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against CITY, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by CONSULTANT.

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

1. CONSULTANT shall furnish certificates and endorsements from each subcontractor identical to those CONSULTANT provides.

ITEM 6.10 – Attachment A

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

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

**EXTENSION OF THE
AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
NUVIS**

FOR AS NEEDED LANDSCAPE ARCHITECTURE AND FORESTRY SERVICES

This EXTENSION of the AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT") that was entered into on December 20, 2013, by and among the City of Laguna Woods, a California municipal corporation ("CITY") and NUVIS ("CONSULTANT"), is made and entered into this 1st day of July 2018 by and among CITY and CONSULTANT.

WHEREAS, the initial term of the AGREEMENT was for the period between December 20, 2013 and 11:59 p.m. on June 30, 2016, and previously approved extensions have extended the term through 11:59 p.m. on June 30, 2018; and

WHEREAS, while the AGREEMENT was originally intended to be extended through a maximum of 11.59 p.m. on June 30, 2018, CONSULTANT’s work on the “A Place for Paws” Dog Park Relocation Project and certain landscape plan review remains underway; and

WHEREAS, CITY and CONSULTANT are mutually agreeable to an extension of the AGREEMENT in order to provide for continued services by CONSULTANT on work that will remain underway as of June 30, 2018 through the extended term specified below.

NOW THEREFORE, the parties amend the AGREEMENT as follows:

1. CITY and CONSULTANT hereby agree to an extension of the AGREEMENT for a period beginning on July 1, 2018 and ending at 11:59 p.m. on December 31, 2018 with no changes to the terms and conditions of the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this EXTENSION to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Perry A. Cardoza, Executive Vice President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

This page is intentionally blank.

6.11
AS NEEDED FINANCIAL CONSULTING
SERVICES

This page is intentionally blank.

**EXTENSION OF THE
CONSULTANT SERVICES AGREEMENT
BETWEEN THE
CITY OF LAGUNA WOODS
AND
IRWIN B. BORNSTEIN
FOR AS NEEDED FINANCIAL CONSULTING SERVICES**

This EXTENSION of the CONSULTANT SERVICES AGREEMENT ("AGREEMENT") that was entered into on July 1, 2017, by and among the City of Laguna Woods, a general law city of the State of California ("CITY") and Irwin B. Bornstein, an individual ("CONSULTANT"), is made and entered into this 1st day of July 2018 by and among CITY and CONSULTANT.

WHEREAS, the initial term of the AGREEMENT was for the period between July 1, 2017 and 11:59 p.m. on June 30, 2018; and

WHEREAS, the AGREEMENT allows for the term of the AGREEMENT to be extended upon written agreement of both parties to the AGREEMENT for any applicable mutually agreeable period.

NOW THEREFORE, the parties amend the AGREEMENT as follows:

1. CITY and CONSULTANT hereby agree to an extension of the AGREEMENT for a period beginning on July 1, 2018 and ending at 11:59 p.m. on June 30, 2019 with no changes to the terms and conditions of the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this EXTENSION to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Irwin B. Bornstein

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

This page is intentionally blank.

6.12
CITY ATTORNEY SERVICES

This page is intentionally blank.

**AMENDMENT OF THE
LEGAL REPRESENTATION LETTER
BETWEEN THE
CITY OF LAGUNA WOODS
AND
RUTAN & TUCKER, LLP
FOR LEGAL SERVICES AS CITY ATTORNEY**

This AMENDMENT of the LEGAL REPRESENTATION LETTER ("LETTER") dated March 29, 2017 by and among the City of Laguna Woods, a general law city of the State of California ("CITY") and Rutan & Tucker, LLP ("RUTAN"), is made and entered into this 1st day of July 2018 by and among CITY and RUTAN.

WHEREAS, the LETTER provides an hourly rate structure for services provided by RUTAN through 11:59 p.m. on June 30, 2018, including standard, litigation and special projects, and third-party reimbursable matters hourly rates; and

WHEREAS, the LETTER allows for potential adjustments of the hourly rate structure for services provided by RUTAN beginning on July 1, 2018 through 11:59 p.m. on June 30, 2019, subject to mutual agreement of CITY and RUTAN.

NOW THEREFORE, the parties amend the LETTER as follows:

1. CITY and RUTAN hereby agree to an increase in the standard hourly rate for services provided by RUTAN from "\$225 per hour" to "\$250 per hour," effective July 1, 2018, with no other changes to the terms and conditions of the LETTER.

IN WITNESS WHEREOF, the parties hereto have caused this AMENDMENT to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Carol Moore, Mayor

RUTAN:

By _____
David B. Cosgrove

This page is intentionally blank.

6.13
LANDSCAPE MAINTENANCE SERVICES

This page is intentionally blank.

**EXTENSION OF THE
AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
NIEVES LANDSCAPE, INC.**

This EXTENSION of the AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES ("AGREEMENT") that was approved by the City Council on December 15, 2010 by and among the City of Laguna Woods, a California municipal corporation ("CITY") and Nieves Landscape, Inc. ("CONTRACTOR"), is made and entered into this 1st day of July 2018 by and among CITY and CONTRACTOR.

WHEREAS, the initial term of the AGREEMENT was for the period between December 20, 2010 and 11:59 p.m. on December 19, 2012 and previously executed extensions extended the term through 11:59 p.m. on June 30, 2018; and

WHEREAS, the AGREEMENT allows for the term of the AGREEMENT to be extended upon written agreement of both parties to the AGREEMENT through a maximum of 11:59 p.m. on December 19, 2018.

NOW THEREFORE, the parties amend the AGREEMENT as follows:

1. CITY and CONTRACTOR hereby agree to an extension of the AGREEMENT for a period beginning on July 1, 2018 and ending at 11:59 p.m. on December 19, 2018 with no changes to the terms and conditions of the AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this EXTENSION to be executed the day and year first above written.

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONTRACTOR:

By _____
Greg Nieves, President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

This page is intentionally blank.

6.14

**AMERICANS WITH DISABILITIES ACT (ADA)
PEDESTRIAN ACCESSIBILITY IMPROVEMENT
PROJECT: PHASE 1 (MOULTON PARKWAY)
*(NO REPORT)***

This page is intentionally blank.

6.15
GENERAL MUNICIPAL ELECTION

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATED TO GENERAL LAW CITIES

WHEREAS, under the provision of the laws of the State of California related to general law cities, a General Municipal Election shall be held on Tuesday, November 6, 2018, for the election of municipal officers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to general law cities, there is called and ordered to be held in the City of Laguna Woods, California, on Tuesday, November 6, 2018, a General Municipal Election for the purpose of electing two (2) members of the City Council for the full term of four (4) years (“Election”).

SECTION 2. That the ballots to be used at the Election shall be in the form and content as required by law.

SECTION 3. That the City Clerk is authorized, instructed, and directed to coordinate with the County of Orange Registrar of Voters and to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the Election.

SECTION 4. That the polls for the Election shall be open at seven o’clock a.m. of the day of the Election and shall remain open continuously from that time until eight o’clock p.m. of the same day when the polls shall be closed, pursuant to California Elections Code Section 10242, except as provided in California Elections Code Section 14401.

SECTION 5. That in all particulars not recited in this resolution, the Election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the Election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the Election in time, form, and manner as required by law.

SECTION 7. That in the event of a tie vote (if any two or more persons receive an equal and the highest number of votes for an office) as certified by the County of Orange Registrar of Voters, the City Council, in accordance with California Elections Code Section 15651(a), shall set a date, time, and place and summon the candidates who have received the tie votes to appear and will determine the tie by lot.

SECTION 8. That the City Clerk is authorized to administer the Election and all reasonable and actual Election expenses shall be paid by the City upon presentation of a properly submitted bill.

SECTION 9. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018 WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO CALIFORNIA ELECTIONS CODE SECTION 10403

WHEREAS, the City Council called a General Municipal Election to be held on Tuesday, November 6, 2018, for the purpose of the election of two (2) members of the City Council for the full term of four (4) years; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City, the precincts, polling places, and election officers of the two elections be the same, and that the County of Orange Registrar of Voters canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That pursuant to the requirements of California Elections Code Section 10403, the Board of Supervisors of the County of Orange is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 6, 2018, for the purpose of the election of two (2) members of the City Council for the full term of four (4) years (“Election”).

SECTION 2. That the County of Orange Registrar of Voters is authorized to canvass the returns of the Election. The Election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. The Election shall be held and conducted in accordance with the provisions of law regulating the statewide election, including without limitation, California Elections Code Section 10418.

SECTION 3. That the Board of Supervisors of the County of Orange is requested to issue instructions to the County of Orange Registrar of Voters to take any and all steps necessary for the holding of the consolidated Election.

SECTION 4. That the City recognizes that additional costs will be incurred by the County of Orange by reason of this consolidation and agrees to reimburse the County of Orange for any costs upon presentation of a properly submitted bill.

SECTION 5. That the City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors of the County of Orange and the County of Orange Registrar of Voters.

SECTION 6. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 05-07 AND ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 6, 2018

WHEREAS, the City Council called a General Municipal Election to be held on Tuesday, November 6, 2018, for the purpose of the election of two (2) members of the City Council for the full term of four (4) years; and

WHEREAS, California Elections Code Section 13307 provides that the City Council adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidates statement; and

WHEREAS, the City Council adopted Resolution No. 05-07 on February 16, 2005, related to candidates statements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Resolution No. 05-7 is hereby repealed and replaced by this resolution.

SECTION 2. That this resolution shall apply only to the General Municipal Election to be held on Tuesday, November 6, 2018.

SECTION 3. General Provisions. That pursuant to California Elections Code Section 13307, each candidate for elective office to be voted for at the General Municipal Election to be held on Tuesday, November 6, 2018, may prepare a candidate’s statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate’s education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. In addition to these restrictions, pursuant to California Elections Code Section 133078, any candidate statement shall be limited to a

recitation of the candidate's own personal background and qualifications, and shall not in any way make reference to other candidates for that office or to another candidate's qualifications, character, or activities. The City Clerk shall not cause to be printed or circulated any statement that he/she determines is not so limited or that includes any reference prohibited by this section. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period. These general provisions shall also apply to electronic candidate statements, those statements that will not be printed in the voter information guide but will be posted on the County of Orange Registrar of Voters website.

SECTION 4. Foreign Language Policy.

a) Pursuant to the Federal Voting Rights Act, candidates statements will be translated into all languages required by law and identified by the California Secretary of State as applicable to Orange County, pursuant to California Elections Code Section 14201, as may be amended.

b) The County of Orange Registrar of Voters will print and mail voter information guides and candidates statements translated into particular languages to only those voters who are on the County of Orange voter file as having requested a voter information guide in a particular language.

c) The County of Orange Registrar of Voters will make voter information guides and candidates statements in the required languages available at all polling places, on the County of Orange's website, and in the Election Official's office.

d) The City Clerk shall make sample ballots and candidate statements in the required languages available upon request in the Office of the City Clerk.

SECTION 5. Payment. The City Clerk shall require each candidate filing a statement to pay \$300 to the City at the time of filing as a condition of his or her statement being included in voter information guides. The candidate shall not be required to pay any additional costs for translations or printing.

SECTION 6. Miscellaneous.

a) All translations shall be provided by professionally-certified translators.

b) The City Clerk shall allow indentations and hyphens to the same extent and manner as allowed in previous City elections.

c) The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 7. Additional Materials. No candidate shall be permitted to include additional materials in voter information guides.

SECTION 8. That the City Clerk shall provide each candidate or the candidate’s representative a copy of this resolution at the time nominating petitions are issued.

SECTION 9. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

6.16
CONFLICT OF INTEREST CODE

This page is intentionally blank.

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RESCINDING RESOLUTION NO. 16-32 AND RE-ADOPTING THE CONFLICT OF INTEREST CODE ADOPTED BY RESOLUTION NO. 16-32, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 81000 ET SEQ.

WHEREAS, the Political Reform Act of 1974 and California Government Code Section 81000 *et seq.* (“Act”), require local governmental agencies to adopt a conflict of interest code pursuant to the Act; and

WHEREAS, California Government Code Section 87306.5 requires local governmental agencies to review conflict of interest codes at least every even-numbered year and identify whether any changes in conflict of interest codes are necessitated by changed circumstances by October 1 of the same year; and

WHEREAS, the City Council adopted Resolution No. 16-32 on November 16, 2016, adopting an amended conflict of interest code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. After reviewing the existing conflict of interest code adopted by Resolution No. 16-32, the City Council hereby determines that there are no changed conditions that necessitate changes in the existing conflict of interest code.

SECTION 2. Resolution No. 16-32 is hereby repealed.

SECTION 3. The terms of 2 California Code of Regulations, Section 18730, a copy of which is attached hereto as Exhibit A, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby adopted and incorporated by reference as the conflict of interest code for the City. Exhibit A, together with exhibits B, C, D, and E to this resolution, in which members and employees are designated and disclosure categories are set forth and explained, shall constitute the conflict of interest code of the City.

SECTION 4. Employees designated in Exhibit C hereto shall file Statements of Economic Interests (“Form 700”) with the City Clerk pursuant to this resolution. The Mayor, Members of the City Council, City Manager, City

Attorney, City Treasurer, and officials who manage public investments shall file a Form 700 statement pursuant to state law (California Government Code Section 87200 *et seq.*) with the City Clerk who shall forward a copy of the statement to the Fair Political Practices Commission. The City Clerk shall retain a copy of all statements of economic interests and make them available for public inspection and reproduction (California Government Code Section 81008).

