

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting  
Wednesday, November 17, 2021  
2:00 p.m.

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

Shari L. Horne  
Mayor

Carol Moore  
Mayor Pro Tem

Cynthia Conners  
Councilmember



Noel Hatch  
Councilmember

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

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FOR ADDITIONAL INFORMATION

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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](http://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

11-12-21  
\_\_\_\_\_  
Date

## **NOVEL CORONAVIRUS (COVID-19) NOTICE**

**Please exercise caution when attending City Council meetings.** If you attend this meeting, please abide by all applicable state and local public health orders.

### **OPTIONS FOR PUBLIC COMMENTS**

**1. Attend the meeting in-person.**

**2. Submit public comments in writing.** Written public comments may be submitted via email ([cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org)) or by mail (Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637), provided that they are received by the City prior to 2:00 p.m. on the day of the meeting. Written public comments may be read or summarized to the City Council at the meeting, and parties submitting comments should be aware that their email addresses and any information submitted may be disclosed or become a matter of public record. No party should expect privacy of such information.

**3. Make public comments by telephone.** Dial (669) 900-6833. When prompted enter the following meeting ID: 889 7960 4951 followed by pound (#) and the following meeting passcode: 640143 followed by pound (#). When an item you wish to comment on is discussed, press \*9 on your phone to raise your hand. When it is your turn, you will be unmuted and able to speak. Please note that your telephone number will be visible to the City. No party should expect privacy of such information.

**4. Make public comments by computer.**

- Visit [www.zoom.us](http://www.zoom.us)
- Click on “Join a Meeting” toward the top right of the webpage
- Enter the following meeting ID: 889 7960 4951
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 640143
- Enter a name and email address as required by Zoom

When an item you wish to comment on is discussed, click on “Raise Hand.” When it is your turn, you will be unmuted and able to speak. Please note that information you enter into Zoom will be visible to the City. No party should expect privacy of such information.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. PRESENTATIONS AND CEREMONIAL MATTERS
- 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 adjourned regular meeting on October 14, 2021, the regular meeting on October 20, 2021, and the special meeting on October 29, 2021.

6.2 City Treasurer’s Report

*Recommendation:* Receive and file the City Treasurer’s Report for the month of October 2021.

6.3 Warrant Register

*Recommendation:* Approve the warrant register dated November 17, 2021 in the amount of \$549,318.54.

6.4 Teleconferencing for Meetings

*Recommendation:* Adopt a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ALLOWING FOR THE CONTINUED USE OF TELECONFERENCING FOR MEETINGS DURING THE COVID-19 STATE OF EMERGENCY, PURSUANT TO CALIFORNIA ASSEMBLY BILL 361 (2021-2022)

6.5 Fiscal Years 2021-23 Budget Adjustment

*Recommendation:* Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2021-23 BUDGET AND WORK PLAN FOR FISCAL YEAR 2021-22 COMMENCING JULY 1, 2021 AND ENDING JUNE 30, 2022, AND FISCAL YEAR 2022-23 COMMENCING JULY 1, 2022 AND ENDING JUNE 30, 2023, RELATED TO ADJUSTMENTS OF FUEL TAX FUND APPROPRIATIONS FOR THE “RIDGE ROUTE DRIVE LANDSCAPE PROJECT”

6.6 Planning Services

*Recommendation:*

1. Approve an agreement with LSA Associates, Inc. for planning services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

AND

2. Approve an agreement with Sagecrest Planning and Environmental for planning services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.7 Proposition 68 (California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018) Per Capita Program

*Recommendation:* Adopt a resolution entitled:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING APPLICATION(S) FOR PER CAPITA GRANT FUNDS

6.8 Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)

*Recommendation:*

1. Approve the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” design plans and specifications as prepared by the project engineer.

AND

2. Approve a notice of exemption for the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorize the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Award a contract agreement to All American Asphalt for the construction of the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)”, in the amount of \$172,969, 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.

**VII. PUBLIC HEARINGS**

7.1 Residential Density Bonus Standards Regulations

*Recommendation:*

1. Receive staff report.

AND

2. Resume the public hearing that was continued from the regular meeting of the City Council on October 20, 2021.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTION 13.26.040 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO RESIDENTIAL DENSITY BONUS STANDARDS AND OTHER INCENTIVES FOR HOUSING DEVELOPMENTS WITHIN, OR FOR THE DONATION OF LAND FOR HOUSING WITHIN, THE CITY’S JURISDICTION, CONSISTENT WITH CALIFORNIA GOVERNMENT CODE SECTION 65915 ET SEQ.

**VIII. CITY COUNCIL BUSINESS**

## 8.1 Solid Waste Regulations

*Recommendation:* 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 4.10 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO SOLID WASTE

## 8.2 Purchasing and Procurement Regulations

*Recommendation:* 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 SECTIONS 3.06.020, 3.06.050, AND 3.06.090 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT

## 8.3 Accessibility Improvement Reimbursement Program

*Recommendation:*

1. Provide direction to the City Manager regarding the Accessibility Improvement Reimbursement Program.

AND

2. Approve Contract No. 21-23-0006-PLHA with the County of Orange for Accessibility Improvement Reimbursement Program and authorize the Mayor to execute the contract, subject to approval as to form by the City Attorney.

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

**X. CLOSED SESSION**

**XI. CLOSED SESSION REPORT**

**XII. ADJOURNMENT**

Next Regular Meeting:                      Wednesday, December 15, 2021 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

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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 17, 2021 Regular Meeting

**SUBJECT:** Consent Calendar Summary

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### **Recommendation**

Approve all proposed actions on the November 17, 2021 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 17, 2021 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the adjourned regular meeting on October 14, 2021 (Attachment A), the regular meeting on October 20, 2021 (Attachment B), and the special meeting on October 29, 2021 (Attachment C).
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of October 2021.
- 6.3 Approval of the warrant register dated November 17, 2021 in the amount of

\$549,318.54. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Adoption of a resolution allowing for the continued use of teleconferencing for meetings during the COVID-19 State of Emergency, pursuant to California Assembly Bill 361 (2021-2022). The proposed resolution includes the findings required by California Government Code Section 54953(e)(3) for the City Council to continue holding meetings via teleconferencing.
- 6.5 Adoption of a resolution amending and adopting the Fiscal Years 2021-23 Budget and Work Plan for Fiscal Year 2021-22 commencing July 1, 2021 and ending June 30, 2022, and Fiscal Year 2022-23 commencing July 1, 2022 and ending June 30, 2023, related to adjustments of Fuel Tax Fund appropriations for the “Ridge Route Drive Landscape Project.” The proposed resolution would increase Fiscal Year 2021-22 appropriations for the Fuel Tax Fund in the amount of \$5,632 to complete the design of the Ridge Route Drive Landscape Project.
- 6.6 [1] Approval of an agreement with LSA Associates, Inc. for planning services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney.  
(Attachment A)

AND

[2] Approval of an agreement with Sagecrest Planning and Environmental for planning services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney.  
(Attachment B)

The Request for Proposals (“RFP”) for planning services was released on September 23, 2021 with proposals due by October 15, 2021. Four proposals were received (4Leaf, CSG Consultants, LSA Associates, and Sagecrest Planning and Environmental). After reviewing all proposals and conducting interviews with all firms, staff recommends that the City Council award agreements to LSA Associates and Sagecrest Planning and Environmental.

LSA Associates has been under contract with the City since March 8, 2021 to provide General Plan Housing Element-related services. LSA Associates

provides or has provided planning services similar to those described in the proposed agreement for the cities of Cypress, Garden Grove, Lake Forest, Long Beach, and San Juan Capistrano. Staff recommends awarding an agreement to LSA Associates due to factors including, but not limited to, experience, qualifications, and understanding of the scope of work.

Sagecrest Planning and Environmental has been under contract with the City since May 17, 2021 to provide as-needed planning services. Sagecrest Planning and Environmental provides or has provided planning services similar to those described in the proposed agreement for the cities of Costa Mesa, Downey, Hermosa Beach, La Verne, Laguna Niguel, Lake Forest, Newport Beach, Oceanside, Riverside, Santa Fe Springs, Seal Beach, and Villa Park. Staff recommends awarding an agreement to Sagecrest Planning and Environmental due to factors including, but not limited to, experience, qualifications, and understanding of the scope of work.

- 6.7 Adoption of a resolution approving application(s) for Per Capita grant funds. This action pertains to the Proposition 68 (California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018) Per Capita Program, from which the City anticipates receiving \$177,952 for the Woods End Wilderness Preserve Trail Drainage and Improvement Project. The State of California’s Per Capita Program Procedural Guide requires the City to use specific language in the authorizing resolution, which is why the proposed resolution’s form and content differs from what the City Council might otherwise expect to receive from staff.
- 6.8 [1] Approval of the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” design plans and specifications as prepared by the project engineer.

AND

[2] Approval of a notice of exemption for the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorization for the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

[3] Award of a contract agreement to All American Asphalt for the construction of the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)”, in the amount of \$172,969, 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.

An agenda report is included with additional information.

**6.1**  
**CITY COUNCIL MINUTES**

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**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
ADJOURNED REGULAR MEETING  
October 14, 2021  
1:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

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**I. CALL TO ORDER**

Mayor Horne called the Adjourned Regular Meeting of the City Council of the City of Laguna Woods to order at 1:01 p.m.

**II. ROLL CALL**

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

Mayor Horne participated in-person at the meeting location.

All other councilmembers participated via teleconference.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, City Clerk Trippy

City Manager Macon and City Clerk Trippy participated in-person at the meeting location.

City Attorney Patterson participated via teleconference.

**III. PLEDGE OF ALLEGIANCE**

Mayor Horne led the pledge of allegiance.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS – None**

**V. PUBLIC COMMENTS**

Cynthia Schaefer, resident and member of the Tobacco and Vape Free OC Coalition, presented a certificate of appreciation to the City for its efforts to protect resident health from sources of secondhand smoke. Mayor Horne accepted the certificate on behalf of the City.

Mayor Pro Tem Moore briefly responded to Ms. Schaefer’s comments.

Ms. Schaefer briefly responded to Mayor Pro Tem Moore’s comments.

Mayor Pro Tem Moore briefly responded to Ms. Schaefer’s comments.

**VI. CONSENT CALENDAR**

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried on a 4-0 vote with no vote recorded from Councilmember Hatch, to approve Consent Calendar Item 6.1. This vote was conducted by roll call.

6.1 Teleconferencing for Meetings

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ALLOWING FOR THE CONTINUED USE OF TELECONFERENCING FOR MEETINGS DURING THE COVID-19 STATE OF EMERGENCY, PURSUANT TO CALIFORNIA ASSEMBLY BILL 361 (2021-2022)

**VII. PUBLIC HEARINGS – None**

**VIII. CITY COUNCIL BUSINESS**

8.1 Solid Waste Handling Services

City Manager Macon made a presentation.

Councilmembers discussed the item and staff responded to related questions.

Jimmy Galvan, Waste Management of Orange County, expressed appreciation for Waste Management’s opportunity to provide services to Laguna Woods.

Chip Monaco, CR&R Incorporated, made comments and responded to related questions.

Councilmembers discussed the item and staff responded to related questions.

Kathryn Freshley, resident, commented on the disclosure of costs associated with the proposed agreement and space limitations for new solid waste containers.

City Manager Macon and Mr. Monaco briefly responded to Ms. Freshley’s comments.

Ms. Freshley asked about how wild animals will be prevented from accessing waste containers.

City Manager Macon briefly responded to Ms. Freshley’s comments.

Councilmembers discussed the item and staff, Mr. Monaco, and Mr. Galvan responded to

related questions.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING A FOURTH AMENDMENT OF THE EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID WASTE HANDLING SERVICES WITH WASTE MANAGEMENT COLLECTION AND RECYCLING, INC. AND AN EXCLUSIVE FRANCHISE AGREEMENT WITH CR&R INCORPORATED FOR SOLID WASTE HANDLING SERVICES, AND AUTHORIZING THEIR EXECUTION

This vote was conducted by roll call.

**IX. CITY COUNCIL REPORTS AND COMMENTS**

9.1 Coastal Greenbelt Authority

No report.

9.2 Orange County Fire Authority

No report.

9.3 Orange County Library Advisory Board

No report.

9.4 Orange County Mosquito and Vector Control District

No report.

9.5 San Joaquin Hills Transportation Corridor Agency

No report.

9.6 South Orange County Watershed Management Area

No report.

9.7 Other Comments and Reports

Councilmember Conners commented on another meeting attended.

At Councilmember Tao’s request, City Manager Macon stated that the next regular meeting of the City Council is scheduled for October 20, 2021.

**X. CLOSED SESSION** – None

**XI. CLOSED SESSION REPORT** – None

**XII. ADJOURNMENT**

The meeting was adjourned at 2:53 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, October 20, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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YOLIE TRIPPY, CMC, City Clerk

Approved: November 17, 2021

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SHARI L. HORNE, Mayor

**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
REGULAR MEETING  
October 20, 2021  
2:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

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**I. CALL TO ORDER**

Mayor Horne called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:03 p.m.

**II. ROLL CALL**

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

Mayor Horne participated in-person at the meeting location.

All other councilmembers participated via teleconference.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, City Clerk Trippy

City Manager Macon, City Attorney Patterson, and City Clerk Trippy participated in-person at the meeting location.

**III. PLEDGE OF ALLEGIANCE**

Captain Gene Inouye, Orange County Sheriff's Department, led the pledge of allegiance.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS – None**

**V. PUBLIC COMMENT – None**

**VI. CONSENT CALENDAR**

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.6. This vote was conducted by roll call.

**6.1 City Council Minutes**

Approved the City Council meeting minutes for the regular meeting on September 15,

2021.

6.2 City Treasurer’s Report

Received and filed the City Treasurer’s Report for the month of September 2021.

6.3 Warrant Register

Approved the warrant register dated October 20, 2021 in the amount of \$598,872.45.

6.4 Teleconferencing for Meetings

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ALLOWING FOR THE CONTINUED USE OF TELECONFERENCING FOR MEETINGS DURING THE COVID-19 STATE OF EMERGENCY, PURSUANT TO CALIFORNIA ASSEMBLY BILL 361 (2021-2022)

6.5 Fiscal Years 2021-23 Budget Adjustment

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2021-23 BUDGET AND WORK PLAN FOR FISCAL YEAR 2021-22 COMMENCING JULY 1, 2021 AND ENDING JUNE 30, 2022, AND FISCAL YEAR 2022-23 COMMENCING JULY 1, 2022 AND ENDING JUNE 30, 2023, RELATED TO ADJUSTMENTS OF COASTAL AREA ROAD IMPROVEMENT & TRAFFIC SIGNALS (CARITS) FUND APPROPRIATIONS AND CLOSURE OF THE COASTAL AREA ROAD IMPROVEMENT & TRAFFIC SIGNALS (CARITS) FUND, AND MAKING RELATED PAYMENT AUTHORIZATIONS

6.6 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 THE CITY COUNCIL’S DELEGATION OF INVESTMENT AUTHORITY TO THE CITY TREASURER PURSUANT TO CALIFORNIA GOVERNMENT CODE

SECTION 53607

**VII. PUBLIC HEARINGS**

7.1 Solid Waste Regulations

City Manager Macon made a presentation.

Mayor Horne opened the public hearing.

With no requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Moved by Mayor Pro Tem Moore, seconded by Councilmember Hatch, and carried unanimously on a 5-0 vote, 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 4.10 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO SOLID WASTE

This vote was conducted by roll call.

7.2 Purchasing and Procurement Regulations

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

Mayor Horne opened the public hearing.

With no requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried unanimously on a 5-0 vote, 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 SECTIONS 3.06.020, 3.06.050, AND 3.06.090 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT

This vote was conducted by roll call.

7.3 Residential Density Bonus Standards Regulations

City Manager Macon introduced the item.

Mayor Horne opened the public hearing.

There were no requests to speak.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried unanimously on a 5-0 vote, to continue the public hearing to the regular meeting of the City Council on November 17, 2021 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637. This vote was conducted by roll call.

**VIII. CITY COUNCIL BUSINESS**

8.1 Edible Food Recovery Program

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Hatch, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to approve an agreement with OneOC for edible food recovery program services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney. This vote was conducted by roll call.

8.2 Ridge Route Drive Landscape Project

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Tao, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to direct the City Manager to proceed with the Ridge Route Drive Landscape Project on the basis of option A. This vote was conducted by roll call.

**IX. CITY COUNCIL REPORTS AND COMMENTS**

9.1 Coastal Greenbelt Authority

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

9.2 Orange County Fire Authority

Councilmember Hatch provided a report.

9.3 Orange County Library Advisory Board

No report.

9.4 Orange County Mosquito and Vector Control District

Mayor Horne provided a report and shared a PowerPoint presentation from the Orange County Mosquito and Vector Control District for Laguna Woods.

9.3 Orange County Library Advisory Board

Mayor Pro Tem Moore provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Connors provided a report.

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore commented on the OC Water Summit.

9.7 Other Comments and Reports

Mayor Horne reported on the California Senior Legislature.

**X. CLOSED SESSION – None**

**XI. CLOSED SESSION REPORT – None**

**XII. ADJOURNMENT**

The meeting was adjourned at 3:45 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, November 17, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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YOLIE TRIPPY, CMC, City Clerk

Approved: November 17, 2021

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SHARI L. HORNE, Mayor

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**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
SPECIAL MEETING  
October 29, 2021  
9:00 A.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

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**I. CALL TO ORDER**

Mayor Horne called the Special Meeting of the City Council of the City of Laguna Woods to order at 9:00 a.m.

**II. ROLL CALL**

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

Councilmember Conners participated in-person at the meeting location.

All other councilmembers participated via teleconference.

STAFF PRESENT:           City Manager Macon, City Attorney Patterson, City Clerk Trippy

City Manager Macon and City Clerk Trippy participated in-person at the meeting location.

City Attorney Patterson participated via teleconference.

**III. PLEDGE OF ALLEGIANCE**

Councilmember Conners led the pledge of allegiance.

**IV. PUBLIC COMMENTS – None**

**V. CONSENT CALENDAR**

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to approve Consent Calendar Item 5.1. This vote was conducted by roll call.

5.1    Teleconferencing for Meetings

Adopted a resolution titled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ALLOWING FOR THE CONTINUED USE OF TELECONFERENCING FOR MEETINGS DURING THE COVID-19 STATE OF EMERGENCY, PURSUANT TO CALIFORNIA ASSEMBLY BILL 361 (2021-2022)

**VI. CITY COUNCIL BUSINESS**

6.1 City Hall/Public Library Project

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

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

1. Approve the “City Hall/Public Library Project” design plans and specifications as prepared by the project architect.

AND

2. Approve a notice of exemption for the “City Hall/Public Library Project” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorize the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Award a contract agreement to iBuild Spectrum, Inc. for the construction of the “City Hall/Public Library Project”, in the amount of \$2,270,413.01, plus authorized change orders not to exceed 15% of the base amount, to be funded using existing appropriations in the Federal Grants Fund (American Rescue Plan Act Coronavirus Local Fiscal Recovery Funds) (\$1,552,044), State of California Grants Fund (\$500,000), and Capital Projects Fund (\$558,931); 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.

This vote was conducted by roll call.

**VII. ADJOURNMENT**

The meeting was adjourned at 9:25 a.m. The next regular meeting will be at 2:00 p.m. on Wednesday, November 17, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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YOLIE TRIPPY, CMC, City Clerk

Approved: November 17, 2021

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SHARI L. HORNE, 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, 2021

ITEM 6.2

**CASH AND INVESTMENTS**

	Beginning Balances As of 9/30/21	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 10/31/21	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
<b>Cash and Cash Equivalents</b>							
Analyzed Checking Account (Note 1)	\$ 446,128	\$ 394,941	\$ (560,770)	\$ 700,000	\$ 980,299	7.31%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 2,018	\$ 2,101	\$ (2,166)	\$ -	\$ 1,953	0.01%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 8,982	\$ 4,202	\$ (2,101)	\$ -	\$ 11,082	0.08%	
Petty Cash	\$ 1,394	\$ 106	\$ (239)	\$ -	\$ 1,261	0.01%	
Total Cash and Cash Equivalents	\$ 458,522	\$ 401,350	\$ (565,277)	\$ 700,000	\$ 994,595	7.41%	100.00%
<b>Pooled Money Investment Accounts</b>							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 2,687,580	\$ 1,636	\$ -	\$ (700,000)	\$ 1,989,217	14.83%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 8,688,071	\$ -	\$ -	\$ -	\$ 8,688,071	64.76%	
Total Pooled Money Investment Accounts	\$ 11,375,652	\$ 1,636	\$ -	\$ (700,000)	\$ 10,677,288	79.58%	90.00%
<b>Investments - Interest and Income Bearing</b>							
Certificates of Deposit (fair value) (Note 2)	\$ 1,750,828	\$ -	\$ -	\$ (6,358)	\$ 1,744,470	13.00%	
Total Investments - Interest and Income Bearing	\$ 1,750,828	\$ -	\$ -	\$ (6,358)	\$ 1,744,470	13.00%	30.00%
<b>TOTAL</b>	<b>\$ 13,585,002</b>	<b>\$ 402,986</b>	<b>\$ (565,277)</b>	<b>\$ (6,358)</b>	<b>\$ 13,416,354</b>	<b>100.00%</b>	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (3,000,579)	\$ 3,980,878	\$ 980,299
Cash Balances, MBS Account	\$ 1,953	\$ -	\$ 1,953
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 11,082	\$ -	\$ 11,082
Petty Cash	\$ 1,261	\$ -	\$ 1,261
LAIF	\$ 1,989,217	\$ -	\$ 1,989,217
OCIP	\$ 8,688,071	\$ -	\$ 8,688,071
Certificates of Deposit	\$ 1,744,470	\$ -	\$ 1,744,470
<b>Totals</b>	<b>\$ 9,435,476</b>	<b>\$ 3,980,878</b>	<b>\$ 13,416,354</b>

(See NOTES on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended October 31, 2021**

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
<b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b>														
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	41 months	12/07/18	12/11/18	100,000	101,284	99,144	2.400	Semi-Annual	05/19/19	Green***	3.329	05/19/22
90348JEA4	2018-6	UBS BANK USA	48 months	10/01/18	10/05/18	245,000	252,076	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	260,224	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
02589AA28	2018-9	AMERICAN EXPRESS NATL	60 months	12/04/18	12/04/18	240,000	255,223	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	260,950	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	258,387	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
75472RBB6	2020-1	RAYMOND JAMES BK NATL ASSN	60 months	02/06/20	02/14/20	245,000	252,850	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
59013KGJ9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	103,477	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
		Accrued Interest - Month End					11,082							
<b>Total CDs</b>						<b>1,665,000</b>	<b>1,755,552</b>	<b>1,664,144</b>						

(\*) 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 beginning in 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 (PMIA) (Notes 2 and 3)**

CUSIP	Investment #	Local Agency Investment Fund (LAIF)	N/A	Various	Various	1,989,217	1,989,217	1,989,217	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	8,688,071	8,688,071	8,688,071	Pending	N/A	N/A	N/A	N/A	N/A
<b>Total PMIA</b>						<b>10,677,288</b>	<b>10,677,288</b>	<b>10,677,288</b>						

(See NOTES on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
 For the Month Ended October 31, 2021

ITEM 6.2

**CASH AND INVESTMENTS**

	Beginning Balances As of 9/30/21	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 10/31/21
<b>Other Post-Employment Benefits (OPEB) Trust</b>					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) <small>(CERBT holds all assets and administers the OPEB Trust)</small>	\$ 144,369	\$ -	\$ (11)	\$ 3,377	\$ 147,735
<b>Employer Pension Contributions Trust</b>					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) <small>(CEPPT holds all assets and administers the Employer Pension Contributions Trust)</small>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Funds - Held in Trust	<u>\$ 144,369</u>	<u>\$ -</u>	<u>\$ (11)</u>	<u>\$ 3,377</u>	<u>\$ 147,735</u>

(See NOTES on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended October 31, 2021**

**CASH AND INVESTMENTS**

**Notes:**

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect October 2021 vendor invoicing processed after the date of this report.

Note 2 - During October 2021, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to the LAIF account and withdrew \$700,000 for cash flow purposes. The balance includes an adjustment in the amount of \$222.79 to reflect the fair market value of the investment at June 30, 2021.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of \$15,046.16 to reflect the fair market value of the investment at June 30, 2021.

Investments / There were no maturities or purchases of investments. Investments were adjusted in the amount of (\$6,357.75) to report balances at fair market value as of October 31, 2021.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net gain of \$3,366.46 in October 2021.

Employer Pension Contributions Trust / In April 2021, the City elected to participate in the CEPPT. The City has not yet made contributions to the CEPPT.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported October 2021 net of related fees were:

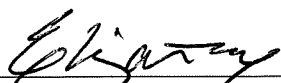
Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$1,636	July 1, 2021 thru September 30, 2021	See Notes	January 2022	Total pool interest yield for October 2021 was 0.203% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$6,557	May & June 2021	See Notes	See Notes	The OCIP October 2021 statement had not been received at the time of this report; balance reported is as of September 30, 2021. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at September 30, 2021 was \$12,274.18. September 2021 interest rate was 0.562% and fees were 0.058%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$2,101.23 and transferred out \$2,166.35 in cash balances to the City's checking account in October 2021. Cash balances to be invested or paid out are classified separately on page 1 of 4. The City's portfolio also has \$11,082.24 in accrued interest, not yet vested.

**City Treasurer's Certification**

I, Elizabeth Torres, 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.

  
 \_\_\_\_\_  
 Elizabeth Torres, City Treasurer

11/10/21  
 Date

## **6.3 WARRANT REGISTER**

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CITY OF LAGUNA WOODS  
WARRANT REGISTER  
NOVEMBER 17, 2021

ITEM 6.3

This Report Covers the Period 10/01/2021 through 10/31/2021

Date	Vendor Name	Description	Amount
<b>Debit</b>	<b>Automatic Bank Debits:</b>		
Debit 10/01/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 09/24/2021	2,838.46
Debit 10/04/2021	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / September 2021	601.63
Debit 10/04/2021	AUTHORIZE.NET	Online Credit Card Processing Fees / September 2021	12.00
Debit 10/06/2021	BUSINESS PLANS	Employee Benefit Program / October 2021	761.50
Debit 10/08/2021	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 09/10/2021 & 09/24/2021	361.66
Debit 10/12/2021	CALPERS - HEALTH	Employee Benefit Program / October 2021	6,301.16
Debit 10/13/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/10/2021	3,003.94
Debit 10/13/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/24/2021	1,882.01
Debit 10/14/2021	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / October 2021	255,071.73
Debit 10/14/2021	ADP TAX	Payroll Taxes / Pay Period Ended 10/08/2021	7,966.01
Debit 10/14/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 10/08/2021	19,661.13
Debit 10/15/2021	U.S. BANK	Bank Service Charges / September 2021	78.15
Debit 10/19/2021	BUSINESS PLANS	Employee Benefit Program / October 2021	4.11
Debit 10/20/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 10/08/2021	2,838.46
Debit 10/20/2021	BUSINESS PLANS	Employee Benefit Program / October 2021	531.60
Debit 10/26/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/24/2021	3,003.94
Debit 10/26/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 09/24/2021	2,170.26
Debit 10/28/2021	ADP TAX	Payroll Taxes / Pay Period Ended 10/22/2021	7,837.85
Debit 10/28/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 10/22/2021	19,032.34
Debit 10/29/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 10/22/2021	2,838.46
<b>Check Number</b>	<b>Warrants:</b>		
5152 10/01/2021	ARC DOCUMENT SOLUTIONS, LLC.	City Hall/Public Library Project	327.02
5153 10/01/2021	CAPTIONING UNLIMITED	Closed Captioning / September 2021	200.00
5154 10/01/2021	DELTA DENTAL OF CALIFORNIA	Employee Benefits Program / October 2021	497.29
5155 10/01/2021	EL TORO WATER DISTRICT	City Hall/Public Library Project	1,070.16
5156 10/01/2021	EL TORO WATER DISTRICT	Water Service / August 2021	7,127.27
5157 10/01/2021	HINDERLITER DE LLAMAS & ASSOCIATES	Sales & Use Tax Consulting / 1st Quarter Calendar Year 2021	750.00
5158 10/01/2021	ITERIS, INC	Traffic Engineering / August 2021	4,075.00
5159 10/01/2021	KONE INC.	City Hall Refurbishment & Safety Project: Phase 3	1,672.68
5160 10/01/2021	MANAGED HEALTH NETWORK	Employee Benefit Program / October 2021	18.81
5161 10/01/2021	NAVIA BENEFIT SOLUTIONS, INC	125 Cafeteria Plan Administration / September 2021	100.00
5162 10/01/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending September 17, 2021	1,240.00
5163 10/01/2021	OMNI ENTERPRISE INC	Janitorial Services / August 2021	2,480.00
5164 10/01/2021	RICOH USA, INC.	Copier Lease / October 2021	214.20
5165 10/01/2021	SMITH ARCHITECTS	City Hall Refurbishment & Safety Project: Phase 3	450.00
5166 10/01/2021	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / August 2021	1,564.63
5167 10/01/2021	TONY'S LOCKSMITH & SAFE SERV.	City Hall Maintenance	172.00
5168 10/01/2021	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	1,014.21
5169 10/01/2021	VISION SERVICE PLAN OF AMERICA	Employee Benefits Program / October 2021	106.76
5170 10/01/2021	WEST COAST ARBORISTS, INC	Tree Pruning Services / May 2021	1,600.00
5171 10/08/2021	ACC BUSINESS	City Hall Internet Service / August 2021	603.58
5172 10/08/2021	AT&T	Telephone / 458-3487 / September 2021	45.11
5173 10/08/2021	AT&T	Telephone / 452-0600 / September 2021	2,164.74

CITY OF LAGUNA WOODS  
WARRANT REGISTER  
NOVEMBER 17, 2021

ITEM 6.3

This Report Covers the Period 10/01/2021 through 10/31/2021

Date	Vendor Name	Description	Amount	
5174	10/08/2021	AT&T	Telephone / 639-0500 / September 2021	225.64
5175	10/08/2021	BARTEL ASSOCIATES, LLC	GASB 68 & 75 Reports / Fiscal Year 2020-21	3,650.00
5176	10/08/2021	CALIFORNIA BLDG STANDARDS COMM	Building Permit Fee Assessment / July - September 2021	942.30
5177	10/08/2021	CALIFORNIA INTERNET LP	City Hall Internet Service / November 2021	349.00
5178	10/08/2021	CIVIL SOURCE	Engineering Services / August 2021	24,895.00
5179	10/08/2021	COUNTY OF ORANGE	Automated Fingerprint Identification System / October 2021	636.00
5180	10/08/2021	CSMFO	CSMFO Budget Awards Program Application	150.00
5181	10/08/2021	DEPARTMENT OF CONSERVATION	Strong Motion Instrumentation & Seismic Hazard Mapping Fee / July - September 2021	1,048.41
5182	10/08/2021	EL TORO WATER DISTRICT	Water Service / July 2021	4,940.88
5183	10/08/2021	IRWIN B BORNSTEIN, CPA	Financial Consulting Services / September 2021	855.00
5184	10/08/2021	OBR ARCHITECTURE, INC.	City Hall/Public Library Project	7,537.80
5185	10/08/2021	OFFICE TEAM	Temporary Filing Clerk / Week Ending September 24, 2021	1,240.00
5186	10/08/2021	PETTY CASH	Replenish Petty Cash / September 2021	-
5187	10/08/2021	PV MAINTENANCE INC	Street, City Hall & Park Maintenance / August 2021	12,103.49
5188	10/08/2021	RJM DESIGN GROUP	Landscape Architectural Services / August 2021	13,154.50
5189	10/08/2021	STAPLES	Office and Janitorial Supplies	468.90
5190	10/08/2021	TONY'S LOCKSMITH & SAFE SERV.	City Hall Maintenance	175.00
5191	10/08/2021	TYLER BUSINESS FORMS	Office Supplies	139.97
5192	10/08/2021	WILLDAN ENGINEERING	Code Enforcement Services / August 2021	2,400.00
5193	10/15/2021	AT&T	White Pages / October 2021	4.53
5194	10/15/2021	AT&T	Telephone / 581-9821 / September 2021	132.83
5195	10/15/2021	AT&T	Telephone / 583-1105 / September 2021	23.40
5196	10/15/2021	BROWN ARMSTRONG ACCOUNTANCY CORPORATION	Audit Services / Fiscal Year 2020-21	9,000.00
5197	10/15/2021	BUREAU VERITAS NORTH AMERICA INC	Building Plan Review Services / July - August 2021	21,220.00
5198	10/15/2021	GOVERNMENT FINANCE OFFICERS	Membership Dues / October 2021 - September 2022	190.00
5199	10/15/2021	ITERIS, INC	Traffic Engineering / September 2021	2,860.00
5200	10/15/2021	KONE INC.	City Hall Maintenance / October 2021	225.00
5201	10/15/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending October 1, 2021	1,240.00
5202	10/15/2021	PARK CONSULTING GROUP, INC	Software Implementation Consulting Services / September 2021	5,812.50
5203	10/15/2021	PV MAINTENANCE INC	Street, City Hall, & Park Maintenance / September 2021	10,662.62
5204	10/15/2021	SADDLEBACK WINDOWS AND DOORS	Permit Refund	213.00
5205	10/15/2021	SAGECREST PLANNING AND ENVIRONMENTAL	Planning Services / September 2021	240.00
5206	10/15/2021	SOUTHERN CALIFORNIA SHREDDING,	Shredding Services / September 2021	1,325.00
5207	10/15/2021	SUNSET PROPERTY SERVICES	Street Sweeping Service / September 2021	3,480.00
5208	10/15/2021	THE GAS COMPANY	Gas Service - City Hall / September 2021	15.29
5209	10/15/2021	TONY'S LOCKSMITH & SAFE SERV.	City Hall Maintenance	272.15
5210	10/15/2021	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / September 2021	4,572.37
5211	10/22/2021	BALLIET, MICHAEL	Waste Management Consulting Services / September 2021	1,925.00
5212	10/22/2021	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / September 2021	15,266.75
5213	10/22/2021	CITY OF LAGUNA BEACH	Animal Control & Shelter Services / August - September 2021	18,528.00
5214	10/22/2021	COUNTY OF ORANGE	800 MHz Communication Charges / July - September 2021	501.00
5215	10/22/2021	COUNTY OF ORANGE	800 MHz Communication Charges / October - December 2021	826.00
5216	10/22/2021	HKA ELEVATOR CONSULTING, INC.	City Hall Refurbishment & Safety Project: Phase 3	2,000.00
5217	10/22/2021	MARC DONOHUE	Administrative Services / September 2021	150.00
5218	10/22/2021	MICHAEL BAKER INTERNATIONAL	Planning Services / September 2021	3,510.80
5219	10/22/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending October 8, 2021	1,240.00

**CITY OF LAGUNA WOODS  
WARRANT REGISTER  
NOVEMBER 17, 2021**

This Report Covers the Period 10/01/2021 through 10/31/2021

Date	Vendor Name	Description	Amount
5220 10/22/2021	OMNI ENTERPRISE INC	Janitorial Services / September 2021	2,480.00
5221 10/22/2021	ORANGE COUNTY REGISTER-NOTICES	Public Notices / September 2021	937.00
5222 10/22/2021	RICOH USA, INC.	Copier Usage / September 2021	179.72
5223 10/22/2021	RJM DESIGN GROUP	City Hall/Public Library Project	2,008.40
5224 10/22/2021	WILLDAN ENGINEERING	Code Enforcement Services / September 2021	3,120.00
<b>Total Bank Debits and Warrants:</b>			<b>\$ 549,149.56</b>
<b>Petty Cash Expenditures Paid Out</b> (See Note 2)			
	Home Depot	City Hall Maintenance	\$63.09
	Amazon	Office Supplies	\$37.60
	FedEx Office	Pavement Management Project	\$14.52
	FedEx Office	City Hall/Public Library Project	\$53.77
<b>Total Petty Cash:</b>			<b>\$168.98</b>
<b>TOTAL</b>			<b>\$ 549,318.54</b>

**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 2021, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne, and Tao.

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

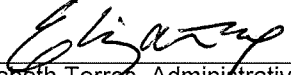
Note 3 - The table below summarizes credit card expenditures paid via Check #5168 to U.S. Bank totaling \$1,024.21:

Microsoft	Office 365 Subscription	\$300.00
Adobe	Computer Software	\$78.50
Zoom	Video Conferencing	\$82.07
ESRI	GIS Software License	\$500.00
J&M Trophies	Plaques	\$53.64
<b>Total Credit Card Reimbursement:</b>		<b>\$1,014.21</b>

**Administrative Services Director/City Treasurer's Certification**

I, Elizabeth Torres, 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.

