



SAN FERNANDO CITY COUNCIL
REGULAR MEETING NOTICE AND AGENDA
SEPTEMBER 16, 2019 – 6:00 PM
CITY HALL COUNCIL CHAMBERS
117 MACNEIL STREET
SAN FERNANDO, CA 91340

*One Councilmember will participate via teleconference from:
18600 MacArthur Blvd #100, Irvine, CA 92612*

*Pursuant to Government Code Section 54953, members of the
public will be able to participate from the teleconference location.*

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo
Vice Mayor Sylvia Ballin
Councilmember Robert C. Gonzales
Councilmember Antonio Lopez
Councilmember Hector A. Pacheco

PLEDGE OF ALLEGIANCE

Led by Deputy City Manager/Director of Community Development Timothy Hou

APPROVAL OF AGENDA

PRESENTATIONS

DECORUM AND ORDER

The City Council, elected by the public, must be free to discuss issues confronting the City in an orderly environment. Public members attending City Council meetings shall observe the same rules of order and decorum applicable to the City Council ([SF Procedural Manual](#)). Any person making impertinent derogatory or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting, may be removed from

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the room if the Presiding Officer so directs the sergeant-at-arms and such person may be barred from further audience before the City Council.

PUBLIC STATEMENTS – WRITTEN/ORAL

There will be a three (3) minute limitation per each member of the audience who wishes to make comments relating to City Business. Anyone wishing to speak, please fill out the blue form located at the Council Chambers entrance and submit it to the City Clerk. When addressing the City Council please speak into the microphone and voluntarily state your name and address.

CITY COUNCIL - LIAISON UPDATES**CONSENT CALENDAR**

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the City Council wishes to discuss any item, it should first be removed from the Consent Calendar.

1) CONSIDERATION TO ADOPT A RESOLUTION APPROVING THE WARRANT REGISTER

Recommend that the City Council adopt Resolution No. 19-092 approving the Warrant Register.

2) CONSIDERATION TO APPROVE THE STREET AND PARKWAY TREE AD HOC COMMITTEE SCOPE OF DUTIES

Recommend that the City Council approve the scope of duties for the Street and Parkway Tree Ad Hoc Committee.

3) CONSIDERATION TO APPROVE A PROFESSIONAL SERVICE AGREEMENT WITH VALLEY CARE COMMUNITY CONSORTIUM TO MANAGE THE SAN FERNANDO STREET FESTIVAL NOCTURNAL RIDE EVENT

Recommend that the City Council:

- a. Approve a Professional Service Agreement (Contract No. 1930) with Valley Care Community Consortium to manage the San Fernando Street Festival Nocturnal Ride Event; and
- b. Authorize the City Manager to make non-substantive changes and execute all related documents.

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4) CONSIDERATION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH SIEMENS MOBILITY, INCORPORATED FOR ON-CALL TRAFFIC SIGNAL MAINTENANCE SERVICES

Recommend that the City Council:

- a. Approve a professional services agreement (Contract No. 1931) for on-call traffic signal maintenance services between the City and Siemens Mobility, Incorporated for a term of three years, in an amount not-to-exceed the annual fiscal year budget appropriation; and
- b. Authorize the City Manager to execute the contract.

ADMINISTRATIVE REPORTS**5) CONSIDERATION TO APPROVE PHASE ONE WATER RATE AND SEWER RATE PLANS**

Recommend that the City Council:

- a. Approve the Phase One Water Rate Plan recommended by the Ad Hoc Committee;
- b. Approve the Phase One Sewer Rate Plan recommended by the Ad Hoc Committee;
- c. Approve the Income-Based Assistance Program recommended by the Ad Hoc Committee; and
- d. Authorize the City Manager to direct Lechowicz & Tseng to commence the Proposition 218 process.

6) RECEIVE A PRESENTATION BY THE LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK REGARDING UPCOMING CHANGES TO ELECTIONS

Recommend that the City Council receive a presentation from the Los Angeles County Registrar Recorder/County Clerk regarding upcoming changes to elections.

7) DISCUSSION TO CONSIDER THE PROCESS FOR FILLING THE IMPENDING CITY COUNCIL VACANCY

Recommend that the City Council:

- a. Receive a presentation from staff regarding options for filling the impending City Council vacancy; and
- b. Provide direction to staff, as appropriate.

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8) PRESENTATION OF MEASURE “A” ANNUAL REPORT

Recommend that the City Council receive and file the 2019 Annual Report on the collection, management, and expenditure of Measure “A” as required by the City Code.

9) CONSIDERATION TO APPOINT MEASURE “A” COMMUNITY ADVISORY COMMITTEE MEMBERS OR AMEND THE RESOLUTION ESTABLISHING THE COMMITTEE

Recommend that the City Council:

- a. Appoint Michael Remenih (two-year term) and Nicolas A. Cardenas (one-year term) as the two Resident Committee Members;
- b. Appoint Irwin Rosenberg (two-year term) and Frank Villalpando (one-year term) as the two Labor Representative Committee Members;
- c. Appoint Sev Aszkenazy (two-year term) as one of the two Business Representative Committee Members;
- d. Appoint Holly Scott (two-year term) as the one At-Large Committee Member;
- e. Appoint Adriana Gomez (one-year term) as an Alternate Business Representative Committee Member representing the San Fernando Chamber of Commerce until the second permanent Business Representative Member is appointed; and
- f. Appoint Humberto Quintana (one-year term) as an Alternate Resident Committee Member in the event one of the Resident Member’s is not able to participate in a meeting.

10) CONSIDERATION TO APPOINT A TRANSPORTATION AND SAFETY COMMISSIONER

This item was placed on the agenda by Mayor Joel Fajardo.

STAFF COMMUNICATION INCLUDING COMMISSION UPDATES**GENERAL COUNCIL COMMENTS****RECESS TO CLOSED SESSION****A) CONFERENCE WITH LABOR NEGOTIATOR**

G.C. §54957.6

Designated City Negotiators:

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City Manager Nick Kimball
City Attorney Rick Olivarez
Assistant City Attorney Richard Padilla

Employees and Employee Bargaining Units that are the Subject of Negotiation:

San Fernando Management Group (SEIU, Local 721)
San Fernando Public Employees' Association (SEIU, Local 721)
San Fernando Police Officers Association
San Fernando Police Officers Association Police Management Unit
San Fernando Police Civilian Association
San Fernando Part-time Employees' Bargaining Unit (SEIU, Local 721)
All Unrepresented Employees

B) PUBLIC EMPLOYEE PERFORMANCE EVALUATION

G.C. §54957

Title of Employee: City Clerk

C) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

G.C. §54956.9(d)(1)

Name of Case: Raul Fernandez v. City of San Fernando, et al

LASC Case No: 18STCV07932

RECONVENE/REPORT OUT FROM CLOSED SESSION**ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.

Elena G. Chávez, CMC

City Clerk

Signed and Posted: September 12, 2019 (3:00 p.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet website (www.sfcity.org). These are also available for public reviewing prior to a meeting in the City Clerk Department. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk Department at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's website at www.sfcity.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk Department at (818) 898-1204 at least 48 hours prior to the meeting.

Regular Meeting

San Fernando City Council

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: September 16, 2019

Subject: Consideration to Adopt a Resolution Approving the Warrant Register

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 19-092 (Attachment "A") approving the Warrant Register.

BACKGROUND:

For each City Council meeting the Finance Department prepares a Warrant Register for Council approval. The Register includes all recommended payments for the City. Checks, other than special checks, generally are not released until after the Council approves the Register. The exceptions are for early releases to avoid penalties and interest, excessive delays and in all other circumstances favorable to the City to do so. Special checks are those payments required to be issued between Council meetings such as insurance premiums and tax deposits. Staff reviews requests for expenditures for budgetary approval and then prepares a Warrant Register for Council approval and or ratification. Items such as payroll withholding tax deposits do not require budget approval.

The City Manager hereby certifies that all requests for expenditures have been signed by the department head, or designee, receiving the merchandise or services thereby stating that the items or services have been received and that the resulting expenditure is appropriate. The City Manager hereby certifies that each warrant has been reviewed for completeness and that sufficient funds are available for payment of the warrant register.

ATTACHMENT:

A. Resolution No. 19-092

ATTACHMENT "A"**RESOLUTION NO. 19-092**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO ALLOWING AND APPROVING FOR
PAYMENT DEMANDS PRESENTED ON DEMAND/ WARRANT
REGISTER NO. 19-092**

**THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY
RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.

2. That the City Clerk shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

PASSED, APPROVED, AND ADOPTED this 16th day of September, 2019.

Joel Fajardo, Mayor

ATTEST:

Elena G. Chávez, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I HEREBY CERTIFY that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 16th day of September, 2019, by the following vote to wit:

AYES:

NOES:

ABSENT:

Elena G. Chávez, City Clerk

EXHIBIT "A"

vchlist		Voucher List				Page: 1	
09/11/2019 2:57:00PM		CITY OF SAN FERNANDO					
Bank code :		bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
215947	9/16/2019	100066 ADS ENVIRONMENTAL SERVICES,INC	22206.52-0719		SEVEN ADS D-SITE OVERFLOW MONIT		
				12083	072-360-0000-4260	1,113.00	
			22206.52-0819	12083	SEVEN ADS D-SITE OVERFLOW MONIT	1,113.00	
					072-360-0000-4260	1,113.00	
					Total :	2,226.00	
215948	9/16/2019	888356 ADVANCED AUTO REPAIR	1376		VEHICLE MAINT., REPAIRS AND MINOR		
				12017	041-320-0390-4400	80.00	
			1378		VEHICLE MAINT., REPAIRS AND MINOR		
				12017	041-320-0311-4400	62.00	
			1379		VEHICLE MAINT., REPAIRS AND MINOR		
				12017	041-320-0311-4400	330.00	
			1380		VEHICLE MAINT., REPAIRS AND MINOR		
				12017	041-320-0225-4400	88.00	
					Total :	560.00	
215949	9/16/2019	893312 AGUILAR, JAVIER	1392		FACILITY RENTAL DEP REFUND		
					001-2220	75.00	
					Total :	75.00	
215950	9/16/2019	893310 AGUILAR, JOSEFA	2000297.003		SENIOR CLUB TRIP REFUND		
					004-2383	50.00	
					Total :	50.00	
215951	9/16/2019	100098 AIRGAS SAFETY	9091967753		SAFETY EQUIPMENT		
					072-360-0000-4300	129.81	
			9092066062		SAFETY GLOVES		
					043-390-0000-4300	306.93	
					Total :	436.74	
215952	9/16/2019	100143 ALONSO, SERGIO	AUG 2019		MMAP ARTIST INSTRUCTOR: SERGIO #		
				12069	109-424-3614-4260	900.00	
					Total :	900.00	
215953	9/16/2019	100167 AMERICAN WATER WORKS ASSOC.	7001679171		MEMBERSHIP DUES 07/01/19-06/30/20		
					070-381-0000-4370	277.00	
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215953	9/16/2019	100167	100167 AMERICAN WATER WORKS ASSOC.	(Continued)		
					Total :	277.00
215954	9/16/2019	100184	ANDERSON TROPHY CO.	710518	YOUTH & ADULT BASKETBALL PROGR	
				12052	017-420-1328-4300	1,526.87
				12052	017-420-1334-4300	200.01
					Total :	1,726.88
215955	9/16/2019	100222	ARROYO BUILDING MATERIALS, INC	232062	HARDWARE SUPPLIES AND U-CARTS (
				12046	001-311-0000-4300	14.85
					Total :	14.85
215956	9/16/2019	102826	ARS RESCUE ROOTER	8104-306582	PLUMBING MAINT	
					043-390-0000-4330	321.00
					Total :	321.00
215957	9/16/2019	889942	ATHENS SERVICES	6932807	STREET SWEEPING SERVICES-JULY 2	
				12084	011-311-0000-4260	12,431.77
				12084	001-343-0000-4260	2,481.26
			7075879		STREET SWEEPING SERVICES-AUG 20	
				12084	011-311-0000-4260	12,431.77
				12084	001-343-0000-4260	2,481.26
					Total :	29,826.06
215958	9/16/2019	101709	AV EQUIPMENT RENTAL INC.	218330	CONCRETE BLADES	
					070-383-0000-4310	1,482.93
					Total :	1,482.93
215959	9/16/2019	893013	AYSON, LEILANI	AUG 2019	ZUMBA INSTRUCTOR	
					017-420-1337-4260	180.00
					Total :	180.00
215960	9/16/2019	893307	BABAYAN, ERIC	70-2690	CONSTRUCTION METER DEP REFUND	
					070-2690	422.92
					Total :	422.92
215961	9/16/2019	889913	BALLIN, SYLVIA	REIMB.	WELLNESS BENEFIT REIMB. FY19/20	
					001-101-0101-4140	379.98

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215961	9/16/2019	889913 889913 BALLIN, SYLVIA	(Continued)			Total : 379.98
215962	9/16/2019	890546 BARAJAS, CRYSTAL	AUG 2019	12071	MMAP ARTIST INSTRUCTOR: CRYSTAL 109-424-3614-4260	272.00
					Total :	272.00
215963	9/16/2019	892784 BARAJAS, MARIA BERENICE	AUG 2019-1	12096	FITNESS INSTRUCTOR 017-420-1337-4260	80.00
			AUG 2019-2	12096	FITNESS INSTRUCTOR 017-420-1337-4260	480.00
					Total :	560.00
215964	9/16/2019	100311 BARR ELECTRIC CO.	18338		TROUBLE SHOOTING PROBLEMS & B# 001-222-0000-4320	990.00
					Total :	990.00
215965	9/16/2019	891796 BATTERY SYSTEMS INC	5051502		BATTERIES 041-320-0000-4300	89.75
					Total :	89.75
215966	9/16/2019	893128 BAUMGARDNER PROFESSIONAL	CSF-19-001	11943	EMERGENCY MANAGEMENT PROFES 001-250-0000-4300	2,300.00
					Total :	2,300.00
215967	9/16/2019	891301 BERNARDEZ, RENATE Z.	532		INTERPRETATION SERVICES-CC MTG 001-101-0000-4270	250.00
					Total :	250.00
215968	9/16/2019	888800 BUSINESS CARD	081919-2		MONITORS & PRINTER 043-390-0000-4310	352.97
			082119		SENIOR ACTIVITY GAME 001-422-0000-4300	35.99
			082119		MOVIE @ LP PARK 004-2346	463.00
			082119		DINNER FOR CC & STAFF-CC MTG 08/1 001-101-0000-4300	43.66
			082119		DINNER FOR CC & STAFF-CC MTG 08/1 001-101-0000-4300	58.10

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215968	9/16/2019	888800 BUSINESS CARD	(Continued)			
			082319		PROGRAM SUPPLIES 001-422-0000-4300	39.90
			082319		SENIOR TRIP TICKETS 004-2383	1,428.00
			082319-3		CABINET SHELVES & RACK MOUNTED 001-222-0000-4300	156.90
			082319-4		CABINET SHELVES & RACK MOUNTED 001-222-0000-4300	73.69
			082619		PROGRAM SUPPLIES 001-423-0000-4300	74.24
			082619-2		PROGRAM SUPPLIES 001-423-0000-4300	82.49
			082619-3		PROGRAM SUPPLIES 001-422-0000-4300	28.45
			082619-4		ADOBE PRO 001-130-0000-4300	493.90
			082619-5		WIRELESS KEYBOARD & Mouses 001-106-0000-4300	155.07
			082619-6		LAPTOP CHARGER REFUND 001-152-0000-4340	-55.00
			082719		ENGRAVED GAVEL 001-150-0000-4300	85.80
			082719		CONF REGISTRATION 001-105-0000-4370	500.00
			082819		MOVIE MATINEE 001-422-0000-4300	10.27
			083019		ORAL BOARD LUNCH 001-106-0000-4270	115.90
			083019		MOLD TESTING AT LP 043-390-0000-4260	524.00
					Total :	4,667.33
215969	9/16/2019	888800 BUSINESS CARD	082119		UNIFORM ACCESSORIES 001-222-0000-4300	393.11
			082319		SUPPLIES 001-222-0000-4300	546.84

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215969	9/16/2019	888800 BUSINESS CARD	(Continued) 082619		LODGING-POST SBSLI CLASS 418 IN O 001-225-0000-4370	396.69
					Total :	1,336.64
215970	9/16/2019	893224 CALIFORNIA CHROME WHEE, INC	114959	12032	TIRES FOR FLEET 041-1215	865.35
					Total :	865.35
215971	9/16/2019	887264 CALPERS	100000015779514		GASB-68 REPORTS & SCHEDULE FEE 018-190-0000-4450	2,450.00
					Total :	2,450.00
215972	9/16/2019	887264 CALPERS	100000015780798		SSA 218 ANNUAL ADMIN FEE 018-190-0000-4450	1,000.00
					Total :	1,000.00
215973	9/16/2019	891860 CARL WARREN & COMPANY	10504-10511		REIMB. OF ITF ACCT (LIABILITY CLAIM 006-1037	1,704.49
					Total :	1,704.49
215974	9/16/2019	893177 CELL ENERGY	IN0004266	12033	SERV. FOR VEH. BATTERIES (DELIVER 041-1215	124.41
					Total :	124.41
215975	9/16/2019	887917 CHIASSON, COURTNEY JAMES	REIMB.		LUNCH-HOMELESS LIASON TRAINING 001-222-0000-4360	15.00
					Total :	15.00
215976	9/16/2019	101957 CITY OF LOS ANGELES	38SF200000003		FIRE SERVICES - OCT 2019 001-500-0000-4260	222,243.00
					Total :	222,243.00
215977	9/16/2019	103029 CITY OF SAN FERNANDO	1990-2014		REIMBURSEMENT TO WORKER'S COM 006-1038	9,594.89
					Total :	9,594.89
215978	9/16/2019	890893 CITY OF SAN FERNANDO	52-0155-00		CITY PROPERTY UTILITY BILLING	
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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215978	9/16/2019	890893 CITY OF SAN FERNANDO	(Continued)		043-390-0000-4210	42.13
			52-2335-00		CITY PROPERTY UTILITY BILLING	
			54-0682-00		043-390-0000-4210	39.75
			54-1822-00		CITY PROPERTY UTILITY BILLING	
			54-1830-00		043-390-0000-4210	101.59
			54-1892-00		CITY PROPERTY UTILITY BILLING	
			54-2745-00		043-390-0000-4210	2,943.54
			54-3908-00		CITY PROPERTY UTILITY BILLING	
			54-4891-02		043-390-0000-4210	132.00
			56-0315-00		CITY PROPERTY UTILITY BILLING	
			58-1482-00		043-390-0000-4210	37.37
			60-1280-00		CITY PROPERTY UTILITY BILLING	
			60-1791-00		043-390-0000-4210	37.37
			60-3235-00		CITY PROPERTY UTILITY BILLING	
					043-390-0000-4210	37.37
					Total :	132.00
					Total :	5,040.24
215979	9/16/2019	890893 CITY OF SAN FERNANDO	FY19/20		CIF DONATION-ED COMM SCHOLARSH 053-101-0102-4430	1,000.00
					Total :	1,000.00
215980	9/16/2019	890893 CITY OF SAN FERNANDO	FY19/20		FEE WAIVER-VIDA MOBILE CLINIC FAC 001-190-0000-4430	250.00
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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215980	9/16/2019	890893 890893 CITY OF SAN FERNANDO	(Continued)			Total : 250.00
215981	9/16/2019	890893 CITY OF SAN FERNANDO	AUG 2019		COMMISSIONER'S STIPEND DONATION 001-115-0000-4111	75.00
					Total :	75.00
215982	9/16/2019	100747 COASTLINE EQUIPMENT	604972		VEHICLE MAINT-WA2571 070-383-0000-4400	147.71
					Total :	147.71
215983	9/16/2019	100805 COOPER HARDWARE INC.	117333		MISCELLANEOUS SUPPLIES FOR PW (
			117349	12034	043-390-0000-4300	8.74
			117354	12034	MISCELLANEOUS SUPPLIES FOR PW (41.58
			117360	12034	001-311-0000-4300	20.54
				12034	MISCELLANEOUS SUPPLIES FOR PW (24.89
					070-384-0000-4310	95.75
					Total :	
215984	9/16/2019	892687 CORE & MAIN LP	K797770		WATER AND FIRE SERVICE MATERIALS	
			K952559	12035	070-383-0301-4300	1,473.87
			L006352	12035	WATER AND FIRE SERVICE MATERIALS	634.56
				12035	070-383-0301-4300	-666.29
					Total :	1,442.14
215985	9/16/2019	893313 DE HARO-CERVANTES, JOSE ANTONIO	CE00000351		FIREWORKS PENALTY REFUND	
					001-3425-0000	250.00
					Total :	250.00
215986	9/16/2019	887121 DELL MARKETING L.P.	10335507578		PC UPGRADE OPTIPLEX 7060 SFF	
				12072	001-105-0000-4300	1,195.14
					Total :	1,195.14
215987	9/16/2019	100960 DIEDIKER, VIRGINIA	REIMB.		SUPPLIES FOR VARIOUS EVENTS	
					001-424-0000-4300	116.25

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215987	9/16/2019	100960	100960 DIEDIKER, VIRGINIA	(Continued)		Total : 116.25
215988	9/16/2019	887518	DURHAM, ALVIN	AUG 2019	COMMISSIONER'S STIPEND 001-150-0000-4111	75.00 Total : 75.00
215989	9/16/2019	890879	EUROFINS EATON ANALYTICAL, INC	L0463632	WATER TESTING AND ANALYSIS SERV	
			L0464363	12036	070-384-0000-4260	150.00
			L0465200	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0465205	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0465214	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0465217	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	102.00
			L0465332	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0465600	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	102.00
			L0465852	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0466378	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0466379	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	12.00
			L0466380	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	132.00
			L0467084	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
			L0467100	12036	WATER TESTING AND ANALYSIS SERV 070-384-0000-4260	150.00
					Total :	1,848.00
215990	9/16/2019	103851	EVERSOFT, INC.	R1978348	WATER SOFTNER RENTAL	

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215990	9/16/2019	103851 EVERSOF, INC.	(Continued)		070-384-0000-4260	79.68
					Total :	79.68
215991	9/16/2019	892905 F.R. ROSAS PAVING	M.P.-1148S.F.R.-A	12037	TRENCH REPAIRS ON NEW WATER SEI	2,664.00
			M.P.-440FER.R.-A	12037	070-383-0000-4260	936.00
					Total :	3,600.00
215992	9/16/2019	891622 FARMER BROTHERS	69333049		BREAK ROOM SUPPLIES	165.38
					001-222-0000-4300	165.38
215993	9/16/2019	101147 FEDEX	6-716-51578		COURIER SERVICES	35.53
			6-723-77697		001-190-0000-4280	70.70
					Total :	106.23
215994	9/16/2019	892198 FRONTIER COMMUNICATIONS	209-150-5251-040172-		MWD METER	45.83
			209-151-4939-102990		070-384-0000-4220	41.70
			209-188-4362-031792		MUSIC CHANNEL	606.04
			209-188-4363-031892		001-190-0000-4220	79.50
					POLICE MAJOR PHONE LINES	277.68
					001-222-0000-4220	264.55
					VARIOUS PHONE LINES	35.84
			818-361-6728-080105		001-190-0000-4220	35.84
			818-365-5097-120298		070-384-0000-4220	35.84
			818-837-1509-32207		001-420-0000-4220	26.81
			818-837-2296-031315		ENGINEERING FAX LINE	
					001-310-0000-4220	
					POLICE NARCOTICS VAULT	
					001-222-0000-4220	
					PUBLIC WORKS PHONE LINE	
					001-190-0000-4220	
					VARIOUS CITY HALL PHONE LINES	

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215994	9/16/2019	892198 FRONTIER COMMUNICATIONS	(Continued)		001-190-0000-4220	323.19
			818-838-4969-021803		PD ALARM PANEL	113.86
					001-222-0000-4220	1,850.84
215995	9/16/2019	893309 GOMEZ, MELINDA	AUG 2019		BOXING INSTRUCTOR	50.00
					017-420-1337-4260	50.00
215996	9/16/2019	893025 GONZALEZ, IVAN	AUG 2019		COMMISSIONER'S STIPEND	75.00
					001-150-0000-4111	75.00
215997	9/16/2019	892550 GOVEA, DAVID	AUG 2019		COMMISSIONER'S STIPEND	75.00
					001-115-0000-4111	75.00
215998	9/16/2019	101376 GRAINGER, INC.	9260565974	12022	SUPPLIES FOR BUILDING, ELECTRICA	27.19
			9260731238	12022	043-390-0000-4300	77.06
			9265338633	12022	SUPPLIES FOR BUILDING, ELECTRICA	309.75
					043-390-0000-4300	414.00
215999	9/16/2019	893166 GRBCON, INC.	1		PO#11973-GLENOAKS SEWER & WATE	166,321.45
					072-365-6673-4600	-8,316.07
					072-2037	158,005.38
216000	9/16/2019	888647 HDL SOFTWARE, LLC	0014728-IN	12064	BUSINESS LICENSE ADMIN SERVICES-	6,555.02
					001-130-0000-4260	6,555.02
216001	9/16/2019	101599 IMAGE 2000 CORPORATION	313973		CONTRACT BASE RATE CHARGE-EQ11	205.51
			314243		001-135-0000-4260	
					VARIOUS COPIER MAINT CONTRACT 0	

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216001	9/16/2019	101599 IMAGE 2000 CORPORATION	(Continued)		001-135-0000-4260 072-360-0000-4450 001-135-0000-4260 Total :	957.47 54.96 133.26 1,351.20
216002	9/16/2019	891570 INNOVATIVE TELECOM. SYSTEMS	2609		TELEPHONE EQUIPMENT MAINT-OCT ; 001-190-0000-4260 Total :	395.00 395.00
216003	9/16/2019	891777 IRRIGATION EXPRESS	15158634-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 070-383-0301-4300	268.29
			15158964-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 043-390-0000-4300	97.59
			15159072-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 043-390-0000-4300	217.13
			15160029-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 043-390-0000-4300	77.85
			15160549-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 043-390-0000-4300 Total :	233.07 893.93
216004	9/16/2019	101688 J & R AUDIO	2986		SOUND, STAGE, AND TECHNITIONS 001-424-0000-4260	2,700.00
			2987	12099	SOUND, STAGE, AND TECHNITIONS 001-424-0000-4260 Total :	3,300.00 6,000.00
216005	9/16/2019	887952 J. Z. LAWMOWER SHOP	24551	12023	SMALL POWER EQUIPMENT REPAIRS 043-390-0000-4300	32.80
			24552	12023	SMALL POWER EQUIPMENT REPAIRS 043-390-0000-4300	106.22
			24553	12023	SMALL POWER EQUIPMENT REPAIRS 043-390-0000-4300	125.00
			24554	12023	SMALL POWER EQUIPMENT REPAIRS 043-390-0000-4300	25.80
			24612		SMALL POWER EQUIPMENT REPAIRS	

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216005	9/16/2019	887952 J. Z. LAWMOWER SHOP	(Continued)	12023	001-346-0000-4300 Total :	353.37 643.19
216006	9/16/2019	889680 JIMENEZ LOPEZ, JUAN MANUEL	AUG 2019	12075	MMAP INSTRUCTOR: JUAN LOPEZ 109-424-3614-4260 Total :	360.00 360.00
216007	9/16/2019	892996 KS STATEBANK	14	11994 11994	SMART METER LEASE PAYMENT-OCT 001-190-0000-4405 001-190-0000-4428 Total :	165.98 1,434.27 1,600.25
216008	9/16/2019	893218 LAZARO, ERNESTO	AUG 2019	12076	MMAP ARTIST INSTRUCTOR: LAZARO 109-424-3614-4260 Total :	720.00 720.00
216009	9/16/2019	101974 LOS ANGELES COUNTY	JULY 2019 JUNE 2019	12067 11816	ANIMAL CARE & CONTROL SERVICES 001-190-0000-4260 ANIMAL CARE & CONTROL SERVICES 001-190-0000-4260 Total :	11,288.86 7,700.38 18,989.24
216010	9/16/2019	892477 LOWES	1056 1247 902044		MISC MAINTS SUPPLIES 043-390-0000-4300 MISC SUPPLIES 041-320-0320-4400 WORKSHOP BENCH SUPPLIES 070-384-0000-4300 Total :	21.89 73.03 788.12 883.04
216011	9/16/2019	102051 M & M LANDSCAPE	7120	12059	LANDSCAPING AND PEST CONTROL 070-384-0000-4260 Total :	1,600.00 1,600.00
216012	9/16/2019	888254 MCCALLA COMPANY	266743		GLOVES 001-222-0000-4300	1,092.52

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216023	9/16/2019	890095 O'REILLY AUTOMOTIVE STORES INC	(Continued)
		4605-343996	12025
			041-320-0225-4400
			VEH. SERV., MAINT. & REPAIR PARTS
			041-320-0225-4400
			Total :
			48.61
216024	9/16/2019	893116 PACHECO, HECTOR	AUG 2019
			COMMISSIONER'S STIPEND
			001-150-0000-4111
			Total :
			75.00
216025	9/16/2019	892749 PACHECO, VERONICA	212066
			212203
			REPL STL DTD CK-COMM STIPEND
			001-2140
			REPL STL DTD CK-COMM STIPEND
			001-2140
			Total :
			50.00
216026	9/16/2019	892360 PARKING COMPANY OF AMERICA	INVM0014151
			12079
			007-313-0000-4260
			12079
			007-440-0442-4260
			12079
			008-313-0000-4260
			DIAL A RIDE & TROLLEY SERVICES
			12079
			007-440-0442-4260
			12079
			008-313-0000-4260
			12079
			007-313-0000-4260
			Total :
			9,585.47
			29,441.67
			9,585.47
216027	9/16/2019	890324 PEREZ, JUAN	090419
			12026
			REFEREE/SCOREKEEPING SUMMER/V
			017-420-1328-4260
			Total :
			1,034.75
216028	9/16/2019	893314 PULIDO, ROBERTO	4959
			PERMIT #4959 REFUND
			001-3730-0000
			Total :
			98.00
216029	9/16/2019	102782 RAMIREZ, JOSE A.	101919
			MUSIC FOR SENIOR CLUB HALLOWEE
			004-2380
			Total :
			1,150.00
			1,150.00

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216030	9/16/2019	102779 RAMIREZ, THOMAS	AUG 2019		KARATE INSTRUCTOR-AUG 017-420-1326-4260	540.00	
					Total :	540.00	
216031	9/16/2019	893308 REFRIGERATION HARDWARE	C79730		LP PARK REFRIG REPAIR 043-390-0000-4300	39.46	
					Total :	39.46	
216032	9/16/2019	891881 REMENIH, MICHAEL	AUG 2019		COMMISSIONER'S STIPEND 001-115-0000-4111	75.00	
					Total :	75.00	
216033	9/16/2019	887296 ROBLEDO, OLIVIA	AUG 2019		COMMISSIONER'S STIPEND 001-115-0000-4111	75.00	
					Total :	75.00	
216034	9/16/2019	887872 ROSENBERG, IRWIN	REIMB.		LUNCH-HOMELESS LIASON TRAINING 001-222-0000-4360	15.00	
			REIMB.		CRPOA AWARDS LUNCHEON 001-222-0000-4360	80.00	
			REIMB.		LUNCH-MASS CARE TRAINING ON 08/2 001-222-0000-4360	15.00	
					Total :	110.00	
216035	9/16/2019	892708 ROYAL INDUSTRIAL SOLUTIONS	8901-780040	12050	ST. LIGHTING, PARKING LOT LIGHTING 001-370-0301-4300	299.36	
					Total :	299.36	
216036	9/16/2019	102950 RYDELL AUTOMOTIVE GROUP	341977		VEHICLE MAINT-PD6849 041-320-0224-4400	210.32	
					Total :	210.32	
216037	9/16/2019	893196 SAALEX SOLUTIONS INC	7970		AUG-CRITICAL SYSTEM MANAGEMENT 001-135-0000-4270	1,092.50	
			8020	12054	INFORMATION TECHNOLOGY MANAGE 001-135-0000-4270	9,600.00	
					Total :	10,692.50	

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216038	9/16/2019	892416 SANCHEZ, KARLA	AUG 2019		ZUMBA INSTRUCTOR 017-420-1337-4260	250.00
					Total :	250.00
216039	9/16/2019	893297 SANTAMARIA, CARMELA	2000179.003		SENIOR TRIP REFUND-INDIO TAMALE I 004-2383	35.00
					Total :	35.00
216040	9/16/2019	893311 SERVIN JR., IGNACIO	1548		FACILITY RENTAL DEP REFUND 001-2220	150.00
					Total :	150.00
216041	9/16/2019	887570 SIMPLOT PARTNERS	205060893		ROUNDUP 043-390-0000-4300	438.00
					Total :	438.00
216042	9/16/2019	103184 SMART & FINAL	47270		MISC SUPPLIES 001-422-0000-4300	33.53
			47271		SUPPORT SUPPLIES 004-2346	39.13
			54709		MISC SUPPLIES 004-2383	35.34
					004-2346	83.46
			59428		WATER & BREAK ROOM SUPPLIES 043-390-0000-4300	152.71
					Total :	344.17
216043	9/16/2019	103218 SOLIS, MARGARITA	08-10		PETTY CASH REIMBURSEMENT 001-106-0000-4270	90.77
					001-106-0000-4360	13.00
					Total :	103.77
216044	9/16/2019	892367 SOLIS, MARGARITA	72-76		L P SENIOR PETTY CASH REIMB. 004-2380	190.99
					Total :	190.99
216045	9/16/2019	103202 SOUTHERN CALIFORNIA EDISON CO.	2-02-682-7675		ELECTRIC-VARIOUS LOCATIONS 043-390-0000-4210	10,819.27

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216045	9/16/2019	103202 SOUTHERN CALIFORNIA EDISON CO.	(Continued) 2-21-082-3241		ELECTRIC-VARIOUS LOCATION 029-335-0000-4210 070-384-0000-4210 043-390-0000-4210 2-39-717-6769 ELECTRIC-801 EIGHTH 043-390-0000-4210	2,205.23 380.38 15,181.06 16.96
					Total :	28,602.90
216046	9/16/2019	103251 STANLEY PEST CONTROL	165985	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	94.00
			165990	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	135.00
			165992	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	55.00
			165993	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	95.00
			165994	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	85.00
			165995	12091	PEST EXTERMINATION OF VARIOUS CI 043-390-0000-4260	85.00
					Total :	549.00
216047	9/16/2019	889149 STAPLES BUSINESS ADVANTAGE	8055496655		BREAK ROOM SUPPLIES 001-190-0000-4300	214.82
					Total :	214.82
216048	9/16/2019	892994 SWEETNESS CUPCAKES & CAKES	082519		CAKE FOR CITY 108TH BIRTHDAY CELE 001-424-0000-4300	315.00
					Total :	315.00
216049	9/16/2019	101528 THE HOME DEPOT CRC, ACCT#603532202490	1360204		VEHICLE MAINT-MISC SUPPLIES 041-320-0320-4400 192081 ITEM RETURNED 041-320-0320-4400 2513813 GRAFFITI ABATEMENT SUPPLIES 001-152-0000-4300	561.40 -218.91 70.60

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216049	9/16/2019	101528 THE HOME DEPOT CRC, ACCT#603532202490 (Continued)	3765793		HAND TOOLS-LITER PICKUP 043-390-0000-4300	165.00
			380167		BUILDING MATERIALS 070-384-0000-4330	825.03
			4340057		MISC SUPPLIES 030-341-0000-4300	205.66
			4555234		MATL'S FOR REPAIRS 043-390-0000-4300	75.24
			5171295		ITEM RETURNED 043-390-0000-4300	-53.04
			8973527		TRASH BAGS 030-341-0000-4300	702.68
					Total :	2,333.75
216050	9/16/2019	102431 THE ODYSSEY RESTAURANT	092219		FINAL-LP CLUB ANNUAL HOLIDAY PAR 004-2380	5,000.00
					Total :	5,000.00
216051	9/16/2019	103903 TIME WARNER CABLE	0010369081819		CABLE-PD (08/18-09/17) 001-222-0000-4300	234.80
			196309082319		INTERNET SERVICES 08/23-09/22 001-190-0000-4220	1,299.00
					Total :	1,533.80
216052	9/16/2019	891125 TMC SHOOTING RANGE SPECIALIST	1624	12081	SHOOTING RANGE CLEAN UP 001-222-0000-4320	4,950.00
					Total :	4,950.00
216053	9/16/2019	892525 T-MOBILE	958769818		HOTSPOT & TABLET CONNECTIONS 001-420-0000-4220	23.19
					001-152-0000-4220	19.89
					Total :	43.08
216054	9/16/2019	888076 TRUJILLO GRADING & PAVING CO.	62336		PROVIDE & INSTALL (5) SETS OF TRUN 001-311-0301-4300	2,100.00
					Total :	2,100.00

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216055	9/16/2019	103444 ULTRA GREENS, INC	46942	12042	LANDSCAPE SUPPLIES & MATERIALS 001-311-0000-4300	86.48
					Total :	86.48
216056	9/16/2019	892490 VALLEY LINE-X	15908		VEHICLE MAINT-WA7358 070-384-0000-4400	950.00
					Total :	950.00
216057	9/16/2019	103534 VALLEY LOCKSMITH	6347	12031	LOCKSMITH SERV'S FOR ALL FACILITIE 070-384-0000-4400	297.01
			6351	12031	LOCKSMITH SERV'S FOR ALL FACILITIE 043-390-0000-4330	54.75
			6354	12031	LOCKSMITH SERV'S FOR ALL FACILITIE 043-390-0000-4330	396.25
					Total :	748.01
216058	9/16/2019	103550 VANICEK, JAMES	TRAVEL		PER DEIM-TRAINING MANAGER SEMIN 001-225-3688-4360	120.00
					Total :	120.00
216059	9/16/2019	889386 VENTIMIGLIA, PAUL	TRAVEL		PER DIEM & PARKING FEE-POST SBSL 001-225-0000-4370	150.00
					Total :	150.00
216060	9/16/2019	892081 VERIZON BUSINESS SERVICES	71210105		MPLS PORT ACCESS & ROUTER-PD 001-222-0000-4220	1,058.22
					Total :	1,058.22
216061	9/16/2019	100101 VERIZON WIRELESS-LA	9836248128		MDT MODEM-PD UNITS 001-222-0000-4220	1,228.20
			9836523955		PLANNING CELL PHONE PLAN 001-140-0000-4220	5.36
			9836576867		CITY YARD CELL PHONE PLANS 070-384-0000-4220	150.08
					043-390-0000-4220	24.17
					041-320-0000-4220	24.17
					072-360-0000-4220	31.58