SECTION 5. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

EXHIBIT A

**CONFLICT OF INTEREST CODE
CITY OF LAGUNA WOODS**

**TITLE 2. ADMINISTRATION
DIVISION 6. FAIR POLITICAL PRACTICES COMMISSION
CHAPTER 7. CONFLICTS OF INTEREST**

ARTICLE 2. DISCLOSURE

2 CCR 18730 (1998)

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and
- (C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property³ is required to be reported⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported⁶ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$440.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$440 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This

section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

ITEM 6.16 – Exhibit A

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

- (A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$440 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services or 18705.2(c) totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

AUTHORITY:

NOTE: Authority cited: Section 83112, Government Code. Reference: Section 87302, Government Code.

HISTORY:

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).

10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).
16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).
19. Editorial correction of subsection (a) (Register 98, No. 47).
20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).
21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).
22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

FOOTNOTES:

¹ Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

² See Government Code section 81010 and 2 Cal. Code of Regs. section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

EXHIBIT B

Consultants

Commission Regulation 18701 (a)(2) defines "consultant" as an individual who, pursuant to a contract with a state or local government agency:

- (A) Makes a governmental decision whether to:
 - (i) Approve a rate, rule, or regulation
 - (ii) Adopt or enforce a law;
 - (iii) Issue, deny, suspend, or revoke any permit license, application, certificate, approval, order, or similar authorization or entitlement;
 - (iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
 - (v) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
 - (vi) Grant agency approval to a plan, design, report, study, or similar item;
 - (vii) Adopt, or grant agency approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or
- (B) Serves in a staff capacity with the agency, and in that capacity participates in making a governmental decision (Regulation 18702.2) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the section. Such written determination shall include a description of the consultant's duties and, based upon the description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

EXHIBIT C

Designated Employees and Disclosure Categories

The following positions are held by individuals involved in making, or who participate in the making, of decisions which may foreseeably have a material effect on financial interests:

Designated Position Disclosure Categories

Administrative Services Director/City Treasurer 1

Building Official (Consultant) 1

Chief of Police Services (Consultant)..... 1

City Clerk 1

Consultant* 1

Assistant City Attorney (Consultant)..... 1

Exempt Officials** 1

Fire Chief (Consultant) 1

Senior Accountant..... 1

* See Attachment B for explanation of Consultant filing

** The Mayor, City Council, Members of the Planning Commission, City Manager, City Attorney, City Treasurer, and officials who manage public investments are all required to file disclosure statements pursuant to state law and thus are not included herein.

EXHIBIT D

Categories of Reportable Economic Interests

Designated Persons in Category " 1 " Must Report:

All investments, interests in real property, income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within and subject to the jurisdiction of the City, or if the business entity is doing business or planning to do business in an area subject to the jurisdiction of the City, or has done business within an area subject to the jurisdiction of the City at any time during the two (2) years prior to the filing of the statement.

Designated Persons in Category " 2 " Must Report:

- (a) All investments in real property located within or subject to the jurisdiction of the City.
- (b) Investments in any business entity which within the last two (2) years has contracted or in the future foreseeably may contract with the City.
- (c) Income from any source which within the last two (2) years has contracted or in the future foreseeably may contract with the City.
- (d) His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity which within the last two (2) years has contracted or in the future foreseeably may contract with the City.

Designated Persons in Category " 3 " Must Report:

- (a) Investments and business positions in, and income from business entities located in, doing business in, or planning to do business in the redevelopment project area and all interests in real property located within two (2) miles of the redevelopment project area.

EXHIBIT E

Definitions under the Political Reform Act

Government Code Section 82030

82030. Income.

a) "Income" means, except as provided in subdivision (b), a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a 10-percent interest or greater. "Income," other than a gift, does not include income received from any source outside the jurisdiction and not doing business within the jurisdiction, not planning to do business within the jurisdiction, or not having done business within the jurisdiction during the two years prior to the time any statement or other action is required under this title.

(b) "Income" also does not include:

- (1) Campaign contributions required to be reported under Chapter 4 (commencing with Section 84100).
- (2) Salary and reimbursement for expenses or per diem received from a state, local, or federal government agency and reimbursement for travel expenses and per diem received from a bona fide nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.
- (3) Any devise or inheritance.
- (4) Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or government agency.
- (5) Dividends, interest, or any other return on a security which is registered with the Securities and Exchange Commission of the United States government or a commodity future registered with the Commodity Futures Trading Commission of the United States government, except proceeds from the sale of these securities and commodities futures.
- (6) Redemption of a mutual fund.

ITEM 6.16 – Exhibit E

- (7) Alimony or child support payments.
- (8) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status if:
 - (A) The loan is secured by the principal residence of filer; or
 - (B) The balance owed does not exceed ten thousand dollars (\$10,000).
- (9) Any loan from or payments received on a loan made to an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, uncle, aunt, or first cousin, or the spouse of any such person, provided that a loan or loan payment received from any such person shall be considered income if he or she is acting as an agent or intermediary for any person not covered by this paragraph.
- (10) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status, so long as the balance owed to the creditor does not exceed ten thousand dollars (\$10,000).
- (11) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).
- (12) Proceeds from the sale of securities registered with the Securities and Exchange Commission of the United States government or from the sale of commodities futures registered with the Commodity Futures Trading Commission of the United States government if the filer sells the securities or the commodities futures on a stock or commodities exchange and does not know or have reason to know the identity of the purchaser.

This page is intentionally blank.

7.1
**CONSTRUCTION AND DEMOLITION
MATERIALS MANAGEMENT REGULATIONS**

This page is intentionally blank.



City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 20, 2018 Regular Meeting
SUBJECT: Construction and Demolition Materials Management Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

AND
5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 4.24.020, 4.24.040, AND 4.24.060 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO CONSTRUCTION AND DEMOLITION MATERIALS MANAGEMENT

Background

The Fiscal Years 2017-19 Budget & Work Plan includes the following significant work plan item:

- **Construction and Demolition Materials Management Regulations Update** –Review and update the City’s construction and demolition materials management regulations in order to streamline the permitting process and ensure compliance with state law.

Chapter 4.24 of the Laguna Woods Municipal Code (Attachment B) contains regulations related to construction and demolition materials management. Those regulations were last amended earlier this fiscal year.

Discussion

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed construction and demolition materials management regulations (Attachment A). Staff recommends that the City Council initiate the adoption process for the proposed ordinance in order to update existing regulations to explicitly conform to requirements of the 2016 California Green Building Standards Code. Doing so would help to ensure clarity and compliance with state law.

Significant proposed modifications include, but are not limited to, the following:

- Exclusion of “universal waste” from the definition of “construction and demolition materials”. Universal waste is a category of hazardous waste that cannot be disposed of as nonhazardous solid waste (e.g., fluorescent lamps, cathode ray tubes, instruments that contain mercury, and batteries).
- Update of the projects required to comply with the regulations to relate to type of work (e.g., new construction and certain additions and alterations), rather than the amount of construction and demolition materials projected to be generated. Corresponding changes would also be made to diversion security deposit requirements.

While staff’s recommendation would update construction and demolition materials management regulations, the scope of the update envisioned by the significant work plan item contained in the Fiscal Years 2017-19 Budget & Work Plan is broader and anticipated to be presented for City Council consideration next fiscal year.

If the City Council takes the recommended action at today's meeting, the proposed ordinance would be agendized for a second reading and consideration of adoption at an upcoming meeting. The ordinance would take effect 30 days after adoption.

Environmental Review

It can be seen with certainty that this project has no possibility of having a significant effect on the environment. Therefore, the adoption of the proposed ordinance is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations. Furthermore, even if CEQA did apply, this project would be exempt pursuant to Section 15308 of Title 14 of the California Code of Regulations in that the proposed ordinance is intended to assure the protection of the environment and involves procedures for protection of the environment.

Fiscal Impact

Funds to support this project are included in the City's budget.

Attachments: A – Proposed Ordinance
 Exhibit A – Code Amendment Text
 B – Existing Laguna Woods Municipal Code Chapter 4.24 (Construction and Demolition
 Materials Management)

This page is intentionally blank.

ORDINANCE NO. 18-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 4.24.020, 4.24.040, AND 4.24.060 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO CONSTRUCTION AND DEMOLITION MATERIALS MANAGEMENT

WHEREAS, construction and demolition materials management regulations are codified, in part, at Chapter 4.24 of the Laguna Woods Municipal Code and Title 24, Part 11 of the California Code of Regulations; and

WHEREAS, staff has recommended amendments to the existing construction and demolition materials management regulations as set forth in the attached Exhibit A to this Ordinance (the “Code Amendments”) which, if adopted, would update existing regulations to explicitly conform to requirements of the 2016 California Green Building Standards Code, in a manner that would help to ensure clarity and compliance with state law; and

WHEREAS, while the requirements of the 2016 California Green Building Standards Code apply regardless of whether they have been explicitly codified in the Laguna Woods Municipal Code, and the City has previously adopted the 2016 California Green Building Standards Code as stated in Chapter 10.24 of the Laguna Woods Municipal Code, the Code Amendments would nevertheless add clarity to the existing construction and demolition materials management regulations; and

WHEREAS, on June 20, 2018, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of State law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that this project has no possibility of having a significant effect on the environment. Therefore, the adoption of this Ordinance is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations. Furthermore, even if CEQA did apply, this project would be exempt pursuant to Section 15308 of Title 14 of the California Code of Regulations in that this Ordinance is intended to assure the protection of the environment and involves procedures for protection of the environment.

SECTION 3. Sections 4.24.020, 4.24.040, and 4.24.060 of the Laguna Woods Municipal Code are hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 4. This Ordinance shall take effect and be in full force and operation thirty (30) days after adoption.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Deputy City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 7. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

APPROVED AS TO FORM:

DAVID B. COSGROVE, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 18-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2018, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2018 by the following vote to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

**EXHIBIT A
CODE AMENDMENTS**

Section 4.24.020 (“Definitions”) of Chapter 4.24 (“Construction and Demolition Materials Management”) of Title 4 (“Health and Sanitation”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):

Sec. 4.24.020. - Definitions.

For the purposes of this chapter the following words and phrases are defined as follows, unless it is apparent from the context that a different meaning is intended. Words and phrases not defined by this section shall have the meanings set forth in Division 30, Part 1, Chapter 2 of the Public Resources Code, §§ 40000 [et seq.] and following and the regulations of the California Department of Resources Recycling and Recovery.

If not defined in the Public Resources Code or the California Department of Resources Recycling and Recovery's regulations, then the definitions found in the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. §§ 6901 and following and the regulations implementing RCRA, as they may be amended, shall apply.

(05) *Applicant* shall mean any person, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever required to apply for a City permit to undertake any covered project, as defined below.

(10) *Community Development Director* shall mean the City Manager’s designee and his or her designees.

(15) *Construction and demolition materials* or *C&D materials* shall mean used or commonly discarded materials removed from premises of a covered project during construction, grading, remodeling, repair, demolition, deconstruction or renovation resulting from construction, renovation, grading, remodeling, repair, deconstruction or demolition operations on any pavement, house, commercial building, or other structure, or from landscaping. Such materials include, but are not limited to, inert waste (including rock, concrete, brick, sand, soil,

ceramics and cured asphalt), gravel, plaster, gypsum wallboard, aluminum, glass, plastic pipe, roofing material, carpeting, wood, masonry, trees, stumps, remnants of new materials, including paper, plastic, carpet scraps, wood scraps, scrap metal, building materials, packaging and rubble. “C&D materials” specifically excludes universal waste.

(20) *Construction and demolition diversion security deposit* or *diversion security deposit* shall mean cash or a letter of credit in a form acceptable to the City, submitted to the City pursuant to this chapter.

(25) *Construction and demolition materials management plan* or *C&DMMP* shall mean a completed C&DMMP form, approved by the City for the purpose of compliance with this chapter.

(30) *Covered project* shall mean a project for which a ~~building, demolition, grading or other similar permit is required by the City.~~ building permit is required by the City for (a) construction of any new building; (b) an addition or alteration that increases any existing residential building’s conditioned area, volume, or size; and/or, (c) an addition or alteration of any existing non-residential building of any kind.

(35) *Deconstruction* shall mean a process to dismantle or remove useable materials from structures, in a manner which maximizes the recovery of building materials for reuse and recycling and minimizes the amount of waste transported for disposal in landfills and transformation facilities.

(40) *Divert* or *diversion* shall mean activities which reduce or eliminate the amount of C&D material from disposal in a landfill or transformation facility. See Public Resources Code § 40124.

(45) *Diversion requirement* shall mean the diversion of at least 65 percent, by weight, of the C&D material, other than inert waste, generated by a covered project by reuse or recycling, and that at least 65 percent of the inert waste is removed from the solid waste stream and not disposed of in a solid waste landfill, unless the applicant has

been granted an exemption pursuant to this chapter. If the applicant has been granted an exemption, the diversion requirement shall be the maximum feasible diversion rate established by the community development director for the project.

(50) *Feasible* shall have the meaning ascribed by Public Resources Code § 21061.1.

(55) *Inert waste* shall have the meaning ascribed by Public Resources Code § 41821.3(a)(1).

(60) *Project* shall mean any activity for which a building, demolition, grading or other similar permit is required from the City.