  
Elizabeth Torres, Administrative Services Director/City Treasurer

11/10/21  
Dated

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## **6.4 TELECONFERENCING FOR MEETINGS**

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**RESOLUTION NO. 21-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ALLOWING FOR THE CONTINUED USE OF TELECONFERENCING FOR MEETINGS DURING THE COVID-19 STATE OF EMERGENCY, PURSUANT TO CALIFORNIA ASSEMBLY BILL 361 (2021-2022)

**WHEREAS**, on February 26, 2020, the County of Orange Health Officer declared a Local Health Emergency and the Chairwoman of the Board of Supervisors, acting as the Chair of Emergency Management Council, proclaimed a Local Emergency finding that the imminent and proximate threat to public health from the introduction of COVID-19 created conditions of extreme peril to the safety of persons and property within the territorial limits of Orange County; and

**WHEREAS**, on March 2, 2020, the Orange County Board of Supervisors adopted resolutions No. 20-011 and 20-012 ratifying the Local Health Emergency and Local Emergency, referenced above; and

**WHEREAS**, on March 4, 2020, the Governor of the State of California proclaimed a State of Emergency in response to COVID-19, pursuant to Section 8625 of the California Emergency Services Act (Article 1 [commencing with Section 8550] of Chapter 7 of Division 1 of Title 2); and

**WHEREAS**, on March 11, 2020 the World Health Organization publicly characterized COVID-19 as a pandemic; and

**WHEREAS**, on March 13, 2020, the President of the United States declared a National Emergency due to the spread and the effects of COVID-19; and

**WHEREAS**, the State of California (California Department of Industrial Relation's Division of Occupational Safety and Health's Revised COVID-19 Emergency Temporary Standards effective June 17, 2021) and County of Orange Health Officer (Orders and Strong Recommendations revised September 28, 2021) continue to impose or recommend measures to promote social distancing; and

**WHEREAS**, on March 17, 2020, the Governor of the State of California issued Executive Order N-29-20 that, in an effort to confront and contain COVID-19, suspended certain provisions of the Ralph M. Brown Act providing local agencies with greater flexibility to hold meetings via teleconferencing; and

**WHEREAS**, on September 16, 2021, the Governor of the State of California signed Assembly Bill 361 (2020-2022) (“AB 361”) amending the Ralph M. Brown Act providing local agencies with greater flexibility to hold meetings via teleconferencing during a proclaimed state of emergency when: (1) state or local officials have imposed or recommended measures to promote social distancing and/or (2) the legislative body of the local agency has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees (California Government Code Section 54953(e)(1)); and

**WHEREAS**, AB 361 was chaptered into law as an urgency statute with its effectiveness waived until October 1, 2021, subject to the Governor of the State of California’s Executive Order N-15-21 dated September 20, 2021; and

**WHEREAS**, in order to continue holding meetings via teleconferencing, AB 361 requires the legislative body of a local agency to periodically make the findings set forth in California Government Code Section 54953(e)(3).

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

**SECTION 1.** The above recitals are true and correct.

**SECTION 2.** The City Council does hereby find the following:

(A) A state of emergency has been proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 [commencing with Section 8550] of Chapter 7 of Division 1 of Title 2); and

(B) The City Council has reconsidered the circumstances of the state of emergency; and

(C) The state of emergency continues to directly impact the ability of the members of the City Council to meet safely in person; and

(D) State and local officials continue to impose or recommend measures to promote social distancing.

**SECTION 3.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2021.

\_\_\_\_\_  
SHARI L. HORNE, 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. 21-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 2021, by the following vote:

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

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**6.5**

**FISCAL YEARS 2021-23 BUDGET ADJUSTMENT**

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**RESOLUTION NO. 21-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2021-23 BUDGET AND WORK PLAN FOR FISCAL YEAR 2021-22 COMMENCING JULY 1, 2021 AND ENDING JUNE 30, 2022, AND FISCAL YEAR 2022-23 COMMENCING JULY 1, 2022 AND ENDING JUNE 30, 2023, RELATED TO ADJUSTMENTS OF FUEL TAX FUND APPROPRIATIONS FOR THE “RIDGE ROUTE DRIVE LANDSCAPE PROJECT”

**WHEREAS**, the Fiscal Years 2021-23 Budget (“Budget”) was adopted by the City Council on June 23, 2021; and

**WHEREAS**, City Council action is required to increase fund-level budget appropriations adopted as a part of the Budget; and

**WHEREAS**, the “Ridge Route Drive Landscape Project” is included in the Capital Improvement Program; and

**WHEREAS**, the existing Ridge Route Drive Landscape Project budget was established in an amount that was estimated to be sufficient to complete design, with decisions on future construction funding deferred; and

**WHEREAS**, at the regular meeting on October 20, 2021, the City Council directed the City Manager to proceed with the Ridge Route Drive Landscape Project on the basis of Option A, as presented; and

**WHEREAS**, it is necessary for the City Council to increase Fiscal Year 2021-22 appropriations for the Fuel Tax Fund in the amount of \$5,632, with the appropriations drawn from the unassigned Fuel Tax Fund balance, to complete the design of the Ridge Route Drive Landscape Project as directed; and

**WHEREAS**, with the proposed Budget amendment, the total Ridge Route Drive Landscape Project budget, including amounts previously expended, would be \$45,632 (\$20,000 Capital Projects Fund and \$25,632 Fuel Tax Fund); and

**WHEREAS**, the unassigned Fuel Tax Fund balance has sufficient funds to accommodate the increased Fuel Tax Fund appropriations.

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

**SECTION 1.** Section 2 of Resolution No. 21-20, as previously amended by Resolution No. 21-32, is hereby amended, in its entirety, to read as follows:

The budget appropriations authorized, on a fund level, are:

Fiscal Year 2021-22

	<i>Fiscal Year 2021-22 Adopted Budget</i>	<i>Fiscal Year 2021-22 Carryover Appropriations</i>	<i>Fiscal Year 2021-22 Budget Amendments</i>	<i>Fiscal Year 2021-22 Amended Budget</i>
General Fund	\$6,432,593 (includes transfers to Capital Projects Fund of \$301,296)	-	-	\$6,432,593 (includes transfers to Capital Projects Fund of \$301,296)
Capital Projects Fund	\$301,296	\$382,583	-	\$683,879
Fuel Tax	\$375,514	-	\$5,632 <sup>B</sup>	\$381,146
Road Maintenance & Rehabilitation Program	\$270,600	-	-	\$270,600
Measure M2 (OC Go)	\$240,850	\$31,641	-	\$272,491
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	\$262,000 <sup>A</sup>	\$262,000
Service Authority for Abandoned Vehicles	-	-	-	-
Supplemental Law Enforcement Services	\$158,100	-	-	\$158,100
Mobile Source Reduction	-	-	-	-
PEG/Cable Television	-	-	-	-
Senior Mobility	\$119,000	-	-	\$119,000
Community Development Block Grant (CDBG)	\$350,000	-	-	\$350,000
Federal Grants	\$1,895,829	-	-	\$1,895,829
State of California Grants	\$16,000	\$636,821	-	\$652,821
Laguna Woods Civic Support Fund	\$24,408	-	-	\$24,408
<b>TOTAL</b>	<b>\$9,882,894</b>	<b>\$1,051,045</b>	<b>\$267,632</b>	<b>\$11,201,571</b>

<sup>A</sup> Fund Budget Adjustment CC-21/22-1: Coastal Area Road Improvement & Traffic Signals (CARITS) Fund, +\$262,000 (R 21-32). Fund closure authorized.

<sup>B</sup> Fund Budget Adjustment CC-21/22-2: Fuel Tax Fund, +\$5,632 (R 21-XX).

Fiscal Year 2022-23

	<i>Fiscal Year 2022-23 Adopted Budget</i>	<i>Fiscal Year 2022-23 Carryover Appropriations</i>	<i>Fiscal Year 2022-23 Budget Amendments</i>	<i>Fiscal Year 2022-23 Amended Budget</i>
General Fund	\$6,633,681 (includes transfers to Capital Projects Fund of \$265,591)	-	-	\$6,633,681 (includes transfers to Capital Projects Fund of \$265,591)
Capital Projects Fund	\$265,591	-	-	\$265,591
Fuel Tax	\$361,360	-	-	\$361,360
Road Maintenance & Rehabilitation Program	\$309,800	-	-	\$309,800
Measure M2 (OC Go)	\$251,366	-	-	\$251,366
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	-	-
Service Authority for Abandoned Vehicles	-	-	-	-
Supplemental Law Enforcement Services	\$158,100	-	-	\$158,100
Mobile Source Reduction	\$92,500	-	-	\$92,500
PEG/Cable Television	-	-	-	-
Senior Mobility	\$131,000	-	-	\$131,000
Community Development Block Grant (CDBG)	\$150,000	-	-	\$150,000
Federal Grants	\$1,895,828	-	-	\$1,895,828
State of California Grants	\$193,952	-	-	\$193,952
Laguna Woods Civic Support Fund	\$24,408	-	-	\$24,408
TOTAL	\$10,201,995	-	-	\$10,201,995

Carryover Appropriations

The budget appropriations authorized by this section reflect the Fiscal Years 2021-23 adopted budgets, plus authorized budget adjustments approved between July 1, 2021 and the date of this amendment. The budget appropriations authorized by this section also include carryovers of approved, but unspent, budget appropriations from prior fiscal years. Such carryovers were approved by the City Council with the adoption of the current budget and/or pursuant to Administrative Policy 2.9.

**SECTION 2.** The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2021.

\_\_\_\_\_  
SHARI L. HORNE, 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. 21-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 2021, by the following vote:

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

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

**6.6**  
**PLANNING SERVICES**

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**AGREEMENT FOR CONSULTANT SERVICES  
BETWEEN THE  
CITY OF LAGUNA WOODS  
AND  
LSA ASSOCIATES, INC.  
FOR PLANNING SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2022 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and LSA Associates, 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 17 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on December 1, 2021 and ending at 11:59 p.m. on June 30, 2023. 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. This

## ITEM 6.6 – Attachment A

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 15<sup>th</sup> 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 13 and 14 of this AGREEMENT, 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.

**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 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

## ITEM 6.6 – Attachment A

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) CONSULTANT shall: (i) recruit, screen, interview, and assign its employees (the "ASSIGNED EMPLOYEES") to perform the work described in EXHIBIT "A" for CITY at the location(s) specified in EXHIBIT "A"; (ii) pay ASSIGNED EMPLOYEES wages and provide other benefits required by law, including sick and family medical leave, and any other benefits as CONSULTANT deems appropriate; (iii) pay, withhold, and transmit payroll taxes, provide unemployment insurance and workers' compensation in an amount no less than required by law, and handle workers' compensation and unemployment claims involving ASSIGNED EMPLOYEES; (iv) ensure ASSIGNED EMPLOYEES are legally authorized to work in the United States; and, (v) have sole responsibility for providing and will provide necessary health coverage to ASSIGNED EMPLOYEES under the Affordable Care Act's ("ACA") employer mandate and its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(d) CONSULTANT shall not use any independent contractors to perform the services described in EXHIBIT "A" on CONSULTANT's behalf unless approved in writing by CITY in advance.

(e) CONSULTANT represents that: (i) it is solely responsible for all required training of ASSIGNED EMPLOYEES under federal, state, and local laws, including those regarding anti-harassment, anti-retaliation, anti-discrimination, workplace safety training, and any other applicable laws; (ii) it has, and during the term of this AGREEMENT shall maintain, anti-harassment, anti-retaliation, and anti-discrimination policies, and appropriate complaint procedures in place; (iii) it is solely responsible for the supervision of ASSIGNED EMPLOYEES; (iv) it is solely responsible for all pre-employment screening and testing of ASSIGNED EMPLOYEES, as may be required or allowed by law, including Form I-9 verification, criminal background checks, industry-specific checks, other background checks, and related recordkeeping; and, (v) it is solely responsible for performance managing, disciplining, and terminating its ASSIGNED EMPLOYEES.

(f) 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.

(g) 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.**

## ITEM 6.6 – Attachment A

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.

(c) 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.

(d) CONSULTANT affirms and agrees that for purposes of all statutory and regulatory requirements for employee leaves of absence, including the Family and Medical Leave Act and any similar state or local law, CONSULTANT shall comply with any such requirements and CITY shall cooperate with CONSULTANT's compliance.

(e) CONSULTANT has sole responsibility for providing, and will provide, the necessary health coverage to ASSIGNED EMPLOYEES under the ACA employer mandate and

## ITEM 6.6 – Attachment A

its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(f) Upon reasonable written notice to CONSULTANT, CITY may inspect CONSULTANT's records to verify CONSULTANT's compliance with this AGREEMENT.

### **SECTION 11. 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 12. 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 13. INDEMNIFICATION.**

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation CONSULTANT's breach of any representation, warranty or obligations of CONSULTANT set for in this AGREEMENT, including but not limited to those set forth in SECTIONS 8, 9 and 10.

(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 14 "INSURANCE" of this AGREEMENT 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.

**SECTION 14. 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 15. ASSIGNMENT.**

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

**SECTION 16. CONTINUITY OF ASSIGNED EMPLOYEES.**

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's ASSIGNED EMPLOYEES. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's ASSIGNED EMPLOYEES, prior to any such performance.

**SECTION 17. 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.

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(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 "COMPENSATION AND METHOD OF PAYMENT" 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 18. 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 19. EXCUSABLE DELAYS.**

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

**SECTION 20. 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 21. 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:	LSA Associates, Inc. ATTN: Chief Executive Officer 20 Executive Park, Suite 200 Irvine, CA 92614

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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 22. 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 23. BINDING EFFECT.**

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

### **SECTION 24. MODIFICATION OF AGREEMENT.**

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

### **SECTION 25. 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 26. 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 27. ATTORNEYS FEES, COSTS, AND EXPENSES.**

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

### **SECTION 28. ENTIRE AGREEMENT.**

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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 29. 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 30. 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:**

**CONSULTANT:**

\_\_\_\_\_  
Shari L. Horne, Mayor

\_\_\_\_\_  
Mike Trotta, Chief Executive Officer

Approved as to Form:

\_\_\_\_\_  
Alisha Patterson, City Attorney

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

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

California Environmental Quality Act (“CEQA”) services related to CITY- or privately-initiated development applications or projects (e.g., conditional use permits, development agreements, general plan amendments, lot line adjustments, sign permits, sign programs, site development permits, special event permits, specific plans, subdivision maps, variances, zone changes, and zoning code amendments).

As requested by CITY, CONSULTANT shall provide a full spectrum of services necessary to prepare and review CEQA documentation (including, but not limited to, notices of exemption, notices of intent to adopt, negative declarations, mitigated negative declarations, mitigation monitoring and reporting programs, and environmental impact reports) related to CITY- or privately-initiated development applications or projects. “Services” shall be broadly construed to also include any of the following services when implicated by and/or advantageous to CEQA work: preparing project correspondence, schedules, studies (including, but not limited to, biological, noise, traffic, and lighting analyses), reports, maps, exhibits, graphics, resolutions, and ordinances; assisting with Native American tribal consultation processes; making presentations to the City Council, CITY committees, CITY staff, and other parties; and, facilitating, presenting at, and participating in meetings, workshops, and events.

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

CEQA review services.

As requested by CITY, CONSULTANT shall review CEQA materials associated with projects being considered by other jurisdictions and prepare comments on behalf of CITY.

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

Other services.

As requested by CITY, CONSULTANT may additionally (1) provide services similar to those set forth above, regarding the National Environmental Policy Act (“NEPA”), (2) prepare studies (including, but not limited to, biological, noise, traffic, and lighting analyses), reports, maps, exhibits, and graphics for CITY-initiated development applications or projects outside of formal CEQA or NEPA processes, (3) assist CITY in developing, updating, and maintaining Local CEQA Guidelines and related maps, exhibits, and graphics, and (4) provide Geographic Information System (“GIS”) services.

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

**EXHIBIT "B"**  
**COMPENSATION**

CONSULTANT shall be compensated using the rates set forth in tables B-1 and B-2.

*Table B-1: Compensation Schedule – Hourly*

Job Classification							Hourly Rate Range <sup>1,2,3</sup>
Planning	Environmental	Transportation	Air/Noise	Cultural/ Paleontological Resources	Biology	GIS	
Principal	Principal	Principal	Principal	Principal	Principal	Principal	\$195–400
Associate	Associate	Associate	Associate	Associate	Associate	Associate	\$130–250
Senior Planner	Senior Environmental Planner	Senior Transportation Planner/Engineer	Senior Air Quality/Noise Specialist	Senior Cultural Resources Manager/Paleontologist	Senior Biologist/Botanist/Wildlife Biologist/Ecologist/Soil Scientist/Herpetologist/Arborist	Senior GIS Specialist	\$100–185
Planner	Environmental Planner	Transportation Planner/Engineer	Air Quality/Noise Specialist/Climate Change Specialist	Cultural Resources Manager Archaeologist/Architectural Historian/Paleontologist	Biologist/Botanist/Wildlife Biologist/Ecologist/Soil Scientist/Herpetologist/Arborist	GIS Specialist	\$80–150
Assistant Planner	Assistant Environmental Planner	Assistant Transportation Planner/Engineer	Air Quality/Noise Analyst	Cultural Resources Analyst	Assistant Biologist/Botanist/Wildlife Biologist/Ecologist/Soil Scientist/Herpetologist/Arborist	Assistant GIS Specialist	\$80–110
<b>Field Services</b>							
Senior Field Crew/Field Crew							\$75–105
<b>Office Services</b>							
Graphics							\$125–140
Marketing							\$90–185
Office Assistant							\$80–130
Project Assistant							\$110
Research Assistant/Intern							\$75
Word Processing/Technical Editing							\$95–125

<sup>1</sup> The hourly rate for work involving actual expenses in court (e.g., giving depositions or similar expert testimony) shall be billed at \$400 per hour regardless of job classifications.

<sup>2</sup> Hourly rates are subject to an increase of up to 4% each July 1.

<sup>3</sup> Hourly rates are not subject to minimums or maximums.

*Table B-2: Compensation Schedule – Direct*

Description	Unit Cost <sup>1</sup>	Description	Unit Cost <sup>1</sup>
Reproduction (8.5 x 11) B/W	\$0.07 per page	Total Station Surveying Instrument	\$50.00 per day
Reproduction (8.5 x 11) Color	\$0.40 per page	Level (Laser or Optical)	\$25.00 per day
Reproduction (11 x 17) B/W	\$0.10 per page	Laser Rangefinder	\$25.00 per day
Reproduction (11 x 17) Color	\$0.75 per page	Sound Meter	\$75.00 per day
CD Production	\$5.00 per CD	Sound Meter with Velocity Transducer	\$85.00 per day
USB Flash Drive	\$5.00 per drive	Aerial Photo	Cost
Plotting	\$3.75 per sq ft	Boat Rental	\$125.00 per day
Aerial Drone	\$200.00 per day	Water Quality Meter	\$25.00 per day
GPS Unit	\$75.00 per day	Night Vision Goggles	\$50.00 per unit per night
Mileage is not a reimbursable cost.		Wildlife Camera	\$25.00 per day

<sup>1</sup> Direct costs shall be reimbursed at cost plus 10%.

CONSULTANT shall provide all services under this AGREEMENT only as requested by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation.

**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. 03/10) covering Automobile Liability. The auto liability policy must cover all non-owned autos, scheduled autos, and hired autos 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.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

(5) Employment practices liability insurance.

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.

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(4) Errors and Omissions Liability: \$1,000,000 per individual claim.

(5) Employment Practices Liability: \$500,000 per occurrence and \$1,000,000 general aggregate.

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

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.

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

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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.

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.

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**AGREEMENT FOR CONSULTANT SERVICES  
BETWEEN THE  
CITY OF LAGUNA WOODS  
AND  
SAGECREST PLANNING AND ENVIRONMENTAL  
FOR PLANNING SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2022 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Sagecrest Planning and Environmental ("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 17 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on December 1, 2021 and ending at 11:59 p.m. on June 30, 2023. 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. This

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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 15<sup>th</sup> 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 13 and 14 of this AGREEMENT, 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.

**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 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

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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) CONSULTANT shall: (i) recruit, screen, interview, and assign its employees (the "ASSIGNED EMPLOYEES") to perform the work described in EXHIBIT "A" for CITY at the location(s) specified in EXHIBIT "A"; (ii) pay ASSIGNED EMPLOYEES wages and provide other benefits required by law, including sick and family medical leave, and any other benefits as CONSULTANT deems appropriate; (iii) pay, withhold, and transmit payroll taxes, provide unemployment insurance and workers' compensation in an amount no less than required by law, and handle workers' compensation and unemployment claims involving ASSIGNED EMPLOYEES; (iv) ensure ASSIGNED EMPLOYEES are legally authorized to work in the United States; and, (v) have sole responsibility for providing and will provide necessary health coverage to ASSIGNED EMPLOYEES under the Affordable Care Act's ("ACA") employer mandate and its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(d) CONSULTANT shall not use any independent contractors to perform the services described in EXHIBIT "A" on CONSULTANT's behalf unless approved in writing by CITY in advance.

(e) CONSULTANT represents that: (i) it is solely responsible for all required training of ASSIGNED EMPLOYEES under federal, state, and local laws, including those regarding anti-harassment, anti-retaliation, anti-discrimination, workplace safety training, and any other applicable laws; (ii) it has, and during the term of this AGREEMENT shall maintain, anti-harassment, anti-retaliation, and anti-discrimination policies, and appropriate complaint procedures in place; (iii) it is solely responsible for the supervision of ASSIGNED EMPLOYEES; (iv) it is solely responsible for all pre-employment screening and testing of ASSIGNED EMPLOYEES, as may be required or allowed by law, including Form I-9 verification, criminal background checks, industry-specific checks, other background checks, and related recordkeeping; and, (v) it is solely responsible for performance managing, disciplining, and terminating its ASSIGNED EMPLOYEES.

(f) 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.

(g) 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.**

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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.

(c) 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.

(d) CONSULTANT affirms and agrees that for purposes of all statutory and regulatory requirements for employee leaves of absence, including the Family and Medical Leave Act and any similar state or local law, CONSULTANT shall comply with any such requirements and CITY shall cooperate with CONSULTANT's compliance.

(e) CONSULTANT has sole responsibility for providing, and will provide, the necessary health coverage to ASSIGNED EMPLOYEES under the ACA employer mandate and

## ITEM 6.6 – Attachment B

its implementing regulations. CONSULTANT represents and warrants that it will comply with all laws, including the ACA, in doing so.

(f) Upon reasonable written notice to CONSULTANT, CITY may inspect CONSULTANT's records to verify CONSULTANT's compliance with this AGREEMENT.

### **SECTION 11. 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 12. 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 13. INDEMNIFICATION.**

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a result of the CONSULTANT's performance of or failure to perform any services under this AGREEMENT or by the negligent or willful acts or omissions of CONSULTANT, its agents, officers, directors, subcontractors or employees, committed in performing any of the services under this AGREEMENT, including without limitation CONSULTANT's breach of any representation, warranty or obligations of CONSULTANT set for in this AGREEMENT, including but not limited to those set forth in SECTIONS 8, 9 and 10.

(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 14 "INSURANCE" of this AGREEMENT 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.

**SECTION 14. 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 15. ASSIGNMENT.**

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

**SECTION 16. CONTINUITY OF ASSIGNED EMPLOYEES.**

CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT's ASSIGNED EMPLOYEES. CONSULTANT shall obtain approval, in writing, from CITY of any changes in CONSULTANT's ASSIGNED EMPLOYEES, prior to any such performance.

**SECTION 17. 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.

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(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 "COMPENSATION AND METHOD OF PAYMENT" 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 18. 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 19. EXCUSABLE DELAYS.**

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

**SECTION 20. 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 21. 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:	Sagecrest Planning and Environmental ATTN: President 27128 Paseo Espada, Suite 1524 San Juan Capistrano, CA 92675

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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 22. 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 23. BINDING EFFECT.**

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

### **SECTION 24. MODIFICATION OF AGREEMENT.**

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

### **SECTION 25. 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 26. 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 27. ATTORNEYS FEES, COSTS, AND EXPENSES.**

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

### **SECTION 28. ENTIRE AGREEMENT.**

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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 29. 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 30. 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:**

**CONSULTANT:**

\_\_\_\_\_  
Shari L. Horne, Mayor

\_\_\_\_\_  
Amy Vazquez, President

Approved as to Form:

\_\_\_\_\_  
Alisha Patterson, City Attorney

**EXHIBIT "A"**  
**SCOPE OF SERVICES**

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

*Comprehensive planning services – including environmental planning services – related to CITY- or privately-initiated development applications or projects (e.g., conditional use permits, development agreements, general plan amendments, lot line adjustments, sign permits, sign programs, site development permits, special event permits, specific plans, subdivision maps, variances, zone changes, and zoning code amendments).*

As requested by CITY, CONSULTANT shall provide a full spectrum of services necessary to process CITY- or privately-initiated development applications or projects [e.g., coordinating with CITY, applicants, and other parties; reviewing plans and other documents for consistency with applicable federal, state, and local laws, rules, regulations, and guidelines; preparing project correspondence, schedules, studies (including, but not limited to, biological, noise, traffic, and lighting analyses), reports, maps, exhibits, graphics, resolutions, ordinances, and California Environmental Quality Act (“CEQA”) documentation (including, but not limited to, notices of exemption, notices of intent to adopt, negative declarations, mitigated negative declarations, mitigation monitoring and reporting programs, and environmental impact reports); assisting with Native American tribal consultation processes; issuing project approvals, conditional approvals, and denials on behalf of CITY; making presentations to the City Council, CITY committees, CITY staff, and other parties; and, facilitating, presenting at, and participating in meetings, workshops, and events].

CONSULTANT shall be available on short-term notice to provide comprehensive planning services on an as-needed, task order basis. When CITY receives an application for which services are required, CITY shall distribute the application materials and a scope of work to CONSULTANT. CONSULTANT shall begin work on each project within two (2) business days of receipt from CITY and comply with all applicable governmental processing time requirements, including, but not limited to, the California Permit Streamlining Act, as well as CITY standards as may change and be communicated to CONSULTANT from time-to-time.

*Staff augmentation services.*

As requested by CITY, CONSULTANT shall provide staff augmentation services for CITY’s Planning & Environmental Services Department [e.g., to provide coverage during employee leaves, periods of unusual activity, or locally proclaimed emergencies; to assist with the administration and oversight of density bonus regulatory agreements with housing developments; to represent the City on statewide, regional, or sub-regional planning projects and initiatives; to review materials associated with projects being considered by other jurisdictions and prepare

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comments on behalf of the City; and, for special, long-range, and advance planning-related projects including, but not limited to, drafting amendments to the Laguna Woods Municipal Code and assisting with the implementation, maintenance, and update of CITY’s General Plan, Climate Adaptation Plan, and Local Hazard Mitigation Plan]. Duties may include services substantially similar to those set forth under “Comprehensive Planning Services” above, as well as any other duties commonly associated with entry- to management-level, municipal community development or planning departments.

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

**EXHIBIT "B"**  
**COMPENSATION**

CONSULTANT shall be compensated as follows:

- Planning Director – \$200 per hour
- Planning Manager – \$180 per hour
- Principal Planner – \$140 per hour
- Senior Planner – \$120 per hour
- Associate Planner – \$100 per hour
- Assistant Planner – \$80 per hour
- Planning Aide – \$70 per hour
- Minutes Clerk/Planning Administration – \$60 per hour
  
- Other Personnel – Subject to mutual written agreement of CITY and CONSULTANT
  
- Subcontractor Services – Subject to 10% mark-up over cost, as evidenced by receipts

Hourly rates are not subject to minimums or maximums and are all-inclusive with the exception of reproduction; oversized and specialty printing; and, courier and 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), except for reproduction and oversized and specialty printing which shall be subject to a 10% markup over cost (as evidenced by receipts). CONSULTANT shall not be reimbursed for any other expenses including, but not limited to, telephone; mileage; vehicle; travel; lodging; food; drink; and, computer, voice, or data line usage.

Costs for “Other Personnel” and “Subcontractor Services” shall only be incurred as authorized by CITY in advance.

CONSULTANT shall provide all services under this AGREEMENT only as requested by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation.

**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. 03/10) covering Automobile Liability. The auto liability policy must cover all non-owned autos, scheduled autos, and hired autos 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.

(4) Errors and omissions liability insurance appropriate to the CONSULTANT's profession.

(5) Employment practices liability insurance.

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.

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(4) Errors and Omissions Liability: \$1,000,000 per individual claim.

(5) Employment Practices Liability: \$500,000 per occurrence and \$1,000,000 general aggregate.

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

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.

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

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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.

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.

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**6.7**

**PROPOSITION 68 (CALIFORNIA DROUGHT,  
WATER, PARKS, CLIMATE, COASTAL  
PROTECTION, AND OUTDOOR ACCESS FOR  
ALL ACT OF 2018) PER CAPITA PROGRAM**

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**RESOLUTION NO. 21-XX**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING APPLICATION(S) FOR PER CAPITA GRANT FUNDS

**WHEREAS**, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Per Capita Grant Program, setting up necessary procedures governing application(s); and

**WHEREAS**, said procedures established by the State Department of Parks and Recreation require the grantee's Governing Body to certify by resolution the approval of project application(s) before submission of said applications to the State; and

**WHEREAS**, the grantee will enter into a contract(s) with the State of California to complete project(s).

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby:

1. Approves the filing of project application(s) for Per Capita program grant project(s); and
2. Certifies that said grantee has or will have available, prior to commencement of project work utilizing Per Capita funding, sufficient funds to complete the project(s); and
3. Certifies that the grantee has or will have sufficient funds to operate and maintain the project(s), and
4. Certifies that all projects proposed will be consistent with the park and recreation element of the City of Laguna Woods' general or recreation plan (PRC §80063(a)), and
5. Certifies that these funds will be used to supplement, not supplant, local revenues in existence as of June 5, 2018 (PRC §80062(d)), and
6. Certifies that it will comply with the provisions of §1771.5 of the State Labor Code, and

7. (PRC §80001(b)(8)(A-G)) To the extent practicable, as identified in the “Presidential Memorandum--Promoting Diversity and Inclusion in Our National Parks, National Forests, and Other Public Lands and Waters,” dated January 12, 2017, the City of Laguna Woods will consider a range of actions that include, but are not limited to, the following:

(A) Conducting active outreach to diverse populations, particularly minority, low income, and disabled populations and tribal communities, to increase awareness within those communities and the public generally about specific programs and opportunities.

(B) Mentoring new environmental, outdoor recreation, and conservation leaders to increase diverse representation across these areas.

(C) Creating new partnerships with state, local, tribal, private, and nonprofit organizations to expand access for diverse populations.

(D) Identifying and implementing improvements to existing programs to increase visitation and access by diverse populations, particularly minority, low-income, and disabled populations and tribal communities.

(E) Expanding the use of multilingual and culturally appropriate materials in public communications and educational strategies, including through social media strategies, as appropriate, that target diverse populations.

(F) Developing or expanding coordinated efforts to promote youth engagement and empowerment, including fostering new partnerships with diversity-serving and youth-serving organizations, urban areas, and programs.

(G) Identifying possible staff liaisons to diverse populations.

8. Agrees that to the extent practicable, the project(s) will provide workforce education and training, contractor and job opportunities for disadvantaged communities (PRC §80001(b)(5)).

9. Certifies that the grantee shall not reduce the amount of funding otherwise available to be spent on parks or other projects eligible for funds under this division in its jurisdiction. A one-time allocation of other funding that has been expended for parks or other projects, but which is not available on an ongoing basis, shall not be considered when calculating a recipient’s annual expenditures. (PRC §80062(d)).

10. Certifies that the grantee has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Procedural Guide; and

11. Delegates the authority to the City Manager, or designee to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the grant scope(s); and

12. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and adopted the XX day of XX, 2021.

I, the undersigned, hereby certify that the foregoing Resolution Number 21-XX was duly adopted by the City Council following a roll call vote:

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

\_\_\_\_\_  
SHARI L. HORNE, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**6.8**  
**PAVEMENT MANAGEMENT PLAN PROJECT**  
**(SOUTHBOUND MOULTON PARKWAY**  
**BETWEEN VIA CAMPO VERDE AND CALLE**  
**CORTEZ)**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** November 17, 2021 Regular Meeting

**SUBJECT:** Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)

---

### **Recommendation**

1. Approve the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” design plans and specifications as prepared by the project engineer.

AND

2. Approve a notice of exemption for the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorize the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Award a contract agreement to All American Asphalt for the construction of the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)”, in the amount of \$172,969, 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.

## **Background**

The Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez) (“project”) is included in the Fiscal Years 2021-32 Capital Improvement Program. The project involves the rehabilitation of deteriorated pavement, including asphalt concrete pavement cold milling and repaving. The work also includes traffic control, adjusting utility manholes and water valves to grade, re-establishing survey monuments, painting striping and legends, and applying pavement markings.

This project is part of the Fiscal Years 2020-30 Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index (“PCI”) below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of February 2020, the street section included in the project had a PCI of 80.

## **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on the Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez). Staff recommends that the City Council take the following three actions to allow construction to proceed:

### **Recommendation 1**

Approval of the project design plans and specifications as prepared by the project engineer. The design plans and specifications are available for review via the City Clerk’s Office, Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637. Telephone: (949) 639-0500. Email: [cityhall@cityoflagunawoods.org](mailto:cityhall@cityoflagunawoods.org).

### **Recommendation 2**

Approval of a notice of exemption for the project finding that the project is categorically exempt from the California Environmental Quality Act (“CEQA”) and authorization for the City Manager to cause the notice of exemption to be filed pursuant to applicable law. The proposed notice of exemption is included as Attachment A.

### Recommendation 3

Award of a contract agreement to All American Asphalt for the construction of the project, in the amount of \$172,969, 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 project were solicited from October 7 through October 29, 2021. Five bids were received (All American Asphalt; Hardy & Harper; Onyx Paving; Palp, Inc. dba Excel Paving Company; and, R.J. Noble Company). After review, All American Asphalt is the lowest cost responsive bidder.

### Environmental Review

The project is categorically exempt from CEQA pursuant to California Code of Regulations, Title 14, Section 15301. For additional information, refer to the proposed notice of exemption (Attachment A).

### Fiscal Impact

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

Attachment: A – Proposed Notice of Exemption

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Recording requested by City of Laguna Woods  
When recorded, mail to City of Laguna Woods,  
24264 El Toro Road, Laguna Woods, CA 92637.  
(949) 639-0500

Exemption Code 6103



**NOTICE OF EXEMPTION**

<b>To:</b> County of Orange Orange County Clerk-Recorder P.O. Box 238 Santa Ana, CA 92701	<b>From:</b> City of Laguna Woods 24264 El Toro Road Laguna Woods, CA 92637 (949) 639-0500
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**Project Title:** Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)

**Project Applicant:** City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637  
(949) 639-0500

**Project Location – Specific:** The project is located within the City of Laguna Woods’ public right-of-way on southbound Moulton Parkway between Via Campo Verde and Calle Cortez.

**Project Location – City:** Laguna Woods, California **Project Location – County:** Orange

**Description of Nature, Purpose, and Beneficiaries of Project:** The project involves the rehabilitation of deteriorated pavement, including asphalt concrete pavement cold milling and repaving. The work also includes traffic control, adjusting utility manholes and water valves to grade, re-establishing survey monuments, painting striping and legends, and applying pavement markings.

This project is part of the City’s Fiscal Years 2020-30 Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index (“PCI”) below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of February 2020, the street section included in the project had a PCI of 80.

**Name of Public Agency Approving Project:** City of Laguna Woods

**Name of Person or Agency Carrying Out Project:** City of Laguna Woods

**Exempt Status:**

**NOTICE OF EXEMPTION  
PAVEMENT MANAGEMENT PLAN PROJECT (SOUTHBOUND MOULTON  
PARKWAY BETWEEN VIA CAMPO VERDE AND CALLE CORTEZ)  
CITY OF LAGUNA WOODS**

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X	Categorical Exemption (Sec. 15301)
	Declared Emergency (Sec. 21080(b)(3); 15269(a))
	Emergency Project (Sec. 21080(b)(4); 15269(b)(c))
	Ministerial (Sec. 21080(b)(1); 15268)
	Statutory Exemption
	Not Subject to CEQA (Sec. 15061(b)(3))

**Reasons Why Project is Exempt:** The project is categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to California Code of Regulations, Title 14 (the State CEQA Guidelines) Section 15301 (Class 1, Existing Facilities). Section 15301 exempts from environmental review the “the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.” Subsection (c) of Section 15301 provides the following as non-exclusive examples of types of “existing facilities,” “Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety, and other alterations such as the addition of bicycle facilities, including but not limited to bicycle parking, bicycle-share facilities and bicycle lanes, transit improvements such as bus lanes, pedestrian crossings, street trees, and other similar alterations that do not create additional automobile lanes).”

The project consists only of repair, maintenance, and minor alteration work within the City of Laguna Woods’ public right-of-way for an existing public street and arterial highway (Moulton Parkway). The project does not expand the existing or former use of Moulton Parkway.

Based on the scope of work, the project meets the criteria for Class 1 categorical exemption.

**Lead Agency Contact Person:**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Rebecca M. Pennington  
Development Programs Analyst  
City of Laguna Woods

Date Received for Filing at OPR: \_\_\_\_\_

Authority cited: Sections 21083 and 21110, Public Resources Code.

Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

**7.1**  
**RESIDENTIAL DENSITY BONUS STANDARDS**  
**REGULATIONS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers  
**FROM:** Christopher Macon, City Manager  
**FOR:** November 17, 2021 Regular Meeting  
**SUBJECT:** Residential Density Bonus Standards Regulations

---

### Recommendation

1. Receive staff report.  

AND
2. Resume the public hearing that was continued from the regular meeting of the City Council on October 20, 2021.  

AND
3. Receive public testimony.  

AND
4. Close public hearing.  

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTION 13.26.040 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO RESIDENTIAL

DENSITY BONUS STANDARDS AND OTHER INCENTIVES FOR HOUSING DEVELOPMENTS WITHIN, OR FOR THE DONATION OF LAND FOR HOUSING WITHIN, THE CITY'S JURISDICTION, CONSISTENT WITH CALIFORNIA GOVERNMENT CODE SECTION 65915 ET SEQ.

### **Background**

California Government Code Section 65915 et seq., requires every city and county to adopt an ordinance providing density bonuses (the ability to construct more housing units in a particular area than would otherwise be permitted) and other incentives or concessions to persons wishing to develop housing for specified types of households. Cities and counties have very limited abilities to withhold density bonuses, namely instances in which doing so would create a specific, adverse impact upon the public health or safety, or on any real property that is listed in the California Register of Historical Resources. In enacting density bonus laws, the California Legislature has held that affordable housing projects and senior housing projects are of public value, but may be financially infeasible without incentives and concessions.

Section 13.26.040 of the Laguna Woods Municipal Code contains regulations pertaining to residential density bonus standards and other incentives for housing developments within, or for the donation of land for housing within, the City's jurisdiction, consistent with California Government Code Section 65915 et seq. (hereinafter referred to as "residential density bonus standards regulations").

On October 20, 2021, the City Council opened the public hearing, invited public testimony (no testimony was received), and continue the public hearing to the next regular meeting on November 19, 2021.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the residential density bonus standards regulations set forth in Section 13.26.040 of the Laguna Woods Municipal Code (Attachment A). Staff recommends that the City Council initiate the adoption process for the proposed regulations in order to ensure that regulations are clear and consistent with state law, including the following changes in state law that were enacted after the existing regulations were approved by the City Council in September 2020:

- California Assembly Bill 2345 (2019-2020) (approved September 28, 2020)
- California Senate Bill 8 (2021-2022) (approved September 16, 2021)
- California Senate Bill 728 (2021-2022) (approved September 27, 2021)
- California Assembly Bill 571 (2021-2022) (approved September 28, 2021)
- California Assembly Bill 634 (2021-2022) (approved September 28, 2021)
- California Assembly Bill 1584 (2021-2022) (approved September 28, 2021)
- California Senate Bill 290 (2021-2022) (approved September 28, 2021)

The proposed regulations include processing-related changes that are intended to better align the review and approval process for requested density bonuses with the mandatory and prescriptive nature of state law. Rather than requiring City Council approval of a conditional use permit, the proposed regulations require approval of a density bonus housing agreement, which would be acted upon by staff.

If the recommended action is taken at today's meeting, staff anticipates scheduling the second reading and consideration of adoption of the proposed ordinance for the City Council's next regular meeting on December 15, 2021.

### **Environmental Review**

The California Legislature has expressed its intent that cities "should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes." (California Government Code Section 65884(a)(2).) The State Planning and Zoning Law and the implementing regulations to the California Environmental Quality Act ("CEQA") exempt such determinations from environmental review. (California Government Code Section 65884(g); 14 California Code of Regulations sections 15283, 15326.) In addition, the ordinance is covered by CEQA's "common sense" exception that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. (14 California Code of Regulations Section 15061(b)(3).) It can be seen with certainty that this project has no possibility of having a significant effect on the environment. In the absence of any pending application for any housing development that might implicate density bonus considerations, any specific environmental effects, apart from those already assessed in the City's General Plan and Housing Element review, would be speculative.

**Fiscal Impact**

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

Attachment: A – Proposed Ordinance  
Exhibit A – Proposed Ordinance Text

**ORDINANCE NO. 21-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTION 13.26.040 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO RESIDENTIAL DENSITY BONUS STANDARDS AND OTHER INCENTIVES FOR HOUSING DEVELOPMENTS WITHIN, OR FOR THE DONATION OF LAND FOR HOUSING WITHIN, THE CITY’S JURISDICTION, CONSISTENT WITH CALIFORNIA GOVERNMENT CODE SECTION 65915 ET SEQ.

**WHEREAS**, California Government Code Section 65915 et seq., requires every city and county to adopt an ordinance providing density bonuses and other incentives or concessions to persons wishing to develop housing for specified types of households; and

**WHEREAS**, residential density bonus standards regulations are codified at Section 13.26.040 of the Laguna Woods Municipal Code to provide incentives for the production of housing for specified types of households in accordance with the State of California’s Density Bonus Law (California Government Code sections 65915 – 65918), facilitate the development of affordable housing, and implement the goals, policy objectives, and programs of the housing element of the City’s General Plan; and

**WHEREAS**, the City Council last amended the residential density bonus standards regulations on September 16, 2020 by Ordinance No. 20-02; and

**WHEREAS**, the California Legislature has amended California Government Code Section 65915 et seq. several times since the City enacted its existing residential density bonus standards regulations, including:

- California Assembly Bill 2345 (2019-2020) (approved September 28, 2020),
- California Senate Bill 8 (2021-2022) (approved September 16, 2021),
- California Senate Bill 728 (2021-2022) (approved September 27, 2021),
- California Assembly Bill 571 (2021-2022) (approved September 28, 2021),
- California Assembly Bill 634 (2021-2022) (approved September 28, 2021),
- California Assembly Bill 1584 (2021-2022) (approved September 28, 2021), and
- California Senate Bill 290 (2021-2022) (approved September 28, 2021); and

**WHEREAS**, staff has recommended amendments of the Laguna Woods Municipal Code as set forth in the attached Exhibit A to this Ordinance (the “Code Amendments”) which, if adopted, would help to ensure that regulations are clear and consistent with state law, including the aforementioned legislation; and

**WHEREAS**, the Community Development Director or his or her designee prepared an exhibit, including proposed language and terminology for the proposed Code Amendments and any additional information and documents deemed necessary for the City Council to take action, and such exhibit was available for public inspection at City Hall and, upon request, was supplied to all persons desiring a copy, at least 10 days prior to the scheduled City Council public hearing date; and

**WHEREAS**, on November 17, 2021, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

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

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

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that this Ordinance has no possibility of having a significant effect on the environment. The California Legislature has expressed its intent that cities “should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes.” (California Government Code Section 65884(a)(2).) The State Planning and Zoning Law and the implementing regulations to the California Environmental Quality Act (“CEQA”) exempt such determinations from environmental review. (California Government Code Section 65884(g); 14 California Code of Regulations sections 15283, 15326.) In addition, the Ordinance is covered by CEQA’s “common sense”

exception that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. (14 California Code of Regulations Section 15061(b)(3).) In the absence of any pending application for any housing development that might implicate density bonus considerations, any specific environmental effects, apart from those already assessed in the City’s General Plan and Housing Element review, would be speculative.

SECTION 3. Section 13.26.040 of the Laguna Woods Municipal Code is hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

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

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

SECTION 6. The Mayor shall sign this Ordinance.

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 2021.

---

SHARI L. HORNE, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
ALISHA PATTERSON, 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. 21-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2021 by the following vote to wit:

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

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

**EXHIBIT A  
CODE AMENDMENTS**

*Section 13.26.040 (“Residential density bonus standards”) of Chapter 13.26 (“Special Regulations”) of Title 13 (“Zoning”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining and deletions shown with ~~strike-through~~):*

**Sec. 13.26.040. - Residential density bonus standards.**

(a) *Purpose and intent.* This section is intended to provide incentives for the production of housing for specified types of households in accordance with the State of California’s “Density Bonus Law,” California Government Code §§ 65915 through 65918, as amended or superseded, and relevant portions of California Senate Bill 330, the “Housing Crisis Act of 2019,” as amended, superseded, or repealed. In enacting these provisions, it is the intent of the City to facilitate the development of affordable housing and to implement the goals, policy objectives, and ~~polices~~ programs of the housing element of the City’s General Plan.

(b) *Applicability.* This section shall apply to projects qualifying for density bonuses, incentives or concessions, waivers or reductions of development standards, and/or parking ratios ~~and/or incentives~~ provided for by California Government Code § 65915, as amended or superseded.

(c) *Definitions.* For the purpose of this section, the following definitions shall apply:

(05) *Affordable housing development* means any housing development that meets the criteria set forth in California Government Code § 65915(b) and (c), as amended or superseded. ~~housing subsidized by the federal or state government, or any housing development in which at least 20 percent of the housing units are affordable dwelling units.~~

~~(10) — Affordable housing development density agreement means a written agreement between an applicant for a development and the City of Laguna Woods containing specific requirements to ensure the continuing affordability of housing included in the development.~~

~~(15) Affordable housing development plan means that plan prepared by an applicant for an affordable housing development under this ordinance that outlines and specifies the development's compliance with the applicable requirements of this ordinance.~~

(2010) *Affordable dwelling unit* means a dwelling unit within a residential development project that is ~~reserved for sale or rent and~~ offered for sale at an affordable housing cost, as defined in California Health and Safety Code § 50052.5 (as amended or superseded), or offered for rent at an affordable rent, as defined in California Health and Safety Code § ~~and~~ 50053 (as amended or superseded), to persons and families of extremely low, very low, lower, or ~~and~~ moderate income.

~~(2515) Child care facility shall have the same meaning as the term "childcare facility" is defined in California Government Code § 65915(h), as amended or superseded. means a child day care facility other than a family day care home, including, but not limited to, infant centers, preschools, extended day care facilities, and school age child-care centers.~~

~~(3020) Density bonus shall have the same meaning as the term is defined in California Government Code § 65915(f), as amended or superseded. means those additional residential units granted which exceed the maximum allowable gross residential density for the development site.~~

(25) *Density bonus housing agreement* means a written agreement between the City and an applicant for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio pursuant to this section that contains specific requirements that run with the land and are recorded against the property(ies) to ensure the continuing affordability of housing included in the housing development.

(30) *Development standard* shall have the same meaning as the term is defined in California Government Code § 65915(o)(1), as amended or superseded.

(35) Housing development shall have the same meaning as the term is defined in California Government Code § 65915(i), as amended or superseded.

(40) Incentive or concession shall have the same meaning as the terms are defined in California Government Code § 65915(k), as amended or superseded.

~~(35) Maximum allowable gross residential density means the maximum number of residential units permitted by this zoning code and the land use element of the City's General Plan at the time of application, excluding the units added by a density bonus.~~

~~(40) Median gross household income means the median income level for the City of Laguna Woods, as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, adjusted for household size.~~

~~(45) Renovation means physical improvement that adds to the value of real property, but that excludes painting, ordinary repairs, and normal maintenance.~~

~~(50) Residential development means the entire proposal to construct or place one or more dwelling units on a particular lot or contiguous lots including, without limitation, a planned unit development, parcel map, site plan, or subdivision.~~

(d) *California Government Code § 65915 adopted by reference.* California Government Code § 65915 (and any future amendments thereto), a copy of which may be obtained from the City Clerk for use and examination by the public, is adopted and incorporated herein by reference as if fully set forth herein, ~~and shall constitute the affordable housing density bonus regulations of the City.~~

(e) *Processing of bonus request.*

(1) Permit-Density bonus housing agreement required. ~~Residential~~ Housing development projects that include a request for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~and/or incentive~~ pursuant to this

section shall require the approval of a ~~conditional use permit~~ density bonus housing agreement, which shall be approved by the ~~City Council Director~~, provided, however, that in no event shall ~~City Council Director~~ withhold approval of a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio to which an affordable housing development is entitled to under state law.

(2) ~~Initial review of density bonus request. Timelines for processing density bonus request.~~

Initial review for completeness. The Director shall notify the applicant whether the application for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio is complete within 30 days of filing the application, in a manner consistent with California Government Code § 65943. An application for a density bonus shall be processed concurrently with other required entitlements (such as conditional use permits and subdivision maps), if applicable.

Director's determination. The Director shall notify the applicant within 90 days of the filing of the ~~conditional use permit~~ application whether the ~~residential housing~~ development project qualifies for the density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~and incentives described in this section.~~ This notification shall provide the applicant with a determination as to each of the matters listed in California Government Code § 65915(a)(3)(D)(i).

Consistency with state law. If the processing timelines in this section exceed any applicable processing timeline in state law (such as the “Permit Streamlining Act,” California Government Code § 65920 et seq., or the “Housing Accountability Act,” California Government Code § 65589.5), the timeline in state law shall prevail.

(3) *Criteria to be considered.* Criteria to be considered in analyzing a request for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio shall ~~include whether the applicant has agreed to construct affordable units that meet~~ not exceed the requirements of California Government Code §

~~65915(k), as amended or superseded. Criteria to be considered in analyzing a requested incentive shall include whether an incentive has a specific adverse impact upon health, safety or the physical environment, and whether there is no feasible method to eliminate or mitigate such specific adverse impact. Criteria that applies to all of these requests is generally set forth in California Government Code § 65915(b) and (c). Additional criteria for a density bonus are generally set forth in California Government Code § 65915(f) and (g). Additional criteria for incentives or concessions are generally set forth in California Government Code § 65915(d). Additional criteria for waivers or reductions of development standards are generally set forth in California Government Code § 65915(e). Additional criteria for parking ratios are generally set forth in California Government Code § 65915(p).~~

(4) The applicant shall enter into an density bonus housing agreement and any other agreements or covenants necessary ~~with the City or its designee~~ to maintain and enforce the affordable housing component of the housing development.

~~(5) — An application for a density bonus permit will not be processed until all of the provisions of this section are complied with as determined by the Director and shall be processed concurrently with other required entitlements, if applicable.~~

~~(65)~~ *Required documents.* All applications for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~developer incentive, or waiver or modification of development standards~~ must include the following information:

- a. A description of the housing development project, including the number of dwelling units, the number of affordable units and level of affordability, and the location of the affordable units;
- b. The specific ~~developer~~ incentive(s) and/or concession(s) sought, if any, and reasonable documentation confirming- ~~regarding the necessity of~~ the incentive and/or concession is

necessary in order to provide affordable dwelling units ~~housing costs or rents~~;

c. The specific waiver or reduction ~~modification~~ to development standard(s), if any, and reasonable documentation ~~confirming regarding the necessity of~~ the waiver and/or ~~modification~~ reduction is necessary in order to provide affordable dwelling units, including documentation demonstrating that the City’s development standards physically preclude the utilization of a density bonus;

d. For parking ratio ~~standard modification~~ requests, that the requirements of this section are met;

e. The proposed method of ensuring the continued affordability of all low, very low, or moderate units, or senior units, transitional foster youth, disabled veterans, homeless, or child care facilities, that qualified the applicant for the award of the density bonus for at least 55 years, as required by California Government Code § 65915(c)(1);

f. For the application for a density bonus ~~permit~~ for the donation of land, the application must show the location of the land in addition to including sufficient information to establish that each requirement of California Government Code § 65915(g)(2) has been met;

g. The application for a density bonus ~~permit~~ for a development that includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project (California Government Code § 65915(b)), shall show the location and square footage of the child care facility in addition to including sufficient information as how the applicant proposes to regulate attendance at the child care facility to conform to the requirements of California Government Code § 65915(h)(2)(B).

h. Other relevant information requested by City staff, a list of which shall remain on file in the office of the City Clerk for use and examination by the public.

i. An application for a density bonus ~~permit~~ shall be accompanied by the fee set by resolution of the City Council.

~~j. — If an application for a density bonus permit requires an unusual amount or specialized type of study or evaluation by City staff, a consultant or legal counsel, City staff shall estimate the cost thereof and require the applicant to pay an additional fee or make one or more deposits to pay such cost before the study or evaluation is begun. On completion of the study or evaluation, and before the City Council decides the application, City staff shall determine the actual cost of the work and the difference between the actual cost and the amount paid by the applicant, and shall require the applicant to pay any deficiency or shall refund to the applicant any excess.~~

~~(7) — Findings for approval. In addition to the findings required for the approval of a conditional use permit, the following additional findings must be made for the approval of a density bonus:~~

~~a. — The residential development project would not be a hazard or nuisance to the city at large or establish a use or development inconsistent with the goals and policies of the City's General Plan;~~

~~b. — The number of dwelling units can be accommodated by existing and planned infrastructure capacities;~~

~~c. — Adequate evidence exists to ensure that the development of the property would result in the provision of affordable housing in a manner consistent with the purpose and intent of this section;~~

~~d. — In the event that the City does not grant at least one incentive described in California Government Code § 65915(k), that additional concessions or incentives are not necessary to provide housing at an affordable housing cost, as defined in California Health and Safety Code §§ 50052.5 and 50053; and~~

ITEM 7.1 – Exhibit A to Attachment A

~~e. There are sufficient provisions to guarantee that the lower and very low income units will remain affordable in the future.~~

**8.1**  
**SOLID WASTE REGULATIONS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** November 17, 2021 Regular Meeting

**SUBJECT:** Solid Waste Regulations

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### **Recommendation**

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 4.10 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO SOLID WASTE

### **Background**

Solid waste regulations are set forth in Chapter 4.10 of the Laguna Woods Municipal Code. The existing regulations are included as Attachment A.

California Senate Bill 1383 aims to reduce methane, hydrofluorocarbon gas, and anthropogenic black carbon emissions in a statewide effort to combat climate change and improve public health. Senate Bill 1383 applies throughout California (including in incorporated cities and unincorporated areas) and includes a variety of new regulatory mandates affecting the City’s operations. Beginning January 1, 2022, the City and other jurisdictions that provide solid waste collection services will be required to have an enforceable mechanism to regulate entities’ compliance with Senate Bill 1383 regulatory requirements and standards. Senate Bill 1383 considers a city’s failure to adopt such an enforcement mechanism to be a “major” violation with penalties between \$7,500 and \$10,000 per day.

On October 20, 2021, a public hearing was held and the City Council introduced and approved the first reading of an ordinance (Attachment B) which, if adopted, would amend Chapter 4.10 of the Laguna Woods Municipal Code related to solid waste.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the solid waste regulations set forth in Chapter 4.10 of the Laguna Woods Municipal Code (Attachment B). Staff recommends that the City Council adopt the proposed regulations in order to modify existing regulations pertaining to solid waste in furtherance of state law [specifically Senate Bill 1383 and related regulations adopted by the California Department of Resources Recycling and Recovery], as well as public health, safety, and welfare. Adoption of the proposed regulations is expected to satisfy Senate Bill 1383's enforcement mechanism requirement, thus avoiding penalties of up to \$10,000 per day.

### **Environmental Review**

It can be seen with certainty that this project has no possibility of having a significant effect on the environment as it does not approve any capital improvement project or other action or activity with the potential for a significant effect on the environment, nor does the amendment of Chapter 4.10 of the Laguna Woods Municipal Code necessitate any construction or other modification of the environment with the potential for significant environmental effects. Further, the action is taken in furtherance of enforcement of state law regarding solid waste including, but not limited to, the California Integrated Waste Management Act (Statutes of 1989, Chapter 1095, as amended) as codified in California Public Resources Code Section 49000, et seq. and Senate Bill 1383 (Statutes of 2016, Chapter 395) as codified in California Health and Safety Code and California Public Resources Code. Therefore, the amendment of Chapter 4.10 of the Laguna Woods Municipal Code is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to sections 15378(b) and 15061(b)(3) of Title 14 of the California Code of Regulations, and is categorically exempt under Section 15321(a) of Title 14 of the California Code of Regulations.

### **Fiscal Impact**

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

- Attachments: A – Existing Laguna Woods Municipal Code Chapter 4.10  
B – Proposed Ordinance  
Exhibit A – Proposed Ordinance Text

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*Footnotes:*

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**State Law reference**— *California Integrated Waste Management Act of 1989, Public Resources Code § 40000 et seq.; littering, Penal Code §§ 374, et seq.; litter receptacles, Government Code § 68055 et seq.; throwing or release of litter, Hazardous materials, etc. on roads, Vehicle Code § 23111 et seq.*

## Sec. 4.10.010. - Scope of chapter.

This chapter is intended to implement fully the City's authority granted by Article XI, § 7 of the California Constitution, Public Resources Code Div. 30 (Public Resources Code § 40000 et seq.), the regulations of the California Integrated Waste Management Board, the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq. and all other laws with respect to solid waste. Article XI, § 7 of the California Constitution and California Public Resources Code § 40059, provide that the City has the authority over all aspects of solid waste handling, including, but not limited to frequency of collection, means of collection and transportation, level of services, charges and fees, and the nature, location and extent of providing solid waste services, and whether the services are to be provided by means of nonexclusive, partially exclusive or wholly exclusive franchise, contract, license or otherwise which may be granted by local government under terms and conditions prescribed by the governing body of the local agency.

(Ord. No. 00-06, §1(6.02.00), 10-18-2000)

## Sec. 4.10.020. - Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning: Words and phrases not ascribed a meaning by this chapter shall have the meaning ascribed by Public Resources Code Div. 30, Pt. 1, Ch. 2 (Public Resources Code § 40100 et seq., and the regulations of the California Integrated Waste Management Board, if defined therein, and if not, to the definitions found in the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq. and the regulations implementing RCRA, as they may be amended from time to time.

- (05) *AB 939 or Act* means the California Integrated Waste Management Act of 1989, (sometimes referred to as "AB 939") (Public Resources Code § 40000 et seq.).
- (10) *Bulky waste or bulky goods* means and includes, but not by way of limitation, large and small household appliances, furniture, carpets, mattresses, white goods, brown goods, tires and oversized yard waste such as tree trunks and large branches if no larger than two feet in diameter and four feet in length, discarded from residential premises in the City.
- (15) *City Manager* means a person having that title in the employ of the City of Laguna Woods or the City Manager's duly authorized representative.
- (20) *Civic litter containers* means City-owned receptacles located in public areas for disposal of waste generated by the public, which meet the standards of 14 C.C.R. Chapter 3, Article 9, §§ 17830, et seq.
- (25) *Collection* means the act of collecting solid waste, at or near the place of generation or accumulation, by a solid waste enterprise which has made arrangements with the person in charge of day-to-day operations of the premises for the collection of solid waste.
- (30) *Commercial bins* means bins provided by a solid waste enterprise, usually three cubic yards, more or less in

## ITEM 8.1 - Attachment A

capacity, designed for the deposit of solid waste, placed at commercial premises for the collection of commercial solid waste and charged at commercial rates. The term "commercial bins" does not include construction and demolition bins, roll-offs or low-boys placed at residential premises.

- (35) *Commercial premises* means all premises in the City, other than residential premises (as defined in this chapter), where solid wastes are generated or accumulated. The term "commercial premises" is a reference to location, and not to ownership. The term includes, but is not limited to, stores; offices; Federal, State, County and local governmental institutions, including, but not limited to schools, school districts, special districts and water districts, to the extent authorized by law; restaurants; roominghouses; hotels; motels; offices; manufacturing, processing, or assembling shops or plants; hospitals; clinics; nursing homes; convalescent centers; dormitories; barracks; and card rooms.
- (40) *Commercial solid waste* means all types of solid waste, including green waste and recyclable solid waste, generated or accumulated at commercial premises and placed in commercial bins for accumulation and collection. The term "commercial solid wastes" does not include residential solid waste or recyclable material.
- (45) *Container* means any commercial bin, residential solid waste container, vessel, can or other receptacle used for the temporary accumulation, collection and removal of solid waste, including recyclable solid wastes and green waste.
- (50) *Drop box* means and includes low-boy bins and roll-off bins.
- (55) *Franchise or solid waste franchise* means the right and privilege granted by the City: (1) to make arrangements for the collection of and to collect, (2) to transport to landfills, transformation facilities or other licensed solid waste management facilities and/or (3) to recycle solid waste collected within the City. Any solid waste franchise granted by the City shall be in writing, granted by the City Council, by resolution, specifically identifying the solid waste enterprise, and shall be subject to all of the rights, if any, held by any other solid waste enterprise pursuant to Public Resources Code Div. 30, Pt. 8, Ch. 5, art. 3 (Public Resources Code § 49520 et seq.). A business license issued pursuant to this Municipal Code, is not a solid waste franchise and confers no continuation rights under Public Resources Code Div. 30, Pt. 8, Ch. 5, art. 3 (Public Resources Code § 49520 et seq.) or other law. See Section 4.10.040(f), below.
- (60) *Franchise fee* means the fee or assessment imposed by the City on a solid waste enterprise which holds a solid waste franchise.
- (65) *Generator* means any person or other entity which produces solid waste.
- (70) *Green waste* (also sometimes referred to as "yard waste") means a form of solid waste composed of leaves, grass clippings, brush, branches and other forms of organic matter generated from landscapes and gardens, separated from other forms of solid waste. "Green waste" includes Christmas trees and Hanukkah bushes but does not include stumps or branches exceeding four inches in diameter or four feet in length, dirt, palm fronds, yucca or cactus.
- (75) *Gross revenues* means any and all revenue or compensation in any form derived directly or indirectly by a solid waste enterprise which holds a solid waste franchise, its affiliates, subsidiaries, parents and any person or entity in which a solid waste enterprise has a financial interest, from the collection, transportation, processing, disposal and other services with respect to solid waste, including recyclable solid wastes and green waste, collected within the City of Laguna Woods, in accordance with generally accepted accounting principles, pursuant to a solid waste franchise, permit, or license. "Gross Revenues" include, but are not limited to, monthly customer fees for collection of solid waste, including recyclable solid wastes, special

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pickup fees, commercial bin and drop box rental and collection fees, fees for redelivery of commercial bins and drop boxes and revenue from the sale of recyclable solid wastes, without subtracting franchise fees or any other cost of doing business.

- (80) *Hazardous waste* means any waste materials or mixture of wastes defined as a "hazardous substance" or "hazardous waste" pursuant to the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §§ 6901 et seq., the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., or the Carpenter-Presley-Tanner Hazardous Substance Account Act, ("HSAA") (Health and Safety Code § 25300 et seq.), and all future amendments to them, or as defined by the California Integrated Waste Management Board. Where there is a conflict in the definitions employed by two or more agencies having jurisdiction over hazardous or solid waste, the term "hazardous waste" shall be construed to have the broader, more encompassing definition.
- (85) *Recyclable material* means an item (or items) which has commercial value and which is sold for compensation or donated to an entity other than a solid waste enterprise. "Recyclable materials" are not part of the waste stream. "Recyclable materials" lose their character as "Recyclable materials" upon being disposed of in the waste stream, thereby becoming solid waste subject to this chapter.
- (90) *Recyclable solid waste* means a form of solid waste designated as a recyclable solid waste by the City, or a solid waste enterprise which holds a solid waste franchise and which has been separated by a solid waste service recipient from nonrecyclable solid waste. "Recyclable solid waste" is a part of the solid waste stream which can be reused or processed into a form suitable for reuse through reprocessing or remanufacture, consistent with the requirements of the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.). The term "recyclable solid waste" includes both mixed recyclables which have been separated from other solid waste and source-separated single-category recyclable solid waste. "Recyclable solid waste" does not include those potentially recoverable items which are commingled with nonrecyclable solid waste, i.e., commingled solid waste and potentially recyclable articles or materials, or recyclable materials.
- (95) *Residential or residential premises* includes single-family residences and multifamily residences, including apartments and condominiums (in which each unit has separate cooking and bathing facilities) of units. The terms do not include hotels, motels, roominghouses, hospitals, nursing homes, convalescent centers, dormitories or barracks or other group living places using commercial bins for the temporary accumulation and collection of solid waste. "Residential" or "residential premises" is a reference to location, and not to ownership or to an interest in property.
- (100) *Residential solid waste container* means a container (a trash can, barrel or cart) provided by a service recipient or a solid waste enterprise with a residential solid waste franchise granted by the City, used and intended for the accumulation and collection of residential solid waste. The term "residential solid waste containers" does not include "multi-family residential bins" placed at multi-family units of six or more units, nor those commercial bins used by commercial solid waste service recipients. Unless automated collection is used, a residential solid waste container, and its contents, may not exceed a total weight of 50 pounds when placed for collection.
- (105) *Single-family residential* includes not only single-family residences, but also those multifamily residences, including apartments and condominiums (in which each unit has separate cooking and bathing facilities) of five or fewer units.
- (110) *White goods* means discarded enameled household appliances, such as refrigerators, freezers, stoves, washer/dryers, water heaters, dishwashers, trash compactors and similar items.

(Ord. No. 00-06, §1(6.02.00), 10-18-2000)

Sec. 4.10.030. - Provision of service.

In order to protect public health, safety and well-being, to control the spread of vectors, and to limit sources of air pollution, noise and traffic within the City the City Council shall grant one or more exclusive solid waste franchises to one or more solid waste enterprises to make arrangements with the persons in charge of day-to-day operations at premises in the City for the collection, transfer, recycling, composting and disposal of solid wastes within and throughout the City.

- (1) *Manner, time and frequency of collection.* A solid waste enterprise which arranges for the collection of solid wastes shall make arrangements with their customers specifying the manner in which integrated waste management services are to be provided, subject to the City's exercise of its police powers to protect public health, safety and well-being and to limit the spread of vectors and to limit sources of noise and air pollution within the City by prohibiting the collection of solid wastes between certain hours and on certain holidays.
- (2) *Categories.* In order to carry out its duties to plan for the management of vehicular traffic and mitigate adverse air quality effects, the City Council may determine waste management collection categories, including but not limited to, e.g., residential, multifamily residential, commercial, industrial, special, special event, and household hazardous waste, including recyclable solid waste, green waste and others and may make or impose solid waste franchise, license, contract or permit requirements which vary for such categories.
- (3) *Collection arrangements required.* In order to protect the public health, safety and well-being and to prevent the spread of vectors, the person responsible for the day-to-day operation of every place or premises in the City of Laguna Woods shall make arrangements with a solid waste enterprise for the collection of solid wastes, as set forth in this chapter, or obtain a self-haul permit from the City, as provided for in Section 4.10.080, below, and to implement measures to reach the diversion and other goals mandated by the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.), as amended from time to time.

(Ord. No. 00-06, §1(6.02.10), 10-18-2000)

Sec. 4.10.040. - Fees, franchises, permits and licenses.

(a) *Fees.*

- (1) Pursuant to Public Resources Code Div. 30, Pt 2, Ch. 8 (Public Resources Code § 41900 et seq.), the City may levy fees upon solid waste enterprises and solid waste service recipients for planning and program development and administration regarding solid and household hazardous waste, recyclable solid wastes and/or green waste planning, and for access to collection service, for collection service, inspection, auditing, transfer and disposal and the planning for and response to releases and spills of solid wastes which have the characteristics of hazardous substances. Such fees may include charges for the use of disposal facilities and may include costs of preparing and implementing source reduction and recycling elements, household hazardous waste elements and integrated waste management plans. The City may collect such charges by such means as the Council may elect.
- (2) The City Council, by resolution, may waive permit fees for collectors of green wastes.

(b) *Residential solid waste collection, solid waste franchises, permits and licenses.*

- (1) The City Council may award one or more exclusive solid waste franchises for collection of solid wastes, including recyclable solid wastes and/or green waste from all or a portion of residential premises in the City.

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Any such residential solid waste franchise shall be granted, in writing, by the City Council by resolution.

- (2) A residential solid waste franchise shall be granted by resolution on such terms and conditions as the City Council in its sole discretion shall establish as matters of local concern. At a minimum, a residential solid waste franchise shall be in writing, naming the solid waste enterprise, and shall provide that:
  - a. The franchisee shall comply with the provisions of this chapter; and,
  - b. The franchisee shall be required to protect, defend, indemnify and hold the City harmless from liability, including, specifically, liability under the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. §§ 6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., or the Carpenter-Presley-Tanner Hazardous Substance Account Act, ("HSAA"), (Health and Safety Code § 25300 et seq.) and all regulations implementing these Acts; and
  - c. The franchisee shall be required to cooperate with the City in solid waste disposal characterization studies or other waste stream audits and to submit information required by the City to meet the reporting requirements of AB 939 and to implement measures consistent with the City's source reduction and recycling element in order for the City to reach the diversion and other goals mandated by the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.).

(c) *Commercial solid waste collection franchises, permits and licenses.*

- (1) The City Council may award one or more exclusive solid waste franchises, permits, licenses or other forms of authorization (collectively a "commercial solid waste franchise") for the collection of solid wastes, including recyclable solid wastes and/or green waste, from commercial premises in the City. Any such commercial solid waste franchise shall be granted by the City Council by resolution upon a determination that the public health, safety and well-being so require.
- (2) A commercial solid waste franchise shall be granted on such terms and conditions as the City Council in its sole discretion shall establish as matters of local concern. At a minimum, a commercial solid waste franchise shall be in writing, naming the franchisee, and shall provide as follows:
  - a. The franchisee shall comply with the provisions of this chapter; and,
  - b. The franchisee shall be required to protect, defend, indemnify and hold the City harmless from liability, including, specifically, liability under the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. §§ 6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., or the Carpenter-Presley-Tanner Hazardous Substance Account Act, ("HSAA") (Health and Safety Code § 25300 et seq.) and all future amendments to any of them, as they may be amended from time to time and all regulations implementing these acts, on terms satisfactory to the City; and
  - c. The franchisee shall be required to cooperate with City in solid waste disposal characterization studies or other waste stream audits, to submit information required by City to meet the reporting requirements of AB 939 and to implement measures consistent with the City's source reduction and recycling element in order for the City to reach the diversion goals mandated by the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.), to the extent authorized by law.

(d) *Solid waste facilities.* No person shall construct or operate a solid waste management facility, including but not limited to a materials recovery facility, solid waste transfer or processing station, composting facility, a buy-back or drop-off center, disposal facility or a recycling center without first satisfying all City requirements for land use, environmental and other approvals.

(e) *Liability for fees.*

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- (1) Each person required by this chapter to arrange for solid waste collection shall be liable for the fees and charge collection.
  - (2) To protect public health, safety and well-being and to control the spread of vectors, the person responsible for day-to-day operation of each premises in the City shall make arrangements for collection, recycling and disposal of solid wastes generated or accumulated on those premises in accordance with the requirements of this chapter. The fees and charges (plus any interest or penalties) shall be due and payable, in advance, on the date stated on the bill. The person(s) responsible for day-to-day operation of each premises in the City at which solid waste subject to this chapter is generated or accumulated shall be liable for the payment of all charges (plus any interest or penalties) for solid waste services, including any recycling charges.
  - (3) If solid waste and recycling service fees and charges (and any applicable interest or penalties) are not paid within 30 days of the date payment was due, solid waste, including recycling service may be discontinued and collection of the unpaid amount may be undertaken by any lawful means available to the City or to a solid waste enterprise providing solid waste services.
  - (4) Upon receipt of written notice from the person responsible for day-to-day operation of a premises in the City to discontinue solid waste collection services because the person in charge of day-to-day operations has obtained a self-haul permit in accordance with Section 4.10.080 of this chapter, or because the premises are vacant, the solid waste enterprise providing solid waste service shall refund any advance collection fees.
- (f) *Business licenses.*
- (1) In the event that the City adopts a business license ordinance, each solid waste enterprise furnishing solid waste services (i.e., the collection and disposal of solid waste including recyclable solid waste and/or green waste) to any commercial premises or residential premises within the City shall possess a current City business license as required by that ordinance. Any business license which may be issued pursuant to any business license ordinance enacted by the City of Laguna Woods, is not a solid waste franchise and confers no continuation rights under Public Resources Code Div. 30, Pt. 8, Ch. 5, art. 3 (Public Resources Code § 49520 et seq.) or other law.
  - (2) Each solid waste enterprise shall comply with all requirements set forth in any business license ordinance that may be enacted by the City. These requirements may include, but are not limited to, payment of all annual business taxes and any other requirements that the City Council may impose. All City requirements shall be established or modified by City Council ordinance or resolution. Each solid waste enterprise claiming a right to continue to provide solid waste services in the City of Laguna Woods pursuant to Public Resources Code Div. 30, Pt. 8, Ch. 5, art. 3 (Public Resources Code § 49520 et seq.) or other law shall obtain a business license and shall adhere to the same standards (including, but not limited to indemnification, insurance and other service levels) required by the City of other solid waste enterprises with an exclusive solid waste franchise.
  - (3) Any person or entity, other than a solid waste enterprise which has obtained a business license issued by the City of Laguna Woods should one be required, which engages in the collection of residential or commercial solid waste or which places a commercial bin for the accumulation of solid waste in the City shall be guilty of a misdemeanor punishable as provided generally for violations of the Laguna Woods Municipal Code. Each day in which a person or entity engages in the collection of residential or commercial solid waste in the City or places a commercial bin for the accumulation of solid waste, or permits a commercial bin to remain, in the City without holding a business license issued by the City, shall be a separate offense.
- (g) *Revocation and suspension of licenses or operations in the City of Laguna Woods; grounds.*
- (1) Any solid waste franchise or other City-issued solid waste collection authorization (collectively referred to as

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"franchise") issued under this chapter is subject to revocation or suspension for cause.