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216061	9/16/2019	100101 VERIZON WIRELESS-LA	(Continued) 9836834702		PD CELL PHONE PLANS 001-222-0000-4220	153.94
			9836855962		VARIOUS CELL PHONE PLANS 001-106-0000-4220	173.23
					070-384-0000-4220	49.42
					Total :	1,840.15
216062	9/16/2019	888390 WEST COAST ARBORISTS, INC.	150186	12093	CITY WIDE TREE MAINT. SERVICE 043-390-0000-4260	2,923.00
					Total :	2,923.00
216063	9/16/2019	890970 WEX BANK	61009434		FUEL FOR CITY FLEET 041-320-0152-4402	346.71
					041-320-0221-4402	113.53
					041-320-0222-4402	123.63
					041-320-0224-4402	1,019.51
					041-320-0225-4402	7,257.93
					041-320-0226-4402	85.40
					041-320-0228-4402	543.02
					041-320-0311-4402	1,183.30
					041-320-0312-4402	432.75
					041-320-0320-4402	182.02
					041-320-0346-4402	88.57
					041-320-0370-4402	1,258.47
					041-320-0390-4402	1,489.96
					041-320-0420-4402	2.00
					007-313-3630-4402	4.00
					029-335-0000-4402	48.05
					070-381-0000-4402	2.00
					070-382-0000-4402	756.23
					070-383-0000-4402	789.35
					070-384-0000-4402	298.59
					072-360-0000-4402	713.69
					Total :	16,738.71
216064	9/16/2019	889138 WIEDER, CAROL	082119		INTERPRETATION SERVICES-CC MTG	

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216064	9/16/2019	889138 WIEDER, CAROL	(Continued)		001-101-0000-4270	250.00		
						Total :	250.00	
216065	9/16/2019	891531 WILLDAN ENGINEERING	00617907		PO#11736 - DESIGN SRV FOR STREET 012-311-6673-4600	1,268.00		
						Total :	1,268.00	
216066	9/16/2019	889491 WILLDAN FINANCIAL SERVICES	010-41995	12082	LANDSCAPING & LIGHTING ASSESSME 027-344-0000-4260	2,500.00		
						Total :	2,500.00	
216067	9/16/2019	892785 WONG, MICHELLE	AUG 2019		YOGA INSTRUCTOR 017-420-1337-4260	100.00		
						Total :	100.00	
121	Vouchers for bank code :		bank3		Bank total :		699,067.60	
121	Vouchers in this report				Total vouchers :		699,067.60	

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215571	8/8/2019	103648 CITY OF SAN FERNANDO	PR 8-9-19		REIMB FOR PAYROLL W/E 8-2-19	
					001-1003	445,612.37
					007-1003	290.92
					008-1003	2,519.05
					017-1003	20,680.83
					027-1003	4,409.73
					029-1003	3,036.68
					030-1003	1,595.60
					041-1003	11,969.96
					043-1003	23,972.30
					070-1003	38,282.06
					072-1003	23,020.43
					094-1003	158.31
					119-1003	1,714.64
					Total :	577,262.88
215572	8/9/2019	103825 CONTROLLER-STATE OF CALIFORNIA	NONPO		FY18/19 AUDIT CONFIRMATION OF	
					001-130-0000-4270	150.00
					Total :	150.00
215573	8/12/2019	890907 DELTA DENTAL OF CALIFORNIA	DEMAND		DENTAL INS BENEFITS - AUG 2019	
					001-1160	12,096.41
					Total :	12,096.41
215574	8/12/2019	891230 DELTA DENTAL INSURANCE COMPANY	DEMAND		DENTAL INS BENEFITS - AUG 2019	
					001-1160	234.96
					Total :	234.96
215575	8/12/2019	103596 CALIFORNIA VISION SERVICE PLAN	DEMAND		VISION INS BENEFITS - AUG 2019	
					001-1160	2,499.33
					Total :	2,499.33
215576	8/12/2019	887627 STANDARD INSURANCE	DEMAND		AD&D INS BENEFITS - AUG 2019	
					001-1160	3,421.71
					Total :	3,421.71

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215706	8/20/2019	889680 JIMENEZ LOPEZ, JUAN MANUEL	JULY 2019	12075	MMAP INSTRUCTOR: JUAN LOPEZ	
					109-424-3614-4260	720.00
					Total :	720.00
215707	8/20/2019	890546 BARAJAS, CRYSTAL	JULY 2019	12071	MMAP ARTIST INSTRUCTOR: CRYSTAL	
					109-424-3614-4260	221.00
					Total :	221.00
215708	8/20/2019	101434 GUZMAN, JESUS ALBERTO	JULY 2019	12074	MMAP ARTIST INSTRUCTOR: JESUS GI	
					109-424-3614-4260	1,200.00
					Total :	1,200.00
215709	8/20/2019	893050 MORALES-RODRIGUEZ, CRISTAL	JULY 2019	12077	MMAP INSTRUCTOR: CRISTAL MORALI	
					109-424-3614-4260	425.00
					Total :	425.00
215710	8/20/2019	100143 ALONSO, SERGIO	JULY 2019	12069	MMAP ARTIST INSTRUCTOR: SERGIO /	
					109-424-3614-4260	5,640.00
					Total :	5,640.00
215711	8/20/2019	893218 LAZARO, ERNESTO	JULY 2019	12076	MMAP ARTIST INSTRUCTOR: LAZARO	
					109-424-3614-4260	720.00
					Total :	720.00
215712	8/22/2019	103648 CITY OF SAN FERNANDO	PR 8-23-19		REIMB FOR PAYROLL W/E 8-16-19	
					001-1003	434,790.95
					007-1003	295.90
					008-1003	2,519.03
					017-1003	15,723.08
					027-1003	5,481.32
					029-1003	3,042.97
					030-1003	2,008.31
					041-1003	11,474.29
					043-1003	24,300.25
					070-1003	37,251.39
					072-1003	22,196.87
					094-1003	158.31

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215712	8/22/2019	103648 CITY OF SAN FERNANDO	(Continued)		119-1003	1,980.41
Total :						561,223.08
13 Vouchers for bank code : bank3						Bank total : 1,165,814.37
13 Vouchers in this report						Total vouchers : 1,165,814.37

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CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215940	8/30/2019	893115 P.E.R.S.	100000015726037		EMPLOYER CONTRIB VARIANCE-07/20 001-1160	2,960.30
Total :						2,960.30
1 Vouchers for bank code : bank3						Bank total : 2,960.30
1 Vouchers in this report						Total vouchers : 2,960.30

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CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215845	9/1/2019	100286 BAKER, BEVERLY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	533.75
					Total :	533.75
215846	9/1/2019	893277 CROOK, LORETTA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83
					Total :	258.83
215847	9/1/2019	100916 DEIBEL, PAUL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83
					Total :	258.83
215848	9/1/2019	891041 GARCIA, CONNIE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215849	9/1/2019	101781 KISHITA, ROBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215850	9/1/2019	101926 LILES, RICHARD	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127 072-180-0000-4127	247.21 247.20
					Total :	494.41
215851	9/1/2019	891027 LOCKETT, JOANN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83
					Total :	258.83
215852	9/1/2019	102126 MARTINEZ, MIGUEL	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127	482.64
					Total :	482.64
215853	9/1/2019	891031 ORTEGA, JIMMIE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83
					Total :	258.83

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CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215854	9/1/2019	891032 OTREMB, EUGENE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66
					Total :	653.66
215855	9/1/2019	891354 RAMIREZ, ROSALINDA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	482.64
					Total :	482.64
215856	9/1/2019	102940 RUIZ, RONALD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	533.75
					Total :	533.75
215857	9/1/2019	103121 SERRANO, ARMANDO	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	533.75
					Total :	533.75
215858	9/1/2019	892782 TIGHE, DONNA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215859	9/1/2019	891046 VANAALST, LEONILDA	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127	187.74
					Total :	187.74
15 Vouchers for bank code : bank3						Bank total : 5,500.88
15 Vouchers in this report						Total vouchers : 5,500.88

Voucher Registers are not final until approved by Council.

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215860	9/1/2019	100042 ABDALLAH, ALBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,234.75 Total : 1,234.75
215861	9/1/2019	100091 AGORICHAS, JOHN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	224.41 Total : 224.41
215862	9/1/2019	891039 AGUILAR, JESUS	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	511.48 Total : 511.48
215863	9/1/2019	100104 ALBA, ANTHONY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 Total : 653.66
215864	9/1/2019	891011 APODACA-GRASS, ROBERTA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 Total : 653.66
215865	9/1/2019	100306 BARNARD, LARRY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,226.00 Total : 1,226.00
215866	9/1/2019	100346 BELDEN, KENNETH M.	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,226.00 Total : 1,226.00
215867	9/1/2019	892233 BUZZELL, CAROL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	163.37 Total : 163.37
215868	9/1/2019	891350 CALZADA, FRANK	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	462.74 Total : 462.74
215869	9/1/2019	100642 CASTRO, RICO	19-Sep		CALPERS HEALTH REIMB	

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215869	9/1/2019	100642 CASTRO, RICO	(Continued)		001-180-0000-4127	1,551.56 Total : 1,551.56
215870	9/1/2019	891014 CREEKMORE, CASIMIRA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 Total : 258.83
215871	9/1/2019	891016 DEATON, MARK	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127	494.41 Total : 494.41
215872	9/1/2019	100913 DECKER, CATHERINE	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127	653.66 Total : 653.66
215873	9/1/2019	100925 DELGADO, RALPH	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	462.74 Total : 462.74
215874	9/1/2019	892102 DOSTER, DARRELL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 Total : 653.66
215875	9/1/2019	100996 DRAKE, JOYCE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 Total : 258.83
215876	9/1/2019	100995 DRAKE, MICHAEL	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127 072-180-0000-4127	129.42 Total : 258.83
215877	9/1/2019	100997 DRAPER, CHRISTOPHER	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,472.46 Total : 1,472.46
215878	9/1/2019	101044 ELEY, JEFFREY	19-Sep		CALPERS HEALTH REIMB	

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Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215878	9/1/2019	101044 ELEY, JEFFREY	(Continued)		001-180-0000-4127	1,940.00
					Total :	1,940.00
215879	9/1/2019	891040 FISHKIN, RIVIAN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215880	9/1/2019	892103 GAJDOS, BETTY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215881	9/1/2019	891351 GARCIA, DEBRA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,979.02
					Total :	1,979.02
215882	9/1/2019	891067 GARCIA, NICOLAS	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,177.56
					Total :	1,177.56
215883	9/1/2019	101318 GLASGOW, KEVIN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,472.46
					Total :	1,472.46
215884	9/1/2019	891020 GLASGOW, ROBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	377.00
					Total :	377.00
215885	9/1/2019	891021 GUIZA, JENNIE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83
					Total :	258.83
215886	9/1/2019	101415 GUTIERREZ, OSCAR	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74
					Total :	187.74
215887	9/1/2019	891352 HADEN, SUSANNA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	482.64
					Total :	482.64

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Bank code :		bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
215887	9/1/2019	891352 891352 HADEN, SUSANNA	(Continued)			Total : 482.64	
215888	9/1/2019	101440 HALCON, ERNEST	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,226.00	
					Total :	1,226.00	
215889	9/1/2019	891918 HARTWELL, BRUCE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66	
					Total :	653.66	
215890	9/1/2019	101465 HARVEY, DAVID	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74	
					Total :	187.74	
215891	9/1/2019	101466 HARVEY, DEVERY MICHAEL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,679.00	
					Total :	1,679.00	
215892	9/1/2019	101471 HASBUN, NAZRI A.	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,203.50	
					Total :	1,203.50	
215893	9/1/2019	891023 HATFIELD, JAMES	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66	
					Total :	653.66	
215894	9/1/2019	892104 HERNANDEZ, ALFONSO	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,503.07	
					Total :	1,503.07	
215895	9/1/2019	891024 HOOKER, RAYMOND	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	707.78	
					Total :	707.78	
215896	9/1/2019	101538 HOUGH, RAY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	462.74	
					Total :	462.74	
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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215897	9/1/2019	101597 IBRAHIM, SAMIR	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	511.48 511.48
215898	9/1/2019	101694 JACOBS, ROBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,147.00 1,147.00
215899	9/1/2019	892105 KAHMANN, ERIC	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	511.48 511.48
215900	9/1/2019	101786 KLOTZSCHE, STEVEN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	832.98 832.98
215901	9/1/2019	891866 KNIGHT, DONNA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74 187.74
215902	9/1/2019	892929 LEWIS, WANDA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215903	9/1/2019	891043 LIEBERMAN, LEONARD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74 187.74
215904	9/1/2019	101933 LITTLEFIELD, LESLEY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 653.66
215905	9/1/2019	102059 MACK, MARSHALL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,203.50 1,203.50
215906	9/1/2019	891010 MAERTZ, ALVIN	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	511.48

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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215906	9/1/2019	891010 891010 MAERTZ, ALVIN	(Continued)			511.48
215907	9/1/2019	888037 MARTINEZ, ALVARO	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,101.28 1,101.28
215908	9/1/2019	102206 MILLER, WILMA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215909	9/1/2019	102212 MIRAMONTES, MONICA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,203.50 1,203.50
215910	9/1/2019	102232 MIURA, HOWARD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215911	9/1/2019	892106 MONTAN, EDWARD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	832.98 832.98
215912	9/1/2019	102365 NAVARRO, RICARDO A	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	462.74 462.74
215913	9/1/2019	102473 ORDELHEIDE, ROBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,551.56 1,551.56
215914	9/1/2019	102483 OROZCO, ELVIRA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	163.37 163.37
215915	9/1/2019	102486 ORSINI, TODD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,605.35 1,605.35

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Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215916	9/1/2019	102569 PARKS, ROBERT	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,940.00 1,940.00
215917	9/1/2019	102527 PISCITELLI, ANTHONY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	462.74 462.74
215918	9/1/2019	891033 POLLOCK, CHRISTINE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	377.00 377.00
215919	9/1/2019	102735 QUINONEZ, MARIA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,101.28 1,101.28
215920	9/1/2019	891034 RAMSEY, JAMES	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	677.47 677.47
215921	9/1/2019	102864 RIVETTI, DOMINICK	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	886.00 886.00
215922	9/1/2019	102936 RUELAS, MARCO	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,124.82 1,124.82
215923	9/1/2019	891044 RUSSUM, LINDA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74 187.74
215924	9/1/2019	103005 SALAZAR, TONY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	2,407.00 2,407.00
215925	9/1/2019	892107 SHANAHAN, MARK	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	511.48
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Bank code :		bank3				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215925	9/1/2019	892107 892107 SHANAHAN, MARK	(Continued)			511.48
215926	9/1/2019	891035 SHERWOOD, NINA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215927	9/1/2019	103175 SKOBIN, ROMELIA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,102.61 1,102.61
215928	9/1/2019	103220 SOMERVILLE, MICHAEL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,487.00 1,487.00
215929	9/1/2019	103394 TORRES, RACHEL	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215930	9/1/2019	889588 UFANO, VIRGINIA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	187.74 187.74
215931	9/1/2019	888417 VALDIVIA, LAURA	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	707.78 707.78
215932	9/1/2019	103562 VASQUEZ, JOEL	19-Sep		CALPERS HEALTH REIMB 070-180-0000-4127	1,940.00 1,940.00
215933	9/1/2019	891038 WAITE, CURTIS	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,102.61 1,102.61
215934	9/1/2019	891036 WATT, DAVID	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 653.66
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Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215935	9/1/2019	891037 WEBB, NANCY	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	677.47 677.47
215936	9/1/2019	103643 WEDDING, JEROME	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	653.66 653.66
215937	9/1/2019	103727 WYSBEEK, DOUDE	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	258.83 258.83
215938	9/1/2019	103737 YNIGUEZ, LEONARD	19-Sep		CALPERS HEALTH REIMB 001-180-0000-4127	1,102.61 1,102.61
79 Vouchers for bank code : bank3						Bank total : 62,460.42
79 Vouchers in this report						Total vouchers : 62,460.42

Voucher Registers are not final until approved by Council.

Page: 9

SPECIAL CHECKS

vchlist

Voucher List

Page: 1

08/29/2019 12:13:21PM

CITY OF SAN FERNANDO

Bank code : bank3

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
215939	9/5/2019	102519 P.E.R.S.	SEPT 2019		HEALTH INS. BENEFITS-SEPT 2019 001-1160	151,006.40
Total :						151,006.40
1 Vouchers for bank code : bank3						Bank total : 151,006.40
1 Vouchers in this report						Total vouchers : 151,006.40

Voucher Registers are not final until approved by Council.

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: September 16, 2019

Subject: Consideration to Approve the Street and Parkway Tree Ad Hoc Committee Scope of Duties

RECOMMENDATION:

It is recommended that the City Council approve the scope of duties for the Street and Parkway Tree Ad Hoc Committee.

BACKGROUND:

1. During the Fiscal Year (FY) 2019-2020 budget process, \$25,000 was approved and appropriated for street and parkway trees throughout the City.
2. On September 3, 2019, the City Council created a Street and Parkway Tree Ad Hoc Committee (Councilmembers Gonzales and Pacheco) to review information and develop policy recommendations to the full City Council related to implementing a program to use the tree fund appropriation.

ANALYSIS:

Scope of Duties.

It is anticipated that the Ad Hoc Committee will meet bi-monthly (every other month) to review information and develop policy recommendations related to street and parkway tree programs, including:

- Street and parkway tree maintenance to prolong tree life expectancy;
- Tree species that are appropriate to place in streets and parkways;
- A program for residents to plant and maintain trees in parkways; and
- Other street and parkway tree policy related items that require additional study.

Staff recommends that the Ad Hoc Committee dissolve upon adoption of a policy/program outlining the regulations for street and parkway tree planting and maintenance.

Consideration to Approve the Street and Parkway Tree Ad Hoc Committee Scope of DutiesPage 2 of 2

BUDGET IMPACT:

There is no budget impact associated with approving the scope of duties for the Street and Parkway Tree Ad Hoc Committee. City Council appropriated \$25,000 in the FY 2019-2020 Adopted Budget to develop and fund a street and parkway tree program. Staff time involved in attending Ad Hoc Committee meetings and associated work is included in the Public Works Department work plan for Fiscal Year 2019-2020.

CONCLUSION:

Staff recommends that the City Council approve the Street and Parkway Tree Ad Hoc Committee Scope of Duties.

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Julian J. Venegas, Director of Recreation and Community Services

Date: September 16, 2019

Subject: Consideration to Approve a Professional Service Agreement with Valley Care Community Consortium to Manage the San Fernando Street Festival Nocturnal Ride Event

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve a Professional Service Agreement (Attachment "A"- Contract No. 1930) with Valley Care Community Consortium to manage the San Fernando Street Festival Nocturnal Ride Event.
- b. Authorize the City Manager to make non-substantive changes and execute all related documents.

BACKGROUND:

1. On March 31, 2018, the City successfully implemented the San Fernando Street Festival, which was one of Metro's Open Streets Cycle Two events, and where thousands of people filled over three miles of city streets.
2. On June 4, 2018, the City Council authorized preparation and submittal of an application to the Metro Open Streets Grant Program Cycle Three, to fund a second San Fernando Street Festival.
3. On September 27, 2018, the Los Angeles Metro Board selected the City of San Fernando as one of the host cities for an Open Streets event. The City was awarded \$144,000 to implement the program.
4. On November 21, 2018, staff circulated a Request for Proposal (RFP) to solicit Project Management Services for the Open Streets event. The Due date was December 19, 2018. There were no replies to this RFP.

Professional Service Agreement Open Streets EventPage 2 of 4

5. On January 7, 2019, staff recirculated the RFP targeting vendors specializing in conducting Open Street and CicLAvia events. Once again there were no bids received for this RFP.
6. On April 15, 2019, staff reached out to Utopia Worldwide and met Valley Care Community Consortium to discuss the Open Streets event and the prospect of assuming the management responsibilities for the event.
7. On May 6, 2019, staff provided a update regarding the Open Streets event and City Council provided direction on the Open Streets event date.

ANALYSIS:

The first San Fernando Street Festival was a huge success. The event brought together local businesses, community groups, and organizations that serve the Northeast San Fernando Valley. An estimated 10,000 people participated in the festivities and received information from the 68 vendors lining the 3.2-mile course. The event also provided a conduit to celebrate the rich cultural heritage of the City with live entertainment, dance performances, and art exhibitions. The San Fernando Street Festival reconnected neighbors, sparked local business, and educated the public on alternative modes of transportation.

The success of the San Fernando Street Festival encouraged staff to apply for Metro's Open Streets Cycle Three Grand Program to fund the San Fernando Street Festival – Nocturnal Ride event, which was originally scheduled for November 2, 2019. In late fall 2018, Metro notified the City that San Fernando's Open Street event was selected for funding and awarded \$144,000 to offset the total estimated event cost of \$180,000.

Staff circulated a RFP on November 21, 2018, to obtain Program Management Services for the San Fernando Street Festival – Nocturnal Ride event. Unfortunately, no bids were submitted by the December 19, 2018 deadline. A second attempt to acquire a firm's assistance was made on February 7, 2019. This time staff targeted firms whose core business is implementing Open Street type events. The firms included: Alta Planning + Design, CicLAvia, Community Arts Resources (CARS) and Bikes San Gabriel Valley. Regrettably, none of the targeted companies submitted a bid.

The lack of interest in the San Fernando Street Festival was a concern. Staff reached out to the targeted firms to inquire their reasoning for not bidding on the project. Both emails and direct calls were made, but only one firm, CARS, responded to the inquiry. CARS stated that they were overwhelmed managing events slated in 2019 and that the grant award the City received was insufficient to contract their services.

Professional Service Agreement Open Streets EventPage 3 of 4

On March 27, 2019, staff met to develop a plan to implement the San Fernando Street Festival - Nocturnal Ride. After extensive discussion, the consensus was to recommend postponing the event until May 2, 2020. The Police Department will assume the responsibility to develop the event's safety plan and the Department of Public Works will seek a contractor to implement a traffic management plan. The Recreation and Community Services (RCS) Department continued pursuing a contractor to manage the marketing, community outreach, and grant reporting components of the event.

On April 15, 2019, RCS staff met with Utopia Worldwide and Valley Care Community Consortium (VCCC) to discuss these tasks and requested a proposal for their services. The meeting with VCCC was promising. VCCC expressed interest in assuming the management responsibilities and stated they would submit a proposal. Utopia Worldwide, however, withdrew from consideration stating their services did not include marketing or community outreach.

At the City Council meeting held May 6, 2019, direction regarding the San Fernando Street Festival – Nocturnal Ride was given to staff. The City Council indicated that the event date of May 2, 2020, was problematic due to neighboring communities celebrating Cinco de Mayo events, and the potential safety issue with closing down two major thoroughfares in the City on this date.

The New date for the San Fernando Street Festival – Nocturnal Ride will be October 31, 2020, to coincide with the City's signature Dia de Los Muertos 5K Relay Run program.

BUDGET IMPACT:

The total compensation of this Agreement shall not exceed the budgeted aggregate sum of \$114,000. Metro's Open Streets Cycle Three Grant is \$144,000, with a local match of \$36,000, making the total cost of the San Fernando Street Festival – Nocturnal Ride program \$180,000. The local match can be in-kind services and supplies associated with project planning and oversight. Documentation of all staff cost, administrative expenses, permitting fees, supplies, and services are allowable as in-kind under the grant.

The expenditures for implementation will be allocated in the Fiscal Year (FY) 2019-2020 budget cycle under the Capital Grants Fund - Recreation and Community Service Grants (Fund 010).

CONCLUSION:

It is recommended that the City Council approve a Professional Services Agreement (Attachment "A") with Valley Care Community Consortium to provide Management Services for the San Fernando Street Festival Nocturnal Ride event.

Professional Service Agreement Open Streets Event

Page 4 of 4

ATTACHMENT:

A. Contract No. 1930 – Professional Services Agreement



PROFESSIONAL SERVICES AGREEMENT

Valley Care Community Consortium

San Fernando Open Streets Festival Nocturnal Ride

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 16th day of September 2019 (hereinafter, the "Effective Date"), by and between the CITY OF SAN FERNANDO, a municipal corporation ("CITY") and Valley Care Community Consortium, a non-profit corporation (hereinafter, "CONSULTANT"). For the purposes of this Agreement CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I. ENGAGEMENT TERMS

- 1.1 **SCOPE OF SERVICES:** Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONSULTANT agrees to perform the services and tasks set forth in **Exhibit "A"** (hereinafter referred to as the "**Scope of Services**"). CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."
 - 1.2 **TERM:** This Agreement shall have a term of sixteen (16) months commencing from the effective date and end no later than December 31, 2020, unless CITY issues written notice of its intent not to authorize an additional extension term(s). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause
 - 1.3 **COMPENSATION:**
 - A. CONSULTANT shall perform the various services and tasks set forth in the Scope of Services in accordance with the Project Budget which is included in **Exhibit "B"** (hereinafter, the "**Approved Rate Schedule**").
 - B. Section 1.3(A) notwithstanding, CONSULTANT's total compensation during the Term of this Agreement or any extension term shall not exceed the budgeted
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PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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aggregate sum of \$114,000 (hereinafter, the "Not-to-Exceed Sum"), unless such added expenditure is first approved by the CITY acting in consultation with the City Manager and the Director of Finance. In the event CONSULTANT's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of the Term or any single extension term, CITY may suspend CONSULTANT's performance pending CITY approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other CITY-approved amendment to the compensation terms of this Agreement.

- 1.4 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT shall submit to CITY an itemized invoice indicating the services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice shall indicate the number of hours worked in the recently concluded calendar month, the persons responsible for performing the Work, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar day of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.
- 1.5 ACCOUNTING RECORDS: CONSULTANT shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.
- 1.6 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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II. PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the City Manager and Director of Recreation and Community Services (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The City Manager shall be the chief CITY Representative. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONSULTANT shall not accept directions or orders from any person other than the CITY Representatives or their designee.
- 2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Anthony Ortiz-Luis, Executive Director, to act as its representative for the performance of this Agreement (hereinafter, "CONSULTANT Representative"). CONSULTANT Representative shall have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. CONSULTANT Representative or his designee shall supervise and direct the performance of the Work, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONSULTANT Representative shall constitute notice to CONSULTANT.
- 2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONSULTANT shall be subject to inspection and approval by CITY Representatives or their designees.
- 2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges and agrees to the following:
- A. CONSULTANT shall perform all Work skillfully, competently and to the highest standards of CONSULTANT's profession;
 - B. CONSULTANT shall perform all Work in a manner reasonably satisfactory to the CITY;
 - C. CONSULTANT shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.);
 - D. CONSULTANT understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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- E. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONSULTANT; and
- F. All of CONSULTANT's employees and agents (including but not limited to subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT shall perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendar days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and in their sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONSULTANT's profession.

- 2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONSULTANT's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.
- 2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Work shall be performed by CONSULTANT or under CONSULTANT's strict supervision.

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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CONSULTANT will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONSULTANT are not employees of CITY and shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

- 2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant shall be promptly removed by CONSULTANT and shall not be re-assigned to perform any of the Work.
- 2.8 COMPLIANCE WITH LAWS: CONSULTANT shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONSULTANT's compliance with applicable laws shall include without limitation compliance with all applicable Cal/OSHA requirements.
- 2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subcontractor, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 2.10. INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and shall at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of CITY. CONSULTANT shall be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors,

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT shall have no authority, express or implied, 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 to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

III. INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Prior to the beginning of and throughout the duration of the Work, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT shall procure and maintain the following insurance coverage, at its own expense:

- A. Commercial General Liability Insurance: CONSULTANT shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.
- B. Automobile Liability Insurance: CONSULTANT shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
- C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Work contemplated in this Agreement.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.

3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers admitted in the State of California and authorized to issue

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.

- 3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT shall be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
- 3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.
- 3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding CITY's financial well-being and, indirectly, the collective well-being of the residents of the CITY. Accordingly, CONSULTANT warrants, represents and agrees that its shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article on forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the CITY if requested.** All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONSULTANT's commencement of any work or any of the Work. Upon CITY's written request, CONSULTANT shall also provide CITY with certified copies of all required insurance policies and endorsements.

IV. INDEMNIFICATION

- 4.1 The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein.

- 4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY.
- 4.3 CITY shall have the right to offset against the amount of any compensation due CONSULTANT under this Agreement any amount due CITY from CONSULTANT as a result of CONSULTANT's failure to pay CITY promptly any indemnification arising under this Article and related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers.
- 4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.
- 4.6 CITY does not, and shall not, waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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- 4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

V. TERMINATION

- 5.1 TERMINATION WITHOUT CAUSE: CITY may terminate this Agreement at any time for convenience and without cause by giving CONSULTANT a minimum of five (5) calendar days prior written notice of CITY's intent to terminate this Agreement. Upon such termination for convenience, CONSULTANT shall be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Work. CONSULTANT shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

- A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.
- B. CONSULTANT shall cure the following Events of Defaults within the following time periods:

PROFESSIONAL SERVICES AGREEMENT

San Fernando Open Streets Festival Nocturnal Ride

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- i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or
- ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT shall include, but shall not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary or involuntary; (v) CONSULTANT's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vii) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

- C. CITY shall cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the

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expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

- D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT shall be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.
- F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:
 - i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;
 - ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;
 - iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or
 - iv. The CITY may exercise any other available and lawful right or remedy.

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CONSULTANT shall be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

VI. MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT shall require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

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- 6.2 **CONFIDENTIALITY:** All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 **FALSE CLAIMS ACT:** CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.
- 6.4 **NOTICES:** All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:

Valley Care Community Consortium
7515 Van Nuys Blvd
Van Nuys, CA 91405
Attn: Anthony Ortiz-Luis, Executive Director
Phone: (818) 904-5566
Fax: (818) 785-7928
Email: Aortiz-luis@valleyccc.org

CITY:

City of San Fernando
City Manager's Office
117 Macneil Street
San Fernando, CA 91340
Attn: City Manager
Phone: (818) 898-1202
Fax: (818) 361-7631

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 **COOPERATION; FURTHER ACTS:** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.
- 6.6 **SUBCONTRACTING:** CONSULTANT shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

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- 6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other contractors in connection with the various projects worked upon by CONSULTANT.
- 6.8 PROHIBITED INTERESTS: CONSULTANT warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.
- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.
- 6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.
- 6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD PARTY BENEFIT: There are no intended third party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

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- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONSULTANT prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.15, above.
- 6.20 COUNTERPARTS: .This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart shall be delivered to CONSULTANT and the remaining two original counterparts shall be retained by CITY.

(SIGNATURE PAGE TO FOLLOW)

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SAN FERNANDO**VALLEY CARE COMMUNITY CONSORTIUM**

By: _____
Nick Kimball, City Manager

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM

By: _____
Rick R. Olivarez, City Attorney

**COVER LETTER**

DATE: August 1, 2019

TO: City of San Fernando
Julian J. Venegas, Director of Recreation and Community Services
117 McNeil Street
San Fernando, CA 91340

FROM: Valley Care Community Consortium
7515 Van Nuys Blvd. 5th Floor
Van Nuys, CA 91405
Telephone 818-904-5566
Fax 818-785-7928
healthy@valleyccc.org

Principal Officer Anthony Ortiz-Luis, Executive Director
Aortiz-luis@valleyccc.org
Telephone 818-904-5566

Legal Entity Valley Care Community Consortium
Founded 1995
Incorporated 2007
Doing Business As (DBA) starting 1995

SUBJECT: Open Street Festival 2019 Proposal

Attachments: 501 c 3 letter
Financial Review conducted PDM CPA LLC
Anthony Ortiz-Luis Resume
Julie Camacho Resume
Stacey Cano Resume
Danielle Co Resume
Adrianna Abramyan Resume
Schedule Detail and Control

Organizational Information

Founded in 1995, the mission of Valley Care Community Consortium (VCCC) is to improve the health of families and communities of the San Fernando Valley. The organization pursues its mission by serving as the health and mental health-planning agency for the region helping to bring together public and private partners together.

VCCC has built an extensive network of more than 200 community partners consisting of clinics, community based organizations, faith-based organizations, hospitals, public agencies, and social service agencies working together to improve health and wellbeing. VCCC and its partners improves the health for thousands of community members every year by strengthening collaboration between the public and private sector. VCCC and its partners have directly served thousands of children, adults, and families every year through its various programs and projects. VCCC's network regularly organizes health fairs, volunteer efforts, symposiums, and outreach activities in the communities of Arleta, Canoga Park, North Hills, North Hollywood, Pacoima, Panorama City, San Fernando, Van Nuys, and beyond.

Additionally, Valley Care Community Consortium has produced, planned, and managed multiple community special events every year. These events have included conferences, summits, symposiums, and workshops. Valley Care Community Consortium has partnered with community based organizations, government agencies, municipalities, hospitals, community clinics, and academic institutions on these events.

Since 2011, VCCC and its partners have implemented an annual Heart, Mind, and Soul Health and Wellness Fair in the City of San Fernando that hosted more than 250 community members and 25 community partners on how to improve their health, mental health, and wellbeing of local residents. These activities include dental and medical screenings, demonstrations and educational workshops, and well-being activities like Zumba and martial arts. The fair encourages one-on-one interactions between healthcare providers, public agencies, and community members.

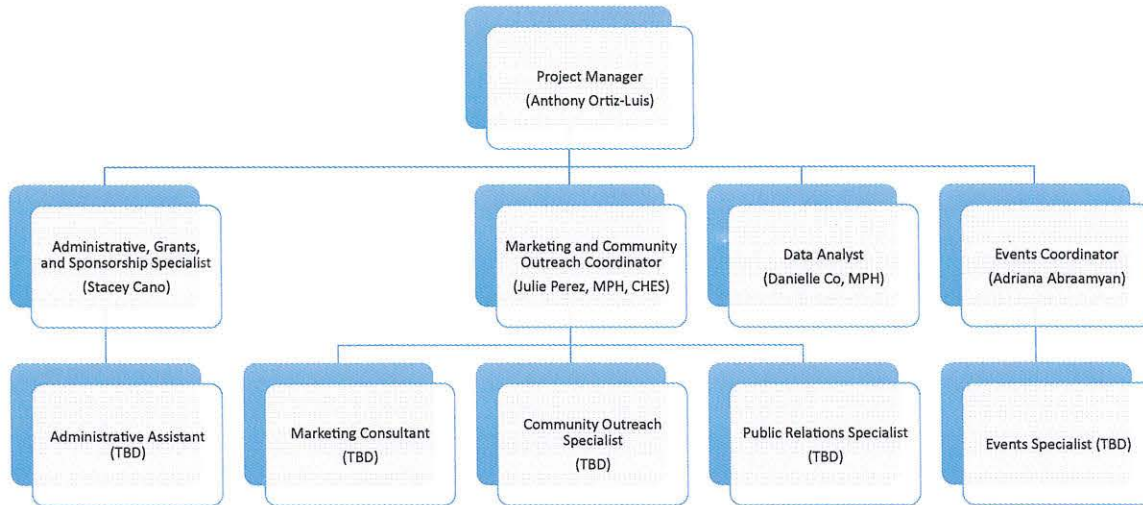
The City of San Fernando Recreation and Community Services Department has been partnering with Valley Care Community Consortium for more than 10 years in developing programs and projects to improve the health of San Fernando residents. The mission of the Recreation and Community Services Department is to develop and implement programs and activities that provide for the wellbeing and the personal development of the City's residents. The department is dedicated to providing good citizenship, sense of community, and a better quality of life.

For this proposal, Valley Care Community Consortium proposes to implement the following staffing structure: see Appendix A – Proposed City of San Fernando Team.

This proposed staffing structure is led by a Management Team consisting of a Project Manager, Administrative and Sponsorship Specialist, Marketing and Outreach Coordinator, Data Analyst, and Events Coordinator. The purpose and role of the Management Team is to provide overall oversight and direction to the project. Supporting roles include an Administrative Assistant, Marketing Consultant, Community Outreach Specialist, Public Relations Specialist, and Event Specialist. These positions are contracted, temporary team members that will be hired during the contract period.

Resumes and qualifications for each team member included.

