

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting
Wednesday, November 20, 2019
2:00 p.m.

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

Cynthia Connors
Mayor

Noel Hatch
Mayor Pro Tem

Shari L. Horne
Councilmember



Carol Moore
Councilmember

Joe Rainey
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

This meeting may be recorded, televised, and made publicly 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 meets regularly on the third Wednesday of each month at 2 p.m.

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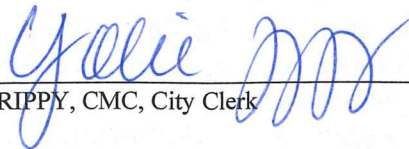
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AFFIDAVIT OF POSTING

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

I, Yolie Trippy, 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, CMC, City Clerk

11-15-19

Date

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 World Pancreatic Cancer Day – November 21, 2019

Recommendation: Approve and present the proclamation.

4.2 World AIDS Day – December 1, 2019

Recommendation: Approve and present the proclamation.

4.3 Human Rights Day – December 10, 2019

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 October 16, 2019.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of October 2019.

6.3 Warrant Register

Recommendation: Approve the warrant register dated November 20, 2019 in the amount of \$632,153.68.

6.4 Code Enforcement Services

Recommendation: Approve an extension of the agreement with Willdan Engineering for code enforcement services and authorize the Mayor to execute the extension, subject to approval as to form by the City Attorney.

6.5 Orange County Automated Fingerprint Identification System

Recommendation: Approve a joint agreement with the County of Orange for the implementation and operation of the Orange County Automated Fingerprint Identification System and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.6 City Hall/Public Library Project

Recommendation:

1. Waive the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(c) related to competitive bidding.

AND

2. Approve an agreement with obrARCHITECTURE, Inc. for City Hall/Public Library Project architectural services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.7 Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3

Recommendation:

1. Approve the “Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3” design plans and specifications as prepared by the City Engineer’s Office.

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 3”, in the amount of \$97,305, 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.

6.8 Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)

Recommendation:

1. Approve the “Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)” design plans and specifications as prepared by the City Engineer’s Office.

AND

2. Award a contract agreement to Hardy & Harper, Inc. for the construction of the “Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)”, in the amount of \$139,000, 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.

6.9 City Hall Refurbishment and Safety Project: Phase 1

Recommendation:

1. Approve final record plans and specifications reflecting completion of the “City Hall Refurbishment and Safety Project: Phase 1”.

AND

2. Accept project completion of the contract agreement with New Millennium Construction Services, Inc. for the “City Hall Refurbishment and Safety Project: Phase 1”.

AND

3. Release contract retention in the amount of \$2,872.58 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

4. Exonerate project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange.

VII. PUBLIC HEARINGS

- 7.1 Conditional Use Permit CUP-1394 to allow for the establishment of a vehicle washing facility at 23081 Via Campo Verde, Laguna Woods, CA 92637

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1394 TO ALLOW FOR THE ESTABLISHMENT OF A VEHICLE WASHING FACILITY AT 23081 VIA CAMPO VERDE, LAGUNA WOODS, CA 92637

7.2 2019 California Building Standards Code and Local Amendments

Recommendation:

1. Receive staff report.

AND

2. Open the public hearing that was continued from the regular City Council meeting on October 16, 2019.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve second reading and adopt an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING TITLE 10 OF THE LAGUNA WOODS MUNICIPAL CODE (BUILDINGS AND CONSTRUCTION) AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24), CONSISTING OF THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ELECTRICAL CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA PLUMBING CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE; THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; AND, THE 2019 CALIFORNIA REFERENCED STANDARDS CODE

AND

6. Approve second reading and adopt 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 10.12 (CALIFORNIA FIRE CODE) OF TITLE 10 (BUILDINGS AND CONSTRUCTION) OF THE LAGUNA WOODS MUNICIPAL CODE AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA FIRE CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 9) INCLUDING APPENDICES B, BB, C, CC, AND H, TOGETHER WITH CERTAIN AMENDMENTS,

ADDITIONS, AND DELETIONS THERETO

VIII. CITY COUNCIL BUSINESS

8.1 Employee Compensation and Benefits

Recommendation:

1. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 19-11 AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

AND

2. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AND ADOPTING A RESTATED INTERNAL REVENUE CODE SECTION 125 FLEXIBLE BENEFITS PLAN FOR CITY EMPLOYEES AND TAKING OTHER ACTIONS RELATED TO THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE FLEXIBLE BENEFITS PLAN

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 Conners; Alternate: Councilmember Horne

9.2 Orange County Fire Authority Mayor Pro Tem Hatch

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

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting: Wednesday, December 18, 2019 at 2 p.m.
 Laguna Woods City Hall
 24264 El Toro Road, Laguna Woods, California 92637

4.1
PROCLAMATION –
WORLD PANCREATIC CANCER DAY –
NOVEMBER 21, 2019

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**Proclamation
City of Laguna Woods
World Pancreatic Cancer Day
November 21, 2019**

WHEREAS, every day, more than 1,257 people worldwide are diagnosed with pancreatic cancer, and an estimated 1,184 die from the disease; and

WHEREAS, pancreatic cancer has the lowest survival rate of all major cancers and, even with surgery, is the only major cancer with a single-digit five-year survival rate in nearly every country; and

WHEREAS, while there are currently no early detection methods for pancreatic cancer and its symptoms may also be caused by other common conditions, individuals who experience abdominal and mid-back pain; unexplained weight loss; yellow skin or eyes; change in stool; new-onset diabetes; digestive problems; loss of appetite; or, mood change should speak with their healthcare providers; and

WHEREAS, there are a variety of supportive resources available to those affected by pancreatic cancer, including the Pancreatic Cancer Action Network; and

WHEREAS, the well-being of the residents of Laguna Woods is enhanced as a direct result of increased awareness and research of pancreatic cancer.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim November 21, 2019 as “World Pancreatic Cancer Day” in Laguna Woods and encourages the support of pancreatic cancer research.

Dated this 20th day of November, 2019

Cynthia Conners
Mayor

Attest: Yolie Trippy, CMC
City Clerk

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4.2
PROCLAMATION –
WORLD AIDS DAY –
DECEMBER 1, 2019

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**Proclamation
City of Laguna Woods
World AIDS Day
December 1, 2019**

WHEREAS, more than 1.1 million individuals in the United States are living with a Human Immunodeficiency Virus infection, or “HIV”, including one in seven who are unaware of their infection; and

WHEREAS, although individuals 55 years of age and older possess common risk factors for HIV, they are less likely to get tested than younger individuals; and

WHEREAS, HIV is primarily spread through sex and injection drug equipment, and attacks and destroys infection-fighting cells, which makes it difficult for the body to fight infections and certain types of cancer; and

WHEREAS, individuals can reduce their risk of HIV infection by practicing safe sex, avoiding injection drugs, using single-use sterile injection equipment, and taking pre-exposure prophylaxis (“PrEP”) when prescribed by a health care provider; and

WHEREAS, HIV, including its most advanced stage, Acquired Immunodeficiency Syndrome (“AIDS”) is incurable, but with proper medical care can be controlled; and

WHEREAS, the well-being of the residents of Laguna Woods is enhanced as a direct result of increased awareness and research of HIV and AIDS.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim December 1, 2019 as “World AIDS Day” in Laguna Woods and encourages HIV testing and the support of HIV and AIDS research.

Dated this 20th day of November, 2019

Cynthia Conners
Mayor

Attest: Yolie Trippy, CMC
City Clerk

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4.3

**PROCLAMATION –
HUMAN RIGHTS DAY –
DECEMBER 10, 2019**

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Proclamation

City of Laguna Woods

Human Rights Day

December 10, 2019

WHEREAS, on December 10, 1948, the United Nations General Assembly adopted the Universal Declaration of Human Rights, the first dedicated statement of human rights at the international level; and

WHEREAS, the Universal Declaration of Human Rights reads, in part: *“All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.”*; and

WHEREAS, human rights are a foundational quality of our nation as expressed in the Declaration of Independence, the Constitution, and the Bill of Rights; and

WHEREAS, recognition of the inherent dignity and of the equal and inalienable rights of all people is the foundation of freedom, justice, and peace in the world; and

WHEREAS, the City of Laguna Woods reaffirms its belief in the principles of fairness and equity as set forth in the Universal Declaration of Human Rights, and states, unequivocally, its opposition to discrimination in all forms.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby proclaim December 10, 2019 as “Human Rights Day” in Laguna Woods and encourages individuals to fight prejudice and discrimination in their own lives, and to treat others with dignity and respect.

Dated this 20th day of November, 2019

Cynthia Conners
Mayor

Attest: Yolie Trippy, CMC
City Clerk

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6.0 CONSENT CALENDAR SUMMARY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: November 20, 2019 Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the November 20, 2019 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 November 20, 2019 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on October 16, 2019.
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of October 2019.
- 6.3 Approval of the warrant register dated November 20, 2019 in the amount of \$632,153.68. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Approval of an extension of the agreement with Willdan Engineering for code enforcement services and authorization for the Mayor to execute the extension, subject to approval as to form by the City Attorney. The proposed extension is for one year through June 30, 2020, as allowed by the existing agreement.
- 6.5 Approval of a joint agreement with the County of Orange for the implementation and operation of the Orange County Automated Fingerprint Identification System (“AFIS”) and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement (Attachment A) would formalize the City’s longstanding participation in AFIS, which is used by the Orange County Sheriff’s Department to take and compare fingerprints. Though the City participates in AFIS, it has not executed the joint agreement with the County of Orange to do so. As a result, while the City is required to pay AFIS fees, there is no corresponding obligation for all AFIS programs to be offered to the City. As part of actions taken by the Orange County Local Remote Access Network Board on May 29, 2014 (Attachment B), the City is currently able to sign the joint agreement without being assessed any previously-incurred system costs that were born by other AFIS users. Costs associated with the AFIS program are included in the City’s existing budget.
- 6.6 [1] Waiver of the provisions set forth in Laguna Woods Municipal Code Section 3.06.080(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. obrARCHITECTURE has provided a variety of architectural services to the City over the past several years, most recently design and construction administration services for the City Hall Restroom Repair & Improvement Project. Due to the limited amount of time to complete the City Hall/Public Library Project using State of California Budget Appropriation funding, as well as obrARCHITECTURE’s performance on past architectural projects and familiarity with the City Hall site, staff recommends waiving competitive bidding requirements for the proposed agreement.

AND

[2] Approval of an agreement with obrARCHITECTURE, Inc. for City Hall/Public Library Project architectural services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The proposed agreement includes both design and construction administration services. The subject project is included in the City's Capital Improvement Program.

- 6.7 [1] Approval of the "Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3" design plans and specifications as prepared by the City Engineer's Office (available at or from City Hall). The subject project is included in the City's Capital Improvement Program.

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 3", in the amount of \$97,305, 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. Bids to construct the subject project were solicited from October 17, 2019 to November 7, 2019. Four bids were received (EBS General Engineering, Golden State Constructors, Onyx Paving Company, and SDC Engineering) with Golden State Constructors bidding the lowest cost.

- 6.8 [1] Approval of the "Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)" design plans and specifications as prepared by the City Engineer's Office (available at or from City Hall). The subject project is included in the City's Capital Improvement Program.

AND

[2] Award of a contract agreement to Hardy & Harper, Inc. for the construction of the "Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Willow Tree Center)", in the amount of \$139,000, 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. Bids to construct the subject project were solicited from October 17, 2019 to November 7, 2019. Five bids were received (All American Asphalt, Hardy & Harper, Onyx Paving Company, Palp Inc. DBA Excel Paving Company, and R.J. Noble Company) with Hardy & Harper bidding the lowest cost.

- 6.9 [1] Approval of final record plans and specifications reflecting completion of the “City Hall Refurbishment and Safety Project: Phase 1” (available for review at City Hall); [2] acceptance of project completion of the contract agreement with New Millennium Construction Services, Inc. for the “City Hall Refurbishment and Safety Project: Phase 1”; [3] release of contract retention in the amount of \$2,872.58 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention; and, [4] exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange. The subject project is included in the City’s Capital Improvement Program.

6.1
CITY COUNCIL MINUTES

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
October 16, 2019
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Conners 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: Horne, Hatch, Conners
 ABSENT: Moore, Rainey

STAFF PRESENT: City Manager Macon, City Attorney Cosgrove, City Clerk Trippy,
 Development Programs Analyst Pennington

III. PLEDGE OF ALLEGIANCE

Councilmember Horne led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Domestic Violence Awareness Month – October 2019

Councilmembers made comments.

Moved by Councilmember Horne, seconded by Mayor Pro Tem Hatch, and carried unanimously on a 3-0 vote with Councilmembers Moore and Rainey absent, to approve and present the proclamation for Domestic Violence Awareness Month.

V. PUBLIC COMMENT

Mike Stern, on behalf of Assemblymember Cottie Petrie-Norris, commented on the status of legislation proposed by the Assemblymember during the past year.

Councilmember Moore entered the meeting 2:09 p.m.

Councilmembers briefly commented on Mr. Stern's comments.

VI. CONSENT CALENDAR

Kathryn Freshley, resident, expressed appreciation for City Manager Macon's work on Item 6.8.

Moved by Councilmember Moore, seconded by Councilmember Horne, and carried unanimously on a 4-0 vote with Councilmember Rainey absent, to approve Consent Calendar items 6.1 – 6.8.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on September 18, 2019.

6.2 City Treasurer's Report

Received and filed the City Treasurer's Report for the month of September 2019.

6.3 Warrant Register

Approved the warrant register dated October 16, 2019 in the amount of \$630,197.15.

6.4 Fiscal Year 2019-20 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 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEAR 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO ADJUSTMENT OF THE COMMITTED FUND BALANCES FOR THE PAID LEAVE CONTINGENCY FUND AND THE GENERAL FUND CONTINGENCY FUND FOR FISCAL YEAR 2019-20

6.5 Investment of Financial Assets Policy

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REVIEWING AND ADOPTING AN ANNUAL STATEMENT OF THE INVESTMENT POLICY, ADOPTING AN INVESTMENT POLICY, AND RENEWING ITS DELEGATION OF INVESTMENT AUTHORITY PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53607 TO THE CITY TREASURER

6.6 Proposition 68 (2018) Per Capita Program

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING APPLICATION(S) FOR PER CAPITA GRANT FUNDS FROM THE STATE OF CALIFORNIA'S PROPOSITION 68 (2018) PER CAPITA PROGRAM, AND MAKING RELATED AUTHORIZATIONS

- 6.7 Water Efficient Median Improvement Project (El Toro Road Between Calle Sonora and Moulton Parkway, Moulton Parkway Between South City Limit and Calle Aragon, Santa Maria Avenue Shared Median)

1. Approved the "Water Efficient Median Improvement Project (El Toro Road Between Calle Sonora and Moulton Parkway, Moulton Parkway Between South City Limit and Calle Aragon, Santa Maria Avenue Shared Median)" design plans and specifications as prepared by the project architect.

AND

2. Awarded a contract agreement to KASA Construction Inc. for the construction of the "Water Efficient Median Improvement Project (El Toro Road Between Calle Sonora and Moulton Parkway, Moulton Parkway Between South City Limit and Calle Aragon, Santa Maria Avenue Shared Median)", excluding work related to the Santa Maria Avenue Shared Median, in the amount of \$254,747.10, plus authorized change orders not to exceed 10% of the base amount; and authorized 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.
- 6.8 Lot Line Adjustment LLA-1309 to adjust the boundaries of two adjacent parcels owned by the City of Laguna Woods and the El Toro Water District located in the vicinity of the intersection of El Toro Road and Aliso Creek Road in Laguna Woods, CA 92637

Approved an agreement for acquisition of real property (including a grant deed) with the El Toro Water District to transfer a portion of a City-owned parcel upon which Woods End Wilderness Preserve is located (Assessor's Parcel Number: 622-071-22; in the vicinity of the intersection of El Toro Road and Aliso Creek Road and 24995 El Toro Road, Laguna Woods, CA 92637) to the El Toro Water District and authorized the Mayor to execute the agreement for acquisition of real property, subject to approval as to form by the City Attorney.

VII. PUBLIC HEARINGS

- 7.1 Conditional Use Permit CUP-1395 to allow for alternatives to the off-street parking provisions contained in the Laguna Woods Municipal Code for a new administrative/professional office use at 24221 Paseo de Valencia, Laguna Woods, CA 92637

City Manager Macon announced that the public hearing for Item 7.1 was cancelled at the applicant's request.

7.2 2019 California Building Standards Code and Local Amendments

City Manager Macon made a presentation.

Mayor Conners opened the public hearing.

Kathryn Freshley, resident, asked that information regarding the financial impacts of the new building codes be made available to the public.

Councilmembers and staff briefly responded to Ms. Freshley's comments.

With no one else requesting to speak, the public hearing was continued to the regular meeting of the City Council on November 20, 2019 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

At Mayor Pro Tem Hatch's request, a representative from the Orange County Fire Authority made comments regarding the proposed California Fire Code and proposed local amendments. The representative also answered related questions.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Moore, seconded by Mayor Pro Tem Hatch, and carried unanimously on a 4-0 vote with Councilmember Rainey absent, to 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 TITLE 10 OF THE LAGUNA WOODS MUNICIPAL CODE (BUILDINGS AND CONSTRUCTION) AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24), CONSISTING OF THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ELECTRICAL CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA PLUMBING CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE, THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; AND, THE 2019 CALIFORNIA REFERENCED STANDARDS CODE

AND

To 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 10.12 (CALIFORNIA FIRE CODE) OF TITLE 10 (BUILDINGS AND CONSTRUCTION) OF THE LAGUNA WOODS MUNICIPAL CODE AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA FIRE CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 9) INCLUDING APPENDICES B, BB, C, CC, AND H, TOGETHER WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO

VIII. CITY COUNCIL BUSINESS

8.1 Unfunded Retirement Liability

City Manager Macon made a presentation.

Kathryn Freshley, resident, expressed her support for the recommended action.

Councilmembers discussed the item and staff answered related questions.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING THE ADOPTING THE FISCAL YEARS 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEARS 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO LUMP SUM PAYMENTS TO PAY OFF CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) PROJECTED UNFUNDED ACCRUED LIABILITY, AND MAKING RELATED AUTHORIZATIONS

8.2 Fiscal Years 2019-21 Budget and Work Plan & Fiscal Years 2019-30 Capital Improvement Program

City Manager Macon made a presentation and noted that the following correction has been made to Attachment B (page 3) of the Item 8.2 agenda materials:

^{CC} Fund Budget Adjustment CC-20/21-~~2002~~: Capital Improvements, +\$500,000 (R 19-XX)

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Moore, seconded by Councilmember Horne, and carried unanimously on a 4-0 vote with Councilmember Rainey absent, to adopt resolutions entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEAR 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO AMENDMENTS OF THE CAPITAL IMPROVEMENT PROGRAM

AND

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE 11-YEAR CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2019-20 THROUGH 2029-30, INCONFORMANCE WITH MEASURE M2 (OC GO) REQUIREMENTS AND APPLICABLE CITY POLICIES AND DISCRETION

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

Mayor Connors stated that there had been no meeting since the last meeting.

9.2 Orange County Fire Authority

Mayor Pro Tem Hatch provided a report.

Mayor Connors encouraged residents to prepare for emergencies.

9.3 Orange County Library Advisory Board

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

9.4 Orange County Mosquito and Vector Control District

Councilmember Horne provided a report.

Councilmembers briefly commented on the report.

9.5 San Joaquin Hills Transportation Corridor Agency

Mayor Conners provided a report.

Councilmembers briefly commented on the report.

9.6 South Orange County Watershed Management Area

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

9.7 Other Comments and Reports

- California Joint Powers Insurance Authority's Risk Management Educational Forum – October 9-22, 2019

Mayor Conners and Councilmember Moore provided a report.

Mayor Pro Tem Hatch briefly commented on the report.

Councilmember Horne provided an update on the California Senior Legislature.

Mayor Pro Tem Hatch reported on a recent special districts conference in Anaheim.

Councilmember Moore briefly commented on the report.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 3:26 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, November 20, 2019, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, CMC, City Clerk

Approved: November 20, 2019

CYNTHIA CONNERS, Mayor

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6.2 CITY TREASURER'S REPORT

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City of Laguna Woods
City Treasurer's Report
For the Month Ended October 31, 2019

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 9/30/19	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 10/31/19	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 1)	\$ 636,780	\$ 359,639	\$ (635,650)	\$ (130)	\$ 360,639	3.40%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 4)	\$ 7,067	\$ 2,416	\$ (7,067)	\$ -	\$ 2,416	0.02%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 11,990	\$ 1,373	\$ 2,416	\$ -	\$ 15,779	0.15%	
Petty Cash	\$ 1,961	\$ 39	\$ (631)	\$ -	\$ 1,369	0.01%	
Total Cash and Cash Equivalents	\$ 657,798	\$ 363,467	\$ (640,932)	\$ (130)	\$ 380,203	3.58%	100.00%
Pooled Money Investment Accounts							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 5,497,412	\$ 37,378	\$ -	\$ -	\$ 5,534,790	52.17%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 2,113,192	\$ 4,127	\$ (106)	\$ -	\$ 2,117,213	19.96%	
Total Pooled Money Investment Accounts	\$ 7,610,604	\$ 41,505	\$ (106)	\$ -	\$ 7,652,003	72.12%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit (fair value) (Note 2 and 4)	\$ 2,581,017	\$ -	\$ -	\$ (3,287)	\$ 2,577,730	24.30%	
Total Investments - Interest and Income Bearing	\$ 2,581,017	\$ -	\$ -	\$ (3,287)	\$ 2,577,730	24.30%	30.00%
TOTAL	\$ 10,849,419	\$ 404,972	\$ (641,038)	\$ (3,417)	\$ 10,609,936	100.00%	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (1,198,158)	\$ 1,558,797	\$ 360,639
Cash Balances, MBS Account	\$ 2,416	\$ -	\$ 2,416
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 15,779	\$ -	\$ 15,779
Petty Cash	\$ 1,369	\$ -	\$ 1,369
LAIF	\$ 5,534,790	\$ -	\$ 5,534,790
OCIP	\$ 2,117,213	\$ -	\$ 2,117,213
Certificates of Deposit	\$ 2,577,730	\$ -	\$ 2,577,730
Totals	\$ 9,051,139	\$ 1,558,797	\$ 10,609,936

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
For the Month Ended October 31, 2019

ITEM 6.2

CASH AND INVESTMENTS

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	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)														
38148PTD9	2017-6	GOLDMAN SACHS BANK USA	36 months	11/16/17	11/22/17	245,000	245,887	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	101,137	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	245,262	245,000	2.300	Monthly	04/23/18	Green***	2.300	12/23/19
649447RJO	2018-3	NEW YORK COMMUNITY BANK	24 months	03/23/18	03/28/18	100,000	100,353	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	248,315	245,000	2.700	Semi-Annual	09/29/18	Green***	2.700	03/29/21
254673RS7	2018-5	DISCOVER BANK (#5649)	36 months	07/11/18	07/18/18	245,000	250,170	245,000	3.000	Semi-Annual	01/18/19	Green***	3.000	07/19/21
90348JEA4	2018-6	UBS BANK USA	48 months	10/01/18	10/05/18	245,000	254,486	245,000	3.250	Monthly	11/05/18	Green***	3.250	10/05/22
61760ARV3	2018-7	MORGAN STANLEY PRIVATE BK NATL	60 months	11/06/18	11/15/18	245,000	260,633	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	60 months	05/19/17	05/19/17	100,000	101,387	97,431	2.470	Semi-Annual	11/19/17	Green***	2.400	05/19/22
02589AA28	2018-9	AMERICAN EXPRESS NATL	60 months	12/04/18	12/04/18	240,000	255,480	240,000	3.550	Semi-Annual	06/04/19	Green***	3.550	12/04/23
33715LCZ1	2018-10	FIRST TECHNOLOGY FED CU MTN VIEW	60 months	12/07/18	12/12/18	245,000	261,422	245,000	3.600	Monthly	01/12/19	Green***	3.600	12/12/23
949763ZA7	2019-1	WELLS FARGO BK N A	60 months	04/09/19	04/10/19	245,000	253,198	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
Accrued Interest - Month End							15,779							
Total CDs						2,500,000	2,593,509	2,497,431						

(*) 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

Government Pooled Money Investment Accounts (Notes 2 and 3)

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	5,534,790	5,534,790	5,534,790	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	2,117,213	2,117,213	2,117,213	Pending	N/A	N/A	N/A	N/A	N/A
Total PMIA						7,652,003	7,652,003	7,652,003						

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
For the Month Ended October 31, 2019

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 9/30/19	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 10/31/19
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust)	\$ 103,495	\$ -	\$ (7)	\$ 498	\$ 103,986
Total Other Funds - Held in Trust	<u>\$ 103,495</u>	<u>\$ -</u>	<u>\$ (7)</u>	<u>\$ 498</u>	<u>\$ 103,986</u>

Notes:

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect October 2019 vendor invoicing processed after the date of this report. Adjustment needed for September 2019 ACH posted in October 2019 (163.25), September 2019 re-deposit of NSF check posted in October 2019 and interest received in September 2019 not previously posted (\$4.03).

Note 2 - During October 2019, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / In October 2019, the City made a deposit of \$1,084.61 to the LAIF account and made no withdrawals. The balance includes an adjustment in the amount of \$10,615.43 to report balances at fair market value as of June 2019.

OCIP / The City made no deposits to or withdrawals from the OCIP. The balance includes an adjustment in the amount of \$8,597.30 to report balances at fair market value as of June 2019.

Investments / There were no maturities or purchases of investments. Investments were adjusted in the amount of (\$3,286.90) to report balances at fair market value as of October 2019.

OPEB Trust / The City made no contributions to the OPEB Trust in October 2019. The Trust experienced a net gain of \$490.65 in October 2019.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported October 2019 net of related fees were:

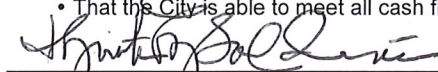
Pool	Earnings Post Quarterly	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$36,293	July-September 2019	See Notes	January 2020	Total pool interest for October 2019 was 2.190% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$4,127	June 2019	See Notes	See Notes	The OCIP October 2019 statement had not been received at the time of this report, balance reported is as of September 30, 2019. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at September 30, 2019 was \$15,277.53. September 2019 interest rate was 2.295% and fees were 0.059%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$2,416.43 and transferred out \$7,066.74 in cash balances to the City's checking account in October 2019. Cash balances to be invested or paid out are classified separately on page 1 of 3. The City's portfolio also has \$15,778.63 in accrued interest, not yet vested.

City Treasurer's Certification

I, Kriste M. Saldaña, Interim 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.