(65) *Recycling* shall have the meaning ascribed by Public Resources Code § 40180.

(70) *Reuse* shall mean further or repeated use of C&D materials or inert waste.

(75) *Salvage* shall mean the controlled removal of C&D materials from a permitted construction or demolition site for the purpose of recycling, reuse, or storage for later recycling or reuse.

(80) *Valuation* shall have the same meaning as defined in Chapter 10.08 (California Building Code) of this Code.

Section 4.24.040 (“Exempt projects”) of Chapter 4.24 (“Construction and Demolition Materials Management”) of Title 4 (“Health and Sanitation”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike through~~):

Sec. 4.24.040. - Exempt projects.

The provisions of this chapter shall not apply to any of the following:

- (1) Work ~~that does not require a building permit, demolition permit, and/or grading permit;~~ for which a building permit is not required by the City.

(2) Projects that ~~are not projected to generate three cubic yards or more of C&D materials; or~~ do not meet the definition of “covered project”.

(3) Demolition or construction required to protect public health or safety in an emergency, as defined in Public Resources Code § 21060.3.

Section 4.24.060 (“Diversion security deposits”) of Chapter 4.24 (“Construction and Demolition Materials Management”) of Title 4 (“Health and Sanitation”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike through~~):

Sec. 4.24.060. - Diversion security deposits.

Each applicant for a permit for a covered project, except for all City-sponsored projects, shall submit a diversion security deposit with the C&DMMP. The amount of the diversion security deposit shall be as follows:

Amount of C&D Materials Projected to be Generated	Amount of Diversion Security Deposit
3 to 4 Less than 10 cubic yards	\$250.00
10 to less than 80 cubic yards	\$900.00
80 or more cubic yards	\$2,700.00
25 or more permits expected to be issued to a single applicant in a single calendar year for similar covered projects projected to generate a cumulative total of 400 or more cubic yards	\$7,050.00
Any new building or building demolition, as defined by the City’s Building Code	\$100.00 per 3 cubic yards of C&D materials projected to be generated, up to a maximum of \$50,000.00

CHAPTER 4.24. - CONSTRUCTION AND DEMOLITION MATERIALS MANAGEMENT^[8]

Sec. 4.24.010. - Purpose.

The purpose of this chapter is to promote the recycling of construction and demolition waste in order to protect the public health, safety, and welfare and to meet the City's obligations under Assembly Bill 939, Senate Bill 1374, the California Green Building Standards Code, and related diversion requirements of the California Department of Resources Recycling and Recovery.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.020. - Definitions.

For the purposes of this chapter the following words and phrases are defined as follows, unless it is apparent from the context that a different meaning is intended. Words and phrases not defined by this section shall have the meanings set forth in Division 30, Part 1, Chapter 2 of the Public Resources Code, §§ 40000 [et seq.] and following and the regulations of the California Department of Resources Recycling and Recovery.

If not defined in the Public Resources Code or the California Department of Resources Recycling and Recovery's regulations, then the definitions found in the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 and following and the regulations implementing RCRA, as they may be amended, shall apply.

- (05) *Applicant* shall mean any person, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever required to apply for a City permit to undertake any covered project, as defined below.
- (10) *Community Development Director* shall mean the City Manager's designee and his or her designees.
- (15) *Construction and demolition materials* or *C&D materials* shall mean used or commonly discarded materials removed from premises of a covered project during construction, grading, remodeling, repair, demolition, deconstruction or renovation resulting from construction, renovation, grading, remodeling, repair, deconstruction or demolition operations on any pavement, house, commercial building, or other structure, or from landscaping. Such materials include, but are not limited to, inert waste (including rock, concrete, brick, sand, soil, ceramics and cured asphalt), gravel, plaster, gypsum wallboard, aluminum, glass, plastic pipe, roofing material, carpeting, wood, masonry, trees, stumps, remnants of new materials, including paper, plastic, carpet scraps, wood scraps, scrap metal, building materials, packaging and rubble.
- (20) *Construction and demolition diversion security deposit* or *diversion security deposit* shall mean cash or a letter of credit in a form acceptable to the City, submitted to the City pursuant this chapter.
- (25) *Construction and demolition materials management plan* or *C&DMMP* shall mean a completed C&DMMP form, approved by the City for the purpose of compliance with this chapter.
- (30) *Covered project* shall mean a project for which a building, demolition, grading or other similar permit is required by the City.
- (35) *Deconstruction* shall mean a process to dismantle or remove useable materials from structures, in a manner which maximizes the recovery of building materials for reuse and recycling and minimizes the amount of waste transported for disposal in landfills and transformation facilities.
- (40) *Divert* or *diversion* shall mean activities which reduce or eliminate the amount of C&D material from

disposal in a landfill or transformation facility. See Public Resources Code § 40124.

- (45) *Diversion requirement* shall mean the diversion of at least 65 percent, by weight, of the C&D material, other than inert waste, generated by a covered project by reuse or recycling, and that at least 65 percent of the inert waste is removed from the solid waste stream and not disposed of in a solid waste landfill, unless the applicant has been granted an exemption pursuant to this chapter. If the applicant has been granted an exemption, the diversion requirement shall be the maximum feasible diversion rate established by the community development director for the project.
- (50) *Feasible* shall have the meaning ascribed by Public Resources Code § 21061.1.
- (55) *Inert waste* shall have the meaning ascribed by Public Resources Code § 41821.3(a)(1).
- (60) *Project* shall mean any activity for which a building, demolition, grading or other similar permit is required from the City.
- (65) *Recycling* shall have the meaning ascribed by Public Resources Code § 40180.
- (70) *Reuse* shall mean further or repeated use of C&D materials or inert waste.
- (75) *Salvage* shall mean the controlled removal of C&D materials from a permitted construction or demolition site for the purpose of recycling, reuse, or storage for later recycling or reuse.
- (80) *Valuation* shall have the same meaning as defined in Chapter 10.08 (California Building Code) of this Code.

(Ord. No. 12-05, § 1, 4-18-2012; Ord. No. 18-01, § 3(Exh. A), 2-21-2018)

Sec. 4.24.030. - Covered projects.

All covered projects shall comply with the provisions of this chapter. Compliance with the provisions of this chapter shall be a condition for refund of the project's diversion security deposit.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.040. - Exempt projects.

The provisions of this chapter shall not apply to any of the following:

- (1) Work that does not require a building permit, demolition permit, and/or grading permit;
- (2) Projects that are not projected to generate three cubic yards or more of C&D materials; or
- (3) Demolition or construction required to protect public health or safety in an emergency, as defined in Public Resources Code § 21060.3.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.050. - C&DMMP required.

Each applicant for a permit for any covered project shall complete and submit to the Community Development Department a C&DMMP on a form approved by the City for this purpose prior to permit issuance. The completed C&DMMP, at a minimum, shall indicate all of the following:

- (1) The estimated weight of C&D materials, itemized as required by City, to be generated;
- (2) The maximum weight of C&D materials projected to be generated by the covered project;
- (3) The estimated weight of residual C&D materials to be transported for disposal in a landfill or

transformation facility; and

- (4) The estimated weight of inert waste to be removed from the waste stream and not disposed of in a landfill or transformation facility.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.060. - Diversion security deposits.

Each applicant for a permit for a covered project, except for all City-sponsored projects, shall submit a diversion security deposit with the C&DMMP. The amount of the diversion security deposit shall be as follows:

Amount of C&D Materials Projected to be Generated	Amount of Diversion Security Deposit
<u>3</u> to less than <u>10</u> cubic yards	\$250.00
<u>10</u> to less than 80 cubic yards	\$900.00
80 or more cubic yards	\$2,700.00
25 or more permits expected to be issued to a single applicant in a single calendar year for similar covered projects projected to generate a cumulative total of 400 or more cubic yards	\$7,050.00
Any new building or building demolition, as defined by the City's Building Code	\$100.00 per <u>3</u> cubic yards of C&D materials projected to be generated, up to a maximum of \$50,000.00

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.070. - Approval of C&DMMP.

The Community Development Director shall approve a C&DMMP if all of the following conditions have been met:

- (1) The C&DMMP provides all of the information set forth in Section 4.24.050 of this chapter;
- (2) The C&DMMP indicates that the diversion requirement will be met; and
- (3) The applicant has submitted an appropriate diversion security deposit in compliance with Section

4.24.060 of this chapter.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.080. - Disapproval of C&DMMP.

If the Community Development Director determines that the C&DMMP is incomplete or fails to meet the diversion requirement, the Community Development Director shall notify the applicant and no permits shall be issued until the C&DMMP is approved.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.090. - Application for refund.

Within 180 days after the completion (permit final) of any covered project that requires a diversion security deposit, the applicant may submit to the Community Development Director documentation that the applicant has met the diversion requirement for the project and apply for a refund of the diversion security deposit. This documentation may include any of the following in form sufficient to the City:

- (1) For covered projects that use the City's franchise waste hauler, proof of purchase or delivery of waste containers shall be sufficient to meet the diversion requirement. Weight of materials will not be required;
- (2) Receipts or gate tickets from the vendor or facility which received the C&D materials showing the actual weight of that material and "Laguna Woods" as the city of origin;
- (3) A description of the type and amount of materials used for salvage; or
- (4) Any additional information the Community Development Director determines is relevant to determining the applicant's efforts to comply in good faith with this chapter.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.100. - Weight of construction and demolition material diversion.

Applicants shall make reasonable efforts to ensure that all C&D materials diverted, or delivered to disposal facilities for disposal, are measured and recorded using the most accurate method of measurement reasonably available. To the extent practicable, all C&D materials and inert waste to be removed from the waste stream and not disposed in a landfill or transformation facility or used for salvage shall be weighed on scales. Such scales shall be in compliance with all regulatory requirements for accuracy and maintenance. For C&D materials for which weighing is not practical due to small size or other considerations, a volumetric measurement shall be used. For conversion of volumetric measurements to weight, the applicant shall use standardized conversion rates approved by the City for this purpose. All weight-related documentation must indicate "Laguna Woods" as the city of origin.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.110. - Determination of compliance and release of diversion security deposit.

The Community Development Director shall review the information submitted under Section 4.24.090 of this chapter and determine whether the applicant has complied with the C&DMMP, as follows:

- (1) *Full compliance.* If the Community Development Director determines that the applicant has fully

complied with the C&DMMP applicable to the project, the Community Development Director shall cause the full diversion security deposit to be released to the applicant.

- (2) *Good faith effort to comply.* If the Community Development Director determines that the applicant has not fully complied with the C&DMMP, the Community Development Director shall determine whether the applicant made a good faith effort to comply with this chapter. In making this determination, the Community Development Director shall consider the availability of markets for the C&D materials transported for disposal in a landfill or transformation facility, the size of the project, and the documented efforts of the applicant to divert C&D materials and remove inert waste from the waste stream. If the Community Development Director determines that the applicant has made a good faith effort to comply with this chapter, the Community Development Director shall approve the release of the diversion security deposit, or a portion thereof, to the applicant. Any portion of the diversion security deposit not released to the applicant shall be retained by the City.
- (3) *Noncompliance.* If the Community Development Director determines that the applicant has not made a good faith effort to comply with this chapter, or if the applicant failed to submit the documentation required by Section 4.24.090 of this chapter within the required time period, then the diversion security deposit shall be retained by the City.
- (4) *Refund of erroneous payment.* The Community Development Director may authorize the refund of any diversion security deposit which was erroneously paid or collected.
- (5) *Withdrawal of permit application.* The Community Development Director may authorize the refund of any diversion security deposit if the permit application for a covered project is withdrawn or cancelled before any work has begun.
- (6) Diversion security deposits retained by the City may be used only for:
 - a. Payment of diversion security deposit refunds;
 - b. Costs of administration of the program established by this chapter; and
 - c. Cost of programs to encourage and achieve diversion of construction materials from disposal at disposal facilities.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.120. - C&DMMP waivers.

- (a) If an applicant for a covered project experiences or anticipates unique circumstances that the applicant believes make it not feasible to comply with the diversion requirement, the applicant may apply for a waiver. The applicant shall indicate on the C&DMMP the maximum rate of diversion the applicant believes is feasible for each material and the specific circumstances that the applicant believes make it not feasible to comply with the diversion requirement.
- (b) The Community Development Director shall review the information supplied by the applicant and may meet with the applicant to discuss possible ways of meeting the diversion requirement. Based on the information supplied by the applicant, the Community Development Director shall determine whether it is possible for the applicant to meet the diversion requirement.
- (c) If the Community Development Director determines that it is not feasible for the applicant to meet the diversion requirement, the Community Development Director shall determine the maximum feasible diversion rate for each material and shall designate this rate on the C&DMMP submitted by the applicant.
- (d) If the Community Development Director determines that it is possible for the applicant to meet the diversion

requirement, the Community Development Director shall deny the application for exemption and inform the applicant in writing of the denial and the reasons for the denial. The applicant shall have 30 days after receipt of such notification to resubmit a C&DMMP form in full compliance with this chapter. If the applicant fails to resubmit the C&DMMP, or if the resubmitted C&DMMP does not comply with this chapter, the Community Development Director shall deny the C&DMMP, and the Community Development Department shall not issue a permit for that project.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.130. - Appeal.