Proposed City of San Fernando Team



The Project Manager's primary role and responsibility:

- Provide direction and oversight for the entire project including administration, marketing and community outreach, management and program coordination for event day, safety management and oversight for event day, and grant compliance including project close out
- Serve as the primary liaison between Valley Care Community Consortium and the City of San Fernando including the San Fernando City Council and the Recreation and Community Services Department
- Lead efforts in partnership development, community engagement, and sponsorships
- Ensure that timelines, deliverables, and outcomes are completed according to the project work plans
- Coordinate project kick-off meeting
- Host and lead monthly Technical Advisory Meetings to discuss and guide event implementation; key stakeholders will be invited to these meetings
- Provide an outline of general elements/ideas/goals that will be represented in the activities along the route including implementation
- Promote and implement healthier environments, active living, and sustainable communities
- Coordination with Fire, Police, and Public Works
- Set up activity zones, activity signage for hub areas, booths, and decorations
- Participant safety including hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc.
- Clean Up Crew recruitment and management
- Conduct project close out

The Administrative, Grants, and Sponsorship Specialist responsibilities include:

- Submit appropriate procurement forms
- Provide a list of partners and the roles they play in the event planning and production
- Develop a sponsorship plan
- Obtain event insurance (including applicable waivers/permits) and ensure compliance with all City/County permitting procedures and guidelines
- Create map guides
- Set up activity zones, activity signage for hub areas, booths, and decorations
- Participant safety including hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc.
- Conduct grant reporting and invoicing
- Complete all federal procurement forms

The Marketing and Outreach Coordinator responsibilities include:

- Establish a Community Advisory Committee
- Develop a targeted market identification and event branding
- In partnership with the Project Manager, develop a Communications, Public Relations, and Marketing Plan
- Develop multi-lingual marketing materials
- Conduct workshops prior to the event to educate residents – bike educational workshops, alternative transportation, etc.
- Develop social media outreach including website development and social media channels
- In partnership with the Project Manager, present to the City Council
- Set up activity zones, activity signage for hub areas, booths, and decorations
- Participant safety including hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc.
- Clean Up Crew recruitment and management

The Data Analyst responsibilities include:

- Establish and promote a Community Engagement platform to gather statistical data on the event
- Set up activity zones, activity signage for hub areas, booths, and decorations
- Conduct data analysis and event evaluation

The Events Coordinator responsibilities include:

- In partnership with the Project Manager, consult with Public Works and Public Safety on the finalized route including all soft and hard closures
- Coordinate with City Staff to implement the health activities of the event
- Identify a wide array of eateries, cafes, boutiques, entertainment, art galleries, and other businesses to serve in the assigned activity zone/hub area
- Coordinate with Metro and municipal transit service operators to provide access to event
- Recruit, train, and manage vendors and volunteers to work the day of the event
- Set up activity zones, activity signage for hub areas, booths, and decorations
- Participant safety including hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc.
- Clean Up Crew recruitment and management

The Administrative Assistant responsibilities include:

- Provide administrative support for the Administrative, Grants, and Sponsorship Specialist during meetings during project period
- Assist with the submission and tracking of procurement forms
- Assist with the development of multilingual marketing materials
- Assist with the tracking and securing of sponsorships
- Assist with the presentations to the City Council and workshops
- Assist with the tracking/coordination of businesses and organizations along event route
- Assist with the volunteer and vendor management
- Assist with grant reporting, invoicing, and data analysis/event evaluation

The Marketing Consultant responsibilities include:

- In partnership with the Project Manager and Marketing/Outreach Coordinator, design and build the website and social media presence/platforms
- Lead the development of the Communications, Public Relations, and Marketing Plan with the Project Manager, Marketing and Community Outreach Coordinator, and Public Relations Specialist
- Co-lead the development of the market identification and event brand with the Project Manager
- Support the development of the multilingual marketing materials with the Project Manager

The Community Outreach Specialist responsibilities include:

- Support the facilitation of the workshops for community members with the Marketing and Community Outreach Coordinator
- Support business coordination on the day of the event
- Support the development of the multilingual materials
- Support the members of the Community Advisory Committee
- Support the development of the partners and roles, sponsorship materials, and market identification and event brand
- Support volunteer and vendor management

The Public Relations Specialist responsibilities include:

- Support the promotion and publicity of the workshops to the target community
- Support the development of the website and social media platforms
- Assist in the development of the Public Relations plan
- Assist in the promotion of healthy communities
- Assist in the coordination of business partners

The Event Specialist responsibilities include:

- Assist in the set up of zones and hubs
- Assist with participant safety
- Assist in the promotion of healthy communities
- Assist in the development of the community engagement platform
- Assist with volunteer and vendor management

- Assist with business coordination
- Assist with the development of the final route with Fire Department, Police Department, and Public Works
- Assist with the identification of business for event route
- Assist with the development of outline of elements/goals
- Assist with the development and dissemination of map guides and surveys

Qualifications and Experience

Valley Care Community Consortium (VCCC) is a health and mental health-planning agency serving the residents of the San Fernando Valley. Our mission is to improve the health of residents in the San Fernando Valley. VCCC engages with more than 200 community partners annually including community clinics, community groups, faith-based organizations, hospitals, public agencies, and schools across the region. VCCC along with its partners regularly conducts community outreach and engagement activities/events to the diverse communities of the region. VCCC and its partners have been working with the staff of the City of San Fernando Recreation and Parks Department for more than 10 years.

VCCC's expertise lies in community engagement/outreach, event planning and management, sponsorship coordination, and volunteer recruitment and management.

We have the capabilities to assist in the following areas:

Community Engagement and Outreach

- Educational outreach and workshops with community members and groups
- Online and social media outreach including website support
- Promotional materials
- Street outreach to businesses, civic and community groups, faith-based institutions, government agencies, residents, and schools

Event Planning and Management (including coordination and management of event day)

- Coordination between agencies, businesses, community groups and non-profit partners
- Design and development of general themes, goals, and outcomes for the event
- Leading and organizing event planning meetings
- Tracking data and outcome measures for the event
- Collection of stories and testimonials from participants and partners

Partnership Development

- Identification, recruitment, and management of community partners for event & each hub
 - Business and industry groups
 - Civic and community groups
 - Education institutions
 - Medical and healthcare entities
 - Government partners

Sponsorships and Donations

- Assist in the identification and solicitation of donations for the event
- Assist in the securing of in-kind donations
- Tracking and management of donations
- Cultivation and stewardship of donors and sponsors (thank you notes, letters, etc.)

Volunteer Recruitment and Management

- Recruitment, training, and management of event day volunteers (registration, info booths, etc.)
- Recruitment, training, support, and management of hub leaders

VCCC has planned and managed the following comparable projects to the City of San Fernando Open Streets Festival 2019. Since 2016, Valley Care Community Consortium (VCCC) has produced, planned, and managed more than 25 community events, conferences, and symposiums in the Los Angeles region. These events hosted between 25 – 350 participants and multiple vendors/partners. The three examples of comparable work are:

1) Diabetes Expo/Heart, Mind, and Soul Health and Wellness Fair

2017 – 2019

Average attendance: 200+

of vendors: 20+

Location: City of San Fernando – Las Palmas/San Fernando Recreation Park

2) San Fernando Street Festival (Health and Wellness Family Hub)

Saturday, March 31, 2018

Approximate attendance: 2500+

of vendors: 75+

Location: City of San Fernando

3) Southern California Oral Health Summit

August 30, 2018

Approximate attendance: 350+

of vendors: 10

Location: Our Lady of the Angels Cathedral

References

1) Ismael Aguila, Director
Providence Health and Services
7621 Van Nuys Blvd. Suite B
Van Nuys, CA 91405
818.847.3981
ismael.aguila@providence.org

2) Frank Alvarez, MD, Regional Health Officer
Los Angeles County Department of Public Health SPA 1 & 2
26415 Carl Boyer Drive, Room 160
Santa Clarita, CA 91350
661.287.7052
falvarez@ph.lacounty.gov

3) Joni Novosel, Director
Dignity Health Northridge Hospital Medical Center
8210 Etiwanda Street
Reseda, CA 91335
818.718.5936
joni.novosel@dignityhealth.org

4) Jose C. Salazar, DrPh, Director of Program Development and Compliance

Tarzan Treatment Centers, Inc.
18700 Oxnard Street
Tarzana, CA
818.654.3816
jsalazar@tarzanatc.org

5) Amy Wiese, Community Benefits Manager
Kaiser Permanente
13652 Cantara Street, Building 1
Panorama City, CA 91402
818.375.2217
amy.c.wiese@kp.org

Procedures and Methodology

Valley Care Community Consortium subscribes to the Project Management Institute Project Management Book of Knowledge (PMBOK) set of standards. VCCC projects are managed according to the set of standards set forth in PMI PMBOK. The five phases of project management provides a roadmap to accomplishing the goals of a project.

The five phases are:

1. Concept and Initiation
2. Definition and Planning
3. Launch and Execution
4. Performance and Control
5. Project Close

Each phase includes a set of activities that helps to move the project towards completion.

1. Concept and Initiation
 - a. Project Charter and Initiation
2. Definition and Planning
 - a. Scope and Budget
 - b. Work Breakdown Schedule
 - c. Gantt Chart
 - d. Communication Plan
 - e. Risk Management
3. Launch and Execution
 - a. Status and Tracking
 - b. Key Performance Indicators
4. Performance and Control
 - a. Objectives
 - b. Quality Deliverables
 - c. Effort and Cost Tracking
 - d. Performance
5. Project Close

- a. Post Mortem
- b. Project Punch List
- c. Reporting

The first phase of project management is Concept and Initiation where project goals and definitions are developed between Valley Care Community Consortium and our clients. This phase includes feasibility studies which includes discussion and feasibility test to determine the viability of a project considering timeline, resources, and objectives. Once feasibility is established, a project initiation package is developed that includes memorandum of understanding, scope of work, and timelines.

The second phase is Definition and Planning which includes the activities of scope and budget development, work breakdown schedule, Gantt charts, communication plan, and risk management. This phase helps create a road map towards specific targets during the period of the project. A scope of work that includes roles, responsibilities, and accountabilities are assigned to all project team members. In this phase, a thorough plan is created that considers factors/variables like cost, quality, and resources.

The third phase is Launch or Execution of the project, which in terms of event management is “day of event management”. During the third phase of project management, activities are launched and completed. This is where the majority of activities take place and constant monitoring of deliverables/goals must take place to stay on track.

The fourth phase is Performance and Control, which includes activities objectives, quality deliverables, effort and cost tracking, and performance. This phase helps to determine if the project is on track by using key performance indicators (KPIs).

The fifth phase is Project Close, which includes activities like post mortem, project punch list or checklist, and reporting. In this phase, the project manager terminates contracts; recognize team members, conducts event evaluation, and final reporting.

Throughout this approach, Valley Care Community Consortium adheres to the following principles and values to stay on track and achieve goals:

- Monitoring and Celebrating Milestones
- Promoting Transparency to Ensure Accountability
- Establishing and Maintaining Trust among All Team Members and Stakeholders
- Fostering Open Communication Throughout the Project

VCCC’s experience in project management also has afforded the organization in its ability to compile best practices in project management. These are some factors we consider.

- Delays are inevitable
- Estimate accurate sunrise and sunsets (durations)
- Consider all stakeholders experiences, expectations, and perspectives
- Flexibility is a must in project management

Quality Control

Valley Care Community Consortium ensures high quality work in all of its projects by adhering to Project Management Institute's Project Management Book of Knowledge especially within its phases of Launch and Execution and Performance and Control. Within these two phases, monitoring and tracking key performance indicators are at the core activities of these phases. Key performance indicators (KPIs) include achievement of project outcomes, completion of project activities on schedule, and maintaining the budget throughout the project period.

VCCC throughout the period of the project conducts internal and external check-ins with the project team and its clients. These check-ins will review the Scope of Work including timelines, budgets, and activities against the established MOU. The constant communication between VCCC and its clients assist in addressing needs, issues, and challenges that may come up during the duration of the project.

Quality control is centered on the completion of key deliverables and staying on schedule with multiple timelines using the available resources.

The following quality control activities will take place during the duration of the contract period:

- Monthly meetings during the duration of the contract period with City of San Fernando representatives to review and discuss the Scope of Work which includes timelines, budgets, and activities
- Monthly, written progress reports submitted to lead City of San Fernando representative
- Presentation to the City of San Fernando City Council as delineated in the contract terms

Schedule Detail/Schedule Control

The Schedule Detail and Control will be overseen by the Project Manager during the duration of the contract period. A timeline has been created and is attached.

The schedule was created in alignment with the program management services and sections outlined in Program Management Services for Open Streets Festival.

Administration

Task Ensure the administration and management of the event is fully executed

Activities

- Coordinate Project Kick-Off Meeting
- Attend meetings and provide written reports to City staff regarding progress in performing required tasks needed to host a successful event
- Host monthly Technical Advisory Meetings to discuss and guide event implementation, key stakeholders will be invited to participate in the meetings
- Provide a list of partners and the roles they play in the event planning and production
- Coordinate with City staff to implement the health activities as part of this Open Streets

Event

- Submit appropriate procurement forms

Deliverables

- Completed project kick off meeting
- Attendance at meetings and provided written progress reports to City staff
- Hosted and facilitated monthly Technical Advisory Meetings beginning on Month 3
- Provided list of partners with roles and responsibilities
- Implemented health activities as part of the Open Streets event
- Submitted all appropriate procurement forms

Milestones/Duration

- Kick off meeting conducted on (Month 1-4)
- Monthly progress report meetings with City Staff monthly (Month 1-10)
- Monthly Technical Advisory Meetings (Month 3-10)
- List of partners and roles (Month 2-3)
- Coordinate with City Staff (Month 1-10)
- Submit procurement forms (Month 1-10)

Marketing and Outreach

Task develop infrastructure, systems, and plans to ensure the visibility of the event is maximize and resources including staffing is secured for the event

Activities

- Establish a Community Advisory Committee
- Targeted Market Identification and Event Branding
- Communications, Public Relations and Marketing Plan
- Multilingual Marketing Materials Development
- Develop a Sponsorship Plan
- Community Engagement – Website and Social Media Outreach
- Conduct workshops prior to the event to educate residents - Bike Educational Workshops, alternative transportation, etc
- Recruit, train and manage volunteers to work the day of the event
- Presentation to City Council

Deliverables

- Created a Community Advisory Committee
- Developed of a target market identification and event branding
- Completed a Communications, Public Relations, and Marketing Plan
- Created a multilingual, marketing materials
- Created and implemented of a Sponsorship Plan
- Completed and managed an event website and corresponding Facebook and Instagram Page
- Completed of workshops for community members and general public
- Recruited, trained, and managed volunteers
- Completed presentation to City Council (dates to be determined)

Milestones/Duration

- Establish a Community Advisory Committee (Month 1-8)
- Targeted Market Identification and Event Branding (Month 1-4)
- Communications, Public Relations and Marketing Plan (Month 1-3)
- Multilingual Marketing Materials Development (Month 1-5)
- Develop a Sponsorship Plan (Month 1-9)
- Community Engagement – Website and Social Media Outreach (Month 4-9)
- Conduct workshops prior to the event to educate residents - Bike Educational Workshops, alternative transportation, etc. (Month 4-9)
- Recruit, train and manage volunteers to work the day of the event (Month 6-9)
- Presentation to City Council (Month 1-10; to be determined)

Management/Program Coordination for Event Day

Task coordination with various community partners including businesses, community groups, health and medical providers, public agencies (Metro, DHS, DPH, etc.) and implementation of various elements of event

Activities

- Consult with Public Works and Public Safety on the finalized route. Ensure that all soft and hard closures are feasible for the day of the event.
- Establish and promote a Community Engagement platform to gather statistical data on day of event.
- Identify a wide array of eateries, cafes, boutiques, entertainment, art galleries and other businesses to serve in the assigned activity zone/hub area.
- Coordinate with Metro and municipal transit service operators to provide access to the event.
- Provide an outline of the general elements/ideas/goals that will be represented in the activities along the route. Implement these elements/ideas/goals in the assigned activity zones/hub areas.
- Promote and implement healthier environments, active living and sustainable communities.
- Obtain event insurance (including applicable waivers/permits) and ensure compliance with all City/County permitting procedures and guidelines.

Deliverables

- In consultation with Public Works and Public Safety, completed finalized route for the event.
- Creation and launch of a Community Engagement platform for data collection and analysis
- Identified and recruitment of business entities for each activity zone and hub area
- Coordinated with Metro and municipal transit service operators
- Submitted outline of general elements/ideas/goals for each assigned activity zone/hub areas
- Promoted and implemented healthier environments, active living, and sustainable communities
- Secured event insurance and complied with all City/County permitting

Milestones/Duration

- Completed a finalized event route (Month 2-9)
- Created and launched a Community Engagement platform (Month 4-9)
- Identified and recruited business entities for each activity zone and hub areas (Month 4-9)
- Coordinate with Metro and municipal transit service operators (Month 2-9)
- Submitted outline of general elements/ideas/goals for each assigned activity zone/hub areas (Month 5-9)
- Promoted and implemented healthier environments, active living, and sustainable environments (Month 5-9)
- Secured event insurance and complied with all City/County permitting (Month 1-9)

Event Day/Safety Management

Task coordinate and manage all aspects of the event including setting up activity zones and ensuring the safety and security of all participants

Activities

- Fire, Police and Public Works Coordination
- Map Guides
- Set-up activity zones, activity signage for hub areas, booths, decorations, etc
- Participant Safety – hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc
- Vendor and volunteer management
- Coordinate with vendors and businesses along the route
- Surveying all aspects of event
- Clean-Up Crew

Deliverables

- Coordination with Fire, Police, and Public Works
- Creation of map guides
- Set up of activity zones, activity signage for hub areas, booths, and decorations, etc.
- Ensure participant safety – hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc.
- Manage vendors and volunteers
- Coordinate with vendors and businesses along route
- Survey all aspects of the event
- Coordinate clean up crew

Milestones/Duration

- Coordinated with Fire, Police, and Public Works (Month 9)
- Created map guides (Month 9)
- Set up of activity zones, activity signage for hub areas, booths, and decorations, etc. (Month 9)
- Ensure participant safety – hydration zones, restrooms, bike dismount areas, pedestrian crossings, etc. (Month 9)
- Manage vendors and volunteers (Month 9)

- Coordinate with vendors and businesses along route (Month 9)
- Survey all aspects of the event (Month 9)
- Coordinate clean up crew (Month 9)

Grant Compliance/Project Close Out

Task complete grant reporting, invoicing, and completion of procurement forms including data analysis and event evaluation as well as project close out.

Activities

- Grant Reporting and Invoicing
- Data Analysis & Event Evaluation
- Complete all Federal procurement forms
- Project Closeout

Deliverables

- Complete grant reporting and submission of invoices
- Conduct data analysis and event evaluation
- Complete all Federal procurement forms
- Conduct project close out

Milestones/Duration

- Completed grant reporting and invoicing (Month 2-10)
- Conduct data analysis and event evaluation (Month 9-10)
- Complete all Federal procurement forms (Month 9-10)
- Conducted project close out (Month 9-10)

Cost Summary

The cost summary is enclosed in a separate sealed envelope.

Compensation Schedule

The compensation schedule is enclosed in a separate sealed envelope.

As mentioned earlier in the Quality Control section of the proposal, Valley Care Community Consortium ensures high quality work in all of its projects by adhering to Project Management Institute's Project Management Book of Knowledge (PMI PMBOK) especially within its phases of Launch and Execution and Performance and Control. Within these two phases, monitoring and tracking key performance indicators are at the core activities of these phases. Key performance indicators (KPIs) include achievement of project outcomes, completion of project activities on schedule, and maintaining the budget throughout the project period.

VCCC throughout the period of the project conducts internal and external check-ins with the project team and its client. These check-ins will review the Scope of Work including timelines, budgets, and activities against the established MOU. The constant communication between VCCC and its clients assist in addressing needs, issues, and challenges that may come up during the duration of the project.

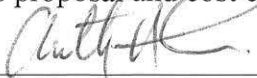
Conflict of Interest

Valley Care Community Consortium has not participated or been involved with planning or the development of projects in the City of San Fernando with the last year including any sub-consultants.

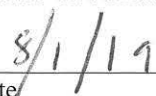
No employee, officer or agent of the sub-recipient of Valley Care Community Consortium shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

Signature

This proposal and cost estimates is valid for 90 days from the date of submission.



Anthony Ortiz-Luis
Executive Director



Date

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EXHIBIT "B"

Cost Summary
Open Street Festival 2019

Project Name		Project Manager	Billing Period	Contract Amount	
San Fernando Open Streets Festival		Anthony Ortiz-Luis			
Tasks	Task Description	VCCC	LABC	ODC	TOTAL
A	Administration	Budget Amount	Budget Amount	Budget Amount	
A.1	Project Kick Off	\$1,175.00			\$1,175.00
A.2	Meetings	\$1,950.00			\$1,950.00
A.3	Technical Advisory Mtgs	\$2,350.00			\$2,350.00
A.4	List of partners and roles	\$1,590.00			\$1,590.00
A.5	Coordination w/ City Staff	\$3,375.00			\$3,375.00
A.6	Submit procurement forms	\$2,550.00			\$2,550.00
B	Marketing/Community Outreach				
B.1	Community Advisory Com	\$4,160.00			\$4,160.00
B.2	Market ID and Event Brand	\$4,615.00			\$4,615.00
B.3	Comms, PR, Marketing Plan	\$7,045.00			\$7,045.00
B.4	Multilingual Materials	\$4,895.00		\$2,000.00	\$6,895.00
B.5	Sponsorship Plan	\$2,490.00			\$2,490.00
B.6	Website/Social Media	\$7,825.00			\$7,825.00
B.7	Workshops	\$3,025.00	\$5,000.00	\$2,500.00	\$10,525.00
B.8	Volunteers	\$385.00		\$2,500.00	\$2,885.00
B.9	Present City Council	\$675.00			\$675.00
C	Management/Coordination Event Day				
C.1	Final route	\$1,665.00		\$2,500.00	\$4,165.00
C.2	Community Engagement platform	\$3,615.00			\$3,615.00
C.3	Identify businesses	\$2,515.00		\$5,000.00	\$7,515.00
C.4	Coordinate w/Metro	\$1,435.00			\$1,435.00
C.5	Outline of elements	\$415.00			\$415.00
C.6	Promote healthy communities	\$2,080.00			\$2,080.00
C.7	Event insurance	\$275.00		\$2,000.00	\$2,275.00
D	Event Day/Safety Mgmt				
D.1	FD, PD, PW coordination	\$1,040.00			\$1,040.00
D.2	Map guides	\$750.00		\$1,000.00	\$1,750.00
D.3	Set up zones	\$3,130.00		\$10,000.00	\$13,130.00
D.4	Participant safety	\$2,200.00			\$2,200.00
D.5	Vendor/volunteer mgmt	\$1,835.00		\$1,000.00	\$2,835.00
D.6	Business coordination	\$1,480.00			\$1,480.00
D.7	Survey	\$240.00			\$240.00
D.8	Clean up	\$725.00		\$1,000.00	\$1,725.00
E	Grant Compliance/Project Close Out				
E.1	Grant reporting/invoice	\$2,245.00			\$2,245.00
E.2	Data analysis/evaluation	\$3,825.00			\$3,825.00
E.3	Procurement forms	\$1,655.00			\$1,655.00
E.4	Project close out	\$270.00			\$270.00
TOTAL		\$79,500	\$5,000	\$29,500	\$114,000

Compensation Schedule
Open Streets Festival 2019

Tasks	Task Description	A. Ortiz-Luis	J. Perez	S. Cano	D. Co	C. Fasen	Admin. Asst.	Marketing Con.	CO Specialist	PR Specialist	Event Specialist	Contingency	Total Hours	Total Amount
A	Administration													
A.1	Project Kick Off	10					5						15	
A.2	Meetings	16					10						26	
A.3	Technical Advisory Mtgs	20					10						30	
A.4	List of partners and roles	8		10					8				26	
A.5	Coordination w/ City Staff	30	5										35	
A.6	Submit procurement forms	10		25			5						40	
B	Marketing/Community Outreach													
B.1	Community Advisory Com	10	35				5		12				62	
B.2	Market ID and Event Brand	8	25					20	8				61	
B.3	Comms, PR, Marketing Plan	12	40					25	12	8			97	
B.4	Multilingual Materials	6	30				10	15	14				75	
B.5	Sponsorship Plan	8		20			10		8				46	
B.6	Website/Social Media	6	45					40		10			101	
B.7	Workshops		30				5		20				55	
B.8	Volunteers					5					4		9	
B.9	Present City Council	5					5						10	
C	Management/Coordination Event Day													
C.1	Final route	8				10	5				6		29	
C.2	Community Engagement platform	2			25			12		10	8		57	
C.3	Identify businesses					40	5		10		6		61	
C.4	Coordinate w/Metro	6				15					4		25	
C.5	Outline of elements						5				6		11	
C.6	Promote healthy communities	5				20				8	8		41	
C.7	Event insurance			5									5	
D	Event Day/Safety Mgmt													
D.1	FD, PD, PW coordination	8									6		14	
D.2	Map guides			10							5		15	
D.3	Set up zones	6	16	8	2	8					10		50	
D.4	Participant safety	4	8	8		8					10		38	
D.5	Vendor/volunteer mgmt					20	9		10		8		47	
D.6	Business coordination						10		15	8	8		41	
D.7	Survey										6		6	
D.8	Clean up		4			5					5		14	

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Kenneth Jones, Public Works Management Analyst

Date: September 16, 2019

Subject: Consideration to Approve a Professional Services Agreement with Siemens Mobility, Incorporated for On-Call Traffic Signal Maintenance Services

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve a professional services agreement (Attachment "A" – Contract No. 1931) for on-call traffic signal maintenance services between the City and Siemens Mobility, Incorporated (Siemens) for a term of three years, in an amount not-to-exceed the annual fiscal year budget appropriation; and
- b. Authorize the City Manager to execute the contract.

BACKGROUND:

1. During July 2016, a formal Request for Proposals (RFP) was publicized for as-needed, on-call traffic signal and lighting maintenance services.
2. In August 2016, the City received one response to the RFP from Siemens Mobility, Inc. and staff conducted a review of the proposal and determined that the proposal met the qualification requirements as specified in the RFP.
3. On September 6, 2016, the City Council approved a three-year professional services agreement with Siemens to provide as-needed, on-call traffic signal and lighting maintenance services.
4. On September 5, 2019, Siemens' professional services agreement expired.

Consideration to Approve a Professional Services Agreement with Siemens Mobility, Incorporated for On-Call Traffic Signal Maintenance ServicesPage 2 of 3

ANALYSIS:

The Public Works Department is responsible for the maintenance and repair of approximately 56 signalized intersections within the City. Maintenance and repair includes replacing burnt out lamps, repairing safety lights, minor repairs to damaged signal heads, monthly inspection of the signal controllers at all intersections, and field response to timing complaints and blacked out intersections. Extraordinary repairs, emergency after hour's response, and conflict monitor testing are performed by a contractor.

The purpose of the on-call traffic signal maintenance services contract is to address repairs that are beyond the expertise of the City's Traffic Signals and Lighting Division staff. For example, the contractor will be responsible for all repair and or replacement of traffic signals due to knockdowns or when there is a safety hazard to traffic.

The City has contracted with Siemens since 2016 for maintenance and repair services for the City's traffic signals. On average, the City experiences 10 traffic signal pole knockdowns per year resulting from vehicle collisions; during Fiscal Year 2016-2017 there were 25. Repair costs for collision related pole replacements are billed to the responsible party and reimbursed to the City.

The City's contract with Siemens is based on a defined hourly rate for each specific job title. The majority of services requested from Siemens by the City are performed by a Traffic Signal Technician. This technician is the first to respond to the majority of the City's services requests tasked with analyzing the situation at hand to determine what plan of action needs to be taken. With the previous contract with Siemens, the City paid \$120 per hour for traffic signal technician services.

Through the cooperative procurement process, staff is proposing the City enter into a new contract with Siemens based upon the hourly rates included in the City of Arcadia's contract for traffic signal maintenance services, which commenced on March 13, 2019. The California Public Contract Code and the City's Purchasing Policy allows for "piggybacking" which is the process of approving a contract based upon the terms of a contract that has been competitively bid by another public agency.

The City of Arcadia followed a formal bid solicitation process first publishing a Notice Inviting Bids (NIB) (Attachment "B") for traffic signal maintenance services and then distributing to local vendors on September 7, 2018. On September 28, 2018, Arcadia received two proposals in response to the NIB; Bear Electrical Solutions, Inc. and Siemens. On October 16, 2018, Arcadia City Council approved a contract with Bear Electrical Solutions to provide traffic signal maintenance services. During the contract execution process between the City of Arcadia and Bear Electrical Solutions, it was determined that Bear Electrical Solutions, Inc. was unable to meet Arcadia's contract insurance requirement. As a result, the second lowest bidder, Siemens,

Consideration to Approve a Professional Services Agreement with Siemens Mobility, Incorporated for On-Call Traffic Signal Maintenance ServicesPage 3 of 3

was considered the lowest bidder. On January 15, 2019, the Arcadia City Council rejected the low bid from Bear Electrical Solutions, Inc. and approved a contract with Siemens (Attachment "C") to provide traffic signal maintenance services.

Siemens has agreed to allow the City of San Fernando to "piggyback" on its bid to the City of Arcadia by offering the same rates (Attachment "D") to San Fernando. The City previously paid \$120 per hour for a Traffic Signal Technician which is the position that performs the majority of the tasks requested by the City. Under the new price schedule (Exhibit "B" of Attachment "A"), the cost for traffic signal technician services will be \$128 per hour; 6.66 percent increase. But, of the 10 cost of service categories that make up the new price schedule, six showed a decrease in cost with five of the six showing a significant decrease in cost.

Siemens is a 160-year old company that specializes in traffic technology and has a long history of providing routine and around-the-clock emergency traffic signal maintenance services to public agencies. Some of Siemens' current municipal contracts include the Cities of Alhambra, El Monte, Monrovia, South Pasadena and Arcadia. Over the last three years of providing traffic maintenance services to the City, Siemens has continually demonstrated the requisite expertise, experience, and qualifications necessary to perform traffic maintenance services.

BUDGET IMPACT:

Funds are budgeted in the Public Works Department operating budget for traffic signals. For the FY 2019-2020 Adopted Budget, \$30,000 was appropriated in Fund 001-371 (Traffic Signals) for traffic signal maintenance and repair services and coincides with the dollar amount for the first year of new contract with Siemens.

CONCLUSION:

It is recommended that the City Council approve a contract with Siemens Mobility Incorporated for traffic signal maintenance services and authorize the City Manager to execute the contract.

ATTACHMENTS:

- A. Contract No. 1931
- B. Arcadia NIB
- C. Arcadia Contract
- D. Arcadia Rates



ATTACHMENT "A"
CONTRACT NO. 1931

PROFESSIONAL SERVICES AGREEMENT

Siemens Mobility, Incorporated ON-CALL TRAFFIC SIGNAL MAINTENANCE SERVICES

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 16TH day of September 2019 (hereinafter, the "Effective Date"), by and between the CITY OF SAN FERNANDO, a municipal corporation ("CITY") and Siemens Mobility, Inc., a California Corporation (hereinafter, "CONTRACTOR"). For the purposes of this Agreement CITY and CONTRACTOR may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONTRACTOR interchangeably.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree as follows:

I. ENGAGEMENT TERMS

- 1.1 SCOPE OF SERVICES: Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONTRACTOR agrees to perform the services and tasks set forth in **Exhibit "A"** (hereinafter referred to as the "**Scope of Services**"). CONTRACTOR further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Work."
 - 1.2 TERM: This Agreement shall have a term of THREE (3) YEARS commencing from September 16, 2019. Upon the conclusion of the Term, the City has the option to renew this Agreement for a maximum of TWO (2) ONE-YEAR Extensions, unless CITY issues written notice of its intent not to authorize an additional extension term(s). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause.
 - 1.3 COMPENSATION:
 - A. CONTRACTOR shall perform the various services and tasks set forth in the Scope of Services in accordance with the price schedule which is attached as Exhibit "B" (hereinafter, the "Approved Price Schedule").
 - B. Section 1.3(A) notwithstanding, CONSULTANT's total compensation during the Term of this Agreement or any extension term shall not exceed the dollar
-

PROFESSIONAL SERVICES AGREEMENT

City-Wide Tree Maintenance

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amount appropriated for services at the beginning of each fiscal year (hereinafter, the "Not-to-Exceed Sum"), unless such added expenditure is first approved by the CITY acting in consultation with the City Manager and the Finance Director. In the event CONTRACTOR's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of the Term or any single extension term, CITY may suspend CONTRACTOR's performance pending CITY approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other CITY-approved amendment to the compensation terms of this Agreement.

- 1.4 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONTRACTOR shall submit to CITY an itemized invoice indicating the services and tasks performed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. If the amount of CONTRACTOR's monthly compensation is a function of hours worked by CONTRACTOR's personnel, the invoice shall indicate the number of hours worked in the recently concluded calendar month, the persons responsible for performing the Work, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONTRACTOR in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY shall pay all undisputed amounts included on the invoice. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONTRACTOR.
- 1.5 ACCOUNTING RECORDS: CONTRACTOR shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.
- 1.6 ABANDONMENT BY CONTRACTOR: In the event CONTRACTOR ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONTRACTOR shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONTRACTOR in the performance of this Agreement. Furthermore, CONTRACTOR shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONTRACTOR's cessation or abandonment.

PROFESSIONAL SERVICES AGREEMENT

City-Wide Tree Maintenance

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II. PERFORMANCE OF AGREEMENT

- 2.1 CITY'S REPRESENTATIVES: The CITY hereby designates the Director of Public Works and Public Works Superintendent (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The City Manager shall be the chief CITY Representative. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONTRACTOR shall not accept directions or orders from any person other than the CITY Representatives or their designee.
- 2.2 CONTRACTOR REPRESENTATIVE: CONTRACTOR hereby designates Shenoa Townsend, Service Account Manager to act as its representative for the performance of this Agreement (hereinafter, "CONTRACTOR Representative"). CONTRACTOR Representative shall have full authority to represent and act on behalf of the CONTRACTOR for all purposes under this Agreement. CONTRACTOR Representative or his designee shall supervise and direct the performance of the Work, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the CONTRACTOR Representative shall constitute notice to CONTRACTOR.
- 2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONTRACTOR agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONTRACTOR shall be subject to inspection and approval by CITY Representatives or their designees.
- 2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONTRACTOR represents, acknowledges and agrees to the following:
- A. CONTRACTOR shall perform all Work skillfully, competently and to the highest standards of CONTRACTOR's profession;
 - B. CONTRACTOR shall perform all Work in a manner reasonably satisfactory to the CITY;
 - C. CONTRACTOR shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.);
 - D. CONTRACTOR understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;

PROFESSIONAL SERVICES AGREEMENT

City-Wide Tree Maintenance

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- E. All of CONTRACTOR's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONTRACTOR; and
- F. All of CONTRACTOR's employees and agents (including but not limited to subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONTRACTOR shall perform, at CONTRACTOR's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONTRACTOR's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONTRACTOR's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONTRACTOR to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and in their sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONTRACTOR or on CONTRACTOR's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONTRACTOR, including but not limited to the representation that CONTRACTOR possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONTRACTOR's profession.

- 2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONTRACTOR are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONTRACTOR or on behalf of CONTRACTOR in the performance of this Agreement. In recognition of this interest, CONTRACTOR agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONTRACTOR's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.
- 2.6 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Work shall be performed by CONTRACTOR or under CONTRACTOR's strict supervision.

PROFESSIONAL SERVICES AGREEMENT

City-Wide Tree Maintenance

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CONTRACTOR will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONTRACTOR on an independent contractor basis and not as an employee. CONTRACTOR reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONTRACTOR's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONTRACTOR are not employees of CITY and shall at all times be under CONTRACTOR's exclusive direction and control. CONTRACTOR shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONTRACTOR shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

- 2.7 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONTRACTOR, a threat to persons or property, or if any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant shall be promptly removed by CONTRACTOR and shall not be re-assigned to perform any of the Work.
- 2.8 COMPLIANCE WITH LAWS: CONTRACTOR shall keep itself informed of and in compliance with all applicable federal, State or local laws to the extent such laws control or otherwise govern the performance of the Work. CONTRACTOR's compliance with applicable laws shall include without limitation compliance with all applicable Cal/OSHA requirements.
- 2.9 NON-DISCRIMINATION: In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, subcontractor, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 2.10. INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand and agree that CONTRACTOR and all persons retained or employed by CONTRACTOR are, and shall at all times remain, wholly independent contractors and are not officials, officers,

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employees, departments or subdivisions of CITY. CONTRACTOR shall be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONTRACTOR and all persons retained or employed by CONTRACTOR shall have no authority, express or implied, 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 to CONTRACTOR under this Agreement or is otherwise expressly conferred by CITY in writing.

III. INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Prior to the beginning of and throughout the duration of the Work, CONTRACTOR will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONTRACTOR shall procure and maintain the following insurance coverage, at its own expense:

- A. Commercial General Liability Insurance: CONTRACTOR shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.
- B. Automobile Liability Insurance: CONTRACTOR shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
- C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which shall indemnify, insure and provide legal defense for both CONTRACTOR and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONTRACTOR in the course of carrying out the Work contemplated in this Agreement.

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- D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONTRACTOR shall procure and maintain Errors and Omissions Liability Insurance appropriate to CONTRACTOR's profession. Such coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall be endorsed to include contractual liability.
- 3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.
- 3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.
- 3.4 PRIMACY OF CONTRACTOR'S INSURANCE: All policies of insurance provided by CONTRACTOR shall be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- 3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR or CONTRACTOR's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against CITY.
- 3.6 VERIFICATION OF COVERAGE: CONTRACTOR acknowledges, understands and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding CITY's financial well-being and, indirectly, the collective well-being of the residents of the CITY. Accordingly, CONTRACTOR warrants, represents and agrees that it shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article on forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the CITY if**

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requested. All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONTRACTOR's commencement of any work or any of the Work. Upon CITY's written request, CONTRACTOR shall also provide CITY with certified copies of all required insurance policies and endorsements.