Kriste M. Saldaña, Interim City Treasurer

11.12.19
Date

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6.3 WARRANT REGISTER

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CITY OF LAGUNA WOODS
WARRANT REGISTER
11/20/2019

ITEM 6.3

This Report Covers the Period 09/27/2019 through 10/31/2019

		Date	Vendor Name	Description	Amount
Debit		Automatic Bank Debits			
Debit	09/27/2019	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 09/13/2019		163.25
Debit	10/01/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/30/2019		2,350.61
Debit	10/01/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/30/2019		1,037.78
Debit	10/03/2019	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 09/27/2019		16,813.33
Debit	10/03/2019	ADP TAX	Payroll Taxes / Pay Period Ended 09/27/2019		6,453.49
Debit	10/09/2019	BUSINESS PLANS, INCORPORATED	Employee Benefit Program / September 2019		416.67
Debit	10/11/2019	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Period Ended 09/27/2019		179.85
Debit	10/11/2019	CALPERS - HEALTH	Employee Benefit Program / October 2019		3,564.95
Debit	10/15/2019	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 09/27/2019		1,084.61
Debit	10/15/2019	U.S. BANK	Bank Service Charges / August 2019		45.66
Debit	10/15/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/13/2019		2,369.54
Debit	10/15/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/13/2019		1,037.78
Debit	10/17/2019	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 10/11/2019		14,033.42
Debit	10/17/2019	ADP TAX	Payroll Taxes / Pay Period Ended 10/11/2019		5,428.28
Debit	10/17/2019	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 10/11/2019		1,084.61
Debit	10/17/2019	CALPERS - RETIREMENT	Prepay Unfunded Actuarial Liability / Retirement Plan 27266		95,319.00
Debit	10/17/2019	CALPERS - RETIREMENT	Prepay Unfunded Actuarial Liability / Retirement Plan 3401		5,773.00
Debit	10/17/2019	BUSINESS PLANS, INCORPORATED	Employee Benefit Program / October 2019		4.34
Debit	10/31/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/27/2019		2,369.54
Debit	10/31/2019	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/27/2019		1,037.78
Debit	10/31/2019	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 10/25/2019		14,121.06
Debit	10/31/2019	ADP TAX	Payroll Taxes / Pay Period Ended 10/25/2019		5,443.87
Debit	10/31/2019	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 10/25/2019		1,084.61
Check Number		Warrants:			
3381	10/04/2019	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / October 2019		229,863.39
3382	10/08/2019	360 BUSINESS CONSULTING	Website Hosting / September 2019		200.00
3383	10/08/2019	ACCOUNTTEMPS	Temporary Accounting Clerk Services / Week Ending September 20, 2019		1,665.00
3384	10/08/2019	AT&T	Telephone / 458-3487 / September 2019		40.79
3385	10/08/2019	AT&T	Telephone / 639-0500 / September 2019		211.79
3386	10/08/2019	AT&T	Telephone / 452-0600 / September 2019		1,492.43
3387	10/08/2019	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / September 2019		9,425.00
3388	10/08/2019	CIVIL SOURCE	Traffic Engineering / August 2019		11,438.75
3389	10/08/2019	CMTA	Annual Membership / Fiscal Year 2019-20		95.00
3390	10/08/2019	CSU FULLERTON ASC	Orange County Progress Report 2018		16.00
3391	10/08/2019	DELTA DENTAL OF CALIFORNIA	Employee Benefits Program / October 2019		246.13
3392	10/08/2019	LANCE, SOLL & LUNGHARD LLP	Interim Administrative Services Director/City Treasurer Services / August 2019		13,475.00
3393	10/08/2019	MANAGED HEALTH NETWORK	Employee Benefits Program / October 2019		12.54
3394	10/08/2019	MICHAEL BAKER INTERNATIONAL	Planning Services / August 2019		9,467.68
3395	10/08/2019	PARK CONSULTING GROUP, INC	Software Implementation Services / September 2019		8,443.75
3396	10/08/2019	PECKHAM & MCKENNEY, INC.	Employee Recruitment Services		2,260.59
3397	10/08/2019	PETTY CASH	Replenish Petty Cash / September 2019		-

CITY OF LAGUNA WOODS

WARRANT REGISTER

ITEM 6.3

11/20/2019

This Report Covers the Period 09/27/2019 through 10/31/2019

	Date	Vendor Name	Description	Amount
3398	10/08/2019	RED HAWK FIRE & SECURITY, LLC	Fire & Security System Maintenance / September 2019	630.00
3399	10/08/2019	RUTAN & TUCKER, LLP	Legal Services / July - August 2019	4,480.00
3400	10/08/2019	S.K. GHOSH	Building Publications	1,304.10
3401	10/08/2019	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / September 2019	1,394.79
3402	10/08/2019	TEAM ONE MANAGEMENT	Janitorial Services / September 2019	1,239.30
3403	10/08/2019	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	142.68
3404	10/08/2019	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / October 2019	122.28
3405	10/08/2019	WILLDAN ENGINEERING	Code Enforcement Services / August 2019	2,494.00
3405	10/08/2019	WILLDAN ENGINEERING	Building Official Services / August 2019	15,180.00
3405	10/08/2019	WILLDAN ENGINEERING	Building Inspection Services / August 2019	5,490.00
3406	10/14/2019	ACCONTEMPS	Temporary Accounting Clerk Services / Week Ending September 27, 2019	1,687.50
3407	10/14/2019	AT&T	White Pages / October 2019	4.48
3408	10/14/2019	COASTAL CURRENT ELECTRIC	Cancelled Permit Refund	362.00
3409	10/14/2019	EL TORO WATER DISTRICT	Water Service / August 2019	3,877.00
3410	10/14/2019	IRWIN B BORNSTEIN, CPA	Financial Consulting Services / September 2019	902.50
3411	10/14/2019	KONE INC.	City Hall Elevator Maintenance / October 2019	277.57
3412	10/14/2019	MARC DONOHUE	Administrative Services / September 2019	150.00
3413	10/14/2019	ORANGE COUNTY REGISTER-NOTICES	Public Notices / September 2019	1,089.00
3414	10/14/2019	PV MAINTENANCE INC	Catch Basin Maintenance / October 2019	2,244.00
3415	10/14/2019	RICOH USA, INC.	Copier Usage / September 2019	177.71
3416	10/14/2019	SIEMENS MOBILITY, INC.	Traffic Maintenance / September 2019	3,586.00
3417	10/14/2019	SOUTHERN CALIFORNIA EDISON	Electric Services / September 2019	6,362.28
3418	10/14/2019	STAPLES	Office & Janitorial Supplies / September 2019	337.47
3419	10/14/2019	SUNSET PROPERTY SERVICES	Street Sweeping Services / September 2019	2,832.00
3420	10/14/2019	THE GAS COMPANY	Gas Service - City Hall / September 2019	15.78
3421	10/14/2019	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / September 2019	3,465.90
3422	10/16/2019	ACCONTEMPS	Temporary Accounting Clerk Services / Week Ending October 4, 2019	1,687.50
3423	10/16/2019	AT&T	Telephone / 583-1105 / September 2019	21.22
3424	10/16/2019	AT&T	Telephone / 581-9821 / September 2019	66.33
3425	10/16/2019	BARTEL ASSOCIATES, LLC	GASB 68 & GASB 75 Reports	3,800.00
3426	10/16/2019	BEVERLY POWELL	Taxi Voucher Refund	3.50
3427	10/16/2019	CALIBER SIGNS & IMAGING INC	Signage for Dog Park / October 2019	880.89
3428	10/16/2019	CALIFORNIA INTERNET LP	City Hall Internet Service / November 2019	349.00
3429	10/16/2019	CALIFORNIA YELLOW CAB	NEMT and Taxi Voucher Services / September 2019	9,882.00
3430	10/16/2019	CIVIL SOURCE	Building Inspection & Counter Services / September 2019	31,591.88
3431	10/16/2019	COUNTY OF ORANGE	Aliso Creek Watershed Cost-Share / Fiscal Year 2019-20	2,353.86
3432	10/16/2019	CYNTHIA CONNERS	Reimbursement - CJPIA Conference / October 2019	257.06
3433	10/16/2019	ICMA RETIREMENT CORPORATION	Quarterly Plan Fee / 2nd Quarter Fiscal Year 2019-20	125.00
3434	10/16/2019	INSTANT INFORMATION TECHNOLOGY	IT Support Services / October 2019	789.04
3435	10/16/2019	LAND'S END BUSINESS OUTFITTERS	Office Supplies	47.85
3436	10/16/2019	MEMORIAL HEALTH SERVICES	Deposit Balance Refund	605.24
3437	10/16/2019	MICHAEL BAKER INTERNATIONAL	Planning Services / September 2019	5,893.75
3438	10/16/2019	PRACTICAL DATA SOLUTIONS	IT Support Services / September 2019	2,648.00
3439	10/16/2019	PV MAINTENANCE INC	Streets, City Hall, & Park Maintenance / September 2019	12,336.89
3440	10/16/2019	TYLER TECHNOLOGIES, INC.	Permitting Software / August - September 2019	3,625.00

**CITY OF LAGUNA WOODS
WARRANT REGISTER
11/20/2019**

This Report Covers the Period 09/27/2019 through 10/31/2019

Date	Vendor Name	Description	Amount
3441 10/24/2019	ACCONTEMPS	Temporary Accounting Clerk Services / Week Ending October 11, 2019	1,687.50
3442 10/24/2019	BALLIET, MICHAEL	Waste Management Consulting Services / September 2019	1,508.75
3443 10/24/2019	BROWN ARMSTRONG ACCOUNTANCY CORPORATION	Audit Services / September 2019	8,000.00
3444 10/24/2019	BUSINESS PLANS, INCORPORATED	125 Cafeteria Plan Administration / October 2019	100.00
3445 10/24/2019	CAA	Water Quality Services / September 2019	1,086.00
3446 10/24/2019	CAPTIONING UNLIMITED	Closed Captioning Services / October 2019	200.00
3447 10/24/2019	CIVIL SOURCE	El Toro Rd Traffic Signal Synchronization Project / October 2019	1,205.00
3447 10/24/2019	CIVIL SOURCE	Moulton Parkway Traffic Synchronization Project / October 2019	1,810.00
3448 10/24/2019	COUNTY OF ORANGE	800 MHz Communication Charges / July - September 2019	264.00
3449 10/24/2019	GOLDEN RAIN FOUNDATION	Deposit Balance Refund	6,544.18
3450 10/24/2019	P. F. PETTIBONE & CO.	Office Supplies	98.95
3451 10/24/2019	PECKHAM & MCKENNEY, INC.	Employee Recruitment Services	1,000.00
3452 10/24/2019	RICOH USA, INC.	Office Equipment	1,072.11
3453 10/24/2019	RICOH USA, INC.	Copier Lease / November 2019	214.20
3454 10/24/2019	DEPARTMENT OF CONSERVATION	Strong Motion Instrumentation & Seismic Hazard Mapping Fee / July - September 2019	1,054.50
Total Bank Debits and Warrants:			\$ 632,065.16

Petty Cash Expenditures Paid Out (See Note 2)

FedEx	Printing Services	\$82.83
Home Depot	City Hall Maintenance	\$5.69
Total Petty Cash:		\$88.52

TOTAL \$ 632,153.68

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 October 2019, the following Councilmembers received compensation in the amount of \$300: Connors, Hatch, Horne, and Rainey.

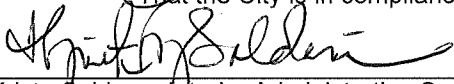
Note 2 - Petty cash is reported as cash is paid out, not when the fund is replenished.

Note 3 - The table below summarizes credit card expenditures paid via Check #3403 to U.S. Bank totaling \$142.68:

FedEx Office	Office Supplies	\$5.92
Best Buy	Office Supplies	\$91.56
Ready Rubber Stamps	Office Supplies	\$45.20
Total Credit Card Reimbursement:		\$142.68

**CITY OF LAGUNA WOODS
WARRANT REGISTER
11/20/2019**

This Report Covers the Period 09/27/2019 through 10/31/2019

Date	Vendor Name	Description	Amount
Administrative Services Director/City Treasurer's Certification			
I, Kriste Saldana, Interim 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 summarized within; • That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months; and • That the City is in compliance with California Government Code Section 27108.			
 Kriste Saldana, Interim Administrative Services Director/City Treasurer			11.7.19 Dated

6.4 CODE ENFORCEMENT SERVICES

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**EXTENSION OF THE
AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
WILLDAN ENGINEERING
FOR CODE ENFORCEMENT SERVICES**

This EXTENSION of the AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT") that was approved by the City Council on May 17, 2017 by and among the City of Laguna Woods, a California municipal corporation ("CITY") and Willdan Engineering ("CONSULTANT"), is made and entered into this 20th day of November 2019 by and among CITY and CONSULTANT.

WHEREAS, the initial term of the AGREEMENT was for the period between June 2, 2017 and 11:59 p.m. on June 30, 2019; 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 through a maximum of 11:59 p.m. on June 30, 2021.

NOW THEREFORE, the parties amend the AGREEMENT as follows and, by doing so, memorialize prior authorized terms of agreement and performance consistent with same from and after July 1, 2019 until the date of signing hereto:

1. CITY and CONSULTANT hereby agree to an EXTENSION of the AGREEMENT for a period beginning on July 1, 2019 and ending at 11:59 p.m. on June 30, 2020 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 _____
Cynthia Conners, Mayor

CONSULTANT:

By _____
Patrick Johnson
Director of Building and Safety

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

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6.5

**ORANGE COUNTY AUTOMATED FINGERPRINT
IDENTIFICATION SYSTEM**

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1 JOINT AGREEMENT FOR THE IMPLEMENTATION AND OPERATION
2 OF THE ORANGE COUNTY
3 AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM
4

5 THIS AGREEMENT, made and entered into the _____ day of _____
6 19____, is by and between the County of Orange, a political subdivision of the State of California,
7 hereinafter "COUNTY," and the City of _____, a municipal corporation, hereinafter
8 "USER."

9 WITNESSETH

10 WHEREAS, The State Department of Justice maintains an automated system for retaining and
11 identifying fingerprints, said system being known as the California Identification System ("CAL-ID"),
12 and

13 WHEREAS, the Penal Code, Section 11112.1 et seq., provides for the establishment of a Remote
14 Access Network ("RAN"), consisting of a statewide network of equipment and procedures allowing
15 local law enforcement agencies direct access to CAL-ID, and

16 WHEREAS, COUNTY and USER deem it important to have direct access to CAL-ID, and

17 WHEREAS, there has been established in COUNTY a local board ("RAN BOARD"), which is
18 charged with determining the placement of RAN equipment within the COUNTY, coordinating
19 acceptance, delivery and installation, and developing procedures for the use and maintenance of the
20 equipment, and

21 WHEREAS, COUNTY, in cooperation with USER, the RAN BOARD and the Department of
22 Justice, has developed a local network ("SYSTEM") to access CAL-ID, and

23 WHEREAS, it is recognized that new users may, from time to time, require access to SYSTEM.

24 NOW, THEREFORE, COUNTY and USER agree as follows:

25 I. Exhibit "A" (USERS of the CAL-ID Automated Fingerprint Identification System)
26 and "B" (Orange County Local RAN Board Operating Policies) are attached hereto and incorporated
27 herein by reference.

1 II. A SYSTEM has been established in COUNTY, and all right, title and interest to
2 SYSTEM shall remain with COUNTY. The configuration, current and future, of the SYSTEM will
3 be approved by the RAN BOARD.

4 a) The SYSTEM will comprise two areas of cost components for which COUNTY will
5 establish and maintain separate special revenue funds in the County Treasury and
6 outside of the County General Fund and keep separate accounting records.

7 (1) SYSTEM REPLACEMENT AND UPGRADE COSTS "SYSTEM COSTS"
8 will include

9 (i) the costs of acquisition and installation of equipment necessary or
10 appropriate for SYSTEM replacement or upgrading, less State or Federal
11 subvention, if any;

12 (ii) finance costs;

13 (iii) any other costs related to the replacement or upgrading of all or part of
14 the system, including indirect costs incurred by the COUNTY's Sheriff-
15 Coroner or other COUNTY department.

16
17 (2) SYSTEM ON-GOING OPERATIONAL COSTS "OPERATIONAL COSTS"
18 will include:

19 (i) those costs needed to maintain the central computer and related equipment
20 and any Local Input Terminals, Electronic work stations, or other equipment
21 deemed by the RAN Board to be part of the SYSTEM;

22 (ii) costs for personnel, telecommunication and other services and supplies
23 for the SYSTEM operation; and

24 (iii) any costs related to operation of the SYSTEM, including indirect costs
25 incurred by COUNTY's Sheriff-Coroner or other COUNTY department.

26 b) COUNTY shall deduct the administrative costs of the County Treasurer, as defined in
27 Government Code section 27013, from interest or income earned on the money in the
28

1 SYSTEM COSTS and OPERATIONAL COSTS special revenue funds, on the same
2 basis as COUNTY deducts administrative costs from interest or income earned on
3 other moneys invested by the County Treasurer. If County Treasurer, at the
4 recommendation of the RAN BOARD, elects to invest, deposit or otherwise handle
5 money in the SYSTEM COSTS or OPERATIONAL COSTS special revenue funds
6 separately from moneys in other investment pools in the County Treasury, COUNTY
7 shall deduct any additional administrative costs attributable to such separate
8 investment, deposit or handling of the moneys from the interest or income earned on
9 said moneys, pursuant to Government Code Section 27013

- 10 c) The primary purpose of the SYSTEM shall be to serve all law enforcement agencies
11 in COUNTY.
- 12 d) Additional law enforcement agencies may be added as users to SYSTEM and USERS
13 may be removed from SYSTEM as conditions warrant
- 14 e) COUNTY may, upon recommendation of the RAN BOARD, enter into contracts for
15 the acquisition of equipment, including financing therefor, and for service or
16 maintenance of equipment as may be necessary to effectuate the purposes and
17 objectives of this AGREEMENT.
- 18 f) COUNTY and USER(S) designate the RAN BOARD to determine whether or not
19 users shall be added to, or removed from the SYSTEM pursuant to the criteria in
20 Penal Code Section 11112.4; to consult with the COUNTY and USER to determine
21 future modification of the SYSTEM; and to develop operational policies for the
22 SYSTEM in accordance with the terms and conditions of this AGREEMENT.

23

24 III. This Agreement shall remain in effect until June 30, 2006, and shall continue for
25 additional periods of ten (10) years each, unless the governing bodies of either COUNTY or a
26 majority of the then USER(S) votes not to continue the Agreement at a meeting or meetings held
27 more than one year before the expiration of any ten-year period and notifies all existing USER(S) not
28

less than thirty (30) days prior to the end of the ten-year period. Notwithstanding the foregoing, this Agreement may be terminated at the end of any fiscal year (June 30) by any USER, as to that party, by serving written notice of termination to the RAN BOARD not less than one year in advance of USER'S intention to terminate the Agreement. The RAN BOARD shall promptly notify COUNTY and other USERS. Such termination shall not relieve the USER of any financial obligation assumed under this Agreement other than for future operational costs.

IV. COUNTY shall.

- a) Negotiate or bid, as appropriate, and enter into agreements as contemplated by Section II.e. of this Agreement and make payments thereunder.
- b) Enter into agreements with new users which receive approval from the RAN Board to access SYSTEM, provided that:
 - (1) Any new user shall execute this Agreement.
 - (2) Any additional terms, conditions, modifications and costs for entry shall be included in an addendum to the Agreement. Said addendum will address any direct or indirect costs for previously incurred costs of the existing SYSTEM to be paid by new USER. Payment of indirect costs may take the form of improvement or modification of the SYSTEM for the benefit of all USERS.
 - (i) The RAN BOARD shall determine the appropriate terms, conditions and costs to be included in said addendum.
- c) Arrange financing to fund SYSTEM replacement or upgrade costs. Such financing shall have a ten-year term, be fully or time-price differential amortizing and be obtained at the lowest rate reasonably obtainable.
- d) Appropriate and expend moneys in the Automated Fingerprint Identification Fund in the County Treasury in accordance with the limitations of Government Code Section 76102, as it now exists and may hereafter be amended; and annually during the County's budget hearings, consider the recommendations of the RAN BOARD about

1 how moneys in the Automated Fingerprint Identification Fund should be
2 appropriated and expended.

- 3 e) Establish and maintain two separate special revenue funds in the County Treasury
4 outside the County General Fund, one solely for SYSTEM COSTS and the other
5 solely for OPERATIONAL COSTS, and maintain separate accounting records for
6 each of these special revenue funds.

- 7 f) Expend moneys:

8 (1) In the SYSTEM COSTS special revenue fund only for those
9 costs described in Section II. a) (1) of this Agreement and in accordance with
10 the recommendations of the RAN BOARD.

11 (2) In the OPERATIONAL COSTS special revenue fund only for those costs
12 described in Section II. a) (2) of this Agreement and in accordance with the
13 recommendations of the RAN BOARD.

- 14 g) Credit all interest earned by moneys in the SYSTEM COSTS special revenue fund to
15 the SYSTEM COSTS special revenue fund, and credit all interest earned by moneys
16 in the OPERATIONAL COSTS special revenue fund to the OPERATIONAL
17 COSTS special revenue fund, except that the County may deduct from said interests
18 administrative costs in accordance with Section II. b) of this Agreement.

- 19 h) Permit representatives of the RAN BOARD to audit the SYSTEM COSTS and
20 OPERATIONAL COSTS special revenue funds, established pursuant to this
21 Agreement, at least on an annual basis, and at the expense of the RAN BOARD.

- 22
23 V. USER and COUNTY agree to the following:

- 24 a) ESTIMATES OF ANNUAL PROPORTIONAL SHARES OF COSTS.

25 An estimate of the annual proportional share of SYSTEM COSTS and
26 OPERATIONAL COSTS to be paid by each USER (COUNTY is deemed a USER
27 for purposes of this section) will be determined annually by the RAN BOARD based
28

1 on the percentage of the total population of all USER entities residing in each USER
2 entity on January 31 of each year, as indicated in the latest edition of "Population
3 Estimates for California Cities and Counties" prepared by the State of California
4 Department of Finance California Demographic Research Unit. The estimate of
5 COUNTY'S proportional share will be calculated based on the percentage of the total
6 population of all USER entities residing in unincorporated areas of Orange County on
7 January 31 of each year. In the event the California Demographic Research unit no
8 longer issues demographic data, the RAN BOARD shall determine the source of the
9 population data to be used in doing the above-described calculations.

10 (1) COUNTY will issue monthly invoices to each USER for one-twelfth of the
11 estimate of its annual proportional share of SYSTEM COSTS and OPERATIONAL
12 COSTS.

13 (2) USERS will pay the estimate of their annual proportional shares of SYSTEM
14 COSTS and OPERATIONAL COSTS on a monthly basis within thirty (30) days of
15 receipt of invoices from the COUNTY.

16 (3) COUNTY will credit all payments received from USERS for their proportional
17 shares of SYSTEM COSTS to the SYSTEM COSTS special revenue fund and all
18 payments received from USERS for their proportional shares of OPERATIONAL
19 COSTS to the OPERATIONAL COSTS special revenue fund.

20 b) SHORTFALL IN OPERATIONAL COSTS. In the event anticipated
21 OPERATIONAL COSTS exceed in any fiscal year the sum of the estimates of
22 USERS' proportional shares of OPERATIONAL COSTS and any other moneys
23 appropriated to the OPERATIONAL COSTS special revenue fund, the RAN BOARD
24 will calculate each USER'S proportional share of said shortfall using the methodology
25 described in Section V. a) of this Agreement. COUNTY will issue an additional
26 invoice to each USER for its proportional share of said shortfall. Each USER shall
27 pay said invoice within thirty (30) days of receipt. COUNTY shall credit all payments
28

1 received from USERS for said invoices to the OPERATIONAL COSTS special
2 revenue fund.

3 c) EXCESS SYSTEM COSTS. Unless COUNTY's Board of Supervisors and the
4 governing bodies of a majority of the other USERS approve, the RAN BOARD shall
5 not recommend expenditure of, and COUNTY shall not expend, in any fiscal year,
6 moneys for SYSTEM COSTS in excess of the sum of

7 (1) the total funds available in the SYSTEM COSTS special revenue fund at the
8 beginning of the fiscal year,

9 (2) the total revenue anticipated for SYSTEM COSTS as a result of State and
10 Federal subventions and

11 (3) the total payments anticipated to be received from USERS for their estimated
12 proportional shares of SYSTEM COSTS in that fiscal year (hereinafter called
13 "EXCESS SYSTEM COSTS").

14 If COUNTY's Board of Supervisors and a majority of the governing bodies of the
15 other USERS approve, the RAN BOARD may recommend
16 expenditure of, and COUNTY may expend or encumber, EXCESS SYSTEM
17 COSTS. The RAN BOARD shall calculate each USER's proportional
18 share of EXCESS SYSTEM COSTS using the methodology described in Section
19 V. a) of this Agreement. COUNTY will issue an additional invoice to each
20 USER for its proportional share of EXCESS SYSTEM COSTS. Each USER
21 shall pay said invoice within thirty (30) days of receipt. COUNTY shall credit all
22 funds received from USERS in payment of said invoices to the SYSTEM COSTS
23 special revenue fund.

24 d) NEW USER ASSESSMENTS. In addition to the foregoing costs, any new USER
25 desiring to execute this Agreement in order to become a member of the SYSTEM
26 shall be assessed and shall pay in full an amount to offset previously-incurred
27 SYSTEM COSTS that were borne by existing USERS. The amount of said
28

1 assessment shall be determined by the RAN BOARD in accordance with Section IV.
2 b) (2) of this Agreement. COUNTY shall invoice the new USER for said assessment.
3 New USER shall pay said invoice in full within 30 days of receipt. COUNTY shall
4 credit all payments received from new USERS for said invoices to the SYSTEM
5 COSTS special revenue fund.

6 e) NON-PARTICIPANT COSTS. All cities will be encouraged to make use of and
7 support the SYSTEM. However, the RAN BOARD may make payment of certain
8 OPERATIONAL COSTS AND SYSTEM COSTS a condition of use of the SYSTEM
9 by cities or other entities that have not executed this Agreement. The costs to be
10 charged to such non-participants shall be determined by the RAN BOARD annually.
11 COUNTY shall invoice non-participants for said costs. COUNTY shall credit all
12 payments received from non-participants for such invoices to the SYSTEM COSTS
13 or OPERATIONAL COSTS special revenue funds, as directed by the RAN BOARD.

14 //

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IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED _____, 199____ COUNTY OF ORANGE

SIGNED AND CERTIFIED THAT A
COPY OF THIS DOCUMENT HAS BEEN
DELIVERED TO THE CHAIRMAN OF
THE BOARD

BY _____
CHAIRMAN, BOARD OF SUPERVISORS

Kathleen E. Goodno
CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson , Acting Chief Assistant COUNTY COUNSEL.

BY *Deputy Clerk*
DEPUTY

Dated. *May 16*, 19 *98*

Dated: _____, 19 ____

CITY OF _____

BY _____

1

2

Exhibit A

3

USERS of the CAL-ID Automated Fingerprint Identification System

4

5

The City Of:

6

Anaheim

7

Brea

8

Buena Park

9

Costa Mesa

10

Cypress

11

Dana Point

12

Fountain Valley

13

Fullerton

14

Garden Grove

15

Huntington Beach

16

Irvine

17

Laguna Beach

18

Laguna Hills

19

Laguna Niguel

20

Lake Forest

21

La Habra

22

La Palma

23

Los Alamitos

24

Mission Viejo

25

Newport Beach

26

Orange

27

Placentia

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- 1 San Clemente
- 2 San Juan Capistrano
- 3 Santa Ana
- 4 Seal Beach
- 5 Stanton
- 6 Tustin
- 7 Villa Park
- 8 Westminster
- 9 *VERBA LINE*
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Exhibit B

Orange County Local RAN Board Operating Policies

1.0 As used in this Policy:

- 1.1 "Full Use Access Agency" (FUAA) will mean the Orange County Sheriff-Coroner Department.
- 1.2 "Participating Agency" means a local law enforcement agency contributing to the cost of the operation of the Orange County Cal-ID System.
- 1.3 "Host Agency" means a participating agency in which a Local Input Terminal (LIT) has been placed by the Local RAN Board to serve a specific geographical area of the County, herein called "Region".
- 1.4 "Trained Operator" means a person trained by the Orange County Cal-ID vendor, the Department of Justice or any designee of the Local RAN Board to input latent or ten print fingerprint cards, perform inquiry operations and generate candidate lists as a result of inquiry operations. Each trained operator will have a system security password assigned to him.
- 1.5 "Latent Print Examiner" means a person with the skills, knowledge and abilities to perform latent fingerprint to inked fingerprint comparisons.

2.0 POLICIES AND PROCEDURES

2.1 Responsibilities of Host Agencies.

Host Agencies accept the following conditions for the hosting of a Local Input Terminal:

- 2.1.1. The Host Agency will provide 24-hour, 7 day a week access to participating agencies trained operators within the LIT region.
2. The Host Agency will provide latent print comparison services for those regional participating agencies without a latent print examiner in that agency. This service will

be available Monday through Friday during business hours, and will be at no charge to the participating agency.

3. The Host Agency will provide adequate power, air-conditioning and space to provide a suitable working environment for the LIT and personnel operating the LIT.

4. The Host Agency will provide a schedule of times for LIT used by participating agencies within the region which will be designed to prevent undue burdens upon the capacity of the FUAA. This schedule will be coordinated among all the Host Agencies and FUAA.

5. Local Input Terminals will be located at locations determined by the Orange County RAN Board.

3.0 Responsibilities of Participating Agencies

3.1 Participating agencies will have the following responsibilities

3.1.1. A participating agency will declare its intent to which Host Agency it will use, or it may use the FUAA at the Sheriff-Coroner Department.

3.1.2. Prior to latent inquiry into the Cal-ID System all latent prints collected at crime scenes will be examined to determine if the latent print is identifiable; all latent prints will be examined to determine if they represent finger friction ridge detail; whenever possible latent prints will be compared to those individuals having legitimate access to a crime scene so-called "elimination" prints.

3.1.3. Agencies must agree to comply with system audit procedures adopted by the Local RAN Board, including keeping appropriate workload and identification statistics deemed necessary by the local RAN Board.

4.0 Priority Services:

4.1 The users agree to use the following priorities when using the Orange County Cal-ID

1 System.

2 Ten Print Services

Latent Services

3 Priority 1: In-custody suspects.

Crimes against persons

4 Priority 2: Central site registration uses

Upgraded crimes against property

5 Priority 3: All other inquiries.

Routine latent inquiries

6 In no case will Priority 3 latent inquiries be upgraded to Priority 1.

7
8 4.2 Account Numbers / Security Codes:

9 Each participating agency contributing to this system will be assigned a control
10 account number. The manager of the FUAA will assign a security code to each
11 trained operator. An account may have more than one trained operator

12
13 4.3 Access to Orange County Cal-ID System

14 Participating agencies shall not permit access to the system by non-participating
15 agencies, unless specifically authorized by the local RAN Board

16
17 5.0 Retention of Latent Prints:

18 5.1 Latent prints entered by a participating agency will be retained within a file at the
19 FUAA for searching after each ten-print addition. The criteria for latent print
20 retention in this file will be jointly agreed upon by the FUAA staff and other
21 participating agencies.

22
23 6.0 Addition of Ten-Print Card:

24 6.1 Ten-Print cards will be added to the data base at the FUAA only. If a the ten-print
25 card is retained by the FUAA for use by other agencies, it will be the original card
26 used for registration, otherwise all original cards will be returned to the submitting
27 agency.

1
2 7.0 Allocation of Inquiries:

3 7.1 In the event that the number of inquiries exceeds the capacity of the system, the
4 following allocation of inquiries will be used:

5 7.1.1 All Priority 1 and Priority 2 inquiries will be permitted.

6 7.1.2. Priority 3 inquiries will be restricted to those latent prints collected pursuant to an
7 investigation of a "felony".

8 7.1.3 The Local RAN Board will adopt additional allocation policies as needed in the event
9 that the number of inquiries continue to exceed the capacity of the System.
10

11 8.0 Modifications to Operating Policies
12

13 8.1 Operating policies can be modified by a majority vote of the Local RAN Board
14 members at a duly constituted meeting
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**PRELIMINARY ESTIMATES OF ANNUAL CAL-ID COSTS BASED UPON POPULATION
INCLUDING SYSTEM REPLACEMENT AND FISCAL YEAR 1996-97 ESTIMATED
SHORTFALL**

Agency	Population %	Replacement share \$350,000 annually¹	140,000 shortfall share²	Annualized Cost
Anaheim	11.23	\$ 39,305	\$ 15,722	\$ 55,027
Brea	1.33	\$ 4,655	\$ 1,862	\$ 6,517
Buena Park	2.8	\$ 9,800	\$ 3,920	\$ 13,720
Costa Mesa	3.93	\$ 13,755	\$ 5,502	\$ 19,257
Cypress	1.78	\$ 6,230	\$ 2,492	\$ 8,722
Dana Point	1.37	\$ 4,795	\$ 1,918	\$ 6,713
Fountain Valley	2.09	\$ 7,315	\$ 2,926	\$ 10,241
Fullerton	4.68	\$ 16,380	\$ 6,552	\$ 22,932
Garden Grove	5.82	\$ 20,370	\$ 8,148	\$ 28,518
Huntington Beach	7.19	\$ 25,165	\$ 10,066	\$ 35,231
Irvine	4.69	\$ 16,415	\$ 6,566	\$ 22,981
Laguna Beach	0.91	\$ 3,185	\$ 1,274	\$ 4,459
Laguna Hills	0.96	\$ 3,360	\$ 1,344	\$ 4,704
Laguna Niguel	2.11	\$ 7,385	\$ 2,954	\$ 10,339
Lake Forest	2.22	\$ 7,770	\$ 3,108	\$ 10,878
La Habra	2.08	\$ 7,280	\$ 2,912	\$ 10,192
La Palma	0.6	\$ 2,100	\$ 840	\$ 2,940
Los Alamitos	0.47	\$ 1,645	\$ 658	\$ 2,303
Mission Viejo	3.4	\$ 11,900	\$ 4,760	\$ 16,660
Newport Beach	2.65	\$ 9,275	\$ 3,710	\$ 12,985
Orange	4.55	\$ 15,925	\$ 6,370	\$ 22,295
Placentia	1.72	\$ 6,020	\$ 2,408	\$ 8,428
San Clemente	1.77	\$ 6,195	\$ 2,478	\$ 8,673
San Juan Capistrano	1.1	\$ 3,850	\$ 1,540	\$ 5,390

ITEM 6.5 - Attachment A

Santa Ana	11.79	\$ 41,265	\$ 16,506	\$ 57,771
Seal Beach	1.01	\$ 3,535	\$ 1,414	\$ 4,949
Stanton	1.23	\$ 4,305	\$ 1,722	\$ 6,027
Tustin	2.37	\$ 8,295	\$ 3,318	\$ 11,613
Villa Park	0.24	\$ 840	\$ 336	\$ 1,176
Westminister	3.15	\$ 11,025	\$ 4,410	\$ 15,435
Yorba Linda	2.2	\$ 7,700	\$ 3,080	\$ 10,780
Unincorp. County	6.57	\$ 22,995	\$ 9,198	\$ 32,193
Totals	100.01	\$ 350,035	\$ 140,014	\$ 490,049

¹Estimated cost of system replacement amortized over 10 years makes the annual cost approximately \$350,000.