Each applicant shall have the right to appeal any decision made by the Community Development Director to the City Manager or the City Manager's designee. The applicant must file a notice of appeal from the ruling of the Community Development Director with the City Clerk not more than ten business days after the notice of the Community Development Director's decision was mailed to the address provided by the applicant. The notice of appeal shall include all evidence and legal arguments which the applicant wishes the City, and any reviewing court to consider. The decision made by the City Manager, or the City Manager's designee, shall be in writing, stating the legal and factual basis for the decision. The decision shall be final and conclusive.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.140. - Inspection.

The Community Development Director shall have the right to enter project sites, unannounced, for the purpose of making reasonable inspections to observe and enforce compliance with this section and any applicable laws or regulations.

(Ord. No. 12-05, § 1, 4-18-2012)

Sec. 4.24.150. - Infraction.

Violation of any provision of this chapter shall constitute an infraction.

(Ord. No. 12-05, § 1, 4-18-2012)

7.2
PURCHASING AND PROCUREMENT
REGULATIONS

This page is intentionally blank.



City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 20, 2018 Regular Meeting
SUBJECT: Purchasing and Procurement Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

AND
5. Approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 3.06 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT BY THE CITY

Background

The Fiscal Years 2017-19 Budget & Work Plan includes the following significant work plan item:

- **Purchasing Standards Update** – Review and update the City’s purchasing processes and regulations in order to ensure the efficient, effective, and economical conduct of City business.

Chapter 3.06 of the Laguna Woods Municipal Code contains regulations related to the purchase of goods and procurement of services by the City. Those regulations were last amended earlier this fiscal year.

Discussion

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed purchasing and procurement regulations (Attachment A). Staff recommends that the City Council initiate the adoption process for the proposed ordinance, in order to ensure the efficient, effective, and economical conduct of City business, as well as compliance with federal purchasing and procurement laws.

Significant proposed modifications include, but are not limited to, the following:

- Various modifications to address requirements of federal law pertaining to purchases and procurements made using federal funds.
- Authorization for City staff who are authorized by the City Manager to approve purchases of less than \$1,000. The existing regulations allow only department heads to approve purchases of less than \$1,000.
- Exemption of the procurement of valuation services, regardless of value, from several provisions of the purchasing and procurement regulations, and authorization for the City Manager or purchasing officer to approve the same, provided that sufficient funds are available in adopted budgets.
- Expansion of the existing exemption of “the procurement of legal services, professional and other expert witness services, and special research and investigative services,” regardless of value, from several provisions of the purchasing and procurement regulations, to include assistance or testimony related to an existing or potential administrative or judicial proceeding in

which the City has an interest. The existing regulations apply only to such services when related to an existing or potential administrative or judicial proceeding in which the City is or may become a party.

- Exemption of “purchases and procurements made through a maintenance services or professional services purchase order or contract awarded by the City Council when such purchases and procurements are provided for therein” (e.g., subcontractor services, reimbursable items) from purchasing and procurement regulations (excluding sections 3.06.070 and 3.06.120).
- Specification that unlawful activity related to purchasing and procurement is punishable to the fullest extent of the law and, for employees, may also result in discipline up to and potentially including termination.

Other proposed modifications seek to ensure clarity and ease of administration.

If the City Council takes the recommended action at today’s meeting, the proposed ordinance would be agendized for a second reading and consideration of adoption at an upcoming meeting. The ordinance would take effect 30 days after adoption.

Environmental Review

It can be seen with certainty that this project has no possibility of having a significant effect on the environment. Therefore, the adoption of the proposed ordinance and resolution is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

Fiscal Impact

Funds to support this project are included in the City’s budget.

Report Prepared With: Margaret Cady, CPA, Administrative Services Director/City Treasurer

Attachment: A – Proposed Ordinance
Exhibit A – Code Amendment Text

This page is intentionally blank.

ORDINANCE NO. 18-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 3.06 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT BY THE CITY

WHEREAS, purchasing and procurement regulations are codified at Chapter 3.06 of the Laguna Woods Municipal Code; and

WHEREAS, staff has recommended amendments to the existing purchasing and procurement regulations, as set forth in the attached Exhibit A to this Ordinance (the “Code Amendments”), in order to help ensure the efficient, effective, and economical conduct of City business, as well as compliance with federal purchasing and procurement laws; and

WHEREAS, on June 20, 2018, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that (i) each of the recitals to this Ordinance are true and correct, and are adopted herein as findings; (ii) the Code Amendments comply with all applicable requirements of state law; (iii) the Code Amendments will not adversely affect the health, safety, or welfare of the residents within the community; (iv) the Code Amendments are in the public interest of the City of Laguna Woods; and, (v) the Code Amendments are consistent with the Laguna Woods General Plan and its various elements.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that this project has no possibility of having a significant effect on the environment. Therefore, the adoption of this Ordinance is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

SECTION 3. Chapter 3.06 of the Laguna Woods Municipal Code is hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 4. This Ordinance shall take effect and be in full force and operation thirty (30) days after adoption.

SECTION 5. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity of effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

SECTION 6. The Deputy City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 7. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

APPROVED AS TO FORM:

DAVID B. COSGROVE, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 18-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2018, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2018 by the following vote to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

**EXHIBIT A
CODE AMENDMENTS**

Chapter 3.06 (“Purchasing”) of Title 3 (“Revenue and Finance”) of the Laguna Woods Municipal Code is amended to read as follows (formatting changes shown with green underlining, additions shown with blue underlining and deletions shown with ~~strike through~~):

CHAPTER 3.06. - PURCHASING AND PROCUREMENT

Sec. 3.06.010. - Purpose and intent.

The purpose and intent of this chapter is to establish efficient, economical, and accountable policies and procedures related to the purchase of goods and the procurement of services.

Sec. 3.06.020. - Definitions.

The following definitions shall govern the meaning of words and phrases used in this chapter:

(a) Authorized City staff shall mean any City employee who is designated by the City Manager, in writing, as being able to approve purchases subject to the purchasing limitations set forth in Section 3.06.040(1) of this Code.

~~(ab)~~ Department head shall mean the City Manager or the person who is designated by the City Manager as being responsible for each particular City department.

~~(bc)~~ Director of Emergency Services shall mean the person so designated in accordance with Chapter 7.04 of this Code.

~~(ed)~~ Environmentally preferable products shall mean products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, and/or disposal of the product.

(e) Federal funds shall mean funds received from a federal agency, a pass-through agency on behalf of a federal agency (e.g., the State of California), or any other entity authorized to distribute funds originating from a federal agency.

~~(df)~~ *Maintenance services* shall mean services related to the maintenance of public property that are not subject to the bidding requirements set forth in ~~Section 20162 of the~~ California Public Contracts Code Section 20162, as may be amended from time to time.

~~(eg)~~ *Professional services* shall mean services provided by any specially trained and experienced person or firm in the areas of accounting, administration, analysis, architecture, economics, engineering, finance, inspection, law, planning, public safety, radius addressing, surveying, transcription, or other matters involving specialized training or expertise, with the exception of maintenance services.

~~(fh)~~ *Public project* shall have the same meaning as set forth in ~~Section 20161 of the~~ California Public Contracts Code Section 20161, as may be amended from time to time.

~~(gi)~~ *Purchasing officer* shall mean the person designated by the City Manager for the delegation of the duties and responsibilities imposed by this chapter on the purchasing officer.

(j) Records of federal procurement shall mean records that provide sufficient detail of the history of a particular purchase or procurement for which federal funds are used where bids or specific selection criteria is required including, but not limited to, the rationale for the method of purchase or procurement, selection, or contract type, contractor selection or rejection, as well as the basis for the contract type.

~~(hk)~~ *Recycled products* shall mean products manufactured with waste material that has been recovered or diverted from the waste stream. Recycled material may be derived from post-consumer waste, industrial scrap, manufacturing waste, and/or other waste that otherwise would not have been utilized.

Sec. 3.06.030. - Authority and responsibility.

- (a) The authority and responsibility for the purchase of goods and the procurement of services is vested in the City Manager.
- (b) The City Manager may designate a person to serve as the purchasing officer and delegate to that person all or a portion of the duties and responsibilities imposed by this chapter on the purchasing officer.
- (c) The City Manager may request City Council approval of any purchase of goods or procurement of services, regardless of value.
- (d) The City Manager may establish additional purchasing and procurement policies and procedures that are consistent with the provisions of this chapter including, but not limited to, policies and procedures for maintaining records of federal procurement.

Sec. 3.06.040. - Purchasing limitations.

Purchases of goods may be made by the persons designated in this section, subject to compliance with the provisions of this chapter.

- (1) For purchases of less than \$1,000.00, the applicable department head or other authorized City staff must approve the purchase, ~~subject to purchasing policies and procedures established by the City Manager.~~ It is not required that purchase orders or contracts be executed, nor that bids be obtained for such purchases.
- (2) For purchases that are equal to or exceed \$1,000.00 but are less than \$2,500.00, the City Manager or purchasing officer must approve and execute the purchase order or contract for the purchase. It is not required that bids be obtained for such purchases.
- (3) For purchases that are equal to or exceed \$2,500.00 but are less than \$25,000.00, the City Manager or purchasing officer must approve and execute the purchase order or contract for the purchase. Prior to making a purchase, three bids must be obtained.
- (4) For purchases that are equal to or exceed \$25,000.00, the City Council must approve the purchase order or contract for the purchase.

Prior to City Council approval, three bids must be obtained. The City Council may authorize that such purchase orders or contracts be executed by the Mayor, City Manager, purchasing officer, or other designee.

Sec. 3.06.050. - Purchasing considerations - non-federal.

(a) For any purchase of goods made without the use federal funds, the City shall comply with all of the following:

(a1) *Competitive bidding consideration.* Purchases for which bidding is required shall be made from the lowest cost responsible bidder, consistent with quality (including, but not limited to, suitability, performance, durability, and reparability), quantity, delivery, and payment requirements. The lowest cost responsible bidder shall be determined by factors including, but not limited to, cost, ability, qualifications, and willingness to comply with the City's purchasing terms.

(b2) *Environmental purchasing consideration.* City staff shall consider the purchase of environmentally preferable products and recycled products, whenever practicable and cost effective.

(e3) *Local purchasing consideration.* City staff shall consider purchases from vendors located in the city, whenever practicable and cost effective. For purposes of bid comparison, bids submitted by local vendors shall be reduced by one percent for the portion of the purchase upon which the City would pay sales tax. The one-percent reduction is afforded to local vendors to recognize the sales tax reimbursement to the City on such purchases.

Sec. 3.06.060. – Purchasing and procurement considerations - federal.

(a) For any purchase of goods made using federal funds, the City shall comply with all applicable requirements, including all of the following:

(1) *Equitable distribution consideration.* To the extent practicable, all purchases that are equal to or exceed \$1,000.00 but are less than \$3,000.00 shall be distributed equitably among qualified vendors if pricing and product quality is comparable.

(2) Federal excess and surplus equipment and property consideration. The City shall allow for the purchase of federal excess or surplus equipment or property in lieu of new equipment or property whenever such substitution is feasible and would reduce purchase costs.

(b) For any purchase of goods or procurement of services made using federal funds, the City shall comply with all applicable requirements, including all of the following:

(1) Small business, minority business, women’s business enterprise, and labor surplus area firm consideration. The City shall take all necessary affirmative steps to assure that small businesses, minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include all those required by 2 CFR 200.321.

(2) Prohibition of geographical consideration. The City shall not exercise the provisions set forth in Section 3.06.050(a)(3) of this Code, nor any other geographical preference.

(3) Prohibition of certain exemptions. The City shall not apply the cost of any purchase of goods or procurement of services directly to federal funds if any one or more exemptions set forth in this chapter have been exercised.

Sec. 3.06.~~060~~070. - Public projects.

(a) Awards for the performance of public projects shall be made in a manner that complies with all applicable requirements of the California Public Contracts Code.

(b) Plans and specifications for public projects shall allow for the use or substitution of environmentally preferable products and recycled products, whenever practicable and cost effective.

Sec. 3.06.~~070~~080. - Maintenance and professional services.

(a) Awards for the performance of maintenance services and professional services shall be made on the basis of the demonstrated competence of the

vendor, the vendor's professional qualifications necessary for the satisfactory performance of the services required, the fairness and reasonableness of the cost of the services to the City, the vendor's history of performance, the vendor's willingness ~~of the vendor~~ to comply with the City's procurement terms, and other factors determined to be relevant, rather than solely on the basis of cost. The provisions set forth in sections 3.06.040 and 3.06.050 of this Code are not applicable to the procurement of services.

(b) Subject to compliance with the provisions of this chapter, the City Manager or purchasing officer may enter into and execute purchase orders or contracts for maintenance services ~~and~~ or professional services when the cost of such services is less than \$50,000.00 over the term of the agreement. City Council approval is required for all purchase orders or contracts when the cost of the services is \$50,000.00 or more over the term of the agreement. The City Council may authorize that such purchase orders and contracts be executed by the Mayor, City Manager, purchasing officer, or other designee.

(c) Notwithstanding the above provisions of this section, all purchase orders or contracts for maintenance services and professional services for which the estimated cost of services is \$25,000.00 or more over the term of the agreement shall be competitively bid by obtaining at least three bids for providing the required services, evaluating the bids pursuant to the criteria set forth in subsection (a), and making the award based on the best bid.