IV. INDEMNIFICATION

- 4.1 The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with the fullest protection possible under the law. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of CONTRACTOR's commitment to indemnify, defend and protect CITY as set forth herein.
- 4.2 To the fullest extent permitted by law, CONTRACTOR shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY.
- 4.3 CITY shall have the right to offset against the amount of any compensation due CONTRACTOR under this Agreement any amount due CITY from CONTRACTOR as a result of CONTRACTOR's failure to pay CITY promptly any indemnification arising under this Article and related to CONTRACTOR's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.
- 4.4 The obligations of CONTRACTOR under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONTRACTOR expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers.
- 4.5 CONTRACTOR agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. In the event CONTRACTOR fails to obtain such indemnity obligations

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from others as required herein, CONTRACTOR agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR's subcontractors or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

- 4.6 CITY does not, and shall not, waive any rights that it may possess against CONTRACTOR because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

V. TERMINATION

- 5.1 TERMINATION WITHOUT CAUSE: CITY may terminate this Agreement at any time for convenience and without cause by giving CONTRACTOR a minimum of five (5) calendar days prior written notice of CITY's intent to terminate this Agreement. Upon such termination for convenience, CONTRACTOR shall be compensated only for those services and tasks which have been performed by CONTRACTOR up to the effective date of the termination. CONTRACTOR may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONTRACTOR to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONTRACTOR in connection with the performance of the Work. CONTRACTOR shall be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, shall operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.
- 5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:
- A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any

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such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default shall be cured, which shall not be less than the applicable cure period set forth under Sections 5.2.B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default shall constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

- B. CONTRACTOR shall cure the following Events of Defaults within the following time periods:
- i. Within three (3) business days of CITY's issuance of a Default Notice for any failure of CONTRACTOR to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONTRACTOR is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 3-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2 B.i. that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or
 - ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONTRACTOR to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely

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perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONTRACTOR shall include, but shall not be limited to the following: (i) CONTRACTOR's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONTRACTOR's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONTRACTOR's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONTRACTOR, whether voluntary or involuntary; (v) CONTRACTOR's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vi) CITY's discovery that a statement representation or warranty by CONTRACTOR relating to this Agreement is false, misleading or erroneous in any material respect.

- C. CITY shall cure any Event of Default asserted by CONTRACTOR within forty-five (45) calendar days of CONTRACTOR's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONTRACTOR as provided under Section 1.4, above, shall be cured by CITY within five (5) calendar days from the date of CONTRACTOR's Default Notice to CITY.
- D. CITY, in its sole and absolute discretion, may also immediately suspend CONTRACTOR's performance under this Agreement pending CONTRACTOR's cure of any Event of Default by giving CONTRACTOR written notice of CITY's intent to suspend CONTRACTOR's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONTRACTOR shall be compensated only for those services and tasks which have been rendered by CONTRACTOR to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
- E. No waiver of any Event of Default or breach under this Agreement shall constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party

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shall give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

- i. Upon written notice to CONTRACTOR, the CITY may immediately terminate this Agreement in whole or in part;
- ii. Upon written notice to CONTRACTOR, the CITY may extend the time of performance;
- iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONTRACTOR's breach of the Agreement or to terminate the Agreement; or
- iv. The CITY may exercise any other available and lawful right or remedy.

CONTRACTOR shall be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONTRACTOR's sole remedy shall be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONTRACTOR under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

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VI. MISCELLANEOUS PROVISIONS

- 6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONTRACTOR in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONTRACTOR shall require all subcontractors and subconsultants working on behalf of CONTRACTOR in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONTRACTOR in the performance of this Agreement.
- 6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONTRACTOR without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. Upon request, all CITY data shall be returned to CITY upon the termination or expiration of this Agreement. CONTRACTOR shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.
- 6.3 FALSE CLAIMS ACT: CONTRACTOR warrants and represents that neither CONTRACTOR nor any person who is an officer of, in a managing position with, or has an ownership interest in CONTRACTOR has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.
- 6.4 NOTICES: All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

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CONTRACTOR:

Siemens Mobility, Inc.
1026 E. Lacey Avenue
Anaheim, CA 92805
Attn: Shenoa Townsend
Phone: (714) 497-5270

CITY:

City of San Fernando
Public Works: Traffic Signals Division
120 Macneil Street
San Fernando, CA 91340
Attn: Public Works Superintendent
Phone: (818) 898-1293
Fax: (818) 898-3221

Such notices shall be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

- 6.5 **COOPERATION; FURTHER ACTS:** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.
- 6.6 **SUBCONTRACTING:** CONTRACTOR shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.
- 6.7 **CITY'S RIGHT TO EMPLOY OTHER CONTRACTORS:** CITY reserves the right to employ other contractors in connection with the various projects worked upon by CONTRACTOR.
- 6.8 **PROHIBITED INTERESTS:** CONTRACTOR warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONTRACTOR, to solicit or secure this Agreement. Further, CONTRACTOR warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONTRACTOR, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

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- 6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.
- 6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.
- 6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.
- 6.12 SUCCESSORS AND ASSIGNS: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.13 NO THIRD PARTY BENEFIT: There are no intended third party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.

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- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONTRACTOR prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.15, above.
- 6.20 COUNTERPARTS: .This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart shall be delivered to CONTRACTOR and the remaining two original counterparts shall be retained by CITY.

(SIGNATURE PAGE TO FOLLOW)

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SAN FERNANDO

Siemens Mobility, Incorporated
2250 Business Way
Riverside, CA 92501

By: _____

Nick Kimball, City Manager

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM

By: _____

Rick R. Olivarez, City Attorney

EXHIBIT “B”

City of San Fernando

Traffic Signal Maintenance Services provided by Siemens Mobility, Inc.

Description	Unit	San Fernando Current Hourly Rate	Arcadia Hourly Rate	San Fernando Proposed Hourly Rate	Cost Difference (%)
		Regular Time	Regular Time	Regular Time	
Maintenance Superintendent	Per Hour	\$130.00	\$110.00	\$110.00	-18.18%
Construction Foreman	Per Hour	\$130.00	\$110.00	\$110.00	-18.18%
Engineering Technician	Per Hour	\$130.00	\$110.00	\$110.00	-18.18%
Traffic Signal Technician	Per Hour	\$120.00	\$128.00	\$128.00	6.66%
Streetlight Technician	Per Hour	\$120.00	\$128.00	\$128.00	6.66%
Communications Technician	Per Hour	\$130.00	\$128.00	\$128.00	-1.56%
Groundsman	Per Hour	\$85.00	\$90.00	\$90.00	5.88%
Bucket Truck	Per Hour	\$35.00	\$28.00	\$28.00	-25%
Service Truck	Per Hour	\$25.00	\$25.00	\$25.00	0%
Crane Truck	Per Hour	\$65.00	\$45.00	\$45.00	-44.44%

Material will be billed at invoice cost plus 15% Markup.

CITY OF ARCADIA

**TRAFFIC SIGNAL MAINTENANCE SERVICES
2018/2019**

NOTICE INVITING BIDS

CITY OF ARCADIA
NOTICE INVITING BIDS
September 2018

Notice of Project: The City of Arcadia ("City") will receive in a sealed envelope plainly marked on the outside "SEALED BID FOR TRAFFIC SIGNAL MAINTENANCE SERVICES 2018/2019" - DO NOT OPEN WITH REGULAR MAIL" at the Office of the City Clerk, located at 240 W. Huntington Drive, Arcadia, CA 91007 no later than Tuesday, September 25, 2018 at 11:00 A.M. at which time or thereafter said Bids will be opened and read aloud. Bids received after this time will be returned unopened. Bids shall be valid for sixty (60) calendar days after the Bid opening date.

Availability of Bid Documents: Bids must be submitted on the City's Bid Forms. Bidders may obtain a copy of the Contract Documents from the Public Works Services Department located at: 11800 Goldring Road, Arcadia, California, 91006 for a non-refundable charge of Thirty-Five Dollars and No Cents, (\$35.00). A non-refundable charge of Fifty Dollars and No Cents, (\$50.00) will be required of any Bidder who requests that the Contract Documents be mailed within California (costs for out-of-state mailings will be higher). To the extent required by Public Contract Code section 20103.7, the City will also make the Contract Documents available for review at one or more plan rooms. For additional information on availability and costs the Public Works Services Department may be reached at (626) 254-2720.

Bid Security; Performance & Payment Bonds: Bids must be accompanied by cash, a certified or cashier's check, or a Bid Bond in favor of the City in an amount not less than ten percent (10%) of the submitted Total Bid Price. Each Bid shall be accompanied by the security referred to in the Contract Documents, the Non-Collusion Declaration, the Designation of Subcontractors, and all additional documentation required by the Instructions to Bidders.

The successful Bidder will be required to furnish the City with a Performance Bond and a Payment Bond, each equal to 100% of the successful Bid, prior to execution of the Contract. All bonds are to be secured from a surety that meets all of the State of California bonding requirements, as defined in Code of Civil Procedure Section 995.120, and is admitted by the State of California. The cost of said bonds shall be included in the Bid amount.

Pursuant to Public Contract Code section 22300, the successful Bidder may substitute certain securities for funds withheld by City to ensure his performance under the Contract.

Pre-Bid Conference and Site Walk: A Non-Mandatory Pre-Bid Conference and Site Walk will be held at 11800 Goldring Rd, Arcadia, CA 91006 on the following date(s) and time(s): Tuesday, September 18, 2018 at 10:00 A.M. Each and every Bidder SHOULD attend the Pre-Bid Conference and Site Walk. Prospective Bidders MAY NOT visit the Project Site without making arrangements through the General Services

Superintendent. Bids WILL be accepted from any Bidder who did not attend the Pre-Bid Conference and Site Walk.

Prevailing Wages: The Director of Industrial Relations has determined the general prevailing rate of per diem wages in the locality in which this work is to be performed for each craft or type of worker needed to execute the Contract which will be awarded to the successful Bidder, copies of which are on file and will be made available to any interested party upon request at the Public Works Services Department or online at <http://www.dir.ca.gov/dlsr>. A copy of these rates shall be posted by the successful Bidder at the job site. The successful Bidder and all subcontractor(s) under him, shall comply with all applicable Labor Code provisions, which include, but are not limited to the payment of not less than the required prevailing rates to all workers employed by them in the execution of the Contract, the employment of apprentices, the hours of labor and the debarment of contractors and subcontractors.

Department of Industrial Relations Contract Compliance: If the bids subject to this Notice are due on or after March 1, 2015, then pursuant to Labor Code sections 1725.5 and 1771.1, all contractors and subcontractors that wish to bid on, be listed in a bid proposal, or enter into a contract to perform public work must be registered with the Department of Industrial Relations. No bid will be accepted nor any contract entered into without proof of the contractor's and subcontractors' current registration with the Department of Industrial Relations to perform public work. If awarded a Contract, the Bidder and its subcontractors, of any tier, shall maintain active registration with the Department of Industrial Relations for the duration of the Project.

This Project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. In bidding on this project, it shall be the Bidder's sole responsibility to evaluate and include the cost of complying with all labor compliance requirements under this contract and applicable law in its bid.

License Requirements: Each Bidder shall be a licensed contractor pursuant to the Business and Professions Code and shall be licensed in the following appropriate classification(s) of contractor's license(s), for the work Bid upon, and must maintain the license(s) throughout the duration of the Contract: C-10.

Special Conditions: Pursuant to Public Contract Code section 3400(c), the City may make findings designating certain materials, products, things, or services by specific brand or trade name, if such findings have been made for this Project, the findings and the materials, products, things, or services and their specific brand or trade names will be set forth in the Special Conditions.

City's Rights: The City shall award the Contract for the Project to the lowest responsive, responsible Bidder on the basis of the base Bid alone. The City reserves the right to reject any or all Bids or to waive any irregularities or informalities in any Bids or in the Bidding process.

Information and Questions: For further information, contact:

City of Arcadia – Public Works Service Department
11800 Goldring Road
Arcadia, California 91006
Attention: Tyler Polidori
Phone: (626) 254-2710
Email: tpolidori@arcadiaca.gov

CITY OF ARCADIA, CALIFORNIA

By:


Lisa Mussenden
Chief Deputy City Clerk

September 7, 2018
Date

D. LOPEZ 626-806-7468

(Traffic Signal Maintenance Services 2018/2019)

**CONTRACT FOR THE
CITY OF ARCADIA**

THIS CONTRACT is made this 13th day of MARCH, 2019, in the County of Los Angeles, State of California, by and between the City of Arcadia, hereinafter called City, and **Siemens Mobility, Inc.**, hereinafter called Contractor. The City and the Contractor for the considerations stated herein agree as follows:

ARTICLE 1. SCOPE OF WORK. The Contractor shall perform all Work within the time stipulated the Contract and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5 below for the following Project:

Traffic Signal Maintenance Services 2018/2019

The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

- 2.1 The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents within **14 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.
- 2.2 Contractor shall coordinate the Work with the other work being performed on the Project, in accordance with those schedules as may be issued from time to time during the performance of the Work, and any other scheduling requirements listed in this Contract, so as not to delay, impede, obstruct, hinder or interfere with the commencement, progress or completion of the whole or any part of the Work or other work on the Project.
- 2.3 The Contractor shall participate and cooperate with the City in the development of schedules and other efforts to achieve timely completion of the Work providing information for the scheduling of the times and sequence of operations required for its Work ("Contractor Schedule") to meet City's overall master project schedule requirements ("Master Schedule"). The Contractor shall continuously monitor the Master Schedule so as to be fully familiar with the timing, phasing and sequence of operations of the Work and of other work on the Project, and shall execute the Work in accordance with the requirements of the Master Schedule including any revisions thereto. The Contractor shall notify the Engineer within 48 hours of any slippage in the Contractor Schedule and shall submit a detailed recovery plan to the Engineer for approval within five (5) calendar days of such notice.
- 2.4 Should the progress of the Work or of the Project be delayed disrupted, hindered, obstructed, or interfered with by any fault or neglect or act or failure to act of the Contractor or any of its officers, agents, servants, employees, subcontractors or suppliers so as to cause any additional cost, expense, liability or damage to the City, the Engineer or any consultants retained by the City for the Project, including legal fees and disbursements incurred by the City, the Engineer, or the consultants retained by the City for the Project, (whether incurred in defending claims arising from such delay or in seeking reimbursement and indemnity from the Contractor and its surety hereunder or otherwise) or any damages or additional costs or expenses for which the City, the Engineer or the consultants retained by the City for the Project, may or shall become liable, the Contractor and its surety shall and does hereby agree to compensate the City, the Engineer or the consultants retained by the

(Traffic Signal Maintenance Services 2018/2019)

City for the Project,, for and indemnify them against all such costs, expenses, damages and liability.

- 2.5 The City, in its sole discretion, may direct the Contractor to work overtime and, if so directed, the Contractor shall work said overtime and, provided that the Contractor is not in default under any of the terms or provisions of this Contract or of any of the other Contract Documents, the City will pay the Contractor for such actual additional wages paid, if any, at the prevailing wage rates plus taxes imposed by law on such additional wages, plus workers' compensation insurance, liability insurance and levies on such additional wages if required to be paid by the Contractor.
- 2.6 If, however, the progress of the Work or of the Project is delayed by any fault or neglect or act or failure to act of the Contractor or any of its officers, agents, servants, employees, subcontractors or suppliers, then the Contractor shall, in addition to all of the other obligations imposed by this Contract upon the Contractor in such case, and at its own cost and expense, work such overtime as may be necessary to make up for all time lost in the completion of the Work and of the Project due to such delay. Should the Contractor fail to make up for the time lost by reason of such delay, the Engineer or City shall have the right to cause other contractors to work overtime and to take whatever other action it deems necessary to avoid delay in the completion of the Work and of the Project, and the cost and expense of such overtime and/or such other action shall be borne solely by the Contractor.

ARTICLE 3. CONTRACT PRICE. The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **SEVENTY-THREE THOUSAND, SIX HUNDRED THIRTY DOLLARS AND NO CENTS (\$73,630.00)**. Payment shall be made as set forth in the General Conditions.

ARTICLE 4. PAYMENTS

- 4.1 The City shall make monthly progress payments following receipt of undisputed and properly submitted payment requests. Contractor shall be paid a sum equal to ninety-five percent (95%) of the value of Work performed up to the last day of the previous month, less the aggregate of previous payments.
- 4.2 The Contractor shall, after the full completion of The Work, submit a final payment application. All prior progress estimates shall be subject to correction in the final estimate and payment.
- 4.3 Unless otherwise required by law, the final payment of five percent (5%) of the value of the Work, if unencumbered, shall be paid no later than sixty (60) Days after the date of recordation of the Notice of Completion.
- 4.4 Acceptance by Contractor of the final payment shall constitute a waiver of all claims against the City arising from this Contract.
- 4.5 Payments to the Contractor shall not be construed to be an acceptance of any defective work or improper materials, or to relieve the Contractor of its obligations under the Contract Documents.
- 4.6 The Contractor shall submit with each payment request the Contractor's conditional waiver of lien for the entire amount covered by such payment request, as well as a valid unconditional waiver of lien from the Contractor and all subcontractors and materialmen for all work and materials included in any prior invoices. Waivers of lien shall be in the forms

(Traffic Signal Maintenance Services 2018/2019)

prescribed by California Civil Code sections 8132, 8134, 8136, and 8138. Prior to final payment by the City, the Contractor shall submit a final waiver of lien for the Contractor's work, together with releases of lien from any subcontractor or materialmen.

ARTICLE 5. PAYMENTS WITHHELD AND BACKCHARGES In addition to amounts which the City may retain under other provisions of the Contract Documents the City may withhold payments due to Contractor as may be necessary to cover:

- a. Stop Notice Claims.
- b. Defective work not remedied.
- c. Failure of Contractor to make proper payments to its subcontractors or suppliers.
- d. Completion of the Contract if there exists a reasonable doubt that the Work can be completed for balance then unpaid.
- e. Damage to another contractor or third party.
- f. Amounts which may be due the City for claims against Contractor.
- g. Failure of Contractor to keep the record ("as-built") drawings up to date.
- h. Failure to provide updates on the construction schedule.
- i. Site clean-up.
- j. Failure of the Contractor to comply with requirements of the Contract Documents.
- k. Liquidated damages.
- l. Legally permitted penalties.

Upon completion of the Contract, the City will reduce the final Contract amount to reflect costs charged to the Contractor, backcharges or payments withheld pursuant to the Contract Documents.

ARTICLE 6. CHANGES AND EXTRA WORK

- 6.1 The City, without invalidating the Contract, may order changes in the Work consisting of additions, deletions or other revisions, the Contract amount and Contract time being adjusted accordingly. All such changes in the Work shall be authorized by Change Order, in the form attached hereto and incorporated herein as Exhibit "A," and shall be performed under the applicable conditions of the Contract Documents. A Change Order signed by the Contractor indicates the Contractor's agreement therewith, including any adjustment in the Contract amount or the Contract time, and the full and final settlement of all costs (direct, indirect and overhead) related to the Work authorized by the Change Order.
- 6.2 All claims for additional compensation to the Contractor shall be presented in writing before the expense is incurred and will be adjusted as provided herein. No work shall be allowed to lag pending such adjustment, but shall be promptly executed as directed, even if a dispute arises. No claim will be considered after the work in question has been done unless a written contract change order has been issued or a timely written notice of claim has been made by Contractor. Contractor shall not be entitled to claim or bring suit for damages, whether for loss of profits or otherwise, on account of any decrease or omission of any item

(Traffic Signal Maintenance Services 2018/2019)

or portion of Work to be done. Whenever any change is made as provided for herein, such change shall be considered and treated as though originally included in the Contract, and shall be subject to all terms, conditions and provisions of the original Contract.

- 6.3 Owner Initiated Change. The Contractor must submit a complete cost proposal, including any change in the Contract time, within seven (7) Days after receipt of a scope of a proposed change order, unless the City requests that proposals be submitted in less than seven (7) Days.
- 6.4 Contractor Initiated Change. The Contractor must give written notice of a proposed change order required for compliance with the Contract Documents within seven (7) Days of discovery of the facts giving rise to the proposed change order.
- 6.5 Whenever possible, any changes to the Contract amount shall be in a lump sum mutually agreed to by the Contractor and the City.
- 6.6 Price quotations from the Contractor shall be accompanied by sufficiently detailed supporting documentation to permit verification by the City.
- 6.7 If the Contractor fails to submit the cost proposal within the seven (7) Day period (or as requested), the City has the right to order the Contractor in writing to commence the work immediately on a force account basis and/or issue a lump sum change to the contract price in accordance with the City's estimate of cost. If the change is issued based on the City estimate; the Contractor will waive its right to dispute the action unless within fifteen (15) Days following completion of the added/deleted work, the Contractor presents written proof that the City's estimate was in error.
- 6.8 Estimates for lump sum quotations and accounting for cost-plus-percentage work shall be limited to direct expenditures necessitated specifically by the subject extra work, and shall be segregated as follows:
 - (a) Labor. The costs of labor will be the actual cost for wages prevailing locally for each craft or type of worker at the time the extra work is done, plus employer payments of payroll taxes and insurance, health and welfare, pension, vacation, apprenticeship funds, and other direct costs resulting from Federal, State or local laws, as well as assessment or benefits required by lawful collective bargaining agreements. The use of a labor classification which would increase the extra work cost will not be permitted unless the contractor establishes the necessity for such additional costs. Labor costs for equipment operators and helpers shall be reported only when such costs are not included in the invoice for equipment rental.
 - (b) Materials. The cost of materials reported shall be at invoice or lowest current price at which such materials are locally available in the quantities involved, plus sales tax, freight and delivery. Materials cost shall be based upon supplier or manufacturer's invoice. If invoices or other satisfactory evidence of cost are not furnished within fifteen (15) Days of delivery, then the Engineer shall determine the materials cost, at its sole discretion.
 - (c) Tool and Equipment Use. No payment will be made for the use of small tools, tools which have a replacement value of \$1,000 or less. Regardless of ownership, the rates to be used in determining equipment use costs shall not exceed listed rates prevailing locally at equipment rental agencies, or distributors, at the time the work is performed.

(Traffic Signal Maintenance Services 2018/2019)

- (d) Overhead, Profit and Other Charges. The mark-up for overhead (including supervision) and profit on work added to the Contract shall be according to the following:
 - i. "Net Cost" is defined as consisting of costs of labor, materials and tools and equipment only excluding overhead and profit. The costs of applicable insurance and bond premium will be reimbursed to the Contractor and subcontractors at cost only, without mark-up.
 - ii. For Work performed by the Contractor's forces the added cost for overhead and profit shall not exceed fifteen (15%) percent of the Net Cost of the Work.
 - iii. For Work performed by a subcontractor, the added cost for overhead and profit shall not exceed fifteen (15%) percent of the Net Cost of the Work to which the Contractor may add five (5%) percent of the subcontractor's Net Cost.
 - iv. For Work performed by a sub-subcontractor the added cost for overhead and profit shall not exceed fifteen (15%) percent of the Net Cost for Work to which the subcontractor and general contractor may each add an additional five (5%) percent of the Net Cost of the lower tier subcontractor.
 - v. No additional mark up will be allowed for lower tier subcontractors, and in no case shall the added cost for overhead and profit payable by City exceed twenty-five (25%) percent of the Net Cost as defined herein.
- 6.9 For added or deducted Work by subcontractors, the Contractor shall furnish to the City the subcontractor's signed detailed estimate of the cost of labor, material and equipment, including the subcontractor markup for overhead and profit. The same requirement shall apply to sub-subcontractors.
- 6.10 For added or deducted work furnished by a vendor or supplier, the Contractor shall furnish to the City a detailed estimate or quotation of the cost to the Contractor, signed by such vendor or supplier.
- 6.11 Any change in The Work involving both additions and deletions shall indicate a net total cost, including subcontracts and materials. Allowance for overhead and profit, as specified herein, shall be applied if the net total cost is an extra; overhead and profit allowances shall not be applied if the net total cost is a credit. The estimated cost of deductions shall be based on labor and material prices on the date the Contract was executed.
- 6.12 Contractor shall not reserve a right to assert impact costs, extended job site costs, extended overhead, constructive acceleration and/or actual acceleration beyond what is stated in the change order for work. No claims shall be allowed for impact, extended overhead costs, constructive acceleration and/or actual acceleration due to a multiplicity of changes and/or clarifications. The Contractor may not change or modify the City's change order form in an attempt to reserve additional rights.
- 6.13 If the City disagrees with the proposal submitted by Contractor, it will notify the Contractor and the City will provide its opinion of the appropriate price and/or time extension. If the Contractor agrees with the City, a change order will be issued by the City. If no agreement can be reached, the City shall have the right to issue a unilateral change order setting forth its determination of the reasonable additions or savings in costs and time attributable to the extra or deleted work. Such

(Traffic Signal Maintenance Services 2018/2019)

determination shall become final and binding if the Contractor fails to submit a claim in writing to the City within fifteen (15) Days of the issuance of the unilateral change order, disputing the terms of the unilateral change order.

- 6.14 No dispute, disagreement or failure of the parties to reach agreement on the terms of the change order shall relieve the Contractor from the obligation to proceed with performance of the work, including extra work, promptly and expeditiously.
- 6.15 Any alterations, extensions of time, extra work or any other changes may be made without securing consent of the Contractor's surety or sureties.

ARTICLE 7. LIQUIDATED DAMAGES. In accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of **\$500.00** for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Article does not exclude recovery of other damages specified in the Contract Documents.

ARTICLE 8. COMPONENT PARTS OF THE CONTRACT. The "Contract Documents" include the following:

- Notice Inviting Bids
- Instructions to Bidders
- Contractor's Bid Forms
- Contractor's Certificate Regarding Workers' Compensation
- Bid Bond
- Designation of Subcontractors
- Information Required of Bidders
- Non-Collusion Declaration form
- Iran Contracting Act Certification form
- Public Works Contractor Registration Certification form
- Contract
- Performance Bond
- Payment (Labor and Materials) Bond
- General Conditions
- Special Provisions (or Special Conditions)
- Technical Specifications
- California Building Codes as defined in the General Conditions
- Addenda
- Plans and Contract Drawings
- Approved and fully executed change orders
- Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. This Contract shall supersede any prior agreement of the parties.

ARTICLE 9. PROVISIONS REQUIRED BY LAW. Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local

(Traffic Signal Maintenance Services 2018/2019)

laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Project.

ARTICLE 10. INDEMNIFICATION.

- 10.1 To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its respective officials, officers, agents, employees, and representatives ("Indemnitees") from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages (including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses) or injuries, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to tangible property or persons (including wrongful death, accidents or injuries arising from the alleged failure to inspect or to maintain traffic controllers or traffic signals, injuries or damages occurring during the transport of products or in rendering services under the Contract Documents, such as automobile accidents, trip/slip and fall accidents and third party assaults) arising out of or resulting from the performance of the Work or this Contract (including claims made by subcontractors for nonpayment), to the extent that the acts, omissions or willful misconduct are attributable to the Contractor or anyone employed directly or indirectly by any of them. Contractor shall defend, at Contractor's own cost, expense and risk, with legal counsel of Indemnitee's choosing, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the City, its respective officials, officers, agents, employees and representatives. To the extent of its liability, Contractor shall pay and satisfy any judgment, award or decree that may be rendered against the City and its respective officials, officers, agents, employees, and representatives, in any such suit, action or other legal proceeding. Contractor shall reimburse the City and its respective officials, officers, agents, employees, and representatives for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. The only limitations on this provision shall be those imposed by Civil Code section 2782.
- 10.2 The duty to defend and to hold harmless, as set forth above, shall include the duty to defend as established by Section 2778 of the California Civil Code, and the duty to defend shall arise upon the making of any claim or demand against the City, its respective officials, officers, agents, employees and representatives, notwithstanding that no adjudication of the underlying facts has occurred, and whether or not Contractor has been named in the claim or lawsuit.
- 10.3 Nothing contained in the preceding sections shall be deemed to obligate the Contractor to indemnify the City or any of the other Indemnitees, against liability for damages or any other loss, damage or expense sustained, suffered or incurred on account of death or bodily injury to active persons or injury to property caused by the sole negligence or willful misconduct of the City or any of the other Indemnitees set forth above. Therefore, if it is determined by legal proceedings or agreement, that the Contractor has no direct contributory or incidental negligence or other obligation to the City or the other Indemnitees, and the Contractor is in no way a proper party to a particular claim, then the Contractor shall not be obligated to hold the City or any Indemnitees harmless with respect to said claim. However, until such determination is made by legal proceedings or agreement, or if the Contractor is found to have any degree of direct or contributory negligence or if it is determined that the Contractor is in any way or to any degree a proper party to said claim, then the Contractor's obligations under all of the terms and provisions of the preceding section shall remain in full force and effect.
- 10.4 Nothing in this provision, or elsewhere in the Contract Documents, shall be deemed to relieve the Contractor of its duty to defend the City or any Indemnitee, as specified under

(Traffic Signal Maintenance Services 2018/2019)

this Article, pending a determination of the respective liabilities of the City or any Indemnitee, by legal proceeding or agreement.


- 10.5 In furtherance to, but not in limitation of the indemnity provisions in this Contract, Contractor hereby expressly and specifically agrees that its obligation to indemnify, defend and hold harmless as provided in this Contract shall not in any way be affected or diminished by any statutory or constitutional immunity it enjoys from suits by its own employees or from limitations of liability or recovery under workers' compensation laws.

ARTICLE 11. PREVAILING WAGES. Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the Public Works Services Department or may be obtained online at <http://www.dir.ca.gov/dlsr> and which must be posted at the job site.


IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ARCADIA

By:

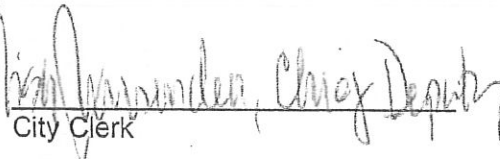

Dominic Lazzaretto
City Manager**SIEMENS MOBILITY, INC.**

By:



Signature
STEVEN TEAL, DIRECTOR OF
Print Name and Title SERVICE

Attest:

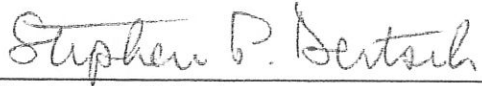
By:


City Clerk

By:


Signature
Michael J. Hutchens / Operations Manager
Print Name and Title

Approved as to Form:


Stephen P. Deitsch
City Attorney

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On February 12, 2019 before me, Melissa M. Torna - Notary Public
 Date Here Insert Name and Title of the Officer

personally appeared Steven Teal and Michael J. Hutchins
 Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian of Conservator☐ Other: _____

Signer is Representing: _____

Signer's Name: _____

☐ Corporate Officer – Title(s): _____☐ Partner – ☐ Limited ☐ General☐ Individual ☐ Attorney in Fact☐ Trustee ☐ Guardian of Conservator☐ Other: _____

Signer is Representing: _____

Honorable Mayor and Members of
City Council, City of Arcadia
c/o Public Works Services Department
11800 Goldring Road
Arcadia, CA 91006

In response to the Notice Inviting Bids dated September 2018

The undersigned, hereby declare that we have carefully examined the location of the proposed Work, and have read and examined the Contract Documents, including all Plans and Drawings, Specifications, and all Addenda, if any, for the following Project:

Traffic Signal Maintenance Services 2018/2019

We hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project for the following TOTAL BID PRICE:

SCHEDULE I – LABOR RATE

NO.	ITEM DESCRIPTION	HOURLY STRAIGHT TIME RATE	EST. QTY.	STRAIGHT TIME TOTAL
1	Labor – Operation Supervisor	\$110.00	10	\$1,100.00
2	Labor – Electrician	\$122.00	125	\$15,250.00
3	Labor – Traffic Signalman	\$128.00	25	\$3,200.00
4	Labor – Traffic Signal Laborer	\$90.00	50	\$4,500.00

TOTAL COST FOR LABOR FOR STRAIGHT TIME ONLY: \$ 24,050.00

Twenty four thousand fifty dollars

dollar amount in written form

SIEMEN

SCHEDULE II – OVERTIME LABOR RATE

NO.	ITEM DESCRIPTION	HOURLY OVERTIME RATE	EST. QTY.	OVERTIME TOTAL
1	Labor – Operation Supervisor	\$110.00	5	\$550.00
2	Labor – Electrician	\$155.00	125	\$19,375.00
3	Labor – Traffic Signalman	\$165.00	25	\$4,125.00
4	Labor – Traffic Signal Laborer	\$135.00	50	\$6,750.00

TOTAL COST FOR LABOR FOR OVERTIME ONLY: \$ 30,800.00

Thirty thousand eight hundred dollars

dollar amount in written form

SCHEDULE II – EQUIPMENT COST SCHEDULE OF PRICES

NO.	ITEM DESCRIPTION	RATE	EST. QTY.	UNIT PRICE	TOTAL COST
1	Service Truck	HOURLY	50	\$25.00	\$1,250.00
2	Hydraulic Lift Truck Bucket	HOURLY	300	\$28.00	\$8,400.00
3	Work Truck 2 ½ Ton or Greater	HOURLY	50	\$28.00	\$1,400.00
4	Compressor	HOURLY	50	\$5.00	\$250.00
5	Concrete Saw	HOURLY	50	\$5.00	\$250.00
6	Crane	HOURLY	30	\$45.00	\$1,350.00

TOTAL COST FOR EQUIPMENT: \$12,900.00

Twelve thousand nine hundred dollars

dollar amount in written form

[BID SCHEDULES CONTINUED]

SIEMENS

SCHEDULE III – ADDITIONAL LABOR PRICING

NO.	ITEM DESCRIPTION	RATE	EST. QTY.	PRICE PER UNIT	TOTAL COST
1	Annual Conflict Monitor Testing for All Intersections	FLAT	60	\$75.00	\$4,500.00
2	Paint Signal Heads	FLAT	12	\$115.00	\$1,380.00

TOTAL LABOR PRICING: \$5,880.00

Five thousand eight hundred eighty dollars

dollar amount in written form

SCHEDULE IV – MATERIAL COST MARK UP

DESCRIPTION	PERCENTAGE
Mark-up Percentage (%) of Invoiced Price for Cost of Materials	15%

TOTAL PROPOSED BID FOR TRAFFIC SIGNAL MAINTENANCE SERVICES 2018/2019

TOTAL BID SCHEDULE I \$ 54,850.00

TOTAL BID SCHEDULE II \$ 12,900.00

TOTAL BID SCHEDULE III \$ 5,880.00

TOTAL OF ALL BID SCHEDULES I, II, & III \$ 73,630.00

TOTAL BID PRICE (BASED ON BID SCHEDULE TOTAL OF UNIT PRICES):

\$ 73,630.00
Total Bid Price in Numbers

Seventy three thousand six hundred thirty dollars
Total Bid Price in Written Form

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager
By: Kenneth Jones, Management Analyst

Date: September 16, 2019

Subject: Consideration to Approve Phase One Water Rate and Sewer Rate Plans

RECOMMENDATION:

It is recommended that the City Council:

- a. Approve the Phase One Water Rate Plan recommended by the Ad Hoc Committee; and
- b. Approve the Phase One Sewer Rate Plan recommended by the Ad Hoc Committee; and
- c. Approve the Income-Based Assistance Program recommended by the Ad Hoc Committee.
- d. Authorize the City Manager to direct Lechowicz & Tseng to commence the Proposition 218 process.

BACKGROUND:

1. On November 11, 2011, the City Council approved the most current water and sewer rates.
2. On August 7, 2017, the City Council awarded a contract to Lechowicz & Tseng Municipal Consultants to conduct a water and sewer utility rate study.
3. On May 20, 2019, the City Council appointed an Ad Hoc Committee (Vice Mayor Ballin and Councilmember Lopez) to review the water and sewer utility rate study (Study) and establish recommendations.
4. On June 26, 2019, the Ad Hoc Committee met with the consultant and staff to review the Study (Attachment "A") and provide feedback.
5. On August 27, 2019, the Ad Hoc Committee met to discuss the revised Study, finalize the Ad Hoc recommendation for proposed water and sewer rate increases and recommend a timeline for the Proposition 218 (Prop 218) process.

Consideration to Approve Phase One Water Rate and Sewer Rate PlansPage 2 of 5

ANALYSIS:

Based on the results from the study, a rate increase to both water and sewer services is being recommended so that the City can continue to properly maintain and repair its water and sewer infrastructure and ensure that the Enterprise Funds for these utilities remain solvent in the face of rising production and treatment costs. The proposed Phase One Water and Sewer Rate Plans will achieve this objective while continuing to offer competitive rates to consumers.

Phase One Water Rate Plan (Ad Hoc Recommendation).

The Phase One Water Rate Plan is based on generating sufficient revenue annually to cover the cost of basic ongoing maintenance and repair of the City's water infrastructure and the implementation of an \$9 million Capital Improvement Plan (CIP) that focuses strictly on water main replacement. Phase One rate increases will be implemented over a five-year period with an initial adjustment to all rate categories and an annual rate increase of eight percent.

When compared to the FY 2019-2020 approved bi-monthly water rates of five different agencies (Santa Clarita, Burbank, Pasadena, Glendale and Los Angeles Department of Water and Power (LADWP)), the FY 2019-2020 Phase One rate being proposed by the City is the lowest (\$100.13); LADWP the has highest rate (\$193.63).

Phase Two Water Rate Plan (Optional).

In addition to generating sufficient revenue to cover the Phase One costs, Phase Two includes sufficient revenue to fund an additional \$13 million in system enhancements including a new ion exchange system and an additional one-million gallon reservoir. Phase Two rate increases will be implemented over a five-year period with an initial adjustment to all rate categories and an annual rate increase of twelve percent.

When compared to the FY 2019-2020 approved bi-monthly water rates of five different agencies (Santa Clarita, Burbank, Pasadena, Glendale and Los Angeles Department of Water and Power (LADWP)), the FY 2019-2020 Phase Two rate is the lowest (\$104.05); LADWP the has highest rate (\$193.63).

Water Rate Income-Based Assistance Program.

Prop 218 does not allow rate revenues generated from one group of customers to off-set the rates of another group. In an effort to provide rate assistance to low-income residents, the City may utilize non-rate revenues, such as interest earning and delinquent penalties, to fund a program. Based on information obtained from California Edison, approximately 1,700 to 1,900 San Fernando customers would qualify for rate assistance program. The Ad Hoc Committee recommends approving a flat, income-based discount of \$10 bi-monthly.

Consideration to Approve Phase One Water Rate and Sewer Rate PlansPage 3 of 5

Phase One Sewer Rate Plan (Ad Hoc Recommendation).

Just as with the Water Rate Plan, the Phase One Sewer Rate Plan is based on generating sufficient revenue to cover the increasing cost associated with basic ongoing maintenance and repair of the sewer infrastructure and the implementation of \$1.1 million CIP that focuses only on sewer main replacement. The Sewer Rate Plan will also be implemented over a five-year period with an initial adjustment to all rate categories and an annual increase of two percent.