²Estimated shortfall for 1996-97.

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
 2 forth opposite their respective signatures on identical counterparts of this instrument, each of which
 3 shall be for all purposes deemed an original thereof.

4
 5 DATED 4-3, 199 7

COUNTY OF ORANGE

6
 7 SIGNED AND CERTIFIED THAT A
 8 COPY OF THIS DOCUMENT HAS BEEN
 9 DELIVERED TO THE CHAIRMAN OF
 10 THE BOARD
 11 ATTEST

Roger R. Stanton
 BY
 CHAIRMAN, BOARD OF SUPERVISORS

Darlene J. Bloom
 DARLENE J. BLOOM
 11 CLERK OF THE BOARD OF SUPERVISORS

12 APPROVED AS TO FORM:

13 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

14
 15 BY Dubaut Scott
 DEPUTY

16 Dated: 4/3/97, 19 97

17
 18
 19
 20
 21 Dated: March 12, 19 97

CITY OF ANAHEIM

BY Tom Daly
 Mayor

APPROVED AS TO FORM:

25 JACK L. WHITE, CITY ATTORNEY

26
 27 BY Jack L. White

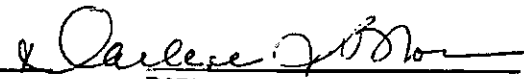
IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-6, 1997

COUNTY OF ORANGE

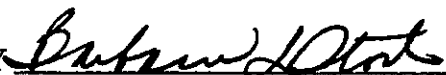
SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD **ATTEST**

BY 
CHAIRMAN, BOARD OF SUPERVISORS


DARLENE J. BLOOM
CLERK OF THE BOARD OF SUPERVISORS
AD 6-18-96

APPROVED AS TO FORM:

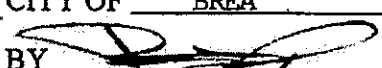
Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY 
DEPUTY

Dated: Feb. 6, 1997

Dated: 9/17, 1996

CITY OF BREA

BY 
Burnie Dunlap, Mayor

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-3, 1997

COUNTY OF ORANGE

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

BY Roger R. Stanton
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom
DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY Darlene J. Bloom
DEPUTY

Dated: May 6, 1996

Dated: June 3, 1996

CITY OF BUENA PARK

BY Ray Marshall
Mayor

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
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4
5 DATED 2-3, 1997

COUNTY OF ORANGE

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10 THE BOARD

BY

Roger R. Stanton
CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
13 DARLENE J. BLOOM

14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
18 DEPUTY

19 Dated: May 6, 1996

20
21 Dated: 6/17, 1996

CITY OF COSTA MESA

22 BY

Joe Eichler
MAYOR

23
24
25
26
27 APPROVED AS TO FORM

28 BY: Thomas K. 6-5-96
CITY ATTORNEY'S OFFICE
CITY OF COSTA MESA

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-3, 199 7

COUNTY OF ORANGE

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THE BOARD

BY

Roger R. Stanton
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom

DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY Darlene J. Bloom
DEPUTY

Dated: May 6, 19 94

Dated: 5-28, 19 96

CITY OF CYPRESS

BY

Walter K. Lawrence

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4
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COUNTY OF ORANGE

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 10 THE BOARD

BY Roger R. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 19 94

20
 21 Dated: Sept 2, 19 96

CITY OF DANA POINT

22 BY Karen Lloreda
 23 KAREN LLOREDA, MAYOR

24 ATTEST:

25 Sharon L. Waits
 26 SHARON L. WAITS, CITY CLERK

27 APPROVED AS TO FORM:

28 Kenneth D. Rozell
 KENNETH ROZELL, ASST. CITY ATTY.

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COUNTY OF ORANGE

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1996

20
 21 Dated: 7-2, 1996

CITY OF Fountain Valley
 22 BY Ray B. Smith

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COUNTY OF ORANGE

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BY Roger R. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM

14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1994

20
 21 Dated: July 2, 1994

FULLERTON
 CITY OF Chris Norby
 BY MAYOR

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COUNTY OF ORANGE

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1994

20
 21 Dated: July 9, 1996

CITY OF GARDEN GROVE

22 BY Barbara Smith
 23 Mayor

24 ATTEST:

25 Darlene J. Bloom
 26 City Clerk

27 Approved
 28 Jeffrey City Attorney
 7/9/96

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 7-3, 1997

COUNTY OF ORANGE

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

BY *Koger R. Stanton*
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST:

Darlene J. Bloom
DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY *Darlene J. Bloom*
DEPUTY

Dave Sullivan
Dave Sullivan, Mayor

Dated: *May 6*, 1996

ATTEST:

Connie Brockway
Connie Brockway, City Clerk
7/8/96

Dated: 7/8/, 1996

CITY OF Huntington Beach
BY _____

APPROVED AS TO FORM:

GAIL HUTTON
CITY ATTORNEY

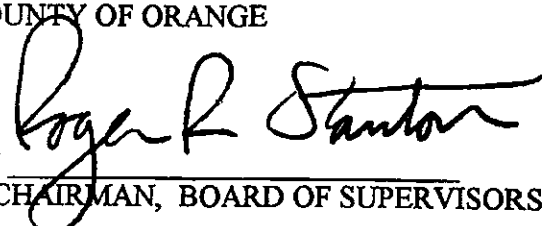
By: *Sarah L...*
Deputy City Attorney
5/28-96

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CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

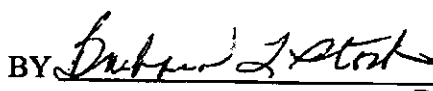
12 

DARLENE J. BLOOM

13 CLERK OF THE BOARD OF SUPERVISORS

14 APPROVED AS TO FORM:

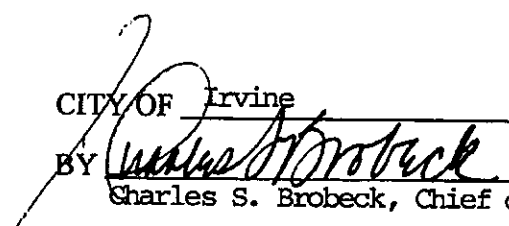
15 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

16 BY 
17 DEPUTY

18 Dated: May 6, 1994

19
20
21 Dated: July 17, 1996

CITY OF Irvine

BY 

Charles S. Brobeck, Chief of Police

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COUNTY OF ORANGE

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 10 THE BOARD

BY Roger R. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 19 94

20
 21 Dated: 9/11, 19 96

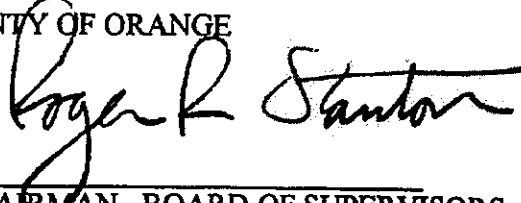
CITY OF Orange Beach
 BY Kimberly Farnell

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
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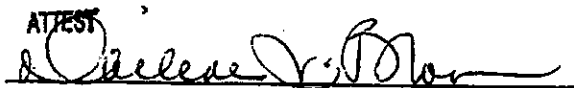
4
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COUNTY OF ORANGE

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BY 
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 

13 CLERK OF THE BOARD OF SUPERVISORS

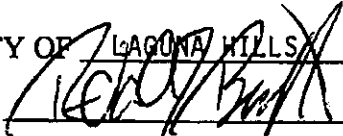
14 APPROVED AS TO FORM:

15 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

16 BY 
 DEPUTY

17 Dated: May 6, 1998

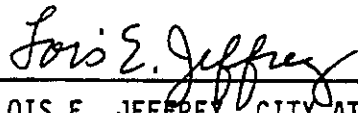
18
 19
 20
 21 Dated: July 23, 1996

CITY OF LAGUNA HILLS
 BY 
 RANDAL J. BRESSETTE, MAYOR

22 ATTEST:

23
 24
 25 By: 
 MARY CARLSON, CITY CLERK

APPROVED AS TO FORM:

By: 
 LOIS E. JEFFREY, CITY ATTORNEY

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-3, 1997

COUNTY OF ORANGE

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THE BOARD

BY Koger R. Stanton
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom

DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY Darlene J. Bloom
DEPUTY

Dated: May 16, 1996

Dated: JUNE 19, 1996

CITY OF LAGUNA NIGUEL

BY Timothy J. Casey
Tim Casey, City Manager

APPROVED AS TO FORM:

9

Terry E. Dixon
Terry E. Dixon
City Attorney
City of Laguna Niguel

6/19/96

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COUNTY OF ORANGE

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BY Roger R. Stanton
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom
DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY Dub...
DEPUTY

Dated: May 16, 1994

Dated: June 7, 1996

CITY OF LA HABRA

BY Jerry Bankston

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1994

20
 21 Dated: August 20, 1996

CITY OF Lake Forest

22 BY Richard Dixon
 23 Richard Dixon
 24 Mayor

25
 26 Joseph L. Diaz
 27 City Attorney

28 Jerri L. Stata
 City Clerk

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1996

20
 21 Dated: JUNE 18, 1996

CITY OF LA PALMA

22 BY Dwaine Schuster
 23 MAYOR

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-3, 1997

COUNTY OF ORANGE

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CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom
DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY Darlene J. Bloom
DEPUTY

Dated: May 6, 1996

Dated: Sept. 23, 1996

CITY OF LOS ALAMITOS

BY Robert D. Wallington
Mayor

APPROVED AS TO FORM:

ATTEST:

W. Allen
City Attorney

Donna J. Veltri
City Clerk

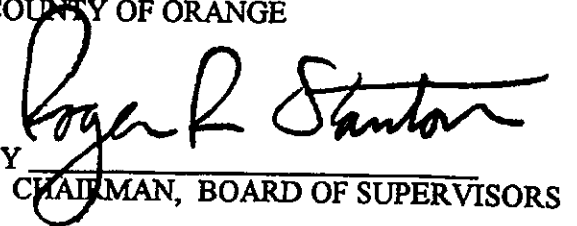
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CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

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13 DARLENE J. BLOOM
14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

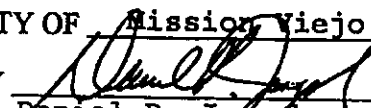
17 BY 
18 DEPUTY

19 Dated: May 6, 1996

20
21 Dated: June 24, 1996

CITY OF Mission Viejo

BY


Daniel P. Joseph
City Manager

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COUNTY OF ORANGE

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1996

20
 21 Dated: 7-10, 1996

CITY OF Newport Beach
 BY [Signature]

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COUNTY OF ORANGE

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

Darlene J. Bloom
 DARLENE J. BLOOM

12 CLERK OF THE BOARD OF SUPERVISORS

13 APPROVED AS TO FORM:

14 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

15 BY Darlene J. Bloom
 16 DEPUTY

17 Dated: May 6, 1996

18
 19
 20
 21 Dated: _____, 19 ____

CITY OF ORANGE

22 BY David L. Rudat

23 David L. Rudat, City Manager

24 APPROVED AS TO FORM

25 DATE: 7-23-96

26 BY: Laurence M. Watson

27 David L. Rudat CITY ATTORNEY

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COUNTY OF ORANGE

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BY Roger R. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST:

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 16, 1996

20
 21 APPROVED AS TO FORM:

22 Carl B. Tanentam
 23 City Attorney

CITY OF PLACENTIA

BY Carol Downey
 Mayor

24
 25
 26 DATED _____, 1996

ATTEST:

Edmund M. Buel
 City Clerk

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COUNTY OF ORANGE

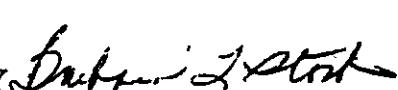
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BY 
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST 
 12 DARLENE J. BLOOM
 13 CLERK OF THE BOARD OF SUPERVISORS

14 APPROVED AS TO FORM:

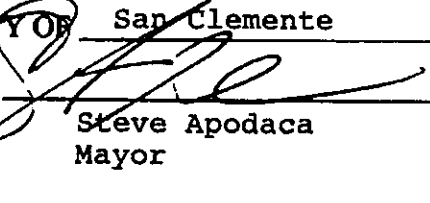
15 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

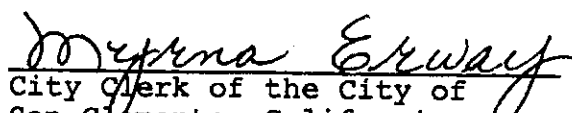
16 BY 
 17 DEPUTY

18 Dated: May 6, 1996

19
 20
 21 Dated: June 19, 1996

CITY OF San Clemente

22 BY 
 23 Steve Apodaca
 24 Mayor

25 Attest:
 26 
 27 City Clerk of the City of
 28 San Clemente, California

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COUNTY OF ORANGE

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 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1996

20
 21 Dated: July 2, 1996

22 APPROVED AS TO FORM

23 Richard K. Denhalter
 24 Richard Denhalter, City Attorney

25 June 25, 1996

CITY OF San Juan Capistrano

BY Wyatt Hart
 Wyatt Hart, Mayor

ATTEST:

George Johnson
 City Clerk

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

DATED 2-3, 1997

COUNTY OF ORANGE

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THE BOARD

BY *Roger R. Stanton*
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST

Darlene J. Bloom

DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY *Darlene J. Bloom*
DEPUTY

Dated: May 6, 1996

Dated: JUNE 3, 1996

CITY OF SANTA ANA

ATTEST:

BY _____

JANICE C. GUY
CLERK OF THE COUNCIL

Approved as to content

[Signature]

City Manager

APPROVED AS TO FORM
Richard E. Lay
RICHARD E. LAY
ASSISTANT CITY ATTORNEY

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BY 
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 
 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY 
 18 DEPUTY

19 Dated: May 6, 19 94

20
 21 Dated: July 31, 19 96

CITY OF SEAL BEACH

22 BY 
 23 Keith R. Till, City Manager

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
 2 forth opposite their respective signatures on identical counterparts of this instrument, each of which
 3 shall be for all purposes deemed an original thereof.

4
 5 DATED 2-3, 1997

COUNTY OF ORANGE

6
 7 SIGNED AND CERTIFIED THAT A
 8 COPY OF THIS DOCUMENT HAS BEEN
 9 DELIVERED TO THE CHAIRMAN OF
 10 THE BOARD

BY Roger L. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom
 13 DARLENE J. BLOOM

14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1996

20
 21 Dated: November 12, 1996

CITY OF STANTON

22 BY [Signature]
 23 Mayor of the City of STANTON

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 13 DARLENE J. BLOOM
 14 CLERK OF THE BOARD OF SUPERVISORS

15 APPROVED AS TO FORM:

16 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

17 BY Darlene J. Bloom
 18 DEPUTY

19 Dated: May 6, 1998

20
 21 Dated: Aug. 5, 1996

CITY OF Justin

BY Gray Wills Worley

22
 23
 24 APPROVED AS TO FORM

25
 26 Lois E. Jeffrey
 27 LOIS E. JEFFREY
 28 City Attorney

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COUNTY OF ORANGE

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BY Roger R. Stanton
 CHAIRMAN, BOARD OF SUPERVISORS

11 ATTEST

12 Darlene J. Bloom

13 CLERK OF THE BOARD OF SUPERVISORS

14 APPROVED AS TO FORM:

15 Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

16 BY Darlene J. Bloom
 17 DEPUTY

18 Dated: May 16, 1996

19
 20
 21 Dated: June 25, 1996

CITY OF VILLA PARK

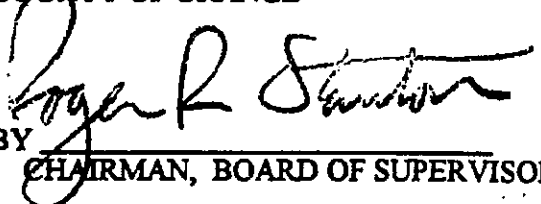
22 BY Darryl A. Leves
 23
 24
 25
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IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each of which shall be for all purposes deemed an original thereof.

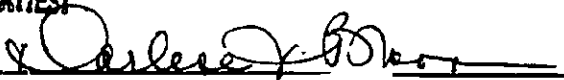
DATED 2-3, 1997

COUNTY OF ORANGE

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

BY 
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST



DARLENE J. BLOOM

CLERK OF THE BOARD OF SUPERVISORS

APPROVED AS TO FORM:

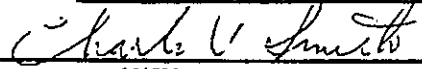
Laurence M. Watson, Acting Chief Assistant COUNTY COUNSEL

BY 
DEPUTY

Dated: May 6, 1994

Dated: July 24, 1996

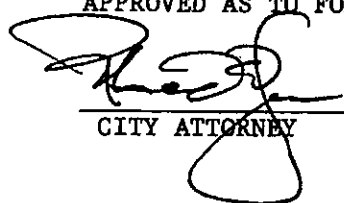
CITY OF WESTMINSTER

BY 
MAYOR

APPROVED AS TO CONTENT:

APPROVED AS TO FORM:


CITY MANAGER


CITY ATTORNEY

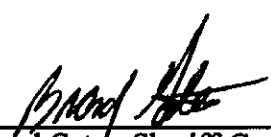
ATTEST:


CITY CLERK

1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
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4
5 DATED 4/30/, 1997

COUNTY OF ORANGE

6
7
8 BY 
Brad Gates, Sheriff-Coroner

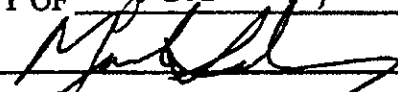
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11 APPROVED AS TO FORM:

12 Laurence M. Watson, County Counsel

13
14 BY 
DEPUTY

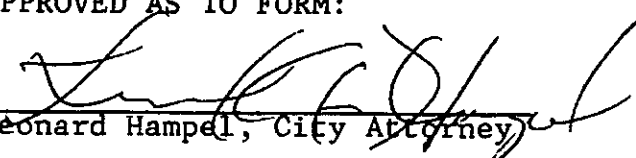
15 Dated: 5/16/97, 1997

16
17 CITY OF Orange, Florida

18 BY 

19 Dated: May 6, 1997

20 APPROVED AS TO FORM:

21
22 
Leonard Hampel, City Attorney

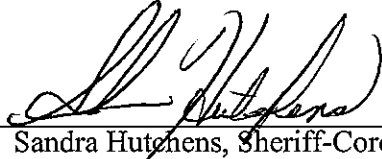
ATTEST:


Carolyn Wallace, City Clerk

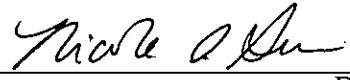
1 IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set
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4
5 DATED: 9/16/14

COUNTY OF ORANGE

6
7 BY: 
Sandra Hutchens, Sheriff-Coroner

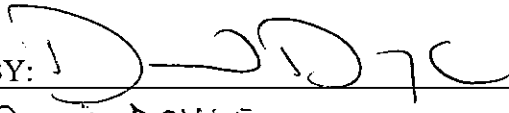
8 APPROVED AS TO FORM:
9 Office of County Counsel
Orange County, California

10 BY: 
11 DEPUTY

12 DATED: 9/16/14

13
14
15
16 DATED: _____

CITY OF ALISO VIEJO .

17 BY: 
18 DAVID DOYLE
19 CITY MANAGER.
20
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JOINT AGREEMENT FOR THE IMPLEMENTATION AND OPERATION
OF THE ORANGE COUNTY
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM

THIS AGREEMENT, made and entered into the 16th day of September
~~19~~2014, is by and between the County of Orange, a political subdivision of the State of California,
hereinafter "COUNTY," and the City of Rancho Santa Margarita, a municipal corporation, hereinafter
"USER."

WITNESSETH

WHEREAS, The State Department of Justice maintains an automated system for retaining and
identifying fingerprints, said system being known as the California Identification System ("CAL-ID"),
and

WHEREAS, the Penal Code, Section 11112.1 et seq., provides for the establishment of a Remote
Access Network ("RAN"), consisting of a statewide network of equipment and procedures allowing
local law enforcement agencies direct access to CAL-ID, and

WHEREAS, COUNTY and USER deem it important to have direct access to CAL-ID, and

WHEREAS, there has been established in COUNTY a local board ("RAN BOARD"), which is
charged with determining the placement of RAN equipment within the COUNTY, coordinating
acceptance, delivery and installation, and developing procedures for the use and maintenance of the
equipment, and

WHEREAS, COUNTY, in cooperation with USER, the RAN BOARD and the Department of
Justice, has developed a local network ("SYSTEM") to access CAL-ID, and

WHEREAS, it is recognized that new users may, from time to time, require access to SYSTEM.

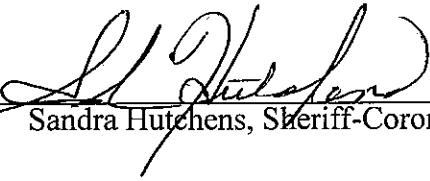
NOW, THEREFORE, COUNTY and USER agree as follows:

I. Exhibit "A" (USERS of the CAL-ID Automated Fingerprint Identification System)
and "B" (Orange County Local RAN Board Operating Policies) are attached hereto and incorporated
herein by reference.

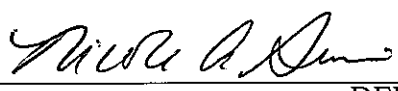
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4
5 DATED: 9/16/14

COUNTY OF ORANGE

6
7 BY: 

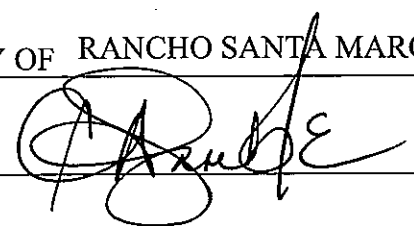
Sandra Hutchens, Sheriff-Coroner

8 APPROVED AS TO FORM:
9 Office of County Counsel
Orange County, California10
11 BY: 

DEPUTY

12
13 DATED: 8/29/1414
15
16 DATED: 8-13-2014

CITY OF RANCHO SANTA MARGARITA

17
18 BY: 

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date set forth opposite their respective signatures on identical counterparts of this instrument, each which shall be for all purposes deemed an original thereof.

DATED: _____

COUNTY OF ORANGE

BY: _____

Don Barnes, Sheriff-Coroner

APPROVED AS TO FORM:
Office of County Counsel
Orange County, California

BY: _____
DEPUTY

DATED: _____

DATED: _____

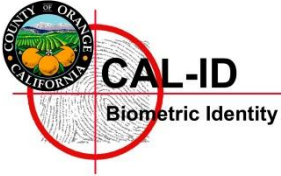
CITY OF Laguna Woods

BY: _____

Cynthia Conners, Mayor

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney



Orange County
Local Remote Access Network Board
Meeting Minutes
May 29, 2014

Meeting was called to order by Vice Chair La Palma Police Chief Eric Nunez at 1:35pm
 OC Crime Lab Training Room C, 320 N. Flower Street, Santa Ana

IN ATTENDANCE

BOARD POSITION	MEMBER	ALTERNATE
Sheriff	☐ Sandra Hutchens, <i>Chair</i>	☒ Assistant Sheriff Don Barnes
Chief of Largest Department	☒ SAPD Chief Carlos Rojas	☐ Vacant
Member of Board of Supervisors	☐ Supervisor Janet Nguyen	☐ Supervisor Todd Spitzer
District Attorney	☒ Tony Rackauckas	☐ Vacant
Police Chief selected by OCCSA	☒ LPPD Chief Eric Nunez, <i>Vice Chair</i>	☐ BPD Chief Jack Conklin
Mayor	☒ Los Alamitos City Mayor Gerri Graham-Mejia	☐ La Palma Council Member Ralph Rodriguez
Member-at-Large	☒ TPD Chief Charles Celano	☐ Los AL PD Chief Todd Mattern

Technical Advisory Committee	☒ Heather Heider, Vice Chair	☐ Chad Callahan
	☐ Karrie Casada	☒ Dale Miller

Staff Lisa Zinn, Cal-ID Manager

DISCUSSION ITEMS

1. Minutes of RAN Board Meeting September 12, 2013

After the Chair determined that a quorum was present, the Minutes of RAN Board Meeting of September 12, 2013 were approved.

2. Old Business

A. Status of Recruitments

Fingerprint Technician – there are three vacancies out of nine positions. A public recruitment is in process, with 161 applicants scheduled for written examinations this month.

Supervising Forensic Specialist – this position was vacated in November 2013. The recruitment was open to the public, a selection was made, and the candidate is undergoing a background investigation.

Written testing has been completed for 161 applicants, reducing the pool to 46 applicants for interviews. Successful candidates will be subject to a Sheriff's Department background investigation prior to hiring, which will take several months. The supervisor candidate is currently undergoing a background investigation.

B. Orange County ABI System Project Update

The design, development, and delivery of the system are more than 80% complete and roughly half of the \$7.1 million contract has been paid out. The hardware has been delivered to the central site (OC Crime Lab) and all user agencies. Installation is in progress, with connectivity being established between the central servers and 42 live scans, 13 user agency latent print workstations, OCSD data systems, and Cal-DOJ. The next steps include another comprehensive round of accuracy and functional testing, training for 62 examiners, and the final migration of data from the old system to the new.

Orange County ABI System Project 2011-2014				
Contractor: Higgins & Associates, Inc. (Consultant services 1/11/2011 to 1/10/2015)				
Progress 				
Kickoff Meeting	Milestone 1 Release of ~~RFP~~ RFI	Milestone 2 RFP(4/16)/Vendor Selection	Milestone 3 System Implementation & Final Acceptance	
Feb 8, 2011	~~Jun 2011~~ Aug 2011	~~Jan 2012~~ ~~Apr 2012~~ Sept 2012	~~Dec 2012~~ ~~Mar 2013~~ ~~Apr 2014~~ Aug 2014	
Contractor: MorphoTrak, Inc. (System contractor 12/18/12 to 12/17/16)				
Progress 				
Kickoff Meeting	Milestone 1 System Design Review (SDR)	Milestone 2 Pre-Ship Review (PSR)		Milestone 3 Site Acceptance Test (SAT)
Jan 22, 2013	~~Mar 2013~~ May 2013	~~Jan 2014~~ Mar 2014		~~Feb 2014~~ Jun 2014
				Milestone 4 System Acceptance Review (SAR)
				~~Apr 2014~~ Aug 2014

The project is going well. Issues are getting resolved and progress continues. This system has been a long time in the making and will allow the county to take on other biometric identification projects. The go live date is expected to be in July for this core backend system. The chart above shows the overall progress in green and the new milestone dates along with their original target dates.

C. Cal-ID Funding Update

Action items from previous meetings:

- i. Provide the Board with approximations of user shared costs calculation based on computer use time compared to member city populations

6/6/13 Comparison table provided and reviewed at June meeting

ii. Meet with Aliso Viejo, Laguna Woods, and Rancho Santa Margarita and pursue adding them to the Cal-ID member agreement

December 2013 – present Ongoing outreach to the three non-member cities. Concerns have been raised over the language of the AFIS agreement and the possible liability of new members for previously incurred costs. Per Board of Supervisors Minute Order dated March 18, 1997, the Sheriff is authorized to execute the joint agreement for new users provided the new user is not required to pay more than \$10,000 in additional costs to reimburse for previously incurred costs. So far, the three new cities have not executed the agreement. See item 3B below.

iii. Begin meeting with City Managers & Chiefs to explain the history and the need for reinstating user shared costs

December 2013 – March 2014 City Managers and Chiefs were provided with the background information for resuming the collection of shared costs. The final figures for FY 14-15 were published to all in March.

iv. Meet with Anaheim and discuss their intentions regarding AFIS

Discussions were had with Anaheim Police Chief Quezada. Anaheim intends to support the AFIS system and contribute their portion of the shared costs.

v. Recommend a policy for keeping a reserve, determining a cap, and reviewing billing each year

Discussions have begun with the OCSD financial group.

vi. Pursue updating the user agreement with changes to fee language, to include a cap for user fee collections

The specific desired changes to the agreement, if any, need to be determined. County Counsel advises that a new RAN Board policy could address some of the desired enhancements without the need to change the original agreement. The Board is advised to consider establishing policies for specific issues.

vii. Prepare a letter to Chiefs of Police announcing the anticipated user shared costs for next year, send out in November/December

The Chiefs were updated at the October 2013 OCCPSA meeting.

viii. Cal-ID Manager to survey other California RAN Boards about their implementation of user fees and report back to the Board.

8/9/13 Of seven local counties surveyed, three are currently collecting user shared costs. The shared costs are collected from each user city based on a population formula, similar to the Orange County agreement. The remaining cities rely on the DMV fees to support Cal-ID operations and equipment purchases.

It was asked if the Board actions taken today would satisfy the concerns of the non-member cities considering becoming signatories of the AFIS agreement. Feedback received so far indicates that the actions on today's agenda would satisfy all concerns. Through discussions with Anaheim PD Chief Quezada and other personnel, it is clear that Anaheim intends to fully support the county system and its costs. Discussions have been more open and a positive relationship is being formed between Anaheim PD personnel and the Cal-ID manager. Regarding financial and other policy enhancements of the AFIS user agreement, it has been deemed appropriate by county counsel for the Board to create new policies as an alternative to revising the agreement. Discussion also included a summary of past discussions on the feasibility of shared costs being determined by use rather than population, which would be a change to the agreement. Costs determined by use are much more difficult to assess in the current system environment.

A motion was made and duly seconded to address these issues with policy rather than a re-issuance of the user agreement.

3. New Business

A. Composition of the Orange County RAN Board Members, Alternates, Vacancies

i. Appointment of Alternate for Chief Rojas

The Orange County RAN Board's policy is that each Member may nominate an Alternate Member to their position with full voting rights in the Member's absence and that nominations for Alternates be voted upon by the Board. Chief Rojas nominates Deputy Chief Dave Valentin as his Alternate.

Chief Rojas introduced Deputy Chief Valentin, who is in charge of the Investigations Bureau which includes the Forensics lab. Deputy Chief Valentin was the schools Police Chief for quite some time and has now joined SAPD.

The Board approved Deputy Chief Dave Valentin as Alternate for Chief Rojas.

ii. Appointment of Mayor seat

The Orange County City Selection Committee appoints the Mayor seat for the Orange County RAN Board. The City Selection Committee met on May 15, 2014 and appointed Los Alamitos City Mayor Gerri Graham-Mejia.

No discussion

iii. Appointment of Alternate for District Attorney Tony Rackauckas

The Orange County RAN Board's policy is that each Member may nominate an Alternate Member to their position with full voting rights in the Member's absence and that nominations for Alternates be voted upon by the Board. Mr. Rackauckas nominates Craig Hunter, Chief of Bureau of Investigation, as his alternate.

Mr. Rackauckas introduced Chief Hunter, who is the Chief of the Bureau of Investigations.

The Board approved Chief Hunter as Alternate for Mr. Rackauckas.

B. New User Assessments and Non-Participant Costs

Per the Joint Agreement for the Implementation and Operation of the Orange County Automated Fingerprint Identification System:

Section V(d) NEW USER ASSESSMENTS. In addition to the foregoing costs (Annual Proportional Share of System Costs and Operational Costs, Shortfall in Operational

Costs), any new USER desiring to execute this Agreement in order to become a member of the SYSTEM shall be assessed and pay in full an amount to offset previously incurred SYSTEM COSTS that were borne by existing USERS. The amount of said assessment shall be determined by the RAN Board in accordance with Section IV(b)(2) of this Agreement.