(d) Notwithstanding the above provisions of this section, all contracts for the performance of the annual independent audit of the City's financial statements shall be competitively bid by obtaining at least three bids for providing the required services, evaluating the bids pursuant to the criteria set forth in subsection (a), and making the award based on the best bid. Further, the award of all such annual independent audit contracts, regardless of cost, shall be approved by the City Council. The City Council may authorize that such annual independent audit contracts be executed by the Mayor, City Manager, purchasing officer, or other designee.

(e) Bid solicitations for maintenance services and professional services shall allow for the use or substitution of environmentally preferable products and recycled products, whenever practicable and cost effective.

Sec. 3.06.~~080~~090. - Cooperative agreements.

The City Council, City Manager, or purchasing officer may approve the purchase of goods or the procurement of services for which the City would normally follow its own bid procedures from a vendor who has been awarded a contract for the purchase of the same goods or the procurement of the same services by another public agency, if said public agency utilized bid procedures substantially similar to those normally utilized by the City. The amount of said purchase or procurement shall be based upon the cost bid for said public agency.

Sec. 3.06.~~090~~100. - Bidding rejections and exemptions.

- (a) Except when precluded by applicable law, the City Council, City Manager, or purchasing officer may reject any bid received by the City.
- (b) Except when precluded by applicable law, the provisions of this chapter may be waived at the discretion of the City Council.
- (c) Except when precluded by applicable law, and provided the purchase of goods is less than \$25,000.00, or the procurement of services is less than \$50,000.00 over the term of the agreement, the provisions set forth in sections 3.06.040, 3.06.050, and 3.06.~~070~~080(a)(c)(e) of this Code may be waived, at the discretion of the City Manager, when any of the following is applicable:
 - (1) After a reasonable attempt has been made to obtain the required number of bids, it has been determined that no additional bidders can be located or no additional bidders can be located in a timely manner. This includes, but is not limited to, instances in which competitive bidding yields an insufficient number of satisfactory bids.
 - (2) Due to time sensitivities or other extraordinary conditions, it has been determined that normal bidding requirements would not be in the City's best interest.
 - (3) The purchase or procurement is proprietary or can only be obtained from one vendor. This includes, but is not limited to, purchases where a specific brand name, make, or model is necessary

to match existing equipment or facilitate effective maintenance and support.

- (4) The purchase or procurement is made through a cooperative agreement in accordance with Section 3.06.~~080~~090 of this Code.
 - (5) The purchase or procurement is or is related to an inter-governmental contract or partnership.
- (d) The following purchases of goods and procurements of services, regardless of value, are exempt from the provisions set forth in sections 3.06.040, 3.06.050, and 3.06.~~070~~080 of this Code and may be approved by the City Manager or purchasing officer provided that sufficient funds are available in adopted budgets:
- (1) The purchase of professional memberships and trainings.
 - (2) The purchase of or subscription to newspapers and periodicals.
 - (3) The purchase of or subscription to governmental and governmental-related resources and reference materials.
 - (4) The purchase of security and safety alarms and monitors, and the procurement of related services.
 - (5) The procurement of data and website hosting and security services.
 - (6) The procurement of appraisal or valuation services.
 - (7) The procurement of election services.
 - (8) The procurement of entertainment services.
 - (9) The procurement of graphic design services.
 - (10) The procurement of legal services, professional and other expert witness services, and special research and investigative services; including, but not limited to, forensic accounting services, if the purpose of such professional and other expert witness services or

special research and investigative services is to provide ~~for~~ assistance or testimony related to an existing or potential administrative or judicial proceeding in which the City is or may become a party, or otherwise has an interest.

- (11) The procurement of utility and television services.
 - (12) The publication of advertisements and legal notices.
 - (13) The payment of fees and charges required by governmental and quasi-governmental agencies.
 - (14) Purchases and procurements that are necessary for the immediate protection of public health, safety, or welfare or public property, or to prevent the immediate interruption of City services related to the same.
- (e) The following purchases and procurements are exempt from the provisions of this chapter, with the exception of sections 3.06.~~060~~070 and 3.06.~~110~~120 of this Code:
- (1) Purchases and procurements of and related to employee compensation and benefit programs approved by the City Council.
 - (2) Purchases and procurements of and related to insurance and workers' compensation coverage approved by the City Council.
 - (3) Purchases and procurements of and related to inter-governmental contracts and partnerships approved by the City Council. This includes, but is not limited to, contracts for animal control and shelter services and law enforcement services.
 - (4) Purchases and procurements of and related to franchise agreements awarded by the City Council.
 - (5) Purchases and procurements made through a maintenance services or professional services purchase order or contract awarded by the City Council when such purchases and procurements are provided for therein.

(56) Purchases, leases, and rentals of real property approved by the City Council.

(67) Purchases of investment instruments and procurements of banking and investment-related services that are governed by the City's investment policy or other City Council direction.

Sec. 3.06.~~100~~110. - Suspension during emergencies.

Except when prohibited by applicable law, for the effective duration of a proclamation of a local emergency, state of emergency, or state of war emergency, as defined in California Government Code Section 8558, which affects the City, this chapter shall be automatically suspended for the purpose of allowing the Director of Emergency Services to obtain vital services, supplies, equipment, and such other properties found lacking and needed for the protection of life and property, and to bind the City for the fair value thereof.

Sec. 3.06.~~110~~120. - Prohibited activity.

(a) The City's elected and appointed officers, officials, and employees are prohibited from engaging in any unlawful activity related to purchasing and procurement, including, but not limited to, receipt of rebates, kickbacks, or other unlawful consideration. Engaging in unlawful activity is punishable to the fullest extent of the law and, for employees, may also result in discipline up to and potentially including termination.

(b) The City's elected and appointed officers, officials, and employees are prohibited from participating in a purchasing or procurement process when those persons have a financial interest therein as proscribed in California Government Code sections 1090 et seq. or 87100 et seq.

8.1
FISCAL YEARS 2017-28 CAPITAL
IMPROVEMENT PROGRAM

This page is intentionally blank.



City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 20, 2018 Regular Meeting
SUBJECT: Fiscal Years 2017-28 Capital Improvement Program

Recommendation

Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A NEW 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2017-18 THROUGH 2027-28, IN CONFORMANCE WITH MEASURE M2 REQUIREMENTS AND APPLICABLE CITY POLICIES AND DISCRETION

Background

The City Council adopts a capital improvement program on an annual basis in order to assist with the long-term development of funding for major capital improvement projects on public property. The City is required to adopt a capital improvement program spanning at least seven years in order to receive funding from Orange County's Measure M2 half-cent sales tax, which voters approved in 2006 to fund transportation projects and activities.

The existing Capital Improvement Program was adopted by the City Council on June 28, 2017, and subsequently amended between September 2017 and May 2018, for the fiscal years beginning on July 1, 2017 and ending on June 30, 2024.

The City Council discussed and provided direction to staff on the development of the Fiscal Years 2017-28 Capital Improvement Program on April 25, 2018.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on the proposed Fiscal Years 2017-28 Capital Improvement Program (Attachment A). Staff recommends that the City Council adopt the proposed resolution, in order to assist with longer-range financial planning and maintain eligibility to receive apportionments of Measure M2 sales tax revenues.

The Fiscal Years 2017-28 Capital Improvement Program is an update of the Fiscal Years 2017-24 Capital Improvement Program that was initially adopted by the City Council on June 28, 2017. Significant proposed modifications include, but are not limited to, the following:

- Transition from seven- to 11-year capital improvement program development.
- Update of all pavement management plan projects to reflect the Fiscal Year 2018-19 through 2027-28 Pavement Management Plan that was adopted by the City Council on April 25, 2018. A 20% contingency has been added to the cost of each project, as estimated in the Pavement Management Plan, to allow for unforeseen conditions and increases in construction over time.
- Inclusion of a phase of the “Americans with Disabilities Act (“ADA”) Pedestrian Accessibility Improvement Project” in all fiscal years. Each phase would be contingent on the receipt of Community Development Block Grant (“CDBG”) funding, which the City would apply for on an annual basis.
- Expansion of the scope of work for the “El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway)”. The new project title, reflective of the expanded scope of work, is “Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon)”. The additional work includes the median located on Moulton Parkway south of Calle Aragon. (See Item 8.2 of this agenda for a corresponding budget adjustment for the design phase of this project.)
- Expansion of the scope of work for the “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)”. The new project title, reflective of the expanded scope of work, is “Pavement Management Plan Project (Eastbound El Toro Road

between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction”. The median and sidewalk reconstruction work referenced generally includes (1) reconstruction of median curbs on El Toro Road between Moulton Parkway and Calle Sonora, (2) reconstruction of the median nose at Moulton Parkway and Calle Aragon, and (3) construction of a sidewalk sediment wall to replace the existing silt fence along westbound El Toro Road between the Laguna Hills Animal Hospital and Towne Centre. (See Item 8.2 of this agenda for a corresponding budget adjustment.)

- Augmentation of the “ ‘A Place for Paws’ Dog Park Relocation Project” budget in Fiscal Year 2018-19 to support design efforts related to the second phase of work, which will address the disposition of the existing dog park and potential modifications to the new dog park. (See Item 8.2 of this agenda for a corresponding budget adjustment.)
- Addition of the “City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure Project” in fiscal years 2019-21. In addition to continuing to refurbish and make safety improvements at City Hall, this project would implement the Mobile Source Air Pollution Reduction Review Committee Clean Transportation Funding™ 2017 Local Government Partnership Program funding application that was authorized by the City Council on February 21, 2018. The funding application calls for the purchase and/or installation of two electric vehicle charging stations at a publicly accessible location at or in the vicinity of City Hall.
- Rescheduling of the following projects:
 - “City Hall Emergency Backup Generator Project” from fiscal years 2019-20 to fiscal years 2021-24
 - “City Hall Broadcast Improvement Project” from Fiscal Year 2020-21 to Fiscal Year 2019-20
 - “City Centre Park Lighting Improvement Project” from Fiscal Year 2020-21 to Fiscal Year 2026-27
- Reallocation of the projected budget for the “Woods End Wilderness Preserve Trail Drainage and Improvement Project” in Fiscal Year 2020-21 to reduce the planned General Fund contribution and add the anticipated receipt of per capita apportionment public park funding from California’s Proposition 68 (“*Authorizes bonds funding parks, natural resources*

protection, climate adaptation, water quality and supply, and flood protection”), which was approved by voters on June 5, 2018.

Fiscal Impact

The first two years of the Fiscal Years 2017-28 Capital Improvement Program would be included in the Fiscal Years 2017-19 Budget and Work Plan. Item 8.2 of this agenda includes information on the associated fiscal impact.

The City Council would retain the ability to modify the Fiscal Years 2017-28 Capital Improvement Program at its discretion. No funding commitment would be created by the inclusion of unfunded projects or projects planned for future years.

Report Prepared With: April Baumgarten, Maintenance Programs Analyst

Attachment: A – Proposed Resolution
Exhibit A – Fiscal Years 2017-28 Capital Improvement Program

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A NEW 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2017-18 THROUGH 2027-28, IN CONFORMANCE WITH MEASURE M2 REQUIREMENTS AND APPLICABLE CITY POLICIES AND DISCRETION

WHEREAS, the City of Laguna Woods (“City”) seeks to maintain its eligibility to receive apportionments of Measure M2 sales tax revenues that can be used to fund transportation-related projects and programs; and

WHEREAS, a prerequisite of such eligibility for the City is the annual filing of a Measure M2 eligibility package for review and approval by the Orange County Transportation Authority; and

WHEREAS, one component of the Measure M2 eligibility package is the development and adoption of a seven-year Capital Improvement Program (“CIP”) that includes, at a minimum, all programs and projects which are needed to meet and maintain adopted levels of service and performance standards, in addition to all projects and programs proposed to receive Measure M2 funding; and

WHEREAS, the CIP, for the purpose of Measure M2 eligibility, is recognized as a program and project finance and planning tool to assist local governments in the long-term development and funding of transportation-related programs and projects, and not a budget commitment beyond the fiscal year(s) for which budgets have been adopted by the City Council; and

WHEREAS, the CIP is updated annually to include adjustments to funding and project schedules; and

WHEREAS, the City has identified the development and adoption of an 11-year CIP that includes both transportation and non-transportation programs and projects as a prudent action to assist with longer-range financial planning; and

WHEREAS, the Fiscal Year 2017-18 expenditures identified in the CIP will be made consistent with the City’s adopted Fiscal Year 2017-18 Budget; and

WHEREAS, the Fiscal Year 2018-19 expenditures identified in the CIP will be made consistent with the City’s adopted Fiscal Year 2018-19 Budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The City’s 11-Year Capital Improvement Program for Fiscal Years 2017-18 through 2027-28 is adopted in conformance with Measure M2 requirements and applicable City policies and discretion, as attached hereto as Exhibit A and incorporated herein by reference. Exhibit A replaces and supersedes all previous capital improvement programs adopted by the City Council for all or a portion of fiscal years 2017-18 through 2027-28.

SECTION 2. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do
HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted
by the City Council of the City of Laguna Woods at a regular meeting thereof, held
on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

This page is intentionally blank.