When comparing the City's current bi-monthly sewer rate (\$65.40) to the FY 2019-2020 approved rate of six other agencies (West Hollywood, Pasadena, Glendale, Burbank, Santa Clarita and City of Los Angeles), the City's rate is the second highest out of seven; City of Los Angeles has the highest (\$91.98). If the recommended Sewer Rate Plan is implemented the City will remain the second highest (\$78.35).

Phase Two Sewer Rate Plan (Optional).

In addition to generating sufficient revenue to cover the Phase One costs, Phase Two includes sufficient revenue to fund an additional \$3.3 million in system enhancements including larger sewer mains to increase capacity. Phase Two rate increases will be implemented over a five-year period with an initial adjustment to all rate categories and an annual rate increase of six percent.

When comparing the City's current bi-monthly sewer rate (\$65.40) to the FY 2019-2020 approved rate of six other agencies (West Hollywood, Pasadena, Glendale, Burbank, Santa Clarita and City of Los Angeles), the City's rate is the second highest out of seven; City of Los Angeles has the highest (\$91.98). If the recommended Sewer Rate Plan is implemented the City will remain the second highest (\$81.41).

It is important to note that almost fifty percent (50%) of the total sewer cost is a pass through to City of Los Angeles' Hyperion Treatment Plant to treat the City's wastewater. The remaining fifty percent (50%) is used by the City to make sewer repairs and perform routine maintenance activities.

Next Steps.

With the approval of Prop 218 by California voters in 1996, all municipalities must adhere to specified limitations and procedures when considering rate increases for water and sewer services. In order to ensure that the City is fully compliant with Prop 218, the City retained a consultant to conduct a rate study for both water and sewer services. The schedule below outlines the timeline to complete the Prop 218 process prior to the proposed rate increase date of January 1, 2020.

Consideration to Approve Phase One Water Rate and Sewer Rate PlansPage 4 of 5

DATE	ACTION
Sept 3, 2019	Receive input from the City Council and public
Oct 7, 2019	Present Final Report/ First Reading of Notice
Oct 14, 2019	Mail out Prop 218 notices
Dec 2, 2019	Prop 218 Hearing/ Second Reading of Notice
Jan 1, 2020	Rate increase goes into effect

BUDGET IMPACT:

Funding to complete the Water and Sewer Rate Study and conduct the Prop- 218 process leading to the implementation of new rates was budgeted in the FY 2018-2019 Approved Budget. The balance remaining from the previous fiscal year's budget was carried over into the FY 2019-2020 budget and will be used to cover remaining cost to complete the project.

As highlighted in the Water and Sewer Utility Rate Study (Attachment "A"), the reserve fund balances for the Water and Sewer Enterprise funds have been steadily declining since the last rate increase in 2017. Without a rate increase, the City will not have sufficient funding to continue to replace and repair water and sewer main lines. Additional, with increasing state regulations requiring a higher level of testing for water suppliers, the City will not have the funds to make the required upgrades to the water system to ensure it remains safe and may be forced to use Metropolitan Water District (MWD) water. MWD water is significantly more expensive (almost twice the City's rate) and would cause a significant financial strain on rate payers.

Increasing state regulations for treatment of waste water are also significantly impacting the amount the City has to pay to the City of Los Angeles to treat waste water. Without a rate increase, the City will not have sufficient funds to replace extremely old sewer mains and sewer main collapses will become more frequent.

By implementing the Phase One Rate Plans for water and sewer charges, the City will be better positioned to make the main line upgrades while continuing to have rates that are competitive with surrounding agencies.

Consideration to Approve Phase One Water Rate and Sewer Rate PlansPage 5 of 5

CONCLUSION:

It is recommended that the City Council approve Phase One Water Rate Plan and Phase One Sewer Rate Plan and authorize the City Manager to direct Lechowicz & Tseng to commence the Prop- 218 process.

ATTACHMENT:

A. Water & Sewer Utility Rate Study



City of San Fernando Water and Sewer Rate Study

Draft Report
September 9, 2019



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SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY

1.1 Background

The City of San Fernando (City) provides water and sewer service to over five thousand accounts. The City's water supply is provided via four groundwater wells. The City also has an "as-needed" water supply contract with the Metropolitan Water District of Southern California (MWD). San Fernando last imported water from MWD in 2015 and this study assumes that no future water purchases will be needed over the next five years. The City owns and operates a sewer collection system of about 220,000 linear feet of mainlines. Wastewater effluent is conveyed to the City of Los Angeles for treatment and disposal.

The City last conducted an in-depth utility rate study in 2011 to review the cost of service and design appropriate rates and charges. Based on the results of that study, sewer rates were last increased in fiscal year (FY) 2014/15 and water rates were last increased in FY2016/17. Since the prior rate study, the City has conducted an engineering analysis to determine needs for funding infrastructure repairs and improvements. Moreover, recent legal rulings have set more stringent requirements regarding how public agencies can implement tiered water rates.

1.2 Requirements of Proposition 218

Proposition 218, the "Right to Vote on Taxes Act", was approved by California voters in November 1996 and is codified as Articles XIII C and XIII D of the California Constitution. Proposition 218 establishes requirements for imposing any new or increasing any existing property-related fees and charges. For many years, there was no legal consensus on whether water and sewer service fees met the definition of "property-related fees." In July 2007, the California Supreme Court essentially confirmed that Proposition 218 applies to water and wastewater (sewer) service fees.

The City must follow the procedural requirements of Proposition 218 for all utility rate increases. These requirements include:

1. **Noticing Requirement** – The City must mail a notice of the proposed rate increases to all affected property owners or ratepayers. The notice must specify the amount of the fee, the basis upon which it was calculated, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
2. **Public Hearing** – The City must hold a public hearing prior to adopting the proposed rate increases. The public hearing must be held not less than 45 days after the required notices are mailed.
3. **Rate Increases Subject to Majority Protest** - At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners or ratepayers submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established substantive requirements that apply to water and sewer rates and charges, including:

1. **Cost of Service** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the “cost of service”.
2. **Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.
3. **Proportional Cost Recovery** - The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.
4. **Availability of Service** - No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property.
5. **General Government Services** - No fee or charge may be imposed for general governmental services where the service is available to the public at large.

Charges for water, sewer, and refuse collection are exempt from additional voting requirements of Proposition 218, provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

1.3 San Juan Capistrano Court Case

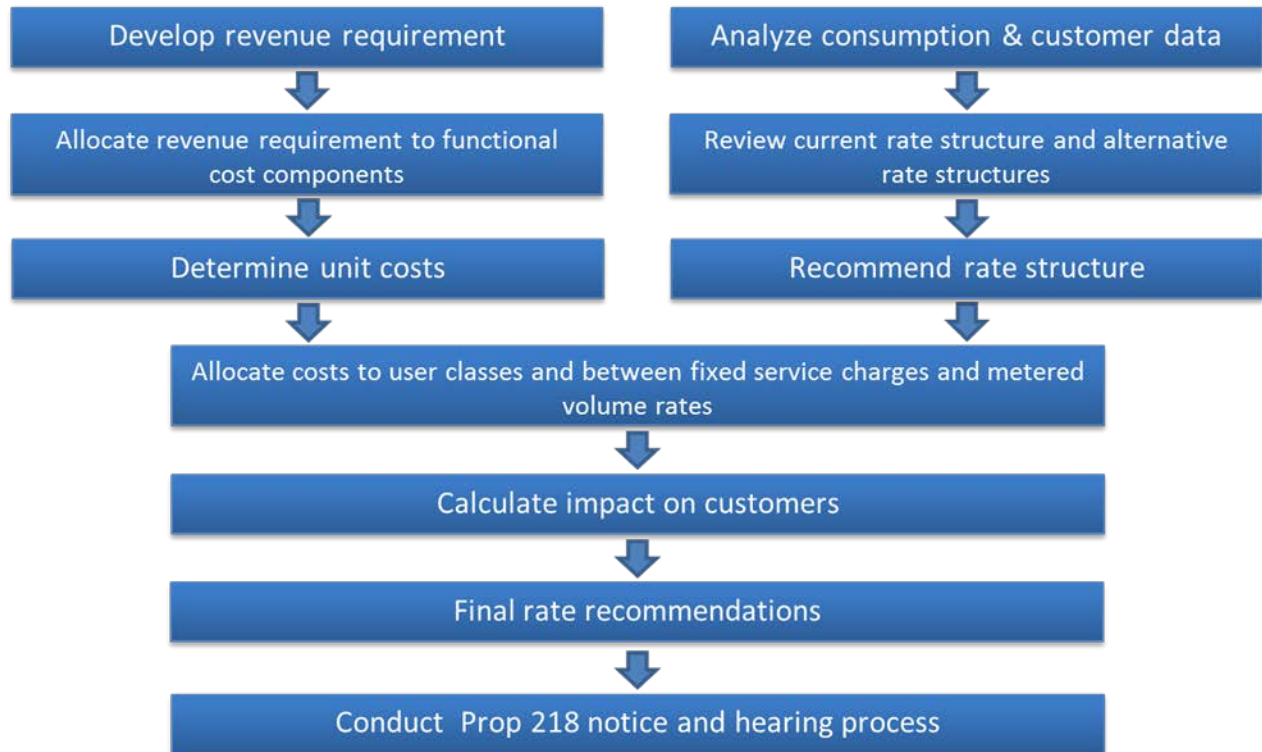
The judge’s ruling in the Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano court case clarified the cost of service requirements applicable to tiered water rates in California. Under a tiered structure, higher levels of water use are charged a higher rate. To comply with Proposition 218, each water rate tier breakpoint (i.e. the consumption used in each tier) and the price of each tier must be individually cost-justified. The City of San Juan Capistrano was found to be out of compliance with Prop 218 requirements because the City arbitrarily developed its higher water tiers to achieve conservation goals. The City’s tiered rate structure did not reflect the actual cost of providing water to higher tiers.

San Fernando’s current water rate structure includes three tiers for residential water use. Non-residential customers are charged a uniform rate under which all levels of use are charged the same \$/hundred cubic foot rate. The current residential rates were developed prior to the San Juan Capistrano ruling. It is unclear if the City could provide a nexus between higher use and the higher potential cost of delivering water. It is recommended that the City transition all customers to a uniform water rate structure.

1.4 Rate Study Process

This section details the development of the City's water and sewer rates via the Proposition 218 process as shown in the following figure.

Figure 1: Comprehensive Cost of Service Study Process



The following is a brief description of the rate study process:

- **Revenue Requirements** - Revenue requirements are analyzed via financial plans developed from the Water and Sewer Fund budgets. Based on the best information currently available, the financial plans incorporate projected operation and maintenance costs, capital expenditures, debt service, and growth to estimate annual revenue requirements. The plans serve as a roadmap for funding the City's future operating and capital programs while maintaining long-term fiscal stability.
- **Cost of Service Allocation** - The cost of service process builds on the financial plan analysis and assigns water and wastewater system costs to functional cost components: customer service, meters and services, base, and extra for water, and base, flow, and strength for sewer.

- **Rate Design** - Rate design involves developing a rate structure that proportionately recovers costs from customers. Final rate recommendations are designed to (a) fund the utilities' short- and long-term costs of providing service; (b) proportionately allocate costs to all customers and customer classes; and (c) comply with the substantive requirements of Proposition 218.

1.5 Proposed Rates

The findings and recommendations presented in this report were developed with substantial input from City staff, the Ad Hoc Rates Advisory Committee, and City Council. Two water rate and three sewer rate options were developed based on varying levels of infrastructure funding. The water rate options are provided in Tables 1 and 2, and the sewer rate options are provided in Tables 4 and 5.

Table 1: PHASE 1 Five Year Water Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
BI-MONTHLY COMMODITY CHARGES (rate per hcf)						
Single & Multi-Family Residential						
Tier 1: 0 - 18 hcf	\$1.31					
Tier 2: 19 - 36 hcf	\$2.67					
Tier 3: Over 36 hcf	\$3.56					
		All customer classes				
Non-Residential	\$2.38	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10

Table 2: PHASE 2 Five Year Water Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
1"	\$63.93	\$87.49	\$98.08	\$109.87	\$123.05	\$137.80
1-1/2"	\$108.20	\$161.71	\$181.23	\$203.02	\$227.37	\$254.62
2"	\$161.32	\$250.78	\$281.01	\$314.80	\$352.56	\$394.81
3"	\$302.99	\$488.30	\$547.09	\$612.88	\$686.40	\$768.65
4"	\$462.37	\$755.51	\$846.43	\$948.22	\$1,061.97	\$1,189.22
6"	\$905.07	\$1,497.76	\$1,677.93	\$1,879.72	\$2,105.22	\$2,357.47
BI-MONTHLY COMMODITY CHARGES (rate per hcf)						
Single & Multi-Family Residential						
Tier 1: 0 - 18 hcf	\$1.31					
Tier 2: 19 - 36 hcf	\$2.67					
Tier 3: Over 36 hcf	\$3.56					
		All customer classes				
Non-Residential	\$2.38	\$2.35	\$2.63	\$2.94	\$3.30	\$3.69

HCF - hundred cubic feet; one HCF = 748 gallons

Table 3: PHASE 1 Five Year Sewer Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
Multi-Family Residential	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Group II Commercial (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group III Commercial (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group IV Commercial (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
City Property	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Schools (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Higher Education (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
UNIT CHARGES (rate per hcf)						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Higher Education (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

SFR – single family residential; MFR – multi family residential

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

Table 4: PHASE 2 Five Year Sewer Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$81.41	\$86.31	\$91.51	\$97.02	\$102.86
Multi-Family Residential	\$65.40	\$59.60	\$63.19	\$67.00	\$71.03	\$75.31
Group II Commercial (1)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Group III Commercial (2)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Group IV Commercial (3)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
City Property	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Industrial	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Schools (4)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Higher Education (4)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
UNIT CHARGES (rate per hcf)						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.77	\$2.94	\$3.12	\$3.31	\$3.50
Group III Commercial (2)	\$3.04	\$4.60	\$4.88	\$5.17	\$5.48	\$5.81
Group IV Commercial (3)	\$4.57	\$6.79	\$7.20	\$7.63	\$8.09	\$8.58
City Property	\$1.44	\$2.41	\$2.55	\$2.71	\$2.87	\$3.04
Industrial	\$1.44	\$2.47	\$2.62	\$2.78	\$2.95	\$3.13
Schools (4)	\$1.28	\$1.78	\$1.89	\$2.00	\$2.12	\$2.25
Higher Education (4)	\$1.28	\$1.78	\$1.89	\$2.00	\$2.12	\$2.25

SFR – single family residential; MFR – multi family residential

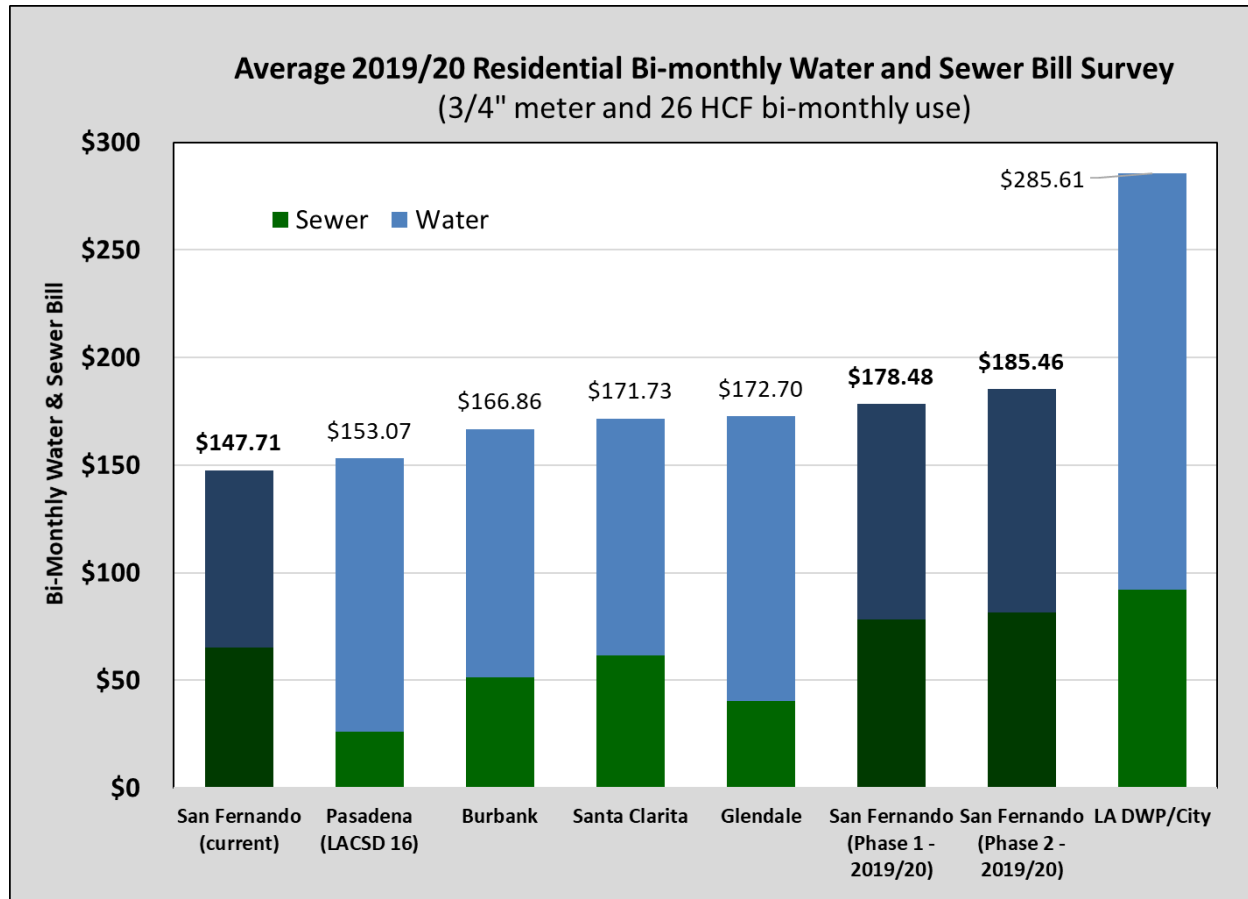
1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

The average bi-monthly water use of a single family customer is 26 hundred cubic feet (HCF) and the most common residential meter size is 3/4". Based on these parameters, a utility bill survey was conducted comparing the City of San Fernando's current and proposed bills to other local agencies.



SECTION 2: CURRENT RATES AND CUSTOMER BASE

This section provides an overview of the City's current water and sewer rates, customer base, and current rate revenues.

2.1 Current Water Rates

The City bills for water and sewer service bi-monthly, i.e. each bill covers a two-month period. The City's water rate structure includes fixed meter charges and volume rates based on metered water usage.

2.1.1 Fixed Charges

All customers, residential and non-residential, are charged the same fixed charges based on their meter size. The fixed charge is levied regardless of water consumption and recognizes that even when a customer does not use any water, the City incurs fixed costs associated with maintaining the ability or readiness to serve each connection. Meter size represents the estimated demand that each customer can place on the water system. A significant portion of a water system's design, and therefore, the utility's operating and capital costs are associated with meeting capacity requirements. The City's base meter size is either a 5/8" or 3/4" meter. Larger meters are charged based on their estimated capacity represented by meter ratios recommended by the American Water Works Association (AWWA). These meter capacity ratios provide a basis for charging customers proportional to the capacity that is reserved for them in the water system.

2.1.2 Volume Rates

For residential customers, the City uses a tiered water rate structure in which higher levels of use are charged a higher rate per HCF. Non-residential customers are charged a uniform rate for all water use. Prior and current water rates are provided in Table 5.

Table 5: Current Water Rates
City of San Fernando
Water and Sewer Rate Study 2019

Water Rates							Annual Percent Change			
		2012/13	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17
BI-MONTHLY FIXED CHARGES							FIXED CHARGES			
<u>Meter Size</u>	<u>Meter Ratios</u>					Current				
5/8" and 3/4"	1.0	\$27.15	\$30.22	\$32.94	\$35.90	\$37.37	11%	9%	9%	4%
1"	2.5	\$45.58	\$50.73	\$55.30	\$60.27	\$63.93	11%	9%	9%	6%
1-1/2"	5.0	\$76.30	\$84.92	\$92.56	\$100.89	\$108.20	11%	9%	9%	7%
2"	8.0	\$113.16	\$125.94	\$137.27	\$149.63	\$161.32	11%	9%	9%	8%
3"	16.0	\$211.44	\$235.33	\$256.51	\$279.60	\$302.99	11%	9%	9%	8%
4"	25.0	\$322.02	\$358.40	\$390.65	\$425.81	\$462.37	11%	9%	9%	9%
6"	50.0	\$629.17	\$700.25	\$763.27	\$831.96	\$905.07	11%	9%	9%	9%
BI-MONTHLY COMMODITY CHARGES (rate per hcf)							COMMODITY CHARGES			
Single & Multi Family Residential										
Tier 1: 0 - 18 hcf		\$0.89	\$1.00	\$1.11	\$1.20	\$1.31	12%	11%	8%	9%
Tier 2: 19 - 36 hcf		\$1.81	\$2.04	\$2.25	\$2.45	\$2.67	13%	10%	9%	9%
Tier 3: Over 36 hcf		\$2.42	\$2.72	\$3.00	\$3.27	\$3.56	12%	10%	9%	9%
Non-Residential							12%	10%	9%	9%

hcf - hundred cubic feet; one hcf = 748 gallons

2.2 Water Customer Base

Table 6 provides customer meter information and estimated revenues for FY2018/19. Single family residential customers make up about 76% of the City's total water accounts. In FY2018/19, the City expects to collect about \$3.975 million in water service charges, of which about 37% is made up of fixed meter charges and 63% is water usage rate revenue. Table 7 provides annual water use and the bi-monthly average use per customer. The average single family water use is 26 HCF per bi-monthly period. Under current rates, the average bi-monthly bill is about \$82, see Table 8.

Table 6: Water Accounts and Estimated Revenue
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	5/8"	3/4"	1"	1.5"	2"	3"	4"	6"	Total	
Single Family	6	3,544	278	9	4	0	0	0	3,841	76%
Multi Family	1	283	104	37	24	3	2	0	454	9%
Church	0	14	13	10	12	0	0	0	49	1%
Commercial	0	210	96	57	58	7	0	0	428	8%
City	0	2	2	2	6	3	1	0	16	0%
Elementary School	0	1	0	2	6	2	2	0	13	0%
Higher Education	0	2	1	1	4	1	2	1	12	0%
Industrial	0	53	43	42	28	0	0	0	166	3%
<u>Irrigation</u>	<u>0</u>	<u>13</u>	<u>23</u>	<u>9</u>	<u>15</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>61</u>	<u>1%</u>
Total	7	4,122	560	169	157	16	8	1	5,040	100%

2018/19 FIXED CHARGE REVENUE

Bi-Monthly 2018/19
Fixed Charge \$37.37 \$37.37 \$63.93 \$108.20 \$161.32 \$302.99 \$462.37 \$905.07

2018/19 Fixed
Charge Revenue \$1,570 \$924,235 \$214,805 \$109,715 \$151,963 \$29,087 \$22,194 \$5,430 \$1,458,999

Total 2018/19 Budgeted Revenue \$3,975,000
Fixed \$1,458,999 37%
Variable \$2,516,001 63%

Table 7: Water Use
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	CY2018 Water Use (HCF)	# of Meters	Avg Bi-monthly Use
Single Family	603,407	3,841	26
Multi Family	183,440	454	67
Church	17,852	49	61
Commercial	152,014	428	59
City	13,441	16	140
Elementary School	10,476	13	134
Higher Education	16,604	12	231
Industrial	101,590	166	102
<u>Irrigation</u>	<u>41,616</u>	<u>61</u>	<u>114</u>
Total	1,140,440	5,040	

CY - calendar year

Table 8: Current Average Bi-monthly Single Family Residential Water Bill
City of San Fernando
Water and Sewer Rate Study 2019

Category	Current Rate		# of Units		Total
Meter Fee (3/4")	\$37.37	x	1	meter	\$37.37
Usage Rates (\$/hcf)					
Tier 1: 0 - 18 hcf	\$1.31	x	18	hcf	\$23.58
Tier 2: 19 - 36 hcf	\$2.67	x	8	hcf	\$21.36
Tier 3: Over 36 hcf	\$3.56	x	0	hcf	\$0.00
Total Bi-monthly Water Bill (26 hcf)					\$82.31

2.3 Residential Tiered Water Use

A summary of the City's residential tiered water use is provided in Table 9. The current tiered rate structure applies to both single family and multi-family residential customers. Thus, a four-unit apartment complex is allotted the same 18 hcf for Tier 1 as a single family home. Typically, public agencies assign tiers to multi-family customers based on the number of dwelling units. A four-unit apartment building would have a Tier 1 allotment of 72 (i.e. 18 HCF times 4 dwelling units). However, the City of San Fernando does not use this billing procedure. Instead, multi-family accounts are charged the same tiered allotments as single family and thus use more water in Tier 3.

L&T recommends transitioning from a tiered water rate structure for residential customers to a single uniform tier in which all customers pay the same usage rate. This transition is discussed further in Section 5.5 Usage Rate.

Table 9: Residential Tiered Water Use
City of San Fernando
Water and Sewer Rate Study 2019

Tier	Single Family		Multi Family		Total Residential (1)		Assumed in Prior
	Use (HCF)	%	Use (HCF)	%	Use (HCF)	%	Rate Study
Tier 1: 0 - 18 hcf	361,631	60%	44,551	24%	406,182	52%	40%
Tier 2: 19 - 36 hcf	165,051	27%	36,771	20%	201,822	26%	26%
Tier 3: Over 36 hcf	<u>76,725</u>	<u>13%</u>	<u>102,118</u>	<u>56%</u>	<u>178,843</u>	<u>23%</u>	<u>34%</u>
	603,407	100%	183,440	100%	786,847	100%	100%

1 - Single family and multi family

2.4 Current Wastewater Rates

The City has a separate schedule of charges for residential and commercial sewer customers. Residential customers, including both single family and multi-family customers, are billed a fixed bi-monthly fee charged on a per dwelling unit basis. Residential customers are not billed volume rates for sewer flow. Instead, the fixed residential fee is intended to recover the average cost of provided sewer service across the entire residential customer base.

Commercial customers are charged a fixed base fee plus volume rates based on metered water consumption. Most outdoor commercial water use is separately metered under an irrigation account and is not billed for sewer service. There are six sub-categories of non-residential sewer customers: Group II, Group III, Group IV, City property, industrial, and schools. Group II corresponds to low/domestic strength customers; Group III corresponds to medium strength customers; and Group IV corresponds to high strength customers. The volume rates correspond to the cost to convey and treat the wastewater pollutants of each group. Prior and current sewer rates are provided in Table 10.

The last water rate increase was in FY2016/17. However, sewer rates have not been increased since FY2014/15 as shown on Table 10.

Table 10: Current Bi-monthly Sewer Rates
City of San Fernando
Water and Sewer Rate Study 2019

Sewer Rates						Annual Percent Change			
	2012/13	2013/14	2014/15	2015/16	2016/17	2013/14	2014/15	2015/16	2016/17
BI-MONTHLY FIXED CHARGES						FIXED CHARGES			
<u>Customer Class</u>									
Residential (SFR & MF)	\$56.64	\$62.30	\$65.40	\$65.40	\$65.40	10%	5%	0%	0%
Group II Commercial (1)	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
Group III Commercial (2)	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
Group IV Commercial (3)	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
City Property	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
Industrial	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
Schools (4)	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
Higher Education (4)	\$32.60	\$35.86	\$37.66	\$37.66	\$37.66	10%	5%	0%	0%
UNIT CHARGES (rate per hcf)						COMMODITY CHARGES			
<u>Customer Class</u>									
Group II Commercial (1)	\$1.63	\$1.80	\$1.89	\$1.89	\$1.89	10%	5%	0%	0%
Group III Commercial (2)	\$2.63	\$2.90	\$3.04	\$3.04	\$3.04	10%	5%	0%	0%
Group IV Commercial (3)	\$3.94	\$4.35	\$4.57	\$4.57	\$4.57	10%	5%	0%	0%
City Property	\$1.25	\$1.37	\$1.44	\$1.44	\$1.44	10%	5%	0%	0%
Industrial	\$1.25	\$1.37	\$1.44	\$1.44	\$1.44	10%	5%	0%	0%
Schools (4)	\$1.11	\$1.22	\$1.28	\$1.28	\$1.28	10%	5%	0%	0%
Higher Education (4)	\$1.11	\$1.22	\$1.28	\$1.28	\$1.28	10%	5%	0%	0%

SFR – single family residential; MFR – multi family residential

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student (ADA)

Table 11 provides sewer rate revenues by category. About 74% revenues are collected from the fixed residential and commercial customer charges and about 26% of rate revenues are collected from the nonresidential flow rates.

Table 11: Sewer Accounts and Estimated Revenues
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	No. of Accts or Dwelling Units	Bi-monthly Fixed Charge	Est. Fixed Charge Revenue
Single Family Residential	3,813	\$65.40	\$1,496,221
Multi Family Residential	2,021	\$65.40	\$793,040
Group II Commercial	275	\$37.66	\$62,139
Group III Commercial	56	\$37.66	\$12,654
Group IV Commercial	88	\$37.66	\$19,884
City Property	15	\$37.66	\$3,389
Industrial	164	\$37.66	\$37,057
Schools	13	\$37.66	\$2,937
Total	6,445		\$2,427,323
SEWER REVENUES			
Sewer Fixed Charges	\$2,427,323	74%	
<u>Variable Charges</u>	<u>\$847,220</u>	<u>26%</u>	
Total Sewer Service Charges (1)	\$3,274,543	100%	

1 - Source: FINAL - Enterprise Funds Budget Worksheet

SECTION 3: WATER REVENUE REQUIREMENT

Proposition 218 requires that utility rates be based on the reasonable cost of providing service to customers. The cost of service includes annual operating expenses, debt service payments, capital projects, and the accumulation of appropriate reserves. The water and sewer utility cost of service was developed based on the FY2019/20 adopted budget, capital project lists developed by staff, and reserve recommendations based on City policies.

3.1 Revenues

For FY2019/20, the City budgeted about \$4.3 million in Water Fund Revenues. The vast majority, \$3.975 million, consists of water service rates and charges. Other revenue categories include meter and fire services, installation fees, capital facilities fees, backflow prevention fees, interest income, and delinquent penalties. Interest income and delinquent penalties are expected to generate non-rate revenues of about \$90,000 in FY2019/20. If the City wishes to pursue a low-income rate program, it is recommended that these revenues be used as the funding source. The Water Fund's other revenue sources are subject to the provisions of Proposition 218 and 26 and cannot be used to fund ratepayer discounts.

3.2 Operations

In FY2019/20, the water operating budget is approximately \$3.87 million. Major line-items include administration, salaries and benefits, maintenance, water supply-related costs, and repayment of an internal loan from the Sewer Fund. A detailed expense summary is provided in Table 12 and a five-year projection of water expenses is provided in Table 13. Personnel costs are projected to increase by 4% annually while all other operating expenses are projected to increase by 3% over the next 5 years.

Table 12: History of Water Expenses
City of San Fernando
Water and Sewer Rate Study 2019

	Actual			Budget		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Water Attorney						
Operating & Maintenance Expenses	\$1,220	\$1,560	\$1,000	\$0	\$0	\$0
Water Retirement						
Personnel Costs	73,407	(46,304)	88,771	75,000	75,000	225,000
Water Administration						
Personnel Costs	195,475	974,622	1,282,446	1,042,805	1,005,930	1,240,750
Operating & Maintenance Expenses						
Interest Expense (1)	5,191	7,007	10,365	75,000	75,000	131,300
Other O&M Expenses	83,213	111,980	115,986	174,483	171,683	247,787
Subtotal O&M Expenses	88,404	118,988	126,351	249,483	246,683	379,087
Cost Allocation (2)	398,735	398,735	455,902	456,469	463,939	511,160
Internal Service Charges (3)	0	277,538	281,360	295,741	272,667	239,821
Capital Costs	654	0	0	0	0	0
Transfers (4)	119,054	120,000	120,000	132,434	132,434	132,434
Subtotal Water Administration	802,321	1,889,883	2,266,059	2,176,932	2,121,653	2,503,252
Water Billing						
Personnel Costs	232,900	149,496	139,370	135,998	168,002	174,493
Operating & Maintenance Expenses	47,230	33,624	21,081	80,000	80,000	55,000
Internal Service Charges	0	17,718	24,764	28,757	30,752	34,946
Subtotal Water Billing	280,130	200,837	185,215	244,755	278,754	264,439
Water Distribution						
Personnel Costs	371,310	24,136	0	0	0	0
Operating & Maintenance Expenses	73,046	68,379	72,557	118,000	228,500	118,500
Capital Costs	665,560	2,260	23,663	1,400	0	0
Subtotal Water Distribution	1,109,916	94,776	96,220	119,400	228,500	118,500
Water Production						
Personnel Costs	411,864	50,649	0	0	0	0
Utilities	198,712	175,889	212,108	170,000	170,000	170,000
Contractual Services	112,848	157,942	70,049	200,000	150,000	150,000
Operating & Maintenance Expenses	278,887	202,208	155,699	250,650	249,950	345,950
Capital Costs	54,248	1,900	0	0	0	0
Transfers	8,634	1,000	0	0	0	0
Subtotal Water Production	1,065,193	589,589	437,856	620,650	569,950	665,950
TOTAL OPERATING EXPENSES	\$3,332,188	\$2,730,340	\$3,075,121	\$3,236,737	\$3,273,857	\$3,777,141
Percent Change		-18%	13%	5%	1%	15%
CAPITAL EXPENSES						
TOTAL WATER CAPITAL	\$0	\$69,906	\$96,692	\$801,128	\$342,750	\$2,219,000
Percent Change		-	38%	729%	-57%	547%
TOTAL WATER BUDGET	\$3,332,188	\$2,800,246	\$3,171,813	\$4,037,865	\$3,616,607	\$5,996,141
Percent Change		-16%	13%	27%	-10%	66%

1 - Loan re-payment to sewer. Includes principal payment for budget purposes.

2 - Transfer to General Fund to over indirect costs (including payroll, human resources, accounting, IT & computer support services, and

3 - Includes Liability Charge, Equipment Maintenance Charge, Equipment Replacement Charge, and Facility Maintenance Charge

4 - Includes \$60,000 for rental charges for the use of 120 Macneil. Amount charged is based on the square footage of the building and the number of employees occupying the building. Includes \$60,000 for property insurance premiums for well sites. Includes \$12,434 to repay Retirement Fund for pension loan.

Table 13: Water Operating Expense Projection
City of San Fernando
Water and Sewer Rate Study 2019

	Budget 2019/20	Escalation Factor	Rate Study			
			2020/21	2021/22	2022/23	2023/24
Personnel Costs	\$1,640,243	4%	\$1,706,000	\$1,774,000	\$1,845,000	\$1,919,000
O & M Expenses	767,237	3%	790,000	814,000	838,000	863,000
Interest Expense for Internal Debt (1)	131,300	-	131,300	131,300	131,300	131,300
Cost Allocation (2)	511,160	3%	526,000	542,000	558,000	575,000
Utilities	170,000	3%	175,000	180,000	185,000	191,000
Contractual Services	150,000	3%	155,000	160,000	165,000	170,000
Internal Service Charges (3)	274,767	3%	283,000	291,000	300,000	309,000
Transfers (4)	132,434	0%	132,000	132,000	132,000	132,000
Low Income Program (5) (OPT 1)	90,000		106,300	109,600	114,000	121,500
TOTAL OPERATING EXPENSES	\$3,867,141		\$4,004,600	\$4,133,900	\$4,268,300	\$4,411,800
<i>% Change</i>	<i>18%</i>		<i>4%</i>	<i>3%</i>	<i>3%</i>	<i>3%</i>

1 - Loan re-payment to sewer. Includes principal payment for budget purposes.

2 - Transfer to General Fund to over indirect costs (including payroll, human resources, accounting, IT & computer support services, and management support). The actual amounts charged are calculated by an outside consultant using various statistical data such as the adopted

3 - Includes Liability Charge, Equipment Maintenance Charge, Equipment Replacement Charge, and Facility Maintenance Charge

4 - Includes \$60,000 for rental charges for the use of 120 Macneil. Amount charged is based on the square footage of the building and the number of employees occupying the building. Includes \$60,000 for property insurance premiums for well sites. Includes \$12,434 to repay

5 - The annual cost of the Low Income Program should be equal to the non-rate revenues generated from interest earnings and delinquent pen

3.3 Water Capital Improvement Plan

Two water capital improvement plan options were developed based on input from the City. Phase 1 includes \$8.9 million of infrastructure improvements focusing on water main replacements, as shown on Table 14. Phase 1 assumes new debt issuances to fund construction costs.

Phase 2 consists of a fully funded plan, totaling \$22.4 million, as detailed in Table 15. Phase 2 includes all the projects in the Phase 1 plan in addition to a new ion exchange system, automated meters, and a one million gallon reservoir. Phase 2 assumes new debt issuances to fund construction costs. For the new reservoir, it is assumed that the City will fund \$8.75 million of the estimated \$10 million cost with a grant in FY2023/24.