Section V(e) NON-PARTICIPANT COSTS. All cities will be encouraged to make use of and support the SYSTEM. However, the RAN BOARD may make payment of certain OPERATIONAL COSTS AND SYSTEM COSTS a condition of use of the SYSTEM by cities or other entities that have not executed this Agreement. The costs to be charged to such non-participants shall be determined by the RAN BOARD annually.

Historically, all cities have supported the agreement and become participants, which meant that all shared the responsibility for the start-up costs and several years of support costs to bring the new AFIS to Orange County. For the last seventeen years, all cities have benefited from the program free of charge. Now that operational costs must be assessed again, it is recommended that agreement non-participants be assessed a proportional share in the same fashion as agreement participants in order to fairly distribute the new burden to all benefiting users.

Rancho Santa Margarita (RSM) City Manager Jennifer Cervantez thanked the Board for the opportunity to address them on this topic. She said that as a newer city, they are sometimes surprised when costs get allocated to them pursuant to old agreements that they are not knowledgeable about. RSM wanted to do their due diligence and look into the agreement, acknowledging that the AFIS system is a worthwhile system that has been used by RSM and the Sheriff's Department. She acknowledged that there have been a number of years in which no costs were incurred by user cities and now the costs will be shared by all. In considering whether to sign on to the agreement, RSM had two major concerns. The first was about being liable for previously incurred costs. Ms. Cervantez appreciated the recommended action to not assess new participants for previous costs and encouraged the Board to support it. The second concern was about the model for the allocation of the shared costs. She said that RSM is probably a low volume user and would likely benefit from a cost model based on use rather than population. She encouraged the Board, in its future considerations, to look at a per use model or a combination model of per use and population to find something that was equitable and fair to all users.

There was further discussion on the shared costs being assessed on a per use basis or a flat fee plus per use to be more equitable for low volume users. Some analysis has been done and was presented to the Board in a prior meeting. That analysis was based on what data was available at the time and proved to be difficult to obtain and not a true or full representation of use. Past Board discussions on the same topic included concerns that agencies would make decisions about system use with their budgets in mind, which could have a negative impact crime solving. Also, system use was more unpredictable than population and would make the annual costs estimates more difficult to arrive at each year. The per use analysis also showed a greater disparity of costs than the population formula, with some users paying nearly nothing and some cities and the county paying a heavy price. It was suggested that after a period of time, perhaps one year on the new system, better data would be available to support future considerations of a change in the cost model, however the per use data would be only a part of the calculation. Infrastructure and overhead costs would need to be

factored in. Further comments were made for both sides of the argument. One opinion was that agencies may choose to opt out of the county agreement and find a more cost effective way to accomplish the service. Other opinions emphasized earlier arguments that a per use model could encourage low use and force the prioritization of casework, leaving potentially significant cases un-investigated. Participation is paramount to the success of a program like this.

1) The Board approved the assessment for FY 14-15 and future costs only for Aliso Viejo, Laguna Woods, and Rancho Santa Margarita if they choose to execute this agreement. Upon execution of this Agreement to become new USERS, they will not be assessed an amount to offset previous costs, as existing USERS have incurred no costs since 1997.

2) The Board approved the FY 14-15 costs for non-participants to be assessed by the same population formula as participant costs. Current non-participants are:

Aliso Viejo - \$16,253
Laguna Woods - \$5,420
Rancho Santa Margarita - \$15,948

3) The Board directed the Cal-ID manager to present preliminary use data in the January 2015 RAN Board meeting.

C. Assembly Bill 2393 (Levine)

This bill was introduced on 2/21/14 and would authorize a county, which has adopted a resolution to impose a \$1 fee pursuant to CA Vehicle Code Section 9250.19, to increase the fee to \$2 in the same manner that it imposed the initial \$1 fee. Orange County Board of Supervisors' Resolution 98-28 authorized the \$1 fee. As of May 20, the bill is in the Assembly for a third reading. It must pass the Assembly and be sent to the Senate. County Counsel is monitoring the legislation because it may present a legal issue under Proposition 26, which provides a comprehensive definition of "taxes," thus limiting the types of fees that governing boards of local governments may adopt without voter approval. A fee that does not fall within Proposition 26's exceptions will most likely be subject to the two-thirds voter approval requirement for special taxes.

Discussion included some additional information about the scope of changes being proposed in the bill. In addition to the \$1 fee for regular vehicles, the current code provides for a collection of \$2 for commercial vehicles. The Bill would increase that amount to \$4. If the Bill passes and is successfully implemented in Orange County, the RAN Board governed revenue would double and has the potential to fully support the Cal-ID program equipment and operational costs.

D. Procurement of Mobile Identification and Facial Recognition Solutions

With the installation of the Automated Biometric Identification System (ABI System) nearly complete, the back end support exists for countywide Mobile ID and Facial Recognition solutions. These tools are forensic biometric solutions requiring robust matching algorithms, standardized electronic records, and a high quality central repository of known individuals. Finally, Orange County has the centralized system capable of supporting such solutions.

These advanced biometric identification projects are likely to be separately bid, as they are unique solutions. For Mobile ID, the project would focus on procuring hardware (fingerprint capture devices) and connecting them to the new backend system, which already has a finger matching algorithm. For facial recognition, an add-on software package is required with face matching algorithms.

The question was raised about how this effort relates to the ILJAO e-citation project. The Board previously gave contingent approval to the ILJAO to fund the implementation of mobile fingerprint identification on the e-citation devices. This would include funding for the fingerprint readers that attach to the devices. It has always been Cal-ID's understanding that e-citation devices would not be distributed widely enough to serve as the county's sole Mobile ID solution so a second device may need to be available. Also, it remains to be seen whether the ILJAO can meet the Board's criteria toward making the e-citation device attachment successful.

Comments were made that some agencies have re-considered a limited distribution of e-citation devices and decided to purchase a larger quantity so all officers have access to them. Other agencies will have a limited distribution. The courts have forced the agencies to go to e-citation so law enforcement is already committed to carrying that device. The Board's primary focus should be on integrating Mobile ID into those devices before pursuing other solutions because officers do not want to carry multiple devices. There is a need for further communication with the ILJAO, police chiefs, and the Sheriff to clarify the compatibility of the fingerprint readers that are already committed to by the ILJAO and individual agencies.

Clarification was given that the recommended action would give the Cal-ID manager the tools necessary to implement a Mobile ID solution, whether it was singular in scope and working with the e-citation devices only or multi-pronged and pursuing a new purchase in addition to supporting the e-citation project.

- 1) The Board approved the RAN TAC to make technical requirements recommendations to support a competitive procurement of Mobile Identification and Facial Recognition solutions.**
- 2) The Board directed the Cal-ID Manager to work with the Sheriff's Purchasing Department to open a competitive procurement for Mobile Identification and Facial Recognition solutions, using the requirements recommendations of the RAN TAC.**

E. Orange County Probation Live Scan

The Orange County Probation Department is requesting permission to connect a standard new model live scan booking station to the County AFIS system. The Probation Department is purchasing the device; it is not RAN Board funded. The Probation Department intends to meet the technical criteria to connect to the local AFIS system and plans to transmit applicant transactions from this device.

The Board approved the connection of the Orange County Probation Department’s new live scan device to the local AFIS system.

4. Cal-ID Manager Expenditure Report

This Board approved a \$50,000 spending authority for the Cal-ID Manager to purchase equipment, services and supplies without pre-approval from this Board. This Board also authorized the Cal-ID Manager to establish contracts to renew maintenance and services previously approved by this Board. An update is provided for the RAN Board members at each meeting.

DELL Marketing LP	\$12, 800	Upgrade Photoshop licenses for use with new ABI System
Liebert Corporation	\$9,396	Power distribution cabinet for new ABI System servers
PCMG Inc	\$9,899	Networked digital storage solution for all Orange County arrestee fingerprint and palmprint cards produced as a result of the conversion of inked cards for the new ABI System.

5. Committee Reports

The RAN Technical Advisory Committee Vice Chair Heather Heider provided a verbal report of their activities, including an update on the Committee membership and training expenditures. Since last meeting, OCSD and several county police agency personnel have attended RAN Board sponsored training totaling \$15, 302.60. The committee is working on a scope of work for the live scan replacement RFP. Training contracts have been established with two providers of forensic fingerprint examination for a budgeted amount of \$99,000. This training will serve all county forensic fingerprint examiners.

6. Set Next Meeting Date

In accordance with a trimester schedule, the next meeting date was set for September 25th, 2014.

6.6

CITY HALL/PUBLIC LIBRARY PROJECT

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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
OBRARCHITECTURE, INC.
FOR CITY HALL/PUBLIC LIBRARY PROJECT ARCHITECTURAL SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 20th day of November 2019 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and obrARCHITECTURE, 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 November 20, 2019 and ending at 11:59 p.m. on June 30, 2022. Such term may be extended upon written agreement of both parties to this AGREEMENT.

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 part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY.

ITEM 6.6

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 modification or reuse for purposes outside this AGREEMENT of CITY-owned work product

generated or produced by CONSULTANT.

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. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of

ITEM 6.6

CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, 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.

(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".

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.

(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, 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 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

ITEM 6.6

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 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,

ITEM 6.6

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 obtain approval, in writing, from CITY of any changes in CONSULTANT's staff assigned to perform the services required under this AGREEMENT, prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

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

ITEM 6.6

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: obrARCHITECTURE, Inc.
 ATTN: Garrick Oliver
 3817 Ray Street
 San Diego, CA 92104

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.

ITEM 6.6

No extension of, 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 attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 30. ENTIRE AGREEMENT.

This AGREEMENT, including the attached EXHIBITS "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 _____
Cynthia Conners, Mayor

CONSULTANT:

By _____
Garrick Oliver, Architect/Principal

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT shall perform and complete the City Hall/Public Library Project architectural services specified herein 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.

City Hall/Public Library Services

All of the following tasks relate to CITY's intention to construct a new approximately 1,800-1,850 square foot library building adjacent to the existing City Hall building, and make aesthetic changes to the existing City Hall building for compatibility/harmony with the library building.

- **Task 1 – Site Investigation:** CONSULTANT shall personally inspect the project site as necessary to confirm existing conditions. CONSULTANT shall prepare a geotechnical investigation and recommendations for grading/foundations. CITY shall provide a topographic survey, including underground utility locations, in a CAD file format, for CONSULTANT's use.
- **Task 2 – Schematic Design:** Based on program information provided by CITY, as well as the site investigation, CONSULTANT shall prepare a schematic design package for the library building. At a minimum, the schematic design package shall include a floor plan, site plan, and two exterior three-dimensional renderings of the library building and existing City Hall building. CONSULTANT shall present the design package to CITY in order to obtain feedback, and shall update the design package to meet CITY's needs.
- **Task 3 – Design Development (50% Submittal):** Based on the approved floor plan, CONSULTANT shall develop a set of drawings expressing the full extent of the design. The drawings shall include architectural, structural, mechanical, plumbing, and electrical engineering. CITY shall separately contract for civil engineering and landscape/irrigation design; CONSULTANT shall coordinate with those design professionals as necessary. CONSULTANT anticipates that low voltage, fire alarm, and fire sprinkler system (if required) will be described in the drawings as a design-build/deferred approval item. CONSULTANT shall prepare an opinion of probable cost at the conclusion of this task.
- **Task 4 – Construction Documents (100% Submittal):** Based on the approved design development drawings, CONSULTANT shall prepare a complete set of drawings and technical specifications (book format) for CITY's review. CONSULTANT shall prepare technical specifications for review by CITY and preparation for bidding. CONSULTANT shall provide an updated opinion of probable cost after the completion of construction documents. At the conclusion of this task, CONSULTANT shall make a submittal to CITY for plan check and permitting. CONSULTANT shall respond to comments from CITY and assist CITY in obtaining building permits for construction.

ITEM 6.6

- **Task 5 – Bid & Construction Administration:** During the bid period, CONSULTANT shall review and respond to requests for information and issue bid addenda, as necessary. CONSULTANT shall also assist CITY in reviewing bids for accuracy prior to award of contract. Prior to construction, CONSULTANT shall participate in a pre-construction meeting with CITY and the contractor at the project location. Once construction begins, CONSULTANT shall work with CITY and the contractor to inspect and observe the construction of the project. CONSULTANT shall be expected to inspect and observe the project location on a bi-weekly basis and as necessary, answer requests for information, review submittals, and review change orders in a manner that assures timely completion of construction.

As-Needed City Hall/Public Library Services

CONSULTANT shall also provide as-needed architectural services to CITY related to the City Hall/Public Library Project. As-needed services may include, but are not limited to:

- Civil engineering/grading plans
- Landscape/irrigation design
- Preparation of revisions to approved drawings when data or approvals previously given by the client
- Changes in design program, budget or schedule following interim approvals
- Additional meetings or presentations not listed in tasks 1-5
- Any other service not described within tasks 1-5
- Acoustical consulting/engineering
- Leadership in Energy and Environmental Design (LEED) consulting

EXHIBIT "B"
COMPENSATION

City Hall/Public Library Services

CONSULTANT shall be compensated in the amount of \$126,700.

Table 1-1: Compensation Schedule

Description	Rate
Task 1 – Site Investigation	\$19,250
Task 2 – Schematic Design	\$7,000
Task 3 – Design Development (50% Submittal)	\$30,500
Task 4 – Construction Documents (100% Submittal)	\$54,000
Task 5 – Bid & Construction Administration	\$15,950
TOTAL:	\$126,700

As-Needed City Hall/Public Library Services

CONSULTANT's rates shall be as follows:

Table 2-1: Compensation Schedule

Description	Rate*
Principals	\$175 per hour
Principal Architect/Coordinator	\$155 per hour
Associates/Project Manager	\$140 per hour
Project Architect	\$130 per hour
Designers	\$130 per hour
Draftsperson	\$120 per hour
Clerical	\$80 per hour

* All "per hour" services are billed in increments of ¼ of an hour and shall be provided on an as-needed basis with no specific, minimum, or expected amount of work or compensation.

ITEM 6.6

The hourly rates set forth in tables 1-1 and 1-2 are all inclusive, with the exception of reproduction; oversized (larger than 11" x 17") and specialty printing; blueprinting; binding; and, courier/mailing services, all of which must be authorized by CITY, in advance, and may only be charged to CITY at cost (as evidenced by receipts). 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, administrative overhead.

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 6.6

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 6.6

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.

6.7

**AMERICANS WITH DISABILITIES ACT (ADA)
PEDESTRIAN ACCESSIBILITY IMPROVEMENT
PROJECT: PHASE 3
(NO REPORT)**

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6.8

**PAVEMENT MANAGEMENT PLAN PROJECT
(WESTBOUND EL TORO ROAD BETWEEN
AVENIDA SEVILLA AND WILLOW TREE
CENTER)
(*NO REPORT*)**

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6.9

**CITY HALL REFURBISHMENT AND SAFETY
PROJECT: PHASE 1
(*NO REPORT*)**

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7.1

**CONDITIONAL USE PERMIT CUP-1394 TO
ALLOW FOR THE ESTABLISHMENT OF A
VEHICLE WASHING FACILITY AT 23081 VIA
CAMPO VERDE, LAGUNA WOODS, CA 92637**

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: November 20, 2019 Regular Meeting

SUBJECT: Conditional Use Permit CUP-1394 to allow for the establishment of a vehicle washing facility at 23081 Via Campo Verde, Laguna Woods, CA 92637

Recommendation

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1394 TO ALLOW FOR THE ESTABLISHMENT OF A VEHICLE

WASHING FACILITY AT 23081 VIA CAMPO VERDE, LAGUNA
WOODS, CA 92637

Background

The City has received a conditional use permit application from the Golden Rain Foundation (“Applicant”) to allow for the establishment of a vehicle washing facility at the address listed below. In addition to being the applicant, the Golden Rain Foundation is the property owner and has approved the application.

Project Location: 23081 Via Campo Verde
Laguna Woods, CA 92637

The project location is within the Laguna Woods Village Services Center, an existing maintenance and operational support facility serving the private community of Laguna Woods Village. The project site is located generally south of El Toro Road and west of Moulton Parkway. Via Campo Verde is a private road.

Surrounding land uses are listed in Table 1.

A vicinity map is included as Attachment B.

Table 1: Surrounding Land Uses

General Location	General Plan Land Use Designation	Land Use
North	Open Space	Vacant; vegetation and drainage
South	Residential Community	Laguna Woods Village Services Center
East	Residential Community	Laguna Woods Village Broadband Services / RV & Vehicle Parking
West	Commercial	Home Depot Center

The project location is zoned as Residential Community, subject to the Residential Community-Maintenance overlay zoning district. The Residential Community-Maintenance overlay zoning district designates areas to “provide for the continued development and preservation of specialized maintenance and operational support facilities that provide services to the base Residential Community (RC) zoning district, and to prohibit incompatible uses” [Laguna Woods Municipal Code Section 13.08.040(b)]. In this case, the “base Residential Community (RC) zoning district” is the private community of Laguna Woods Village.

Laguna Woods Municipal Code Section 13.08.040(g) requires the issuance of a conditional use permit prior to the establishment of vehicle washing facilities in the Residential Community-Maintenance overlay zoning district.

Discussion

At today's meeting, the City Council will conduct a public hearing regarding the application for Conditional Use Permit CUP-1394 to allow for the establishment of a vehicle washing facility at 23081 Via Campo Verde, Laguna Woods, CA 92637, after which approval will be considered (Attachment A).

If Conditional Use Permit CUP-1394 is approved, the vehicle washing facility would be constructed in an area that is currently used for storage and would consist of a single vehicle stall area of approximately 858 square feet. The vehicle washing facility would be covered with a 23-foot-high metal canopy and be bermed to contain wash water. Wash water would drain to the sanitary sewer system after first flowing through a clarifier to remove suspended and particulate solids, subject to all requirements of the El Toro Water District.

The Applicant has indicated that the vehicle washing facility would operate for approximately two hours per day, Monday through Friday, during regular working hours. While operating, the Applicant expects that one existing employee would be assigned to provide necessary labor. The vehicle washing facility would primarily be used to wash landscape vehicles and street sweepers that provide services to Laguna Woods Village; washing of personal vehicles would be prohibited.

Staff has determined that because the proposed vehicle washing facility would be an accessory use to the Laguna Woods Village Services Center's automobile/truck maintenance and repair facility and because the proposed vehicle washing facility would not (1) operate as a commercial business, (2) be used to wash vehicles driven for purposes other than providing services to Laguna Woods Village, or (3) reduce existing off-street parking spaces, existing off-street parking would be sufficient.

The proposed resolution approving the conditional use permit includes conditions of approval, which would regulate activities in a manner consistent with the purpose and intent of Chapter 13.08 of the Laguna Woods Municipal Code.

The proposed conditional use permit would apply to the proposed initial use (Golden Rain Foundation), as well as eligible successors.

Environmental Review

This project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15303 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of a vehicle washing facility, including the construction and location of limited numbers of new, small facilities and structures. Specifically, the project, if approved, would permit an outdoor vehicle washing facility less than 1,000 square feet in floor area and associated features (e.g., walls, canopy, lighting, wastewater capture devices, and utility connections). The facilities and structures included in the project (1) do not exceed the maximum allowable on the legal parcel, (2) would not involve the use of significant amounts of hazardous substances, (3) would not require an increase in presently available public services and facilities, and (4) are not located in the vicinity of environmentally sensitive areas.

Fiscal Impact

The City’s expenses associated with processing this project are recovered through planning services fees.

Report Prepared With: Rebecca M. Pennington, Development Programs Analyst

Attachments: A – Proposed Resolution
Exhibit A – Proposed Conditions of Approval
B – Vicinity Map

RESOLUTION NO. 19-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT CUP-1394 TO ALLOW FOR THE ESTABLISHMENT OF A VEHICLE WASHING FACILITY AT 23081 VIA CAMPO VERDE, LAGUNA WOODS, CA 92637

WHEREAS, the Golden Rain Foundation (the “applicant”) submitted an application for Conditional Use Permit CUP-1394 to allow for the establishment of a vehicle washing facility at 23081 Via Campo Verde, Laguna Woods, CA 92637 in the Residential Community (RC) zoning district, subject to the Residential Community-Maintenance (RC-MT) overlay zoning district; and

WHEREAS, on November 20, 2019, the City Council of the City of Laguna Woods, after giving notice thereof as required by law, held a public hearing concerning Conditional Use Permit CUP-1394; and

WHEREAS, the City Council has carefully considered all pertinent testimony, as well as all information contained in the agenda report prepared for this application, as presented at the public hearing; and

WHEREAS, staff has reviewed the environmental form submitted by the applicant in accordance with the City’s procedures. Based upon the information received and staff’s assessment of the information, the project has been determined to be categorically exempt pursuant to Section 15303 (New Construction or Conversion of Small Structures) of the Guidelines for the California Environmental Quality Act (CEQA); and

WHEREAS, all legal prerequisites have occurred prior to the adoption of this resolution; and

WHEREAS, the City Council makes the following findings subject to the conditions of approval:

1. The use or project proposed is consistent with the General Plan.

The proposed project is consistent with the Residential Community land use designation of the General Plan. Objective I of the General Plan Land Use Element is to “promote land uses that accommodate the diverse needs of

City of Laguna Woods residents”. The proposed vehicle washing facility within the Laguna Woods Village Services Center, an existing maintenance and operational support facility, would accommodate a service that is needed for vehicles that provide services to Laguna Woods Village.

2. The use, activity or improvement(s) proposed is consistent with the provisions of the Zoning Code.

The proposed vehicle washing facility is consistent with the purpose and intent of the Residential Community-Maintenance (RC-MT) overlay zoning district, which is to “provide for the continued development and preservation of specialized maintenance and operational support facilities that provide services to the base Residential Community (RC) zoning district, and to prohibit incompatible uses” [Laguna Woods Municipal Code Section 13.08.040(b)]. In this case, the “base Residential Community (RC) zoning district” is the private community of Laguna Woods Village. Vehicle washing facilities are permitted subject to approval of a conditional use permit per Laguna Woods Municipal Code Section 13.08.040(g).

3. The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act.

Based upon information received from the applicant and staff’s assessment of the same, the proposed project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15303 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of a vehicle washing facility, including the construction and location of limited numbers of new, small facilities and structures. Specifically, the project, if approved, would permit an outdoor vehicle washing facility less than 1,000 square feet in floor area and associated features (e.g., walls, canopy, lighting, wastewater capture devices, and utility connections). The facilities and structures included in the project (1) do not exceed the maximum allowable on the legal parcel, (2) would not involve the use of significant amounts of hazardous substances, (3) would not require an increase in presently available public services and facilities, and (4) are not located in the vicinity of environmentally sensitive areas.

4. The location, size, design and operating characteristics of the proposed use will not create conditions or situations that may be incompatible with other permitted uses in the vicinity.

The proposed vehicle washing facility would not create conditions or situations that may be incompatible with other permitted uses in the vicinity. The proposed vehicle washing facility would be located within an existing maintenance and operational support facility known as the Laguna Woods Village Services Center, which houses similar uses. To the north are vacant properties used for vegetation and drainage. To the south and east are additional Residential Community-Maintenance (RC-MT) overlay zoning district uses, including other parts of the Laguna Woods Village Services Center and Laguna Woods Village Broadband Services, as well as recreational vehicle and vehicle parking. To the west, are commercial uses within the Home Depot Center. Conditions of approval are included to ensure that appropriate measures are taken to avoid conditions or situations that may be incompatible with other permitted uses in the vicinity.

5. The approval of the permit application will not result in conditions or circumstances contrary to the public health and safety and the general welfare.

The proposed project would be subject to conditions of approval which would regulate the vehicle washing facility in a manner that will not result in conditions or circumstances contrary to the public health and safety and the general welfare. Condition No. 3 requires the Applicant(s)/Owner(s) to comply with all then-current requirements of the Laguna Woods Municipal Code and the California Building Standards Code, as well as federal, state, and local laws, rules, and regulations. Condition Nos. 8, 9, and 10 relate to pollution prevention measures for the proposed vehicle washing facility. Condition No. 13 reserves the rights of the City to require additional security or safety measures, if warranted. Such conditions would assist in protecting the public from any potential risk or danger.

6. The approval of the permit application is in compliance with all City-required public facilities regulations.

The proposed project has been evaluated against all City regulations through the conditional use permit process and is deemed to be in compliance, subject to the conditions of approval. The proposed project does not require

the addition or modification of any public facilities, nor heightened levels of service for any public services operating from public facilities.

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

SECTION 1. The above recitals are true and correct.

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that this project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15303 of Title 14 of the California Code of Regulations, in that it consists of permitting and other approvals related to the establishment of a vehicle washing facility, including the construction and location of limited numbers of new, small facilities and structures. Specifically, the project permits an outdoor vehicle washing facility less than 1,000 square feet in floor area and associated features (e.g., walls, canopy, lighting, wastewater capture devices, and utility connections). The facilities and structures included in the project (1) do not exceed the maximum allowable on the legal parcel, (2) would not involve the use of significant amounts of hazardous substances, (3) would not require an increase in presently available public services and facilities, and (4) are not located in the vicinity of environmentally sensitive areas.

SECTION 3. The City Council hereby approves Conditional Use Permit CUP-1394, subject to the conditions of approval attached to this resolution as Exhibit A, which are incorporated herein by this reference.

SECTION 4. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2019.

CYNTHIA CONNERS, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 19-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 2019, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

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Exhibit A to Resolution No. 19-XX

City of Laguna Woods

Conditions of Approval for Conditional Use Permit CUP-1394

1. The proposed project shall be constructed, developed, used, operated, and permanently maintained in accordance with the terms of the application, plans, drawing, and conditions imposed herein.
2. The Applicant(s)/Owner(s) shall comply with all of the conditions of approval as part of Conditional Use Permit CUP-1394 (“conditional use permit”). Failure to comply with any one or more of the conditions imposed herein constitute grounds for revocation of said conditional use permit by the City Council.
3. The Applicant(s)/Owner(s) shall comply with all then-current requirements of the Laguna Woods Municipal Code and the California Building Standards Code, as well as federal, state, and local laws, rules, and regulations, as they pertain to the improvements and uses sought in this application, and such requirements are made a condition of the conditional use permit approval. These include, but are not limited to, all requirements related to building permits; engineering review, landscaping review, water quality review, and plan review, generally, of proposed construction plans; accessibility, including accessibility required by the federal Americans with Disabilities Act; best management practices and other actions or improvements required by applicable National Pollutant Discharge Elimination System permit(s); and, restrictions on parking, circulation, lighting, and noise.
4. This conditional use permit does not eliminate the need for building permits or include any action or finding as to compliance or approval of any other applicable federal, state or local ordinance, regulation, rule, or requirements.
5. This conditional use permit does not include any approval for signage or landscaping, nor does it represent or imply that any signage or landscaping proposed in connection with this application, or at any time in the future, will or will not be approved by the City.

ITEM 7.1 – Exhibit A to Attachment A

6. The vehicle washing facility shall not (1) operate as a commercial business, (2) be used to wash vehicles driven for purposes other than providing services to Laguna Woods Village, or (3) be used to wash vehicles outside of the hours of 7:00 a.m. to 5:00 p.m.
7. The vehicle washing facility shall not be constructed or operated in a manner that results in a reduction of the number of off-street parking spaces existing as of the date of this approval.
8. The vehicle washing facility shall (1) be covered to prevent contact with stormwater, (2) be bermed to contain wash water, and (3) only discharge wash water to the sanitary sewer system after first flowing through a clarifier to remove suspended and particulate solids. This conditional use permit does not allow the discharge of wash water to the municipal separate storm sewer system. The Applicant(s)/Owner(s) shall obtain all necessary approvals from the El Toro Water District prior to making a connection to, or discharging any wash water to, the sanitary sewer system.
9. The vehicle washing facility shall be well-marked with signs indicating where and how washing must be done.
10. Steam cleaning and engine degreasing are prohibited at, or in any way tributary to, the vehicle washing facility.
11. The exterior use of chainlink material – whether for fencing, gates, or another use – is prohibited, unless permitted under separate conditional use permit(s) or associated with activities pursuant to a valid City-issued building permit.
12. Graffiti on the property shall be removed at the Applicant(s)/Owner(s)' expense within 24 hours.
13. In the event of repeated or disproportionately high numbers of calls for law enforcement or other public safety service, or based upon input from the surrounding businesses or residents, the City Manager may require, at his or her discretion, that the Applicant(s)/Owner(s) provide additional on-site security and/or safety measures at the property, as may be reasonably calculated to address situations or circumstances leading to or causing such increased calls for service, or complaints or comments from surrounding residents or businesses.

ITEM 7.1 – Exhibit A to Attachment A

14. City staff, or their authorized representatives, shall have the right to access and enter the property to make reasonable Applicant- or Owner-authorized scheduled inspections, or unscheduled inspections in areas otherwise open to the public, to observe and enforce compliance with the criteria set forth herein.
15. In accordance with policies adopted by the City, the Applicant(s)/Owner(s) shall be responsible for any cost incurred as a result of local law enforcement, public safety, or code enforcement investigation/inspections that result in a finding of violation of any applicable laws and/or conditions of approval.
16. Any request to modify the conditions of approval contained herein shall require review and authorization by the City Manager. The City Manager may require the submission of such documentation or reporting, or the conduct of such studies or analysis, as he or she deems necessary to evaluate a request for modification. The City Manager may refer such decision to the City Council.
17. This approval may be modified or revoked by the City Council, after applicable notice and public hearing procedures have been satisfied, should it be determined, within the City's jurisdictional authority, that the conditions under which the project has been operated or maintained are detrimental to the public health, safety or welfare, or materially injurious to property or animals in the vicinity, within the City's jurisdictional authority; or if the project is operated or maintained so as to constitute a public nuisance, or if the project is operated or maintained in violation of any of the conditions of approval set forth herein, or for any other reason permitted by law.
18. Transfer: In the event of transfer of the property to which this conditional use permit pertains, the transferee shall, prior to exercising the rights granted hereunder, arrange and attend a conference with the City to review these conditions of approval, and document the manner in which activities will occur and the manner in which these conditions of approval will be met.
19. Termination: Upon approval, this conditional use permit shall become null and void (A) 180 days after such time the approved use at the approved location ceases to be operated as noted by lapse of City business license, lapse of California Department of Tax & Fee Administration permit, or date noted by City official with proper site verification of abandonment or discontinuance; or, (B) if the Applicant(s)/Owner(s) have not obtained any

ITEM 7.1 – Exhibit A to Attachment A

required building permits to construct or implement the project within 180 days of approval, unless such period is extended by the City Manager upon a showing that the Applicant(s)/Owner(s) are actively engaged in the building permit application process; or, (C) upon the expiration of building permits, due to inactivity, obtained to construct or implement this project. The City Manager may refer such decision to the City Council. This conditional use permit shall be deemed immediately terminated should the approved location be occupied by a use not in accord with this approval, subject to written notice to the Property Owner(s) with 10 days to cure.