- (2) No solid waste enterprise which engages in any act or conduct which falls in any one or more of the following may collect solid waste in the City of Laguna Woods:
  - a. When the operations of the solid waste enterprise shall be contrary to the public health, safety, well-being, peace, welfare or morals, or shall be found to constitute a public nuisance;
  - b. If the solid waste enterprise violates any material Federal or State law, regulation of the California Integrated Waste Management Board, a local enforcement agency, this Municipal Code, or any material condition of a solid waste franchise affecting public health and safety in the City of Laguna Woods;
  - c. If the solid waste enterprise practices, or attempts to practice, any fraud or deceit upon the City, or makes or uses any false, fictitious or fraudulent statements or representations, or practiced any fraud or deceit or made any false, fictitious or fraudulent statements or representations in connection with the issuance or renewal of the solid waste franchise;
  - d. If the solid waste enterprise becomes insolvent, unable or unwilling to pay its debts, or a receiver or trustee is appointed to take over and conduct the business of the solid waste franchisee whether in a receivership, reorganization or bankruptcy proceeding;
  - e. If the solid waste enterprise fails to provide or maintain in full force and effect the workers compensation, liability and indemnification coverages or cash bond as required;
  - f. If the solid waste enterprise violates any order or ruling of any regulatory body with respect to solid waste collected within the City of Laguna Woods, except that such order or ruling may be contested by appropriate proceedings conducted in good faith, in which case no violation shall be deemed to have occurred until a final decision adverse to the solid waste enterprise is entered; or
  - g. A solid waste enterprise claiming a right to continue to provide solid waste services in the City of Laguna Woods pursuant to Public Resources Code Div. 30, Pt. 8, Ch. 5, art. 3 (Public Resources Code § 49520 et seq.) or other law fails to adhere to the same material standards required by the City of other solid waste enterprises with an exclusive solid waste franchise.
- (h) *Termination of solid waste franchises, continuation rights or operations of a solid waste enterprise; procedure for notification of deficiencies and suspension or revocation.*
  - (1) If City's AB 939 Coordinator determines that the performance of a solid waste enterprise in the City of Laguna Woods may not be in conformity with reasonable industry standards which obtain in Southern California or the California Integrated Waste Management Act including, but not limited to, requirements for implementing diversion, source reduction and recycling, or any other applicable Federal, State or local law or regulation, including but not limited to, the laws governing transfer, storage or disposal of solid and hazardous waste, or this chapter, the AB 939 Coordinator shall advise the solid waste enterprise in writing of such suspected deficiencies. In any written notification of deficiencies, the AB 939 Coordinator shall set a reasonable time within which the solid waste enterprise is to correct the deficiencies and respond. Unless otherwise specified, a reasonable time for response and correction of deficiencies shall be 30 days from the receipt of such written notice by the solid waste enterprise.
  - (2) At the expiration of the time set for response from the solid waste enterprise, the City's AB 939 Coordinator shall review the record, including any written response from the solid waste enterprise to the notice of deficiencies and resolve the matter in favor of the solid waste enterprise, or order remedial action to cure any breach, and inform the solid waste enterprise in writing of the resolution. A decision or order of the City's AB 939 Coordinator shall be final and binding unless the solid waste enterprise files a "Notice of Appeal" with

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the City Clerk (with copy to the City Manager and City Attorney) within 30 days of receipt of the decision or order of the City's AB 939 Coordinator. A "notice of appeal" shall state the legal basis and all legal and factual contentions of the solid waste enterprise and shall include all evidence, including affidavits, documents, photographs and videotapes. A "notice of appeal" shall not be accepted by the Clerk for filing unless accompanied by a "notice of appeal filing fee" in an amount to be set by the City Council, by resolution.

- (3) Within 30 business days of receipt by the City Clerk of a notice of appeal, the City Manager shall either decide the matter in favor of the solid waste enterprise, or order remedial actions to cure any breach, or terminate forthwith the solid waste franchise or other form of authorization, or order the solid waste enterprise to cease operations in the City or refer the matter to the City Council and inform the solid waste enterprise, in writing, of the resolution and the basis for the resolution. The decision or order of the City Manager shall be final and conclusive unless the solid waste enterprise files a "notice of appeal to the City Council" with the City Clerk (and serves a copy, by mail, on the City Manager and the City Attorney) within 30 days of receipt of the decision or order of the City Manager. A "notice of appeal to the City Council" shall state the legal basis and all factual and legal contentions of the appellant and shall include all evidence, including affidavits, documents, photographs and videotapes. A "notice of appeal to the City Council" shall not be accepted by the Clerk for filing unless accompanied by a "notice of appeal filing fee" in an amount to be set by the City Council, by resolution.
  - (4) If a matter is referred by the City Manager to the City Council, or a "notice of appeal to the City Council" is timely filed, the City Council may set the matter for an administrative hearing and Act on the matter or decline to hear the matter. If the City Council elects to hear the matter, the City Clerk shall give 14 days' written notice of the time and place of the administrative hearing. At the hearing, the City Council shall consider the administrative record, including the notice of deficiency, the solid waste enterprise's response, the statement of resolution by the City Manager and the solid waste enterprise's "notice of appeal to the City Council" and shall give the solid waste enterprise, or its representatives and any other interested person, a reasonable opportunity to be heard. The proceedings before the council shall be an informal administrative hearing and the rules of evidence, as generally applied in judicial proceedings, shall not be applicable.
  - (5) Based on the administrative record, the Council shall determine by resolution whether the decision or order of the City Manager or AB 939 Coordinator should be upheld. A tie vote of the City Council shall be regarded as upholding the action of the City Manager or AB 939 Coordinator. If, based upon the record, the City Council determines that the performance of the solid waste enterprise is in breach of any material provision of any applicable Federal, State or local statute or regulation, or other cause for termination of the solid waste franchise, or decides to order the solid waste enterprise to cease operations in the City, the City Council, in the exercise of its sole discretion, may order remedial actions to cure the breach, or terminate forthwith the solid waste franchise or order operations in the City to cease. The decision of the City Council shall be final and conclusive.
  - (6) Nothing in this chapter shall preclude the City from exercising any other remedy, including criminal prosecution or seeking equitable relief.
- (i) *Transfer restricted.* A solid waste franchise or other form of City-granted solid waste collection authorization shall not be transferable, except as follows:
- (1) A solid waste franchise shall not be transferred, sold, sublet or assigned, nor shall any of the rights or privileges therein be leased, assigned, sold or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any person, either by Act of the solid waste enterprise nor by operation of law without the prior written consent of the City expressed

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by written resolution of the City Council. For purposes of this section, any sale, dissolution, merger, consolidation or other reorganization of the solid waste enterprise or the sale or other transfer of an accumulative ten percent or more of the voting stock of a corporate solid waste enterprise by any person, or group of persons Acting in concert, who already own less than 50 percent of the voting stock of the solid waste enterprise shall be deemed a change in control. Any attempt of the solid waste enterprise to assign the solid waste franchise without the prior written consent of the City shall be void.

- (2) An application for a transfer of a solid waste franchise shall be made in a manner prescribed by the City Manager. The application shall include a franchise transfer application fee in the amount of \$50,000.00, or such other amount as may set by the City by resolution of the council, to cover the anticipated cost of all reasonable and customary direct and indirect administrative expenses including consultants and attorneys, necessary to adequately analyze the application and to reimburse the City for direct and indirect expenses. In addition, the solid waste franchisee shall reimburse the City for all reasonable consultants', attorneys' and staff costs not covered by the franchise transfer application fee, whether or not the City approves the application for transfer. The City's request for reimbursement shall be supported with evidence of the expenses and costs incurred. The solid waste enterprise and the applicant for transfer shall be jointly and severally liable for the payment of any reasonable consultants', attorneys' and staff costs not covered by the franchise transfer application fee.
- (3) The applicant for a transfer of a solid waste franchise shall have the burden of demonstrating that it has the operational and financial ability to meet all obligations of the solid waste franchise.
- (4) The City shall not be required to give its consent to a transfer of the solid waste franchise.
- (5) Notwithstanding the above, the holder of a solid waste franchise shall be entitled to pledge, encumber, or grant any security interest in the solid waste franchise provided that the holder shall first notify and obtain City consent to such transaction, subject to the following conditions:
  - a. Any consent so granted shall not be deemed a consent to the exercise by such pledgee, encumbrancer, or secured party of any rights of the holder under the solid waste franchise, permit, franchise or other authorization unless so noted by the City;
  - b. Any consent so granted shall not be deemed a consent to any subsequent transfer or assignment. Any subsequent transfer or assignment shall be deemed an assignment of the solid waste franchise, permit, or other authorization within the meaning of this section and shall be void without the prior written consent of the City expressed by resolution; and
  - c. The pledgee, encumbrancer or secured party shall execute and deliver to the City a written instrument, in a form satisfactory to the City Attorney, expressing agreement to be bound by the provisions of the solid waste franchise, permit, franchise or other authorization.

(Ord. No. 00-06, §1(6.02.20), 10-18-2000)

### Sec. 4.10.050. - Containers.

#### (a) Use.

- (1) To protect public health, safety and well-being and prevent the growth and spread of vectors, every person designated under Section 4.10.030(3), or 4.10.080(a), as applicable, shall keep in a suitable place one or more containers capable of holding without spilling, leaking, or emitting odors, all solid waste, including recyclable solid wastes and green waste which would ordinarily accumulate on the premises between the time of two successive collections.

## ITEM 8.1 - Attachment A

- (2) To protect public health, safety and well-being and prevent the growth and spread of vectors, every person desiring to deposit solid waste under Section 4.10.030(3) who is in charge of day-to-day operations of any premises within the City shall deposit solid waste to be deposited in containers or commercial bins provided or approved by a solid waste enterprise all solid waste generated or accumulated on those premises.
  - (3) No person shall place ashes which are not cold and free from fire in any container or commercial bin.
- (b) *Containers, bulky goods and green waste; placement and removal.*
- (1) To protect public health, safety and well-being and prevent the growth and spread of vectors, no person shall place for collection any residential solid waste container or commercial bin not in conformance with the residential solid waste container or commercial bin designated by the solid waste enterprise.
  - (2) No person shall place a residential solid waste container adjacent to a street or public right-of-way for collection if the container and its contents weigh more than 50 pounds, unless automated collection is used.
  - (3) To minimize interference with public rights-of-way, no person shall place a container or any bulky goods adjacent to a street or public right-of-way for collection service before 7:00 p.m. on the day preceding the regularly scheduled collection day. Bulky goods may not be set out for collection unless the person in charge of day-to-day operations of the premises has made prior arrangements with a solid waste enterprise approved by the City for pick up of the bulky goods.
  - (4) During the hours for collection, residential solid waste containers shall be placed at the location designated by the solid waste enterprise holding the residential solid waste franchise and shall be accessible for mechanized pick-up, if mechanized pick-up methods are utilized by the solid waste enterprise. Except during the time a container is placed for curbside collection, residential solid waste containers shall not be visible from the public right of way. Commercial bins shall be accessible to the solid waste enterprise providing solid waste services at that location.
  - (5) Solid waste containers shall be removed from any location adjacent to a street or right-of-way not later than 8:00 a.m. on the day following the regularly-scheduled collection day.
  - (6) No container or bin may be stored in any front yard or side yard that is visible from a public street.
  - (7) A solid waste enterprise which has been notified by a commercial solid waste service recipient or the City that commercial solid waste service is to be discontinued at a particular service location shall remove all of its commercial bins from the premises of the service recipient who is discontinuing commercial solid waste service within one week following receipt of notification that commercial solid waste service is to be discontinued.
  - (8) No solid waste enterprise shall place a commercial bin at any location within the City unless the bin is clearly marked with the name, address and telephone number of the owner of the bin, and the person responsible for collection from the bin. The identification shall be waterproof and legible.
  - (9) Each solid waste enterprise shall maintain its commercial bins within the City in a manner to protect public health and safety and prevent the spread of vectors. Each solid waste enterprise shall maintain its commercial bins in the City free from any exterior paint or markings commonly referred to as "graffiti" or "tagging."
  - (10) Each solid waste enterprise shall post each of its commercial bins in the City with conspicuous notices on each side of the commercial bin that the commercial bin is not to be used for the disposal of hazardous waste.

## Sec. 4.10.060. - Collection.

(a) *Frequency of collection and removal.*

- (1) To protect the public health, safety and well-being, and to protect the City and prevent the growth and spread of vectors, persons in charge of the day-to-day operation of each premises in the City shall make arrangements to have all solid waste on the premises (other than construction and demolition debris) collected and removed not less frequently than once a week.
- (2) Each solid waste enterprise shall collect the contents of each commercial bin (except construction and demolition bins) placed, located or maintained in the City by that solid waste enterprise not less frequently than once per week.
- (3) Subject to the requirements for minimum removals per week, set forth above, persons in charge of the day-to-day operation of commercial premises, including, but not limited to restaurants and multi-family residential premises, may specify the frequency of collection of solid waste from the premises and the size and number of commercial or multi-family residential bins required.
- (4) In order to protect residents' quiet enjoyment of their residential premises, collection from residential premises, both single family and multifamily, shall not be made between the hours of 6:00 p.m. and 7:00 a.m. of any day. Collection from commercial premises at locations more than 600 feet from any residential zone and/or use within the City shall not be made between the hours of 6:00 p.m. and 6:00 a.m. collection from commercial premises at locations less than 600 feet from any residential zone and/or use within the City shall not be made between the hours of 6:00 p.m. and 7:00 a.m. Subject to the foregoing requirements, collections shall be made by arrangement between the person in charge of day-to-day operation of commercial premises and the solid waste enterprise.
- (5) Solid waste enterprises shall design their routes and times for collection in a manner which minimizes air pollution, traffic, noise and wear and tear on public and private streets and other problems with the potential to adversely affect public health, safety, or the environment.

- (b) *Special collections.* Subscribers to a solid waste collection service may order special collections of such things as bulky waste and drop-off or roll-off bins; provided, however the person responsible for the day-to-day operation of each premises in the City shall make arrangements for the collection and disposal of bulky waste which has accumulated on the premises.

(Ord. No. 00-06, §1(6.02.40), 10-18-2000)

## Sec. 4.10.070. - Collection vehicles.

(a) *Collection equipment.*

- (1) To protect public health, safety and well-being, any truck used for the collection or transportation of solid waste within the City shall be leak proof and equipped with a close-fitting cover which shall be affixed in a manner that will prevent spilling, dropping or blowing of any waste upon the public right-of-way during collection or transportation.
- (2) No person shall park, or cause to be parked within the City any vehicle containing solid waste unless the vehicle is free from odor and in a sanitary condition.

- (b) *Collection trucks; noise.* To protect the public health, safety and quiet enjoyment of the residents of the City, the noise level for collection vehicles during the stationary compaction process shall not exceed 75 dB(A) at a distance of 25 feet from the collection vehicle and at an elevation of five feet from the horizontal base of such vehicles.

(Ord. No. 00-06, §1(6.02.50), 10-18-2000)

Sec. 4.10.080. - Self-haulers and gardeners.

- (a) *Disposal at authorized sites; reporting requirements.* Persons disposing of solid waste, including green waste, which they, or occupants of premises in which they reside and are in charge of day-to-day activities, have generated ("Self-Haulers") and persons who possess a City license or permit issued by the City (See Section 4.10.040(f), above), for gardening and landscaping maintenance services for hire ("gardeners"), shall deposit such solid waste and green waste only at lawfully permitted solid waste facilities or green compost facilities or exempt composting facilities. Each self-hauler and each gardener shall report to the City, at a frequency determined by the City Manager, the type, quantity, volume, weight and destination of solid waste, including green waste and recyclable solid wastes, collected in the City and transported from the City, and shall present gate tickets or receipts to substantiate its disposal reports. Failure to submit required reports to the City shall be a basis for revocation of a "self-haul" permit.
- (b) *Self-haul permits.* Before collecting or transporting solid waste, including recyclable solid wastes or green waste on a regular or recurring basis, each self-hauler and each gardener shall obtain a self-haul permit from the City.

(Ord. No. 00-06, §1(6.02.60), 10-18-2000)

Sec. 4.10.090. - Collection of recyclable solid waste and green waste.

- (a) *Ownership of recyclable solid waste placed for collection.*
- (1) Upon placement of recyclable solid waste at a designated recycling collection location, or placement of recyclable solid waste or recyclable materials in a container provided by an authorized recycling agent for collection of recyclable solid wastes, the recyclable materials and recyclable solid waste become the property of the authorized recycling agent, by operation of State law.
  - (2) The recycling or disposal of any recyclable solid waste which has become part of the solid waste stream by having been discarded shall be in accordance with the provisions of this chapter.
- (b) *Recyclable material.*
- (1) Except as provided below, nothing in this chapter shall limit the right of any person, organization, or other entity to sell recyclable material owned by that person, organization or other entity or to donate recyclable material to a charity or any other entity other than a solid waste enterprise.
  - (2) Recyclable material which is mixed with solid waste shall be considered to have been discarded and to have become recyclable solid waste.
  - (3) If the seller or donor of recyclable material pays the buyer or the donee any consideration for collecting, processing, recycling, transporting or disposing of the recyclable material, or providing consultation services which exceed the selling price of the recyclable material, the transaction shall not be regarded as a sale or donation of recyclable material, but as an arrangement for the disposal of solid waste and shall be subject to this chapter.
  - (4) A person who receives a discount or reduction in the collection, disposal and/or recycling service rates for source-separate or unseparated solid waste shall not be deemed to be selling or donating recyclable material and does not fall within this "donate or sell" exception.
- (c) *Green waste.* To minimize interference with public rights-of-way, green waste shall be cut into pieces not to exceed four feet in length and four inches in diameter, before being placed adjacent to a street or public right-of-way for collection. Green waste shall be placed in containers designated for the collection of green waste, or tied

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securely in bundles not exceeding 80 pounds and shall not be contaminated with other forms of solid waste or with hazardous substances. No person shall mix green waste with other forms of solid waste, nor shall green waste be contaminated with any other substance.

(Ord. No. 00-06, §1(6.02.70), 10-18-2000)

### Sec. 4.10.100. - Cleanup responsibility.

- (a) Until solid waste has been picked up by a solid waste enterprise, the person in charge of the day-to-day operation of each premises in the City shall be responsible for the cleanup of any and all solid waste generated, deposited, released, spilled, leaked, pumped, poured, emitted, emptied, discharged, injected, dumped or disposed into the environment, or which otherwise has come to be located outside an authorized container on, at, or in the premises of which the person is in charge. This cleanup responsibility includes the cleanup of solid waste, including recyclable solid waste and green waste which has come to be located outside an authorized container for the collection of such solid waste notwithstanding human or animal interference with commercial bins or containers, wind or other natural forces and whether during storage, collection, removal, or transfer. For purposes of this section, the term "disposed into the environment" shall include, but is not limited to, the abandonment of or discarding of barrels, containers and other closed receptacles of solid or liquid waste of any kind whatsoever.
- (b) Each solid waste enterprise shall clean up any solid waste spilled or otherwise released or discharged into the environment during its collection, removal, or transfer.

(Ord. No. 00-06, §1(6.02.80), 10-18-2000)

### Sec. 4.10.110. - Prohibited acts and enforcement.

- (a) *Use of containers.* To protect public health, safety and well-being and to control the spread of vectors, no person shall keep solid waste in containers or commercial bins other than those approved by a solid waste enterprise; nor shall any person accumulate solid waste for more than thirteen consecutive days; nor shall any person keep upon any premises in the City any solid waste which is offensive, obnoxious or unsanitary. All of the foregoing is unlawful, constitutes a public nuisance and may be abated in the manner now or hereafter provided by law for the abatement of nuisances.
- (b) *Removal of solid waste.* To protect public health, safety and well-being, and to control the spread of vectors, no person, other than the person in charge of day-to-day activities at any premises or a solid waste enterprise authorized by the person in charge of the premises, shall remove any container from the location where the container was placed for storage or collection by the person in charge of day-to-day activities at the premises, or remove any solid waste from any container, or move the container from the location in which it was placed for storage or collection, or apply any paint or markings (commonly known as "graffiti" or "tagging") to any solid waste container without the prior written approval of the owner of the container.
- (c) *Bulky goods.* To protect public health, safety and well-being and to minimize interference with public rights of way, no person shall place bulky goods adjacent to a street or public right-of-way without first having made arrangements with a solid waste enterprise licensed or permitted by the City for the pickup of the bulky goods.
- (d) *Civic litter container; institutional, commercial, or industrial solid waste prohibited.* To protect public health, safety and well-being, no person shall place or deposit institutional, commercial, industrial, special, or hazardous waste in any civic litter container.
- (e) *Solid waste burning prohibited.* To protect public health, safety and well-being, no person shall burn any solid

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waste within the City, except in an approved incinerator or transformation facility or other device for which a permit has been issued and which complies with all applicable permit and other regulations of air pollution control authorities and provided any such act of burning in all respects complies with all other laws, rules and regulations.

- (f) *Collection of solid waste without solid waste franchise and permit prohibited.*
- (1) To protect public health, safety and well-being, no person except a solid waste enterprise with an exclusive solid waste franchise, or a person authorized under Section 4.10.080 of this chapter ("self-haulers") shall collect any solid waste from any residential premises within the City.
  - (2) No person other than a solid waste enterprise which has a business license issued by the City shall place a commercial bin for the accumulation of solid waste at any premises within the City or collect any solid waste from any commercial premises or permit or suffer a commercial bin to remain in any place within the City. Each day any person other than a solid waste enterprise which has a business license issued by the City shall collect any solid waste from any commercial premises or place a commercial bin for the accumulation of solid waste at any premises within the City, or permit or suffer a commercial bin to remain in any place within the City shall constitute a separate offense.
  - (3) If the City has granted one or more commercial solid waste franchises, then no person other than a solid waste enterprise which has an exclusive commercial solid waste franchise or a solid waste enterprise which has continuation or collection rights pursuant to the Public Resources Code or other law shall place a commercial bin for the accumulation of solid waste at any commercial premises within the City or collect any solid waste from any commercial premises or permit or suffer one of its commercial bins to remain in any place within the City. Each day any person other than a solid waste enterprise which has an exclusive commercial solid waste franchise shall collect any solid waste from any commercial premises or place a commercial bin for the accumulation of solid waste at any premises within the City, or permit or suffer a commercial bin to remain in any place within the City shall constitute a separate offense.
- (g) *Public nuisance.* To protect public health, safety and well-being and to prevent the spread of vectors, it is unlawful and a public nuisance, for any person to occupy, inhabit, maintain, or to be in day-to-day control of any premises within the City for which arrangements have not been made for regular collection and removal services for solid wastes, including recyclable solid wastes or green waste and any other violation of this chapter is unlawful and may be enjoined as a nuisance.
- (h) *Unauthorized disposal prohibited.* To protect public health, safety and well-being and to prevent the contamination of solid waste, including recyclable solid wastes and green waste, no person shall place solid waste in, or otherwise use the solid waste or recyclable solid waste or green waste containers of another, without the permission of such other person.
- (i) *Unauthorized removal of recyclable solid wastes prohibited by State law.* The unauthorized removal of recyclable solid wastes and recyclable materials placed at designated recycling collection locations is prohibited by California Public Resources Code §§ 41950-51.
- (j) *Solid waste spills and releases prohibited.* To protect public health, safety and well-being, no person transporting solid waste, including recyclable solid waste or green waste within the City shall fail to immediately clean up, or arrange for the immediate cleanup, of any solid waste released, spilled or dumped into the environment during removal or transport within the City by such person.
- (k) *Unlawful dumping prohibited.* No person shall dump, deposit, release, spill, leak, pump, pour, emit, empty, discharge, inject, bury or dispose into the environment (including by abandonment or discarding of barrels, containers and other closed receptacles of solid or liquid waste of any kind whatsoever) any solid or liquid waste

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upon any premises within the City, or to cause, suffer, or permit any solid or liquid waste to come to be located upon any premises in the City, except in an authorized or permitted solid waste container or at an authorized or permitted solid waste facility.

- (l) *Enforcement.* Pursuant to California Penal Code § 836.5, the City Manager or designee(s) (collectively, the City Manager) is authorized to enforce the provisions of this chapter as well as those of Penal Code §§ 374, 374a, 374.2, 374.3, 374.4, 374d, 374.7 and 375; Government Code Title 7.9 (Government Code § 68055 et seq.); and Vehicle Code §§ 23111 and 23112.
- (m) *Enforcement by designees.* Wherever in this chapter enforcement authority is given to any City employee or officer, such authority may be exercised by designees of those officers and employees.
- (n) *Misdemeanor.* Violation of any provision of this chapter shall be a misdemeanor.
- (o) *Enforcement; authority.* The City Manager designee shall have the authority to enforce the provisions of this chapter. This authority shall be in addition to the authority granted to law enforcement personnel pursuant to this Municipal Code.
- (p) *Civil action by authorized recycling.* Nothing in this chapter shall be deemed to limit the right of any solid waste enterprise to bring a civil action against any person who violates California Public Resources Code §§ 41950—419551, nor shall a conviction for such violation exempt any person from a civil action.

(Ord. No. 00-06, §1(6.02.90), 10-18-2000)

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**ORDINANCE NO. 21-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING CHAPTER 4.10 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO SOLID WASTE

**WHEREAS**, Chapter 4.10 of the Laguna Woods Municipal Code implements the City’s authority related to solid waste granted by state law and regulations promulgated by the California Department of Resources Recycling and Recovery (“CalRecycle”); and

**WHEREAS**, Chapter 4.10 of the Laguna Woods Municipal Code also regulates the conduct of solid waste collection and disposal so as to promote public health, safety, and welfare; and

**WHEREAS**, California Senate Bill 1383 (2015-2016) and related regulations adopted by CalRecycle have resulted in the need for the amendment of Chapter 4.10 of the Laguna Woods Municipal Code; and

**WHEREAS**, staff has recommended amendments of Chapter 4.10 of the Laguna Woods Municipal Code (“Code Amendments”) in order to modify existing regulations pertaining to solid waste in furtherance of state law, as well as public health, safety, and welfare; and

**WHEREAS**, on October 20, 2021, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

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

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

SECTION 2. After reviewing the entire project record, the City Council hereby

determines and certifies that it can be seen with certainty that the Code Amendments have no possibility of having a significant effect on the environment as they do not approve any capital improvement project or other action or activity with the potential for a significant effect on the environment, nor do the Code Amendments necessitate any construction or other modification of the environment with the potential for significant environmental effects. Further, the Code Amendments are adopted in furtherance of enforcement of state law regarding solid waste including, but not limited to, the California Integrated Waste Management Act (Statutes of 1989, Chapter 1095, as amended) as codified in California Public Resources Code Section 49000, et seq. and Senate Bill 1383 (Statutes of 2016, Chapter 395) as codified in California Health and Safety Code and California Public Resources Code. Therefore, the adoption of the Code Amendments is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to sections 15378(b) and 15061(b)(3) of Title 14 of the California Code of Regulations, and is categorically exempt under Section 15321(a) of Title 14 of the California Code of Regulations.

SECTION 3. Chapter 4.10 of the Laguna Woods Municipal Code is hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

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

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

SECTION 6. The Mayor shall sign this Ordinance.

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 2021.

\_\_\_\_\_  
SHARI L. HORNE, Mayor

ATTEST:

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
ALISHA PATTERSON, 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. 21-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2021 by the following vote to wit:

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

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**EXHIBIT A  
CODE AMENDMENTS**

***Chapter 4.10 (“Solid Waste”) of Title 4 (“Health and Sanitation”) of the Laguna Woods Municipal Code is amended and restated in its entirety to read as follows:***

**CHAPTER 4.10. - SOLID WASTE**

**Sec. 4.10.010. - Purpose and intent.**

The purpose and intent of this chapter is to implement the City’s authority related to solid waste granted by state law and regulations promulgated by the California Department of Resources Recycling and Recovery. Chapter 4.10 also regulates the conduct of solid waste collection and disposal so as to promote public health, safety, and welfare.

**Sec. 4.10.020. - Definitions.**

For purposes of this chapter only, the following definitions shall apply, unless special meaning is ascribed to them by the California Code of Regulations or California Public Resources Code, as may be amended from time-to-time, in which case such meaning shall apply:

(05) *AB 939* shall mean the California Integrated Waste Management Act of 1989, currently codified as California Public Resources Code Section 40000 et seq., as it may be amended supplemented, superseded, or replaced from time to time.

(10) *Bins* shall mean a container, including dumpsters, compactors, and any similar such devices with a capacity of under 10 cubic yards.

(15) *Cart* shall mean a plastic container with a hinged lid and wheels serviced by an automated or semi-automated process, as opposed to a manual process of lifting and dumping, with a capacity of no less than 30 and no greater than 101 gallons.

(20) *City Manager* shall mean the City Manager of the City or his/her/their duly-authorized representative or designee.

(25) *Collect* or *Collection* or *Collecting* shall mean to take physical possession of, transport, and remove solid waste from a premises.

(30) *Commercial premises* shall mean all premises upon which business activity is conducted including, but not limited to, retail sales, wholesale operations, manufacturing, industrial operations, and services including, but not limited to, professional services, hospitality services, and restaurant and food services, but excluding residential premises upon which business activities are conducted when such activities are permitted under applicable zoning regulations and are not the primary use of the property. Notwithstanding any provision to the contrary herein, in this Code, or otherwise, for purposes of this chapter and to the extent permitted by law, premises upon which assisted living facilities, community care facilities (and other similar types of facilities), hotels, and motels are operated shall be deemed to be commercial premises, and apartment complexes and condominium complexes shall not be deemed to be commercial premises. Any ambiguity as to whether a premises qualifies as a commercial premises shall be resolved by the City Manager.

(35) *Container* shall mean any and all types of solid waste receptacles, including carts, bins, and roll-off boxes.

(40) *Dwelling unit* shall mean one or more rooms designed for occupancy by one household for living and sleeping purposes and containing kitchen facilities or an area designed for the preparation of food for use solely by one household.

(45) *Franchisee* shall mean a person, persons, firm, or corporation that has been issued a franchise by City to provide solid waste handling services within the City.

(50) *Green waste* shall mean all leaves, grass cuttings, and shrubs that accompany routine household or property maintenance functions.

(55) *Hazardous waste* shall mean all substances defined as hazardous waste, acutely hazardous waste, or extremely hazardous waste by the State of California in Health and Safety Code sections 25110.02,

25115, and 25117, or in the future amendments to or recodifications of such statutes, or identified and listed as hazardous waste by the U.S. Environmental Protection Agency pursuant to the Federal Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.

(60) *Organic material* or *waste* shall have the same meaning as set forth in 14 CCR, Div. 7, Ch. 12, Section 18982.

(65) *Premises* shall mean any land, building and/or structure within the City limits where solid waste is generated or accumulated.

(70) *Recycle* or *Recycling* shall mean the process of collecting, sorting, cleaning, treating, and reconstituting materials for the purpose of reuse or resale.

(75) *Recyclable material* shall mean solid waste capable of being returned to the economic mainstream using available processes or economically viable processes generally available within the solid waste handling services industry.

(80) *Residential premises* shall mean all premises upon which dwelling units exist, as well as all clubhouses, golf course facilities, offices/service yards, and other premises located within private gated communities. Notwithstanding any provision to the contrary herein, in this Code, or otherwise, for purposes of this chapter and to the extent permitted by law, apartment complexes and condominium shall be deemed to be residential premises, and premises upon which assisted living facilities, community care facilities (and other similar types of facilities), hotels, and motels are operated shall not be deemed to be residential premises. Any ambiguity as to whether a premises qualifies as a residential premises shall be resolved by the City Manager.

(85) *Roll-off box* shall mean containers of 10 cubic yards or larger, including compactors.

(90) *Self-hauler* shall mean any person or entity that, pursuant to Section 4.10.080 of this Code, provides for the collection,

transportation, and disposal of solid waste generated by his/her/their/its own premises.

(95) *Solid waste* shall mean and include all discarded putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, rubbish, construction waste, industrial waste, commercial solid waste, and any other discarded solid, semisolid and liquid waste permitted to be disposed of at a Class III landfill and which are included within the definition of “nonhazardous solid waste” set forth in the California Code of Regulations, as it may be amended from time to time. Solid waste does not include hazardous waste (Class I), low-level radioactive waste, untreated medical waste, or special wastes.

(100) *Special wastes* shall mean wastes other than solid waste, including sewage, sludge, industrial sludge, asbestos, auto bodies, tires, used motor oil, hazardous waste, animal carcasses, dead animals, parts or portions of dead animals, explosive substances, radioactive materials, and other materials which may not be disposed of at a Class III landfill or which require special handling.

(105) *Street maintenance provider* shall mean any firm providing street sweeping, catch basin maintenance, storm drain maintenance, or other maintenance services for public or private streets or roads.

**Sec. 4.10.030. - Franchise agreements.**

(a) The City Council may by resolution or ordinance grant one or more franchises for solid waste handling services related to solid waste generated within the City.

(b) Any solid waste enterprise granted a franchise for solid waste handling services shall operate in a manner that complies with all state laws and regulations. This obligation shall expressly, without limitation, require franchisees to provide all programs required by any state law or regulation to its customers including, as applicable, programs that comply with recycling requirements and requirements related to the diversion of organic material from landfills; and, further shall require franchisees to operate such programs in a manner consistent with such law or regulation.

**Sec. 4.10.040. - Mandatory arrangements for solid waste.**

(a) *Arrangements for removal of solid waste mandatory.* Except as otherwise provided in this chapter, the owner, occupant, or person in possession, charge, or control of each residential premises and each commercial premises in the City shall either (i) subscribe to solid waste handling services with a franchisee for said premises or (ii) obtain and maintain registration as a self-hauler as set forth in this chapter in connection with said premises.

(b) *Exception: vacant premises.* The requirement in Section 4.10.040(a) to provide for solid waste handling services shall not apply in connection with any vacant residential or commercial premises, provided no solid waste is being generated or accumulating. Any person seeking to avail themselves/themselves/itself of the exception provided herein shall bear the burden of providing reasonable evidence to City, pursuant to such regulations or guidelines as the City Manager is hereby authorized to develop, demonstrating the premises is/was vacant and not generating or accumulating solid waste for the period in question.

**Sec. 4.10.050. - Containers.**

(a) Every owner, occupant, or person in possession, charge, or control of any premises within the City shall deposit or cause to be deposited all solid waste generated or accumulated on such premises, and intended for collection and disposal, in sealed, watertight containers that are either (i) provided by a franchisee or (ii) approved by the City Manager for self-hauling purposes pursuant to this chapter. No owner, occupant, or person in possession, charge, or control of any premises shall use a container not in conformance with the requirements hereof for the collection, accumulation, or storage of solid waste.

(b) Containers provided by a franchisee shall comply with all applicable state laws and regulations.

(c) No container shall be placed adjacent to or in a public street or public right-of-way for collection service more than 24 hours prior to the normal

collection time, and all containers so placed shall be removed from the public street or public right-of-way within 12 hours after collection.

(d) Container lids shall remain closed at all times that the container is unattended. If the solid waste contained within a container exceeds the actual capacity of the container, then a larger container or multiple containers must be utilized. Any solid waste that does not reasonably fit within a container (such as furniture or other large bulky items) must be covered and protected, as by a tarp, netting, or other secured material, in order to prevent the scattering of debris by natural forces such as wind or animals. The owner, occupant, or person in possession, charge, or control of a premises shall be responsible for the cleanup of any solid waste spilled, dumped, or scattered as a result of a container overflow.

(e) It is unlawful for any person to share, place solid waste in, or to otherwise use the container of another person. Notwithstanding anything contained herein to the contrary, the sharing of containers shall be permitted under the following conditions:

(1) The owner, occupant, or person in possession, charge, or control of a premises upon which contiguous or adjacent dwellings units exists may arrange for containers for shared use by the occupants, tenants or persons in possession of the dwelling units on such premises, subject to approval of the City Manager, which approval may be delegated to a franchisee. Approval by the City Manager shall be based upon (i) the type of solid waste generated by each residential premises and (ii) the number of containers and frequency of solid waste collection needed to protect the public health, safety, and welfare.

(2) The occupants of a single commercial building or contiguous or adjacent commercial buildings may share containers for solid waste handling services at a common location, subject to approval of the City Manager, which approval may be delegated to a franchisee. Approval by the City Manager shall be based upon (i) the type of solid waste generated by each commercial premises and (ii) the number of containers and frequency of solid waste collection needed to protect the public health, safety, and welfare.

(f) It is unlawful to use any container furnished by a franchisee for any purpose other than the collection, accumulation, and storage of solid waste.

(g) It is unlawful to convert or alter any container furnished by a franchisee for other uses, or to intentionally damage such containers.

**Sec. 4.10.060. - Frequency of collection.**

(a) *Residential premises.* With the exception of vacant premises meeting the provisions of Section 4.10.040(b) of this Code, not less than once per week, every owner, occupant, or person in possession, charge, or control of any residential premises within the City shall cause to be removed by subscription to services provided by a franchisee, or remove by self-hauling (as provided herein), all solid waste stored, generated, collected, or accumulated on such premises.