Table 14: PHASE 1 - Water Capital Improvement Plan
City of San Fernando
Water and Sewer Rate Study 2019

Water Capital Improvement Plan (CIP)						
	Rate Study					5-Year Total
	2019/20	2020/21	2021/22	2022/23	2023/24	
WATER MAIN PROJECTS						
Glenoaks Blvd - Hubbard to Harding - 18" Stl Conc to 18" DIP	750,000	0	0	0	0	\$750,000
Hollister Street - Kalisher to S. Huntington - 6" Stl to 8" DIP	150,000	0	0	0	0	\$150,000
N Workman Street - Second to Fourth Streets - 6" Stl to 8" DIP	105,000	0	0	0	0	\$105,000
Celis Street - Wolfskill St to Brand Blvd - 6" Stl to 8" DIP	150,000	0	0	0	0	\$150,000
N. Workman Street - Glenoaks to Seventh St - 6" CIP to 8" DIP	370,500	0	0	0	0	\$370,500
Lucas Street - N.Workman to Orange Grove - 6" CIP to 8" DIP	156,400	0	0	0	0	\$156,400
N Lazard Street - Fourth St to Fifth St	1,750	0	0	0	0	\$1,750
S. Workman Street - Behind Store Fronts 4" CIP to 8" DIP	30,000	0	0	0	0	\$30,000
Arroyo Avenue - Fifth St to Glenoaks Blvd	60,000	0	0	0	0	\$60,000
Harding Avenue - Glenpaks Blvd to Eighth St	0	790,000	0	0	0	\$790,000
Phillippi Street - Hubbard Ave to Orange Grove Ave	0	290,000	0	0	0	\$290,000
Griswold Ave - Fourth St. to Third St. 4" Stl to 8" DIP	0	68,000	0	0	0	\$68,000
Alley e/o No.Maclay Ave. Fourth St. to Library St. 4" Stl to 8" CIP	0	90,000	0	0	0	\$90,000
Seventh St - Orange Grove Ave to Hubbard St 6" ACP to 8" DIP	0	280,000	0	0	0	\$280,000
Orange Grove Ave - Seventh St to Eighth St 6" ACP to 8" DIP	0	195,000	0	0	0	\$195,000
Hubbard - Dronfield to Glenoaks - 18" Stl to 18" DIP	0	567,000	0	0	0	\$567,000
Hollister Street - Mid Block to Chatsworth 6" Stl to 8" DIP	0	54,000	0	0	0	\$54,000
Hubbard St, Foothill Blvd to Dronfield Ave. - 18" Stl Conc to 18" DIP	0	0	407,500	0	0	\$407,500
Hagar Street, 5th to Glenoaks - 6" CIP to 8" DIP	0	0	187,500	0	0	\$187,500
Fox Street - Pico to Hewitt - Loop/ New Installation - New 8" DIP	0	0	0	127,500	0	\$127,500
Newton Avenue - Fourth St. to Third St. 4" CIP to 8" DIP	0	0	0	68,000	0	\$68,000
De Haven Street - N. Brand to Griswold St. 4" CIP to 8" DIP	0	0	0	100,500	0	\$100,500
De Garmo Street - N. Brand to Griswold St. - 6" CIP to 8" DIP	0	0	0	100,500	0	\$100,500
Alexander St - Fifth Street to Glenoaks Boulevard 6" CIP to 8" DIP	0	0	0	189,000	0	\$189,000
Brand Blvd, San Fernando Rd to South City Limit - Relocation of 8" DIP	0	0	0	0	520,000	\$520,000
Subtotal Water Main Projects	1,773,650	2,334,000	595,000	585,500	520,000	5,808,150
SYSTEM IMPROVEMENTS						
Security Fencing	272,000	0	0	0	0	\$272,000
Arroyo Booster #1 Rehabilitation	25,000	0	0	0	0	\$25,000
MWD Booster Pump # 4	23,983	0	0	0	0	\$23,983
Ion-Exchange Removal System - Phase II, Well #3	0	0	0	0	0	\$0
Well 2A Rehabilitation	0	0	130,000	0	0	\$130,000
Well 2A Electrical Upgrades	0	0	60,000	0	0	\$60,000
Subtotal System Improvements	320,983	0	190,000	0	0	510,983
MISCELLANEOUS & EQUIPMENT						
Water Masterplan	80,000	0	0	0	0	\$80,000
Ion Exchange Treatment Unit - O&M (Contract No. 1729)	175,000	175,000	175,000	175,000	0	\$700,000
Ion Exchange Treatment Unit - Operating Costs	110,000	110,000	110,000	110,000	110,000	\$550,000
StarLite Solar Arrow Board - Equipment # 0720	0	0	0	0	0	\$0
Chevy 2500HD - Vehicle 9503	0	0	0	0	0	\$0
Well 4A Building Expansion Block Building	102,960	0	0	0	0	\$102,960
AMI Meter Reading	0	0	0	0	0	\$0
Security Bldg for ION-Exchange Treatment System, 12900 Dronfield Block Bldg	84,240	0	0	0	0	\$84,240
Chevy 2500HD - Vehicle # 8095	44,100	0	0	0	0	\$44,100
Ford Ranger - Vehicle # 3241	30,000	0	0	0	0	\$30,000
EDEN Upgrade	30,000	0	0	0	0	\$30,000
Facility Maintenance - 12900 Dronfield Roadway	156,000	0	0	0	0	\$156,000
Construct New Reservoir to Increase Capacity	0	0	0	0	0	\$0
Ford F-150 (CNG) - Vehicle # 4416	0	45,000	0	0	0	\$45,000
Ford F-450 - Vehicle # 4573	0	0	55,000	0	0	\$55,000
Whiteman MLTDA7 (Stadium Lighting) - Generator # 0246	0	0	30,000	0	0	\$30,000
Hyster Forklift - Vehicle # 5289	0	0	0	40,000	0	\$40,000
John Deere 310SK Backhoe - Vehicle # 2571	0	0	0	0	140,000	\$140,000
Well 4A Rehabilitation	0	0	0	0	400,000	\$400,000
Water Department Office Expansion (120 Macneil) - Block Building	0	0	0	0	90,200	\$90,200
Subtotal Miscellaneous Equipment	812,300	330,000	370,000	325,000	740,200	2,577,500
TOTAL WATER CIP (Current \$)	\$2,906,933	\$2,664,000	\$1,155,000	\$910,500	\$1,260,200	\$8,896,633

Table 15: PHASE 2 - Water Capital Improvement Plan
City of San Fernando
Water and Sewer Rate Study 2019

Water Capital Improvement Plan (CIP)						
	Rate Study					5-Year Total
	2019/20	2020/21	2021/22	2022/23	2023/24	
WATER MAIN PROJECTS						
Glenoaks Blvd - Hubbard to Harding - 18" Stl Conc to 18" DIP	750,000	0	0	0	0	\$750,000
Hollister Street - Kalisher to S. Huntington - 6" Stl to 8" DIP	150,000	0	0	0	0	\$150,000
N Workman Street - Second to Fourth Streets - 6" Stl to 8" DIP	105,000	0	0	0	0	\$105,000
Celis Street - Wolfskill St to Brand Blvd - 6" Stl to 8" DIP	150,000	0	0	0	0	\$150,000
N. Workman Street - Glenoaks to Seventh St - 6" CIP to 8" DIP	370,500	0	0	0	0	\$370,500
Lucas Street - N.Workman to Orange Grove - 6" CIP to 8" DIP	156,400	0	0	0	0	\$156,400
N Lazard Street - Fourth St to Fifth St	1,750	0	0	0	0	\$1,750
S. Workman Street - Behind Store Fronts 4" CIP to 8" DIP	30,000	0	0	0	0	\$30,000
Arroyo Avenue - Fifth St to Glenoaks Blvd	60,000	0	0	0	0	\$60,000
Harding Avenue - Glenpaks Blvd to Eighth St	790,000	0	0	0	0	\$790,000
Phillippi Street - Hubbard Ave to Orange Grove Ave	290,000	0	0	0	0	\$290,000
Griswold Ave - Fourth St. to Third St. 4" Stl to 8" DIP	0	68,000	0	0	0	\$68,000
Alley e/o No.Maclay Ave. Fourth St. to Library St. 4" Stl to 8" CIP	0	90,000	0	0	0	\$90,000
Seventh St - Orange Grove Ave to Hubbard St 6" ACP to 8" DIP	0	280,000	0	0	0	\$280,000
Orange Grove Ave - Seventh St to Eighth St 6" ACP to 8" DIP	0	195,000	0	0	0	\$195,000
Hubbard - Dronfield to Glenoaks - 18" Stl to 18" DIP	0	567,000	0	0	0	\$567,000
Hollister Street - Mid Block to Chatsworth 6" Stl to 8" DIP	0	54,000	0	0	0	\$54,000
Hubbard St, Foothill Blvd to Dronfield Ave. - 18" Stl Conc to 18" DIP	0	0	407,500	0	0	\$407,500
Hagar Street, 5th to Glenoaks - 6" CIP to 8" DIP	0	0	187,500	0	0	\$187,500
Fox Street - Pico to Hewitt - Loop/ New Installation - New 8" DIP	0	0	0	127,500	0	\$127,500
Newton Avenue - Fourth St. to Third St. 4" CIP to 8" DIP	0	0	0	68,000	0	\$68,000
De Haven Street - N. Brand to Griswold St. 4" CIP to 8" DIP	0	0	0	100,500	0	\$100,500
De Garmo Street - N. Brand to Griswold St. - 6" CIP to 8" DIP	0	0	0	100,500	0	\$100,500
Alexander St - Fifth Street to Glenoaks Boulevard 6" CIP to 8" DIP	0	0	0	189,000	0	\$189,000
Brand Blvd, San Fernando Rd to South City Limit - Relocation of 8" DIP	0	0	0	0	520,000	\$520,000
Subtotal Water Main Projects	2,853,650	1,254,000	595,000	585,500	520,000	5,808,150
SYSTEM IMPROVEMENTS						
Security Fencing	272,000	0	0	0	0	\$272,000
Arroyo Booster #1 Rehabilitation	25,000	0	0	0	0	\$25,000
MWD Booster Pump # 4	23,983	0	0	0	0	\$23,983
Ion-Exchange Removal System - Phase II, Well #3	0	2,000,000	0	0	0	\$2,000,000
Well 2A Rehabilitation	0	0	130,000	0	0	\$130,000
Well 2A Electrical Upgrades	0	0	60,000	0	0	\$60,000
Subtotal System Improvements	320,983	2,000,000	190,000	0	0	2,510,983
MISCELLANEOUS & EQUIPMENT						
Water Masterplan	80,000	0	0	0	0	\$80,000
Ion Exchange Treatment Unit - O&M (Contract No. 1729)	175,000	175,000	175,000	175,000	0	\$700,000
Ion Exchange Treatment Unit - Operating Costs	110,000	110,000	110,000	110,000	110,000	\$550,000
StarLite Solar Arrow Board - Equipment # 0720	0	0	0	0	0	\$0
Chevy 2500HD - Vehicle 9503	0	0	0	0	0	\$0
Well 4A Building Expansion Block Building	102,960	0	0	0	0	\$102,960
AMI Meter Reading	0	0	1,500,000	0	0	\$1,500,000
Security Bldg for ION-Exchange Treatment System, 12900 Dronfield Block Bldg	84,240	0	0	0	0	\$84,240
Chevy 2500HD - Vehicle # 8095	44,100	0	0	0	0	\$44,100
Ford Ranger - Vehicle # 3241	30,000	0	0	0	0	\$30,000
EDEN Upgrade	30,000	0	0	0	0	\$30,000
Facility Maintenance - 12900 Dronfield Roadway	156,000	0	0	0	0	\$156,000
Construct New Reservoir to Increase Capacity	0	0	0	0	10,000,000	\$10,000,000
Ford F-150 (CNG) - Vehicle # 4416	0	45,000	0	0	0	\$45,000
Ford F-450 - Vehicle # 4573	0	0	55,000	0	0	\$55,000
Whiteman MLTDA7 (Stadium Lighting) - Generator # 0246	0	0	30,000	0	0	\$30,000
Hyster Forklift - Vehicle # 5289	0	0	0	40,000	0	\$40,000
John Deere 310SK Backhoe - Vehicle # 2571	0	0	0	0	140,000	\$140,000
Well 4A Rehabilitation	0	0	0	0	400,000	\$400,000
Water Department Office Expansion (120 Macneil) - Block Building	0	0	0	0	90,200	\$90,200
Subtotal Miscellaneous Equipment	812,300	330,000	1,870,000	325,000	10,740,200	14,077,500
TOTAL WATER CIP (Current \$)	\$3,986,933	\$3,584,000	\$2,655,000	\$910,500	\$11,260,200	\$22,396,633

3.4 Water Reserves

The City's *Contingency and Stabilization Reserve Fund* stipulates a target of 25 percent of annual operating expenses. The City's *Infrastructure Replacement Reserve Fund* does not require a specific target. The policy states that "contribution rate is intended to level-amortize the cost of infrastructure replacement projects over a long period of time." The City's *2011 Tiered Water Rate Study* recommended a Capital Repair and Replacement reserve to be "funded with the annual amount of depreciation, plus any excess funds from the operating reserve." Adequate fund reserves protect the City when faced with unforeseen financial challenges such as emergency expenses and revenue deficits. Furthermore, the Water Fund may be required to maintain certain levels of reserves to obtain debt financing.

For this rate study, the Operating Reserve target is 25 percent of annual operating expenses. A Capital Reserve target of \$1 million is also included in the cash flow analysis. This target is a placeholder and can be modified based on input from the City. The fund reserve target will escalate as the Water Fund's expenses increase over time. It is acceptable if reserves dip below the target on a temporary basis, provided the City takes action to attain the target over the longer run.

3.5 Water Fund Cash Flow

3.5.1 Cash Flow Objectives

Based on the FY2019/20 adopted budget, the Water Fund is projected to begin FY2019/20 with a fund balance of \$3.2 million. Over the five-year rate study period, rate increases are proposed to meet the following objectives, in order of importance:

- 1) Fund operating costs
- 2) Fund debt service costs
- 3) Meet or exceed the debt service coverage requirement of 1.25 times the annual payment
- 4) Fund capital costs
- 5) Each year's ending fund balance should meet or exceed the target of 25% of operating expenses plus \$1 million in capital reserves
- 6) The fund balance at the end of the 5-year rate plan should roughly equal the current fund balance of \$3.8 million

The final objective listed above avoids a situation in which the City under-charges the cost of service through the end of FY2023/24. The cash flows included in this report were optimized to use the available fund balance to overcome year to year funding shortfalls only and not to subsidize the long-term cost of service.

3.5.2 Summary of Options

A summary of the two Water Fund Options and revenue adjustments is provided in Table 16. Phase 1 is based on generating sufficient revenue each year to cover the cost of basic ongoing maintenance and

repair of the City's water infrastructure and the implementation of an \$8.9 million water capital improvement plan that focuses on water main replacement. Phase 1 increases include an initial adjustment to all rate categories on January 1, 2020 followed by annual rate increases of 8% beginning on January 1, 2021 through January 1, 2024.

Phase 2 includes all Phase 1 expenses with added funding to pay for an additional \$13 million in infrastructure improvements. These projects include a new ion exchange system, automated water meters, and a 1 million gallon reservoir. Phase 2 increases include an initial adjustment to all rate categories on January 1, 2020 followed by annual rate increases of 12% percent beginning on January 1, 2021 through January 1, 2024.

**Table 16: Water Option Comparison
City of San Fernando
Water and Sewer Rate Study 2019**

Revenue Adjustment Comparison						
Option	Description	2019/20	2020/21	2021/22	2022/23	2023/24
#1	<u>REDUCED WATER INFRASTRUCTURE IMPROVEMENTS</u> - Funds projects totaling \$8.9 million. Excludes Nitrate Removal, AMI Meters, and the New Reservoir. - \$2.0 million loan projected in FY2019/20 - \$2.0 million loan projected in FY2020/21	8.0%	8.0%	8.0%	8.0%	8.0%
#2	<u>FULL WATER INFRASTRUCTURE IMPROVEMENTS</u> - Funds all projects totaling \$22.4 million - \$3.0 million loan projected in FY2019/20 - \$3.0 million loan projected in FY2020/21 - \$2.0 million loan projected in FY2021/22 - Assumes New Reservoir in FY2023/24 for \$10 million will be 80% grant funded and 20% cash funded	12.0%	12.0%	12.0%	12.0%	12.0%

3.5.3 Revenues

The cash flows for both options are presented in Table 17 and Table 18. The first rate increase will go into effect on January 1, 2020 when water consumption is generally lower, and therefore, minimizing the impact to ratepayers. Subsequent rate increases are assumed to go into effect January 1 of each year through January 1, 2024. The rate revenue projection includes customer growth of 0.5% annually. Non-rate revenues associated with interest income and delinquent charges can be pledged toward a new low-income rate payer assistance program.

3.5.4 Expenses

Operating expenses shown in the cash flows are taken from Table 13 and capital project costs are taken from the above tables. Both capital plans assume that the City will need to issue debt. The debt issuances shown in the cash flow projections are for informational purposes only. Conservative debt financing terms and conditions were assumed (i.e. slightly high interest rates and short repayment periods). The projections assume that repayment will begin the year following the debt issuance. Moreover, any new debt would be subject to the industry standard debt service coverage requirement of 1.25 times meaning that net operating revenues should exceed the annual debt service payment by 25%. It is unknown if the Water Fund's debt to the Sewer Fund would apply towards the debt coverage calculation.

For Phase 2, the \$10 million new reservoir will be funded with \$8.75 million in grant funding and \$1.25 million taken from Water Fund reserves as matching funds.

Table 17: PHASE 1 - Water Utility Cash Flow
City of San Fernando
Water and Sewer Rate Study 2019

	Years 1 -5: Proposition 218				
	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
1 Assumptions:					
2 Overall Revenue Adjustment	8.0%	8.0%	8.0%	8.0%	8.0%
3 Date Rate Increase Effective	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
5 Interest Earnings Rate	1.0%	1.0%	1.0%	1.0%	1.0%
6 Other Revenues	3.0%	3.0%	3.0%	3.0%	3.0%
7 Growth - %	0.5%	0.5%	0.5%	0.5%	0.5%
8 BEGINNING FUND BALANCE	\$3,224,666	\$2,917,616	\$2,834,616	\$2,302,066	\$2,275,416
9 Water Sales based on 12 months	4,314,000	4,682,000	5,082,000	5,516,000	5,987,000
10 REVENUES					
11 Water Sales (1)	4,145,000	4,414,000	4,748,000	5,132,000	5,560,000
12 Interest Income	15,000	29,000	28,000	23,000	23,000
13 Delinquent Penalties	75,000	77,300	79,600	82,000	84,500
14 Meter & Fire Service	120,000	123,600	127,300	131,100	135,000
15 Water Installation Charges	50,000	51,500	53,000	54,600	56,200
16 Capital Facilities Charges	50,000	51,500	53,000	54,600	56,200
17 Backflow Prevention Fee	12,000	12,400	12,800	13,200	13,600
19 Total Revenues	4,467,000	4,759,300	5,101,700	5,490,500	5,928,500
20 EXPENSES					
21 Operating & Maintenance					
22 Personnel Costs	1,640,200	1,706,000	1,774,000	1,845,000	1,919,000
23 O & M Expenses	767,200	790,000	814,000	838,000	863,000
24 Interest Expense (Internal Debt)	131,300	131,300	131,300	131,300	131,300
25 Cost Allocation	511,200	526,000	542,000	558,000	575,000
26 Utilities	170,000	175,000	180,000	185,000	191,000
27 Contractual Services	150,000	155,000	160,000	165,000	170,000
28 Internal Service Charges	274,800	283,000	291,000	300,000	309,000
29 Capital Costs	0	0	0	0	0
30 Transfers	132,400	132,000	132,000	132,000	132,000
31 Low Income Program (2)	90,000	106,300	107,600	105,000	107,500
32 Subtotal O&M	3,867,100	4,004,600	4,131,900	4,259,300	4,397,800
33 Capital Projects					
<i>Capital Improvement Plan (CIP)</i>					
34 System Improvements	321,000	0	190,000	0	0
35 Miscellaneous & Equipment	812,300	330,000	370,000	325,000	740,200
36 Water Main Projects	1,773,650	2,334,000	595,000	585,500	520,000
37 Less Grant Funding	0	0	0	0	0
38 Less New Debt Proceeds (3)	(2,000,000)	(2,000,000)	0	0	0
37 Subtotal Capital Projects	906,950	664,000	1,155,000	910,500	1,260,200
38 Debt Service					
39 New Debt (3)	0	173,700	347,350	347,350	347,400
40 Subtotal Debt Service	0	173,700	347,350	347,350	347,400
41 Total Expenses	4,774,050	4,842,300	5,634,250	5,517,150	6,005,400
42 Net Revenues (Revs Less Exps)	(307,050)	(83,000)	(532,550)	(26,650)	(76,900)
43 ENDING FUND BALANCE	2,917,616	2,834,616	2,302,066	2,275,416	2,198,516
44 Fund Reserve Target					
45 Operating Reserve Target (25% of O&M)	966,800	1,001,200	1,033,000	1,064,800	1,099,500
46 Capital Reserve Target (\$1M)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
47 Total Water Fund Reserves	1,966,800	2,001,200	2,033,000	2,064,800	2,099,500
48 Target Met	yes	yes	yes	yes	yes
49 Debt Service Coverage (1.25x)	-	4.34	2.79	3.54	4.41
50 Target Met	-	yes	yes	yes	yes

1 - Water Sales Revenue have been adjusted based on January 1 effective date.

2 - The annual budget for the low income program is equal to interest earnings and delinquency fees (i.e. non-rate revenues)

3 - Loans assumed to have 3.5% interest paid over 15 years

Table 18: PHASE 2 - Water Utility Cash Flow
City of San Fernando
Water and Sewer Rate Study 2019

	Years 1 -5: Proposition 218				
	Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
1 Assumptions:					
2 Overall Revenue Adjustment	12.0%	12.0%	12.0%	12.0%	12.0%
3 Date Rate Increase Effective	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
5 Interest Earnings Rate	1.0%	1.0%	1.0%	1.0%	1.0%
6 Other Revenues Growth	3.0%	3.0%	3.0%	3.0%	3.0%
7 Growth - %	0.5%	0.5%	0.5%	0.5%	0.5%
8 BEGINNING FUND BALANCE	\$3,224,666	\$2,917,566	\$3,044,766	\$3,240,591	\$3,674,316
9 Water Sales based on 12 months	4,474,000	5,036,000	5,669,000	6,381,000	7,182,000
10 REVENUES					
11 Water Sales (1)	4,225,000	4,631,000	5,150,000	5,766,000	6,474,000
12 Interest Income	15,000	29,000	30,000	32,000	37,000
13 Delinquent Penalties	75,000	77,300	79,600	82,000	84,500
14 Meter & Fire Service	120,000	123,600	127,300	131,100	135,000
15 Water Installation Charges	50,000	51,500	53,000	54,600	56,200
16 Capital Facilities Charges	50,000	51,500	53,000	54,600	56,200
17 Backflow Prevention Fee	12,000	12,400	12,800	13,200	13,600
19 Total Revenues	4,547,000	4,976,300	5,505,700	6,133,500	6,856,500
20 EXPENSES					
21 Operating & Maintenance					
22 Personnel Costs	1,640,200	1,706,000	1,774,000	1,845,000	1,919,000
23 O & M Expenses	767,200	790,000	814,000	838,000	863,000
24 Interest Expense (Internal Debt)	131,300	131,300	131,300	131,300	131,300
25 Cost Allocation	511,200	526,000	542,000	558,000	575,000
26 Utilities	170,000	175,000	180,000	185,000	191,000
27 Contractual Services	150,000	155,000	160,000	165,000	170,000
28 Internal Service Charges	274,800	283,000	291,000	300,000	309,000
30 Transfers	132,400	132,000	132,000	132,000	132,000
31 Low Income Program (2)	90,000	106,300	109,600	114,000	121,500
32 Subtotal O&M	3,867,100	4,004,600	4,133,900	4,268,300	4,411,800
33 Capital Projects					
Capital Improvement Plan (CIP)					
34 System Improvements	321,000	2,000,000	190,000	0	0
35 Miscellaneous & Equipment	812,300	330,000	1,870,000	325,000	10,740,200
36 Water Main Projects	2,853,700	1,254,000	595,000	585,500	520,000
37 Less Grant Funding (3)	0	0	0	0	(8,000,000)
38 Less New Debt Proceeds (4)	(3,000,000)	(3,000,000)	(2,000,000)	0	0
37 Subtotal Capital Projects	987,000	584,000	655,000	910,500	3,260,200
38 Debt Service					
39 New Debt (4)	0	260,500	520,975	520,975	521,000
40 Subtotal Debt Service	0	260,500	520,975	520,975	521,000
41 Total Expenses	4,854,100	4,849,100	5,309,875	5,699,775	8,193,000
42 Net Revenues (Revs Less Exps)	(307,100)	127,200	195,825	433,725	(1,336,500)
43 ENDING FUND BALANCE	2,917,566	3,044,766	3,240,591	3,674,316	2,337,816
44 Fund Reserve Target					
45 Operating Reserve Target (25% of O&M)	966,800	1,001,200	1,033,500	1,067,100	1,103,000
46 Capital Reserve Target (\$1M)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
47 Total Water Fund Reserves	1,966,800	2,001,200	2,033,500	2,067,100	2,103,000
48 Target Met	yes	yes	yes	yes	yes
49 Debt Service Coverage (1.25x)	-	3.73	2.63	3.58	4.69
50 Target Met	-	yes	yes	yes	yes

1 - Water Sales Revenue have been adjusted based on January 1 effective date.

2 - The annual budget for the low income program is equal to interest earnings and delinquency fees (i.e. non-rate revenues).

3 - Assumes New Reservoir will be 80% grant-funded and 20% cash-funded.

4 - Loans assumed to have 3.5% interest paid over 15 years

SECTION 4: WATER COST ALLOCATION

The revenue requirements detailed in the previous section determine the amount of revenue to be recovered from water rates. The cost of service allocation determines how revenues will be recovered from customers based on how they use the water system. Proposition 218 requires that agencies providing “property-related services” (including water utility service) set rates and charges that are based on the cost of providing those services.

4.1 Methodology

The American Water Works Association (AWWA) recommends two primary methods to classify costs among various customers: (1) the base-extra capacity method in which costs are allocated to the different customer classes proportionate to their use of the water system; and (2) the commodity-demand method in which costs are proportionately allocated to each customer class based on their peak demand. Although the two methods vary in the way that costs are allocated, both result in rates designed to recover the reasonable cost of service during periods of both average and peak demands. The base-extra method was selected for this rate study to provide consistency with prior rate studies. Furthermore, the City focuses its water system cost allocation based on the relative impact of various customer classes.

In the base-extra method, costs are typically separated into four components: (a) base demand, (b) extra (peak) costs, (c) customer service, and (d) meters and services. The base and extra categories include most operations and maintenance costs related to supply, transmission, and distribution. Customer costs include the fixed costs associated with serving customers such as billing and answering customer inquiries. The meters and services category includes the cost of maintaining and replacing meters and a portion of the Water Fund’s overhead and administrative costs.

4.2 Cost Allocation Results

The FY2019/20 was selected as the test year for the water cost allocation because it reflects the most recent and up-to-date cost information. Moreover, beyond FY2019/20, the capital costs included in each option vary significantly which would lead to wide disparities between the two scenarios.

Table 19 provides the allocation of expense categories from Table 12 into the base-extra demand categories for Phase 1. Production and distribution costs were allocated to the base and extra categories because these expenses are directly associated with the delivery and use of water by customers. The sub-allocation between the base and extra categories was determined using the ratio of peak period use to average period use based on calendar year 2018 data. Utility billing was allocated to the customer service category. Meters and services costs are assumed to be about 15% of the Water Fund administration expense and a small portion of capital costs. The capital expense was allocated across the categories based on the five-year total of projects.

Table 19: PHASE 1 - Water Cost Allocation
City of San Fernando
Water and Sewer Rate Study 2019

Expenses	Budget 2019/20	Allocation Categories				Notes	Base	Extra	Cust. Serv.	Meters & Services
		Base	Extra	Cust. Serv.	Meters & Srvs					
Production	665,950	562,153	103,797	0	0	Avg/Max Day (1)	84%	16%	0%	0%
Distribution	118,500	100,030	18,470	0	0	Avg/Max Day (1)	84%	16%	0%	0%
Utility Billing	264,439	0	0	264,439	0		0%	0%	100%	0%
O&M Subtotal	1,048,889	662,184	122,266	264,439	0					
Administration	2,728,252	1,636,951	545,650	136,413	409,238		60%	20%	5%	15%
Capital (1)	705,895	575,146	106,196	2,380	22,173	5 yr composite	81%	15%	0.3%	3%
	3,434,148	2,212,098	651,846	138,793	431,411					
Total	4,483,036	2,874,281	774,113	403,232	431,411		64%	17%	9%	10%

1 - Based on the ratio of the peak bi-monthly period to the average bi-monthly period's water use

The costs allocated to the base and extra categories were further sub-allocated between fixed and variable cost categories. Contractual services associated with production was determined to be a fixed cost. Administration was allocated between variable and fixed based the composite operations and maintenance subtotal. Capital costs were determined to be 50% variable and 50% fixed. The City repairs and replaces infrastructure at the end of its useful life or when it becomes obsolete. Under such circumstances, the replacement would not be dependent on heavy use and could be considered a fixed cost. Alternately, the City must replace water system assets to a greater degree when facilities are used more heavily and when demand on the system is high. Thus, a portion of capital projects is dependent on the amount of water used and should be classified as a variable expense.

Table 20: PHASE 1 - Allocation to Fixed and Variable Cost Categories
City of San Fernando
Water and Sewer Rate Study 2019

Categories	Base			Extra		
	Total Cost	Fixed	Variable	Total Cost	Fixed	Variable
Production (1)	562,153	26%	74%	103,797	26%	74%
Distribution	100,030	0%	100%	18,470	0%	100%
Utility Billing	<u>0</u>	<u>NA</u>	<u>NA</u>	<u>0</u>	<u>NA</u>	<u>NA</u>
O&M Subtotal	662,184	147,948	514,236	122,266	27,317	94,949
Composite		22%	78%		22%	78%
Administration	1,636,951	22%	78%	545,650	22%	78%
Capital	<u>575,146</u>	<u>50%</u>	<u>50%</u>	<u>106,196</u>	<u>50%</u>	<u>50%</u>
	2,212,098	653,308	1,558,789	651,846	175,010	476,837
Total	2,874,281	801,256	2,073,025	774,113	202,327	571,786
Cost Allocation		28%	72%		26%	74%

1 - Contractual services allocated to fixed

The methodology and calculations provided above for Phase 1 were also applied for Phase 2, see Appendix A.

SECTION 5: WATER RATE DESIGN

5.1 Billing Units

Customer growth and water use was projected over the next five years, see Table 21. The count of water meters is based on November and December 2018 data (the most up to date data available). Water use is based on 2018 calendar year data reduced by 2%. As rates increase, customers may respond by reducing their consumption. Customer billing units for FY2020/21 through FY2023/24 are increased annually by 0.5% reflecting modest growth.

Table 21: Water Billing Unit Projection
City of San Fernando
Water and Sewer Rate Study 2019

Meter Size	FY2020	FY2021	FY2022	FY2023	FY2024
5/8"	7	7	7	7	7
3/4"	4,122	4,143	4,163	4,184	4,205
1"	560	563	566	568	571
1-1/2"	169	170	171	172	172
2"	157	158	159	159	160
3"	16	16	16	16	16
4"	8	8	8	8	8
6"	1	1	1	1	1
Total	5,040	5,065	5,091	5,116	5,142
Water Use (HCF)	1,117,631	1,123,219	1,128,835	1,134,480	1,140,152

Table 22 provides the calculation of current meter equivalents. AWWA guidelines recommend using meter equivalents to assign demand-related costs to larger meter sizes. Demand costs are incurred by the City to maintain capacity in the system.

Table 22: Meter Equivalents
City of San Fernando
Water and Sewer Rate Study 2019

Meter Size	# of Meters	Meter Factor (1)	# of Meter Equivalents (2)
5/8" and 3/4"	4,129	1.00	4,129
1"	560	2.50	1,400
1-1/2"	169	5.00	845
2"	157	8.00	1,256
3"	16	16.00	256
4"	8	25.00	200
6"	<u>1</u>	50.00	<u>50</u>
Total	5,040		8,136

1 - American Water Works Association equivalent meter factor; meter factors used here are consistent with the City's prior rate study

2 - Meter ratio times number of meters

5.2 Unit Cost Calculation

Table 23 calculates the unit cost for the various water rates and charges for Phase 1. The unit cost calculations for Phase 2 is provided in Appendix A. The revenue requirement is taken as the FY2020 desired rate revenue adjusted to account for a January 1 implementation date. The percent allocations to the base, extra, customer service, and meters and services categories is taken from Table 19. The base and extra categories are further subdivided into fixed and variable categories based on the information in Table 20. Base and extra fixed costs and meter and services costs are divided amongst customer meter equivalents. Customer service costs are divided amongst the total number of accounts. The base and extra variable costs are divided by water use to calculate a volume rate. In total, about 59% of total costs are variable costs and 41% are fixed costs which is an adjustment to the Water Fund's current cost recovery of 63% through volume rates and 37% meter fees, see Table 6.

Table 23: PHASE 1 - Water Unit Cost Calculation
City of San Fernando
Water and Sewer Rate Study 2019

	Base		Extra		Cust. Serv.	Meters & Services	Total
Cost Allocation	64%		17%		9%	10%	100%
FY2020 Rate	\$2,765,904		\$744,924		\$388,028	\$415,144	\$4,314,000
Revenue Requirement							
	Fixed	Variable	Fixed	Variable	Fixed	Fixed	
	28%	72%	26%	74%	100%	100%	
Cost	\$771,044	\$1,994,860	\$194,698	\$550,226	\$388,028	\$415,144	\$4,314,000
Billing Units	8,136	1,117,631	8,136	1,117,631	5,040	8,136	
	Meter Equiv.	HCF (1)	Meter Equiv.	HCF	# of Accounts	Meter Equiv.	
Rate	\$15.79	\$1.78	\$3.99	\$0.49	\$12.83	\$8.50	
	\$/bimo/equiv.	\$/HCF	\$/bimo/equiv.	\$/HCF	\$/bimo/account	\$/bimo/equiv.	

Total Volume Rate	\$2.27	\$2,545,086	59%
Total Meter Equiv. Rate	\$28.28	\$1,380,886	32%
Total Customer Serv. Rate	\$12.83	\$388,028	9%

1 - 98% of calendar year 2018 water use. As rates change, customers may respond by consuming less water.

5.3 Meter Fee Calculation

The proposed meter fees recover the City's customer service, meter and services, and demand-related costs. The customer service rate calculated in Table 23 is collected as a \$/account fee for all customers. The base-extra fixed charges plus the meter and services fee is calculated as the \$/meter equivalent times the factor for each meter. The total fee calculation for each meter size is provided in Table 24 for Phase 1. The calculation for Phase 2 is provided in Appendix A.

Table 24: PHASE 1 - FY2020 Water Fixed Charge Calculation
City of San Fernando
Water and Sewer Rate Study 2019

Meter Size					Meters & Services, Fixed		Cust. Serv.	Total Fixed Charge
	Meter Ratio		Unit Cost		Base-Extra			
5/8" and 3/4"	1.00	X	\$28.28	=	\$28.28	+	\$12.83	\$41.11
1"	2.50	X	\$28.28	=	\$70.70	+	\$12.83	\$83.53
1-1/2"	5.00	X	\$28.28	=	\$141.40	+	\$12.83	\$154.23
2"	8.00	X	\$28.28	=	\$226.24	+	\$12.83	\$239.07
3"	16.00	X	\$28.28	=	\$452.48	+	\$12.83	\$465.31
4"	25.00	X	\$28.28	=	\$707.00	+	\$12.83	\$719.83
6"	50.00	X	\$28.28	=	\$1,414.00	+	\$12.83	\$1,426.83

5.4 Usage Rate

The City's current residential rate structure includes volume rates across three tiers of consumption: Tier 1 is 0 to 18 HCF of use, Tier 2 is 19 to 36 HCF of use, and Tier 3 is use over 36 HCF bi-monthly. Since the City's prior rate study, tiered water rates have come under increased scrutiny in California. The Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano court case made a landmark ruling regarding cost of service requirements applicable to tiered water rates. To comply with Proposition 218, each water rate tier breakpoint (i.e. the consumption used in each tier) and the price of each tier must be individually cost-justified. Higher use must be directly tied to specific costs such as imported water, higher electricity costs associated with peak pumping, increased maintenance, and/or conservation programs. Tiers can no longer be assigned to customers solely based on conservation objectives. For example, public agencies may not arbitrarily raise the price of higher use tiers in order to offer a discount to lower water users.

It is recommended that the City of San Fernando transition away from tiered residential rates to a uniform rate applied to all levels of use. The City's prior rate study heavily emphasized conservation objectives. Tier 1 was set to encompass efficient, indoor water use, Tier 2 is double tier 1, and Tier 3 is excess use. It is unclear how these tiers relate to the City's source of supply and which costs are assigned to Tier 3 vs. Tier 1, for example. The City's current rate structure may be out of compliance with Proposition 218 cost of service requirements. Therefore, it is recommended that the City implement a uniform rate as calculated in Table 23.

5.5 Low Income Water Rate Assistance

In the past, the City provided a utility discount program for seniors which was phased-out. To comply with Proposition 218's cost of service requirements, sewer rate revenues from one group of customers cannot be used to subsidize the rates of another group. Instead, the City could utilize non-rate revenues associated with interest earnings and delinquent penalties to fund a new program. In FY2019/20, these revenues are estimated at about \$90,000 for the Water Fund. It is recommended that the City provide assistance to low income residents who meet the criteria of other local assistance programs such as Southern California Edison's CARE and FERA programs. This eliminates the administrative burden of the City developing its own low-income criteria. It is also recommended that rate discounts be applied to the meter fee portion of the bill rather than the usage portion of the bill to encourage conservation.

Moreover, the low income discount program should be reviewed annually by the City to determine whether the Water Fund has adequate non-rate revenues to fund the program.

5.6 Options Comparison

Table 25 provides a comparison of current rates to the FY2020 rates developed under the two options.