20. The Applicant(s)/Owner(s), or successor in interest, shall as a condition of issuance of this approval, at its sole expense, defend, indemnify, and hold harmless the City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers from any claim, action, or proceeding against the City and its respective elected and appointed boards, officials, officers, agents, employees and volunteers to attach, set aside, void or annul an approval of the City Council or other decision-making body, or staff action concerning this conditional use permit approval, or its implementation. The Applicant(s)/Owner(s) shall pay all of the City's defense costs incurred by counsel of the City's choosing, and shall reimburse the City for any and all court costs and other parties' attorney fees that the City may be required by a court to pay as a result of such defense. The Applicant(s)/Owner(s) may its sole discretion participate in the defense of any such action under this condition, with its own counsel.
21. Prior to any construction or installation pursuant to this approval, the Property Owner(s) shall sign and have notarized (acknowledgement) the "Owner(s) Agreement to Conditions of Approval for Conditional Use Permit CUP-1394" and return one wet-signed original to the City Manager with a copy of a recordable legal description of all affected properties in form acceptable to the City Manager.

[SIGNATURES ON NEXT PAGE]

**OWNER(S) AGREEMENT TO CONDITIONS OF APPROVAL FOR
CONDITIONAL USE PERMIT CUP-1394 (“AGREEMENT”)**

1. **AGREEMENT TO CONDITIONS OF APPROVAL.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) has reviewed all Conditions of Approval for Conditional Use Permit CUP-1394, has had the opportunity to consult with legal counsel regarding them as the Owner(s) has deemed appropriate, and understands and agrees, without exception, to each and all of the conditions.
2. **RECORDATION.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) consents to the recordation of the Conditions of Approval for Conditional Use Permit CUP-1394, including this AGREEMENT, in the office of the Clerk-Recorder for the County of Orange, at the Owner(s)’ cost.
3. **AUTHORITY TO EXECUTE.** The person or persons executing this AGREEMENT on behalf of the respective Owner(s) represents and warrants that he/she/they has/have the authority to so execute this AGREEMENT and to bind the respective Owner(s) to the performance of its obligations hereunder.
4. **BINDING EFFECT.** This AGREEMENT shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.
5. **SEVERABILITY.** If any 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).

Property Owner – Golden Rain Foundation

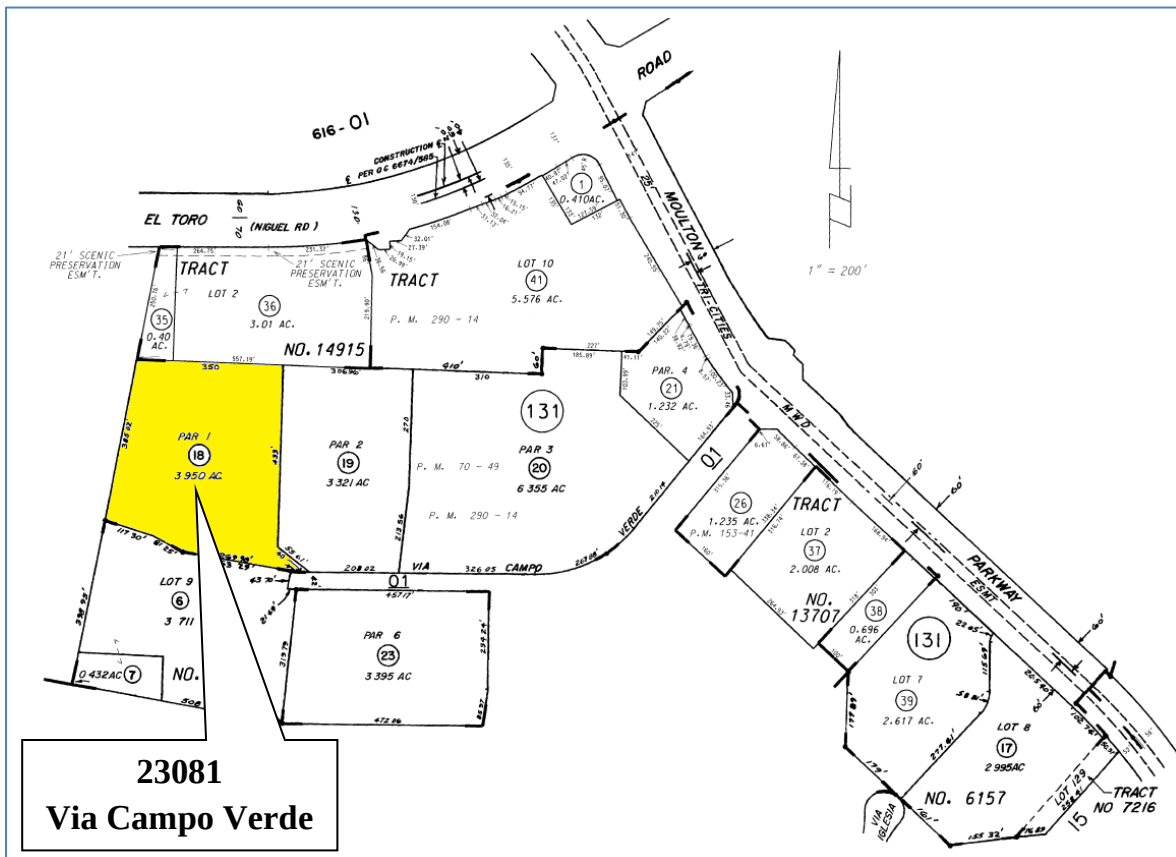
Signature: _____ Date: _____

Full Name: _____ Title: _____

SIGNATURE MUST BE NOTARIZED; ATTACH ACKNOWLEDGEMENT.

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Vicinity Map
23081 Via Campo Verde, Laguna Woods, CA 92637
Project Area



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7.2

**2019 CALIFORNIA BUILDING STANDARDS
CODE AND LOCAL AMENDMENTS**

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: November 20, 2019 Regular Meeting
SUBJECT: 2019 California Building Standards Code and Local Amendments

Recommendation

1. Receive staff report.

AND

2. Open the public hearing that was continued from the regular City Council meeting on October 16, 2019.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Approve second reading and adopt an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING TITLE 10 OF THE LAGUNA WOODS MUNICIPAL CODE (BUILDINGS AND CONSTRUCTION)

AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24), CONSISTING OF THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ELECTRICAL CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA PLUMBING CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE; THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; AND, THE 2019 CALIFORNIA REFERENCED STANDARDS CODE
(Please refer to Attachment A.)

AND

6. Approve second reading and adopt 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 10.12 (CALIFORNIA FIRE CODE) OF TITLE 10 (BUILDINGS AND CONSTRUCTION) OF THE LAGUNA WOODS MUNICIPAL CODE AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA FIRE CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 9) INCLUDING APPENDICES B, BB, C, CC, AND H, TOGETHER WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO
(Please refer to Attachment B.)

Background

State law requires that the City enforce the California Building Standards Code, which provides uniform, statewide standards for various aspects of building and construction. The California Building Standards Code is developed and approved by the California Building Standards Commission every three years. Supplemental standards are often approved half-way through each three-year code cycle.

The 2019 Edition of the California Building Standards Code – which includes building, mechanical, electrical, plumbing, residential, green building standards,

energy, existing building, and referenced standards codes – was published July 1, 2019 and will take effect on January 1, 2020, regardless of City Council action.

While the City is unable to waive any portion of the California Building Standards Code, local amendments may be adopted if they are deemed reasonably necessary due to local climatic, geological, or topographical conditions.

The complete text of the 2019 California Building Standards Code, including the hundreds of changes from previous codes, is available for review on the California Building Standards Commission’s website (www.bsc.ca.gov) or at City Hall.

On October 16, 2019, a public hearing was held and the City Council introduced and approved the first reading of the proposed ordinances (attachments A and B).

Discussion

Today’s meeting is an opportunity for City Council action, as well as public input, on the proposed adoption of the 2019 California Building Standards Code and local amendments (attachments A and B). The only proposed local amendments (attachments B and C) relate to the California Fire Code and were developed by the Orange County Fire Authority. The City’s Building Official has reviewed the proposed local amendments and recommends adoption. A representative from the Orange County Fire Authority will be available to answer questions and provide additional information at the meeting.

If the City Council takes the recommended action at today’s meeting, the proposed ordinances would take effect on January 1, 2020.

Environmental Review

The proposed amendments to the Laguna Woods Municipal Code are exempt from the provisions of the California Environmental Quality Act (“CEQA”) pursuant to sections 15378(b)(4) and 15061(b)(3) of Title 14 of the California Code of Regulations, in that they are consistent with California law, specifically California Code of Regulations, Title 24. It can be seen with certainty that this project has no possibility of having a significant effect on the environment.

Fiscal Impact

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

- Attachments:
- A – Proposed Ordinance (Various Codes)
 - B – Proposed Ordinance (Fire Code)
 - Exhibit A – Proposed Code Amendments
 - C – Strikethrough of Proposed Local Amendments to the 2019 California Fire Code
(provided by the Orange County Fire Authority)

ORDINANCE NO. 19-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING TITLE 10 OF THE LAGUNA WOODS MUNICIPAL CODE (BUILDINGS AND CONSTRUCTION) AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24), CONSISTING OF THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ELECTRICAL CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA PLUMBING CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE; THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; AND, THE 2019 CALIFORNIA REFERENCED STANDARDS CODE

WHEREAS, the 2019 Edition of the California Building Standards Code (California Code of Regulations, Title 24) was published July 1, 2019, with an effective date of January 1, 2020; and

WHEREAS, state law requires the City to enforce the California Building Standards Code irrespective of whether the same is locally adopted; and

WHEREAS, California Government Code Section 50022.1 *et seq.* allows the City Council to adopt by reference the 2019 Edition of the California Building Standards Code; and

WHEREAS, California Health & Safety Code Section 17958.5 *et seq.* and 18941.5 authorize cities to modify the California Building Standards Code by adopting more restrictive standards and modifications provided that such standards and modifications are accompanied by express findings that they are reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, the Building Official recommends that the City Council adopt the following parts of the 2019 Edition of the California Building Standards Code by reference to confirm the City's compliance with the provisions of California Code of Regulations, Title 24: 2019 California Building Code, the 2019 California Residential Code, the 2019 California Electrical Code, the 2019 California Mechanical Code, the 2019 California Plumbing Code, the 2019 California Energy

Code, the 2019 California Historical Building Code, the 2019 California Existing Building Code, the 2019 California Green Building Standards Code, and the 2019 California Referenced Standards Code (“Code Amendments”); and

WHEREAS, the Building Official recommends that the City Council adopt no more restrictive standards or modifications to the parts of the 2019 Edition of the California Building Standards Code that are recommended to be adopted by reference by this Ordinance; and

WHEREAS, on October 16, 2019 and November 20, 2019, the City Council held duly noticed public hearings on this Ordinance 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, CALIFORNIA, DOES 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 this Ordinance is exempt from the provisions of the California Environmental Quality Act (“CEQA”) pursuant to sections 15378(b)(4) and 15061(b)(3) of Title 14 of the California Code of Regulations, in that it is consistent with California law, specifically California Code of Regulations Title 24. It can be seen with certainty that this project has no possibility of having a significant effect on the environment.

SECTION 3. Chapter 10.08 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

CHAPTER 10.08. - CALIFORNIA BUILDING CODE

Sec. 10.08.010. - Adoption of the California Building Code.

The California Building Code, 2019 Edition (California Code of Regulations, Title 24, Part 2), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Building Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Building Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

Secs. 10.08.020—10.08.230. - Reserved.

SECTION 4. Chapter 10.22 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

CHAPTER 10.22. - CALIFORNIA RESIDENTIAL CODE

Sec. 10.22.010. - Adoption of the California Residential Code.

The California Residential Code, 2019 Edition (California Code of Regulations, Title 24, Part 2.5), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Residential Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every detached one- and two-family dwelling and townhouse not more than three stories above grade plane in height with a separate means of egress and structures accessory thereto. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Residential Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

Secs. 10.22.020—10.22.210. - Reserved.

SECTION 5. Section 10.10.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.10.010. - Adoption of the California Electrical Code.

The California Electrical Code, 2019 Edition (California Code of Regulations, Title 24, Part 3), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Electrical Code of the City of Laguna Woods, regulating the examination and approval, installation and use, access to and spaces about electrical conductors and equipment, enclosures intended for personnel entry, and tunnel installations. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Electrical Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 6. Section 10.14.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.14.010. - Adoption of the California Mechanical Code.

The California Mechanical Code, 2019 Edition (California Code of Regulations, Title 24, Part 4), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Mechanical Code of the City of Laguna Woods, regulating the erection, installation, alteration, repair, relocation, replacement, addition to, use, or maintenance of mechanical systems. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Mechanical Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 7. Section 10.16.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.16.010. - Adoption of the California Plumbing Code.

The California Plumbing Code, 2019 Edition (California Code of Regulations, Title 24, Part 5), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Plumbing Code of the City of Laguna Woods, regulating the erection, installation, alteration, repair, relocation, replacement, addition to, use, or maintenance of plumbing systems. Not less than one copy of said code has been filed in the office of

the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Plumbing Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 8. Section 10.28.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.28.010. - Adoption of the California Energy Code.

The California Energy Code, 2019 Edition (California Code of Regulations, Title 24, Part 6), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Energy Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Energy Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 9. Chapter 10.36 is hereby added to the Laguna Woods Municipal Code to read in its entirety as follows:

CHAPTER 10.36. - CALIFORNIA HISTORICAL BUILDING CODE

Sec. 10.36.010. - Adoption of the California Historical Building Code.

The California Historical Building Code, 2019 Edition (California Code of Regulations, Title 24, Part 8), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Historical Building Code of the City of Laguna Woods, regulating the preservation, restoration, rehabilitation, relocation, or reconstruction of buildings or properties designated as qualified historical buildings or properties. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Historical Building Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 10. Section 10.30.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.30.010. - Adoption of the California Existing Building Code.

The California Existing Building Code, 2019 Edition (California Code of Regulations, Title 24, Part 10), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Existing Building Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Existing Building Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 11. Section 10.24.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.24.010. - Adoption of the California Green Building Standards Code.

The California Green Building Standards Code, 2019 Edition (California Code of Regulations, Title 24, Part 11), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Green Building Standards Code of the City of Laguna Woods, regulating the planning, design, operation, construction, use and occupancy of every newly constructed building or structure, unless otherwise indicated therein. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Green Building Standards Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 12. Section 10.32.010 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as follows:

Sec. 10.32.010. - Adoption of the California Referenced Standards Code.

The California Referenced Standards Code, 2019 Edition (California Code of Regulations, Title 24, Part 12), is hereby adopted and incorporated by reference, as if set forth at length herein, as the Referenced Standards Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such buildings or structures. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Referenced Standards Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

SECTION 13. This Ordinance shall take effect and be in full force and operation on January 1, 2020.

SECTION 14. 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 15. The 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 16. 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 2019.

CYNTHIA CONNERS, Mayor

ATTEST:

YOLIE TRIPPY, CMC, 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, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 19-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2019, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2019 by the following vote to wit:

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

YOLIE TRIPPY, CMC, City Clerk

ORDINANCE NO. 19-XX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 10.12 (CALIFORNIA FIRE CODE) OF TITLE 10 (BUILDINGS AND CONSTRUCTION) OF THE LAGUNA WOODS MUNICIPAL CODE AND ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA FIRE CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 9) INCLUDING APPENDICES B, BB, C, CC, AND H, TOGETHER WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO

WHEREAS, the 2019 Edition of the California Building Standards Code (California Code of Regulations, Title 24) was published July 1, 2019, with an effective date of January 1, 2020; and

WHEREAS, state law requires the City to enforce the California Building Standards Code irrespective of whether the same is locally adopted; and

WHEREAS, California Government Code Section 50022.1 *et seq.* allows the City Council to adopt by reference the 2019 Edition of the California Building Standards Code; and

WHEREAS, California Health & Safety Code Section 17958.5 *et seq.* and 18941.5 authorize cities to modify the California Building Standards Code by adopting more restrictive standards and modifications provided that such standards and modifications are accompanied by express findings that they are reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, the Orange County Fire Authority provides fire services for the entirety of the city of Laguna Woods; and

WHEREAS, the Building Official recommends that the City Council (1) adopt the 2019 California Fire Code (a part of the 2019 California Building Standards Code) by reference to confirm the City's compliance with the provisions of California Code of Regulations, Title 24 and (2) adopt local amendments to the 2019 California Fire Code recommended by the Orange County Fire Authority to decrease the potential incidence of property damage, injury, and death due to fires and earthquakes, in a manner that is reasonable and necessary to mitigate local climatic, geological, or topographical conditions; and

WHEREAS, on October 16, 2019 and November 20, 2019, the City Council held duly noticed public hearings on this Ordinance 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, CALIFORNIA, DOES 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 this Ordinance is exempt from the provisions of the California Environmental Quality Act (“CEQA”) pursuant to sections 15378(b)(4) and 15061(b)(3) of Title 14 of the California Code of Regulations, in that it is consistent with California law, specifically California Code of Regulations Title 24. It can be seen with certainty that this project has no possibility of having a significant effect on the environment.

SECTION 3. The City Council hereby finds that the amendments to the 2019 California Fire Code are reasonably necessary because of local climatic, geological, or topographical conditions, and adopts the findings provided below to support the amendments to the 2019 California Fire Code.

I. Climatic Conditions

- A. Orange County is located in a semi-arid Mediterranean type climate. It annually experiences extended periods of high temperatures with little or no precipitation. Hot, dry (Santa Ana) winds, which may reach speeds of 70 miles per hour or greater, are also common to the area. These climatic conditions cause extreme drying of vegetation and common building materials. Frequent periods of drought and low humidity add to the fire danger. This predisposes the area to large destructive fires (conflagration). In addition to directly damaging or destroying buildings, these fires are also prone to disrupt utility services throughout the County. Obstacles generated

by a strong wind, such as fallen trees, street lights and utility poles will greatly impact the response time to reach an incident scene.

- B. The climate alternates between extended periods of drought and brief flooding conditions. Flood conditions may affect the Orange County Fire Authority's ability to respond to a fire or emergency condition. Floods also disrupt utility services to buildings and facilities within the County.
- C. Water demand in this densely populated area far exceeds the quantity supplied by natural precipitation; and although the population continues to grow, the already-taxed water supply does not. California is projected to increase in population by nearly 10 million over the next quarter of a century with 50 percent of that growth centered in Southern California. Due to storage capacities and consumption, and a limited amount of rainfall future water allocation is not fully dependable. This necessitates the need for additional and on-site fire protection features.
- D. These dry climatic conditions and winds contribute to the rapid spread of even small fires originating in high-density housing or vegetation. These fires spread very quickly and create a need for increased levels of fire protection. The added protection of fire sprinkler systems and other fire protection features will supplement normal fire department response by providing immediate protection for the building occupants and by containing and controlling the fire spread to the area of origin. Fire sprinkler systems will also reduce the use of water for firefighting by as much as 50 to 75 percent.

II. Topographical Conditions

- A. Natural; slopes of 15 percent or greater generally occur throughout the foothills of Orange County. The elevation change caused by the hills creates the geological foundation on which communities with Orange County is built and will continue to build. With much of the populated flatlands already built upon, future growth will occur on steeper slopes and with greater constraints in terrain.
- B. Traffic and circulation congestion is an artificially created, obstructive topographical condition, which is common throughout Orange County.

- C. These topographical conditions combine to create a situation that places fire department response time to fire occurrences at risk and makes it necessary to provide automatic on-site fire-extinguishing systems and other protection measures to protect occupants and property.

III. Geological Conditions

The Orange County region is a densely populated area that has buildings constructed over and near a vast and complex network of faults that are believed to be capable of producing future earthquakes similar or greater in size than the 1994 Northridge and the 1971 Sylmar earthquakes. Earthquake faults run along the northeast and southwest boundaries of Orange County. The Newport-Inglewood Fault, located within Orange County was the source of the destructive 1933 Long Beach earthquake (6.3 magnitude) which took 120 lives and damaged buildings in an area from Laguna Beach to Marina Del Rey to Whittier. In December 1989, another earthquake occurred in the jurisdiction of Irvine at an unknown fault line. Regional planning for reoccurrence of earthquakes is recommended by the State of California, Department of Conservation.

- A. Previous earthquakes have been accompanied by disruption of traffic flow and fires. A severe seismic event has the potential to negatively impact any rescue or fire suppression activities because it is likely to create obstacles similar to those indicated under the high wind section above. The October 17, 1989, Santa Cruz earthquake resulted in one major fire in the Marina District (San Francisco). When combined with the 34 other fires locally and over 500 responses, the department was taxed to its fullest capabilities. The Marina fire was difficult to contain because mains supplying water to the district burst during the earthquake. This situation creates the need for both additional fire protection and automatic on-site fire protection for building occupants. State Department of Conservation noted in their 1988 report (Planning Scenario on a Major Earthquake on the Newport-Inglewood Fault Zone, page 59), “unfortunately, barely meeting the minimum earthquake standards of building codes places a building on the verge of being legally unsafe.”
- B. Road circulation features located throughout the County also make amendments reasonably necessary. Located through the County are major roadways, highways and flood control channels that create barriers and slow response times. Hills, slopes, street and storm drain design, accompanied by

occasional heavy rainfall, causes roadway flooding and landslides and at times may make an emergency access route impassable. There are areas in Orange County that naturally have extended emergency response times that exceed the 5-minute goal.

- C. Soils throughout the County possess corrosive properties that reduce the expected usable life of water services when metallic pipes are in contact with soils.

Due to the topographical conditions of sprawling development separated by waterways and narrow and congested streets and the expected infrastructure damage inherent in seismic zones described above, it is prudent to rely on automatic fire sprinkler systems to mitigate extended fire department response time and keep fires manageable with reduced fire flow (water) resources available for a given structure. Additional fire protection is also justified to match the current resources of firefighting equipment and personnel within the Orange County Fire Authority.

2019 California Fire Code Amendment Findings Legend

CODE SECTION	TITLE (Clarification)	FINDINGS
110.4	Violation penalties	Administrative
110.4.2	Infraction & Misdemeanor	Administrative
202	General definitions	Administrative
304.1.2	OCFA Vegetation Management	I
305.6	Hazardous conditions	I & II
305.7	Disposal of rubbish	I & II
307	Open burning, recreational fires, fire pits, fire rings, and outdoor fireplaces	Administrative
307.6	Fire Pits, Fire Rings, & Outdoor Fireplaces	Administrative
307.6.1	Gas-fueled devices	I & II
307.6.2	Devices using wood or fuels other than natural gas or LPG	I & II
307.6.2.1	Where prohibited	I & II
308.1.6.3	Sky lanterns	I & III
321	Fuel modification requirements for new construction	I
322	Clearance of brush or vegetation growth from roadways	I

323	Unusual circumstances	Administrative
324	Use of equipment	I
324.1	Use of equipment and devices generating heat, sparks or open flames	I
324.2	Spark arresters	I
407.5	Hazardous material inventory statement	I & II
501.1	Scope	Administrative, I, II & III
510.1	Emergency responder radio coverage	Administrative
903.2	Where required (Sprinklers)	I, II & III
903.2.8	Group R (Sprinklers)	I, II & III
903.3.5.3	Hydraulically calculated systems	I & II
1201.1.1	Energy systems, battery charging devices	I & II
2801.2	Permit	Administrative
2808.2	Storage site	Administrative
2808.3	Size of piles	I
2808.4	Pile separation	I
2808.7	Pile fire protection	I
2808.9	Material-handling equipment	I
2808.11	Temperature control	I
2808.11.1	Pile temperature control	I
2808.11.2	New material temperature control	I
2808.12	Water availability for piles	I
2808.13	Tipping area	I
2808.14	Emergency contact	Administrative
4906.3	OCFA Vegetation Management Guideline	I
4908	Fuel modification requirements for new construction	I
5001.5.2	Hazardous materials inventory statement	Administrative
5003.1.1.1	Extremely hazardous substances	I & III
5608.2	Retail fireworks	Administrative
5608.3	Application for permit	Administrative
5701.1.1	On-Demand Mobile Fueling	N/A
5801.1	Scope	N/A
Chapter 80	Reference Standards	N/A
	2016 NFPA 13 (Sprinkler Systems)	Administrative, II & III
	2016 NFPA 13-D (Single Family Sprinkler Systems)	I & II
	2013 NFPA 14 (Standpipe Systems)	Administrative

	2016 NFPA 24 (Underground Water Supply Systems)	Administrative & III
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SECTION 4. Chapter 10.12 of the Laguna Woods Municipal Code is hereby amended and restated in its entirety to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

SECTION 5. This Ordinance shall take effect and be in full force and operation on January 1, 2020.

SECTION 6. 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 7. The 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 8. 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 2019.

CYNTHIA CONNERS, Mayor

ATTEST:

YOLIE TRIPPY, CMC, 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, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 19-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2019, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2019 by the following vote to wit:

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

YOLIE TRIPPY, CMC, City Clerk

**EXHIBIT A
CODE AMENDMENTS**

Chapter 10.12 (“California Fire Code”) of Title 10 (“Buildings and Construction”) of the Laguna Woods Municipal Code is amended and restated in its entirety to read as follows:

CHAPTER 10.12. - CALIFORNIA FIRE CODE

Sec. 10.12.010. - Adoption of the California Fire Code.

The 2019 California Fire Code, 2019 Edition (California Code of Regulations, Title 24, Part 9), including Appendices B, BB, C, CC, and H, is hereby adopted and incorporated by reference, as if set forth herein, together with the amendments provided in this chapter, as the Fire Code of the City of Laguna Woods, regulating the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, maintenance, removal, and demolition of every building or structure or any appurtenances connected or attached to such building structures. Not less than one copy of said code has been filed in the office of the City Clerk and shall be made available for public inspection. Should there be a conflict between the California Fire Code as adopted and other Laguna Woods Municipal Code requirements, the more restrictive shall govern.

Sec. 10.12.020. - Amendments to the California Fire Code.

**Chapter 1
Scope and Administration**

Chapter 1 General Requirements. Adopt Chapter 1 in its entirety, with the exception of Section 109, and with the following amendments:

Section 110.4 Violation penalties is hereby revised as follows:

110.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or shall fail to comply with any issued orders or notices or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a

permit or certificate used under provisions of this code, shall be subject to penalties assessed as prescribed in the OCFA Prevention Field Services adopted fee schedule. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 110.4.2 Infraction and misdemeanor is hereby added as follows:

110.4.2 Infraction and misdemeanor. Persons operating or maintaining any occupancy, premises or vehicle subject to this code that shall permit any fire or life safety hazard to exist on premises under their control shall be guilty of an infraction. Persons who fail to take immediate action to abate a fire or life safety hazard when ordered or notified to do so by the chief or a duly authorized representative are guilty of a misdemeanor.

Chapter 2 Definitions

Chapter 2 Definitions is adopted in its entirety with the following amendments:

Sections 202 General Definitions is hereby revised by adding “OCFA,” and “Spark Arrester” as follows:

202 General Definitions

OCFA: Orange County Fire Authority, fire authority having jurisdiction.

SPARK ARRESTER. A listed device constructed of noncombustible material specifically for the purpose of meeting one of the following conditions:

1. Removing and retaining carbon and other flammable particles/debris from the exhaust flow of an internal combustion engine in accordance with California Vehicle Code Section 38366.

2. Fireplaces that burn solid fuel in accordance with California Building Code Chapter 28.

Chapter 3 General Requirements

Chapter 3 General Requirements. Adopt Chapter 3 in its entirety, with the exception of Sections 308.1.4, 311.5 through 311.5.5, 318, and 319, and with the following amendments:

Section 304.1.2 Vegetation is hereby revised as follows:

304.1.2 Vegetation. Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirement in urban-wildland interface areas shall be in accordance with Chapter 49. Type, amount, arrangement, and maintenance of vegetation in a fuel modification area, interior slope, or similarly hazardous area shall be in accordance with OCFA Guideline C-05 “Vegetation Management Guideline—Technical Design for New Construction, Fuel Modification Plans, and Maintenance Program.”

Section 305.6 Hazardous Conditions is hereby added as follows:

305.6 Hazardous conditions. Outdoor fires burning wood or other solid fuel are not allowed when any of the following conditions applies:

1. when predicted sustained winds exceed 8 MPH and relative humidity is less than 25%, or a red flag condition has been declared
2. when an official sign was caused to be posted by the fire code official, or a public announcement is made

No outdoor fires using any fuel type are permitted when predicted sustained winds exceed 20 MPH or when such fires present a hazard as determined by the fire code official.

Section 305.7 Disposal of rubbish is hereby added as follows:

305.7 Disposal of rubbish. Rubbish, trash or combustible waste material shall be burned only within an approved incinerator and in accordance with Section 307.2.1.

Section 307 OPEN BURNING, RECREATIONAL FIRES AND PORTABLE OUTDOOR FIREPLACES is hereby revised as follows:

SECTION 307 OPEN BURNING, RECREATIONAL FIRES, FIRE PITS, FIRE RINGS, AND PORTABLE OUTDOOR FIREPLACES

Sections 307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies is hereby added as follows:

307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies. Outdoor fireplaces, fire pits, fire rings, or similar exterior devices used at Group R occupancies shall comply with this section.

Exception: Barbeques, grills, and other portable devices intended solely for cooking.

Section 307.6.1 Gas-fueled devices is hereby added as follows:

307.6.1 Gas-fueled devices. Outdoor fireplaces, fire pits and similar devices fueled by natural gas or liquefied-petroleum gas are allowed when approved by the Building Department and the device is designed to only burn a gas flame and not wood or other solid fuel. At R-3 occupancies, combustible construction and vegetation shall not be located within three feet of an atmospheric column that extends vertically from the perimeter of the device. At other R occupancies, the minimum distance shall be ten feet. Where a permanent Building Department approved hood and vent is installed, combustible construction may encroach upon this column between the bottom of the hood and the vent opening. Where chimneys or vents are installed, they shall have a spark arrester as defined in Section 202.

Section 307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas is hereby added as follows:

307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas. Permanent outdoor fireplaces burning wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have an installed and maintained method of arresting sparks.

The burning of wood or other solid fuel in a device is not allowed within 25 feet of combustible structures unless within an approved permanent fireplace, Conditions which could cause a fire to spread within 25 feet of a structure or to vegetation shall be eliminated prior to ignition. Fires in devices burning wood or solid fuel shall be in accordance with Sections 305, 307, and 308.

Exceptions:

1. Portable fireplaces and fire rings/pits equipped with a device to arrest sparks shall be located at least 3' from combustible construction at R-3 occupancies,
2. Portable fireplaces, and fire pits/rings equipped with a device to arrest sparks, shall be located at least 15 feet from combustible structures at other R occupancies.

Section 307.6.2.1 Where prohibited is hereby added as follows:

307.6.2.1 Where prohibited. The burning of wood and other solid fuels shall not be conducted within a fuel modification zone, Wildfire Risk Area (WRA), Wildland-Urban Interface Area (WUI), or in locations where conditions could cause the spread of fire to the WRA or WUI.