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17	Year 1					Year 2				
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS														
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	\$ 720	\$ 611,800	\$ 29,980	-	-	-	-	-	-	-	-	-
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	\$ 1,440	\$ 736,850	\$ 69,760	-	-	-	-	-	-	-	-	-
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia), inclusive of additional sidewalk repairs on El Toro Road and pavement work at City Hall	\$ 271,792	-	-	-	-	\$ 44,830	\$ 226,962 *	-	-	-	-	-	-
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction	\$ 215,100	-	-	-	-	-	-	-	-	\$ 215,100 **	-	-	-
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)	\$ 231,396	-	-	-	-	-	-	-	-	-	-	-	-
6	Pavement Management Plan Project (Eastbound El Toro Road between Church Intersection and Moulton Parkway, Westbound El Toro Road between Willow Tree Center and Moulton Parkway)	\$ 231,000	-	-	-	-	-	-	-	-	-	-	-	-
7	Pavement Management Plan Project (Soutbound Moulton Parkway between Via Campo Verde and Calle Cortez)	\$ 267,000	-	-	-	-	-	-	-	-	-	-	-	-
8	Pavement Management Plan Project (Westbound El Toro Road between Aliso Creek Road and West City Limit, Eastbound and Westbound Santa Maria between Moulton Parkway and Commercial Driveway)	\$ 146,436	-	-	-	-	-	-	-	-	-	-	-	-
9	Pavement Management Plan Project (Northbound Moulton Parkway between South City Limit and Calle Cortez)	\$ 152,872	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		Estimated Project Cost	FY 14-15		FY 15-16		FY 2016-17		Year 1				Year 2	
			Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
10	Pavement Management Plan Project (Northbound Moulton Parkway between Calle Cortez and El Toro Road)	\$ 180,000	-	-	-	-	-	-	-	-	-	-	-	-
11	Pavement Management Plan Project (Southbound Moulton Parkway between South City Limit and Calle Cortez, and between Via Campo Verde and El Toro Road)	\$ 199,350	-	-	-	-	-	-	-	-	-	-	-	-
12	Pavement Management Plan Project (Westbound El Toro Road between Tanager Lane and Aliso Creek Road)	\$ 164,837	-	-	-	-	-	-	-	-	-	-	-	-
13	Pavement Management Plan Project (Eastbound El Toro Road between Tanager Lane and West City Limit)	\$ 206,885	-	-	-	-	-	-	-	-	-	-	-	-
14	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	\$ 145,700 ***	-	-	-	-	-
15	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	\$ 145,700 ***	-
16	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
17	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
18	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17		Year 1				Year 2				
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
19	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
20	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
21	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
22	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
23	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
24	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 91,195	-	-	-	-	\$ 91,195	-	-	-	-	-	-	-
TRANSPORTATION / GREEN SPACES PROJECTS														
25	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	\$ 52,250	-	-	-	-	-	-	-	-	-	-
26	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	\$ 273,914	-	-	-	-	-	-	-	-	-
27	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)	\$ 25,000	-	-	-	-	-	-	-	-	\$ 25,000 ****	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17		Year 1				Year 2				
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
28	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Construction)	\$ 125,000	-	-	-	-	-	-	-	-	-	-	-	-
GREEN SPACES PROJECTS														
29	"A Place for Paws" Dog Park Relocation Project	\$ 505,000	-	-	-	-	\$ 495,000	-	-	TBD	\$ 10,000	-	-	TBD
30	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-
31	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING PROJECTS														
32	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	\$ 283,363	-	-	-	-	-	-	-
33	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 24,100	-	-	-	-	\$ 24,100	-	-	-	-	-	-	-
34	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	\$ 165,000	-	-	-
35	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Design)	\$ 32,500	-	-	-	-	-	-	-	-	-	-	-	-
36	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Construction)	\$ 257,500	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17		Year 1				Year 2				
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
37	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-
38	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-
39	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ALL PROJECTS)		\$ 7,745,435	\$ 2,160	\$ 1,400,900	\$ 373,654	\$ -	\$ 938,488	\$ 226,962	\$ 145,700	\$ -	\$ 175,000	\$ 240,100	\$ 145,700	\$ -
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE****														
A	Measure M2 Fair Share Expenditures													
	Street Lighting - Public Right-of-Way	\$ 22,501	\$ 27,006	\$ 25,329	-	-	- \$ 25,761	-	-	-	- \$ 26,367	-	-	-
	Contract - Traffic Engineering	\$ 119,429	\$ 122,126	\$ 165,600	-	-	- \$ 163,600	-	-	-	- \$ 163,600	-	-	-
	Contract - Traffic Signal Maintenance	\$ 35,502	\$ 23,843	\$ 41,505	-	-	- \$ 51,983	-	-	-	- \$ 52,325	-	-	-
	Vendor Reimbursements (Prior Year Charges)	\$ (9,495)	-	-	-	-	-	-	-	-	-	-	-	-
	Allowable Overhead Costs	\$ 1,535	\$ 600	\$ 600	-	-	- \$ 700	-	-	-	- \$ 700	-	-	-
	TOTAL	\$ 169,472	\$ 173,575	\$ 233,034	\$ -	\$ -	\$ 242,044	\$ -	\$ -	\$ -	\$ -	\$ 242,992	\$ -	\$ -

* This project will be funded using \$44,830 in General Fund monies, \$176,962 in Fuel Tax Fund monies, and \$50,000 in Road Maintenance and Rehabilitation Program Fund monies.
 ** This project will be funded using Road Maintenance and Rehabilitation Program Fund monies.
 *** This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.
 **** This project will be funded using Fuel Tax Fund monies.
 ***** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

CITY OF LAGUNA WOODS
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Estimated Project Cost	Year 3				Year 4				Year 5				Year 6				Year 7			
			Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS																						
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia), inclusive of additional sidewalk repairs on El Toro Road and pavement work at City Hall	\$ 271,792	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction	\$ 215,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)	\$ 231,396	-	\$ 231,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Pavement Management Plan Project (Eastbound El Toro Road between Church Intersection and Moulton Parkway, Westbound El Toro Road between Willow Tree Center and Moulton Parkway)	\$ 231,000	-	-	-	-	\$ 231,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)	\$ 267,000	-	-	-	-	-	-	-	\$ 267,000	-	-	-	-	-	-	-	-	-	-	-	
8	Pavement Management Plan Project (Westbound El Toro Road between Aliso Creek Road and West City Limit, Eastbound and Westbound Santa Maria between Moulton Parkway and Commercial Driveway)	\$ 146,436	-	-	-	-	-	-	-	-	-	-	-	\$ 146,436	-	-	-	-	-	-	-	
9	Pavement Management Plan Project (Northbound Moulton Parkway between South City Limit and Calle Cortez)	\$ 152,872	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 152,872	-	-	
10	Pavement Management Plan Project (Northbound Moulton Parkway between Calle Cortez and El Toro Road)	\$ 180,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Pavement Management Plan Project (Southbound Moulton Parkway between South City Limit and Calle Cortez, and between Via Campo Verde and El Toro Road)	\$ 199,350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Pavement Management Plan Project (Westbound El Toro Road between Tanager Lane and Aliso Creek Road)	\$ 164,837	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	Pavement Management Plan Project (Eastbound El Toro Road between Tanager Lane and West City Limit)	\$ 206,885	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

CITY OF LAGUNA WOODS
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Estimated Project Cost	Year 3				Year 4				Year 5				Year 6				Year 7			
			Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
16	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	
19	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-	-	
20	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 145,700 *	-	
21	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 91,195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TRANSPORTATION / GREEN SPACES PROJECTS																						
25	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)	\$ 25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Construction)	\$ 125,000	-	\$ 125,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
GREEN SPACES PROJECTS																						
29	"A Place for Paws" Dog Park Relocation Project	\$ 505,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

CITY OF LAGUNA WOODS
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Estimated Project Cost	Year 3				Year 4				Year 5				Year 6				Year 7			
			Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
31	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	\$ 20,280	-	\$ 81,116 **	-	-	-	-	-	-	-	-	-	-	-	-	
BUILDING PROJECTS																						
32	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 24,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Design)	\$ 32,500	\$ 25,000	-	\$ 7,500 ***	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Construction)	\$ 257,500	-	-	-	-	\$ 165,000	-	\$ 92,500 ****	-	-	-	-	-	-	-	-	-	-	-	-	
37	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	-	-	-	-	-	-	-	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	
38	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	\$ 385,000	-	-	-	-	-	-	-	
39	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	\$ 75,000 *****	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (ALL PROJECTS)		\$ 7,745,435	\$ 25,000	\$ 356,396	\$ 228,200	\$ -	\$ 185,280	\$ 231,000	\$ 319,316	\$ -	\$ 60,000	\$ 267,000	\$ 145,700	\$ -	\$ 385,000	\$ 146,436	\$ 145,700	\$ -	\$ -	\$ 152,872	\$ 145,700	\$ -
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE*****																						
A	Measure M2 Fair Share Expenditures																					
	Street Lighting - Public Right-of-Way																					
	Contract - Traffic Engineering	\$ 163,600						\$ 167,440				\$ 167,440			\$ 167,440					\$ 167,440		
	Contract - Traffic Signal Maintenance	\$ 52,682						\$ 53,048				\$ 54,359			\$ 54,359					\$ 54,359		
	Vendor Reimbursements (Prior Year Charges)																					
	Allowable Overhead Costs	\$ 700						\$ 750				\$ 750			\$ 700					\$ 700		
	TOTAL	\$ 216,982	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,238	\$ -	\$ -	\$ -	\$ 222,549	\$ -	\$ -	\$ 222,499	\$ -	\$ -	\$ -	\$ -	\$ 222,499	\$ -	\$ -

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.
 ** This project is contingent on the City receiving external funding. The City anticipates receiving Proposition 68 (2018) funding. This project would be funded using \$20,280 in General Fund monies and \$81,116 in Proposition 68 (2018) Fund monies.
 *** This project would be funded using \$25,000 in General Fund monies and \$7,500 in Mobile Source Reduction Fund monies.
 **** This project would be funded using \$165,000 in General Fund monies, \$50,000 in Mobile Source Air Pollution Reduction Review Committee (MSRC) funding, and \$42,500 in Mobile Source Reduction Fund monies.
 ***** This project would be funded using Public, Educational, and Governmental (PEG)/Cable Television Fund monies.
 ***** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

CITY OF LAGUNA WOODS
Fiscal Years 2024-25 through 2027-28 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 8				Year 9				Year 10				Year 11				
#	Project Title	Estimated Project Cost	Projected FY 24-25 (General Fund)	Projected FY 24-25 (Transportation Funds)	Projected FY 24-25 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 25-26 (General Fund)	Projected FY 25-26 (Transportation Funds)	Projected FY 25-26 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 26-27 (General Fund)	Projected FY 26-27 (Transportation Funds)	Projected FY 26-27 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 27-28 (General Fund)	Projected FY 27-28 (Transportation Funds)	Projected FY 27-28 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS																		
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia), inclusive of additional sidewalk repairs on El Toro Road and pavement work at City Hall	\$ 271,792	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction	\$ 215,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)	\$ 231,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Pavement Management Plan Project (Eastbound El Toro Road between Church Intersection and Moulton Parkway, Westbound El Toro Road between Willow Tree Center and Moulton Parkway)	\$ 231,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)	\$ 267,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Pavement Management Plan Project (Westbound El Toro Road between Aliso Creek Road and West City Limit, Eastbound and Westbound Santa Maria between Moulton Parkway and Commercial Driveway)	\$ 146,436	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Pavement Management Plan Project (Northbound Moulton Parkway between South City Limit and Calle Cortez)	\$ 152,872	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Pavement Management Plan Project (Northbound Moulton Parkway between Calle Cortez and El Toro Road)	\$ 180,000	-	\$ 180,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Pavement Management Plan Project (Southbound Moulton Parkway between South City Limit and Calle Cortez, and between Via Campo Verde and El Toro Road)	\$ 199,350	-	-	-	-	-	\$ 199,350	-	-	-	-	-	-	-	-	-	-
12	Pavement Management Plan Project (Westbound El Toro Road between Tanager Lane and Aliso Creek Road)	\$ 164,837	-	-	-	-	-	-	-	-	\$ 164,837	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2024-25 through 2027-28 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 8				Year 9				Year 10				Year 11				
#	Project Title	Estimated Project Cost	Projected FY 24-25 (General Fund)	Projected FY 24-25 (Transportation Funds)	Projected FY 24-25 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 25-26 (General Fund)	Projected FY 25-26 (Transportation Funds)	Projected FY 25-26 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 26-27 (General Fund)	Projected FY 26-27 (Transportation Funds)	Projected FY 26-27 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 27-28 (General Fund)	Projected FY 27-28 (Transportation Funds)	Projected FY 27-28 (Other)	Amount Unfunded (If Partially Funded)
13	Pavement Management Plan Project (Eastbound El Toro Road between Tanager Lane and West City Limit)	\$ 206,885	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 206,885	-	-
14	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 6 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 7 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 8 (El Toro Road)	\$ 145,700	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 9 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-
23	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 10 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-	-
24	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 91,195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2024-25 through 2027-28 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 8				Year 9				Year 10				Year 11				
#	Project Title	Estimated Project Cost	Projected FY 24-25 (General Fund)	Projected FY 24-25 (Transportation Funds)	Projected FY 24-25 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 25-26 (General Fund)	Projected FY 25-26 (Transportation Funds)	Projected FY 25-26 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 26-27 (General Fund)	Projected FY 26-27 (Transportation Funds)	Projected FY 26-27 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 27-28 (General Fund)	Projected FY 27-28 (Transportation Funds)	Projected FY 27-28 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION / GREEN SPACES PROJECTS																		
25	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)	\$ 25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Construction)	\$ 125,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GREEN SPACES PROJECTS																		
29	"A Place for Paws" Dog Park Relocation Project	\$ 505,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	\$ 115,000	-	-	-	-	-	-	-	-
31	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING PROJECTS																		
32	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 24,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Design)	\$ 32,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2024-25 through 2027-28 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 8				Year 9				Year 10				Year 11			
		Estimated Project Cost	Projected FY 24-25 (General Fund)	Projected FY 24-25 (Transportation Funds)	Projected FY 24-25 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 25-26 (General Fund)	Projected FY 25-26 (Transportation Funds)	Projected FY 25-26 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 26-27 (General Fund)	Projected FY 26-27 (Transportation Funds)	Projected FY 26-27 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 27-28 (General Fund)	Projected FY 27-28 (Transportation Funds)	Projected FY 27-28 (Other)
36	City Hall Refurbishment and Safety Project: Phase 2 and Electric Vehicle Charging Infrastructure (Construction)	\$ 257,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ALL PROJECTS)		\$ 7,745,435	\$ -	\$ 180,000	\$ 145,700	\$ -	\$ -	\$ 199,350	\$ 145,700	\$ -	\$ 115,000	\$ 164,837	\$ 145,700	\$ -	\$ -	\$ 206,885	\$ -
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE**																	
A	Measure M2 Fair Share Expenditures																
	Street Lighting - Public Right-of-Way																
	Contract - Traffic Engineering	\$	167,440	-	-	-	-	\$	167,440	-	-	-	-	-	\$	167,440	-
	Contract - Traffic Signal Maintenance	\$	54,359	-	-	-	-	\$	54,359	-	-	-	-	\$	54,359	-	-
	Vendor Reimbursements (Prior Year Charges)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Allowable Overhead Costs	\$	700	-	-	-	-	\$	700	-	-	-	-	\$	700	-	-
	TOTAL	\$	222,499	\$	-	\$	-	\$	222,499	\$	-	\$	-	\$	222,499	\$	-