Table 25: FY2020 Water Rate Comparison
City of San Fernando
Water and Sewer Rate Study 2019

	Current	Phase 1	Phase 2
BI-MONTHLY FIXED CHARGES			
<u>Meter Size</u>			
5/8" and 3/4"	\$37.37	\$41.11	\$42.95
1"	\$63.93	\$83.53	\$87.49
1-1/2"	\$108.20	\$154.23	\$161.71
2"	\$161.32	\$239.07	\$250.78
3"	\$302.99	\$465.31	\$488.30
4"	\$462.37	\$719.83	\$755.51
6"	\$905.07	\$1,426.83	\$1,497.76
BI-MONTHLY COMMODITY CHARGES (rate per hcf)			
Single & Multiple-Family Residential			
Tier 1: 0 - 18 hcf	\$1.31		
Tier 2: 19 - 36 hcf	\$2.67		
Tier 3: Over 36 hcf	\$3.56		
		All customer classes	
Non-Residential	\$2.38	\$2.27	\$2.35

Table 26 and Table 27 compare the cost responsibility of each customer class under each rate option. Under the proposed rate options, the larger meters are assigned a greater portion of costs than under the current rates. This benefits the single family residential class which is overwhelmingly served by small meters. However, single family customers are assigned higher costs attributable to changes in the volume rate. Under the current rate structure, 60% of water use falls in Tier 1 (see Table 9), the lowest cost tier. Under the proposed rate options, Tier 1 is eliminated and all use is charged the uniform volume rate which is roughly equal to the current Tier 2 price. The multi-family customer class will pay a lower proportion of total system volume rate revenues because Tier 3 is eliminated. As shown in Table 9, more than half of multi-family use currently falls in Tier 3.

Table 26: Class Comparison of Meter Fee and Water Usage Rate Revenue
City of San Fernando
Water and Sewer Rate Study 2019

METER FEES	Current		Phase 1		Phase 2	
Single Family Residential	\$912,331	62.5%	\$1,029,037	58.2%	\$1,075,511	58.1%
Multi-Family Residential	\$161,824	11.1%	\$207,853	11.8%	\$217,645	11.8%
Church	\$26,233	1.8%	\$36,435	2.1%	\$38,190	2.1%
Commercial	\$189,779	13.0%	\$255,398	14.4%	\$267,593	14.5%
City	\$16,550	1.1%	\$24,648	1.4%	\$25,856	1.4%
Elementary School	\$16,514	1.1%	\$24,926	1.4%	\$26,152	1.4%
Higher Education	\$18,150	1.2%	\$27,648	1.6%	\$29,012	1.6%
Industrial	\$82,746	5.7%	\$113,653	6.4%	\$119,111	6.4%
Irrigation	\$34,873	2.4%	\$48,897	2.8%	\$51,259	2.8%
Total (1)	\$1,458,999	100%	\$1,768,496	100.0%	\$1,850,329	100.0%
Rate Design Target (1)			\$1,768,914		\$1,850,726	
USAGE RATES (2)	Current		Phase 1		Phase 2	
Single Family Residential	\$1,187,564	46.6%	\$1,342,339	52.9%	\$1,389,646	52.9%
Multi-Family Residential	\$520,080	20.4%	\$408,081	16.1%	\$422,462	16.1%
Church	\$42,488	1.7%	\$39,714	1.6%	\$41,113	1.6%
Commercial	\$361,793	14.2%	\$338,170	13.3%	\$350,088	13.3%
City	\$31,990	1.3%	\$29,901	1.2%	\$30,955	1.2%
Elementary School	\$24,933	1.0%	\$23,305	0.9%	\$24,126	0.9%
Higher Education	\$39,518	1.6%	\$36,937	1.5%	\$38,239	1.5%
Industrial	\$241,784	9.5%	\$225,997	8.9%	\$233,962	8.9%
Irrigation	\$99,046	3.9%	\$92,579	3.6%	\$95,842	3.6%
Total (1)	\$2,549,196	100%	\$2,537,023	100.0%	\$2,626,433	100.0%
Rate Design Target (1)			\$2,545,086		\$2,623,274	

1 - Slight difference due to rounding the rates to the nearest \$0.01

2 - To be conservative, both options assume all customers will use 2% less water in response to the rate change. Thus, although the volume rate increased, a portion of the revenue increase is offset by a reduction in consumption.

Table 27: Total Water Rate Revenue Class Comparison
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	Current		Phase 1		Phase 2	
Single Family Residential	\$2,099,895	52.4%	\$2,371,376	55.1%	\$2,465,157	55.1%
Multi Family Residential	\$681,904	17.0%	\$615,933	14.3%	\$640,107	14.3%
Church	\$68,720	1.7%	\$76,149	1.8%	\$79,304	1.8%
Commercial	\$551,573	13.8%	\$593,568	13.8%	\$617,681	13.8%
City	\$48,539	1.2%	\$54,548	1.3%	\$56,811	1.3%
Elementary School	\$41,447	1.0%	\$48,231	1.1%	\$50,278	1.1%
Higher Education	\$57,667	1.4%	\$64,586	1.5%	\$67,251	1.5%
Industrial	\$324,530	8.1%	\$339,651	7.9%	\$353,073	7.9%
Irrigation	<u>\$133,919</u>	<u>3.3%</u>	<u>\$141,476</u>	<u>3.3%</u>	<u>\$147,100</u>	<u>3.3%</u>
Total (1), (2)	\$4,008,194	100.0%	\$4,305,519	100.0%	\$4,476,763	100.0%
Rate Design Target (1)			\$4,314,000		\$4,474,000	

1 - Slight difference due to rounding the rates to the nearest \$0.01

2 - Revenue targets are based on calendar year data.

5.7 Proposed Water Rates

The five-year rate plan for both options is provided below. As described, the FY2019/20 rates are calculated based on a detailed cost allocation process. The rates for the subsequent years are calculated as the rate revenue requirements shown in the cash flow projections.

Table 28: PHASE 1 Five Year Water Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94
1"	\$63.93	\$83.53	\$90.24	\$97.45	\$105.25	\$113.66
1-1/2"	\$108.20	\$154.23	\$166.61	\$179.92	\$194.32	\$209.86
2"	\$161.32	\$239.07	\$258.26	\$278.89	\$301.21	\$325.30
3"	\$302.99	\$465.31	\$502.66	\$542.81	\$586.25	\$633.14
4"	\$462.37	\$719.83	\$777.61	\$839.72	\$906.92	\$979.46
6"	\$905.07	\$1,426.83	\$1,541.36	\$1,664.47	\$1,797.67	\$1,941.46
BI-MONTHLY COMMODITY CHARGES (rate per hcf)						
Single & Multi-Family Residential						
Tier 1: 0 - 18 hcf	\$1.31					
Tier 2: 19 - 36 hcf	\$2.67					
Tier 3: Over 36 hcf	\$3.56					
		All customer classes				
Non-Residential	\$2.38	\$2.27	\$2.46	\$2.66	\$2.87	\$3.10

Table 29: PHASE 2 Five Year Water Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Meter Size</u>						
5/8" and 3/4"	\$37.37	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
1"	\$63.93	\$87.49	\$98.08	\$109.87	\$123.05	\$137.80
1-1/2"	\$108.20	\$161.71	\$181.23	\$203.02	\$227.37	\$254.62
2"	\$161.32	\$250.78	\$281.01	\$314.80	\$352.56	\$394.81
3"	\$302.99	\$488.30	\$547.09	\$612.88	\$686.40	\$768.65
4"	\$462.37	\$755.51	\$846.43	\$948.22	\$1,061.97	\$1,189.22
6"	\$905.07	\$1,497.76	\$1,677.93	\$1,879.72	\$2,105.22	\$2,357.47
BI-MONTHLY COMMODITY CHARGES (rate per hcf)						
Single & Multi-Family Residential						
Tier 1: 0 - 18 hcf	\$1.31					
Tier 2: 19 - 36 hcf	\$2.67					
Tier 3: Over 36 hcf	\$3.56					
		All customer classes				
Non-Residential	\$2.38	\$2.35	\$2.63	\$2.94	\$3.30	\$3.69

HCF - hundred cubic feet; one HCF = 748 gallons

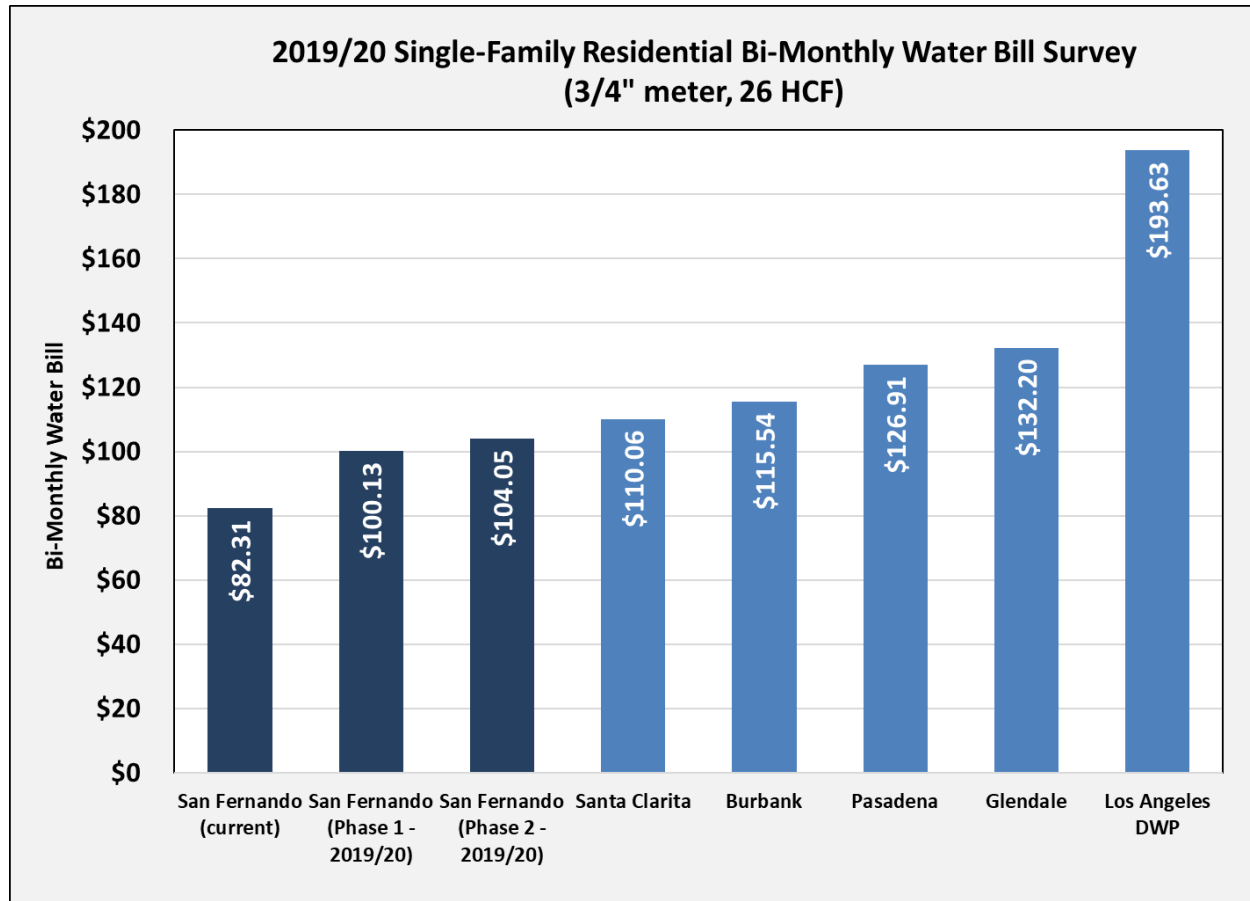
5.8 Bill Impacts

Table 30 provides a bill impact analysis for different levels of residential water use. Due to the increase in the meter charge and the elimination of the lower-priced tier 1, lower water users will have a higher percent increase to their bills than higher water users.

Table 30: Single Family Residential Water Bill Impacts
City of San Fernando
Water and Sewer Rate Study 2019

Example Customer	Bi-Monthly Water Use (hcf)	Current	PHASE 1					PHASE 2				
			2019/20	2020/21	2021/22	2022/23	2023/24	2019/20	2020/21	2021/22	2022/23	2023/24
Low Water Use												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	9	<u>\$11.79</u>	<u>\$20.43</u>	<u>\$22.14</u>	<u>\$23.94</u>	<u>\$25.83</u>	<u>\$27.90</u>	<u>\$21.15</u>	<u>\$23.67</u>	<u>\$26.46</u>	<u>\$29.70</u>	<u>\$33.21</u>
Total Bill		\$49.16	\$61.54	\$66.55	\$71.90	\$77.63	\$83.84	\$64.10	\$71.86	\$80.44	\$90.15	\$100.91
\$ Change			\$12.38	\$5.01	\$5.35	\$5.73	\$6.21	\$14.94	\$7.76	\$8.58	\$9.71	\$10.76
% Change			25%	8%	8%	8%	8%	30%	12%	12%	12%	12%
Average Winter Bill												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	20	<u>\$28.92</u>	<u>\$45.40</u>	<u>\$49.20</u>	<u>\$53.20</u>	<u>\$57.40</u>	<u>\$62.00</u>	<u>\$47.00</u>	<u>\$52.60</u>	<u>\$58.80</u>	<u>\$66.00</u>	<u>\$73.80</u>
Total Bill		\$66.29	\$86.51	\$93.61	\$101.16	\$109.20	\$117.94	\$89.95	\$100.79	\$112.78	\$126.45	\$141.50
\$ Change			\$20.22	\$7.10	\$7.55	\$8.04	\$8.74	\$23.66	\$10.84	\$11.99	\$13.67	\$15.05
% Change			31%	8%	8%	8%	8%	36%	12%	12%	12%	12%
Median Water Bill												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	22	<u>\$34.26</u>	<u>\$49.94</u>	<u>\$54.12</u>	<u>\$58.52</u>	<u>\$63.14</u>	<u>\$68.20</u>	<u>\$51.70</u>	<u>\$57.86</u>	<u>\$64.68</u>	<u>\$72.60</u>	<u>\$81.18</u>
Total Bill		\$71.63	\$91.05	\$98.53	\$106.48	\$114.94	\$124.14	\$94.65	\$106.05	\$118.66	\$133.05	\$148.88
\$ Change			\$19.42	\$7.48	\$7.95	\$8.46	\$9.20	\$23.02	\$11.40	\$12.61	\$14.39	\$15.83
% Change			27%	8%	8%	8%	8%	32%	12%	12%	12%	12%
Average Water Bill												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	26	<u>\$44.94</u>	<u>\$59.02</u>	<u>\$63.96</u>	<u>\$69.16</u>	<u>\$74.62</u>	<u>\$80.60</u>	<u>\$61.10</u>	<u>\$68.38</u>	<u>\$76.44</u>	<u>\$85.80</u>	<u>\$95.94</u>
Total Bill		\$82.31	\$100.13	\$108.37	\$117.12	\$126.42	\$136.54	\$104.05	\$116.57	\$130.42	\$146.25	\$163.64
\$ Change			\$17.82	\$8.24	\$8.75	\$9.30	\$10.12	\$21.74	\$12.52	\$13.85	\$15.83	\$17.39
% Change			22%	8%	8%	8%	8%	26%	12%	12%	12%	12%
Average Summer Bill												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	35	<u>\$68.97</u>	<u>\$79.45</u>	<u>\$86.10</u>	<u>\$93.10</u>	<u>\$100.45</u>	<u>\$108.50</u>	<u>\$82.25</u>	<u>\$92.05</u>	<u>\$102.90</u>	<u>\$115.50</u>	<u>\$129.15</u>
Total Bill		\$106.34	\$120.56	\$130.51	\$141.06	\$152.25	\$164.44	\$125.20	\$140.24	\$156.88	\$175.95	\$196.85
\$ Change			\$14.22	\$9.95	\$10.55	\$11.19	\$12.19	\$18.86	\$15.04	\$16.64	\$19.07	\$20.90
% Change			13%	8%	8%	8%	8%	18%	12%	12%	12%	12%
Top 10% Bill												
Meter Fee (3/4")		\$37.37	\$41.11	\$44.41	\$47.96	\$51.80	\$55.94	\$42.95	\$48.19	\$53.98	\$60.45	\$67.70
Water Usage Charge	46	<u>\$107.24</u>	<u>\$104.42</u>	<u>\$113.16</u>	<u>\$122.36</u>	<u>\$132.02</u>	<u>\$142.60</u>	<u>\$108.10</u>	<u>\$120.98</u>	<u>\$135.24</u>	<u>\$151.80</u>	<u>\$169.74</u>
Total Bill		\$144.61	\$145.53	\$157.57	\$170.32	\$183.82	\$198.54	\$151.05	\$169.17	\$189.22	\$212.25	\$237.44
\$ Change			\$0.92	\$12.04	\$12.75	\$13.50	\$14.72	\$6.44	\$18.12	\$20.05	\$23.03	\$25.19
% Change			1%	8%	8%	8%	8%	4%	12%	12%	12%	12%

The figure below compares the City's current and proposed typical water bill with the bills of other local agencies. Even with the proposed FY2019 rate increase, the City's bill will remain comparable with neighboring cities.



SECTION 6: SEWER REVENUE REQUIREMENT

Proposition 218 requires that utility rates be based on the reasonable cost of providing service to customers. The cost of service includes annual operating expenses, debt service payments, capital projects, and the accumulation of appropriate reserves. The sewer utility cost of service was developed based on the FY2019/20 adopted budget, capital project list developed by staff, and reserve recommendations based on City policies. Sewer rates have not been increased since FY2014/15 as shown on Table 10.

6.1 Revenues

For FY2019/20, the City budgeted approximately \$3.4 million in total Sewer Fund Revenues. Sewer service charges are projected at nearly \$3.3 million, representing the majority of all sewer revenues. Other revenue categories include capital facilities fees, industrial waste permits, interest income, and delinquent penalties which are expected to generate non-rate revenues totaling \$127,500.

6.2 Operations

In FY2019/20, the sewer operating budget is approximately \$3.0 million. Major line-items include administration, salaries and benefits, contractual services, maintenance, and supplies. Table 31 provides a detailed historical summary of the Sewer Fund's expenses. Table 32 includes a five-year projection through FY2023/24. Beginning in FY2020/21, personnel costs are escalated by 4.0% per year while all other operating expenses are escalated by 3.0% annually. Although the City has not implemented a sewer rate increase for the past 4 years, expenses continue to increase.

Table 31: History of Sewer Expenses
City of San Fernando
Water and Sewer Rate Study 2019

	Actual			Budget		
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
OPERATING EXPENSES						
Personnel Costs	\$433,500	\$802,465	\$852,616	\$861,077	\$880,580	\$685,796
Operating & Maintenance Expenses						
Contractual Services	855,975	1,456,205	1,129,016	159,530	194,500	194,500
Contractual Services - LA Treatment	0	0	0	1,504,000	1,466,629	1,409,200
Cost Allocation	286,742	286,742	282,346	330,030	330,030	360,538
Other O&M Expenses	159,274	133,526	133,190	206,055	173,355	159,855
Subtotal O&M Expenses	1,301,991	1,876,474	1,544,552	2,199,615	2,164,514	2,124,093
Internal Service Charges	0	116,503	134,230	183,764	181,092	140,634
Transfers						
Transfer to General Fund	60,000	60,000	60,000	60,000	60,000	60,000
Transfer to Retirement Fund	0	0	0	12,434	12,434	12,434
Subtotal Transfers	60,000	60,000	60,000	72,434	72,434	72,434
TOTAL OPERATING EXPENSES	1,795,490	2,855,441	2,591,398	3,316,890	3,298,620	3,022,957
<i>Percent Change</i>		59%	-9%	28%	-1%	-8%
CAPITAL EXPENSES						
Operating & Maintenance Expenses	0	0	0	60,000	0	250,000
Capital Costs	1,036	0	0	0	0	409,000
Capital Projects	626,959	1,634,765	950,042	3,255,000	912,429	1,413,960
TOTAL SEWER CAPITAL	627,995	1,634,765	950,042	3,315,000	912,429	2,072,960
<i>Percent Change</i>		160%	-42%	249%	-72%	127%
TOTAL SEWER EXPENSES	2,423,485	4,490,206	3,541,440	6,631,890	4,211,049	5,095,917
<i>Percent Change</i>		85%	-21%	87%	-37%	21%

Table 32: Sewer Operating Expense Projection
City of San Fernando
Water and Sewer Rate Study 2019

	Budget 2019/20	Escalation Factor	Rate Study			
			2020/21	2021/22	2022/23	2023/24
Personnel Costs	\$685,796	4%	\$713,000	\$742,000	\$772,000	\$803,000
O & M Expenses	159,855	3%	\$165,000	170,000	175,000	180,000
Contractual Services	194,500	3%	\$200,000	206,000	212,000	218,000
Contractual Services - LA Treatment	1,409,200	3%	\$1,451,000	1,495,000	1,540,000	1,586,000
Cost Allocation	360,538	3%	\$371,000	382,000	393,000	405,000
Internal Service Charges	140,634	3%	\$145,000	149,000	153,000	158,000
Transfers	72,434	0%	\$72,000	72,000	72,000	72,000
TOTAL OPERATING EXPENSES	\$3,022,957		\$3,117,000	\$3,216,000	\$3,317,000	\$3,422,000

6.3 Sewer Capital Improvement Plan

The City has identified approximately \$5.28 million in sewer improvements through FY2023/24 as shown on Table 33. These projects include sewer main hydraulically deficient projects and replacing sewer mains.

Two sewer capital improvement plan options were developed based on input from the City. Phase 1 consists of a fully funded plan in which all projects are funded on a cash basis, totaling \$5.28 million. Phase 2 only includes the “Sewer Main Hydraulically Deficient Projects,” totaling \$3.27 million.

Table 33: Sewer Capital Improvement Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Rate Study					5-Year Total
	2019/20	2020/21	2021/22	2022/23	2023/24	
SEWER EQUIPMENT						
Ford LNT-8000-Guzzler - Vehicle # 1258	\$0	\$0	\$0	\$0	\$0	\$0
Ford F-150 - Vehicle # 0597	60,000	0	0	0	0	60,000
Subtotal	60,000	0	0	0	0	60,000
SEWER MAIN HYDRAULICALLY DEFICIENT PROJECTS						
Harding Ave - Seventh Street to Fifth Street	0	0	0	0	0	0
Easement s/o Warren - WCL to Meyer	60,973	0	0	0	0	60,973
Glenoaks Blvd - Orange Grove Ave to Harding Ave	0	0	0	0	0	0
Harding Ave - Phillippi St to Seventh St	156,690	0	0	0	0	156,690
Seventh St - Fermoore St to N Workman St	60,987	0	0	0	0	60,987
Eighth Street - Lazard St to Orange Grove Ave		0	55,776			55,776
Orange Grove Ave - Glenoaks Blvd to Warren St	209,652	0	0	0	0	209,652
Alloy w/o N Maclay - Eighth St to Knox St	62,436	0	0	0	0	62,436
Brand Blvd - Fourth St to Third St	71,504	0	0	0	0	71,504
N Maclay Ave - Mountain View to Seventh St	76,124	0	0	0	0	76,124
N Maclay Ave - Glenoaks Blvd	4,950	0	0	0	0	4,950
Griswold Ave - De Garmo St to Fifth St	0	71,279	0	0	0	71,279
N Brand Blvd - Morningside Ct to Library St	0	46,374	0	0	0	46,374
Library St - N Brand Blvd to Newton St	0	68,853	0	0	0	68,853
Coronel St - N Maclay to Carlisle	0	77,449	0	0	0	77,449
Carlisle St - Hollister St to O'Melveny	0	343,091	0	0	0	343,091
O'Melveny St - San Fernando Mission Blvd to Fox St	0	0	433,977	0	0	433,977
Newton St - Library St to Fourth St	0	0	69,339	0	0	69,339
N Huntington St - Glenoaks Blvd to Fermoore St	0	0	72,817	0	0	72,817
Fifth St - Fermoore to N Workman St	0	0	71,195	0	0	71,195
First St - Harding Ave to Alexander St	0	0	0	212,961	0	212,961
Alexander St - First St to Alley n/o First St	0	0	0	43,079	0	43,079
Alley n/o First St - Alexander St to N Brand Blvd	0	0	0	345,468	0	345,468
N Brand Blvd - n/o First St to Easement s/o Truman St	0	0	0	176,350	0	176,350
Easement s/o Truman St - N Brand Blvd to Wolfskill St	0	0	0	0	240,530	240,530
Wolfskill St - Easement s/o Truman St to Celis St	0	0	0	0	111,715	111,715
Eighth St - Aviation Pl to Arroyo Ave	0	0	0	0	55,177	55,177
First St - Park Ave to Fox St	0	0	0	0	62,698	62,698
San Fernando Rd - Hubbard Ave	0	0	0	0	10,204	10,204
Subtotal	703,316	607,046	703,104	777,858	480,324	3,271,648
SEWER MAIN REPLACEMENT PROJECTS						
Newton - Seventh to Eighth	162,000	0	0	0	0	162,000
Seventh - N. Brand Blvd to 300 ft. west	54,000	0	0	0	0	54,000
DeFoe - N. Brand Blvd to 300 ft. west	54,000	0	0	0	0	54,000
Harding - Eighth to Phillippi	116,100	0	0	0	0	116,100
Fourth - Newton to Griswold	0	61,200	0	0	0	61,200
Seventh - 4 segments between Maclay and Harding (2 at 385 ft., 2 at 365 ft.)	0	270,000	0	0	0	270,000
N. Huntington - Glenoaks to 300 ft. south	0	0	54,000	0	0	54,000
N. Huntington - Fifth to 600 ft. south	0	0	108,000	0	0	108,000
Fourth - Macneil 165 ft. east to alley	0	0	0	29,700	0	29,700
Alley #29 - Second towards First, b/w Hagar & Maclay	0	0	0	67,500	0	67,500
Meyer - 280 ft. north from Second St.	0	0	0	0	50,400	50,400
Lazard - 240 ft. north from Second St.	0	0	0	0	43,200	43,200
Pico - San Fernando Mission Blvd to 350 ft. east	63,000	0	0	0	0	63,000
Pico - Kalisher to 350 ft. east	63,000	0	0	0	0	63,000
Subtotal	512,100	331,200	162,000	97,200	93,600	1,196,100
SEWER MAIN MISCELLANEOUS						
Citywide CCTV of Sewer System	150,000	150,000	150,000	150,000	150,000	750,000
Subtotal	150,000	150,000	150,000	150,000	150,000	750,000
TOTAL SEWER CIP	\$1,425,416	\$1,088,246	\$1,015,104	\$1,025,058	\$723,924	\$5,277,748

6.4 Sewer Reserves

The City's *Contingency and Stabilization Reserve Fund* stipulates a target of 25 percent of annual operating expenses. The City's *Infrastructure Replacement Reserve Fund* does not require a specific target. The policy states that "contribution rate is intended to level-amortize the cost of infrastructure replacement projects over a long period of time." The City's *2011 Tiered Water Rate Study* recommended a Capital Repair and Replacement reserve to be "funded with the annual amount of depreciation, plus any excess funds from the operating reserve." Adequate fund reserves protect the City when faced with unforeseen financial challenges such as emergency expenses and revenue deficits. Furthermore, the Sewer Fund may be required to maintain certain levels of reserves if the City were to obtain debt financing.

For this rate study, the Operating Reserve target is 25 percent of annual operating expenses. A Capital Reserve target of \$1 million is also included in the cash flow analysis. This target is a placeholder and can be modified based on input from the City. The fund reserve target will escalate as the Sewer Fund's expenses increase over time. It is acceptable if reserves dip below the target on a temporary basis, provided the City takes action to attain the target over the longer run.

6.5 Sewer Fund Cash Flow

6.5.1 Cash Flow Objectives

Based on the FY2019/20 adopted budget, the Sewer Fund is projected to begin FY2019/20 with a fund balance of \$1.74 million. Over the five-year rate study period, rate increases are proposed such that the following objectives are met, in order of importance:

- 1) Fund operating costs
- 2) Fund capital costs
- 3) The fund balance at the end of each year should meet or exceed the operating reserve fund target of 25 percent of annual operating expenses.
- 4) The fund balance at the end of the 5-year rate plan should meet or exceed the operating fund target of 25 percent of annual operating expenses and the \$1 million capital fund target.

The objectives listed above are intended to eliminate operating deficits in which the City under-charges the cost of service by funding deficit spending from reserves.

6.5.2 Summary of Options

A summary of the three sewer fund CIP options and revenue adjustments is provided in Table 34. It is assumed that all sewer CIP projects will be funded with cash (i.e. no new debt).

Table 34: Sewer Option Comparison
City of San Fernando
Water and Sewer Rate Study 2019

Revenue Adjustment Comparison						
Phase	Description	2019/20	2020/21	2021/22	2022/23	2023/24
#1	<u>MAIN REPLACEMENT PROJECTS ONLY</u> - Only includes Main Replacements for FY2019/20 - FY2023/24 totaling \$1.2 million - Projects are funded with cash; No debt.	2.0%	2.0%	2.0%	2.0%	2.0%
#2	<u>HYDRAULICALLY DEFICIENT PROJECTS ONLY</u> - Only includes Hydraulically Deficient projects for FY2019/20 - FY2023/24 totaling \$3.3 million - Projects are funded with cash; No debt.	6.0%	6.0%	6.0%	6.0%	6.0%

6.5.3 Revenues

The cash flows for both options are presented in Table 35 and Table 36. The first rate increase will go into effect on January 1, 2020 when water consumption is generally lower, and therefore, minimizing the impact to ratepayers. Subsequent rate increases are assumed to go into effect January 1 of each year through January 1, 2024. The rate revenue projection includes customer growth of 0.5% annually. Non-rate revenues associated with interest income and delinquent charges can be pledged toward a new low income rate payer assistance program.

6.5.4 Expenses

Operating expenses shown in the cash flows are based on Table 32. Capital project costs are from Table 33. Beginning in 2019/20, personnel costs are escalated by 4.0% per year while all other operating expenses are escalated by 3.0% each year.

Table 35: PHASE 1 - Sewer Utility Cash Flow
City of San Fernando
Water and Sewer Rate Study 2019

	Years 1 -5: Proposition 218				
	Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
1 Assumptions:					
2 Overall Revenue Adjustment	2.0%	2.0%	2.0%	2.0%	2.0%
3 Rate Increase Effective	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
4 Interest Earnings Rate	1.0%	1.0%	1.0%	1.0%	1.0%
5 Other Revenues	3.0%	3.0%	3.0%	3.0%	3.0%
6 Growth - %	0.5%	0.5%	0.5%	0.5%	0.5%
7 BEGINNING FUND BALANCE	\$1,740,753	\$1,693,696	\$1,800,496	\$2,057,496	\$2,367,296
8 Water Sales based on 12 months	3,383,000	3,468,000	3,555,000	3,644,000	3,735,000
9 REVENUES					
10 Sewer Service Charges (1)	3,342,000	3,405,000	3,480,000	3,562,000	3,649,000
11 Interest Income	17,000	17,000	18,000	21,000	24,000
12 Delinquent Penalties	41,000	42,000	43,000	44,000	45,000
13 Industrial Waste Permits	31,000	32,000	33,000	34,000	35,000
14 Capital Facility Charges	31,000	32,000	33,000	34,000	35,000
15 Transfer from General Fund	26,000	27,000	28,000	29,000	30,000
16 Total Revenues	3,488,000	3,555,000	3,635,000	3,724,000	3,818,000
17 EXPENSES					
18 <u>Operating & Maintenance</u>					
19 Personnel Costs	685,796	713,000	742,000	772,000	803,000
20 O & M Expenses	159,855	165,000	170,000	175,000	180,000
21 Contractual Services	194,500	200,000	206,000	212,000	218,000
22 Contractual Services - LA Treatment	1,409,200	1,451,000	1,495,000	1,540,000	1,586,000
23 Cost Allocation	360,538	371,000	382,000	393,000	405,000
24 Internal Service Charges	140,634	145,000	149,000	153,000	158,000
25 Transfers	72,434	72,000	72,000	72,000	72,000
26 Subtotal O&M	3,022,957	3,117,000	3,216,000	3,317,000	3,422,000
27 <u>Capital Projects</u>					
28 <i>Capital Improvement Plan (CIP)</i>					
29 Sewer Equipment	0	0	0	0	0
30 Sewer Main Hydraulically Deficient Projects	0	0	0	0	0
31 Sewer Main Replacement Projects	512,100	331,200	162,000	97,200	93,600
32 Sewer Main Miscellaneous	0	0	0	0	0
33 Subtotal Capital Projects	512,100	331,200	162,000	97,200	93,600
34 Total Expenses	3,535,057	3,448,200	3,378,000	3,414,200	3,515,600
35 Net Revenues (Revs Less Exps)	(47,057)	106,800	257,000	309,800	302,400
36 ENDING FUND BALANCE	1,693,696	1,800,496	2,057,496	2,367,296	2,669,696
37 <i>Fund Reserve Target</i>					
38 Operating Reserve Target (25% of O&M)	755,739	779,250	804,000	829,250	855,500
39 Capital Reserve Target (\$1M)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
40 Total Sewer Fund Reserves	1,755,739	1,779,250	1,804,000	1,829,250	1,855,500
41 Target Met	no	yes	yes	yes	yes

1 - Sewer Sales Revenue have been adjusted based on January 1 effective date.

Table 36: PHASE 2 - Sewer Utility Cash Flow
City of San Fernando
Water and Sewer Rate Study 2019

	Years 1 -5: Proposition 218				
	Budget 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23	Projected 2023/24
1 Assumptions:					
2 Overall Revenue Adjustment	6.0%	6.0%	6.0%	6.0%	6.0%
3 Rate Increase Effective	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
4 Interest Earnings Rate	1.0%	1.0%	1.0%	1.0%	1.0%
5 Other Revenues	3.0%	3.0%	3.0%	3.0%	3.0%
6 Growth - %	0.5%	0.5%	0.5%	0.5%	0.5%
7 BEGINNING FUND BALANCE	\$1,740,753	\$1,568,480	\$1,570,434	\$1,588,330	\$1,668,472
8 Water Sales based on 12 months	3,515,000	3,745,000	3,990,000	4,251,000	4,529,000
9 REVENUES					
10 Sewer Service Charges (1)	3,408,000	3,577,000	3,784,000	4,018,000	4,274,000
11 Interest Income	17,000	16,000	16,000	16,000	17,000
12 Delinquent Penalties	41,000	42,000	43,000	44,000	45,000
13 Industrial Waste Permits	31,000	32,000	33,000	34,000	35,000
14 Capital Facility Charges	31,000	32,000	33,000	34,000	35,000
15 Transfer from General Fund	26,000	27,000	28,000	29,000	30,000
16 Total Revenues	3,554,000	3,726,000	3,937,000	4,175,000	4,436,000
17 EXPENSES					
18 <u>Operating & Maintenance</u>					
19 Personnel Costs	685,796	713,000	742,000	772,000	803,000
20 O & M Expenses	159,855	165,000	170,000	175,000	180,000
21 Contractual Services	194,500	200,000	206,000	212,000	218,000
22 Contractual Services - LA Treatment	1,409,200	1,451,000	1,495,000	1,540,000	1,586,000
23 Cost Allocation	360,538	371,000	382,000	393,000	405,000
24 Internal Service Charges	140,634	145,000	149,000	153,000	158,000
25 Transfers	72,434	72,000	72,000	72,000	72,000
26 Subtotal O&M	3,022,957	3,117,000	3,216,000	3,317,000	3,422,000
27 <u>Capital Projects</u>					
28 <i>Capital Improvement Plan (CIP)</i>					
29 Sewer Equipment	0	0	0	0	0
30 Sewer Main Hydraulically Deficient Projects	703,316	607,046	703,104	777,858	480,324
31 Sewer Main Replacement Projects	0	0	0	0	0
32 Sewer Main Miscellaneous	0	0	0	0	0
33 Subtotal Capital Projects	703,316	607,046	703,104	777,858	480,324
34 Total Expenses	3,726,273	3,724,046	3,919,104	4,094,858	3,902,324
35 Net Revenues (Revs Less Exps)	(172,273)	1,954	17,896	80,142	533,676
36 ENDING FUND BALANCE	1,568,480	1,570,434	1,588,330	1,668,472	2,202,148
37 <i>Fund Reserve Target</i>					
38 Operating Reserve Target (25% of O&M)	755,739	779,250	804,000	829,250	855,500
39 Capital Reserve Target (\$1M)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
40 Total Sewer Fund Reserves	1,755,739	1,779,250	1,804,000	1,829,250	1,855,500
41 <i>Target Met</i>	no	no	no	no	yes

1 - Sewer Sales Revenue have been adjusted based on January 1 effective date.

SECTION 7: SEWER COST ALLOCATION

The revenue requirements detailed in the previous section determine the amount of revenue to be recovered from sewer rates. The cost of service allocation determines how revenues will be recovered from customers based on their estimated impact on the sewer system. Proposition 218 requires that agencies providing “property-related services” (including sewer service) set rates and charges that are based on the cost of providing those services.

7.1 Methodology

A revenue requirement analysis determines the utility’s overall financial needs, while the cost of service analysis determines the fair and equitable manner to collect that revenue requirement. The first step is classification where the functionalized costs are classified into specific cost components. The following cost classifiers were used to develop the cost of service analysis:

- *Base Costs:* Base costs represent the fixed expenditures of the sewer utility, including personnel costs and overhead expenses.
- *Flow Costs:* Volume or flow related costs that vary with the total quantity of wastewater collected and treated.
- *Strength Costs:* Strength related costs are those expenditures associated with the additional handling and treatment of high strength sewer. Sewer strength is typically measured in biochemical oxygen demand (BOD) and suspended solids (SS). Increased levels of BOD or SS typically equate to increased treatment costs.