Exceptions:

1. Permanent fireplaces that are not located in a fuel modification zone

2. Where determined by the Fire Code Official that the location or design of the device should reasonably prevent the start of a wildfire.

Section 308.1.6.3 Sky lanterns is hereby revised as follows:

308.1.6.3 Sky lanterns. A person shall not ignite, release, or cause to be released a sky lantern.

Section 321 Fuel Modification Requirements for New Construction is hereby added as follows:

321 Fuel Modification Requirements for New Construction. All new structures and facilities adjoining land containing hazardous combustible vegetation shall be approved and in accordance with the requirements of OCFA Guideline C-05 “Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program.”

Section 322 Clearance of brush or vegetation growth from roadways is hereby added as follows:

322 Clearance of brush or vegetation growth from roadways. The fire code official is authorized to cause areas within 10 feet (3048 mm) on each side of portions of highways and private streets which are improved, designed or ordinarily used for vehicular traffic, to be cleared of flammable vegetation and other combustible growth. Measurement shall be from the flow-line or the end of the improved edge of the roadway surfaces.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, provided that they do not form a means of readily transmitting fire.

Section 323 Unusual Circumstances is hereby added as follows:

323 Unusual circumstances. The fire code official may suspend enforcement of the vegetation management requirements and require reasonable alternative measures designed to advance the purpose of this

code if determined that in any specific case that any of the following conditions exist:

1. Difficult terrain.
2. Danger of erosion.
3. Presence of plants included in any state and federal resources agencies, California Native Plant Society and county-approved list of wildlife, plants, rare, endangered and/or threatened species.
4. Stands or groves of trees or heritage trees.
5. Other unusual circumstances that make strict compliance with the clearance of vegetation provisions undesirable or impractical.

Section 324 Use of Equipment is hereby added as follows:

324 Use of equipment. Except as otherwise provided in this section, no person shall use, operate, or cause to be operated in, upon or adjoining any hazardous fire area any internal combustion engine which uses hydrocarbon fuels, unless the engine is equipped with a spark arrester as defined in Section 202 maintained in effective working order, or the engine is constructed, equipped and maintained for the prevention of fire.

Exceptions:

1. Engines used to provide motor power for trucks, truck tractors, buses, and passenger vehicles, except motorcycles, are not subject to this section if the exhaust system is equipped with a muffler as defined in the Vehicle Code of the State of California.
2. Turbocharged engines are not subject to this section if all exhausted gases pass through the rotating turbine wheel, there is no exhaust bypass to the atmosphere, and the turbocharger is in good mechanical condition.

Section 324.1 Use of Equipment and Devices Generating Heat, Sparks or Open Flames is hereby added as follows:

324.1 Equipment and devices generating heat, sparks or open flames. During any time of the year within Wildfire Risk Areas, within or immediately adjacent to any forest- or brush-covered land or non-irrigated grass-covered land, no person shall use or operate any welding equipment, cutting torches, tar pots, grinding devices, or other tools or equipment that may produce a spark, fire, or flame that could result in a wildfire without doing the following:

1. First clearing away all flammable material, including snags, from the area around such operation for a distance of 30 feet or other approved method to reduce fire spread into the wildlands. If 30-foot clearing cannot be achieved, then an alternate method shall be approved by the AHJ prior to work starting.
2. Maintain one serviceable round point shovel with an overall length of not less than forty-six (46) inches and one backpack pump water-type fire extinguisher fully equipped and ready for use at the immediate area during the operation.
3. Stop work when winds are 8 MPH or greater during periods when relative humidity is less than 25%, or a red flag condition has been declared or public announcement is made, when an official sign was caused to be posted by the fire code official, or when such fires present a hazard as determined by the fire code official.
4. Keep a cell phone nearby and call 911 immediate in case of fire.

Section 324.2 Spark Arresters is hereby added as follows:

324.2 Spark arresters. Spark arresters shall comply with Section 202, and when affixed to the exhaust system of engines or vehicles subject to Section 324 shall not be placed or mounted in such a manner as to allow flames or heat from the exhaust system to ignite any flammable material.

Chapter 4

Emergency Planning and Preparedness

Chapter 4: Emergency Planning and Preparedness. Adopt only the sections, subsections, and amendment listed below:

401 – 401.9
402
403.2
403.5 – 403.5.4
403.10.2.1.1
403.13 – 403.13.3
404.5 – 404.6.6
407

Section 407.5 is revised as follows:

407.5 Hazardous Materials Inventory Statement. Where required by the fire code official, each application for a permit shall OCFA’s Chemical Classification Packet in accordance with Section 5001.5.2.

Chapter 5 Fire Service Features

Chapter 5 Fire Service Features is adopted in its entirety with the following amendments:

SECTION 501.1 Scope is revised as follows:

501.1 Scope. Fire service features for buildings, structures and premises shall comply with this chapter and, where required by the fire code official, with OCFA Guideline B-09, “Fire Master Plan for Commercial & Residential Development.” Fire service features for buildings, structures and premises located in State Responsibility Areas, and Local Responsibility Areas designated as Very High Hazard Fire Severity Zone shall also comply with OCFA Guideline B-09a, “Fire Safe Development in State Responsibility Areas, and Local Responsibility Areas designated as Very High Hazard Fire Severity Zone”.

Section 510.1 Emergency responder radio coverage in new buildings is revised as follows:

510.1 Emergency responder radio coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems utilized by the jurisdiction, measured at the exterior of the building. This section shall not require improvement of the existing public safety communication systems. The Emergency Responder Radio Coverage System shall comply with the Orange County Sheriff's Department, Communications and Technology Division guidelines and specifications and, where the functionality or performance requirements in the California Fire Code are more stringent, this code.

Exceptions:

1. In buildings or structures where it is determined by the fire code official that the radio coverage system is not needed, including but not limited to the following:
 - a. Existing buildings or structures, unless required by the Building Official and OCFA for buildings and structures undergoing extensive remodel and/or expansion.
 - b. Elevators.
 - c. Structures that meet all of the following:
 - i. Three stories or less, and
 - ii. Do not have subterranean storage or parking, and
 - iii. Do not exceed 50,000 square feet on any single story.
 - d. Structures that meet all of the following:
 - i. Residential structures four stories or less, and
 - ii. Constructed of wood, and
 - iii. Do not have subterranean storage or parking, and
 - iv. Are not built integral to an above ground multi-story parking structure.

Should a structure that is three stories or less and 50,000 square feet or smaller on any single story include subterranean storage or parking, then this ordinance shall apply only to the subterranean areas.

2. In facilities where emergency responder radio coverage is required and such systems, components or equipment required could have a negative impact on the normal operations of the facility, the fire code official shall have the authority to accept an automatically activated emergency radio coverage system.

Section 510.2 Emergency responder radio coverage in existing buildings is deleted without replacement.

Section 510.3 Permit required is deleted without replacement.

Chapter 6 Building Services and Systems

Chapter 6 Building Services and Systems is adopted in its entirety without amendments.

Chapter 7 Fire and Smoke Protection Features

Chapter 7 Fire and Smoke Protection Features is adopted in its entirety without amendments.

Chapter 8 Interior Finish, Decorative Materials and Furnishings

Chapter 8 Interior Finish, Decorative Materials and Furnishings is adopted in its entirety without amendments.

Chapter 9 Fire Protection and Life Safety Systems

Adopt Chapter 9 Fire Protection and Life Safety Systems is adopted in its entirety with the following amendments:

Section 903.2 Where required is hereby revised as follows:

903.2 Where required. Approved automatic sprinkler systems in buildings and structures shall be provided when one of the following conditions exists:

New buildings: Notwithstanding any applicable provisions of Sections 903.2.1 through 903.2.19, an automatic fire-extinguishing system shall also be installed in all occupancies when the total building area exceeds 5,000 square feet as defined in Section 202, regardless of fire areas or allowable area, or is more than two stories in height.

Exception: Subject to approval by the Fire Code Official, open parking garages in accordance with Section 406.5 of the California Building Code.

- 1. Existing Buildings:** Notwithstanding any applicable provisions of this code, an automatic sprinkler system shall be provided in an existing building when an addition occurs and one of the following conditions exists:
 - a. When an addition is 33% or more of the existing building area, and the resulting building area exceeds 5000 square feet
 - b. When an addition exceeds 2000 square feet and the resulting building area exceeds 5000 square feet.
 - c. An additional story is added above the second floor regardless of fire areas or allowable area.

Exception: Additions to Group R-3 occupancies shall comply with Section 903.2.8 (2).

Section 903.2.8 Group R is hereby revised as follows:

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

- 1. New Buildings:** An automatic sprinkler system shall be installed throughout all new buildings.

2. **Existing Buildings:** An automatic sprinkler system shall be installed throughout when one of the following conditions exists:
- a. When an addition is 33% or more of the existing building area as defined in Section 202, and greater than 1000 square feet within a two-year period; or,
 - b. An addition when the existing building is already provided with automatic sprinklers; or,
 - c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

Exceptions:

- 1. Existing Group R-3 occupancies converted to Group R-3.1 occupancies and not housing bedridden clients, not housing non-ambulatory clients above the first floor, and not housing clients above the second floor.
- 2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with Section 435.8.3.3 of the California Building Code.
- 3. Pursuant to Health and Safety Code, Section 13113, occupancies housing ambulatory children only, none of whom are mentally ill children or children with intellectual disabilities, and the buildings or portions thereof in which such children are housed are not more than two stories in height, and building or portions thereof housing such children have an automatic fire alarm system activated by approved smoke detectors.
- 4. Pursuant to Health and Safety Code, Section 13143.6, occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

When not used in accordance with Section 504.2 or 506.3 of the California Building Code, an automatic sprinkler system installed in accordance with Section 903.3.1.2 shall be allowed in Group R-2.1 occupancies.

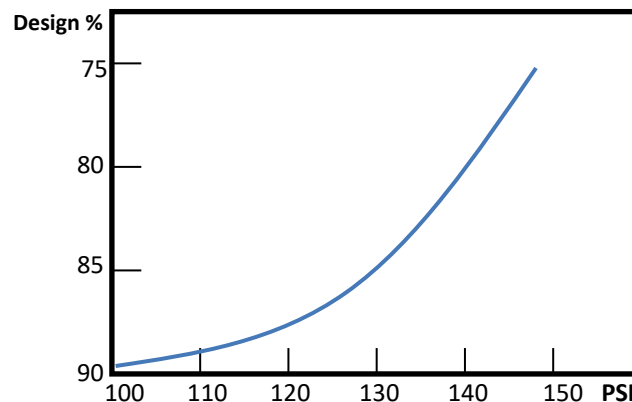
An automatic sprinkler system designed in accordance with Section 903.3.1.3 shall not be utilized in Group R-2.1 or R-4 occupancies.

Section 903.3.5.3 Hydraulically calculated systems is hereby added as follows:

903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

Exception: When static pressure exceeds 100 psi, and when required by the fire code official, the fire sprinkler system shall not exceed the water supply capacity specified by Table 903.3.5.3.

TABLE 903.3.5.3
Hydraulically Calculated Systems



Chapter 10

Means of Egress

Chapter 10 Means of Egress is adopted in its entirety without amendments.

Chapter 11

Construction Requirements for Existing Buildings

Chapter 11 Construction Requirements for Existing Buildings. Adopt only those sections and subsections listed below:

1103.7
1103.7.3
1103.7.3.1
1103.7.8 – 1103.7.8.2
1103.7.9 – 1103.7.9.10
1103.8 – 1103.8.5.3
1103.9.1
1107
1113
1114
1115
1116

Chapter 12 Energy Systems

Chapter 12 Energy Systems is adopted in its entirety with the following amendment added:

1201.1.1 Other Systems Where required by the fire code official, other systems and operations including but not limited to battery systems assembly, battery reconditioning and storage, research and development of battery storage systems, electric vehicle manufacturing and testing, and battery charging systems for cars and carts inside of buildings or structures, shall comply with this chapter.

Exception: When approved by the fire code official, charging stations for electric vehicles located in open parking garages of Type I or II construction.

Chapter 20 Aviation Facilities

Chapter 20 Aviation Facilities is adopted in its entirety without amendments.

Chapter 21 Dry Cleaning

Chapter 21 Dry Cleaning is adopted in its entirety without amendments.

**Chapter 22
Combustible Dust-Producing Operations**

Chapter 22 Combustible Dust-Producing Operations is adopted in its entirety without amendments.

**Chapter 23
Motor Fuel-Dispensing Facilities and Repair Garages**

Chapter 23 Motor Fuel-Dispensing Facilities and Repair Garages is adopted in its entirety without amendments.

**Chapter 24
Flammable Finishes**

Chapter 24 Flammable Finishes is adopted in its entirety without amendments.

**Chapter 25
Fruit and Crop Ripening**

Chapter 25 Fruit and Crop Ripening is deleted in its entirety.

**Chapter 26
Fumigation and Insecticidal Fogging**

Chapter 26 Fumigation and Insecticidal Fogging is deleted in its entirety.

**Chapter 27
Semiconductor Fabrication Facilities**

Chapter 27 Semiconductor Fabrication Facilities is adopted in its entirety without amendments.

Chapter 28
Lumber Yards and Agro-Industrial, Solid Biomass and Woodworking Facilities

Chapter 28 Lumber Yards and Agro-Industrial, Solid Biomass and Woodworking Facilities is adopted in its entirety with the following amendments:

Section 2801.2 Permit is hereby revised as follows:

2801.2 Permit. Permits shall be required as set forth in Section 105.6 and 105.6.29.

Section 2808.2 Storage site is hereby revised as follows:

2808.2 Storage site. Storage sites shall be level and on solid ground, elevated soil lifts or other all-weather surface. Sites shall be thoroughly cleaned and approval obtained from the fire code official before transferring products to the site.

Section 2808.3 Size of piles is hereby revised as follows:

2808.3 Size of piles. Piles shall not exceed 15 feet in height, 50 feet in width and 100 feet in length.

Exception: The fire code official is authorized to allow the pile size to be increased where a fire protection plan is provided for approval that includes, but is not limited to, the following:

1. Storage yard areas and materials-handling equipment selection, design and arrangement shall be based upon sound fire prevention and protection principles.
2. Factor that lead to spontaneous heating shall be identified in the plan, and control of the various factors shall be identified and implemented, including provisions for monitoring the internal condition of the pile.

3. The plan shall include means for early fire detection and reporting to the public fire department; and facilities needed by the fire department for fire extinguishment including a water supply and fire hydrants.
4. Fire apparatus access roads around the piles and access roads to the top of the piles shall be established, identified and maintained.
5. Regular yard inspections by trained personnel shall be included as part of an effective fire prevention maintenance program.

Additional fire protection called for in the plan shall be provided and shall be installed in accordance with this code. The increase of the pile size shall be based upon the capabilities of the installed fire protection system and features.

Section 2808.4 Pile Separation is hereby revised as follows:

2808.4. Pile separation. Piles shall be separated from adjacent piles by minimum distance of 20 feet. Additionally, piles shall have a minimum separation of 100 feet from combustible vegetation.

Section 2808.7 Pile fire protection is hereby revised as follows:

2808.7 Pile fire protection. Automatic sprinkler protection shall be provided in conveyor tunnels and combustible enclosures that pass under a pile. Combustible conveyor systems and enclosed conveyor systems shall be equipped with an approved automatic sprinkler system. Oscillating sprinklers with a sufficient projectile reach are required to maintain a 40% to 60% moisture content and wet down burning/smoldering areas.

Section 2808.9 Material-handling equipment is hereby revised as follows:

2808.9 Material-handling equipment. All material-handling equipment operated by an internal combustion engine shall be provided and maintained with an approved spark arrester. Approved material-handling equipment shall be available for moving wood chips, hogged material, wood fines and raw product during fire-fighting operations.

Section 2808.11 Temperature control is hereby added as follows:

2808.11 Temperature control. The temperature shall be monitored and maintained as specified in Sections 2808.11.1 and 2808.11.2.

Section 2808.11.1 Pile temperature control is hereby added as follows:

2808.11.1 Pile temperature control. Piles shall be rotated when internal temperature readings are in excess of 165 degrees Fahrenheit.

Section 2808.11.2 New material temperature control is hereby added as follows:

2808.11.2 New material temperature control. New loads delivered to the facility shall be inspected and tested at the facility entry prior to taking delivery. Material with temperature exceeding 165 degrees Fahrenheit shall not be accepted on the site. New loads shall comply with the requirements of this chapter and be monitored to verify that the temperature remains stable.

Section 2808.12 Water availability is hereby added as follows:

2808.12 Water Availability. Facilities with over 2500 cubic feet shall provide a water supply. The minimum fire flow shall be no less than 500 GPM @ 20 psi for a minimum of 1-hour duration for pile heights up to 6 feet and 2-hour duration for pile heights over 6 feet. If there is no water purveyor, an alternate water supply with storage tank(s) shall be provided for fire suppression. The water supply tank(s) shall provide a minimum capacity of 2500 gallons per pile (maximum 30,000 gallons) for piles not exceeding 6 feet in height and 5000 gallons per pile (maximum 60,000) for piles exceeding 6 feet in height. Water tank(s) shall not be used for any other purpose unless the required fire flow is left in reserve within the tank at all times. An approved method shall be provided to maintain the required amount of water within the tank(s).

Section 2808.13 Tipping area is hereby added as follows:

2808.13 Tipping areas shall comply with the following:

1. Tipping areas shall not exceed a maximum area of 50 feet by 50 feet.
2. Material within a tipping area shall not exceed 5 feet in height at any time.
3. Tipping areas shall be separated from all piles by a 20-foot-wide fire access lane.
4. A fire hydrant or approved fire water supply outlet shall be located within 150 feet of all points along the perimeter of the tipping area.
5. All material within a tipping area shall be processed within 5 days of receipt.

Section 2808.14 Emergency Contact is hereby added as follows:

2808.14 Emergency Contact. The contact information of a responsible person or persons shall be provided to the Fire Department and shall be posted at the entrance to the facility for responding units. The responsible party should be available to respond to the business in emergency situation.

Chapter 29 Manufacture of Organic Coatings

Chapter 29 Manufacture of Organic Coatings is adopted in its entirety without amendments.

Chapter 30 Industrial Ovens

Chapter 30 Industrial Ovens is adopted in its entirety without amendments.

Chapter 31 Tents, Temporary Special Event Structures and Other Membrane Structures

Chapter 31 Temporary Special Event Structures and Other Membrane Structures is adopted in its entirety without amendments.

**Chapter 32
High-Piled Combustible Storage**

Chapter 32 High-Piled Combustible Storage is adopted in its entirety without amendments.

**Chapter 33
Fire Safety During Construction and Demolition**

Chapter 33 Fire Safety During Construction and Demolition is adopted in its entirety without amendments.

**Chapter 34
Tire Rebuilding and Tire Storage**

Chapter 34 Tire Rebuilding and Tire Storage is adopted in its entirety without amendments.

**Chapter 35
Welding and Other Hot Work**

Chapter 35 Welding and Other Hot Work is adopted in its entirety without amendments.

**Chapter 36
Marinas**

Chapter 36 Marinas is adopted in its entirety without amendments.

**Chapter 37
Combustible Fibers**

Chapter 37 Combustible Fibers is adopted in its entirety without amendments.

**Chapter 39
Processing and Extraction Facilities**

Chapter 39 Processing and Extraction Facilities is adopted in its entirety without amendments.

**Chapter 48
Motion Picture and Television Production Studio Sound Stages,
Approved Production Facilities and Production Locations**

Chapter 48 Motion Picture and Television Production Studio Sound Stages, Approved Production Facilities and Production Locations is adopted in its entirety without amendments.

**Chapter 49
Requirements for Wildland-Urban Interface Fire Areas**

Chapter 49 Requirements for Wildland-Urban Interface Fire Areas is adopted in its entirety with the following amendments:

Section 4906.3 Requirements is hereby revised as follows:

4906.3 Requirements. Hazardous vegetation and fuels around all applicable buildings and structure shall be maintained in accordance with the following laws and regulations:

1. Public Resources Code, Section 4291.
2. California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 3, Section 1299 (see guidance for implementation “General Guideline to Create Defensible Space”).
3. California Government Code, Section 51182.
4. California Code of Regulations, Title 19, Division 1, Chapter 7, Subchapter 1, Section 3.07.

5. OCFA Guideline C-05 “Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program.”

Section 4908 Fuel Modification Requirements for New Construction is hereby added as follows:

4908 Fuel Modification Requirements for New Construction. All new buildings to be built or installed in a Wildfire Risk Area shall comply with the following:

1. Preliminary fuel modification plans shall be submitted to and approved by the fire code official prior to or concurrently with the approval of any tentative map.
2. Final fuel modification plans shall be submitted to and approved by the fire code official prior to the issuance of a grading permit.
3. The fuel modification plans shall meet the criteria set forth in the Fuel Modification Section of OCFA Guideline C-05 “Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program.”
 - 1.1 The fuel modification plan shall include provisions for the maintenance of the fuel modification in perpetuity.
4. The fuel modification plan may be altered if conditions change. Any alterations to the fuel modification areas shall have prior approval from the fire code official.
5. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in the Fire Code.

Chapter 50 Hazardous Materials – General Provisions

Chapter 50 Hazardous Materials – General Provisions is adopted in its entirety with the following amendments.

Section 5001.5.2 Hazardous Materials Inventory Statement (HMIS), is hereby revised as follows:

5001.5.2 Hazardous Materials Inventory Statement (HMIS).

Where required by the fire code official, an application for a permit shall include. Orange County Fire Authority's-Chemical Classification Packet, which shall be completed and approved prior to approval of plans, and/or the storage, use or handling of chemicals on the premises. The Chemical Classification Packet shall include the following information:

1. Product Name.
2. Component.
3. Chemical Abstract Service (CAS) number.
4. Location where stored or used.
5. Container size.
6. Hazard classification.
7. Amount in storage.
8. Amount in use-closed systems.
9. Amount in use-open systems.

Section 5003.1.1.1 Extremely Hazardous Substances is hereby added as follows:

5003.1.1.1 Extremely Hazardous Substances. No person shall use or store any amount of extremely hazardous substances (EHS) in excess of the disclosable amounts (see Health and Safety Code Section 25500 et al) in a residential zoned or any residentially developed property.

**Chapter 51
Aerosols**

Chapter 51 Aerosols is adopted in its entirety without amendments.

**Chapter 53
Compressed Gases**

Chapter 53 Compressed Gases is adopted in its entirety without amendments.

**Chapter 54
Corrosive Materials**

Chapter 54 Corrosive materials is adopted in its entirety without amendments.

**Chapter 55
Cryogenic Fluids**

Chapter 55 Cryogenic Fluids is adopted in its entirety without amendments.

**Chapter 56
Explosives and Fireworks**

Chapter 56 Explosives and Fireworks is adopted in its entirety with the following amendments:

Section 5608.2 Firing is hereby added as follows:

5608.2 Firing. All fireworks displays, regardless of mortar, device, or shell size, shall be electrically fired.

Section 5608.3 Application for Permit is hereby added as follows:

Section 5608.3 Application for Permit. A diagram of the grounds on which the display is to be held showing the point at which the fireworks are to be discharged, the fallout area based on 100 feet per inch of shell size, the location of all buildings, roads, and other means of transportation, the lines behind which the audience will be restrained, the location of all nearby trees, telegraph or telephone line, or other overhead obstructions shall be provided to OCFA.

Chapter 57 Flammable and Combustible Liquids

Chapter 57 Flammable and Combustible Liquids. Adopt Chapter 57, with the exception of Section 5707, in its entirety and with the following amendment:

Section 5701.1.1 On-Demand Mobile fueling is added as follows:

Section 5701.1.1 Mobile fueling. On-demand mobile fueling of Class I, II, and III liquids into the fuel tanks of vehicles is prohibited.

Chapter 58 Flammable Gases and Flammable Cryogenic Fluids

Chapter 58 Flammable Gases and Flammable Cryogenic Fluids. Adopt Chapter 58, with the exception of Section 5809, in its entirety and with the following amendment:

Section 5801.1 Scope is revised as follows:

Section 5801.1 Scope. The storage and use of flammable gases and flammable cryogenic fluids shall be in accordance with this chapter, NFPA 2 and NFPA 55. Compressed gases shall also comply with Chapter 53 and cryogenic fluids shall also comply with Chapter 55. Flammable cryogenic fluids shall comply with Section 5806. Hydrogen motor fuel-dispensing stations and repair garages and their associated above-ground hydrogen storage systems shall also be designed, constructed and maintained in accordance with Chapter 23. Mobile fueling of gaseous and liquid hydrogen, compressed natural gas (CNG), and liquefied natural gas (LNG) into the fuel tanks of vehicles is prohibited.

Exceptions:

1. Gases used as refrigerants in refrigeration systems (see Section 605).
2. Liquefied petroleum gases and natural gases regulated by Chapter 61.

3. Fuel-gas systems and appliances regulated under the California Mechanical Code and the California Plumbing Code other than gaseous hydrogen systems and appliances.
4. Pyrophoric gases in accordance with Chapter 64.

Chapter 59 Flammable Solids

Chapter 59 Flammable Solids is adopted in its entirety without amendments.

Chapter 60 Highly Toxic and Toxic Materials

Chapter 60 Highly Toxic and Toxic Materials is adopted in its entirety without amendments.

Chapter 61 Liquefied Petroleum Gases

Chapter 61 Liquefied Petroleum Gases is adopted in its entirety without amendments.

Chapter 62 Organic Peroxides

Chapter 62 Organic Peroxides is adopted in its entirety without amendments.

Chapter 63 Oxidizers, Oxidizing Gases, and Oxidizing Cryogenic Fluids

Chapter 63 Oxidizers, Oxidizing Gases, and Oxidizing Cryogenic Fluids is adopted in its entirety without amendments.

**Chapter 64
Pyrophoric Materials**

Chapter 64 Pyrophoric Materials is adopted in its entirety without amendments.

**Chapter 65
Pyroxylin (Cellulose Nitrate) Plastics**

Chapter 65 Pyroxylin (Cellulose Nitrate) Plastics is adopted in its entirety without amendments.

**Chapter 66
Unstable (Reactive) Materials**

Chapter 66 Unstable (Reactive) Materials is adopted in its entirety without amendments.

**Chapter 67
Water-Reactive Solids and Liquids**

Chapter 67 Water-Reactive Solids and Liquids is adopted in its entirety without amendments.

**Chapter 80
Referenced Standards**

Chapter 80 Referenced Standards is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Standard for the Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby revised as follows:

6.7.3 Fire department connections (FDC) shall be of an approved type. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of 2½” inlets shall be approved by the fire code official. If acceptable to the water authority, it may be installed on the backflow assembly. Fire department inlet connections shall be painted OSHA safety red or as approved. When the fire sprinkler density design requires more than 500 gpm (including inside hose stream demand), or a standpipe system is included, four 2½” inlets shall be provided.

Section 8.3.3.1 is hereby revised as follows:

8.3.3.1 When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted. Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of 8.4.5
- (3) Quick response CMSA sprinklers
- (4) ESFR sprinklers
- (5) Standard-response sprinklers used for modifications or additions to existing light hazard systems equipped with standard-response sprinklers
- (6) Standard-response sprinklers used where individual standard-response sprinklers are replaced in existing light hazard systems

Section 8.15.1.2.7 is hereby revised as follows:

8.15.1.2.7 Concealed spaces filled with noncombustible insulation shall not require sprinkler protection when approved by the fire code official.

Section 11.1.1.1 is hereby added as follows:

11.1.1.1 When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2 (d) curve “G”. Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent use or occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new use or occupancy.

Section 11.2.3.1.1.1 is hereby added as follows:

11.2.3.1.1.1 The available water supply for fire sprinkler system design shall be determined by one of the following methods, as approved by the fire code official:

- 1) Subtract the project site elevation from the low water level for the appropriate pressure zone and multiply the result by 0.433;
- 2) Use a maximum of 40 psi, if available;
- 3) Utilize the OCFA water-flow test form/directions to document a flow test conducted by the local water agency or an approved third party licensed in the State of California.

NFPA 13D 2016 Edition, Standard for the Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 7.1.2 is hereby revised as follows:

7.1.2 The sprinkler system piping shall not have separate control valves installed unless supervised by a central station, proprietary, or remote station alarm service.

NFPA 14, 2013 Edition, Installation of Standpipe and Hose Systems is hereby amended as follows:

Section 7.3.1.1 is hereby is deleted in its entirety and replaced as follows:

7.3.1.1 Class I and III Standpipe hose connections shall be unobstructed and shall be located not less than 18 inches or more than 24 inches above the finished floor. Class II Standpipe hose connections shall be unobstructed and shall be located not less than 3 feet or more than 5 feet above the finished floor.

NFPA 24, 2016 Edition, Standard for the Installation of Private Fire Service Mains and Their Appurtenances is hereby amended as follows:

Section 6.2.8.1 is hereby added as follows:

6.2.8.1 All indicating valves controlling fire suppression water supplies shall be painted OSHA red.

Exceptions:

1. Brass or bronze valves on sprinkler risers mounted to the exterior of the building may be left unpainted.
2. Where OS&Y valves on the detector check assembly are the only control valves, at least one OS&Y valve shall be painted red.

Section 6.2.9 is hereby amended as follows:

All connections to private fire service mains for fire protection systems shall be arranged in accordance with one of the following so that they can be isolated:

- (1) A post indicator valve installed not less than 40 ft (12 m) from the building
 - (a) For buildings less than 40 ft (12 m) in height, a post indicator valve shall be permitted to be installed closer than 40 ft (12 m) but at least as far from the building as the height of the wall facing the post indicator valve.
- (2) A wall post indicator valve
- (3) An indicating valve in a pit, installed in accordance with Section 6.4

- (4) A backflow preventer with at least one indicating valve not less than 40 ft (12 m) from the building
 - (a) For buildings less than 40 ft (12 m) in height, a backflow preventer with at least one indicating valve shall be permitted to be installed closer than 40 ft (12 m) but at least as far from the building as the height of the wall facing the backflow preventer.
- (5) Control valves installed in a fire-rated room accessible from the exterior
- (6) Control valves in a fire-rated stair enclosure accessible from the exterior

Section 10.1.5 is hereby added as follows:

10.1.5 All ferrous pipe and joints shall be polyethylene encased per AWWA C150, Method A, B, or C. All fittings shall be protected with a loose 8-mil polyethylene tube or sheet. The ends of the tube or sheet shall extend past the joint by a minimum of 12 inches and be sealed with 2-inch-wide tape approved for underground use. Galvanizing does not meet the requirements of this section.

Exception: 304 or 316 Stainless Steel pipe and fittings.

Section 10.4.1.1 is hereby revised as follows:

10.4.1.1 All bolted joint accessories shall be cleaned and thoroughly coated with asphalt or other corrosion-retarding material after installation.

Exception: Bolted joint accessories made from 304 or 316 stainless steel.

Section 10.4.1.1.1 is hereby added as follows:

10.4.1.1.1 All bolts used in pipe-joint assembly shall be 316 stainless steel.

Section 10.4.3.2 is hereby deleted and replaced as follows:

10.4.3. Where fire service mains enter the building adjacent to the foundation, the pipe may run under a building to a maximum of 24 inches, as measured from the interior face of the exterior wall to the center of the vertical pipe. The pipe under the building or building foundation shall be 304 or 316 stainless steel and shall not contain mechanical joints or it shall comply with 10.4.3.2.1 through 10.4.3.2.4.