(b) *Commercial premises.* With the exception of vacant premises meeting the provisions of Section 4.10.040(b) of this Code, not less than once per week, every owner, occupant, or person in possession, charge, or control of any commercial premises within the City shall cause to be removed by subscription to services provided by a franchisee, or remove by self-hauling (as provided herein), all solid waste stored, generated, collected, or accumulated on such premises.

(c) *Modifications to collection frequency.* The City Manager may provide written notice to the owner of any premises that the above minimum removal requirements are insufficient to avoid the creation of a public nuisance due to unique circumstances at such premises. The City may direct that solid waste shall be removed by the owner of any premises so notified on a more frequent schedule (as determined by the City Manager) and/or that additional or larger containers shall be utilized (as determined by the City Manager).

**Sec. 4.10.070. - Prohibitions and unlawful acts.**

(a) It is unlawful, and a public nuisance, for any person to occupy or inhabit any premises within the City for which arrangements have not been made and kept in full force and effect for solid waste handling services in a manner consistent with the provisions hereof.

(b) The keeping of solid waste in containers other than those prescribed by this chapter, or the keeping upon premises of solid waste which is offensive, obnoxious, or unsanitary, is unlawful, constitutes a public nuisance, and may be abated in the manner provided by law for the abatement of nuisances.

(c) It is unlawful, and a public nuisance, for any person that subscribes for solid waste handling services with a franchisee to fail to participate in the recycling and organic waste programs offered to them by the franchisee.

(d) It is unlawful, and a public nuisance, for any person that subscribes for solid waste handling services with a franchisee to fail to comply with the terms of any recycling and organic waste programs offered to them by the franchisee, including by placing solid waste in containers of a type or nature not designed for the type of waste in question.

(e) It is unlawful, and a public nuisance, for any person who is registered as a self-hauler with the City to fail to comply with all requirements of such registration, including those related to the handling of organic waste.

(f) It is unlawful, and a public nuisance, for any person to fail to comply with his/her/their/its obligations related to the collection and handling of organic waste as set forth in 14 CCR, Div. 7, Ch. 12; provided, however, that the City Manager is authorized to provide waivers to the requirement to participate in some or all of such obligations where authorized by law.

(g) It is unlawful, and a public nuisance, for any commercial edible food generator, food recovery organization, or food recovery service to fail to meet its obligations as set forth in 14 CCR, Div. 7, Ch. 12.

(h) It is unlawful for any person other than a franchisee (or its agents and employees) to collect any discarded solid waste or otherwise provide solid waste handling services within the City. This prohibition shall not, however, apply to:

(1) Registered self-haulers as defined in this chapter.

(2) The owner, occupant, or person in possession, charge, or control of any residential or commercial premises who has subscribed for and

is receiving solid waste handling services with a franchisee, when such owner, occupant, or person is hauling materials generated at his/her/their/its own premises to a lawful disposal or recycling facility. This exemption does not permit the hiring of any person, other than a franchisee, to haul solid waste from one's own premises.

(3) The collection, transportation, and disposal of construction and demolition debris by a contractor, handyperson, repairperson, or other similar service provider as an incidental part of the services provided to its customers rather than as a hauling service, provided that such solid waste is not collected or transported by a third party hired for the primary purpose of collecting and transporting said materials, and further provided that such services comply with any ordinances, policies, and regulations of City and all state laws and regulations relating to the collection and handling of such materials.

(4) The collection, transportation, and disposal of solid waste by a street maintenance provider as an incidental part of the street maintenance services provided to its customers, rather than as a hauling service, provided that such solid waste is not collected or transported by a third party hired for the primary purpose of collecting and transporting said materials, and further provided that such services comply with any ordinances, policies, and regulations of City and all state laws and regulations relating to the collection and handling of such materials.

(5) The collection, transportation, and disposal of green waste and related solid waste by a gardener or landscaper as an incidental part of the gardening or landscaping services provided to its customers, rather than as a hauling service, provided that such solid waste is not collected or transported by a third party hired for the primary purpose of collecting and transporting said materials, and further provided that such services comply with any ordinances, policies, and regulations of City and all state laws and regulations relating to the collection and handling of such materials.

(6) Any person collecting recyclable material sold or donated to it by the person that generated such recyclable material provided, however, to the extent permitted by law, if the person that generated such

recyclable material is required to pay monetary or non-monetary consideration for the collection, transportation, transfer, or processing of recyclable material, the fact that the person that generated such recyclable material receives a reduction or discount in price therefor (or in other terms of the consideration the person that generated such recyclable material is required to pay) shall not be considered a sale or donation.

(i) It is unlawful for any person, other than the owner, occupant, or person in possession, charge, or control of any residential or commercial premises, or a person authorized by law (such as a franchisee), to remove any container from any such premises or from any location where it was lawfully placed for collection, without the prior written approval of the owner, occupant, or person in possession, charge, or control of such premises.

(j) It is unlawful for any person to place solid waste adjacent to or in a public street or public right-of-way for collection by a franchisee without having first subscribed for solid waste handling services with such franchisee.

(k) It is unlawful for any person, other than a franchisee, to take, remove or appropriate for his/her/their/its own use any solid waste which has been placed in any location for collection or removal by a franchisee, regardless of whether the solid waste is placed in a container.

**Sec. 4.10.080. - Self-haulers.**

(a) Self-haulers registered and operating in accordance with this chapter are only permitted to collect, transport, and dispose of solid waste generated by and upon the self-hauler's own premises. Under no circumstances may a self-hauler collect, transport, or dispose of solid wastes generated upon premises that are not owned, operated or controlled by the self-hauler. Notwithstanding any other provision of this chapter, registered self-haulers shall not be permitted to share, place solid waste in, or to otherwise use the container of another person or business.

(b) *Registration.* All self-haulers must be registered as a self-hauler with the City and shall subscribe to the following registration requirements:

(1) Each self-hauler shall obtain registration from the City Manager and renew his/her/their/its registrations at the commencement of each fiscal year.

(2) The application to register for self-hauling, whether upon initial application or renewal, shall include the following: (i) a list of all containers to be used by the self-hauler, (ii) a list of all transport and disposal equipment to be used by the self-hauler, (iii) a written explanation of where all solid waste will be delivered for disposal and diversion, (iv) a written plan explaining to the reasonable satisfaction of the City Manager how not less than 50 percent of solid waste collected will be diverted from disposal in compliance with AB 939, (v) a written plan explaining to the reasonable satisfaction of the City Manager how compliance with the requirement to divert organic waste, in accordance with applicable laws, including 14 CCR, Div. 7, Chapter 12, Section 18988.3, will be achieved, and (vi) any other information deemed necessary by the City Manager to ensure protection of public health, safety and welfare.

(3) Renewal applications shall additionally include (i) receipts from self-hauling activities undertaken in the prior year demonstrating that the applicant has effectively diverted at least 50 percent of all solid waste generated at its premises from landfills in a manner that complies with the requirements of AB 939, (ii) records reasonably satisfactory to the City Manager demonstrating the manner in which organic waste was diverted from landfills in accordance with applicable laws, including 14 CCR, Div. 7, Chapter 12, Section 18988.3, and (iii) receipts from self-hauling activities undertaken in the prior year demonstrating that the applicant has delivered solid waste generated at its premises to appropriate disposal or recycling facilities at least as frequently as collection is required for such self-hauler by the City Manager.

(4) The City Manager shall approve the application, and issue a self-hauler permit, if the application meets the requirements of this section, and if the equipment, containers, diversion plan and disposal plan meet with his reasonable satisfaction, and if evidence of past diversion and disposal requirements demonstrate the applicant has complied with the 50-percent diversion requirement and otherwise complied

with all laws related to disposal of solid waste, including the diversion of organic waste.

(c) *Containers.* Each self-hauler shall provide its own containers. Containers utilized by a self-hauler must conform to industry standards for solid waste disposal, comply with all laws and regulations, and must be approved by the City Manager in writing prior to issuance of a self-hauler registration. In addition, any containers utilized by a self-hauler shall comply with the following requirements:

(1) All containers shall be maintained in good repair. Any question as to the meaning of this standard shall be resolved by the City Manager.

(2) All containers shall be maintained in a sealed, watertight condition.

(3) Self-haulers shall remove any graffiti that appears on containers within 24 hours after becoming aware of it.

(d) *Collection and transport equipment.* Collection and transport equipment including, but not limited to, transport trucks and vehicles, used by a self-hauler must be approved by the City Manager in writing prior to issuance of a self-hauler registration.

(e) *Non-commercial venture.* It is the intent of this chapter to prevent and proscribe self-hauling activities undertaken as a commercial enterprise. Self-haulers must obtain all equipment, including containers and collection and transportation equipment, at a fair market value that does not include any hauling services, “free” or otherwise. A self-hauler may use its own employees to undertake self-hauling activities, but under no circumstance may a self-hauler use an independent contractor or any other person or entity for solid waste handling services other than a franchisee.

(f) *Other recycling obligations.* Self-haulers shall recycle, or divert from disposal, all recyclable materials not otherwise addressed by this section to a degree and in a manner consistent with standards generally applicable to the solid waste industry and as required by state law or regulation.

(g) *Collection frequency.* Self-haulers shall remove solid waste from his/her/their/its premises at least once per week; however, upon application to the City Manager, the City Manager may determine a different frequency for solid waste collection, transport, and disposal from the self-hauler's premises. The City Manager's determination shall be based upon (i) the nature of the premises, (ii) the type of solid waste generated by the premises, and (iii) the collection capacity of the self-hauler as demonstrated by information in the application.

(h) *Hazardous and special wastes.* Unless lawfully and currently licensed under state and local laws, no self-hauler shall engage in the collection, transport or disposal of hazardous waste or special wastes.

(i) *Revocation.* The City Manager may revoke a self-hauler permit if the permittee either (i) fails to divert at least 50 percent of all solid waste generated at its premises from landfills in a manner that complies with the requirements of AB 939, (ii) fails to divert organic waste from disposal in accordance with applicable laws, including 14 CCR, Div. 7, Chapter 12, Section 18988.3, or (iii) fails to deliver solid waste generated at its premises to appropriate disposal or recycling facilities at least as frequently as collection is required for such self-hauler by the City Manager.

**Sec. 4.10.090. - Removal of unauthorized containers.**

In addition to any other penalties and/or remedies as set forth in this chapter or provided for by law, any container placed within the City for the collection of solid waste in violation of Section 4.10.070(h) (hereinafter "Unauthorized Container(s)") may be impounded as set forth herein.

(a) The City Manager may cause a notice to be placed in a conspicuous place on any unauthorized container directing that it be removed. The notice shall specify the nature of the violation and shall state that the container must be removed within 24 hours or it may be removed and stored by the City, and the contents disposed of, at the expense of the owner thereof. The notice shall indicate (i) the date and time that the notice was posted, (ii) the name and telephone number of a person designated by the City to hear any appeal or challenge to the requirement that the container be removed, and (iii) that any appeal of the order for removal must occur within 24 hours of the posting of the notice. The posting of a notice to remove shall constitute

constructive notice to the owner and user of the requirement to remove the unauthorized container, and a copy of the notice shall be provided to the owner of the unauthorized container once said owner's identity is ascertained by City, and if not provided sooner, a copy of the notice shall be provided at such time as the owner of the unauthorized container seeks to retrieve any such container removed hereunder.

(b) If within 24 hours after a notice to remove is posted on an unauthorized container, a request for an appeal has not been received and the container is not removed, the City Manager may direct the removal and storage of the unauthorized container. In addition, if the contents of the container are either comprised of a substantial amount of putrescible solid waste, or determined by the City Manager to create a threat to public health, safety, or welfare if not disposed of immediately, the City Manager may direct that the contents of the container be disposed of. The owner of the unauthorized container shall be responsible to reimburse the City for the actual cost of removal, storage, and disposal. All amounts due to the City for the actual cost of removal, storage, and disposal must be paid before the unauthorized container may be returned to the owner. Such amounts shall constitute a debt owed by the owner to the City, and the owner shall be liable to the City in an action brought by the City for the recovery of such amounts.

(c) Between the date following the date upon which any unauthorized container is removed by the City, and the date which is five business days following its retrieval from City, the owner of the unauthorized container may request a hearing to appeal the City's determination that the container is an unauthorized container subject to removal by City as set forth herein. The City Manager shall establish a procedure for such a hearing and the method for requesting such a hearing shall be included on the notice to remove. If the appeal is granted, any payments due to City shall be forgiven and any amounts paid reimbursed.

(d) If the identity of the owner of an unauthorized container that has been removed by the City is known to the City Manager, the City Manager shall promptly cause a copy of the notice to be mailed to the owner along with a request that the owner claim the stored property. If the unauthorized container is not claimed within 95 days after mailing of the notice to the owner, or 90 days after removal if the identity of the owner is unknown to the City Manager, the unauthorized container and its contents shall be

deemed abandoned property and may be disposed of accordingly. The notice to be posted on unauthorized containers shall specify that the foregoing procedure related to abandonment will apply.

**Sec. 4.10.100. - Violations and penalties.**

(a) This chapter may be enforced in any manner set forth in this Code, or as otherwise provided by law.

(b) Any person who violates any provision of this chapter shall be guilty of a separate offense for each and every day, or any portion thereof, of which any violation of any provision of this chapter is committed, continued, or permitted by such person, and shall be punishable as misdemeanor or an infraction, at the discretion of the City Manager and/or City Attorney, and except as otherwise set forth below, the following penalties shall apply:

(1) *Penalty for misdemeanor violation.* Any person convicted of a misdemeanor under any provision of this chapter shall be punishable by a fine of not more than \$1,000, or by imprisonment for a period not exceeding six months, or by both such fine and imprisonment.

(2) *Penalty for infraction violation.* Any person convicted of an infraction under any provision of this chapter shall be punished by:

a. A fine not exceeding \$100 for a first violation;

b. A fine not exceeding \$200 for a second violation of the same provision within one year; and

c. A fine not exceeding \$500 for a third violation and for any additional violation of the same provision within one year.

(c) *Violations related to organic waste obligations.* In addition to any other available remedy, any violation of 14 CCR, Div. 7, Ch. 12, or any of the provisions hereof which address such obligations including, specifically, sections 4.10.030(5) and 4.10.070 (d), (e), and (f), shall be subject to the provisions of Chapter 1.06 of this Code, modified as follows:

ITEM 8.1 – Exhibit A to Attachment B

(1) Upon determining a violation has occurred, the City Manager shall issue a notice of violation pursuant to 14 CCR, Div. 7, Ch. 12, Section 18995.4, requiring compliance within 60 days of such notice.

(2) Absent compliance, the following administrative fines shall apply:

a. for a first violation - \$50

b. for a second violation - \$100

c. for a third or subsequent violation - \$250

(d) *Violations deemed to be a public nuisance.* In addition to any penalties otherwise imposed, any violation of the provisions of this chapter is deemed to be a public nuisance which may be abated in the manner provided by law for the abatement of nuisances.

(e) *Attorneys' fees and court costs.* In addition to any civil and criminal penalties as provided by the provisions of this chapter or otherwise, the City may recover reasonable attorneys' fees and court costs, and other such expenses of litigation and/or prosecution as it may incur by appropriate lawsuit against the person found to have violated any provisions of this chapter.

**8.2**  
**PURCHASING AND PROCUREMENT**  
**REGULATIONS**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** November 17, 2021 Regular Meeting

**SUBJECT:** Purchasing and Procurement Regulations

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### **Recommendation**

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 SECTIONS 3.06.020, 3.06.050, AND 3.06.090 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT

### **Background**

Purchasing and procurement regulations are set forth in Chapter 3.06 of the Laguna Woods Municipal Code. The existing regulations are included as Attachment A.

California Senate Bill 1383 aims to reduce methane, hydrofluorocarbon gas, and anthropogenic black carbon emissions in a statewide effort to combat climate change and improve public health. Senate Bill 1383 applies throughout California (including in incorporated cities and unincorporated areas) and includes a variety of new regulatory mandates affecting the City's operations. Beginning January 1, 2022, the City and other jurisdictions that provide solid waste collection services will be required to annually procure a certain amount of recovered organic waste products and purchase paper products that meet certain standards for recyclability.

On October 20, 2021, a public hearing was held and the City Council introduced

and approved the first reading of an ordinance (Attachment B) which, if adopted, would amend sections 3.06.020, 3.06.050, and 3.06.090 of the Laguna Woods Municipal Code related to purchasing and procurement.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the purchasing and procurement regulations set forth in sections 3.06.020, 3.06.050, and 3.06.090 of the Laguna Woods Municipal Code (Attachment B). Staff recommends that the City Council adopt the proposed regulations in order to modify existing regulations related to purchasing and procurement by the City in furtherance of state law [specifically Senate Bill 1383 and related regulations adopted by the California Department of Resources Recycling and Recovery ("CalRecycle")].

### **Environmental Review**

It can be seen with certainty that this project has no possibility of having a significant effect on the environment. Therefore, the adoption of the proposed ordinance is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

### **Fiscal Impact**

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

Attachments: A – Existing Laguna Woods Municipal Code Chapter 3.06  
B – Proposed Ordinance  
Exhibit A – Proposed Ordinance Text

*Footnotes:*

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*Editor's note— Ord. No. 18-04, § 3(Exh. A), adopted February 21, 2018, repealed the former Ch. 3.06., §§ 3.06.010—3.06.110, and enacted a new Ch. 3.06 as set out herein. The former Ch. 3.06 pertained to purchasing and derived from OCC §§ 1-4-12, 1-4-13, 1-4-14, 1-4-16, 1-4-22, 1-4-26, 1-4-32, 1-4-33, 1-4-34, 1-4-34.*

## Sec. 3.06.010. - Purpose and intent.

The purpose and intent of this chapter is to establish efficient, economical, and accountable policies and procedures related to the purchase of goods and the procurement of services.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018)

## Sec. 3.06.020. - Definitions.

The following definitions shall govern the meaning of words and phrases used in this chapter:

- (a) *Authorized City staff* shall mean any City employee who is designated by the City Manager, in writing, as being able to approve purchases subject to the purchasing limitations set forth in Section 3.06.040(1) of this Code.
- (b) *Department head* shall mean the City Manager or the person who is designated by the City Manager as being responsible for each particular City department.
- (c) *Director of Emergency Services* shall mean the person so designated in accordance with Chapter 7.04 of this Code.
- (d) *Environmentally preferable products* shall mean products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, and/or disposal of the product.
- (e) *Federal funds* shall mean funds received from a federal agency, a pass-through agency on behalf of a federal agency (e.g., the State of California), or any other entity authorized to distribute funds originating from a federal agency.
- (f) *Maintenance services* shall mean services related to the maintenance of public property that are not subject to the bidding requirements set forth in California Public Contract Code § 20162, as may be amended from time to time.
- (g) *Professional services* shall mean services provided by any specially trained and experienced person or firm in the areas of accounting, administration, analysis, architecture, economics, engineering, finance, inspection, law, planning, public safety, radius addressing, surveying, transcription, or other matters involving specialized training or expertise, with the exception of maintenance services.
- (h) *Public project* shall have the same meaning as set forth in California Public Contract Code § 20161, as may be amended from time to time.
- (i) *Purchasing officer* shall mean the person designated by the City Manager for the delegation of the duties

## ITEM 8.2 - Attachment A

and responsibilities imposed by this chapter on the purchasing officer.

- (j) *Records of federal procurement* shall mean records that provide sufficient detail of the history of a particular purchase or procurement for which federal funds are used where bids or specific selection criteria is required including, but not limited to, the rationale for the method of purchase or procurement, selection, or contract type, contractor selection or rejection, as well as the basis for the contract type.
- (k) *Recycled products* shall mean products manufactured with waste material that has been recovered or diverted from the waste stream. Recycled material may be derived from post-consumer waste, industrial scrap, manufacturing waste, and/or other waste that otherwise would not have been utilized.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.030. - Authority and responsibility.

- (a) The authority and responsibility for the purchase of goods and the procurement of services is vested in the City Manager.
- (b) The City Manager may designate a person to serve as the Purchasing Officer and delegate to that person all or a portion of the duties and responsibilities imposed by this chapter on the Purchasing Officer.
- (c) The City Manager may request City Council approval of any purchase of goods or procurement of services, regardless of value.
- (d) The City Manager may establish additional purchasing and procurement policies and procedures that are consistent with the provisions of this chapter including, but not limited to, policies and procedures for maintaining records of federal procurement.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.040. - Purchasing limitations.

Purchases of goods may be made by the persons designated in this section, subject to compliance with the provisions of this chapter.

- (1) For purchases of less than \$1,000.00, the applicable department head or other authorized City staff must approve the purchase. It is not required that purchase orders or contracts be executed, nor that bids be obtained for such purchases.
- (2) For purchases that are equal to or exceed \$1,000.00 but are less than \$2,500.00, the City Manager or purchasing officer must approve and execute the purchase order or contract for the purchase. It is not required that bids be obtained for such purchases.
- (3) For purchases that are equal to or exceed \$2,500.00 but are less than \$25,000.00, the City Manager or Purchasing Officer must approve and execute the purchase order or contract for the purchase. Prior to making a purchase, three bids must be obtained.
- (4) For purchases that are equal to or exceed \$25,000.00, the City Council must approve the purchase order or contract for the purchase. Prior to City Council approval, three bids must be obtained. The City Council may authorize that such purchase orders or contracts be executed by the Mayor, City Manager, Purchasing Officer, or other designee.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

## ITEM 8.2 - Attachment A

### Sec. 3.06.050. - Purchasing considerations—Non-federal.

- (a) For any purchase of goods made without the use federal funds, the City shall comply with all of the following:
- (1) *Competitive bidding consideration.* Purchases for which bidding is required shall be made from the lowest cost responsible bidder, consistent with quality (including, but not limited to, suitability, performance, durability, and reparability), quantity, delivery, and payment requirements. The lowest cost responsible bidder shall be determined by factors including, but not limited to, cost, ability, qualifications, and willingness to comply with the City's purchasing terms.
  - (2) *Environmental purchasing consideration.* City staff shall consider the purchase of environmentally preferable products and recycled products, whenever practicable and cost effective.
  - (3) *Local purchasing consideration.* City staff shall consider purchases from vendors located in the City, whenever practicable and cost effective. For purposes of bid comparison, bids submitted by local vendors shall be reduced by one percent for the portion of the purchase upon which the City would pay sales tax. The one-percent reduction is afforded to local vendors to recognize the sales tax reimbursement to the City on such purchases.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.060. - Purchasing and procurement considerations—Federal.

- (a) For any purchase of goods made using federal funds, the City shall comply with all applicable requirements, including all of the following:
- (1) *Equitable distribution consideration.* To the extent practicable, all purchases that are equal to or exceed \$1,000.00 but are less than \$3,000.00 shall be distributed equitably among qualified vendors if pricing and product quality is comparable.
  - (2) *Federal excess and surplus equipment and property consideration.* The City shall allow for the purchase of federal excess or surplus equipment or property in lieu of new equipment or property whenever such substitution is feasible and would reduce purchase costs.
- (b) For any purchase of goods or procurement of services made using federal funds, the City shall comply with all applicable requirements, including all of the following:
- (1) *Small business, minority business, women's business enterprise, and labor surplus area firm consideration.* The City shall take all necessary affirmative steps to assure that small businesses, minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps shall include all those required by 2 CFR 200.321.
  - (2) *Prohibition of geographical consideration.* The City shall not exercise the provisions set forth in Section 3.06.050(a)(3) of this Code, nor any other geographical preference.
  - (3) *Prohibition of certain exemptions.* The City shall not apply the cost of any purchase of goods or procurement of services directly to federal funds if any one or more exemptions set forth in this chapter have been exercised.

( Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.070. - Public projects.

## ITEM 8.2 - Attachment A

- (a) Awards for the performance of public projects shall be made in a manner that complies with all applicable requirements of the California Public Contract Code.
- (b) Plans and specifications for public projects shall allow for the use or substitution of environmentally preferable products and recycled products, whenever practicable and cost effective.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.080. - Maintenance and professional services.

- (a) Awards for the performance of maintenance services and professional services shall be made on the basis of the demonstrated competence of the vendor, the vendor's professional qualifications necessary for the satisfactory performance of the services required, the fairness and reasonableness of the cost of the services to the City, the vendor's history of performance, the vendor's willingness to comply with the City's procurement terms, and other factors determined to be relevant, rather than solely on the basis of cost. The provisions set forth in Sections 3.06.040 and 3.06.050 of this Code are not applicable to the procurement of services.
- (b) Subject to compliance with the provisions of this chapter, the City Manager or purchasing officer may enter into and execute purchase orders or contracts for maintenance services or professional services when the cost of such services is less than \$50,000.00 over the term of the agreement. City Council approval is required for all purchase orders or contracts when the cost of the services is \$50,000.00 or more over the term of the agreement. The City Council may authorize that such purchase orders and contracts be executed by the Mayor, City Manager, Purchasing Officer, or other designee.
- (c) Notwithstanding the above provisions of this section, all purchase orders or contracts for maintenance services and professional services for which the estimated cost of services is \$25,000.00 or more over the term of the agreement shall be competitively bid by obtaining at least three bids for providing the required services, evaluating the bids pursuant to the criteria set forth in subsection (a), and making the award based on the best bid.
- (d) Notwithstanding the above provisions of this section, all contracts for the performance of the annual independent audit of the City's financial statements shall be competitively bid by obtaining at least three bids for providing the required services, evaluating the bids pursuant to the criteria set forth in subsection (a), and making the award based on the best bid. Further, the award of all such annual independent audit contracts, regardless of cost, shall be approved by the City Council. The City Council may authorize that such annual independent audit contracts be executed by the Mayor, City Manager, Purchasing Officer, or other designee.
- (e) Bid solicitations for maintenance services and professional services shall allow for the use or substitution of environmentally preferable products and recycled products, whenever practicable and cost effective.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.090. - Cooperative agreements.

The City Council, City Manager, or purchasing officer may approve the purchase of goods or the procurement of services for which the City would normally follow its own bid procedures from a vendor who has been awarded a contract for the purchase of the same goods or the procurement of the same services by another public agency, if said public agency utilized bid procedures substantially similar to those normally utilized by the City. The amount of said purchase or procurement shall be based upon the cost bid for said public agency.

## Sec. 3.06.100. - Bidding rejections and exemptions.

- (a) Except when precluded by applicable law, the City Council, City Manager, or Purchasing Officer may reject any bid received by the City.
- (b) Except when precluded by applicable law, the provisions of this chapter may be waived at the discretion of the City Council.
- (c) Except when precluded by applicable law, and provided the purchase of goods is less than \$25,000.00, or the procurement of services is less than \$50,000.00 over the term of the agreement, the provisions set forth in Sections 3.06.040, 3.06.050, and 3.06.080(a), (c) and (e) of this Code may be waived, at the discretion of the City Manager, when any of the following is applicable:
  - (1) After a reasonable attempt has been made to obtain the required number of bids, it has been determined that no additional bidders can be located or no additional bidders can be located in a timely manner. This includes, but is not limited to, instances in which competitive bidding yields an insufficient number of satisfactory bids.
  - (2) Due to time sensitivities or other extraordinary conditions, it has been determined that normal bidding requirements would not be in the City's best interest.
  - (3) The purchase or procurement is proprietary or can only be obtained from one vendor. This includes, but is not limited to, purchases where a specific brand name, make, or model is necessary to match existing equipment or facilitate effective maintenance and support.
  - (4) The purchase or procurement is made through a cooperative agreement in accordance with Section 3.06.090 of this Code.
  - (5) The purchase or procurement is or is related to an inter-governmental contract or partnership.
- (d) The following purchases of goods and procurements of services, regardless of value, are exempt from the provisions set forth in Sections 3.06.040, 3.06.050, and 3.06.080 of this Code and may be approved by the City Manager or Purchasing Officer provided that sufficient funds are available in adopted budgets:
  - (1) The purchase of professional memberships and trainings.
  - (2) The purchase of or subscription to newspapers and periodicals.
  - (3) The purchase of or subscription to governmental and governmental-related resources and reference materials.
  - (4) The purchase of security and safety alarms and monitors, and the procurement of related services.
  - (5) The procurement of data and website hosting and security services.
  - (6) The procurement of appraisal or valuation services.
  - (7) The procurement of election services.
  - (8) The procurement of entertainment services.
  - (9) The procurement of graphic design services.
  - (10) The procurement of legal services, professional and other expert witness services, and special research and investigative services including, but not limited to, forensic accounting services, if the purpose of such professional and other expert witness services or special research and investigative services is to

## ITEM 8.2 - Attachment A

provide assistance or testimony related to an existing or potential administrative or judicial proceeding in which the City is or may become a party, or otherwise has an interest.

- (11) The procurement of utility and television services.
  - (12) The publication of advertisements and legal notices.
  - (13) The payment of fees and charges required by governmental and quasi-governmental agencies.
  - (14) Purchases and procurements that are necessary for the immediate protection of public health, safety, or welfare or public property, or to prevent the immediate interruption of City services related to the same.
- (e) The following purchases and procurements are exempt from the provisions of this chapter, with the exception of Sections 3.06.070 and 3.06.120 of this Code:
- (1) Purchases and procurements of and related to employee compensation and benefit programs approved by the City Council.
  - (2) Purchases and procurements of and related to insurance and workers' compensation coverage approved by the City Council.
  - (3) Purchases and procurements of and related to inter-governmental contracts and partnerships approved by the City Council. This includes, but is not limited to, contracts for animal control and shelter services and law enforcement services.
  - (4) Purchases and procurements of and related to franchise agreements awarded by the City Council.
  - (5) Purchases and procurements made through a maintenance services or professional services purchase order or contract awarded by the City Council when such purchases and procurements are provided for therein.
  - (6) Purchases, leases, and rentals of real property approved by the City Council.
  - (7) Purchases of investment instruments and procurements of banking and investment-related services that are governed by the City's investment policy or other City Council direction.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.110. - Suspension during emergencies.

Except when prohibited by applicable law, for the effective duration of a proclamation of a local emergency, state of emergency, or state of war emergency, as defined in California Government Code § 8558, which affects the City, this chapter shall be automatically suspended for the purpose of allowing the Director of Emergency Services to obtain vital services, supplies, equipment, and such other properties found lacking and needed for the protection of life and property, and to bind the City for the fair value thereof.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

### Sec. 3.06.120. - Prohibited activity.

- (a) The City's elected and appointed officers, officials, and employees are prohibited from engaging in any unlawful activity related to purchasing and procurement, including, but not limited to, receipt of rebates, kickbacks, or other unlawful consideration. Engaging in unlawful activity is punishable to the fullest extent of the law and, for employees, may also result in discipline up to and potentially including termination.
- (b) The City's elected and appointed officers, officials, and employees are prohibited from participating in a

**ITEM 8.2 - Attachment A**

purchasing or procurement process when those persons have a financial interest therein as proscribed in California Government Code §§ 1090 et seq. or 87100 et seq.

(Ord. No. 18-04, § 3(Exh. A), 2-21-2018; Ord. No. 18-07, § 3(Exh. A), 7-18-2018)

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**ORDINANCE NO. 21-XX**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 3.06.020, 3.06.050, AND 3.06.090 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO PURCHASING AND PROCUREMENT

**WHEREAS**, Chapter 3.06 of the Laguna Woods Municipal Code establishes efficient, economical, and accountable policies and procedures related to the purchase of goods and the procurement of services; and

**WHEREAS**, California Senate Bill 1383 (2015-2016) and related regulations adopted by CalRecycle have resulted in the need for the amendment of Chapter 3.06 of the Laguna Woods Municipal Code; and

**WHEREAS**, staff has recommended amendments of various sections of Chapter 3.06 of the Laguna Woods Municipal Code (“Code Amendments”) in order to modify existing regulations related to purchasing and procurement by the City in furtherance of state law; and

**WHEREAS**, on October 20, 2021, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

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

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

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that the Code Amendments have no possibility of having a significant effect on the environment. Therefore, the adoption of the Code Amendments is not a project subject to the California

Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

SECTION 3. Sections 3.06.020, 3.06.050, and 3.06.090 of the Laguna Woods Municipal Code are hereby amended to read as set forth in Exhibit A, attached to this Ordinance and incorporated herein by this reference.

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

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

SECTION 6. The Mayor shall sign this Ordinance.

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 2021.

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SHARI L. HORNE, Mayor

ATTEST:

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YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
ALISHA PATTERSON, 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. 21-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2021 by the following vote to wit:

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

\_\_\_\_\_  
YOLIE TRIPPY, CMC, City Clerk

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**EXHIBIT A  
CODE AMENDMENTS**

***Section 3.06.020 (“Definitions”) of Chapter 3.06 (“Purchasing and Procurement”) of Title 3 (“Revenue and Finance”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining, deletions shown with ~~strikethrough~~):***

**Sec. 3.06.020. - Definitions.**

The following definitions shall govern the meaning of words and phrases used in this chapter:

- (a) *Department head* shall mean the City Manager or the person who is designated by the City Manager as being responsible for each particular City department.
- (b) *Director of Emergency Services* shall mean the person so designated in accordance with Chapter 7.04 of this Code.
- (c) *Environmentally preferable products* shall mean products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, and/or disposal of the product.
- (d) *Maintenance services* shall mean services related to the maintenance of public property that are not subject to the bidding requirements set forth in Section 20162 of the California Public Contracts Code, as may be amended from time to time.
- (e) *Paper products shall have the meaning set forth in 14 CCR Section 18982(a)(51), as may be amended from time to time.*
- ~~(ef)~~ *Professional services* shall mean services provided by any specially trained and experienced person or firm in the areas of accounting, administration, analysis, architecture, economics, engineering, finance, inspection, law, planning, public safety, radius addressing, surveying,

transcription, or other matters involving specialized training or expertise, with the exception of maintenance services.

(fg) *Public project* shall have the same meaning as set forth in Section 20161 of the California Public Contracts Code, as may be amended from time to time.

(gh) *Purchasing officer* shall mean the person designated by the City Manager for the delegation of the duties and responsibilities imposed by this chapter on the purchasing officer.

(i) *Recovered organic waste products shall have the meaning set forth in 14 CCR Section 18982(a)(60), as may be amended from time to time.*

(hj) *Recycled products* shall mean products manufactured with waste material that has been recovered or diverted from the waste stream. Recycled material may be derived from post-consumer waste, industrial scrap, manufacturing waste, and/or other waste that otherwise would not have been utilized.

***Section 3.06.050 (“Purchasing considerations”) of Chapter 3.06 (“Purchasing and Procurement”) of Title 3 (“Revenue and Finance”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining):***

**Sec. 3.06.050. - Purchasing considerations.**

(a) *Competitive bidding consideration.* Purchases for which bidding is required shall be made from the lowest cost responsible bidder, consistent with quality (including, but not limited to, performance, durability, and reparability), quantity, delivery, and payment requirements. The lowest cost responsible bidder shall be determined by factors including, but not limited to, cost, ability, qualifications, and willingness to comply with the City’s purchasing terms.

(b) *Environmental purchasing consideration.* City staff shall consider the purchase of environmentally preferable products and recycled products, whenever practicable and cost effective.

(c) *Local purchasing consideration.* City staff shall consider purchases from vendors located in the city, whenever practicable and cost effective. For purposes of bid comparison, bids submitted by local vendors shall be reduced by one percent for the portion of the purchase upon which the City would pay sales tax. The one-percent reduction is afforded to local vendors to recognize the sales tax reimbursement to the City on such purchases.

(d) *Paper and recovered organic waste products.* The purchase of paper products and recovered organic waste products shall be made, and records kept, in a manner that complies with all applicable requirements of state laws and regulations including, but not limited to 14 CCR, Division 7, Chapter 12, Article 12, as may be amended from time to time.

***Section 3.06.090 (“Bidding rejections and exemptions”) of Chapter 3.06 (“Purchasing and Procurement”) of Title 3 (“Revenue and Finance”) of the Laguna Woods Municipal Code is amended to read as follows (additions shown with underlining, deletions shown with ~~strikethrough~~):***

**Sec. 3.06.090. - Bidding rejections and exemptions.**

(a) Except when precluded by applicable law, the City Council, City Manager, or purchasing officer may reject any bid received by the City.

(b) Except when precluded by applicable law, the provisions of this chapter may be waived at the discretion of the City Council.

(c) Except when precluded by applicable law, and provided the purchase of goods is less than \$25,000.00, or the procurement of services is less than \$50,000.00 over the term of the agreement, the provisions set forth in sections 3.06.040, 3.06.050, and 3.06.070(a)(c)(e) of this Code may be waived, at the discretion of the City Manager, when any of the following is applicable:

(1) After a reasonable attempt has been made to obtain the required number of bids, it has been determined that no additional bidders can be located or no additional bidders can be located in a timely manner. This includes, but is not limited to, instances in which competitive bidding yields an insufficient number of satisfactory bids.