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.
 ** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

8.2
FISCAL YEARS 2017-19 BUDGET & WORK
PLAN ADJUSTMENTS

This page is intentionally blank.



City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 20, 2018 Regular Meeting

SUBJECT: Fiscal Years 2017-19 Budget & Work Plan Adjustments

Recommendation

1. Authorize the City Manager to transfer \$5,000 from the Fiscal Year 2017-18 General Fund City Council Contingency budget to the Senior Mobility Program Fund to offset costs associated with operation of the Senior Mobility Program.

AND

2. Approve a supplemental contribution of \$23,812 to the Other Post-Employment Benefits (OPEB) Trust Fund, with the appropriation drawn from the General Fund unassigned balance, in order to maintain a prefunding level of 80% of the unfunded OPEB liability.

AND

3. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2017-19 BUDGET & WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, RELATED TO APPROPRIATIONS FOR THE GENERAL FUND, CAPITAL PROJECTS FUND, FUEL TAX FUND, ROAD

MAINTENANCE & REHABILITATION PROGRAM FUND, AND SENIOR MOBILITY FUND FOR THE SENIOR MOBILITY PROGRAM, THE BIENNIAL CONTRIBUTION TO THE OTHER POST-EMPLOYMENT BENEFITS TRUST FUND, AND VARIOUS CAPITAL IMPROVEMENT PROJECTS, AS WELL AS APPROPRIATIONS FOR AND FROM THE LAGUNA WOODS CIVIC SUPPORT FUND, A BLENDED COMPONENT UNIT OF THE CITY

Background

The Fiscal Years 2017-19 Budget & Work Plan was adopted by the City Council on June 28, 2017 for the fiscal years beginning on July 1, 2017 and ending on June 30, 2019. City Council action is required to increase fund-level budget appropriations adopted as a part of the budget.

Section 2.9.08 of Administrative Policy 2.9 (Budgeting, Reserves, and Reporting) contains the following policy: *“The City shall maintain an irrevocable Other-Post Employment Benefits (OPEB) Trust Fund to prefund OPEB through the California Public Employees’ Retirement System (CalPERS) in an amount not less than 80% of the unfunded OPEB liability calculated on the frequency that CalPERS requires actuarial valuations of OPEB liability for participation in its California Employers’ Retiree Benefit Trust Fund. The OPEB Trust Fund is held by a trustee and amounts set aside for funding are calculated independent of all other reserve and contingency funds. Contributions to the OPEB Trust Fund require approval of the City Council. Expenditures from the OPEB Trust Fund shall be made in a manner approved by the City Council.”*

Discussion

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed adjustments to the Fiscal Years 2017-19 Budget & Work Plan. Staff recommends that the City Council take the proposed actions, in order to ensure the efficient, effective, and economical conduct of City business, as well as to continue the fiscally prudent practice of prefunding other post-employment benefit liabilities.

Significant proposed modifications include, but are not limited to, the following:

- Authorization for (and, an increase in) appropriations to accommodate a General Fund contribution of up to \$5,000 to the Senior Mobility Fund to

offset costs associated with operation of the Senior Mobility Program. This appropriation would be drawn from the Fiscal Year 2017-18 General Fund City Council Contingency budget.

Earlier this year, the City Council approved a new fee schedule for the Senior Mobility Program that takes effect with transportation purchased for use after June 30, 2018. That new fee schedule is expected to moderate and reduce potential future impacts on the General Fund, thereby helping to promote the long-term sustainability of the Senior Mobility Program.

- Authorization for (and, an increase in) appropriations in the General Fund to make a supplemental contribution of \$23,812 to the Other-Post Employment Benefits (“OPEB”) Trust Fund in order to maintain a prefunding level of 80%. This amount was calculated as part of an actuarial valuation of OPEB liability as of June 30, 2017 (available for review at City Hall).
- Increase in appropriations in the General Fund and Capital Projects Fund to support design efforts related to the second phase of the “ ‘A Place for Paws’ Dog Park Relocation Project”, which will address the disposition of the existing dog park and potential modifications to the new dog park.
- Increases in appropriations in the Fuel Tax Fund and Road Maintenance & Rehabilitation Program Fund to accommodate the following modifications of capital improvement projects planned for Fiscal Year 2018-19 (for more information, please see Item 8.1 of this agenda):
 - Expansion of the scope of work for the “El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)”. The new project title, reflective of the expanded scope of work, is “Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)”.
 - Expansion of the scope of work for the “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)”. The new project title, reflective of the expanded scope of work, is “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction”.

- Inclusion of the Laguna Woods Civic Support Fund's budget for Fiscal Year 2018-19, as required due to the Laguna Woods Civic Support Fund's status as a blended component unit of the City. The Laguna Woods Civic Support Fund Board of Directors adopted the budget on June 5, 2018.

Fiscal Impact

The City has, and expects to have, sufficient funds available to make the proposed adjustments to the Fiscal Years 2017-19 Budget & Work Plan.

The monies that would be used for the proposed General Fund contribution to the Senior Mobility Fund are already budgeted and assumed to be expended within the General Fund as a part of the existing Fiscal Years 2017-19 Budget & Work Plan. The proposed budget adjustment would allow those monies to be expended to support the Senior Mobility Fund.

The monies that would be used for the proposed General Fund contribution to the Other-Post Employment Benefits ("OPEB") Trust Fund would result in a new expenditure from the unassigned General Fund balance (\$23,812).

The monies that would be used for the proposed capital improvement project budget augmentations would result in new expenditures from existing revenues and/or unassigned fund balance in the General Fund/Capital Projects Fund (\$10,000 that would be transferred from the General Fund and expended from the Capital Projects Fund), Fuel Tax Fund (\$5,750), and Road Maintenance & Rehabilitation Program Fund (\$104,850).

The Laguna Woods Civic Support Fund's budget is expected to be offset by the nonprofit's separately forecasted revenues and unassigned fund balance.

Report Prepared With: Margaret Cady, CPA, Administrative Services Director/City Treasurer

Attachment: A – Proposed Resolution

RESOLUTION NO. 18-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2017-19 BUDGET AND WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019, RELATED TO APPROPRIATIONS FOR THE GENERAL FUND, CAPITAL PROJECTS FUND, FUEL TAX FUND, ROAD MAINTENANCE & REHABILITATION PROGRAM FUND, AND SENIOR MOBILITY FUND FOR THE SENIOR MOBILITY PROGRAM, THE BIENNIAL CONTRIBUTION TO THE OTHER POST-EMPLOYMENT BENEFITS TRUST FUND, AND VARIOUS CAPITAL IMPROVEMENT PROJECTS, AS WELL AS APPROPRIATIONS FOR AND FROM THE LAGUNA WOODS CIVIC SUPPORT FUND, A BLENDED COMPONENT UNIT OF THE CITY

WHEREAS, the Fiscal Years 2017-19 Budget and Work Plan (“Budget”) was adopted by the City Council on June 28, 2017; and

WHEREAS, City Council action is required to increase fund-level budget appropriations adopted as a part of the Budget; and

WHEREAS, it is necessary for the City Council to increase Fiscal Year 2017-18 appropriations for a transfer out from the General Fund to the Senior Mobility Fund in the amount of \$5,000, with the appropriation drawn from the Fiscal Year 2017-18 General Fund City Council Contingency budget, to offset costs associated with operation of the Senior Mobility Program; and

WHEREAS, Section 2.9.08 of Administrative Policy 2.9 (Budgeting, Reserves, and Reporting) states that “The City shall maintain an irrevocable Other-Post Employment Benefits (“OPEB”) Trust Fund to prefund OPEB through the California Public Employees’ Retirement System (“CalPERS”) in an amount not less than 80% of the unfunded OPEB liability calculated on the frequency that CalPERS requires actuarial valuations of OPEB liability for participation in its California Employers’ Retiree Benefit Trust Fund.”; and

WHEREAS, Bartel Associates, LLC, under an agreement for consultant services with the City, has completed an actuarial valuation of the City’s unfunded OPEB Liability as required by CalPERS and determined that a supplemental

contribution to the OPEB Trust Fund in the amount of \$23,812 is necessary in order to maintain a prefunding level of 80%; and

WHEREAS, contributions to the OPEB Trust Fund require approval of the City Council; and

WHEREAS, it is necessary for the City Council to increase Fiscal Year 2017-18 appropriations in the General Fund in the amount of \$23,812, with the appropriation drawn from the General Fund unassigned balance, to allow for a supplemental contribution of \$23,812 to the OPEB Trust Fund in order to maintain a prefunding level of 80%; and

WHEREAS, subsequent to the adoption of the Budget, the City Council made the following modifications to the City’s Capital Improvement Program for Fiscal Year 2018-19, which necessitate the specified budget adjustments:

- Design efforts related to the second phase of the “ ‘A Place for Paws’ Dog Park Relocation Project”, which will address the disposition of the existing dog park and potential modifications to the new dog park.

It is necessary for the City Council to increase Fiscal Year 2018-19 appropriations for the project in the General Fund in the amount of \$10,000, with the appropriation drawn from the General Fund unassigned balance and contributed to the Capital Projects Fund, and in the Capital Projects Fund in the amount of \$10,000, with the appropriation drawn from the aforementioned General Fund contribution, to initiate the work.

With the aforementioned Budget amendment, the total project budget would be \$505,000 (General Fund/Capital Projects Fund: \$505,000).

- Expansion of the scope of work for the “El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)”. The new project title, reflective of the expanded scope of work, is “Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon) (Design)”.

It is necessary for the City Council to increase Fiscal Year 2018-19 appropriations for the project in the Fuel Tax Fund in the amount of

\$5,750, with the appropriation drawn from the Fuel Tax Fund unassigned balance, to complete the project.

With the aforementioned Budget amendment, the total project budget would be \$25,000 (Fuel Tax Fund: \$25,000).

- Expansion of the scope of work for the “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)”. The new project title, reflective of the expanded scope of work, is “Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection) and Various Median and Sidewalk Reconstruction”.

It is necessary for the City Council to increase Fiscal Year 2018-19 appropriations for the project in the Road Maintenance & Rehabilitation Program Fund in the amount of \$104,850, with the appropriation drawn from the Road Maintenance & Rehabilitation Program Fund Fiscal Year 2018-19 existing revenues, to complete the project (subject to the completion of design documents, construction drawings, and competitive bids). It is projected that the Road Maintenance & Rehabilitation Program Fund will also have unassigned fund balance as of July 1, 2018 that can be used to offset Fiscal Year 2018-19 expenditures.

With the aforementioned Budget amendment, the total project budget would be \$215,100 (Road Maintenance & Rehabilitation Program Fund: \$215,100).