Appendices

Appendix A is deleted in its entirety without amendments.

Appendix B is adopted in its entirety with amendments outlined in Guideline B-09.

Appendix BB is adopted in its entirety without amendments.

Appendix C is adopted in its entirety without amendments.

Appendix CC is adopted in its entirety without amendments.

Appendix D is deleted in its entirety without amendments.

Appendix E is deleted in its entirety without amendments.

Appendix F is deleted in its entirety without amendments.

Appendix G is deleted in its entirety without amendments.

Appendix H is adopted in its entirety without amendments.

Appendix I is deleted in its entirety without amendments.

Appendix J is deleted in its entirety without amendments.

Appendix K is deleted in its entirety without amendments.

Appendix L is deleted in its entirety without amendments.

Appendix M is deleted in its entirety without amendments.

Appendix N is deleted in its entirety without amendments.

Appendix O is deleted in its entirety without amendments.

Secs. 10.12.030—10.12.540. - Reserved.

2019

California Fire Code

Amendment Package

(Laguna Woods)

Final Version

Chapter 1 Scope and Administration

Chapter 1 General Requirements. Adopt Chapter 1 in its entirety, with the exception of Section 109, and with the following amendments:

Section 110.4 Violation penalties is hereby revised as follows:

110.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or shall fail to comply with any issued orders or notices or who shall erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be subject to penalties assessed as prescribed in the OCFA Prevention Field Services adopted fee schedule. Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 110.4.2 Infraction and misdemeanor is hereby added as follows:

110.4.2 Infraction and misdemeanor. *Persons operating or maintaining any occupancy, premises or vehicle subject to this code that shall permit any fire or life safety hazard to exist on premises under their control shall be guilty of an infraction. Persons who fail to take immediate action to abate a fire or life safety hazard when ordered or notified to do so by the chief or a duly authorized representative are guilty of a misdemeanor.*

Chapter 2 Definitions

Chapter 2 Definitions is adopted in its entirety with the following amendments:

Sections 202 General Definitions is hereby revised by adding “OCFA,” and “Spark Arrester” as follows:

202 General Definitions

OCFA: *Orange County Fire Authority, fire authority having jurisdiction.*

SPARK ARRESTER. *A listed device constructed of noncombustible material specifically for the purpose of meeting one of the following conditions:*

- 1. Removing and retaining carbon and other flammable particles/debris from the exhaust flow of an internal combustion engine in accordance with California Vehicle Code Section 38366.*

2. Fireplaces that burn solid fuel in accordance with California Building Code Chapter 28.

Chapter 3 General Requirements

Chapter 3 General Requirements. Adopt Chapter 3 in its entirety, with the exception of Sections 308.1.4, 311.5 through 311.5.5, 318, and 319, and with the following amendments:

Section 304.1.2 Vegetation is hereby revised as follows:

304.1.2 Vegetation. Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirement in urban-wildland interface areas shall be in accordance with Chapter 49. Type, amount, arrangement, and maintenance of vegetation in a fuel modification area, interior slope, or similarly hazardous area shall be in accordance with OCFA Guideline C-05 "Vegetation Management Guideline—Technical Design for New Construction, Fuel Modification Plans, and Maintenance Program."

Section 305.6 Hazardous Conditions is hereby added as follows:

305.6 Hazardous conditions. Outdoor fires burning wood or other solid fuel are not allowed when any of the following conditions applies:

1. when predicted sustained winds exceed 8 MPH and relative humidity is less than 25%, or a red flag condition has been declared
2. when an official sign was caused to be posted by the fire code official, or a public announcement is made

No outdoor fires using any fuel type are permitted when predicted sustained winds exceed 20 MPH or when such fires present a hazard as determined by the fire code official.

Section 305.7 Disposal of rubbish is hereby added as follows:

305.7 Disposal of rubbish. Rubbish, trash or combustible waste material shall be burned only within an approved incinerator and in accordance with Section 307.2.1.

Section 307 OPEN BURNING, RECREATIONAL FIRES AND PORTABLE OUTDOOR FIREPLACES is hereby revised as follows:

SECTION 307 OPEN BURNING, RECREATIONAL FIRES, FIRE PITS, FIRE RINGS, AND PORTABLE OUTDOOR FIREPLACES

Sections 307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies is hereby added as follows:

307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies. Outdoor fireplaces, fire pits, fire rings, or similar exterior devices used at Group R occupancies shall comply with this section.

Exception: Barbeques, grills, and other portable devices intended solely for cooking.

Section 307.6.1 Gas-fueled devices is hereby added as follows:

307.6.1 Gas-fueled devices. Outdoor fireplaces, fire pits and similar devices fueled by natural gas or liquefied-petroleum gas are allowed when approved by the Building Department and the device is designed to only burn a gas flame and not wood or other solid fuel. At R-3 occupancies, combustible construction and vegetation shall not be located within three feet of an atmospheric column that extends vertically from the perimeter of the device. At other R occupancies, the minimum distance shall be ten feet. Where a permanent Building Department approved hood and vent is installed, combustible construction may encroach upon this column between the bottom of the hood and the vent opening. Where chimneys or vents are installed, they shall have a spark arrester as defined in Section 202.

Section 307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas is hereby added as follows:

307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas. Permanent outdoor fireplaces burning wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have an installed and maintained method of arresting sparks.

The burning of wood or other solid fuel in a device is not allowed within 25 feet of combustible structures unless within an approved permanent fireplace, Conditions which could cause a fire to spread within 25 feet of a structure or to vegetation shall be eliminated prior to ignition. Fires in devices burning wood or solid fuel shall be in accordance with Sections 305, 307, and 308.

Exceptions:

1. Portable fireplaces and fire rings/pits equipped with a device to arrest sparks shall be located at least 3' from combustible construction at R-3 occupancies.
2. Portable fireplaces, and fire pits/rings equipped with a device to arrest sparks, shall be located at least 15 feet from combustible structures at other R occupancies.

Section 307.6.2.1 Where prohibited is hereby added as follows:

307.6.2.1 Where prohibited. The burning of wood and other solid fuels shall not be conducted within a fuel modification zone, Wildfire Risk Area (WRA), Wildland-Urban Interface Area (WUI), or in locations where conditions could cause the spread of fire to the WRA or WUI.

Exceptions:

1. Permanent fireplaces that are not located in a fuel modification zone
2. Where determined by the Fire Code Official that the location or design of the device should reasonably prevent the start of a wildfire.

Section 308.1.6.3 Sky lanterns is hereby revised as follows:

308.1.6.3 Sky lanterns. A person shall not ignite, release, or cause to be released a sky lantern.

Section 320 321 Fuel Modification Requirements for New Construction is hereby added as follows:

320 321 Fuel Modification Requirements for New Construction. All new structures and facilities adjoining land containing hazardous combustible vegetation shall be approved and in accordance with the requirements of OCFA Guideline C-05 "Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program."

Section 321 322 Clearance of brush or vegetation growth from roadways is hereby added as follows:

321 322 Clearance of brush or vegetation growth from roadways. The fire code official is authorized to cause areas within 10 feet (3048 mm) on each side of portions of highways and private streets which are improved, designed or ordinarily used for vehicular traffic, to be cleared of flammable vegetation and other combustible growth. Measurement shall be from the flow-line or the end of the improved edge of the roadway surfaces.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as

ground covers, provided that they do not form a means of readily transmitting fire.

Section 322 323 Unusual Circumstances is hereby added as follows:

322 323 Unusual circumstances. The fire code official may suspend enforcement of the vegetation management requirements and require reasonable alternative measures designed to advance the purpose of this code if determined that in any specific case that any of the following conditions exist:

1. Difficult terrain.
2. Danger of erosion.
3. Presence of plants included in any state and federal resources agencies, California Native Plant Society and county-approved list of wildlife, plants, rare, endangered and/or threatened species.
4. Stands or groves of trees or heritage trees.
5. Other unusual circumstances that make strict compliance with the clearance of vegetation provisions undesirable or impractical.

Section 324 Use of Equipment is hereby added as follows:

324 Use of equipment. Except as otherwise provided in this section, no person shall use, operate, or cause to be operated in, upon or adjoining any hazardous fire area any internal combustion engine which uses hydrocarbon fuels, unless the engine is equipped with a spark arrester as defined in Section 202 maintained in effective working order, or the engine is constructed, equipped and maintained for the prevention of fire.

Exceptions:

1. Engines used to provide motor power for trucks, truck tractors, buses, and passenger vehicles, except motorcycles, are not subject to this section if the exhaust system is equipped with a muffler as defined in the Vehicle Code of the State of California.
2. Turbocharged engines are not subject to this section if all exhausted gases pass through the rotating turbine wheel, there is no exhaust bypass to the atmosphere, and the turbocharger is in good mechanical condition

Section ~~323.1~~ 324.1 Use of Equipment and Devices Generating Heat, Sparks or Open Flames is hereby added as follows:

323.1 324.1 Equipment and devices generating heat, sparks or open flames. During any time of the year within Wildfire Risk Areas, within or immediately adjacent to any forest- or brush-covered land or non-irrigated grass-covered land, no person shall use or operate any welding equipment, cutting torches, tar pots, grinding devices, or other tools or equipment that may produce a spark, fire, or flame that could result in a wildfire without doing the following:

1. First clearing away all flammable material, including snags, from the area around such operation for a distance of 30 feet or other approved method to reduce fire spread into the wildlands. If 30 foot clearing cannot be achieved, then an alternate method shall be approved by the AHJ prior to work starting.
2. Maintain one serviceable round point shovel with an overall length of not less than forty-six (46) inches and one backpack pump water-type fire extinguisher fully equipped and ready for use at the immediate area during the operation.
3. Stop work when winds are 8 MPH or greater during periods when relative humidity is less than 25%, or a red flag condition has been declared or public announcement is made, when an official sign was caused to be posted by the fire code official, or when such fires present a hazard as determined by the fire code official.
4. Keep a cell phone nearby and call 911 immediate in case of fire.

Section 323.2 324.2 Spark Arresters is hereby added as follows:

323.2 324.2 Spark arresters. Spark arresters shall comply with Section 202, and when affixed to the exhaust system of engines or vehicles subject to Section 324 shall not be placed or mounted in such a manner as to allow flames or heat from the exhaust system to ignite any flammable material.

Chapter 4 Emergency Planning and Preparedness

Chapter 4: Emergency Planning and Preparedness. Adopt only the sections, subsections, and amendment listed below:

401 – 401.9
402
403.2
403.5 – 403.5.4
403.10.2.1.1
403.13 – 403.13.3
404.5 – 404.6.6
407

Section 407.5 is revised as follows:

407.5 Hazardous Materials Inventory Statement. Where required by the fire code official, each application for a permit shall OCFA's Chemical Classification Packet in accordance with Section 5001.5.2.

Chapter 5 Fire Service Features

Chapter 5 Fire Service Features is adopted in its entirety with the following amendments:

SECTION 501.1 Scope is revised as follows:

501.1 Scope. Fire service features for buildings, structures and premises shall comply with this chapter and, where required by the fire code official, with OCFA Guideline B-09, "Fire Master Plan for Commercial & Residential Development." Fire service features for buildings, structures and premises located in State Responsibility Areas, and Local Responsibility Areas designated as Very High Hazard Fire Severity Zone shall also comply with OCFA Guideline B-09a, "Fire Safe Development in State Responsibility Areas, and Local Responsibility Areas designated as Very High Hazard Fire Severity Zone".

Section 510.1 Emergency responder radio coverage in new buildings is revised as follows:

510.1 Emergency responder radio coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems utilized by the jurisdiction, measured at the exterior of the building. This section shall not require improvement of the existing public safety communication systems. The Emergency Responder Radio Coverage System shall comply with the Orange County Sheriff's Department, Communications and Technology Division guidelines and specifications and, where the functionality or performance requirements in the California Fire Code are more stringent, this code.

Exceptions:

1. In buildings or structures where it is determined by the fire code official that the radio coverage system is not needed, including but not limited to the following:
 - a. Existing buildings or structures, unless required by the Building Official and OCFA for buildings and structures undergoing extensive remodel and/or expansion.
 - b. Elevators.
 - c. Structures that meet all of the following:
 - i. Three stories or less, and
 - ii. Do not have subterranean storage or parking, and
 - iii. Do not exceed 50,000 square feet on any single story.
 - d. Structures that meet all of the following:
 - i. Residential structures four stories or less, and
 - ii. Constructed of wood, and
 - iii. Do not have subterranean storage or parking, and
 - iv. Are not built integral to an above ground multi-story parking structure.

Should a structure that is three stories or less and 50,000 square feet or smaller on any single story include subterranean storage or parking, then this ordinance shall apply only to the subterranean areas.

2. In facilities where emergency responder radio coverage is required and such systems, components or equipment required could have a negative impact on the normal operations of the facility, the fire code official shall have the authority to accept an automatically activated emergency radio coverage system.

Section 510.2 Emergency responder radio coverage in existing buildings is deleted without replacement:

Section 510.3 Permit required is deleted without replacement.

Chapter 6 Building Services and Systems

Chapter 6 Building Services and Systems is adopted in its entirety without amendments:

Chapter 7 Fire and Smoke Protection Features

Chapter 7 Fire and Smoke Protection Features is adopted in its entirety without amendments.

Chapter 8 Interior Finish, Decorative Materials and Furnishings

Chapter 8 Interior Finish, Decorative Materials and Furnishings is adopted in its entirety without amendments.

Chapter 9 Fire Protection and Life Safety Systems

Adopt Chapter 9 Fire Protection and Life Safety Systems is adopted in its entirety with the following amendments:

Section 903.2 Where required is hereby revised as follows:

903.2 Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided when one of the following conditions exists:

New buildings: Notwithstanding any applicable provisions of Sections 903.2.1 through 903.2.19, an automatic fire-extinguishing system shall also be installed in

all occupancies when the total building area exceeds 5,000 square feet as defined in Section 202, regardless of fire areas or allowable area, or is more than two stories in height.

Exception: Subject to approval by the Fire Code Official, open parking garages in accordance with Section 406.5 of the California Building Code.

1. **Existing Buildings:** Notwithstanding any applicable provisions of this code, an automatic sprinkler system shall be provided in an existing building when an addition occurs and one of the following conditions exists:
 - a. When an addition is 33% or more of the existing building area, and the resulting building area exceeds 5000 square feet
 - b. When an addition exceeds 2000 square feet and the resulting building area exceeds 5000 square feet.
 - c. An additional story is added above the second floor regardless of fire areas or allowable area.

Exception: Additions to Group R-3 occupancies shall comply with Section 903.2.8 (2).

Section 903.2.8 Group R is hereby revised as follows:

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area as follows:

1. **New Buildings:** An automatic sprinkler system shall be installed throughout all new buildings.
2. **Existing Buildings:** An automatic sprinkler system shall be installed throughout when one of the following conditions exists:
 - a. When an addition is 33% or more of the existing building area as defined in Section 202, and greater than 1000 square feet within a two year period; or,
 - b. An addition when the existing building is already provided with automatic sprinklers; or,
 - c. When an existing Group R Occupancy is being substantially renovated, and where the scope of the renovation is such that the Building Code Official determines that the complexity of installing a sprinkler system would be similar as in a new building.

Exceptions:

1. Existing Group R-3 occupancies converted to Group R-3.1 occupancies and not housing bedridden clients, not housing non-ambulatory clients above the first floor, and not housing clients above the second floor.

2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with Section 435.8.3.3 of the California Building Code.
3. Pursuant to Health and Safety Code, Section 13113, occupancies housing ambulatory children only, none of whom are mentally ill children or children with intellectual disabilities, and the buildings or portions thereof in which such children are housed are not more than two stories in height, and building or portions thereof housing such children have an automatic fire alarm system activated by approved smoke detectors.
4. Pursuant to Health and Safety Code, Section 13143.6, occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

When not used in accordance with Section 504.2 or 506.3 of the California Building Code, an automatic sprinkler system installed in accordance with Section 903.3.1.2 shall be allowed in Group R-2.1 occupancies.

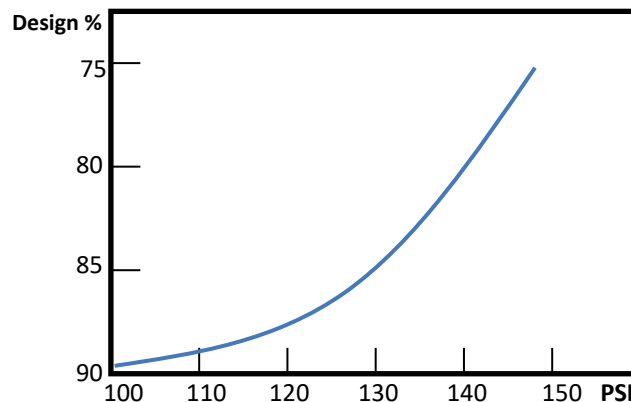
An automatic sprinkler system designed in accordance with Section 903.3.1.3 shall not be utilized in Group R-2.1 or R-4 occupancies.

Section 903.3.5.3 Hydraulically calculated systems is hereby added as follows:

903.3.5.3 Hydraulically calculated systems. *The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.*

Exception: *When static pressure exceeds 100 psi, and when required by the fire code official, the fire sprinkler system shall not exceed the water supply capacity specified by Table 903.3.5.3.*

TABLE 903.3.5.3
Hydraulically Calculated Systems



Chapter 10 Means of Egress

Chapter 10 Means of Egress is adopted in its entirety without amendments.

Chapter 11 Construction Requirements for Existing Buildings

Chapter 11 Construction Requirements for Existing Buildings. Adopt only those sections and subsections listed below:

1103.7
1103.7.3
1103.7.3.1
1103.7.8 – 1103.7.8.2
1103.7.9 – 1103.7.9.10
1103.8 – 1103.8.5.3
1103.9.1
1107
1113
1114
1115
1116

Chapter 12 Energy Systems

Chapter 12 Energy Systems is adopted in its entirety with the following amendment added:

1201.1.1 Other Systems Where required by the fire code official, other systems and operations including but not limited to battery systems assembly, battery reconditioning and storage, research and development of battery storage systems, electric vehicle manufacturing and testing, and battery charging systems for cars and carts inside of buildings or structures, shall comply with this chapter.

Exception: When approved by the fire code official, charging stations for electric vehicles located in open parking garages of Type I or II construction.

Chapter 20 Aviation Facilities

Chapter 20 Aviation Facilities is adopted in its entirety without amendments.

Chapter 21

Dry Cleaning

Chapter 21 Dry Cleaning is adopted in its entirety without amendments.

Chapter 22 Combustible Dust-Producing Operations

Chapter 22 Combustible Dust-Producing Operations is adopted in its entirety without amendments.

Chapter 23 Motor Fuel-Dispensing Facilities and Repair Garages

Chapter 23 Motor Fuel-Dispensing Facilities and Repair Garages is adopted in its entirety without amendments.

Chapter 24 Flammable Finishes

Chapter 24 Flammable Finishes is adopted in its entirety without amendments.

Chapter 25 Fruit and Crop Ripening

Chapter 25 Fruit and Crop Ripening is deleted in its entirety.

Chapter 26 Fumigation and Insecticidal Fogging

Chapter 26 Fumigation and Insecticidal Fogging is deleted in its entirety.

Chapter 27 Semiconductor Fabrication Facilities

Chapter 27 Semiconductor Fabrication Facilities is adopted in its entirety without amendments

Chapter 28 Lumber Yards and Agro-Industrial, Solid Biomass and Woodworking Facilities

Chapter 28 Lumber Yards and Agro-Industrial, Solid Biomass and Woodworking Facilities is adopted in its entirety with the following amendments:

Section 2801.2 Permit is hereby revised as follows:

2801.2 Permit. Permits shall be required as set forth in Section 105.6 and 105.6.29.

Section 2808.2 Storage site is hereby revised as follows:

2808.2 Storage site. Storage sites shall be level and on solid ground, elevated soil lifts or other all-weather surface. Sites shall be thoroughly cleaned and approval obtained from the fire code official before transferring ~~wood~~ products to the site.

Section 2808.3 Size of piles is hereby revised as follows:

2808.3 Size of piles. Piles shall not exceed 15 feet in height, 50 feet in width and 100 feet in length.

Exception: The fire code official is authorized to allow the pile size to be increased where a fire protection plan is provided for approval that includes, but is not limited to, the following:

1. Storage yard areas and materials-handling equipment selection, design and arrangement shall be based upon sound fire prevention and protection principles.
2. Factor that lead to spontaneous heating shall be identified in the plan, and control of the various factors shall be identified and implemented, including provisions for monitoring the internal condition of the pile.
3. The plan shall include means for early fire detection and reporting to the public fire department; and facilities needed by the fire department for fire extinguishment including a water supply and fire hydrants.
4. Fire apparatus access roads around the piles and access roads to the top of the piles shall be established, identified and maintained.
5. Regular yard inspections by trained personnel shall be included as part of an effective fire prevention maintenance program.

Additional fire protection called for in the plan shall be provided and shall be installed in accordance with this code. The increase of the pile size shall be based upon the capabilities of the installed fire protection system and features.

Section 2808.4 Pile Separation is hereby revised as follows:

2808.4. Pile separation. Piles shall be separated from adjacent piles by minimum distance of 20 feet. Additionally, piles shall have a minimum separation of 100 feet from combustible vegetation.

Section 2808.7 Pile fire protection is hereby revised as follows:

2808.7 Pile fire protection. Automatic sprinkler protection shall be provided in conveyor tunnels and combustible enclosures that pass under a pile. Combustible conveyor systems and enclosed conveyor systems shall be equipped with an approved automatic sprinkler system. Oscillating sprinklers with a sufficient projectile reach are required to maintain a 40% to 60% moisture content and wet down burning/smoldering areas.

Section 2808.9 Material-handling equipment is hereby revised as follows:

2808.9 Material-handling equipment. All material-handling equipment operated by an internal combustion engine shall be provided and maintained with an approved spark arrester. Approved material-handling equipment shall be available for moving wood chips, hogged material, wood fines and raw product during fire-fighting operations.

Section 2808.11 Temperature control is hereby added as follows:

2808.11 Temperature control. The temperature shall be monitored and maintained as specified in Sections 2808.11.1 and 2808.11.2.

Section 2808.11.1 Pile temperature control is hereby added as follows:

2808.11.1 Pile temperature control. Piles shall be rotated when internal temperature readings are in excess of 165 degrees Fahrenheit.

Section 2808.11.2 New material temperature control is hereby added as follows:

2808.11.2 New material temperature control. New loads delivered to the facility shall be inspected and tested at the facility entry prior to taking delivery. Material with temperature exceeding 165 degrees Fahrenheit shall not be accepted on the site. New loads shall comply with the requirements of this chapter and be monitored to verify that the temperature remains stable.

Section 2808.12 Water availability is hereby added as follows:

2808.12 Water Availability. Facilities with over 2500 cubic feet shall provide a water supply. The minimum fire flow shall be no less than 500 GPM @ 20 psi for a minimum of 1 hour duration for pile heights up to 6 feet and 2 hour duration for pile heights over 6 feet. If there is no water purveyor, an alternate water supply with storage tank(s) shall be provided for fire suppression. The water supply tank(s) shall provide a minimum capacity of 2500 gallons per pile (maximum 30,000 gallons) for piles not exceeding 6 feet in height and 5000 gallons per pile (maximum 60,000) for piles exceeding 6 feet in height. Water tank(s) shall not be used for any other purpose unless the required fire flow is left in reserve within the tank at all times. An approved method shall be provided to maintain the required amount of water within the tank(s).

Section 2808.13 Tipping area is hereby added as follows:

2808.13 Tipping areas shall comply with the following:

1. Tipping areas shall not exceed a maximum area of 50 feet by 50 feet.
2. Material within a tipping area shall not exceed 5 feet in height at any time.
3. Tipping areas shall be separated from all piles by a 20 foot wide fire access lane.
4. A fire hydrant or approved fire water supply outlet shall be located within 150 feet of all points along the perimeter of the tipping area.
5. All material within a tipping area shall be processed within 5 days of receipt.

Section 2808.14 Emergency Contact is hereby added as follows:

2808.14 Emergency Contact. The contact information of a responsible person or persons shall be provided to the Fire Department and shall be posted at the entrance to the facility for responding units. The responsible party should be available to respond to the business in emergency situation.

Chapter 29 Manufacture of Organic Coatings

Chapter 29 Manufacture of Organic Coatings is adopted in its entirety without amendments.

Chapter 30 Industrial Ovens

Chapter 30 Industrial Ovens is adopted in its entirety without amendments.

Chapter 31 Tents, Temporary Special Event Structures and Other Membrane Structures

Chapter 31 Temporary Special Event Structures and Other Membrane Structures is adopted in its entirety without amendments.

Chapter 32 High-Piled Combustible Storage

Chapter 32 High-Piled Combustible Storage is adopted in its entirety without amendments.

Chapter 33 Fire Safety During Construction and Demolition

Chapter 33 Fire Safety During Construction and Demolition is adopted in its entirety without amendments.

**Chapter 34
Tire Rebuilding and Tire Storage**

Chapter 34 Tire Rebuilding and Tire Storage is adopted in its entirety without amendments.

**Chapter 35
Welding and Other Hot Work**

Chapter 35 Welding and Other Hot Work is adopted in its entirety without amendments.

**Chapter 36
Marinas**

Chapter 36 Marinas is adopted in its entirety without amendments.

**Chapter 37
Combustible Fibers**

Chapter 37 Combustible Fibers is adopted in its entirety without amendments.

**Chapter 39
Processing and Extraction Facilities**

Chapter 39 Processing and Extraction Facilities is adopted in its entirety without amendments.

**Chapter 48
Motion Picture and Television Production Studio Sound Stages, Approved
Production Facilities and Production Locations**

Chapter 48 Motion Picture and Television Production Studio Sound Stages, Approved Production Facilities and Production Locations is adopted in its entirety without amendments.

**Chapter 49
Requirements for Wildland-Urban Interface Fire Areas**

Chapter 49 Requirements for Wildland-Urban Interface Fire Areas is adopted in its entirety with the following amendments:

Section 4906.3 Requirements is hereby revised as follows:

4906.3 Requirements. Hazardous vegetation and fuels around all applicable buildings and structure shall be maintained in accordance with the following laws and regulations:

1. Public Resources Code, Section 4291.
2. California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 3, Section 1299 (see guidance for implementation “General Guideline to Create Defensible Space”).
3. California Government Code, Section 51182.
4. California Code of Regulations, Title 19, Division 1, Chapter 7, Subchapter 1, Section 3.07.
5. OCFA Guideline C-05 “Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program.”

Section 4908 Fuel Modification Requirements for New Construction is hereby added as follows:

4908 Fuel Modification Requirements for New Construction. *All new buildings to be built or installed in a Wildfire Risk Area shall comply with the following:*

1. Preliminary fuel modification plans shall be submitted to and approved by the fire code official prior to or concurrently with the approval of any tentative map.
2. Final fuel modification plans shall be submitted to and approved by the fire code official prior to the issuance of a grading permit.
3. The fuel modification plans shall meet the criteria set forth in the Fuel Modification Section of OCFA Guideline C-05 “Vegetation Management Guideline – Technical Design for New Construction Fuel Modification Plans and Maintenance Program.”
 - 1.1 The fuel modification plan shall include provisions for the maintenance of the fuel modification in perpetuity.
4. The fuel modification plan may be altered if conditions change. Any alterations to the fuel modification areas shall have prior approval from the fire code official.
5. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in the Fire Code.

Chapter 50

Hazardous Materials – General Provisions

Chapter 50 Hazardous Materials – General Provisions is adopted in its entirety with the following amendments.

Section 5001.5.2 Hazardous Materials Inventory Statement (HMIS), is hereby revised as follows:

5001.5.2 Hazardous Materials Inventory Statement (HMIS). Where required by the fire code official, an application for a permit shall include. Orange County Fire Authority's-Chemical Classification Packet, which shall be completed and approved prior to approval of plans, and/or the storage, use or handling of chemicals on the premises. The Chemical Classification Packet shall include the following information:

1. Product Name.
2. Component.
3. Chemical Abstract Service (CAS) number.
4. Location where stored or used.
5. Container size.
6. Hazard classification.
7. Amount in storage.
8. Amount in use-closed systems.
9. Amount in use-open systems.

Section 5003.1.1.1 Extremely Hazardous Substances is hereby added as follows:

5003.1.1.1 Extremely Hazardous Substances. No person shall use or store any amount of extremely hazardous substances (EHS) in excess of the disclosable amounts (see Health and Safety Code Section 25500 et al) in a residential zoned or any residentially developed property.

Chapter 51 Aerosols

Chapter 51 Aerosols is adopted in its entirety without amendments.

Chapter 53 Compressed Gases

Chapter 53 Compressed Gases is adopted in its entirety without amendments.

Chapter 54 Corrosive Materials

Chapter 54 Corrosive materials is adopted in its entirety without amendments.

Chapter 55 Cryogenic Fluids

Chapter 55 Cryogenic Fluids is adopted in its entirety without amendments.

Chapter 56 Explosives and Fireworks

Chapter 56 Explosives and Fireworks is adopted in its entirety with the following amendments:

Section 5608.2 Firing is hereby added as follows:

5608.2 Firing. *All fireworks displays, regardless of mortar, device, or shell size, shall be electrically fired.*

Section 5608.3 Application for Permit is hereby added as follows:

Section 5608.3 Application for Permit. *A diagram of the grounds on which the display is to be held showing the point at which the fireworks are to be discharged, the fallout area based on 100 feet per inch of shell size, the location of all buildings, roads, and other means of transportation, the lines behind which the audience will be restrained, the location of all nearby trees, telegraph or telephone line, or other overhead obstructions shall be provided to OCFA.*

Chapter 57 Flammable and Combustible Liquids

Chapter 57 Flammable and Combustible Liquids. Adopt Chapter 57, with the exception of Section 5707, in its entirety and with the following amendment:

Section 5701.1.1 On-Demand Mobile fueling is added as follows:

Section 5701.1.1 Mobile fueling. *On-demand mobile fueling of Class I, II, and III liquids into the fuel tanks of vehicles is prohibited.*

Chapter 58 Flammable Gases and Flammable Cryogenic Fluids

Chapter 58 Flammable Gases and Flammable Cryogenic Fluids. Adopt Chapter 58, with the exception of Section 5809, in its entirety and with the following amendment:

Section 5801.1 Scope is revised as follows:

Section 5801.1 Scope. The storage and use of flammable gases and flammable cryogenic fluids shall be in accordance with this chapter, NFPA 2 and

NFPA 55. Compressed gases shall also comply with Chapter 53 and cryogenic fluids shall also comply with Chapter 55. Flammable cryogenic fluids shall comply with Section 5806. Hydrogen motor fuel-dispensing stations and repair garages and their associated above-ground hydrogen storage systems shall also be designed, constructed and maintained in accordance with Chapter 23. Mobile fueling of gaseous and liquid hydrogen, compressed natural gas (CNG), and liquefied natural gas (LNG) into the fuel tanks of vehicles is prohibited.