ITEM 8.2 – Exhibit A to Attachment B

- (2) Due to time sensitivities or other extraordinary conditions, it has been determined that normal bidding requirements would not be in the City's best interest.
  - (3) The purchase or procurement is proprietary or can only be obtained from one vendor. This includes, but is not limited to, purchases where a specific brand name, make, or model is necessary to match existing equipment or facilitate effective maintenance and support.
  - (4) The purchase or procurement is made through a cooperative agreement in accordance with Section 3.06.080 of this Code.
  - (5) The purchase or procurement is or is related to an inter-governmental contract or partnership.
- (d) Except when precluded by law, ~~F~~the following purchases of goods and procurements of services, regardless of value, are exempt from the provisions set forth in sections 3.06.040, 3.06.050, and 3.06.070 of this Code and may be approved by the City Manager or purchasing officer provided that sufficient funds are available in adopted budgets:
- (1) The purchase of professional memberships and trainings.
  - (2) The purchase of or subscription to newspapers and periodicals.
  - (3) The purchase of or subscription to governmental and governmental-related resources and reference materials.
  - (4) The purchase of security and safety alarms and monitors, and the procurement of related services.
  - (5) The procurement of data and website hosting and security services.
  - (6) The procurement of appraisal services.
  - (7) The procurement of election services.

ITEM 8.2 – Exhibit A to Attachment B

- (8) The procurement of entertainment services.
  - (9) The procurement of graphic design services.
  - (10) The procurement of legal services, professional and other expert witness services, and special research and investigative services, if the purpose of such services is to provide for assistance or testimony related to an existing or potential administrative or judicial proceeding in which the City is or may become a party.
  - (11) The procurement of utility and television services.
  - (12) The publication of advertisements and legal notices.
  - (13) The payment of fees and charges required by governmental and quasi-governmental agencies.
  - (14) Purchases and procurements that are necessary for the immediate protection of public health, safety, or welfare or public property, or to prevent the immediate interruption of City services related to the same.
- (e) The following purchases and procurements are exempt from the provisions of this chapter, with the exception of sections 3.06.060 and 3.06.110 of this Code:
- (1) Purchases and procurements of and related to employee compensation and benefit programs approved by the City Council.
  - (2) Purchases and procurements of and related to insurance and workers' compensation coverage approved by the City Council.
  - (3) Purchases and procurements of and related to inter-governmental contracts and partnerships approved by the City Council. This includes, but is not limited to, contracts for animal control and shelter services and law enforcement services.

ITEM 8.2 – Exhibit A to Attachment B

- (4) Purchases and procurements of and related to franchise agreements awarded by the City Council.
- (5) Purchases, leases, and rentals of real property approved by the City Council.
- (6) Purchases of investment instruments and procurements of banking and investment-related services that are governed by the City's investment policy or other City Council direction.

**8.3**  
**ACCESSIBILITY IMPROVEMENT**  
**REIMBURSEMENT PROGRAM**

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## City of Laguna Woods Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** November 17, 2021 Regular Meeting

**SUBJECT:** Accessibility Improvement Reimbursement Program

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### **Recommendation**

1. Provide direction to the City Manager regarding the Accessibility Improvement Reimbursement Program.

AND

2. Approve Contract No. 21-23-0006-PLHA with the County of Orange for Accessibility Improvement Reimbursement Program and authorize the Mayor to execute the contract, subject to approval as to form by the City Attorney.

### **Background**

The Fiscal Years 2021-23 Budget & Work Plan includes the following significant work plan item:

**“Accessibility Improvement Reimbursement Program – Develop and launch a program to provide financial assistance to lower income, senior households that make accessibility improvements inside their homes. Reimbursements will be funded using State of California Permanent Local Housing Allocation (PLHA) monies.”**

During the budget development process, some Councilmembers expressed a desire to further discuss the program prior to its launch.

State of California Permanent Local Housing Allocation (“PLHA”) funds are made available as a result of the California Building Homes and Jobs Act (Senate Bill 2, 2017) with the goal of increasing the supply of affordable housing. PLHA funds are raised from the proceeds of a \$75 recording fee on certain real estate transactions (up to a maximum of \$225 per transaction) and can be used for purposes set forth in California Health and Safety Code Section 50470(b)(2)(D).

Beginning in Fiscal Year 2021-22, the City will receive an ongoing grant of PLHA funds based on the formula prescribed under federal law for the Community Development Block Grant (“CDBG”) Program.

### **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on the Accessibility Improvement Reimbursement Program. In addition to seeking any direction the City Council is interested in providing, staff recommends that the City Council approve Contract No. 21-23-0006-PLHA with the County of Orange, which would provide for the receipt of \$32,942 in PLHA monies to fund the Accessibility Improvement Reimbursement Program through June 30, 2023.

### **Proposed Program Summary**

#### *Program Eligibility*

- The home must be located in Laguna Woods
- One or more owner-occupants must be at least 55 years of age
  - Proof of ownership can be established through property deeds or title records, property tax bills, or similar documents.
    - For cooperative units, “owner” means the person or persons named on the Certificate of Membership with the housing cooperative under the terms of which members are entitled to possession of their respective housing.
  - Proof of occupancy can be established through recent federal income tax returns or government-issued identification.
  - Proof of age can be established through valid, government-issued photo identification (e.g., driver’s license, identity card, or passport).
- Household income must be less than or equal to 60% of the Area Median Income, as changes annually. Currently, an eligible household income is \$64,020 or less. Similar to other income-qualified programs that have been

offered by the City, income will be verified through recent federal income tax returns and/or signed and notarized certification documents for each household member who was not required to file a federal income tax return. The City will provide such notarization free of charge.

### *Eligible Accessibility Improvements*

Eligible households may be reimbursed up to \$5,000<sup>1</sup> for any combination of the following accessibility improvements:

- Installation of grab bars
- Widening of doorways
- Installation of indoor ramps
- Installation of electric wheelchair lifts

The City is able to request the County of Orange's approval to reimburse other types of accessibility improvements. Common area improvements are ineligible.

### *Application and Reimbursement Process*

- Households must apply to participate in the program. Application forms will be available at City Hall and on the City's website. If the program becomes impacted, a waiting list will be established based on date of application.
- Once determined eligible, an agreement will be entered into between the City and the owner-occupant(s). The agreement will be signed by the City Manager, subject to approval as to form by the City Attorney. Households may not incur costs for which reimbursement will be sought until after the agreement is fully executed; retrospective reimbursements are not possible.
- Once the accessibility improvements are complete and proof of payment has been provided to the City for those costs for which reimbursement is sought, the City will conduct an inspection for verification purposes.
- Reimbursement checks will be issued to the owner-occupant(s) with whom the agreement was entered into within 10 days of each successful inspection and building permit final (if applicable), whichever is later.
- The City will provide financial assistance only. The City will not physically complete any construction nor be party to the selection of contractors or any

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<sup>1</sup> Eligible households may submit multiple applications, but are limited to a maximum cumulative reimbursement of \$5,000 in a 12-month period.

agreements that may exist between households and contractors. The City will not warranty any construction nor be involved in future maintenance.

### *Publicity*

The program will be publicized as follows:

- Flyers available in City Hall's lobby and at the permit counter
- Webpage on the City's website
- Advertisement on the City's governance television channel (Channel 3)
- Press releases to the *Laguna Woods Globe*, Laguna Woods Village Media & Communications Department (for possible inclusion in the *Village Breeze* and email blasts), and all Laguna Woods residential communities (flyers will also be distributed to the residential communities that accept them)
- Requested appearance on Laguna Woods Village's This Day program
- Outreach to Age Well Senior Services, Braille Institute, Dayle McIntosh Center, Foundation of Laguna Woods Village, and Laguna Woods Village Social Services Department

### *Launch Date*

If the recommended action is taken at today's meeting, staff anticipates that the program will begin accepting applications in early January 2022.

### **Fiscal Impact**

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

All reimbursements paid through the Accessibility Improvement Reimbursement Program will be funded using PLHA monies.

Attachment: A – Proposed Agreement



21-23-0006-PLHA

FOR

ACCESSIBILITY IMPROVEMENT REIMBURSEMENT PROGRAM

BETWEEN

COUNTY OF ORANGE

AND

CITY OF LAGUNA WOODS

<u>CFDA#</u>	<u>FAIN#</u>	<u>PROGRAM/SERVICE TITLE</u>	<u>FUNDING AGENCY</u>
<u>14.218</u>		<u>Permanent Local Housing Allocation (PLHA)/Low Income Senior Accessibility Modifications</u>	<u>State of California Department of Housing and Community Development</u>

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Attachment C - Budget Schedule

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Attachment E - Performance Standards

Attachment F - State of California – Department of General Services Standard Agreement (STD 213)  
and Exhibits A, B, C, D, and E thereto

**EXHIBITS**

Exhibit 1– OC Community Resources Contract Reimbursement Policy

Exhibit 2 – Drug Free Workplace Certification

Exhibit 3 – Debarment and Suspension Certificate

Exhibit 4 – Disclosure Form to Report Lobbying

Exhibit 5 – Certification Regarding Lobbying

Contract # 21-23-0006-PLHA  
with  
City of Laguna Woods  
for  
Accessibility Improvement Reimbursement Program

This Contract # 21-23-0006-PLHA for Accessibility Improvement Reimbursement Program (hereinafter referred to as “Contract”) is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California; hereinafter referred to as “County” and City of Laguna Woods, D-U-N-S # 602270279, a California Municipality, with a place of business at 24264 El Toro Road, Laguna Woods, CA 92637 (hereinafter referred to as “Subrecipient”), with County and Subrecipient sometimes referred to as “party” or collectively as “parties”.

**ATTACHMENTS**

This Contract is comprised of this document and the following Attachments, which are attached hereto and incorporated by reference into this Contract:

Attachment A – Scope of Services  
Attachment B – Payment/Compensation  
Attachment C – Budget Schedule  
Attachment D – Staffing Plan  
Attachment E - Performance Standards  
Attachment F - State of California – Department of General Services Standard Agreement (STD 213) and Exhibits A, B, C, D, and E thereto

**RECITALS**

**WHEREAS**, Subrecipient and County are entering into this Contract for Accessibility Improvement Reimbursement Program under a cost reimbursement Contract; and

**WHEREAS**, Subrecipient agrees to provide Accessibility Improvement Reimbursement Program to the County as further set forth in the Scope of Service, attached hereto as Attachment A; and

**WHEREAS**, County agrees to pay Subrecipient based on the schedule of fees set forth in Payment/Compensation, attached hereto as Attachment B; and

**WHEREAS**, Subrecipient agrees to manage allotted funding set forth in the Budget Schedule, attached hereto as Attachment C; and

**WHEREAS**, Subrecipient agrees to provide staff set forth in Staffing Plan, attached hereto as Attachment D; and

**WHEREAS**, Subrecipient agrees to meet the Performance Standards requirements set forth in attached hereto as Attachment E; and

**WHEREAS**, Subrecipient agrees to meet the State of California – Department of General Services Standard Agreement (STD 213) requirements set forth in attached hereto as Attachment F; and

**NOW, THEREFORE**, the Parties mutually agree as follows:

**ARTICLES****General Terms and Conditions:**

- A. **Governing Law and Venue:** This Contract has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.
- B. **Entire Contract:** This Contract contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Contract Administrator.
- C. **Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. **Intentionally left blank**
- E. **Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed Scope of Services. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Subrecipient's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.
- F. **Acceptance Payment:** Unless otherwise agreed to in writing by County, 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of County, and 2) payment shall be made in arrears after satisfactory acceptance.
- G. **Intentionally left blank:**
- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Subrecipient shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Subrecipient warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Subrecipient agrees that, in

accordance with the more specific requirement contained in paragraph “Z” below, it shall indemnify, defend and hold County and County Indemnitees harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses but not including attorney’s fees.

- I. **Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Subrecipient without the express written consent of County. Any attempt by Subrecipient to assign the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.
- J. **Non-Discrimination:** In the performance of this Contract, Subrecipient agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Subrecipient acknowledges that a violation of this provision shall subject Subrecipient to penalties pursuant to Section 1741 of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty for cause or after 30 days’ written notice without cause, unless otherwise specified. Cause shall be defined as any material breach of contract, any misrepresentation or fraud on the part of the Subrecipient. Exercise by County of its right to terminate the Contract shall relieve County of all further obligation.
- L. **Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. **Independent Subrecipient:** Subrecipient shall be considered an independent contractor and neither Subrecipient, its employees, nor anyone working under Subrecipient shall be considered an agent or an employee of County. Neither Subrecipient, its employees nor anyone working under Subrecipient shall qualify for workers’ compensation or other fringe benefits of any kind through County.
- N. **Performance Warranty:** Subrecipient shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to County’s satisfaction. Subrecipient shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by the Subrecipient under this Contract. Subrecipient shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Subrecipient shall be fully responsible for all work performed by subcontractors.

**O. Insurance Requirements:**

Prior to the provision of services under this Contract, the Subrecipient agrees to purchase all required insurance at Subrecipient's expense, including all endorsements required herein, necessary to satisfy the County that the insurance provisions of this Contract have been complied with. Subrecipient agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Subrecipient pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Subrecipient.

Subrecipient shall ensure that all subcontractors performing work on behalf of Subrecipient pursuant to this Contract shall be covered under Subrecipient's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Subrecipient. Subrecipient shall not allow subcontractors to work if subcontractors have less than the level of coverage required by County from Subrecipient under this Contract. It is the obligation of Subrecipient to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be MAINTAINED by Subrecipient through the entirety of this Contract for inspection by County representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any self-insured retention (SIR) in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by the County's Risk Manager, or designee, upon review of Subrecipient's current audited financial report. If Subrecipient's SIR is approved, Subrecipient, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold the County harmless against any and all liability, claim, demand or suit resulting from Subrecipient's, its agents, employee's or subcontractor's performance of this Contract, Subrecipient shall defend the County at its sole cost and expense with counsel approved by Board of supervisors against same; and
- 2) Subrecipient's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and the Subrecipient's SIR provision shall be interpreted as though the Subrecipient was an insurer and the County was the insured.

If the Subrecipient fails to maintain insurance acceptable to the County for the full term of this Contract, the County may terminate this Contract.

**Qualified Insurer**

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com). It is

preferred, but not mandatory, that the insurer be licensed to do business in the State of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the Subrecipient shall provide the minimum limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers Compensation	Statutory
Employers Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims-made
Professional Liability	\$1,000,000 per claims-made \$1,000,000 aggregate
Sexual Misconduct	\$1,000,000 per occurrence
Employee Dishonesty	\$100,000 per occurrence

**Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

**Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***County of Orange its elected and appointed officials, officers, agents and employees*** as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN Contract.***

- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Subrecipient's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Network Security and Privacy Liability policy shall contain the following endorsements which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement naming the ***County of Orange, its elected and appointed officials, officers, agents and employees*** as Additional Insureds for its vicarious liability.
- 2) A primary and non-contributing endorsement evidencing that the Subrecipient's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the ***County of Orange, its elected and appointed officials, officers, agents and employees*** or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN Contract.***

All insurance policies required by this Contract shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

The County of Orange shall be the loss payee on the Employee Dishonesty coverage. A Loss Payee endorsement evidencing that the County of Orange is a Loss Payee shall accompany the Certificate of Insurance.

Subrecipient shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which the County may suspend or terminate this Contract.

If Subrecipient's Professional Liability and Network Security & Privacy Liability are "Claims-Made" policy(ies), Subrecipient shall agree to maintain coverage for two (2) years following the completion of the Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the agency/department address listed on the solicitation.

If the Subrecipient fails to provide the insurance certificates and endorsements within seven (7) days of notification by the Contract Administrator, award may be made to the next qualified vendor.

County expressly retains the right to require Subrecipient to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Subrecipient in writing of changes in the insurance requirements. If Subrecipient does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Subrecipient, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Subrecipient's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

- P. **Changes:** Subrecipient shall make no changes in the work or perform any additional work without the County's specific written approval.
- Q. **Change of Ownership/Name, Litigation Status, Conflicts with County Interest:** Subrecipient agrees that if there is a change or transfer in ownership of Subrecipient's business prior to completion of this Contract, and the County agrees to an assignment of the Contract, the new owners shall be required under terms of sale or other instruments of transfer to assume Subrecipient's duties and obligations contained in this Contract and complete them to the satisfaction of the County.

County reserves the right to immediately terminate the Contract in the event the County determines that the assignee is not qualified or is otherwise unacceptable to the County for the provision of services under the Contract.

In addition, Contractor has the duty to notify the County in writing of any change in the Contractor's status with respect to name changes that do not require an assignment of the Contract. The Contractor is also obligated to notify the County in writing if the Contractor becomes a party to any litigation against the County, or a party to litigation that may reasonably affect the Contractor's performance under the Contract, as well as any potential conflicts of interest between Contractor and County that may arise prior to or during the period of Contract performance. While Contractor will be required to provide this information without prompting from the County any time there is a change in Contractor's name, conflict of interest or litigation status, Contractor must also provide an update to the County of its status in these areas whenever requested by the County.

The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with County interests. In addition to the Contractor, this obligation shall apply to the Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. The Contractor's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers in the performance of their duties.

- R. **Force Majeure:** Subrecipient shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Subrecipient gives written notice of the cause of the delay to County within 36 hours of the start of the delay and Subrecipient avails himself of any available remedies.
- S. **Confidentiality:** Subrecipient agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Subrecipient and Subrecipient's staff, agents and employees.
- T. **Compliance with Laws and State of California – Department of General Services Standard Agreement (STD 213):** Subrecipient represents and warrants that services to be provided under this Contract shall fully comply, at Subrecipient's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Subrecipient agrees to perform its obligations under this Contract in a manner consistent with State of California – Department of General Services Standard Agreement (STD 213) and Exhibits A, B, C, D, and E thereto ("State PLHA Agreement") and, to the extent applicable, comply with the obligations in the State PLHA Agreement. The State PLHA Agreement is attached to this Contract as Attachment F and the terms of the State PLHA Agreement are made applicable to Subrecipient and incorporated herein by this reference. Subrecipient acknowledges that County is relying on Subrecipient to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Subrecipient agrees that it shall defend, indemnify and hold County and County Indemnitees (defined below) harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws and/or the State PLHA Agreement.
- U. **Intentionally left blank**
- V. **Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

- W. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. **Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- Y. **Employee Eligibility Verification:** The Subrecipient warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Subrecipient shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Subrecipient shall retain all such documentation for all covered employees for the period prescribed by the law. The Subrecipient shall indemnify, defend with counsel approved in writing by County, and hold harmless, the County, and its County Indemnitees, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Subrecipient or the County or County Indemnitees, any combination of the three in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.
- Z. **Indemnification:** Subrecipient agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Subrecipient pursuant to this Contract. If judgment is entered against Subrecipient and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Subrecipient and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- AA. **Audits/Inspections:** Subrecipient agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Subrecipient for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or

audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. The County will provide reasonable notice of such an audit or inspection.

The County reserves the right to audit and verify the Subrecipient's records before final payment is made.

Subrecipient agrees to maintain such records for possible audit for a minimum of three years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Subrecipient agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Subrecipient agrees to include a similar right to the County to audit records and interview staff of any subcontractor related to performance of this Contract.

Should the Subrecipient cease to exist as a legal entity, the Subrecipient's records pertaining to this Contract shall be forwarded to the County's Project Manager.

- BB. Contingency of Funds:** Subrecipient acknowledges that funding or portions of funding for this Contract may be contingent upon State budget approval; receipt of funds from, and/or obligation of funds by, the State of California Department of Housing and Community Development (HCD) to County; receipt of funds from the Department of Housing and Urban Development ("HUD"), and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.
- CC. Expenditure Limit:** The Subrecipient shall notify the County of Orange assigned Contract Administrator in writing when the expenditures against the Contract reach 75 percent of the dollar limit on the Contract. The County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a written and approved change order to cover those costs has been issued. Board of Supervisor approval may be required.

**Additional Terms and Conditions:**

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which the County will procure from Subrecipient the Accessibility Improvement Reimbursement Program and related services, as described herein, and further detailed in the Scope of Services (“Attachment A”) which is incorporated herein by this reference.
2. **Term of Contract:** This Contract shall commence upon execution by both Parties and continue through two years from Contract execution date, unless otherwise terminated by the County.
3. **Renewal:** This Contract may not be renewed.
4. **Maximum Obligation:**  
The total Maximum Obligation of County to the Subrecipient for the cost of services provided in accordance with this Contract is \$32,942, with individual Maximum Obligation budgets for each Fiscal Year as further detailed in the Budget Schedule, identified and incorporated herein by this reference as Attachment “C”.
5. **Amendments - Changes/Extra Work:** The Subrecipient shall make no changes to this Contract without the County’s written consent. In the event that there are new or unforeseen requirements, the County has the discretion with the Subrecipient’s concurrence, to make changes at any time without changing the scope or price of the Contract.

If County-initiated changes or changes in laws or government regulations affect price, the Subrecipient’s ability to deliver services, or the project schedule, the Subrecipient will give County written notice no later ten (10) days from the date the law or regulation went into effect or the date the change was proposed and Subrecipient was notified of the change. Such changes shall be agreed to in writing and incorporated into a Contract amendment. Said amendment shall be issued by the County-assigned Contract Administrator, shall require the mutual consent of all Parties, and may be subject to approval by the County Board of Supervisors. Nothing herein shall prohibit the Subrecipient from proceeding with the work as originally set forth or as previously amended in this Contract.

6. **Breach of Contract:** The failure of the Subrecipient to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
  - a) Terminate the Contract immediately, pursuant to Section K herein;
  - b) Afford the Subrecipient written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
  - c) Discontinue payment to the Subrecipient for and during the period in which the Subrecipient is in breach; and

Offset against any monies billed by the Subrecipient but yet unpaid by the County those monies disallowed pursuant to the above.

**7. Conditions Affecting Work:**

The Subrecipient shall be responsible for taking all steps reasonably necessary, to ascertain the nature and location of the work to be performed under this Contract; and to know the general conditions which can affect the work or the cost thereof. Any failure by the Subrecipient to do so will not relieve Subrecipient from responsibility for successfully performing the work without additional cost to the County. The County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the County are expressly stated in the Contract.

**8. Civil Rights:** Subrecipient attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended, Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and Federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.

**9. Conflict of Interest – Subrecipient’s Personnel:** The Subrecipient shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the County. This obligation shall apply to the Subrecipient; the Subrecipient’s employees, agents, and subcontractors associated with accomplishing work and services hereunder. The Subrecipient’s efforts shall include, but not be limited to establishing precautions to prevent its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers from acting in the best interests of the County.

**10. Conflict of Interest – County Personnel:** The County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. The Subrecipient shall not, during the period of this Contract, employ any County employee for any purpose.

**11. Consulting Contract – Follow-On Work:**

No person, firm, subsidiary or subcontractor of a firm that has been awarded a consulting services contract or a contract which includes a consulting component may be awarded a Contract for the performance of services, the purchase of goods or supplies, or the provision of any other related action which arises from or can reasonably be deemed an end-product of work performed under the initial consulting to consulting-related Contract.

**12. Project Manager, County:**

The County shall appoint a Project Manager to act as liaison between the County and the Subrecipient during the term of this Contract. The County’s Project Manager shall coordinate the activities of the County staff assigned to work with the Subrecipient.

The County’s Project Manager, in consultation and agreement with the County, shall have the right to require the removal and replacement of the Subrecipient’s Project Manager and key personnel. The County’s Project Manager shall notify the Subrecipient in writing of such action. The Subrecipient shall accomplish the removal within three (3) business days after written notice

from the County's Project Manager. The County's Project Manager shall review and approve the appointment of the replacement for the Subrecipient's Project Manager and key personnel. Said approval shall not be unreasonably withheld. The County is not required to provide any additional information, reason or rationale in the event it requires the removal of Subrecipient's Project Manager from providing further services under the Contract.

13. **Subrecipient's Project Manager and Key Personnel:** Subrecipient shall appoint a Project Manager to direct the Subrecipient's efforts in fulfilling Subrecipient's obligations under this Contract. This Project Manager shall be subject to approval by the County and shall not be changed without the written consent of the County's Project Manager, which consent shall not be unreasonably withheld.

The Subrecipient's Project Manager, in consultation and agreement with County, shall be assigned to this project for the duration of the Contract and shall diligently pursue all work and services to meet the project time lines. The County's Project Manager shall have the right to require the removal and replacement of the Subrecipient's Project Manager from providing services to the County under this Contract. The County's Project Manager shall notify the Subrecipient in writing of such action. The Subrecipient shall accomplish the removal within five (5) business days after written notice by the County's Project Manager. The County's Project Manager shall review and approve the appointment of the replacement for the Subrecipient's Project Manager. The County is not required to provide any additional information, reason or rationale in the event it requires the removal of Subrecipient's Project Manager from providing further services under the Contract.

14. **Subrecipient Personnel – Reference Checks:** The Subrecipient warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Subrecipient's employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the agency/department issuing this Contract.
15. **Data – Title To:** All materials, documents, data or information obtained from the County data files or any County medium furnished to the Subrecipient in the performance of this Contract will at all times remain the property of the County. Such data or information may not be used or copied for direct or indirect use by the Subrecipient after completion or termination of this Contract without the express written consent of the County. All materials, documents, data or information, including copies, must be returned to the County at the end of this Contract.
16. **Licenses:** At its own expense, Subrecipient and its subcontractors, if any, shall, at all time during the term of this Contract, maintain in full force and effect such licenses or permits as may be required by the State of California or any other government entity. Subrecipient and his subcontractors, if any, shall strictly adhere to, and obey, all governmental rules and regulations now in effect or as subsequently enacted or modified, as promulgated by any local, State, or Federal governmental entity.

17. **Disputes – Contract:**

- A. The parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Subrecipient's Project Manager and the County's Project Manager, such matter shall be brought to the attention of the Contract Administrator by way of the following process:
1. The Subrecipient shall submit to the agency/department assigned Contract Administrator a written demand for a final decision regarding the disposition of any dispute between the parties arising under, related to, or involving this Contract, unless the County, on its own initiative, has already rendered such a final decision.
  2. The Subrecipient's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, the Subrecipient shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which the Subrecipient believes the County is liable.
- B. Pending the final resolution of any dispute arising under, related to, or involving this Contract, the Subrecipient agrees to diligently proceed with the performance of this Contract, including the delivery of goods and/or provision of services. The Subrecipient's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of the County shall be expressly identified as such, shall be in writing, and shall be signed by the Director. If the County fails to render a decision within 90 days after receipt of the Subrecipient's demand, it shall be deemed a final decision adverse to the Subrecipient's contentions. Nothing in this section shall be construed as affecting the County's right to terminate the Contract for cause or termination for convenience as stated in Section K herein.

18. **EDD Independent Subrecipient Reporting Requirements:** Effective January 1, 2001, the County of Orange is required to file in accordance with subdivision (a) of Section 6041A of the Internal Revenue Code for services received from a "service provider" to whom the County pays \$600 or more or with whom the County enters into a contract for \$600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations.

The term "service provider" is defined in California Unemployment Insurance Code Section 1088.8, Subparagraph B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a contract for services performed for that service recipient within or without the State." The term is further defined by the California Employment Development Department to refer specifically to independent Subrecipients. An independent Subrecipient is defined as "an individual who is not an employee of the ... government entity for California purposes and who receives compensation or executes a contract for services performed for that ... government entity either in or outside of California."

The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.

Additional information on this reporting requirement can be found at the California Employment Development Department web site located at [http://www.edd.ca.gov/Employer\\_Services.htm](http://www.edd.ca.gov/Employer_Services.htm)

19. **Emergency/Declared Disaster Requirements:** In the event of an emergency or if Orange County is declared a disaster area by the County, State or Federal government, this Contract may be subjected to unusual usage. The Subrecipient shall service the County during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions. The pricing quoted by the Subrecipient shall apply to serving the County's needs regardless of the circumstances. If the Subrecipient is unable to supply the goods/services under the terms of the Contract, then the Subrecipient shall provide proof of such disruption and a copy of the invoice for the goods/services from the Subrecipient's supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster shall not be permitted. In the event of an emergency or declared disaster, emergency purchase order numbers will be assigned. All applicable invoices from the Subrecipient shall show both the emergency purchase order number and the Contract number.
20. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Subrecipient shall be complete and shall be carefully checked by the professional(s) identified by Subrecipient as Project Manager and key personnel attached hereto, prior to submission to the County. Subrecipient agrees that County review is discretionary and Subrecipient shall not assume that the County will discover errors and/or omissions. If the County discovers any errors or omissions prior to approving Subrecipient's reports, files and other written documents, the reports, files or documents will be returned to Subrecipient for correction. Should the County or others discover errors or omissions in the reports, files or other written documents submitted by the Subrecipient after County approval thereof, County approval of Subrecipient's reports, files or documents shall not be used as a defense by Subrecipient in any action between the County and Subrecipient, and the reports, files or documents will be returned to Subrecipient for correction.
21. **Non-Supplantation of Funds:**  
Subrecipient shall not supplant any Federal, State, or County funds intended for the purposes of this Contract with any funds made available under this Contract.  
Subrecipient shall not claim reimbursement from County for, or apply sums received from County with respect to, that portion of its obligations which have been paid by another source of revenue. Subrecipient agrees that it shall not use funds received pursuant to this Contract, either directly or indirectly, as a contribution or compensation for the purposes of obtaining Federal, State, or County funds under any Federal, State, or County program without prior written approval from the County.
22. **Satisfactory Work:** Services rendered hereunder are to be performed to the written satisfaction of County. County's staff will interpret all reports and determine the quality, acceptability and progress of the services rendered.

23. **Access and Records:**

- A. County, the State of California and the United States Government and/or their representatives, shall have access, for purposes of monitoring, auditing, and examining, to Subrecipient's activities, books, documents and papers (including computer records and emails) and to records of Subrecipient's subcontractors, consultants, contracted employees, bookkeepers, accountants, employees and participants related to this Contract. Subrecipient shall insert this condition in each Contract between Subrecipient and a subcontractor that is pursuant to this Contract shall require the subcontractor to agree to this condition. Such departments or representatives shall have the right to make excerpts, transcripts and photocopies of such records and to schedule on site monitoring at their discretion. Monitoring activities also may include, but are not limited to, questioning employees and participants and entering any premises or onto any site in which any of the services or activities funded hereunder are conducted or in which any of the records of Subrecipient are kept. Subrecipient shall make available its books, documents, papers, financial records, etc., within three (3) days after receipt of written demand by Director which shall be deemed received upon date of sending. In the event Subrecipient does not make the above referenced documents available within the County of Orange, California, Subrecipient agrees to pay all necessary and reasonable expenses incurred by County, or County's designee, in conducting any audit at the location where said records and books of account are maintained.
- B. Records Retention. All accounting records and evidence pertaining to all costs of Subrecipient and all documents related to this Contract shall be kept available at Subrecipient's office or place of business for the duration of this Contract and thereafter for five (5) years after completion of an audit. Records which relate to: (1) complaints, claims, administrative proceedings or litigation arising out of the performance of this Contract; or (2) costs and expenses of this Contract to which County or any other governmental department takes exception, shall be retained beyond the five (5) years until final resolution or disposition of such appeals, litigation, claims, or exceptions.
- C. Liability. Subrecipient shall pay to County the full amount of County's liability to the State or Federal government or any department thereof resulting from any disallowance or other audit exceptions to the extent that such liability is attributable to Subrecipient's failure to perform under this Contract.
24. **Signature in Counterparts:** The Parties agree that separate copies of this Contract and/or electronic signatures and handwritten signatures may be signed by each of the Parties, and this Contract will have the same force and effect as if the Original had been signed by all the Parties.
25. **Reports/Meetings:** The Subrecipient shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this contract. The County's Project Manager and the Subrecipient's Project Manager will meet on reasonable notice to discuss the Subrecipient's performance and progress under this Contract. If requested, the Subrecipient's Project Manager and other project personnel shall attend all meetings. The Subrecipient shall provide such information that is requested by the County for the purpose of monitoring progress under this Contract.

26. **Subcontracting:** No performance of this Contract or any portion thereof may be subcontracted by the Subrecipient without the express written consent of the County. Any attempt by the Subrecipient to subcontract any performance of this Contract without the express written consent of the County shall be invalid and shall constitute a breach of this Contract.

In the event that the Subrecipient is authorized by the County to subcontract, this Contract shall take precedence over the terms of the Contract between Subrecipient and subcontractor and shall incorporate by reference the terms of this Contract. The County shall look to the Subrecipient for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the County of Orange.

27. **Equal Employment Opportunity:** The Subrecipient shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable State of California regulations as may now exist or be amended in the future. The Subrecipient shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, the Subrecipient will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Subrecipient agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

Regarding Americans with disabilities, Subrecipient agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

28. **Gratuities:** The Subrecipient warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Subrecipient or any agent or representative of the Subrecipient to any officer or employee of the County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the County shall have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the County in procuring on the open market any goods or services which the Subrecipient agreed to supply shall be borne and paid for by the Subrecipient. The rights and remedies of the County provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

29. **News/Information Release:** The Subrecipient agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the County through the County's Project Manager.
30. **Notices:** Any and all notices, requests, demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the Parties routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

For County:

OC Community Resources  
Housing and Community Development  
Project Manager  
1501 East St. Andrew Place, 1<sup>st</sup> Floor  
Santa Ana, CA 92705-4930

OC Community Resources  
Contract Development and Management  
Contract Administrator  
601 N. Ross St., 6<sup>th</sup> Floor  
Santa Ana, CA 92701

For Subrecipient:

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

31. **Ownership of Documents:** The County has permanent ownership of all directly connected and derivative materials produced under this Contract by the Subrecipient. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the County and may be used by the County as it may require without additional cost to the County. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the Subrecipient without the express written consent of the County.
32. **Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the exhibits and attachments.
33. **Termination – Orderly:** After receipt of a termination notice from the County of Orange, the Subrecipient may submit to the County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than 60 days from the effective date of the termination,

unless one or more extensions in writing are granted by the County upon written request of the Subrecipient. Upon termination County agrees to pay the Subrecipient for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract.

**34. County Branding Requirements – Publicity, Literature, Advertisement and Social Media:**

- A. County owns all rights to the name, logos, and symbols of County. The use and/or reproduction of County’s name, logos, or symbols for any purpose, including commercial advertisement, promotional purposes, announcements, displays, or press releases, without County’s prior written consent is expressly prohibited.
  
- B. Contractor may develop and publish information related to this Contract where all of the following conditions are satisfied:
  - 1. Contract Administrator/assigned Deputy Purchasing Agent provides its written approval of the content and publication of the information at least 30 days prior to Contractor publishing the information, unless a different timeframe for approval is agreed upon by the Contract Administrator/assigned Deputy Purchasing Agent;
  - 2. Unless directed otherwise by Contract Administrator/assigned Deputy Purchasing Agent, the information includes a statement that the program, wholly or in part, is funded through County, State and Federal government funds [funds identified as applicable];
  - 3. The information does not give the appearance that the County, its officers, employees, or agencies endorse:
    - a. any commercial product or service; and,
    - b. any product or service provided by Contractor, unless approved in writing by Contract Administrator/assigned Deputy Purchasing Agent; and,
  
  - 4. If Contractor uses social media (such as Facebook, Twitter, YouTube or other publicly available social media sites) to publish information related to this Contract, Contractor shall develop social media policies and procedures and have them available to the Contract Administrator/assigned Deputy Purchasing Agent. Contractor shall comply with County Social Media Use Policy and Procedures as they pertain to any social media developed in support of the services described within this Contract. The policy is available on the Internet at <http://www.ocgov.com/gov/ceo/cio/govpolicies>.

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**Program Specific Terms and Conditions:**

35. **Debarment:** Subrecipient certifies that it is not debarred or suspended or otherwise excluded from or ineligible for participation in Federal/State assistance programs in accordance with 29 CFR Part 98, a copy of Debarment and Suspension Certificate which is attached hereto as Exhibit 3 is incorporated herein by this reference.
36. **Lobbying:**
- A. Subrecipient shall complete and immediately forward to the County the “Disclosure of Lobbying Activities,” a copy of which is attached hereto as Exhibit 4 and incorporated herein by this reference, if subrecipient, or any person, firm or corporation acting on Subrecipient’s behalf, engaged or engages in lobbying any federal/state office, employee, elected official or agency with respect to this Contract or funds to be received by subrecipient pursuant to this Contract.
  - B. Subrecipient agrees that the funds provided herein shall not be used to promote, directly or indirectly, any political party, political candidate or political activity, except as permitted by law a copy of Certification Regarding Lobbying which is attached hereto as Exhibit 5 is incorporated herein by this reference
37. **Fraud:** Subrecipient shall immediately report all suspected or known instances and facts concerning possible fraud, abuse or criminal activity under this Contract. Subrecipient shall inform staff and the general public of how to report fraud, waste or abuse through appropriate postings of incident reporting notice. The County’s Anti-Fraud Program can be accessed through: <http://ocgov.com/gov/risk/programs/antifraud>.
38. **Fiscal Appropriations:** This Contract is subject to and contingent upon available local, state, and/or federal funds and applicable budgetary appropriations being approved by the County of Orange Board of Supervisors for each fiscal year during the term of this Contract. If such appropriations are not approved, the Contract will be terminated, without penalty to the County.
39. **Fiscal Accountability:**
- A. Financial Management System: Subrecipient shall establish and maintain a sound financial management system, based upon generally accepted accounting principles. Subrecipient’s system shall provide fiscal control and accounting procedures that will include the following:
    - i. Information pertaining to the line items as identified in Attachment C to this Contract;
    - ii. Source documentation to support accounting records; and
    - iii. Proper charging of costs and cost allocation.
  - B. Subrecipient’s Record: Subrecipient’s records shall be sufficient to:
    - i. Permit preparation of required reports;
    - ii. Permit tracking of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions on the use of such funds;

- iii. Permit the tracking of program income, or profits earned, and any costs incurred (such as stand-in costs) that are otherwise allowable except for; and
- iv. Permit tracking and reporting of leveraging as required.