WHEREAS, the Laguna Woods Civic Support Fund, while a separately incorporated nonprofit public benefit corporation, is a blended component unit of the City that requires inclusion in the City’s budget and comprehensive annual financial reporting; and

WHEREAS, the Laguna Woods Civic Support Fund Board of Directors adopted a Fiscal Year 2018-19 Budget on June 5, 2018 with appropriations in the amount of \$3,675, offset by existing fund balance; and

WHEREAS, it is necessary for the City Council to establish corresponding Fiscal Year 2018-19 appropriations for the Laguna Woods Civic Support Fund in the amount of \$3,675, with the increase offset by establishment of forecasted revenues of \$10,014, consistent with the Laguna Woods Civic Support Fund’s

adopted Fiscal Year 2018-19 Budget. It is projected that the Laguna Woods Civic Support Fund will also have unassigned fund balance as of July 1, 2018 that can be used to offset Fiscal Year 2018-19 expenditures.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. Section 2 of Resolution No. 17-20, as previously amended by resolution nos. 17-28, 17-33, 17-35, 17-41, 18-02, 18-16, 18-18, and 18-20 and approved carryovers of unspent budget appropriations from prior fiscal years pursuant to Administrative Policy 2.9, is hereby amended, in its entirety, to read as follows:

The budget appropriations authorized, on a fund level, are:

Fiscal Year 2017-18

	<i>Fiscal Year 2017-18 Adopted Budget</i>	<i>Fiscal Year 2016-17 Carryover Appropriations</i>	<i>Fiscal Year 2017-18 Approved Budget Amendments</i>	<i>Fiscal Year 2017-18 Amended Budget</i>
General Fund	\$5,724,476	\$194,069	\$572,874	\$6,491,419
Capital Projects Fund	\$365,426	\$105,318	\$549,062	\$1,019,806
<i>Transportation Funds</i>				
Fuel Tax	\$437,274	\$273,914	\$43,462	\$754,650
Road Maintenance & Rehabilitation Program	\$0	\$0	\$50,000	\$50,000
Measure M2	\$242,044	\$1,030,105	\$0	\$1,272,149
Coastal Area Road Improvement & Traffic Signals (CARITS)	\$0	\$148,700	\$0	\$148,700
<i>Public Safety Funds</i>				
Supplemental Law Enforcement Services	\$141,707	\$0	\$30,000	\$171,707
<i>Environmental Funds</i>				
Beverage Container Recycling	\$5,000	\$0	\$0	\$5,000
<i>Community Services Funds</i>				
PEG/Cable Television	\$2,000	\$0	\$0	\$2,000
Senior Mobility	\$294,179	\$0	\$0	\$294,179

ITEM 8.2 – Attachment A

<i>Continued from page 4</i>	<i>Fiscal Year 2017-18 Adopted Budget</i>	<i>Fiscal Year 2016-17 Carryover Appropriations</i>	<i>Fiscal Year 2017-18 Approved Budget Amendments</i>	<i>Fiscal Year 2017-18 Amended Budget</i>
Community Development Block Grant (CDBG)	\$145,700	\$0	\$0	\$145,700
Laguna Woods Civic Support Fund	\$0	\$0	\$3,470	\$3,470
TOTAL	\$7,357,806	\$1,752,106	\$1,248,868	\$10,358,780

Fiscal Year 2018-19

	<i>Fiscal Year 2018-19 Adopted Budget</i>	<i>Fiscal Year 2017-18 Carryover Appropriations</i>	<i>Fiscal Year 2018-19 Approved Budget Amendments</i>	<i>Fiscal Year 2018-19 Amended Budget</i>
General Fund	\$5,621,246	\$0	\$10,000	\$5,631,246
Capital Projects Fund	\$165,000	\$0	\$10,000	\$175,000
<i>Transportation Funds</i>				
Fuel Tax	\$300,102	\$0	\$5,750	\$305,852
Road Maintenance & Rehabilitation Program	\$110,250	\$0	\$104,850	\$215,100
Measure M2	\$242,992	\$0	\$0	\$242,992
Coastal Area Road Improvement & Traffic Signals (CARITS)	\$0	\$0	\$0	\$0
<i>Public Safety Funds</i>				
Supplemental Law Enforcement Services	\$123,500	\$0	\$30,000	\$153,500
<i>Environmental Funds</i>				
Beverage Container Recycling	\$0	\$0	\$0	\$0
<i>Community Services Funds</i>				
PEG/Cable Television	\$2,047	\$0	\$0	\$2,047
Senior Mobility	\$316,700	\$0	\$0	\$316,700
Community Development Block Grant (CDBG)	\$145,700	\$0	\$0	\$145,700
Laguna Woods Civic Support Fund	\$0	\$0	\$3,675	\$3,675
TOTAL	\$7,027,537	\$0	\$164,275	\$7,191,812

The budget appropriations authorized by this section reflect the Fiscal Years 2017-19 adopted budgets, plus authorized budget adjustments approved between July 1, 2017 and the date of this amendment. The budget appropriations authorized by this section also include carryovers of approved, but unspent, budget appropriations from prior fiscal years. Such carryovers were approved by the City Council with the adoption of the current budget and/or pursuant to Administrative Policy 2.9.

SECTION 2. The Deputy City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2018.

CAROL MOORE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 18-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2018, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

YOLIE TRIPPY, Deputy City Clerk

8.3

**CALIFORNIA PUBLIC UTILITIES COMMISSION
TARIFF RULE 20A ALLOCATION**

This page is intentionally blank.



City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 20, 2018 Regular Meeting

SUBJECT: California Public Utilities Commission Tariff Rule 20A Allocation

Recommendation

1. Approve a memorandum of understanding with the City of Laguna Beach to transfer the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of April 5, 2018 (\$593,583) to the City of Laguna Beach for a purchase price of \$326,470.65, and authorize the City Manager to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to request that Southern California Edison transfer and assign the entire balance of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of April 5, 2018 to and for the benefit of the City of Laguna Beach, and provide any additional documentation or information that is reasonably requested by Southern California Edison to complete the transfer.

Background

California Public Utilities Commission Tariff Rule 20A requires utilities to allocate monies to cities and unincorporated areas on an annual basis to “convert overhead electric and telecommunication facilities to underground electric facilities.” Rule 20A allocations are held on behalf of local agencies by the respective utility (in the City’s case, Southern California Edison) until sufficient funds are available to

complete one or more qualifying electric facility undergrounding projects. Local agencies may also exercise local discretion to transfer Rule 20A allocations to other local agencies for qualifying purposes. The terms and conditions of such transfers are subject to mutual agreement of the involved parties.

Rule 20A allocation balances have no cash value to the City unless (1) used to complete a qualifying electric facility undergrounding project or (2) purchased by another local agency. The City cannot use Rule 20A allocation balances for lighting or general purposes, nor does the City earn interest on their accumulation.

Since incorporation (1999), a Rule 20A allocation balance of \$593,583 has been accumulated for the City. That amount is less \$61,040 that was loaned to the City of Villa Park in 2011. It is anticipated that the City of Villa Park will continue to repay the loaned amount to Southern California Edison on the City's behalf, plus \$40,000, through 2030, which will cause the City to receive temporarily higher annual allocations until then. The City's most recent annual allocation, excluding repayment by the City of Villa Park, was \$19,111 for the 2017 calendar year.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on a proposed memorandum of understanding with the City of Laguna Beach related to a transfer and purchase of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance (Attachment A). Staff recommends that the City Council approve the memorandum of understanding and authorize its execution in order to derive financial benefit and support electric facility undergrounding projects in the City of Laguna Beach, which in addition to being consistent with the intended purpose of Rule 20A allocations, may also help to reduce wildfire risk and future impacts affecting Laguna Woods.

The City has not established a capital improvement project for which to use Rule 20A funds. There is only one potential project involving undergrounding of approximately 3,100 linear feet of overhead electric lines that run within the City's public street right-of-way for Ridge Route Drive from Avenida de la Carlota to Peralta Drive, along the City's northwestern limits. Southern California Edison estimates that completing such a project would cost approximately \$1.7 million, as of November 2017. If the City were to pursue that project and wait to initiate work until it has accumulated a sufficient Rule 20A allocation balance to complete the entire project, it is likely that the project would not begin for at least 50 years, if not longer due to inflation and changes in construction costs.

In recent years, the City of Laguna Beach has purchased Rule 20A allocation balances, at the same rate proposed for this purchase (\$0.55 per allocated dollar), from the cities of Aliso Viejo, Covina, Indian Wells, Rancho Santa Margarita, and Sierra Madre. The City of Newport Beach has also purchased Rule 20A allocation balances from the City of Mission Viejo at a rate of \$0.55 per allocated dollar.

Fiscal Impact

The proposed memorandum of understanding calls for the City of Laguna Beach to purchase the City's Rule 20A allocation balance for \$326,470.65, or \$0.55 per allocated dollar. Those funds would be paid by the City of Laguna Beach within 10 business days of the effective date of the memorandum of understanding, at which point they would become part of the City's unassigned General Fund balance.

Attachment: A – Proposed Memorandum of Understanding

This page is intentionally blank.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is entered into as of _____, 2018, by and between the City of Laguna Woods, a municipal corporation with its principal place of business at 24264 El Toro Road, Laguna Woods, CA 92637 ("Laguna Woods") and the City of Laguna Beach, a municipal corporation with its principal place of business at 505 Forest Avenue, Laguna Beach, CA 92651 ("Laguna Beach"). Laguna Beach and Laguna Woods are sometimes individually referred to herein as "Party" and collectively as "Parties."

RECITALS

- A. Electric utilities collect and annually allocate funds to communities to convert overhead electric facilities to underground electric facilities ("Rule 20A Funds").
- B. Laguna Beach is actively planning one or more projects to underground overhead electric facilities that qualify for the application of Rule 20A Funds ("Projects"), however, Laguna Beach desires to obtain an additional allocation of Rule 20A Funds to finance such Projects.
- C. Southern California Edison ("SCE") currently holds a balance of \$593,583 in Rule 20A Funds for the benefit of Laguna Woods ("Laguna Woods Allocation") and Laguna Woods currently has no active projects which can make use of the Laguna Woods Allocation.
- D. Laguna Beach desires to purchase the Laguna Woods Allocation to use in connection with the Projects and Laguna Woods desires to transfer the Laguna Woods Allocation to enable the Rule 20A Funds which have been allocated to Laguna Woods to be used for their intended purpose of undergrounding electric facilities and to derive economic benefit from the Laguna Woods Allocation.

AGREEMENT

NOW THEREFORE, the Parties hereto agree as follows:

1. Laguna Woods agrees to transfer and assign its rights and interest in the Laguna Woods Allocation to Laguna Beach and Laguna Beach agrees to purchase the Laguna Woods Allocation in accordance with the terms of this MOU. This MOU shall be subject to the approval of the City Council of Laguna Woods and the City Council of Laguna Beach and shall become effective on the date when both such approvals have been obtained (the "Effective Date"). Notwithstanding the foregoing, if this MOU has not become effective as of September 28, 2018, then either Party may terminate this MOU upon five (5) business day's written notice to the other Party.

2. Within ten (10) business days of the Effective Date, Laguna Beach shall make a payment to Laguna Woods in the amount of three hundred twenty-six thousand, four hundred seventy and 65/100 Dollars (\$326,470.65) ("Purchase Price"), which is equivalent to \$0.55 per dollar of allocation. The Purchase Price shall be made in immediately available funds via check or wire transfer to an account designated by Laguna Woods. The Purchase Price shall constitute full consideration for the transfer and assignment of the Laguna Woods Allocation.

3. Within ten (10) business days of Laguna Woods' receipt of the Purchase Price, Laguna Woods shall deliver a written request to SCE, with a copy to Laguna Beach, making a formal request to transfer and assign the entire balance of the Rule 20A Funds contained in the Laguna Woods Allocation to and for the benefit of Laguna Beach. Laguna Woods shall cooperate in good faith with Laguna Beach to provide any additional documentation or information that is reasonably requested by SCE to complete the transfer. Laguna Beach acknowledges and agrees that it has conducted its own investigation as to the applicability and transferability of the Laguna Woods Allocation for use in the Projects and that Laguna Woods has not made any representation or warranty to Laguna Beach with respect to same. The actual use of the Laguna Woods Allocation by Laguna Beach shall be subject to the rules and procedures adopted by SCE and such other conditions or requirements as are set forth in the Public Utilities Code. In the event that SCE denies the transfer of Rule 20A credits to the City of Laguna Beach, the City of Laguna Woods will return the Purchase Price in full to the City of Laguna Beach.

4. Laguna Beach shall indemnify, defend and hold harmless Laguna Woods, its elected officials, officers, employees and agents, from any claim, damage or liability arising in connection with the use of Rule 20A Funds from the Laguna Woods Allocation in connection with the construction of the Projects.

5. In the event that either Party is in breach of its obligations as set forth in this MOU, then the non-defaulting Party shall have the right to terminate this Agreement on ten (10) business day's written notice to the defaulting Party unless the default is cured within the notice period. Upon termination for breach, the non-defaulting Party may exercise any right or remedy which it may have under applicable law.

6. All notices to be given pursuant to this MOU shall be delivered in person or by commercial overnight delivery to the address of the Party set forth above and addressed to the "City Manager" of such Party and shall be effective upon receipt. Notice may further be given by electronic means, provided, however, that such notice shall not be deemed effective unless it is acknowledged in writing by the recipient of such notice.

7. This MOU shall be governed and construed in accordance with the laws of the State of California.

8. If any legal proceeding, including an action for declaratory relief, is brought to enforce or interpret provisions of this MOU, the prevailing party will be entitled to reasonable attorney's fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which the party maybe entitled.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU as of the Effective Date.

CITY OF LAGUNA WOODS

By: _____
Christopher Macon, City Manager

Attest:

By: _____
Yolie Trippy, City Clerk

Approved as to form:

By: _____
David B. Cosgrove, City Attorney

CITY OF LAGUNA BEACH

By: _____
John Pietig, City Manager

Attest:

By: _____
Lisette Chel-Walker, City Clerk

Approved as to form:

By: _____
Philip D. Kohn, City Attorney

This page is intentionally blank.