Exceptions:

1. Gases used as refrigerants in refrigeration systems (see Section 605).
2. Liquefied petroleum gases and natural gases regulated by Chapter 61.
3. Fuel-gas systems and appliances regulated under the California Mechanical Code and the California Plumbing Code other than gaseous hydrogen systems and appliances.
4. Pyrophoric gases in accordance with Chapter 64.

Chapter 59 Flammable Solids

Chapter 59 Flammable Solids is adopted in its entirety without amendments.

Chapter 60 Highly Toxic and Toxic Materials

Chapter 60 Highly Toxic and Toxic Materials is adopted in its entirety without amendments.

Chapter 61 Liquefied Petroleum Gases

Chapter 61 Liquefied Petroleum Gases is adopted in its entirety without amendments.

Chapter 62 Organic Peroxides

Chapter 62 Organic Peroxides is adopted in its entirety without amendments.

Chapter 63 Oxidizers, Oxidizing Gases, and Oxidizing Cryogenic Fluids

Chapter 63 Oxidizers, Oxidizing Gases, and Oxidizing Cryogenic Fluids is adopted in its entirety without amendments.

Chapter 64

Pyrophoric Materials

Chapter 64 Pyrophoric Materials is adopted in its entirety without amendments.

Chapter 65 Pyroxylin (Cellulose Nitrate) Plastics

Chapter 65 Pyroxylin (Cellulose Nitrate) Plastics is adopted in its entirety without amendments.

Chapter 66 Unstable (Reactive) Materials

Chapter 66 Unstable (Reactive) Materials is adopted in its entirety without amendments.

Chapter 67 Water-Reactive Solids and Liquids

Chapter 67 Water-Reactive Solids and Liquids is adopted in its entirety without amendments.

Chapter 80 Referenced Standards

Chapter 80 Referenced Standards is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Standard for the Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby revised as follows:

6.7.3 Fire department connections (FDC) shall be of an approved type. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of 2½" inlets shall be approved by the fire code official. If acceptable to the water authority, it may be installed on the backflow assembly. Fire department inlet connections shall be painted OSHA safety red or as approved. When the fire sprinkler density design requires more than 500 gpm (including inside hose stream demand), or a standpipe system is included, four 2½" inlets shall be provided.

Section 8.3.3.1 is hereby revised as follows:

8.3.3.1 When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the

quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted. Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of 8.4.5
- (3) Quick response CMSA sprinklers
- (4) ESFR sprinklers
- (5) Standard-response sprinklers used for modifications or additions to existing light hazard systems equipped with standard-response sprinklers
- (6) Standard-response sprinklers used where individual standard-response sprinklers are replaced in existing light hazard systems

Section 8.15.1.2.7 is hereby revised as follows:

8.15.1.2.7 Concealed spaces filled with noncombustible insulation shall not require sprinkler protection when approved by the fire code official.

Section 11.1.1.1 is hereby added as follows:

11.1.1.1 When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2 (d) curve "G". Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent use or occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new use or occupancy.

Section 11.2.3.1.1.1 is hereby added as follows:

11.2.3.1.1.1 The available water supply for fire sprinkler system design shall be determined by one of the following methods, as approved by the fire code official:

- 1) Subtract the project site elevation from the low water level for the appropriate pressure zone and multiply the result by 0.433;
- 2) Use a maximum of 40 psi, if available;
- 3) Utilize the OCFA water-flow test form/directions to document a flow test conducted by the local water agency or an approved third party licensed in the State of California.

NFPA 13D 2016 Edition, Standard for the Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 7.1.2 is hereby revised as follows:

7.1.2 The sprinkler system piping shall not have separate control valves installed unless supervised by a central station, proprietary, or remote station alarm service.

NFPA 14, 2013 Edition, Installation of Standpipe and Hose Systems is hereby amended as follows:

Section 7.3.1.1 is hereby deleted in its entirety and replaced as follows:

~~**7.3.1.1** Hose connections and hose stations shall be unobstructed and shall be located not less than 3 ft (0.9 m) or more than 5 ft (1.5 m) above the floor.~~

7.3.1.1 Class I and III Standpipe hose connections shall be unobstructed and shall be located not less than 18 inches or more than 24 inches above the finished floor. Class II Standpipe hose connections shall be unobstructed and shall be located not less than 3 feet or more than 5 feet above the finished floor.

NFPA 24, 2016 Edition, Standard for the Installation of Private Fire Service Mains and Their Appurtenances is hereby amended as follows:

Section 6.2.8.1 is hereby added as follows:

6.2.8.1 All indicating valves controlling fire suppression water supplies shall be painted OSHA red.

Exceptions:

1. Brass or bronze valves on sprinkler risers mounted to the exterior of the building may be left unpainted.
2. Where OS&Y valves on the detector check assembly are the only control valves, at least one OS&Y valve shall be painted red.

Section 6.2.9 is hereby amended as follows:

All connections to private fire service mains for fire protection systems shall be arranged in accordance with one of the following so that they can be isolated:

- (1) A post indicator valve installed not less than 40 ft (12 m) from the building
 - (a) For buildings less than 40 ft (12 m) in height, a post indicator valve shall be permitted to be installed closer than 40 ft (12 m) but at least as far from the building as the height of the wall facing the post indicator valve.
- (2) A wall post indicator valve
- (3) An indicating valve in a pit, installed in accordance with Section 6.4

- (4) A backflow preventer with at least one indicating valve not less than 40 ft (12 m) from the building
 - (a) For buildings less than 40 ft (12 m) in height, a backflow preventer with at least one indicating valve shall be permitted to be installed closer than 40 ft (12 m) but at least as far from the building as the height of the wall facing the backflow preventer.
- (5) Control valves installed in a fire-rated room accessible from the exterior
- (6) Control valves in a fire-rated stair enclosure accessible from the exterior

Section 10.1.5 is hereby added as follows:

10.1.5 All ferrous pipe and joints shall be polyethylene encased per AWWA C150, Method A, B, or C. All fittings shall be protected with a loose 8-mil polyethylene tube or sheet. The ends of the tube or sheet shall extend past the joint by a minimum of 12 inches and be sealed with 2 inch wide tape approved for underground use. Galvanizing does not meet the requirements of this section.

Exception: 304 or 316 Stainless Steel pipe and fittings

Section 10.4.1.1 is hereby revised as follows:

10.4.1.1 All bolted joint accessories shall be cleaned and thoroughly coated with asphalt or other corrosion-retarding material after installation.

Exception: Bolted joint accessories made from 304 or 316 stainless steel.

Section 10.4.1.1.1 is hereby added as follows:

10.4.1.1.1 All bolts used in pipe-joint assembly shall be 316 stainless steel.

Section 10.4.3.2 is hereby deleted and replaced as follows:

10.4.3. Where fire service mains enter the building adjacent to the foundation, the pipe may run under a building to a maximum of 24 inches, as measured from the interior face of the exterior wall to the center of the vertical pipe. The pipe under the building or building foundation shall be 304 or 316 stainless steel and shall not contain mechanical joints or it shall comply with 10.4.3.2.1 through 10.4.3.2.4.

Appendices

Appendix A is deleted in its entirety without amendments.

Appendix B is adopted in its entirety with amendments outlined in Guideline B-09.

Appendix BB is adopted in its entirety without amendments.

Appendix C is adopted in its entirety without amendments.

Appendix CC is adopted in its entirety without amendments.

Appendix D is deleted in its entirety without amendments.

Appendix E is deleted in its entirety without amendments.

Appendix F is deleted in its entirety without amendments.

Appendix G is deleted in its entirety without amendments.

Appendix H is adopted in its entirety without amendments.

Appendix I is deleted in its entirety without amendments.

Appendix J is deleted in its entirety without amendments.

Appendix K is deleted in its entirety without amendments.

Appendix L is deleted in its entirety without amendments.

Appendix M is deleted in its entirety without amendments.

Appendix N is deleted in its entirety without amendments.

Appendix O is deleted in its entirety without amendments.

8.1

EMPLOYEE COMPENSATION AND BENEFITS

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: November 20, 2019 Regular Meeting
SUBJECT: Employee Compensation and Benefits

Recommendation

1. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 19-11 AND ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES
(Please refer to Attachment A.)

AND

2. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AND ADOPTING A RESTATED INTERNAL REVENUE CODE SECTION 125 FLEXIBLE BENEFITS PLAN FOR CITY EMPLOYEES AND TAKING OTHER ACTIONS RELATED TO THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE FLEXIBLE BENEFITS PLAN
(Please refer to Attachment B.)

Background

Employee compensation and benefits policies are established by the City Council with the City Manager responsible for the “day-to-day” implementation thereof.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on proposed modifications of employee compensation and benefits (attachments A and B) including, but not limited to, a proposed restatement of the City's existing Internal Revenue Code Section 125 Flexible Benefits Plan, which allows full-time and part-time employees to receive certain benefits on a pre-tax basis (these types of plans are sometimes referred to as "cafeteria plans"). Staff recommends that the City Council adopt the proposed resolutions, in order to update benefit offerings, while also ensuring compliance with federal law and consistency amongst the City's compensation and benefits documents.

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

Proposed Resolution 1 (Attachment A) would repeal Resolution No. 19-11 and establish a compensation schedule and benefits for City employees. Proposed Resolution 1 would update benefit offerings beginning on January 1, 2020 by:

- Increasing the compensation ranges for the City Clerk, Senior Management Analyst, and Management Analyst positions based on a market survey. The proposed increases are approximately 2.5% or less for each range.
- For part-time employees (employees who regularly work between 20 and 39 hours per week), removing the paid Winter Holiday and adding two floating holidays that could be taken between December 24 and 31. The Winter Holiday was referred to as the December Holiday in previous resolutions.
- For part-time employees, adding the ability to provide a monthly benefit allowance of up to \$800 per month. The monthly benefit allowance could be used for health, dental, and vision insurance, as well as other benefits available through the Flexible Benefits Plan. Full-time employees currently receive a monthly benefit allowance of \$1,000 per month.
- For part-time employees, modifying paid time off provisions to match the existing accrual for full-time employees (160 hours per year), pro-rated based on the number of hours regularly worked, up to a maximum accrual of 300 hours. Part-time employees are currently provided only 24 hours of paid time off per year, but may work between 20 and 39 hours per week.
- Clarifying the type of alternate health insurance coverage that full-time and part-time employees must possess and provide proof of, in lieu of mandatory enrollment in a CalPERS health plan. The State of California's healthcare

mandate, which takes effect on January 1, 2020, requires most individuals to have qualifying health insurance coverage throughout the year.

Proposed Resolution 2 (Attachment B) would approve and adopt a restated Internal Revenue Code Section 125 Flexible Benefits Plan for City employees and take other actions related to the administration, operation, and maintenance of the Flexible Benefits Plan. The proposed restatement of the existing Flexible Benefits Plan would be effective on January 1, 2020 and is intended to ensure compliance with federal law and consistency with Proposed Resolution 1, by:

- Noting that a monthly benefit allowance (“Employer Contribution”) may be provided to full-time or part-time employees for use in any benefits available through the Flexible Benefits Plan.

Fiscal Impact

Based on the personnel allocations approved for Fiscal Years 2019-21, the costs associated with the proposed modifications of employee compensation and benefits are expected to be minimal and would be absorbed within the City’s existing budget. No new appropriations would be required.

Attachments: A – Proposed Resolution (Compensation and Benefits)
B – Proposed Resolution (Flexible Benefits Plan)
Exhibit A – Proposed Restated Flexible Benefits Plan Document

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RESOLUTION NO. 19-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REPEALING RESOLUTION NO. 19-11 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 January 1, 2020, Resolution No. 19-11 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	\$187,445.40
Administrative Services Director/ City Treasurer	\$110,982 – \$155,374
City Clerk	\$72,750 – \$101,850
Senior Management Analyst	\$72,750 – \$101,850
Management Analyst	\$64,956 – \$90,938
Deputy City Clerk	\$51,948 – \$72,727

Non-Exempt Full-Time Employees (Hourly Rate)

Senior Accountant	\$34.03 – \$47.64
Accountant	\$29.85 – \$41.79
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	\$15.00 – \$18.00
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The City Manager is authorized to hire, promote, and compensate employees within established compensation ranges, to offer benefits, 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 eight hours of compensation for each weekday on which a holiday is observed: Martin Luther King Jr. Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran’s Day, Thanksgiving, Friday after Thanksgiving, and Winter Holiday (December 24 through January 1; when January 1 falls on a Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the on prior Friday; when a holiday falls on a Sunday, it shall be observed on the following Monday.

- B. Floating Holidays: The City shall provide each full-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Full-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours.

Full-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including full-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.

- D. 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.
- E. 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 elect benefits available through the City’s Internal Revenue Code Section 125 Flexible Benefits Plan, in accordance with applicable plan documents. 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.
- F. 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.
- G. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. 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 non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted from each full-time employee’s monthly benefit allowance.

- H. 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 through a salary reduction at their sole expense.
- I. 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 through a salary reduction at their sole expense.
- J. 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 (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a full-time employee's balance of paid time off falls below the Leave 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 Leave Accrual Limit. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

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 and Unpaid Holidays: The City shall observe the following holidays with part-time employees receiving eight hours of compensation for each weekday on which a holiday is observed: New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving, and Friday after Thanksgiving. The City shall also observe the following unpaid holidays: Winter Holiday (December 24 through January 1; when January 1 falls on a Thursday, Winter Holiday shall be observed through January 2). Except for Winter Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed on

the prior Friday; when a holiday falls on a Sunday, it shall be observed on the following Monday.

- B. Floating Holidays: The City shall provide each part-time employee with two floating holidays per calendar year, equivalent to 16 hours of pay credited the first pay period of each calendar year. Floating holidays are not accrued on a pro-rata basis throughout the calendar year. Part-time employees must be in paid status on regularly scheduled workdays before and after using floating holiday time. Floating holiday time shall be used in increments of eight hours and only between December 24 and 31.

Part-time employees may maintain a balance of no more than 16 hours of unused floating holiday time (Floating Holiday Accrual Limit) and shall not accrue additional floating holiday time when the Floating Holiday Accrual Limit has been reached. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued floating holiday time.

- C. Retirement: All City employees, including 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.
- D. 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.
- E. Monthly Benefit Allowance: The City may provide certain part-time employees with a monthly benefit allowance of up to \$800 per month. If provided, 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 elect benefits available through the City’s Internal Revenue Code Section 125 Flexible Benefits Plan, in accordance with applicable plan

documents. Any amount of the monthly benefit allowance that remains after the allocations described above shall be forfeited. Part-time employees who are provided a monthly benefit allowance 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.

- F. 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 or monthly benefit allowance, if provided.
- G. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under California law. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all part-time employees unless proof of coverage under a qualifying, alternate non-individual market basic health insurance plan is provided. The cost of enrollment in a CalPERS health plan shall be deducted from each part-time employee's salary or monthly benefit allowance, if provided.
- H. 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 through a salary reduction at their sole expense and/or by electing to allocate a portion of their monthly benefit allowance, if provided.
- I. 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 through a salary reduction at their sole expense.
- J. Paid Time Off: Part-time employees shall accrue 160 hours per year of annual paid time off (leave), which shall be pro-rated based on the number of hours regularly worked. Paid time off 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.

Part-time employees may maintain a balance of no more than 300 hours of paid time off (Leave Accrual Limit) and shall cease to accrue additional paid time off when the Leave Accrual Limit has been reached. When a part-time employee's balance of paid time off falls below the Leave 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 Leave Accrual Limit. Upon separation from the City, part-time employees shall be compensated for the balance of their accrued paid time off.

SECTION 5. All employees who are not full-time employees and who work less than 20 hours 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. Retirement: All City employees, including part-time employees, are required to participate in the Social Security system.
- B. 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 through a salary reduction at their sole expense.
- C. 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 City Clerk shall certify to the passage of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2019.

CYNTHIA CONNERS, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 19-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 2019, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

RESOLUTION NO. 19-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING AND ADOPTING A RESTATED INTERNAL REVENUE CODE SECTION 125 FLEXIBLE BENEFITS PLAN FOR CITY EMPLOYEES AND TAKING OTHER ACTIONS RELATED TO THE ADMINISTRATION, OPERATION, AND MAINTENANCE OF THE FLEXIBLE BENEFITS PLAN

WHEREAS, the City has an Internal Revenue Code Section 125 Flexible Benefits Plan for City employees (“Flexible Benefits Plan”), for which various support services are provided by BusinessPlans, Incorporated; and

WHEREAS, the City desires to restate the existing Flexible Benefits Plan in order to ensure compliance with federal law and consistency with the City’s benefits resolution; and

WHEREAS, staff has recommended that the restated Flexible Benefits Plan be made effective at the start of the next plan year, January 1, 2020.

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

SECTION 1. The City Council hereby approves and adopts a restated Internal Revenue Code Section 125 Flexible Benefits Plan, attached hereto as Exhibit A, to be effective January 1, 2020.

SECTION 2. The Mayor is hereby authorized to execute the Internal Revenue Code Section 125 Flexible Benefits Plan attached hereto as Exhibit A.

SECTION 3. The City Council hereby authorizes the City Manager and/or Administrative Services Director/City Treasurer to take any additional actions necessary to follow the processes and procedures established by BusinessPlans, Incorporated to operate and maintain the Internal Revenue Code Section 125 Flexible Benefits Plan including, without limitation, execution of agreements, documents, and certifications as may be necessary or advantageous.

SECTION 4. Pursuant to sections 1.1 and 9.1 of the Internal Revenue Code Section 125 Flexible Benefits Plan attached hereto as Exhibit A, and as may be

amended from time to time, the City Council hereby appoints the City Manager as “Administrator” of the Internal Revenue Code Section 125 Flexible Benefits Plan.

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2019.

CYNTHIA CONNERS, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 19-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 2019, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

ITEM 8.1 – Exhibit A to Attachment B

CITY OF LAGUNA WOODS SECTION 125 FLEXIBLE BENEFITS PLAN

ITEM 8.1 – Exhibit A to Attachment B
CITY OF LAGUNA WOODS SECTION 125 FLEXIBLE BENEFITS PLAN

INTRODUCTION

The Employer has adopted this Plan effective January 1, 2020. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. The Plan shall be known as City of Laguna Woods Section 125 Flexible Benefits Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

**ARTICLE I
DEFINITIONS**

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his/her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means January 1, 2020.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any full-time Employee who works 40 or more hours per week for the Employer on a regularly assigned basis and any part-time Employee who works at least 20 but less than 40 hours per week for the Employer on a regularly assigned basis.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the

ITEM 8.1 – Exhibit A to Attachment B

Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means City of Laguna Woods and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 **"Employer Contribution"** means the contributions made by the Employer pursuant to Section 3.1 to enable a Participant to purchase Benefits. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V and as set forth in Section 3.1.

1.14 **"Highly Compensated Employee" or "Highly Compensated Participant"** means an individual described in Code Section 125(e)(1), including an individual who is (i) an officer; (ii) highly compensated (as defined in Prop. Treas. Reg. Section 1.125-7(a)(9)); or (iii) a spouse or dependent (as defined in Code §125(e)(1)(D)) of an individual described in (i) or (ii) herein.

1.15 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.16 **"Insurance Premium Payment Plan"** means the plan of benefits contained in Section 4.1 of this Plan, which provides for the payment of Premium Expenses.

1.17 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan.

1.18 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.19 **"Plan"** means this instrument, including all amendments thereto.

1.20 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31, except for the short Plan Year beginning July 1 and ending on December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.21 **"Premium Expenses" or "Premiums"** mean the Participant's cost for the Benefits described in Section 4.1.

1.22 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.

1.23 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.2. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.24 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.25 **"Spouse"** means spouse as determined under Federal law.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of his date of employment (or the Effective Date of the Plan, if later).

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the date on which he satisfies the requirements of Section 2.1.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or
- (c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

- (a) **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- (b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred up to the date of termination and submitted within 90 days after termination, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.
- (c) **COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account shall be applied and administered consistent with such further rights a Participant and his Dependents may be entitled to pursuant to Code Section 4980B and Section 11.14 of the Plan.

2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 EMPLOYER CONTRIBUTION

The Employer may make available to each Participant an Employer Contribution to be used for any Benefit under the Plan. The Employer shall provide the amount of the Employer Contribution, if any, in enrollment materials established by the Employer in advance of each Plan Year. Any amount of the Employer Contribution that remains after the Benefits elected by the Participant shall be forfeited. In such event, the Employee shall have no further claim to such amount for any reason. Employees shall be required to make elections annually for the calendar year use of the entirety of Employer Contribution during the annual open enrollment period.

3.2 SALARY REDIRECTION

If a Participant's Employer Contribution is not sufficient to cover the cost of Benefits or Premium Expenses he elects pursuant to Section 4.1, his Compensation will be reduced in an amount equal to the difference between the cost of Benefits he elected and the amount of Employer Contribution available to him. Such reduction shall be his Salary Redirection, which the Employer will use on his behalf, together with his Employer Contribution, to pay for the Benefits he elected. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article IV.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.3 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Employer Contribution and Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.4 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

3.5 REMAINING EMPLOYER CONTRIBUTION

If a Participant elects benefits having an aggregate cost less than the Participant's Employer Contribution, if any, the Participant may elect (during the open enrollment period) to receive such excess allowance as taxable cash compensation, up to any applicable limit as set forth in Schedule "A" hereto. This taxable cash compensation shall be paid by the Employer in substantially equal amounts for each pay period during the Plan Year during which he is a Participant under the Plan. In the event of the Participant's cessation of participation in this Plan, the Participant shall have no further right to receive any remaining Employer Contribution as taxable cash compensation for the portion of the Plan Year after the termination of participation.

If the total Benefits paid or reimbursed to a Participant with respect to any Plan Year are less than the Employer Contribution which was allocated to the Participant, the unused portion shall be forfeited three (3) months following an Employee's date of termination or three (3) months after the end of the Plan Year, whichever is earlier. No Participant shall be entitled to carry over any unused Employer Contributions to the subsequent Plan Year or receive any such unused Employer Contribution in the form of additional cash.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant shall have a sufficient portion of his Employer Contributions and Salary Redirections applied to the Benefits elected by the Participant. The Benefit Options available under the Plan are set forth in Schedule "A" hereto, which may be updated at any time by authorized staff of the Employer without amendment to the Plan. If electing to not receive the Health Insurance Benefit, the Participant must provide evidence of other non-individual market health coverage pursuant to requirements of the Affordable Care Act and Employer policies.

4.2 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant must elect to be covered under a health Insurance Contract for the Participant unless the Participant provides evidence of other non-individual market health insurance

ITEM 8.1 – Exhibit A to Attachment B

coverage pursuant to requirements of the Affordable Care Act and the Employer's policies. If the Participant elects coverage for self, the Participant may also elect coverage for his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.3 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.4 VISION INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's vision Insurance Contract. In addition, the Participant may elect either individual or family coverage.

(b) **Employer selects contracts.** The Employer may select suitable vision Insurance Contracts for use in providing this vision insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such vision Insurance Contract shall be determined therefrom, and such vision Insurance Contract shall be incorporated herein by reference.

4.5 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.6 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.7 EMPLOYEE ASSISTANCE PROGRAM

Each Participant shall elect to participate in the employee assistance program option. The Employer may select a suitable employee assistance program provider, which shall provide uniform benefits for all Participants electing this Benefit. The rights and conditions with respect to the benefits provided by such employee assistance program shall be determined under the applicable program documents, which are incorporated herein by reference.

4.8 CASH PAYMENTS

Any cash to be paid to a Participant under an election to receive additional cash compensation shall be added to his or her taxable compensation and shall be paid to him or her during the Plan Year, subject to any applicable wage withholding or similar taxes. Such payments shall not include interest from the date the amount was credited to the Participant's behalf through to the date of payment. No Benefit under the Plan shall be paid in any manner that defers the receipt of compensation beyond the last day of the Plan Year.

4.9 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 125, it may, but shall

ITEM 8.1 – Exhibit A to Attachment B

not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with the Code and regulations. Any act taken by the Administrator shall be carried out in a uniform and nondiscriminatory manner. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- (a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- (b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;
- (c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the

ITEM 8.1 – Exhibit A to Attachment B

individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) Legal Marital Status: events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) Number of Dependents: Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) Employment Status: Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) Dependent satisfies or ceases to satisfy the eligibility requirements: An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) Residency: A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and guidance thereunder, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **National Medical Support Notice.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

ITEM 8.1 – Exhibit A to Attachment B

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

ARTICLE VI HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

(1) one of the 5 highest paid officers; or

(2) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

ITEM 8.1 – Exhibit A to Attachment B

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof, excluding any carryover) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

(a) Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum annual amount of salary reductions and/or Employer Contributions convertible to cash that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year shall not exceed the dollar limitation contained in Code Section 125(i), as adjusted for cost of living expenses, for each Plan Year. The cost of living adjustment in effect for a calendar year applies to any Plan Year beginning with or within such calendar year. The dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Year beginning with or within such calendar year. For any short Plan Year, the limit shall be an amount equal to the limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).

(b) **Participation in Other Plans.** All employers that are treated as a single employer under Code Sections 414(b), (c), or (m), relating to controlled groups and affiliated service groups, are treated as a single employer for purposes of the statutory limit. If a Participant participates in multiple cafeteria plans offering health flexible spending accounts maintained by members of a controlled group or affiliated service group, the Participant's total Health Flexible Spending Account contributions under all of the cafeteria plans are limited to the statutory limit (as adjusted). However, a Participant employed by two or more employers that are not members of the same controlled group may elect up to the statutory limit (as adjusted) under each Employer's Health Flexible Spending Account.

(c) **Carryover.** A Participant in the Health Flexible Spending Account may roll over up to \$500 of unused amounts in the Health Flexible Spending Account remaining at the end of one Plan Year to the immediately following Plan Year. These amounts can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirection contributions for the Plan Year to which they are carried over. Unused amounts are those remaining after expenses have been reimbursed during the runout period. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Amounts in excess of \$500 will be forfeited. The Plan is allowed, but not required, to treat claims as being paid first from the current year amounts, then from the carryover amounts.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this

ITEM 8.1 – Exhibit A to Attachment B

Section or the Code are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year shall be reimbursed during the Plan Year subject to Section 2.5, and notwithstanding Section 6.4(a), even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amounts available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;

ITEM 8.1 – Exhibit A to Attachment B

- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.
- (f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.
- (g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.
 - (1) Repayment of the improper amount by the Participant;
 - (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
 - (3) Claims substitution or offset of future claims until the amount is repaid; and
 - (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VII DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

- (a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.
- (b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.
- (c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

- (1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

ITEM 8.1 – Exhibit A to Attachment B

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.

ITEM 8.1 – Exhibit A to Attachment B

(i) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment.

7.13 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Employment-Related Dependent Care Expenses, subject to the following terms:

(a) **Card only for dependent care expenses.** Each Participant issued a card shall certify that such card shall only be used for Employment-Related Dependent Care Expenses. The Participant shall also certify that any Employment-Related Dependent Care Expense paid with the card has not already been reimbursed by any other plan covering dependent care benefits and that the Participant will not seek reimbursement from any other plan covering dependent care benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Dependent Care Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Dependent Care Flexible Spending Account.

(c) **Only available for use with certain service providers.** The cards shall only be accepted by such service providers as have been approved by the Administrator. The cards shall only be used for Employment-Related Dependent Care Expenses from these providers.

(d) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(e) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as an Employment-Related Dependent Care Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

(a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.

(b) **Dependent Care Flexible Spending Account or Health Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account or Health Flexible Spending Account Benefits shall be made to the Administrator. For the Health Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:

ITEM 8.1 – Exhibit A to Attachment B

- (1) specific references to the pertinent Plan provisions on which the denial is based;
 - (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and
 - (3) an explanation of the Plan's claim procedure.
- (c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:
- (1) request a review upon written notice to the Administrator;
 - (2) review pertinent documents; and
 - (3) submit issues and comments in writing.
- (d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.
- (e) **Forfeitures.** Any balance remaining in the Participant's Health Flexible Spending Account (excluding any carryover) or Dependent Care Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan (excepting any carryover); nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. An Administrator may resign by delivering a resignation in writing (or such other form as acceptable to both parties) to the Employer or be removed by the Employer by delivery of notice of removal (in writing or such other form as acceptable to both parties), to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any

ITEM 8.1 – Exhibit A to Attachment B

defect, supply any information, or reconciles any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- (f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- (g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third-party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ITEM 8.1 – Exhibit A to Attachment B

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations. Authorized staff of the Employer may amend Schedule “A” hereto from time to time as approved by the Employer without formal amendment of the Plan.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.12.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

ITEM 8.1 – Exhibit A to Attachment B

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

11.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of California.

11.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.14 CONTINUATION OF COVERAGE (COBRA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

11.15 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.16 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

ITEM 8.1 – Exhibit A to Attachment B

11.17 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.18 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy official. The privacy official shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

(iii) mitigation of any harm caused by the breach, to the extent practicable; and

(iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

(1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;

(2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;

(3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

(4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;

(5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;

ITEM 8.1 – Exhibit A to Attachment B

- (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
- (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
- (8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- (9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- (10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.19 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- (a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- (b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- (c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.18.

11.20 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act.

11.21 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.22 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.23 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this _____ day of _____.

City of Laguna Woods

WITNESS AS TO EMPLOYER
Noel Hatch, Mayor Pro Tem

By _____
EMPLOYER
Cynthia Connors, Mayor

WITNESS AS TO EMPLOYER
Yolie Trippy, CMC, City Clerk

ITEM 8.1 – Exhibit A to Attachment B
SCHEDULE “A”

The following Schedule, which may be amended from time to time by authorized staff of the Employer, specifies the Benefits and the Insurance Contracts which set forth the terms, conditions and limitations of the Benefits offered to Participants. The periods of coverage for the Insurance Contracts shall be the same as the Plan Year of the Cafeteria Plan, unless specified otherwise.

Pursuant to resolutions adopted by the Employer, staff have the authority to automatically update or revise Schedule “A” of the Plan, without formal amendment of the Plan, whenever changes are made to the benefits referenced herein pursuant to any resolution or policy approved by the Employer.

Participants may use the Employer Contribution, if any, plus any Salary Redirection, to pay for the cost of elected Benefits.

BENEFIT	PROVIDER	PERIOD OF COVERAGE	MAXIMUM LEVEL OF COVERAGE
Health Insurance	CalPERS	Plan Year	N/A
Dental Insurance	Delta Dental PPO	Plan Year	N/A
Vision Insurance	Vision Services Plan (VSP)	Plan Year	N/A
Employee Assistance Program	MHN	Plan Year	N/A
Health Flexible Spending Account	Self-insured, administered by “MyCafeteriaPlan”	Plan Year	\$2,700 annually, subject to COLA increases
Dependent Care Flexible Spending Account	Self-insured, administered by “MyCafeteriaPlan”	Plan Year	\$5,000.00 annually \$2,500.00 annually for married Participant filing separate
Cash	—	—	Up to \$500