C. **Costs Charged:** Cost shall be charged to this Contract only in accordance with the County and other requirements as required by funding source(s).

D. A Local government that receives an allocation shall use no more than five percent of the allocation for costs related to the administration of the Activity(ies) for which the allocation was made. Staff and overhead costs directly related to carrying out the eligible activities described in Section 301 are “activity costs” and not subject to the cap on “administrative costs.” A Local government may share any funds available for administrative costs with entities that are administering its allocation.

40. **Performance Standards:** Subrecipient shall comply with and adhere to the performance accountability standards as described in this Contract and applicable regulations and the activity levels to be utilized by County for program evaluation and monitoring included, but not limited to those listed in the Attachment E-Performance Standards attached hereto and incorporated herein by reference.

41. **Budget Schedule:** Subrecipient agrees that the expenditures of any and all funds under this Contract will be in accordance with the Budget Schedule, a copy of which is attached hereto as Attachment C, and which by this reference is incorporated herein and made a part hereof as if fully set forth.

42. **Payment Requirements:**

If funding levels are significantly affected by state or federal budget and funds are not allocated and available for the continuance of the function performed by Subrecipient, the Contract may be terminated by the County at the end of the period for which funds are available. The County shall notify Subrecipient at the earliest possible time of any service, which will or may be affected by a shortage of funds. No penalty shall accrue to the County in the event this provision is exercised and the County shall not be obligated nor liable for any damages as a result of termination under this provision of this Contract, and nothing herein shall be construed as obligating the County to expend or as involving the County in any Contract or other obligation for future payment of money in excess of appropriations authorized by law.

A. **Contract Amount:** It is expressly agreed and understood that the total amount to be paid by County under this Contract shall not exceed the total County funding as set forth in Attachment B-Payment/Compensation to Subrecipient attached hereto and incorporated herein by reference.

B. County will reclaim any unused balance of funds for reallocation to other County approved projects upon approval by State HCD.

C. **Payment of Project Activities:**

1. **Payment of Project Activities:** County will reimburse Subrecipient for eligible project-related costs only. Subrecipient shall submit requests for reimbursement to County on a quarterly basis beginning the end of the first quarter after execution of the contract and must provide adequate documentation as required by County

in accordance with the OC Community Resources Contract Reimbursement Policy, as set forth in Exhibit 1, attached hereto and incorporated herein by reference. Failure to provide any of the required documentation and reporting will cause County to withhold all or a portion of a request for reimbursement, or return the entire reimbursement package to Subrecipient, until such documentation and reporting has been received and approved by County.

2. If Subrecipient has no request for reimbursement by a specific milestone, as specified in Attachment E , an explanation as to why no invoices were being processed, shall be required in lieu of a request for reimbursement.
3. The following “Required Expenditure/Accomplishment Threshold” criteria have been established to guide the Subrecipient in structuring and scheduling their expenditure of funds received through this Contract, through the term of Contract. The criteria thresholds are consistent with the criteria used by OC Community Resources to determine performance including, but not limited to, determinations of future award of funds, additional funding requests and/or determinations for the recapture of funding.

<u>*Milestone Date</u>	<u>Minimum Required Expenditure/Accomplishment Threshold</u>
<u>December 31, 2021</u>	<u>25% of Contracted Amount Expended</u>
<u>June 30, 2022</u>	<u>50% of Contracted Amount Expended</u>
<u>December 31, 2022</u>	<u>75% of Contracted Amount Expended</u>
<u>June 30, 2023</u>	<u>100% of Contracted Amount Expended</u>

Failure to achieve at least the aforementioned 50% drawdown, without extenuating circumstances, may cause any remaining balance in this Contract to be reclaimed by County, and will negatively affect future funding to Subrecipient. Failure to achieve the aforementioned 75% drawdown goal, without written exception approved by the Director, may cause any remaining balance in this Contract to be reclaimed by County, and will impact future funding to Subrecipient.

4. At any time in advance of the expiration date, once Subrecipient has submitted reimbursement requests and received County approval for payment of the total amount of this contract, Subrecipient will have thirty (30) days to submit a close out report. Submission of quarterly reports will no longer be required.
5. At the expiration date, Subrecipient will have thirty (30) days following the expiration of the Contract to submit outstanding invoices for reimbursement of eligible costs incurred during the Contract period as well as a close out report. After the thirty (30) day period for submitting invoices has expired, County shall reallocate the remaining balance under this Contract for other program purposes and Subrecipient shall be ineligible for any further reimbursement.

- D. Funds shall not be disbursed for any costs incurred prior to the certification by County of Certificate(s) of Insurance as further defined in Paragraph O “Insurance Requirements” of this Contract.
- E. Eligible costs related to services provided by Subrecipient must be incurred during the period beginning upon execution of the contract by both Parties. The Project shall be completed, and all funds provided through this Contract shall be expended on eligible Project activities through and including one year after execution of the Contract.
  - 1. Contract Extension (No Cost Extension)
    - a. The term of this Contract and the provisions herein may be extended to cover an additional time period as specified herein.
    - b. The date for Project completion, the term of the Contract, and expenditure of all funds may be extended by the Director without further action by the Board as identified in County policy. Subrecipient must notify the Director in writing 45 days prior to the Contract expiration date to request an extension. For all extensions, the deadline for submittal of invoices shall be thirty (30) days after the new expiration date.
    - c. Contract extension provisions are not applicable to program administration activities.

43. **Modification of Budget:** Upon written approval of County, Subrecipient shall have the authority to transfer allocated program funds from one category of the overall program Budget to another category of the overall Budget. No such transfer may be made without the express prior written approval of County. A modification of the Budget may include the addition of any new Budget category.

44. **Annual Audit:** If Subrecipient expends Federal/State funds in a fiscal year which equal or exceed \$750,000 (seven hundred fifty thousand dollars) as specified in 2 CFR Part 200.500-Subpart F-Audit Requirements, Subrecipient shall cause an audit to be prepared by a Certified Public Accountant (“CPA”) who is a member in good standing with the American Institute of Certified Public Accountants (“AICPA”) of the California Society of CPA’s. The audit must be performed annually in accordance with Generally Accepted Auditing Standards (“GAAS”) authorized by the AICPA and Federal laws and regulations governing the programs in which it participates.

Furthermore, County retains the right to require Subrecipient to submit similarly prepared audit at Subrecipient’s expense even in instances when Subrecipient’s expenditure is less than \$750,000. Subrecipient will be required to identify corrective action taken in response to any findings identified by CPA related to their funded activity or program.

Subrecipient will ensure an annual financial audit is performed in compliance with the Federal Single Audit Act and will submit two (2) copies of such audit report, including a copy of the management letter, to County within six (6) months of the end of each Contract year in which Subrecipient has received federal/state funding (i.e., July 1 – June 30). Failure to meet this requirement may result in County denying reimbursement of funds to Subrecipient, as well as future funding qualification. Subrecipients, which are exempt from statutory audit requirements, shall maintain records, which are available for review by County, State or Federal officials.

Subrecipient acknowledges that any and all “Financial Statements” submitted to County pursuant to this Contract become public records and are subject to public inspection pursuant to the California Public Records Act (Section 6250 et seq. of the California Government).

If a financial audit is required by the County, the audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 24 CFR 85.36.

- A. The Contractor shall notify the County of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by the Department to the independent auditor's working papers.
- B. The Contractor is responsible for the completion of audits and all costs of preparing audits.
- C. If there are audit findings, the Contractor must submit a detailed response acceptable to the Department for each audit finding within ninety (90) days from the date of the audit finding report.

45. **Drug Free Workplace:** Subrecipient shall execute and abide by the Drug Free Workplace Certification attached hereto as Exhibit 2 and incorporated herein by this reference.

46. **D-U-N-S Number and Related Information:** D-U-N-S Number: A unique, non-indicative 9-digit identifier issued and maintained by the Dun & Bradstreet (D&B) that verifies the existence of a business entity. The D-U-N-S number is needed to coordinate with the System for Award Management (SAM) that combines federal procurement systems and the Catalog of Federal Domestic Assistance into one new system. <https://www.SAM.gov>

The D-U-N-S Number must be provided to County prior to the execution of this Contract. Subrecipient shall ensure all D-U-N-S information is up to date and the D-U-N-S number status is “active,” prior to execution of this Contract. If County cannot access the Subrecipient’s DUNS information related to this federal sub award on the Federal Funding Accountability and Transparency Act Sub Award Reporting System (SAM.GOV) due to errors in the Subrecipient’s data entry for its D-U-N-S number, the Subrecipient must immediately update the information as required.

If County cannot access the Subrecipient’s D-U-N-S information related to this federal sub award on the Federal Funding Accounting and Transparency Act Sub Award Reporting System (SAM.GOV) due to errors in the Subrecipient’s data entry for its D-U-N-S number, the Subrecipient must immediately update the information as required.

The County reserves the right to verify and validate any information prior to contract award and during the entire term of the Contract.

47. **Program Income:**

- A. Subrecipient shall comply with regulations, as well as all applicable State or County regulations concerning the reporting and payment procedures for program income.
- B. Definition: “Program Income” means, as provided by 24 CFR § 570.504, gross income received by the Subrecipient directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.
- C. Use: The Subrecipient shall use all income received from said funds only for the same purposes for which said funds may be expended pursuant to the terms and conditions of this Contract.

**48. Performance:**

- A. Subrecipient shall provide the oversight, administration, and project management necessary to accomplish all contracted activities in a timely manner. Subrecipient also agrees to comply with all applicable Federal, State, and local laws and regulations governing the funds provided under this Contract.
- B. The following “Performance Threshold” criteria shall be used to assess the level of performance of the Subrecipient, including Attachment A — Scope of Services, attached hereto and incorporated herein by reference. Furthermore, the criteria will be considered by OC Community Resources when determining future funding. In order to be considered in compliance with the performance threshold criteria, the Subrecipient must, on or before the required milestone date, submit to OC Community Resources a request for reimbursement which demonstrates that Subrecipient has expended funds and met their proposed accomplishment goals at the required levels, unless exempted in writing by the County.
- C. Should the activity being funded through this Contract be completed, cancelled or terminated prior to the termination date set forth herein in Paragraph 2 “Term of Contract,” or if funds allocated through this Contract are fully expended, prior to end of Contract term, Subrecipient must continue to serve its clients for the entire term of this Contract.

**49. Performance Monitoring:**

- A. Performance Monitoring of Subrecipient by County, and/or State of California shall consist of requested and/or required written reporting, as well as onsite monitoring by County, or State of California representatives.
- B. County shall periodically evaluate Subrecipient’s progress in complying with the terms of this Contract. Subrecipient shall cooperate fully during such monitoring. County shall report the findings of each monitoring to Subrecipient.
- C. County shall monitor the performance of Subrecipient against the goals, outcomes, milestones and performance standards required herein. Substandard performance, as determined by County, will constitute non-compliance with this Contract for which

County may immediately terminate the Contract. If action to correct such substandard performance is not taken by Subrecipient within the time period specified by County, payment(s) will be denied in accordance with the provisions contained in this Paragraph 47 of this Contract.

50. **Administrative and Related Requirements:** Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

Subrecipient must comply with all federal requirements as it pertains for 24 CFR Parts 91 and 570. Subrecipient acknowledges that administration of its operation and services are subject to the requirements as established in 2 CFR Part 200, et al. Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR § 200.318-326.

**A. Financial Management:**

1. Accounting Standards

Subrecipient agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles:

The Subrecipient shall administer its program in conformance with 2 CFR Part 200, et al; (and if Subrecipient is a governmental or quasi-governmental agency, the applicable sections of 24 CFR 85, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,”) as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

**B. Documentation and Record Keeping**

1. Records to be Maintained

Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Contract. Such records shall include, but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records required to determine the eligibility of activities;
- c. Records required to document the acquisition, improvement, use, and/or disposition of real property acquired or improved with PLHA assistance;
- d. Records documenting compliance with the fair housing and equal

opportunity components in compliance with PLHA program and Health and Safety Code Section 35810; and Financial records as required by federal regulations 24 CFR 570.502, and 24 CFR 84.21-28.

2. Retention

Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to this Contract for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HCD in which the activities assisted under the Contract are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

a. Subrecipient shall maintain client data demonstrating client eligibility for services provided for a period of five (5) years after the termination of all activities funded under this Contract, or after the resolution of all Federal audit finding, whichever occurs later. Such data shall be consistent and include, but not limited to, client name, address, verifiable income level (as documented by income tax returns, employee payroll records, retirement statements, etc. or other third party documentation acceptable to County, for determining eligibility), and description of service provided. Such information shall be made available to HCD representatives, County monitors, or their designees, for review upon request.

b. Subrecipient shall develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the subject program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

4. Disclosure

Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.

5. Close-Outs

Subrecipient's obligation to County shall not end until all close-out requirements are completed. Activities during this close-out period shall be completed in accordance with federal and State regulations and shall include, but are not limited to: making final payments; submitting final invoice(s), report(s), in accordance

with the requirements of Paragraph 49, and documentation; disposing of program assets (including the return to County of all unused materials and equipment); and accounts receivable to County, and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Contract shall remain in effect during any period that the Subrecipient has control over PLHA funds.

C. **Personnel & Participation Conditions**

1. **Civil Rights**

Compliance

Subrecipient agrees to comply with California Civil Rights Act Ordinances and Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246, as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. **Nondiscrimination in Employment and Contracting**

Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279, including 24 CFR Part 8, 24 CFR 570.602 and Section 504 of Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, Executive Order 11063. The applicable non-discrimination provisions in Section 109 of the Housing and Community Development Act (HCDA) are still applicable.

3. **Affirmative Action:**

Subrecipient agrees that it shall be committed to carry out an Affirmative Action Program that encompasses that principals provided in President's Executive Order 11246, as revised on January 4, 2002.

4. **Americans with Disabilities Act:**

Subrecipient agrees to comply with Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 2, Title 22: California Government Code, Sections 11135, et seq; and other federal and state laws and executive orders prohibit discrimination. All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities.

5. **Drug-Free Workplace:**

The Subrecipient hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace as set forth in Exhibit 2, attached hereto and incorporated herein by reference. The Subrecipient will:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and

specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

- b. Establish a drug-free awareness program as required by Government Code Section 8355(b) to inform employees about all of the following:
  - i. The dangers of drug abuse in the workplace;
  - ii. The Subrecipient's policy of maintaining a drug free workplace;
  - iii. Any available counseling, rehabilitation, and employee assistance programs; and
  - iv. Penalties that may be imposed upon employees for drug abuse violations.
- c. Provide as required by Government Code Section 8355(c) that every employee who works under this Contract:
  - i. Will receive a copy of the company's drug-free policy statement; and
  - ii. Will agree to abide by the terms of the company's statement as a condition of employment under this Contract.  
Failure to comply with these requirements may result in suspension of payments under the contract or termination of the contract or both, and the Subrecipient may be ineligible for award of any future County contracts if the County determines that any of the following has occurred:
  - iii. The Subrecipient has made false certification, or
  - iv. The Subrecipient violates the certification by failing to carry out the requirements as noted above.

6. **Anti-Lobbying:**

Subrecipient certifies that it will comply with federal law (31 U.S.C. 1352) and regulations found at 24 CFR Part 87, which provide that:

- a. No federal/state appropriated funds will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of any federal/state contract, the making of any federal/state grant, the making of any Federal/State loan, the entering into of any Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or Cooperative Agreement; and
- b. Subrecipient shall include subject anti-lobbying certification in award documents for all sub-Subrecipients at all tiers (including sub-subcontracts, sub-subgrants, and contract under grants, loans, and Cooperative Agreements) and that all sub-Subrecipients shall certify and disclose accordingly.

7. **Employment Restrictions:**

a. **Prohibited Activity:**

Subrecipient is prohibited from using funds provided herein, or personnel employed in the administration of the program, for: political activities,

sectarian or religious activities, lobbying, political patronage, and nepotism activities.

b. **OSHA:**

Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participants' health or safety.

c. **Employee Rights**

i. **Federal Minimum Wage**

Subrecipient must follow the Fair Labor Standards Act (FLSA), as it currently exists and it may be amended, which sets basic minimum wage and overtime pay standards. These standards are enforced by The United States Department of Wage and Hour Division under Department's Wage and Hour Division. The Federal minimum wage provisions are contained in the FLSA. Many states also have minimum wage laws. In cases where an employee is subject to both state and federal minimum wage laws, the employee is entitled to the higher minimum wage.

d. **California Minimum Wage**

i. Subrecipient must follow the California enacted legislation signed by the Governor of California, raising the minimum wage for all industries (MW-2007). (AB 1835, CH230, Stats of 2006, adding sections 1182.12 and 1182.13 to the California Labor Code.) Pursuant to its authority under Labor Code section 1182.13, the Department of Industrial Relations amends and republishes Sections, 1, 2, 3, and 5 of the General Minimum Wage Order. MW-2001, Section 4, Separability, has not been changed. Consistent with this enactment, amendments are made to the minimum wage, and the meals and lodging credits sections of all of the IWC's industry and occupation orders. This summary must be made available to employees in accordance with the IWC's wage orders. Copies of the full text of the amended wage orders may be obtained by ordering on-line at [www.dir.ca.gov/WP.asp](http://www.dir.ca.gov/WP.asp) or by contacting your local Division of Labor Standards Enforcement office.

e. **Hatch Act:**

Subrecipient agrees that no funds provided, nor personnel employed under this Contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of the Hatch Act, 5 U.S.C. Section 1501 et seq. and Chapter 15 of Title V of the U.S.C.

f. **Religious Organization/Activities:**

In accordance with 24 CFR 570.200(j), Subrecipient shall not discriminate against faith-based organizations in administering its federal HUD and state HCD activities. Subrecipient agrees that funds provided under this Contract will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization or to promote religious interest, or for the benefit of a religious organization.

8. **Labor Standards**

- a. Subrecipient agrees to contact County no less than fourteen (14) days prior to the Pre-Construction Meeting date to seek consultation regarding application of requirements per federal labor standards regulations or Davis-Bacon related Acts.
- b. Subrecipient will comply with Davis-Bacon Act and/or State Prevailing Wage requirements, when applicable.
- c. Subrecipient agrees to comply with all applicable requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, the provisions of Contract Work Hours and Safety Standards Act, the Copeland “Anti-Kickback” Act (40 U.S.C. 276, 327-333), and all other applicable Federal, State and local laws and regulations pertaining to labor standards. Subrecipient shall maintain all applicable documentation, which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to County for review upon request.
- d. Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) units, all Subrecipients engaged in contracts of \$2,000.00 or more for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Contract, shall comply with all applicable federal requirements including Department of Labor regulations, under 29 CFR, Parts 3, 1, 5, 7 and 1926 governing the payment of wages and ratio of apprentices and trainees to journeymen. Nothing hereunder is intended to relieve
- e. Subrecipient of its obligation, if any, to require payment of the higher rate under state or local laws Subrecipient shall insert provisions meeting the requirements of this Paragraph in all such Contracts.

In cases where the Davis-Bacon Act applies, Subrecipient agrees to submit the Construction Bid Package for this project to County for modification, Subrecipient shall construct project in accordance with the approved Construction Bid Package.

9. **California Labor Code Compliance**

- a. Prevailing Wage laws apply, Subrecipient hereby agrees to pay, or cause its subcontractors to pay, Prevailing Wage rates at all times for all construction, improvements, or modifications to be completed for County under this Contract. Subrecipient herein agrees that Subrecipient shall post, or cause to be posted, a copy of the most current, applicable Prevailing Wage rates at the site where the construction, improvements, or modifications are performed.
- b. Payroll Records  
Subrecipient agrees that:  
Certified copies of all payroll records for this project shall be required pursuant to the provisions of California Labor Code “Section 1776”. The

reporting format and words of certification shall be as indicated in Title 8 of the California Code of Regulations, Section 16401.

Certified copies of the payroll records of all subcontractors working on this project are required. It shall be the responsibility of the prime contractor to ensure subcontractor compliance.

Certified copies of all payroll records shall be submitted on a weekly basis to County through the duration of this Contract.

Subrecipient acknowledges that failure to comply with Section 1776 may result in a forfeiture of one hundred dollars (\$100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated, and it should be recognized that a contractor or subcontractor, or agent or representative thereof who neglects to comply is guilty of a misdemeanor pursuant to California Labor Code Section 1777.

10. **Economic Opportunities**

**Compliance**

Subrecipient agrees to abide by the provisions of OMB Circulars 102 and 110, as applicable, 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract.

Subrecipient further covenants that in the performance of this Contract no person having such a financial interest shall be employed or retained by Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of County or Subrecipient, or any designated public agencies which are receiving funds under the PLHA Program.

11. **Environmental Conditions:**

Subrecipient shall comply with HUD Environmental Review under HUD regulations at 24 CFR 58 et seq., which implement the National Environmental Policy Act (NEPA); and, the California Environmental Quality Act (CEQA). No costs shall be incurred and no funds shall be disbursed prior to certification by County and/or HUD of environmental compliance.

Subrecipient shall incur no costs for any project-related activity defined in Subrecipient Scope of Services and County shall not disburse funds prior to certification by County and/or HUD for environmental compliance.

Subrecipient shall provide requested material to County for the Environmental Review process required by applicable regulations.

a. **Air and Water:**

Subrecipient agrees to comply with the following regulations in so far as they apply to the performance of this Contract:

Clean Air Act, 42 U.S.C., 1857, et seq.

Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR 50 and 40 CFR 58.

**b. Flood Disaster Protection:**

Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973, including as applicable any regulations set forth in 24 CFR 55, (implementing Executive Order 11988) in regard to the sale, lease or other transfer of land acquired, cleared, or improved under the terms of this Contract, as it may apply to the provisions of this Contract.

**c. Lead-Based Paint:**

Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR 35, particularly, 24 CFR 35.100 through 35.175. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified with the “Protect Your Family From Lead In Your Home” publication, found at <http://www.epa.gov/lead> that such properties may include lead-based paint.

**d. Historic Preservation:**

Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR 800, Protection of Historic Properties, insofar as they apply to the performance of this Contract.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or local historic property list.

**e. Energy Efficiency Standards:**

Subrecipient agrees to comply with the California Energy Commission Assembly Bill 970, Title 24, Part I of the California Code of Regulations (AB970: Building Efficiency Energy Standards), in regard to construction and property development, when applicable.

**f. Property Records:**

Subrecipient shall maintain real property inventory records, which clearly identify properties purchased, improved, or sold. Properties retained shall continue to meet eligibility criteria, rental limitations, health, safety and building codes, etc., and shall conform to federal and state regulations.

**g. Equipment:**

Subrecipient shall use, manage and dispose of equipment in accordance with federal and state regulations.

**h. Subcontracts:**

i. Subrecipient acknowledges and agrees to only subcontract with licensed general contractors that are in good standing with the Contractor’s License Board and/or non-profit service providers that do not appear on the federal disbarment list.

ii. Subrecipient shall submit all subcontract agreements to County for

review and consent at Subcontractor's earliest convenience, or no later the first reimbursement request.. For construction subcontracts, Subrecipient shall submit the Construction Bid Package to County for review and written approval by Director or designee prior to advertising for bids and award for the construction contract. Subrecipient shall construct Project in accordance with the Construction Bid Package, which Director approved, unless prior written approval is received from Director for modification thereof.

- iii. Subrecipient shall assume responsibility for all subcontracted services to assure Contract compliance.
- iv. Subrecipient shall cause all of the provisions of this Contract in entirety to be included in and made a part of any subcontract executed in the performance of this Contract.
- v. Subrecipient shall monitor all subcontracted services on a quarterly basis to assure Contract compliance. Results of said monitoring efforts shall be summarized in written form, and supported with documented evidence of follow-up actions(s) to correct any area(s) of Contract non-compliance. Documentation shall be made available for periodic monitoring by representatives of County and/or HCD.
- i. **Fair Housing:**  
Subrecipient shall affirmatively further fair housing in accordance with 24 CFR 570. Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funded sub-recipients. The Subrecipient has a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act, along with all applicable State & Federal requirements.
- j. **Grantor Recognition:**  
Subrecipient shall insure recognition of the role of the County in providing services through this Contract. All activities, facilities and items utilized pursuant to this Contract shall be prominently labeled as to funding source. In addition, Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Contract. Subrecipient will retain documentation of such recognition, which shall be available for periodic monitoring by representatives of County or HCD.
- k. **Rehabilitation Act:**  
Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped in any federally assisted program. County shall provide Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Contract.

**49. Definitions:**

For the purposes of this Contract the following definitions shall apply:

- A. OC Community Resources (OCCR): Designated as the Lead for the development and implementation of County of Orange Urban County Program's Consolidated Plan.
- B. Director: Director of OC Community Resources, or designee.
- C. OC Community Resources Contract Reimbursement Policy: A County document setting policies regarding types of documentation required to support the costs incurred and paid (including but not limited to copies of paid invoices, certified payroll registers, bank statements, etc.)
- D. Permanent Local Housing Allocation (PLHA) Program: This Program that provides a permanent source of funding to all local governments in California to help cities and counties implement plans to increase the affordable housing stock. Funding for the Program comes from the [Building Homes and Jobs Act](#) (SB 2, 2017), which established a \$75 recording fee on real estate documents to increase the supply of affordable homes in California.
- E. Project: Any site or sites, including buildings, and/or activities assisted with PLHA program funds.
- F. OMB: Federal Office of Management and Budget.
- G. Continuum of Care: An Orange County group composed of representatives of relevant organizations that serve homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of services to address the various needs of homeless persons and persons at risk of homelessness.
- H. Homeless Management Information System (HMIS): The information system designated by the Continuum of Care to comply with HUD's data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. (24 CFR Part 580)
- I. Equipment: Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.
- J. PLHA 5-Year Plan Amendment: The following criteria will be used by the County – if any one criteria applies, a substantial amendment will be required:
  - i. A new activity not previously listed and described in the Consolidated Plan/Annual Action Plan;
  - ii. When a proposal is made to amend the description of an existing activity in such a way that the newly described purpose, scope, or beneficiaries

differ significantly from the original activity's purpose, scope, or beneficiaries and change is contract amount of more than 10% of the total PLHA budget; and/or

- iii. An increase in the amount of Federal Community Planning Development and/or local funds allocated to an existing activity when the following apply:
  - a. An increase in funding for a public service activity in an amount that is consistent with County policy; or
  - b. An increase in the funding for public facility improvements/housing rehabilitation in an amount that is consistent with County policy.

- K. Construction Bid Package: A package of bidding documents which includes the proposal, bidding instructions, Contract documents, detailed estimated costs, and plans and specifications for a construction project, all prepared in accordance with applicable Federal regulations.
- L. Program Administration: An activity relating to the general management, oversight and coordination of community development programs. Costs directly related to carrying out eligible activities are not included.

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**Signature Page**

**IN WITNESS WHEREOF**, the Parties hereto certify that they have read and understand all the terms and conditions contained herein and have hereby cause this Contract to be executed.

**\*City of Laguna Woods**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

\*For Subrecipients that are corporations, signature requirements are as follows: 1) One signature by the Chairman of the Board, the President or any Vice President; and 2) One signature by the secretary, any Assistant secretary, the Chief Financial Officer or an Assistant Treasurer.

For Subrecipients that are not corporations, the person who has authority to bind the Subrecipient to a contract, must sign on one of the lines above.

\*\*\*\*\*

**COUNTY OF ORANGE**  
A Political Subdivision of the State of California

By: \_\_\_\_\_

Dated: \_\_\_\_\_

Dylan Wright, Director  
OC Community Resources



**SCOPE OF SERVICES  
ACCESSIBILITY IMPROVEMENTS**

**1. Scope of Services**

- A. HCD Code Section / Activity:  
HSC § 50470 subdivision (b)(2)(D)(vii) / Accessibility improvements in Lower-income Owner-occupied housing.
  
- B. Project Title:  
ACCESSIBILITY IMPROVEMENT REIMBURSEMENT PROGRAM
  
- C. Program Description:  
The Subrecipient will use Permanent Local Housing Allocation (PLHA) funds to implement an owner-occupied Accessibility Improvement Reimbursement Program (the "Program") for seniors whose household income is at or below sixty percent (60%) of Area Median Income (AMI) adjusted for household size. For cooperative units, "owner" means the person or persons named on the Certificate of Membership with the housing cooperative under the terms of which members are entitled to possession of their respective housing. The Program provides grants to income-qualified, senior homeowners who make eligible accessibility improvements inside their homes. The maximum grant amount per household per 12-month period is \$5,000, subject to the availability of PLHA funds. This will allow the Subrecipient to provide grants to eight (8) households using state funds.
  
- D. Project Need:  
Permanent Local Housing Allocation (PLHA) funds will provide resources for the Subrecipient's owner-occupied Accessibility Improvement Reimbursement Program (the "Program"). The Program provides grants to income-qualified, senior homeowners, whose household income is at or below sixty percent (60%) of Area Median Income (AMI) adjusted for household size, to make eligible accessibility improvements inside their homes. The Program will assist with making accessibility improvements to reduce fall risk and to help seniors be able to age in place and remain independent in their homes.
  
- E. Accessibility Improvements:

- The accessibility improvements will be reimbursed by the County after work has been completed and verified by the City
- Expenditures that qualify for reimbursement are as follows:
  - Installation of grab bars,
  - Widening of doorways,
  - Installation of ramps,
  - Installation of electric wheelchair lifts
  - Other accessibility improvements subject to a determination of eligibility by County staff

F. Program Goals:

<u>Activity</u>	<u>Outputs</u>
Accessibility Improvements	Households Served

Outcomes  
8 Eligible Households



**COMPENSATION/PAYMENT  
ACCESSIBILITY IMPROVEMENTS**

1. **COMPENSATION:**

This is a Contract between the County and the Subrecipient for **\$32,942** as set forth in Attachment A. Scope of Services attached hereto and incorporated herein by reference. The Subrecipient agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Subrecipient of all its duties and obligations hereunder. The County shall have no obligation to pay any sum in excess of the total Contract amount specified unless authorized by an amendment in accordance with paragraphs C and P of the County's General Terms and Conditions.

2. **FIRM DISCOUNT AND PRICING STRUCTURE:**

Subrecipient guarantees that prices quoted are equal to or less than prices quoted to any other local, state or federal government entity for services of equal or lesser scope. Subrecipient agrees that no price increases shall be passed along to the County during the term of this Contract not otherwise specified and provided for within this Contract.

3. **PAYMENT TERMS:**

An invoice for services/activities shall be submitted to the address specified below upon the completion of the services/activities and approval of the County Project Manager. Subrecipient shall reference Contract number on invoice. Payment will be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by OC Community Resources and subject to routine processing requirements of the County. The responsibility for providing an acceptable invoice rests with the Subrecipient.

Billing shall cover services not previously invoiced. The Subrecipient shall reimburse the County of Orange for any monies paid to the Subrecipient for services not provided or when services do not meet the Contract requirements.

Payments made by the County shall not preclude the right of the County from thereafter disputing any items or services involved or billed under this Contract and shall not be construed as acceptance of any part of the services.

Invoice(s) are to be sent to:

OC Community Resources Accounting  
601 N Ross St., 6<sup>th</sup> Floor  
Santa Ana, CA 92701

4. **INVOICING INSTRUCTIONS:**

Further instructions regarding invoicing/reimbursement as set forth in Exhibit 1 OC Community Resources Contract Reimbursement Policy, are attached hereto and incorporated herein by reference.

The Contractor will provide an invoice on Contractor's letterhead for services rendered. Each invoice will have a number and will include the following information:

The Demand Letter/Invoice must include Delivery Order (DO) Number, Contract Number, and Service Date(s) – Month of Service along with other required documentation (See Exhibit 1).

5. **OC COMMUNITY RESOURCES CONTRACT REIMBURSEMENT POLICY:**

Further instructions regarding invoicing/reimbursements as set forth in Exhibit 1 OC Community Resources Contract Reimbursement Policy, are attached hereto and incorporated herein by reference.



**BUDGET  
ACCESSIBILITY IMPROVEMENTS**

**1. Subrecipient’s Budget**

A. Administration and Project Cost Proposal

Project Cost Budget Chart City of Laguna Woods – Owner-Occupied Accessibility Improvement Reimbursement Program			
Project Costs/Activity	Urban County Funds	Leveraged Resources	Total
Design/Project Development	N/A	N/A	N/A
Acquisition	N/A	N/A	N/A
Construction	N/A	N/A	N/A
ADA Improvements	\$32,942	\$0	\$32,942
<b>Total Project Cost</b>	<b>\$32,942</b>	<b>\$0</b>	<b>\$32,942</b>

B. Detailed Project Cost Budget Description

The agreement will provide funding for the owner-occupied Accessibility Improvement Reimbursement Program (the “Program”). For cooperative units, “owner” means the person or persons named on the Certificate of Membership with the housing cooperative under the terms of which members are entitled to possession of their respective housing. The Program provides grants to income-qualified, senior homeowners, whose household income is at or below sixty percent (60%) of Area Median Income (AMI) adjusted for household size, to make eligible accessibility improvements inside their homes. The State Permanent Local Housing Allocation funds will allow for the modification of eight (8) residences.

This program will be managed by the City’s Maintenance Programs Analyst.



**STAFFING PLAN  
CITY OF LAGUNA WOODS**

**Project Title: PLHA Accessibility Improvements Reimbursement Program**

	<b>Classification/Title</b>
1. Primary Contract	April Baumgarten, Maintenance Programs Analyst City of Laguna Woods (949) 639-0568  <a href="mailto:abaumgarten@cityoflagunawoods.org">abaumgarten@cityoflagunawoods.org</a>
2. Construction Management	Sub-Contractor
3. Secondary Contact	Christopher Macon, City Manager City of Laguna Woods (949) 639-0525  <a href="mailto:cmacon@cityoflagunawoods.org">cmacon@cityoflagunawoods.org</a>
4. Authorized Signer:	Christopher Macon, City Manager City of Laguna Woods (949) 639-0525  <a href="mailto:cmacon@cityoflagunawoods.org">cmacon@cityoflagunawoods.org</a>

The substitution or addition of other key individuals in any given category or classification shall be allowed only with prior written approval of the County Project Manager.

The Subrecipient may reserve the right to involve other personnel, as their services are required. The specific individuals will be assigned based on the need and time of the service/class required. Assignment of additional key personnel shall be subject to County approval. Subrecipient shall provide the name of the staff to the County within a time mutually agreed upon by the Parties but no event later than 30 days after the execution of the Contract.



**PROJECT SCHEDULE  
PLHA ACCESSIBILITY IMPROVEMENTS PROGRAM  
City of Laguna Woods**

1. **Project Schedule**  
 Upon Execution by both Parties – Contract Start Date  
 Complete and Submit – Final Report due on or before date of Contract expiration.
  
2. Tools to Measure Project’s Effect – Accomplishments Achieved

<b>Milestone Date</b>	<b>Minimum Required Expenditure/ Accomplishment Threshold</b>	<b>Activity Results Achieved</b>
December 31, 2021	25% of Contracted Amount Expended	\$8,235
December 31, 2021	25% of Proposed Accomplishments Achieved	2
June 30, 2022	50% of Contracted Amount Expended	\$16,471
June 30, 2022	50% of Proposed Accomplishments Achieved	4
December 31, 2022	75% of Contracted Amount Expended	\$26,707
December 31, 2022	75% of Proposed Accomplishments Achieved	6
June 30, 2023	100% of Contracted Amount Expended	\$32,942
June 30, 2023	100% of Proposed Accomplishments Achieved	8

3. From July 1, 2019 through June 30, 2023, invoices for reimbursement will be accepted for Accessibility Modifications for Seniors 55 years and older, whose Household income is less than or equal to 60% AMI. It is envisioned that 8 units will be rehabilitated with PLHA funds during the term of the Contract.
  
4. Tools to be utilized to measure and evaluate the success in attaining the desired outcome for the project will include observation and ongoing monitoring of the Program during all phases of the accessibility modifications process. The ultimate performance measure that will determine whether the Program has achieved its desired goal will be the successful completion of accessibility modifications to units occupied by income eligible households.

**STANDARD AGREEMENT**AGREEMENT NUMBER  
20-PLHA-15177PURCHASING AUTHORITY NUMBER (if applicable)  
ITEM 8.5 - Attachment A

STD 213 (Rev. 03/2019)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

**CONTRACTING AGENCY NAME**

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

**CONTRACTOR'S NAME**

County of Orange

2. The term of this Agreement is:

**START DATE**

Upon HCD Approval

**THROUGH END DATE**

6/30/2030

3. The maximum amount of this Agreement is:

\$1,272,164.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Authority, Purpose and Scope of Work	5
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C*	State of California General Terms and Conditions	GTC - 04/2017
Exhibit D	PLHA Program Terms and Conditions	9
Exhibit E	Program-Specific Provisions and Special Conditions	4
<b>TOTAL NUMBER OF PAGES ATTACHED</b>		<b>21</b>

*Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>*

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of Orange

CONTRACTOR BUSINESS ADDRESS 1501 East St. Andrew Place, First Floor	CITY Santa Ana	STATE CA	ZIP 92705
PRINTED NAME OF PERSON SIGNING Julia Bidwell	TITLE Director		
CONTRACTOR AUTHORIZED SIGNATURE 	DATE SIGNED 1/29/2021		

**STATE OF CALIFORNIA****CONTRACTING AGENCY NAME**

Department of Housing and Community Development

CONTRACTING AGENCY ADDRESS 2020 W. El Camino Ave., Suite 130	CITY Sacramento	STATE CA	ZIP 95833
PRINTED NAME OF PERSON SIGNING Shaun Singh	TITLE Contracts Manager, Business & Contract Services Branch		
CONTRACTING AGENCY AUTHORIZED SIGNATURE 	DATE SIGNED 2/2/2021		

California Department of General Services Approval (or exemption, if applicable)

Exempt per; SCM Vol. 1 4.04.A.3 (DGS memo dated 6/12/1981)

# Attachment F

## EXHIBIT A

### **AUTHORITY, PURPOSE AND SCOPE OF WORK**

#### **1. Authority**

Pursuant to Part 2 Chapter 2.5 of Division 31 of the Health and Safety Code (commencing with Section 50470) Statutes of 2017 (SB 2, Atkins), which created the Building Homes and Jobs Trust Fund and the Permanent Local Housing Allocation (“PLHA”) Program (“Program”), this Standard Agreement along with all its exhibits (the “Agreement”) is entered under the authority of and in furtherance of the Program. Pursuant to Health and Safety Code, Section 50470 (b), the California Department of Housing and Community Development (referred to herein as “HCD” or “Department”) has issued a Notice of Funding Availability (the “NOFA”), dated February 26, 2020, to govern administration of the fund and carry out the Program.

#### **2. Purpose**

In accordance with the authority cited above, an application was made to the State (the “Application”) for assistance from the Program for the purpose of making funding available to eligible local governments in California for housing related projects and programs that assist in addressing the unmet housing needs of their local communities. By entering into this Agreement and thereby accepting the award of the PLHA grant funds (the “Grant”), the Contractor (sometimes referred to herein as the “Applicant”) agrees to comply with the terms and conditions of the NOFA, this Agreement, the representations contained in the Application, and the requirements of the authorities cited above.

#### **3. Definitions**

Capitalized terms not otherwise defined herein shall have the meaning of the definitions set forth in Health and Safety Code Section 50470 and Section 101 of the Guidelines.

#### **4. Scope of Work**

- A. The scope of work (“Work”) for this Agreement shall consist of one or more of the following eligible uses:
  - 1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

**EXHIBIT A**

- 2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory dwelling units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for a term of no less than thirty days.
- 3) Matching portions of funds placed into local or regional housing trust funds.
- 4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.
- 5) Capitalized Reserves for Services connected to the preservation and creation of new Permanent supportive housing.
- 6) Assisting persons who are experiencing or at risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.
  - a) This Activity may include subawards to Administrative Entities as defined in HSC Section 50490(a)(1-3) that were awarded California Emergency Solutions and Housing (CESH) program or Homeless Emergency Aid Program (HEAP) funds for rental assistance to continue assistance to these households.
  - b) Applicants must provide rapid rehousing, rental assistance, navigation centers, emergency shelter, and transitional housing activities in a manner consistent with the Housing First practices described in 25 CCR, Section 8409, subdivision (b)(1)-(6) and in compliance with WIC Section 8255(b)(8). An Applicant allocated funds for the new construction, rehabilitation, and preservation of Permanent supportive housing shall incorporate the core components of Housing First, as provided in WIC Section 8255, subdivision (b).
- 7) Accessibility modifications in Lower-income Owner-occupied housing.

**EXHIBIT A**

- 8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.
  - 9) Homeownership opportunities, including, but not limited to, down payment assistance.
  - 10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more Affordable housing Projects, or matching funds invested by a county in an Affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an Affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low interest deferred loan to the Affordable housing Project.
- B. A Local government that receives an allocation shall use no more than five percent of the allocation for costs related to the administration of the Activity(ies) for which the allocation was made. Staff and overhead costs directly related to carrying out the eligible activities described in Section 301 are “activity costs” and not subject to the cap on “administrative costs.” A Local government may share any funds available for administrative costs with entities that are administering its allocation.
- C. Two or more local governments that receive PLHA allocations may expend those moneys on an eligible jointly funded project as provided in Section 50470 (b)(2)(B)(ii)(IV). An eligible jointly funded project must be an eligible Activity pursuant to Section 301(a) and be located within the boundaries of one of the Local governments.
- D. Entitlement Local governments may use the flow of PLHA funds to incentivize private lender loans and to guarantee payments for some or all public agency bond financings for activities consistent with the uses identified in Section 301 “Eligible Activities”. This loan guarantee Activity must be identified and fully explained in the Applicant’s “Plan”.

**EXHIBIT A**

**5. Department Contract Coordinator**

The Department’s Contract Coordinator for this Agreement is the Division of Financial Assistance, Grant Management Section PLHA Manager or their designee. Unless otherwise informed, any notice, report, or other communication required by this Agreement shall be mailed by first class to the Department Contract Coordinator at the following address:

California Department of Housing and Community Development  
Attention: Permanent Local Housing Allocation (PLHA)  
Grant Management Section, Suite 400  
2020 West El Camino Avenue, CA 95833  
P. O. Box 952050  
Sacramento, CA 94252-2050

**6. Contractor Contract Coordinator**

The Contractor’s contract coordinator for this Agreement is the Authorized Representative listed below. Unless otherwise informed, any notice, report, or other communication required by this Agreement may be mailed by first class mail, or sent through a commercial courier to the Authorized Representative at the following address:

Authorized Representative Name:	Julia Bidwell
Authorized Representative Title:	Director, Housing and Community Development OC Community Resources
Agency Name:	County of Orange
Address:	1501 East St. Andrew Place, First Floor Santa Ana, CA 92705
Phone No.:	(714) 480-2991
Email Address:	<a href="mailto:Julia.Bidwell@ocgov.com">Julia.Bidwell@ocgov.com</a>

**7. Effective Date, Term of Agreement, and Deadlines**

- A. This Agreement is effective upon approval by the Department, which is the date executed by all parties (such date, the “Effective Date”).
- B. This Agreement shall terminate on June 30, 2030.

**EXHIBIT A**

- C. Except for predevelopment expenses for construction projects funded by PLHA and costs to develop and prepare the Plan and the PLHA application, no costs incurred more than one year prior to commitment by the Local government may be paid from PLHA funds. Reimbursement of expenses to prepare the Plan and the PLHA application are subject to the cap on administrative fees.
  
- D. Any Grant funds which have not been expended by the expenditure deadline shall be disencumbered and revert to the Department. The expenditure deadline is fifty-eight months from the date of the budget appropriation for each year of funds included in this Agreement.

**EXHIBIT B**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. Budget Detail**

The budget detail is contained in Exhibit E in this Agreement.

Contractor will be responsible for maintaining oversight of grant amounts and determining whether an amended PLHA Plan is required due to reallocation of more than ten percent among Activities funded per Section 302(c)(5).

**2. Conditions of Disbursement**

Prior to receiving any Grant funds, the Contractor shall submit the following for the Department's approval:

- A. Government TIN Form, as applicable.
- B. No Funding will be disbursed to Contractor unless Contractor and any delegating Local government has an approved Housing Element and is in compliance with the Housing Element Annual Progress Report requirements, pursuant to PLHA Program Guidelines section 302(a) and (b).
- C. Contractor shall not be eligible to receive a new allocation if the Contractor has accrued an uncommitted amount of four times the pending allocation if the pending allocation is \$125,000 or less; or \$500,000 if the pending allocation is greater than \$125,000 and less than \$500,000; or the amount of the pending allocation if the allocation is \$500,000 or more.

**3. Performance**

- A. All funds must be disbursed within fifty-eight months of the budget appropriation. Funds that are not disbursed within fifty-eight months of the budget appropriation will revert to the Housing Rehabilitation Loan Fund.

**EXHIBIT B**

- B. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be reduced proportionate to those years already allocated, calculated at the time that the appropriation is reduced or terminated and reduced accordingly. All subsequent years shall be terminated, and the grant agreement shall be of no further force and effect, after amounts due for the period upon the reduced appropriation or termination are returned by the Contractor to the State. In this event, the State and Contractor shall be relieved of any and all obligations under this Agreement. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the sole discretion to cancel this Agreement without cause, no liability occurring to the State, or amend the Agreement and amount allocated to Contractor.

**4. Fiscal Administration**

- A. The Contractor may request a disbursement of 100 percent of total awarded Grant funds after executing the Standard Agreement. Administrative costs related to the planning and execution of eligible activities shall not exceed five percent of the Grant amount.
- B. A separate checking account for the Grant funds is not required. However, the Contractor shall deposit Grant funds in an interest-bearing checking or savings account insured by the federal or state government. All interest earned from the deposit of Grant funds shall be used for eligible Program activities and accounted for in Contractor's annual report.
- C. The Contractor shall make a good faith effort to minimize the number of disbursement requests by anticipating and requesting funds in advance.
- D. The Contractor may request that Grant funds awarded for a certain eligible activity be moved to another activity without an amendment to this Agreement. This request must be made in writing to HCD if the change from one activity to another exceeds ten percent of the grant amount and shall be effective only upon written HCD approval. HCD's decision to approve or deny any such request shall be final, absent fraud, mistake or arbitrariness per Section 302(c)(5).

**EXHIBIT B**

**5. Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the subsequent years covered under this Agreement does not appropriate sufficient funds for the program this Agreement shall remain in force and effect until the time of notice of reduced or terminated appropriation, The Agreement shall be terminated by the State by providing Contractor written notice of not less than thirty days prior to the effective date of the termination. In the event of termination by the State due to lack of Budget appropriation, the State and Contractor shall be relieved of any and all obligations under this Grant Agreement on the effective date of termination and the Contractor shall return the amount for subsequent year allocations.
  
- B. Subject to Section 5A. above, if funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the sole discretion to cancel this Agreement without cause, no liability occurring to the State, or amend the current Grant Agreement and amount allocated to Contractor.

**EXHIBIT D**

**PLHA PROGRAM TERMS AND CONDITIONS**

**1. Effective Date, Commencement of Work**

This Agreement is effective upon the date of the Department representative's signature on page one of the fully executed Standard Agreement, STD 213. Contractor agrees that work under this agreement shall not commence until execution of the STD 213, (the "Effective Date").

**2. Strict Compliance**

Contractor will strictly comply with the terms, conditions and requirements of the Permanent Local Housing Allocation (PLHA) Statutes, Guidelines, the Notice of Funding Availability (NOFA), and this Agreement.

**3. Contractor's Application for Funds**

A. Contractor has submitted to the Department an Application for a Grant under the Program. The Department is entering into this Agreement based on, and in substantial reliance upon, Contractor's facts, information, assertions and representations contained in that Application, and in any subsequent modifications or additions thereto approved by the Department. The Application and any approved modifications and additions thereto are hereby incorporated into this Agreement.

B. Contractor warrants that all information, facts, assertions and representations contained in the Application and approved modifications and additions thereto are true, correct, and complete to the best of Contractor's knowledge. In the event that any part of the Application and any approved modification and addition thereto is untrue, incorrect, incomplete, or misleading in such a manner that would substantially affect the Department's approval, disbursement, or monitoring of the funding and the Grants or activities governed by this Agreement, then the Department may declare a breach hereof and take such action or pursue such remedies as are provided for breach hereof.

## EXHIBIT D

### 4. Eligible Activities

Grant funds awarded to the Contractor and expended by either the Contractor or any entity to which Contractor awards funds shall be used for the eligible activities set forth in Exhibit A as required by the PLHA Statutes. The following additional requirements shall apply:

- A. Each Contractor shall submit a Plan detailing:
- 1) The manner in which allocated funds will be used for eligible activities.
  - 2) A description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below sixty percent of AMI. Programs targeted at households at or below sixty percent of AMI will be deemed to meet this requirement.
  - 3) A description of how the Plan is consistent with the programs set forth in the Local government's Housing Element.
  - 4) Evidence that the Plan was authorized and adopted by resolution by the Local government and that the public had an adequate opportunity to review and comment on its content.
  - 5) The following for each proposed Activity:
    - a) A description of each proposed Activity, pursuant to Section 301 of the Guidelines and the percentage of funding allocated to it. The description shall specifically include the percentage of funds, if any, directed to Affordable Owner-Occupied Workforce Housing (AOWH).
    - b) The projected number of households to be served at each income level and a comparison to the unmet share of the Regional Housing Needs Allocation (RHNA) at each income level.
    - c) A description of major steps/actions and a proposed schedule required for the implementation and completion of the Activity.
    - d) The period of affordability and level of affordability for each Activity. Rental Projects are required to have affordability periods of at least fifty-five years.

**EXHIBIT D**

- 6) The Plan is required to be for a term of five years. Local governments shall obtain approval of the Department for amendments made to the Plan in each succeeding year of the term of the Plan. Reallocations of more than ten percent of funds among Activities require amendment of the Plan, with approval granted by the governing body at a publicly noticed public meeting.
- 7) If funds are used for the acquisition, construction, or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the following requirements if the property is no longer the primary residence of the homeowner due to sale, transfer or lease, unless it is in conflict with the requirements of another public funding source or law:
  - a) PLHA loan and any interest thereon shall be repaid to the Local government's PLHA account. The Local government shall reuse the repayments consistent with the Eligible Activities per Section 301 of the Guidelines; or,
  - b) The initial owner and any subsequent owner shall sell the home at an Affordable housing cost to a qualified Lower-Income or Moderate-Income household; or,
  - c) The homeowner and the Local government shall share the equity in the unit pursuant to an equity-sharing agreement. The grantee shall reuse the proceeds of the equity-sharing agreement consistent with the Eligible Activities per Section 301 of the Guidelines.
- 8) If funds are used for the development of an affordable rental housing project, the Local government shall make the PLHA assistance in the form of a loan to the Sponsor of the project. The loan shall be evidenced through a Promissory Note secured by a Deed of Trust.
- 9) A program income reuse plan describing how repaid loans shall be reused for eligible activities specified in Section 301 of the Guidelines.

**EXHIBIT D**

**5. Core Practices**

- A. A Contractor or Subrecipient must provide eligible activities in a manner consistent with the housing first practices described in California Code of Regulations, title 25, section 8409(b)(1)-(6). A Contractor or Subrecipient allocated funds for eligible activities that provide permanent housing shall incorporate the core components of Housing First as provided in Section 8255(b) of the Welfare and Institutions Code.

**6. Monitoring Grant Activities**

- A. Contractor shall monitor the activities selected and awarded by them to ensure compliance with PLHA requirements. An onsite monitoring visit of Subrecipients and any other service providers shall occur whenever determined necessary by the Contractor, but at least once during the Grant period.
- B. The Department will monitor the performance of the Contractor based on a risk assessment and according to the terms of this Agreement. The Department may also monitor any Subrecipients of the Contractor as the Department deems appropriate based on a risk assessment.
- C. As requested by the Department, the Contractor shall submit to the Department all PLHA monitoring documentation necessary to ensure that Contractor and its Subrecipients are in continued compliance with PLHA requirements. Such documentation requirements and the submission deadline shall be provided by the Department at the time such information is requested from the Contractor.

**7. Reporting/Audits**

- A. Commencing with the Effective Date of this Agreement and continuing through the Expiration Date, the Contractor shall submit an annual report to the Department by July 31 of each year that reports all activities from the previous fiscal year (7/1–6/30), on forms provided by the Department.

The first report will be due on July 31, 2021 and will report all activities from date of initial fund disbursement through June 30, 2021.

- B. The annual report shall contain a detailed report which must include, at a minimum:
- 1) Identification of the Eligible Activities to which the Contractor committed program funds, and the income levels of households assisted.

**EXHIBIT D**

- 2) Amounts awarded to Subrecipients with the activity(ies) identified;
  - 3) Identification of the Eligible Activities upon which the Contractor expended program funds, and the income levels of households assisted and the affordability level for any units assisted; and,
  - 4) Close out report for contracts that were fully expended and in which all activities funded were completed during the fiscal year.
- C. The Department may request additional information as needed to meet other applicable reporting or audit requirements.
- D. The Contractor is responsible for the completion of audits and all costs of preparing audits.
- E. The Department reserves the right to perform or cause to be performed a financial audit. At the Department's request, the Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant.
- F. If a financial audit is required by the Department, the audit shall be performed by an independent certified public accountant. Selection of an independent audit firm shall be consistent with procurement standards contained in 24 CFR 85.36.
- 1) The Contractor shall notify the Department of the auditor's name and address immediately after the selection has been made. The contract for the audit shall allow access by the Department to the independent auditor's working papers.
  - 2) The Contractor is responsible for the completion of audits and all costs of preparing audits.
  - 3) If there are audit findings, the Contractor must submit a detailed response acceptable to the Department for each audit finding within ninety (90) days from the date of the audit finding report.

**8. Retention and Inspection of Records**

- A. The Contractor is responsible for maintaining records, which fully disclose the activities funded by the Grant. Adequate documentation of each transaction shall be maintained to permit the determination, through an audit if requested by the State, of the accuracy of the records and the allowability of expenditures charged to Grant funds.

**EXHIBIT D**

- B. The Contractor agrees that the Department or its designee shall have the right to review, obtain, and copy all records and supporting documentation pertaining to performance of this Agreement. The Contractor agrees to provide the Department or its designee, with any relevant information requested. The Contractor agrees to permit the Department or its designee access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees who might reasonably have information related to such records and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with the PLHA Statutes, the NOFA, and this Agreement.
- C. The Contractor further agrees to retain all records for a period of five years after the end of the term of this Agreement:
- 1) If any litigation, claim, negotiation, audit, monitoring, inspection or other action has been started before the expiration of the required record retention period, all records must be retained until completion of the action and resolution of all issues, which arise from it.
  - 2) The Contractor also agrees to include in any contract that it enters into in an amount exceeding \$10,000, the Department's right to audit the contractor's records and interview their employees. The Contractor shall comply with the caveats and be aware of the penalties for violation of fraud and for obstruction of investigation as set forth in California Public Code Section 10115.10.
- D. The determination by the Department of the eligibility of any expenditure shall be final. If the eligibility of any expenditure cannot be determined because records or documentation are inadequate, the expenditure may be disallowed, and HCD shall determine the reimbursement method for the amount disallowed.
- E. The Contractor shall retain all books and records relevant to this Agreement for a minimum of five years after the end of the term of this Agreement. Records relating to any and all audits or litigation relevant to this Agreement shall be retained for five years after the conclusion or resolution of the matter.

**9. Breach and Remedies**

- A. The following shall each constitute a breach of this Agreement:
- 1) Contractor's failure to comply with the terms of this Agreement.

**EXHIBIT D**

- 2) Use of, or permitting the use of, Grant funds provided under this Agreement for any ineligible costs or for activities not approved under this Agreement.
  - 3) Any failure to comply with the deadlines set forth in this Agreement.
- B. In addition to any other remedies that may be available to the Department in law or equity for breach of this Agreement, the Department may:
- 1) Bar the Contractor from applying for future PLHA and other HCD funds;
  - 2) Revoke any other existing PLHA award(s) to the Contractor;
  - 3) Require the return of any unexpended PLHA funds disbursed under this Agreement;
  - 4) Require repayment of PLHA funds disbursed and expended under this agreement;
  - 5) Require the immediate return to the Department of all funds derived from the use of PLHA funds including, but not limited to recaptured funds and returned funds;
  - 6) Seek, in a court of competent jurisdiction, an order for specific performance of the defaulted obligation or the appointment of a receiver to complete the technical assistance in accordance with the PLHA Program requirements; and,
  - 7) Seek such other remedies as may be available under the relevant agreement or any law.
- C. All remedies available to the Department are cumulative and not exclusive.
- D. The Department may give written notice to the Contractor to cure the breach or violation within a period of not less than fifteen days.

**EXHIBIT D**

**10. Termination**

- A. The Department may terminate this Agreement at any time for cause by giving a minimum of thirty days' notice of termination, in writing, to the Contractor. Cause shall consist of, violations of any terms and/or special conditions of this Agreement, the PLHA Statutes, or the NOFA. Upon termination of this Agreement, unless otherwise approved in writing by the Department, any unexpended funds received by the Contractor shall be returned to the Department within thirty days of the notice of termination.
- B. This Agreement is subject to any additional restrictions, limitations or conditions, or statute, regulations or any other laws, whether federal or those of the State of California, or of any agency, department, or any political subdivision of the federal or the State of California governments, which may affect the provisions, terms or funding of this Agreement in any manner.
- C. The Department has the option to terminate this Agreement under the thirty-day cancellation clause or to amend this Agreement to reflect any reduction of funds.

**11. Waivers**

No waiver of any breach of this Agreement shall be held to be a waiver of any prior or subsequent breach. The failure of the Department to enforce at any time the provisions of this Agreement, or to require at any time, performance by the Contractor of these provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of the Department to enforce these provisions.

**12. Relocation**

Contractor shall comply with all requirements of applicable California relocation law (Gov. Code, § 7260 et seq. and the regulations promulgated thereunder at Cal. Code Regulations, Title. 25, § 6000 et seq.). Any relocation plan for the Development shall be subject to the review and approval by the State.

**EXHIBIT D**

**13. Special Conditions Contractors and Subrecipients**

The Contractor agrees to comply with all conditions of this Agreement including the Special Conditions set forth in Exhibit E. These conditions shall be met to the satisfaction of the Department prior to disbursement of funds. The Contractor shall ensure that all Subrecipients are made aware of and agree to comply with all conditions of this Agreement and the applicable State requirements governing the use of Grant funds. The Contractor shall ensure that all Subrecipients are qualified to do business and in good standing with the California Secretary of State and the California Franchise Tax Board. Failure to comply with these conditions may result in cancellation of this Agreement.

**14. Compliance with State and Federal Laws, Rules, Guidelines and Regulations**

The Contractor agrees to comply with all State and Federal laws, rules and regulations that pertain to construction, health and safety, labor, fair employment practices, equal opportunity, and all other matters applicable to the Grant, the Contractor, its Subrecipients, and any other Grant activity.

**15. Litigation**

- A. If any provision of this Agreement, or an underlying obligation, is held invalid by a court of competent jurisdiction, such invalidity, at the sole discretion of the Department, shall not affect any other provisions of this Agreement and the remainder of this Agreement shall remain in full force and effect. Therefore, the provisions of this Agreement are, and shall be, deemed severable.
- B. The Contractor shall notify the Department immediately of any claim or action undertaken by or against it, which affects or may affect this Agreement or the Department and shall take such action with respect to the claim or action as is consistent with the terms of this Agreement and the interests of the Department.

**EXHIBIT E****PROGRAM-SPECIFIC PROVISIONS AND SPECIAL CONDITIONS****1. Program-Specific Provisions**

The following are project-specific terms and conditions (referred to as enumerated provision(s) for ease of reference in prior exhibits) and shall inform the references made to project-specific information not contained in those prior exhibits.

**Budget Detail:**

Contractor has been awarded the following grant activity amounts for 2019: **\$1,272,164**

Estimated five year allocation may not exceed: **\$7,632,984**

**Payees:**

A. The authorized Payee(s) is/are as specified below:

Name: <b>County of Orange</b>	Amount: <b>\$1,272,164</b>
-------------------------------	----------------------------

**Plan:**

1. Provide a description of how allocated funds will be used for the proposed activity.

There are several activities that will be provided under Section 301(a)(6): They include: Activity 1) Buena Park Navigation Center located at 6494 Caballero Blvd, Buena Park, CA 90620 and Activity 2) Placentia Navigation Center located at 731 S. Melrose Street Placentia, CA 92870. These activities are considered a jointly funded project under the PLHA guidelines and will be allocated 45.55% of the PLHA allocation that will to be distributed to the City of La Habra, who has been designated Treasurer of a jointly funded project on behalf of Brea, Cypress, La Palma, Los Alamitos, Stanton and Villa Park. These urban county cities have joined in a collaborative effort with the entitlement jurisdictions of Buena Park, Fullerton, La Habra, Orange, Placentia, and Yorba Linda to develop these navigation centers where homeless in the North Service Planning Area (SPA) and receive shelter and services. The operators were procured through a competitive NOFA process by the City of Buena Park and the City of Placentia; Activity 3) Alternative Sleeping Location located at 20652 Laguna Canyon Road Laguna Beach, CA 92651 will be allocated 3.54% of the PLHA allocation for the City of Laguna Beach; Activity 4) Yale Transitional Center located at 1801 S. Greenville Santa Ana, CA 92704 will receive 32.79% of the funding on behalf of the unincorporated areas of the county for development and/or ongoing operating costs. Therefore a total amount 36.33% of

Permanent Local Housing Allocation (PLHA) Program - Grant

NOFA Date: 02/26/2020

Approved Date: 10/05/2020

Prep. Date: 11/05/2020

**EXHIBIT E**

PLHA funding will go for emergency shelters; and Activity 5) The City of Dana Point located at 33282 Golden Lantern Dana Point, CA 92677 will receive 6.67% to provide outreach, case management, rapid rehousing and other services to homeless and those at risk of homelessness in Dana Point. A total of 88.55% will be to be allocated yearly for the five year period to Section 301(a)(6) activities.

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity	Navigation Centers	Navigation Centers	Navigation Centers	Navigation Centers	Navigation Centers
Percentage of Funds Allocated for each Activity	45.55%	45.55%	45.55%	45.55%	45.55%
Area Median Income Level Served	60%	60%	60%	60%	60%

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity	Emergency Shelters	Emergency Shelters	Emergency Shelters	Emergency Shelters	Emergency Shelters
Percentage of Funds Allocated for each Activity	36.33%	36.33%	36.33%	36.33%	36.33%
Area Median Income Level Served	60%	60%	60%	60%	60%

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Homeowner Assistance	Supportive Services	Supportive Services	Supportive Services	Supportive Services	Supportive Services
Percentage of Funds Allocated for each Activity	6.67%	6.67%	6.67%	6.67%	6.67%
Area Median Income Level Served	60%	60%	60%	60%	60%

2. Provide a description of how allocated funds will be used for the proposed activity.

The PLHA funds will be allocated to two urban county cities for activities under Section 301(a)(7) for accessibility modifications for seniors.

The two jurisdiction are the City of Laguna Woods that will be allocated 2.59% of PLHA funds for accessibility modifications for seniors and the City of Seal Beach that will be allocated 3.86% of the PLHA funds for accessibility modifications for seniors. Therefore, a total 6.45% of the total PLHA allocation is to fund Section 302(a)(7) activities yearly

**EXHIBIT E**

and throughout the Five-Year term of the Plan. There will be no funding (zero percent) allocated under Section 301(a)(7) for Affordable Owner-occupied Workforce Housing.

<b>Funding Allocation Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Type of Activity	Accessibility Modifications	Accessibility Modifications	Accessibility Modifications	Accessibility Modifications	Accessibility Modifications
Percentage of Funds Allocated for each Activity	6.45%	6.45%	6.45%	6.45%	6.45%
Area Median Income Level Served	60%	60%	60%	60%	60%
Total Administrative Costs	5%	5%	5%	5%	5%

**EXHIBIT E**

**2. Special Terms and Conditions**

The following Special Conditions are applicable to this Standard Agreement:

None.



**Subject: OC Community Resources  
Contract Reimbursement Policy**

Effective: July 1, 2010  
Revised: January 17, 2020

**PURPOSE:**

This policy contains updated fiscal documentation requirements for contract reimbursement for OC Community Services and OC Housing & Community Development. The procedures provide instructions for submitting reimbursement demand letter or invoice.

**REFERENCES:**

Executed County Board of Supervisors approved contract  
Budget included in contract or presented as an attachment  
48 CFR Part 31 Contract Cost Principles and Procedures  
24 CFR Parts 85, 570.502, 570.201, 576.21, 576.51 and 576.61: For OC Housing & Community Development Contracts only.  
2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)

**BACKGROUND:**

The executed Board of Supervisors approved contract is the authorization for all aspects of payment, including the maximum amount to be paid, the payee, and the scope of services and work. Payments are made in strict accordance with the contract terms. Allowable costs are identified in referenced Uniform Guidance and Code of Federal Regulations (CFR).

**ATTACHMENTS:**

Reimbursement Policy Status Form (RPS-1)

**POLICY:**

Contractor is responsible for the submission of accurate claims. This reimbursement policy is intended to ensure that the Contractor is reimbursed based on the code or codes that correctly describe the services provided. This information is intended to serve only as a general reference resource regarding OC Community Services' and OC Housing & Community Development's reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, OC Community Services and OC Housing & Community Development may use reasonable discretion in interpreting and applying this policy to services provided in a particular case. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates and County directives. OC Community Services and OC Housing & Community Development may modify this reimbursement policy at any time by publishing a new version of the policy. However, the information presented in this policy is accurate and current as of the date of publication.

Cost incurred by Contractor must be substantiated and incurred during the contract period. Total of all reimbursements cannot exceed the amount of the contract. Cost must be allowable under applicable Code of Federal Regulations (CFR) or Uniform Guidance. All supporting documentation for reimbursement must be submitted with demand letter or invoice. If contract

requires matching contribution, documentation substantiating contribution match must be submitted with demand letter or invoice.

At any time, based on County's business needs and/or Contractor's performance, the County may designate Contractor to submit abbreviated or comprehensive documentation, as identified in the respective sections. Upon designation, Contractor will be notified, in writing via Reimbursement Policy Status Form, of which requirements are in full force. When Contractor is required to submit comprehensive documentation, in addition to the items identified in the Abbreviated Documentation Requirements Section, Contractor must also provide the documentation identified in the Comprehensive Documentation Requirements Section.

**PROCEDURES:**

**Abbreviated Documentation Requirements**

Compile and submit:

1. Supporting documentation includes, but is not limited to:
  - a. General ledger/expense transaction report
  - b. Payroll register or labor distribution report
  - c. Payroll allocation plan
  - d. Personnel Documentation
  - e. Benefit plan and calculation of benefit
  - f. Employer-employee contract for non-customary benefits (if applicable)
  - g. Pre-approval documentation for equipment purchases equal to or greater than \$5,000
2. The following is required with the first month's invoice only:
  - a. Cost allocation plan for rent, utilities, etc.
  - b. Indirect rate approved by cognizant agency (if applicable)
3. Summary of leveraged resources (if applicable)
4. Demand letters must contain the following certification (if required by Contract):  
***"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31 Sections 3729-3730 and 3801-3812)"***
5. Grantee Performance Report (if required by Contract)
6. Supporting documentation shall be on single-sided sheets
7. Please redact employees' Social Security Number from payroll reports
8. Demand letter or invoice, along with supporting documentation shall be submitted to:  
OC Community Resources Accounting  
601 N. Ross St., 6<sup>th</sup> Floor  
Santa Ana, CA 92701

**Comprehensive Documentation Requirements**

In addition to abbreviated documentation, compile and submit:

9. Purchase orders, invoices, and receipts
10. Cashed checks
11. Check register
12. Consultant/sub-contractor invoices (with description of services)
13. Travel expense documentation: mileage reimbursement, hotel bill, meal reimbursement

**ACTION:**

**Distribute this policy to all appropriate staff**

**INQUIRIES: Inquiries may be directed to OCCR Accounts Payable at: [OCCRAccountsPayable@occr.ocgov.com](mailto:OCCRAccountsPayable@occr.ocgov.com)**



**Reimbursement Policy Status Form**

Per OC Community Resources Contract Reimbursement Policy, in regards to the Contract # listed herein, Contractor is designated with the Documentation Status of Abbreviated unless Comprehensive is checked below. If the contractor’s designation should change to Abbreviated, a new status form shall be approved. All related documentation requirements are in full force, until further notice.

**Contractor:** City of Laguna Woods

**Effective Date:** Upon Execution

**Contract #:** 21-23-0006-PLHA

**Documentation Status:**  **Abbreviated**       **Comprehensive**

\*\*\*\*\*

**Program Authorization by:**

**Auditor Controller Authorization by:**

Print Name: Julia Bidwell

Print Name: Eric Takanishi

**Signed by:** \_\_\_\_\_

**Signed by:** \_\_\_\_\_

**Date:**

**Date:**

*Two signatures are required to implement the form.*

- Distribution:  
 Contractor  
 Auditor Controller  
 Contract File  
 Program File

**Certification for  
a Drug-Free Workplace**

U.S. Department of Housing  
and Urban Development

City of Laguna Woods Contract # 21-23-0006-PLHA

Applicant Name

PLHA- Permanent Location Housing Allocation

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. . Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
- (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here **O** if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date

X



**DEBARMENT AND SUSPENSION CERTIFICATION - Instructions for Certification**

1. By signing and submitting this exhibit document, the contractor or grant recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in the clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the contractor or grant recipient of Federal assistance funds knowingly rendered an erroneous certification in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The contractor recipient of Federal assistance funds shall provide immediate written notice to the County of Orange/Workforce Investment Board to which this certification document is submitted if at any time the contractor or grant recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The contractor or grant recipient of Federal assistance funds agrees by submitting this certification document that, should the covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
5. The contractor or grant recipient of Federal assistance funds further agrees by submitting this certification document that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. The contractor or grant recipient in a covered transaction may rely upon a certification of a contractor or grant recipient in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. The contractor or grant recipient may decide the method and frequency by which it determines the eligibility of its principals.
7. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the contractor or grant recipient is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for transactions authorized under paragraph 5 of these instructions, if the contractor or grant recipient in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

## INSTRUCTIONS FOR COMPLETION OF SF-LLL DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF LLL-A Continuation sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying is and has been secured to influence the outcome of a covered action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include congressional district, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e. g. the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report, in item 4 checks "Subawardee", then enter the full name, address, city, state, and zip code of the prime Federal recipient. Include congressional district, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e. g. Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number the contract, grant, or loan award number; the application proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP DE 90 09."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the primary entity identified in item 4 or 5.
10.
  - (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
  - (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in kind contribution, specify the nature and value of the in kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted and the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF LLL A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348 0046) Washington D.C., 20503.

**DISCLOSURE OF LOBBYING ACTIVITIES**

Complete this form to disclose activities pursuant to 31 U.S.C 1352

<p>1. Type of Federal Actions:</p> <p>a. contract</p> <p>b. grant</p> <p>c. cooperative agreement</p> <p>d. loan</p> <p>e. loan guarantee</p> <p>f. loan insurance</p>	<p>2. Status of Federal Actions:</p> <p>a. bid/offer/application</p> <p>b. initial award</p> <p>c. post-award</p>	<p>3. Report Type:</p> <p>a. initial filing</p> <p>b. material change</p> <p>For material change only:                  Year: _____ Quarter: _____                  Date of last report: _____</p>
<p>4. Name and Address of Reporting Entity                  Prime Subawardee</p> <p>Tier _____ if known</p> <p>Congressional District, if known: _____</p>	<p>5. If Reporting Entity in No. 4 is a Subawardee:                  Enter Name and Address of Prime:</p> <p>Congressional District, if known: _____</p>	
<p>6. Federal Department / Agency:</p>	<p>7. Federal Program Name/Description</p>	
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known:                  \$ _____</p>	
<p>10a. Name and Address of Lobbying Entity                  (if individual, last name, first name, MI):</p> <p>(attach Continuation Sheets SF-LLL-A, if necessary)</p>	<p>10b. Individual Performing Services                  (including address if different from No. 10a)                  (last name, first name, MI):</p>	
<p>11. Amount of Payment (check all that apply):                  \$ Actual                  Planned</p>	<p>13. Type of Payment (check all that apply)</p> <p>a. retainer</p> <p>b. one-time free</p> <p>c. commission</p> <p>d. contingent fee</p> <p>e. deferred</p> <p>f. other specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p>a. cash</p> <p>b. in-kind: specify:</p> <p>nature: _____</p> <p>value: _____</p>		
<p>14. Enter Description of Services performed or to be Performed and date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated on item 11:</p>		
<p>15. Continuation sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>16. Information requested through this form authorized by Title 31 U.S.C. Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semiannually and will be available for public inspection. An person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: _____</p> <p>_____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No: _____</p> <p>Date: _____</p>	

**DISCLOSURE OF LOBBYING ACTIVITIES  
CONTINUATION SHEET**  
Approved by OMS - 0348-0046

Reporting Entity: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

BILLING CODES 3410-01 -C; 6450-01-C; 6890-01 ;6025-01-C; 7510-01-C , 35 1 0-FE-C; 8120-01 -C; 4710-24-C, 6116-01 -C,

**CERTIFICATION REGARDING LOBBYING  
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS,  
AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all\* subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all\* subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10, 000 and not more than \$100,000 for each such failure.

---

Grantee/Contractor Organization

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Name

---

Title

---

Authorized Signature

\*Note: In these instances, "All," in the Final Rule is expected to be clarified to show that it applies to covered contract/grant transactions over \$100,000 (per OMB).