The second step is to proportionally allocate the cost components to each customer class. The allocation is based on each customer class’ relative contribution to the cost component using the following allocation factors:

- *Base Allocation Factor:* Base or fixed costs are allocated to each customer class based on the total number of customer accounts in that class of service.
- *Flow Allocation Factor:* Flow-related costs are typically allocated on the basis of contribution to sewer flows. Because the City does not meter wastewater discharges, metered water consumption is used to estimate contributed average wastewater volume units of service.
- *Strength Allocation Factor:* Strength-related costs are classified between BOD and SS. Both of these types of costs are allocated to each of the classes of service based upon the assumed domestic strength level of 175 mg/l for BOD and SS.

7.2 Cost Allocation Results

The FY2019/20 was selected as the test year for the sewer cost allocation because it reflects the most recent and up to date cost information. Moreover, beyond FY2019/20, the capital costs included in each option vary significantly which would lead to wide disparities between the two options. Table 37 shows the classification of sewer expenses to the cost components of Base Costs, Flow, and Strength.

Table 37: Classification of Sewer Expenses by Function
City of San Fernando
Water and Sewer Rate Study 2019

	Budget 2019/20	Classification					Cost Allocation				
		Base	Flow	BOD	SS	Total	Base	Flow	BOD	SS	Total
Operating & Maintenance Expenses											
Personnel Costs	\$685,796	100%	0%	0%	0%	100%	\$685,796	\$0	\$0	\$0	\$685,796
Utilities	\$5,000	0%	50%	25%	25%	100%	\$0	\$2,500	\$1,250	\$1,250	\$5,000
Telephone	\$900	25%	50%	0%	25%	100%	\$225	\$450	\$0	\$225	\$900
Rents & Leases	\$11,300	10%	80%	0%	10%	100%	\$1,130	\$9,040	\$0	\$1,130	\$11,300
Contractual Services	\$1,603,700	10%	30%	30%	30%	100%	\$160,370	\$481,110	\$481,110	\$481,110	\$1,603,700
Office Equipment Maintenance	\$3,680	25%	50%	0%	25%	100%	\$920	\$1,840	\$0	\$920	\$3,680
Department Supplies	\$20,400	25%	50%	0%	25%	100%	\$5,100	\$10,200	\$0	\$5,100	\$20,400
Equipment & Supplies	\$6,900	25%	50%	0%	25%	100%	\$1,725	\$3,450	\$0	\$1,725	\$6,900
Department Equipment Maintenance	\$3,500	25%	50%	0%	25%	100%	\$875	\$1,750	\$0	\$875	\$3,500
Uniform Allowance	\$175	25%	50%	0%	25%	100%	\$44	\$88	\$0	\$44	\$175
Small Tools	\$5,000	25%	50%	0%	25%	100%	\$1,250	\$2,500	\$0	\$1,250	\$5,000
Personnel Training	\$2,500	25%	50%	0%	25%	100%	\$625	\$1,250	\$0	\$625	\$2,500
Vehicle Allowance & Maintenance	\$900	25%	50%	0%	25%	100%	\$225	\$450	\$0	\$225	\$900
Vehicle O&M	\$5,000	25%	50%	0%	25%	100%	\$1,250	\$2,500	\$0	\$1,250	\$5,000
Activities & Programs	\$5,200	0%	50%	25%	25%	100%	\$0	\$2,600	\$1,300	\$1,300	\$5,200
Other Expenses	\$86,400	25%	50%	0%	25%	100%	\$21,600	\$43,200	\$0	\$21,600	\$86,400
Cost Allocation	\$360,538	100%	0%	0%	0%	100%	\$360,538	\$0	\$0	\$0	\$360,538
PW Maintenance & Repair Supplies	\$3,000	25%	50%	0%	25%	100%	\$750	\$1,500	\$0	\$750	\$3,000
Internal Service Charges	\$140,634	100%	0%	0%	0%	100%	\$140,634	\$0	\$0	\$0	\$140,634
Transfers Out	\$72,434	10%	80%	0%	10%	100%	\$7,243	\$57,947	\$0	\$7,243	\$72,434
Subtotal O&M Expenses	\$3,022,957						\$1,390,301	\$622,375	\$483,660	\$526,622	\$3,022,957
Non-Operating Expenses											
Capital Improvement Plan (CIP)	\$2,072,960	25%	25%	25%	25%	100%	\$518,240	\$518,240	\$518,240	\$518,240	\$2,072,960
Subtotal Non-Operating Expenses	\$2,072,960						\$518,240	\$518,240	\$518,240	\$518,240	\$2,072,960
Total Expenses							\$1,908,541	\$1,140,615	\$1,001,900	\$1,044,862	\$5,095,917
Classification Factor							37.5%	22.4%	19.7%	20.5%	100.0%

Table 38 presents the loading calculations used to determine the allocation factors. The City does not meter wastewater discharges, therefore, flow is estimated from metered water data. Projected flow is based on a four-year average from CY2015 through CY2018. To account for water used for outdoor irrigation that is not discharged to the wastewater system, it is assumed that 20% of residential water demand and 10% of commercial demand is for irrigable needs and is therefore not included in the total flow calculation.

Table 38: Sewer Loading Calculations
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	No. of Accounts	Base Factor	Adjusted Projected Wastewater Flow			Wastewater Strength (mg/l)		Wastewater Loadings (lbs)			
			Wastewater Flow (hcf) (1)	Flow Factor	Flow (MG)	BOD	SS	BOD	SS	BOD Factor	SS Factor
Single Family Residential	3,813	59.2%	451,463	54.7%	338	200	200	563,312	563,312	45.0%	48.9%
Multi-Family Residential	2,021	31.4%	140,129	17.0%	105	175	175	152,990	152,990	12.2%	13.3%
Group II Commercial	275	4.3%	68,396	8.3%	51	250	250	106,677	106,677	8.5%	9.3%
Group III Commercial	56	0.9%	10,982	1.3%	8	500	500	34,256	34,256	2.7%	3.0%
Group IV Commercial	88	1.4%	42,034	5.1%	31	800	800	209,789	209,789	16.7%	18.2%
City Property	15	0.2%	7,560	0.9%	6	200	200	9,433	9,433	0.8%	0.8%
Industrial	164	2.5%	81,132	9.8%	61	310	120	156,911	60,740	12.5%	5.3%
Schools	13	0.2%	24,322	2.9%	18	130	100	19,726	15,174	1.6%	1.3%
Total	6,445	100%	826,018	100%	618			1,253,093	1,152,370	100%	100%

MG - million gallons

1 - Based on 4-year average (2015-2018). Discharge assumptions: 80% of residential consumption and 90% of commercial consumption. Does not include irrigation accounts.

Table 39 includes the allocation factors by customer class. The allocation factors are computed by multiplying the functionalization factors from Table 37 (37.5% for Base, 22.4% for Flow, 19.7% for BOD, and 20.5% for SS) by the loading percentages for each customer class. For example, the single family Residential class has a Flow Allocation Factor of 12.2%, which is the product of the single family Residential Flow Loading Factor of 54.7% and the Flow Functionalization Factor of 22.4%. This means that the flow generated by the single family Residential customer class contributes to 12.2% of the total revenue requirement. Combined with the Base (22.2%), BOD (8.8%), and SS (10.0%) allocation factors, 53.3% of the total revenue requirement is allocated to the single family Residential class.

Table 39: Sewer Allocation Factors
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	Factor				
	Base Factor	Flow Factor	BOD Factor	SS Factor	
Single Family Residential	59.2%	54.7%	45.0%	48.9%	
Multi-Family Residential	31.4%	17.0%	12.2%	13.3%	
Group II Commercial	4.3%	8.3%	8.5%	9.3%	
Group III Commercial	0.9%	1.3%	2.7%	3.0%	
Group IV Commercial	1.4%	5.1%	16.7%	18.2%	
City Property	0.2%	0.9%	0.8%	0.8%	
Industrial	2.5%	9.8%	12.5%	5.3%	
Schools	0.2%	2.9%	1.6%	1.3%	
Total	100.0%	100.0%	100.0%	100.0%	
Functionalization Factors					
	37.5%	22.4%	19.7%	20.5%	
Customer Class	Allocation Factor				
	Base Factor	Flow Factor	BOD Factor	SS Factor	Total Factor
Single Family Residential	22.2%	12.2%	8.8%	10.0%	53.3%
Multi-Family Residential	11.7%	3.8%	2.4%	2.7%	20.7%
Group II Commercial	1.6%	1.9%	1.7%	1.9%	7.0%
Group III Commercial	0.3%	0.3%	0.5%	0.6%	1.8%
Group IV Commercial	0.5%	1.1%	3.3%	3.7%	8.7%
City Property	0.1%	0.2%	0.1%	0.2%	0.6%
Industrial	1.0%	2.2%	2.5%	1.1%	6.7%
Schools	0.1%	0.7%	0.3%	0.3%	1.3%
Total					100.0%

The total costs classified to each cost component were allocated between the customer classes using the allocation factors. Then the allocated expenses for each customer group were aggregated to determine each customer group's overall revenue responsibility. The required revenue allocations for each customer class for Phase 1 is shown on Table 40.

Table 40: Sewer Revenue Requirements by Class – PHASE 1
City of San Fernando
Water and Sewer Rate Study 2019

	2019/20	2020/21	2021/22	2022/23	2023/24
SINGLE FAMILY RESIDENTIAL					
Revenue Requirement	\$1,801,523	\$1,846,788	\$1,893,117	\$1,940,512	\$1,988,971
# of Accounts	3,832	3,851	3,870	3,889	3,908
Bi-Monthly Fixed Charge	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
MULTI- FAMILY RESIDENTIAL					
Revenue Requirement	\$699,056	\$716,620	\$734,598	\$752,989	\$771,793
# of Accounts	2,031	2,041	2,051	2,061	2,071
Bi-Monthly Fixed Charge	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
NON-RESIDENTIAL					
Revenue Requirement	\$120,116	\$123,134	\$126,223	\$129,383	\$132,614
# of Accounts	613	615	617	619	621
Bi-Monthly Fixed Charge	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Unit Rates					
Group II Commercial	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Revenue Check					
Single Family Residential - Fixed Charges	\$1,801,423	\$1,846,863	\$1,893,127	\$1,940,455	\$1,988,859
Multi-Family Residential - Fixed Charges	\$699,111	\$716,636	\$734,545	\$752,966	\$771,779
Commercial - Fixed Charges	\$120,123	\$123,135	\$126,238	\$129,396	\$132,608
<u>Commercial - Unit Charges</u>	<u>\$762,187</u>	<u>\$781,354</u>	<u>\$801,214</u>	<u>\$821,234</u>	<u>\$842,137</u>
Total	\$3,382,845	\$3,467,988	\$3,555,124	\$3,644,051	\$3,735,384

The allocation of revenue requirements provided in Table 40 has also been calculated for the Phase 2 option, see Appendix B.

SECTION 8: SEWER RATE DESIGN

The City's current sewer rate structure includes a fixed charge for all residential sewer customers. Non-residential customers classes are billed a flat charge plus a quantity charge based on metered water use. The quantity charge varies based on customer class and wastewater strength.

Because a residential customer's peak usage does not directly affect sewer discharge, a flat sewer rate is appropriate for the residential class. The fixed rate provides revenue stability for the City and reflects the fact that the majority of the Sewer Fund's costs are fixed. By contrast, the majority of non-residential water consumption is for business needs and has a direct relationship to the amount of water discharged. Moreover, the strength characteristics vary significantly between different types of businesses (i.e., an office versus a restaurant). As a result, a fixed base charge plus a quantity charge per unit of water consumed is an appropriate rate structure for non-residential customers.

8.1 Reduced Multi-Family Residential Sewer Rate

Currently all residential customers are charged the same flat sewer rate. Based on an analysis of the City's water consumption, this study proposes a reduced multi-family sewer rate. As shown on Table 41, multi-family customers generally use less water than single-family customers per dwelling unit. Typical sewer discharge for a single family household is estimated at 10 HCF per month. Comparatively, for a multi-family customer, average monthly sewer discharge is approximately 6 HCF. To account for water used for other purposes such as outdoor irrigation, the analysis assumes that 20% of total water used does not go to the sewer system. The rate derivation for the proposed reduced multi-family sewer rate for Phase 1 is shown on Table 44.

Table 41: Single Family & Multi-Family Residential Sewer Flow
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	No. of Dwelling Units	Adjusted Wastewater Flow (HCF) (1)	Average Monthly Flow per Dwelling Unit (HCF)
Single Family Residential	3,813	451,463	10
Multi-Family Residential	2,021	140,129	6

1 - Based on 4-year average (2015-2018). Discharge assumptions: 80% of residential consumption

8.2 Billing Units

Customer growth was projected over the next five years as shown on Table 42. The number of current sewer accounts is based on 2017 and 2018 customer data. Customer billing units for FY2020/21 through FY2023/24 are increased annually by 0.5% reflecting modest growth.

Table 42: Projected Sewer Customers
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	2018/19	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
Projected Growth		0.5%	0.5%	0.5%	0.5%	0.5%
Residential Dwelling Units						
Single Family Residential	3,813	3,832	3,851	3,870	3,889	3,908
Multi Family Residential	2,021	2,031	2,041	2,051	2,061	2,071
Subtotal	5,834	5,863	5,892	5,921	5,950	5,979
Non-Residential Accounts						
Group II Commercial	275	276	277	278	279	280
Group III Commercial	56	56	56	56	56	56
Group IV Commercial	88	88	88	88	88	88
City Property	15	15	15	15	15	15
Industrial	164	165	166	167	168	169
Schools	13	13	13	13	13	13
Subtotal	611	613	615	617	619	621
Total	6,445	6,476	6,507	6,538	6,569	6,600

8.3 Flow Analysis

Table 43 shows the estimated flow by customer class over the next five years. Because the City does not meter wastewater discharges, flow is estimated from metered water data. Projected flow is based on a four-year average from Calendar Year (CY) 2015 through CY2018. To account for water used for outdoor irrigation that is not discharged to the wastewater system, it is assumed that 20% of residential water demand and 10% of commercial demand is for irrigable needs and is therefore not included in the total flow calculation.

Table 43: Projected Sewer Flow (HCF)
City of San Fernando
Water and Sewer Rate Study 2019

Customer Class	2018/19	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
Projected Growth		0.5%	0.5%	0.5%	0.5%	0.5%
Residential						
Single Family Residential	451,463	453,720	455,989	458,269	460,560	462,863
Multi Family Residential	140,129	140,829	141,533	142,241	142,952	143,667
Subtotal	591,592	594,549	597,522	600,510	603,512	606,530
Non-Residential						
Group II Commercial	68,396	68,738	69,082	69,427	69,774	70,123
Group III Commercial	10,982	11,037	11,092	11,147	11,203	11,259
Group IV Commercial	42,034	42,244	42,455	42,667	42,880	43,094
City Property	7,560	7,598	7,636	7,674	7,712	7,751
Industrial	81,132	81,538	81,946	82,356	82,768	83,182
Schools	24,322	24,444	24,566	24,689	24,812	24,936
Subtotal	234,426	235,599	236,777	237,960	239,149	240,345
Total (HCF)	826,018	830,148	834,299	838,470	842,661	846,875

8.4 Unit Cost Calculation

Table 44 presents the rate derivation for the fixed and quantity charges for Phase 1. The fixed rate for residential customers is derived by dividing the annual revenue requirement by the number of estimated residential dwelling units (Table 42) for each year. The fixed rate for non-residential customers is calculated in the same manner as the residential fixed rate. The unit or quantity charge is derived by multiplying the Flow, BOD, and SS Allocation Factors (Table 39) by the annual revenue requirement (Table 40) and dividing by the estimated water use for each commercial customer class. The rate derivation and unit cost calculations for Phase 2 are provided in Appendix B.

Table 44: PHASE 1 - Sewer Rate Derivation
City of San Fernando
Water and Sewer Rate Study 2019

	Phase 1				
	2019/20	2020/21	2021/22	2022/23	2023/24
SINGLE FAMILY RESIDENTIAL					
Revenue Requirement	\$1,801,523	\$1,846,788	\$1,893,117	\$1,940,512	\$1,988,971
# of Accounts	3,832	3,851	3,870	3,889	3,908
Bi-Monthly Fixed Charge	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
MULTI- FAMILY RESIDENTIAL					
Revenue Requirement	\$699,056	\$716,620	\$734,598	\$752,989	\$771,793
# of Accounts	2,031	2,041	2,051	2,061	2,071
Bi-Monthly Fixed Charge	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
NON-RESIDENTIAL					
Revenue Requirement	\$120,116	\$123,134	\$126,223	\$129,383	\$132,614
# of Accounts	613	615	617	619	621
Bi-Monthly Fixed Charge	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Unit Rates					
Group II Commercial	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Revenue Check					
Single Family Residential - Fixed Charges	\$1,801,423	\$1,846,863	\$1,893,127	\$1,940,455	\$1,988,859
Multi-Family Residential - Fixed Charges	\$699,111	\$716,636	\$734,545	\$752,966	\$771,779
Commercial - Fixed Charges	\$120,123	\$123,135	\$126,238	\$129,396	\$132,608
<u>Commercial - Unit Charges</u>	<u>\$762,187</u>	<u>\$781,354</u>	<u>\$801,214</u>	<u>\$821,234</u>	<u>\$842,137</u>
Total	\$3,382,845	\$3,467,988	\$3,555,124	\$3,644,051	\$3,735,384

8.5 Low Income Sewer Rate Assistance

In the past, the City provided a utility discount program for seniors which was phased-out. To comply with Proposition 218's cost of service requirements, sewer rate revenues from one group of customers cannot be used to subsidize the rates of another group. Instead, the City could utilize non-rate revenues associated with interest earnings and delinquent penalties to fund a new program. In FY2019/20, these revenues are estimated at about \$58,000 for the Sewer Fund. It is recommended that the City provide assistance to low income residents who meet the criteria of other local assistance programs such as Southern California Edison's CARE and FERA programs. This eliminates the administrative burden of the City developing its own low-income criteria.

Moreover, the low income discount program should be reviewed annually by the City to determine whether the Sewer Fund has adequate non-rate revenues to fund the program.

8.6 Options Comparison

Table 45 provides a comparison of current rates to the FY2019/20 rates developed under the two options.

Table 45: FY2020 Sewer Rate Comparison
City of San Fernando
Water and Sewer Rate Study 2019

	Current Rates	Proposed 2019/20 Rates	
		Phase 1 Main Replacements Only	Phase 2 Main Replacements Only
BI-MONTHLY FIXED CHARGES			
<u>Customer Class</u>			
Single Family Residential	\$65.40	\$78.35	\$81.41
Multi-Family Residential	\$65.40	\$57.37	\$59.60
Group II Commercial (1)	\$37.66	\$32.66	\$33.93
Group III Commercial (2)	\$37.66	\$32.66	\$33.93
Group IV Commercial (3)	\$37.66	\$32.66	\$33.93
City Property	\$37.66	\$32.66	\$33.93
Industrial	\$37.66	\$32.66	\$33.93
Schools (4)	\$37.66	\$32.66	\$33.93
Higher Education (4)	\$37.66	\$32.66	\$33.93
UNIT CHARGES (rate per hcf)			
<u>Customer Class</u>			
Group II Commercial (1)	\$1.89	\$2.67	\$2.77
Group III Commercial (2)	\$3.04	\$4.43	\$4.60
Group IV Commercial (3)	\$4.57	\$6.54	\$6.79
City Property	\$1.44	\$2.32	\$2.41
Industrial	\$1.44	\$2.38	\$2.47
Schools (4)	\$1.28	\$1.71	\$1.78
Higher Education (4)	\$1.28	\$1.71	\$1.78

SFR – single family residential; MFR – multi family residential

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

8.7 Proposed Sewer Rates

The five-year rate plan for both options is provided in Table 46 and Table 47. Detailed rate calculations for Phase 2 are included in Appendix B. For FY2019/20, the proposed rate adjustments in the cash flows do not directly correlate to the same increase in rates. The cost of service analysis reallocates the required revenue proportionate to each customer class' demand on the sewer system. Therefore, actual rate adjustments will vary between customer classes.

Table 46: PHASE 1 Five Year Sewer Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82
Multi-Family Residential	\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11
Group II Commercial (1)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group III Commercial (2)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Group IV Commercial (3)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
City Property	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Industrial	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Schools (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
Higher Education (4)	\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59
UNIT CHARGES (rate per hcf)						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.67	\$2.72	\$2.78	\$2.83	\$2.89
Group III Commercial (2)	\$3.04	\$4.43	\$4.52	\$4.61	\$4.70	\$4.79
Group IV Commercial (3)	\$4.57	\$6.54	\$6.67	\$6.80	\$6.94	\$7.08
City Property	\$1.44	\$2.32	\$2.36	\$2.41	\$2.46	\$2.51
Industrial	\$1.44	\$2.38	\$2.43	\$2.48	\$2.53	\$2.58
Schools (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86
Higher Education (4)	\$1.28	\$1.71	\$1.75	\$1.78	\$1.82	\$1.86

SFR – single family residential; MFR – multi family residential

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

Table 47: PHASE 2 Five Year Sewer Rate Plan
City of San Fernando
Water and Sewer Rate Study 2019

	Current	Projected				
		2019/20	2020/21	2021/22	2022/23	2023/24
BI-MONTHLY FIXED CHARGES						
<u>Customer Class</u>						
Single Family Residential	\$65.40	\$81.41	\$86.31	\$91.51	\$97.02	\$102.86
Multi-Family Residential	\$65.40	\$59.60	\$63.19	\$67.00	\$71.03	\$75.31
Group II Commercial (1)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Group III Commercial (2)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Group IV Commercial (3)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
City Property	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Industrial	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Schools (4)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Higher Education (4)	\$37.66	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
UNIT CHARGES (rate per hcf)						
<u>Customer Class</u>						
Group II Commercial (1)	\$1.89	\$2.77	\$2.94	\$3.12	\$3.31	\$3.50
Group III Commercial (2)	\$3.04	\$4.60	\$4.88	\$5.17	\$5.48	\$5.81
Group IV Commercial (3)	\$4.57	\$6.79	\$7.20	\$7.63	\$8.09	\$8.58
City Property	\$1.44	\$2.41	\$2.55	\$2.71	\$2.87	\$3.04
Industrial	\$1.44	\$2.47	\$2.62	\$2.78	\$2.95	\$3.13
Schools (4)	\$1.28	\$1.78	\$1.89	\$2.00	\$2.12	\$2.25
Higher Education (4)	\$1.28	\$1.78	\$1.89	\$2.00	\$2.12	\$2.25

SFR – single family residential; MFR – multi family residential

1 - Group II Commercial: auto parking, barber shop, car wash, church, commercial use, dental office/clinic, department & retail stores, film processing, food processing plant (industrial), health club/spa, hospitals, indoor theatre, laundromats, library: public ares, lumber yards, membership organizations, motion picture (studios), professional offices, social services, soft water service, theatre (cinema), and warehouse

2 - Group III Commercial: gas station (4 bays max), hotels/motels w/o restaurants, manufacturing, manufacturing (industrial), repair & service stations

3 - Group IV Commercial: bakeries (wholesale)/donut shop, banquet room/ball room, cafeteria, hotels/motels with restaurants, mortuary - embalming area, restaurants, supermarkets

4 - Charge per student

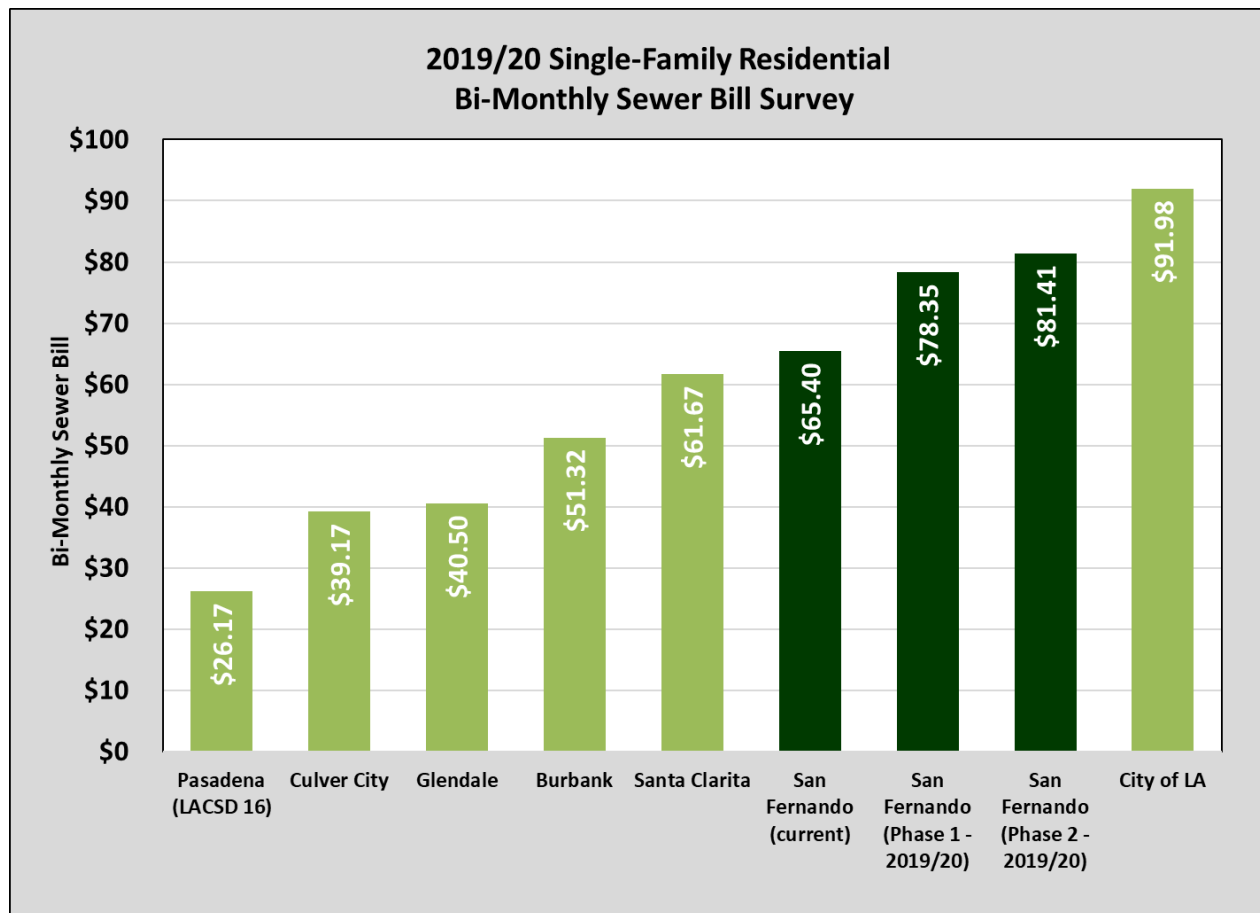
8.8 Bill Impacts

Table 48 provides a bill impact analysis for residential customers and a sample of sewer customers with varying levels of water use. It is important to note that water consumption levels may fluctuate each month. Therefore, non-residential customers will see a range of impacts throughout the year.

Table 48: Sample Sewer Bill Impacts
City of San Fernando
Water and Sewer Rate Study 2019

	Bi-Monthly Water Use (hcf)		PHASE 1					PHASE 2				
Example Customer		Current	2019/20	2020/21	2021/22	2022/23	2023/24	2019/20	2020/21	2021/22	2022/23	2023/24
RESIDENTIAL												
Single Family Residential		\$65.40	\$78.35	\$79.93	\$81.53	\$83.16	\$84.82	\$81.41	\$86.31	\$91.51	\$97.02	\$102.86
\$ Change			\$12.95	\$1.58	\$1.60	\$1.63	\$1.66	\$16.01	\$4.90	\$5.20	\$5.51	\$5.84
% Change			20%	2%	2%	2%	2%	24%	6%	6%	6%	6%
Multi-Family Residential		\$65.40	\$57.37	\$58.52	\$59.69	\$60.89	\$62.11	\$59.60	\$63.19	\$67.00	\$71.03	\$75.31
\$ Change			(\$8.03)	\$1.15	\$1.17	\$1.20	\$1.22	(\$5.80)	\$3.59	\$3.81	\$4.03	\$4.28
% Change			-12%	2%	2%	2%	2%	-9%	6%	6%	6%	6%
NON-RESIDENTIAL												
Group II Commercial												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	16	\$30.24	\$42.72	\$43.52	\$44.48	\$45.28	\$46.24	\$44.32	\$47.04	\$49.92	\$52.96	\$56.00
Total Bill		\$67.90	\$75.38	\$76.89	\$78.58	\$80.12	\$81.83	\$78.25	\$83.07	\$88.19	\$93.60	\$99.16
\$ Change			\$7.48	\$1.51	\$1.69	\$1.54	\$1.71	\$10.35	\$4.82	\$5.12	\$5.41	\$5.56
% Change			11%	2%	2%	2%	2%	15%	6%	6%	6%	6%
Group III Commercial												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	30	\$91.20	\$132.90	\$135.60	\$138.30	\$141.00	\$143.70	\$138.00	\$146.40	\$155.10	\$164.40	\$174.30
Total Bill		\$128.86	\$165.56	\$168.97	\$172.40	\$175.84	\$179.29	\$171.93	\$182.43	\$193.37	\$205.04	\$217.46
\$ Change			\$36.70	\$3.41	\$3.43	\$3.44	\$3.45	\$43.07	\$10.50	\$10.94	\$11.67	\$12.42
% Change			28%	2%	2%	2%	2%	33%	6%	6%	6%	6%
Group IV Commercial												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	80	\$365.60	\$523.20	\$533.60	\$544.00	\$555.20	\$566.40	\$543.20	\$576.00	\$610.40	\$647.20	\$686.40
Total Bill		\$403.26	\$555.86	\$566.97	\$578.10	\$590.04	\$601.99	\$577.13	\$612.03	\$648.67	\$687.84	\$729.56
\$ Change			\$152.60	\$11.11	\$11.13	\$11.94	\$11.95	\$173.87	\$34.90	\$36.64	\$39.17	\$41.72
% Change			38%	2%	2%	2%	2%	43%	6%	6%	6%	6%
City Property												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	50	\$72.00	\$116.00	\$118.00	\$120.50	\$123.00	\$125.50	\$120.50	\$127.50	\$135.50	\$143.50	\$152.00
Total Bill		\$109.66	\$148.66	\$151.37	\$154.60	\$157.84	\$161.09	\$154.43	\$163.53	\$173.77	\$184.14	\$195.16
\$ Change			\$39.00	\$2.71	\$3.23	\$3.24	\$3.25	\$44.77	\$9.10	\$10.24	\$10.37	\$11.02
% Change			36%	2%	2%	2%	2%	41%	6%	6%	6%	6%
Industrial												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	85	\$122.40	\$202.30	\$206.55	\$210.80	\$215.05	\$219.30	\$209.95	\$222.70	\$236.30	\$250.75	\$266.05
Total Bill		\$160.06	\$234.96	\$239.92	\$244.90	\$249.89	\$254.89	\$243.88	\$258.73	\$274.57	\$291.39	\$309.21
\$ Change			\$74.90	\$4.96	\$4.98	\$4.99	\$5.00	\$83.82	\$14.85	\$15.84	\$16.82	\$17.82
% Change			47%	2%	2%	2%	2%	52%	6%	6%	6%	6%
School												
Fixed Charge		\$37.66	\$32.66	\$33.37	\$34.10	\$34.84	\$35.59	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Charges	100	\$128.00	\$171.00	\$175.00	\$178.00	\$182.00	\$186.00	\$178.00	\$189.00	\$200.00	\$212.00	\$225.00
Total Bill		\$165.66	\$203.66	\$208.37	\$212.10	\$216.84	\$221.59	\$211.93	\$225.03	\$238.27	\$252.64	\$268.16
\$ Change			\$38.00	\$4.71	\$3.73	\$4.74	\$4.75	\$46.27	\$13.10	\$13.24	\$14.37	\$15.52
% Change			23%	2%	2%	2%	2%	28%	6%	6%	6%	6%

The figure below compares the City's current and proposed typical residential sewer bill with the bills of other local agencies.



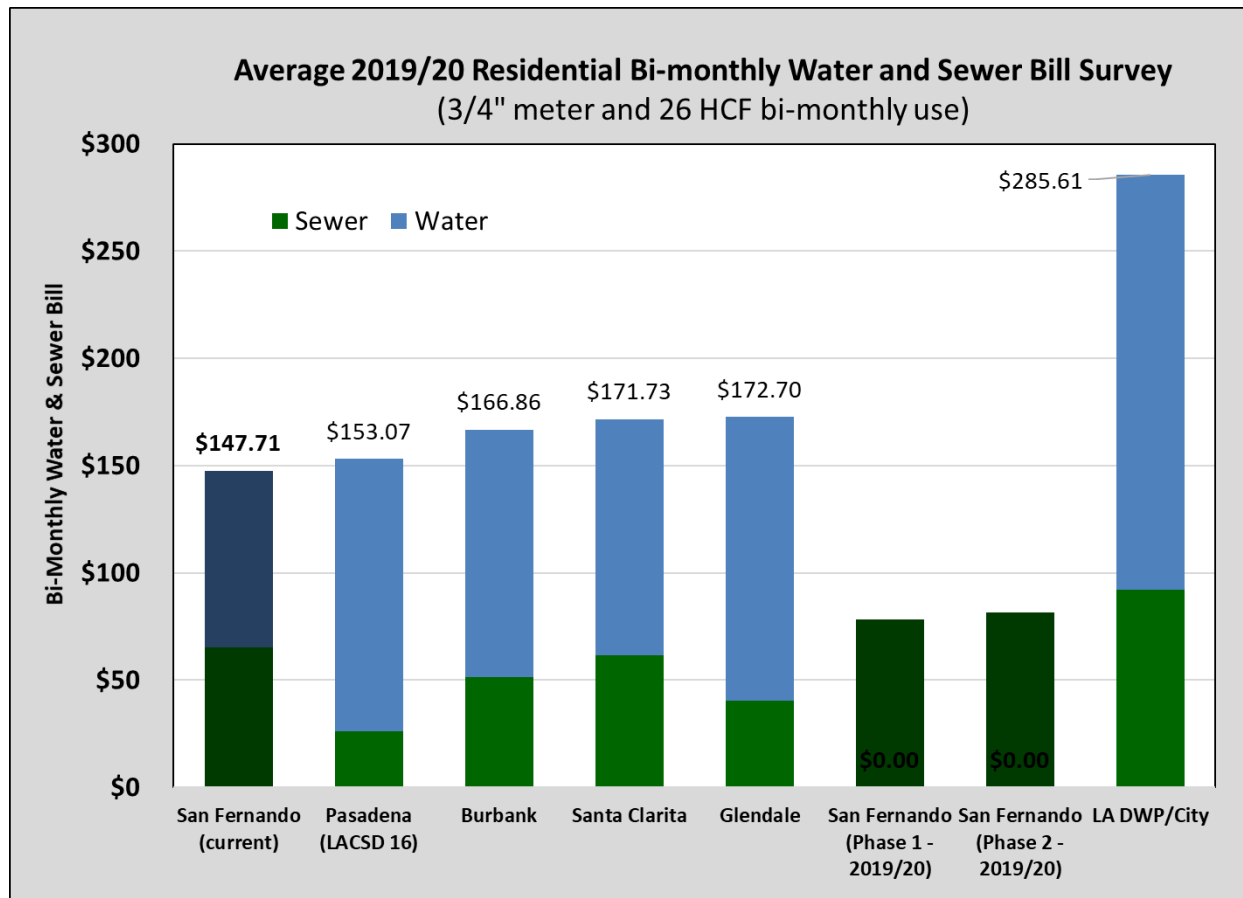
SECTION 9: CONCLUSIONS AND RECOMMENDATIONS

9.1 Rate Study Conclusions

The rates developed in this report were based on the best available information gathered from City billing data, audits, budgets, and input from staff and City Council. The cost allocations proposed herein are based on American Water Works Association methodologies and industry standard practice. The proposed rates are based on the reasonable cost of providing service and proportional to the benefits received by each customer. It is recommended that the City update its rates and cost of service every five years to account for cost increases, operational changes, and growth in the customer base.

9.2 Utility Bill Comparison

The figure below compares the City's current combined water and sewer bill with the bills of other local agencies.



APPENDIX A: Water Cost Allocation Table for Phase 2 Option

Table A1: PHASE 2 - Water Cost Allocation
Water Rate Study 2019
Water Rate Study 2019

Expenses	Budget 2019/20	Allocation Categories				Notes	Base	Extra	Cust. Serv.	Meters & Services
		Base	Extra	Cust. Serv.	Meters & Srvs					
Production	665,950	562,153	103,797	0	0	Avg/Max Day (2)	84%	16%	0%	0%
Distribution	118,500	100,030	18,470	0	0	Avg/Max Day (2)	84%	16%	0%	0%
Utility Billing	<u>264,439</u>	<u>0</u>	<u>0</u>	<u>264,439</u>	<u>0</u>		0%	0%	100%	0%
O&M Subtotal	1,048,889	662,184	122,266	264,439	0					
Administration	2,728,252	1,636,951	545,650	136,413	409,238		60%	20%	5%	15%
Capital (2)	<u>705,895</u>	<u>547,731</u>	<u>101,134</u>	<u>946</u>	<u>56,085</u>	5 yr composite	78%	14%	0.1%	8%
	3,434,148	2,184,683	646,784	137,358	465,322					
Total	4,483,036	2,846,866	769,051	401,797	465,322		64%	17%	9%	10%

1 - Five-year average from 2015/16 through 2019/20

2 - Based on the ratio of the peak bi-monthly period to the average bi-monthly period's water use

Table A2: PHASE 2 - Allocation to Fixed and Variable Cost Categories
City of San Fernando
Water Rate Study 2019

Categories	Base			Extra		
	Total Cost	Fixed	Variable	Total Cost	Fixed	Variable
Production (1)	562,153	26%	74%	103,797	26%	74%
Distribution	100,030	0%	100%	18,470	0%	100%
Utility Billing	<u>0</u>	<u>NA</u>	<u>NA</u>	<u>0</u>	<u>NA</u>	<u>NA</u>
O&M Subtotal	662,184	147,948	514,236	122,266	27,317	94,949
Composite		22%	78%		22%	78%
Administration	1,636,951	22%	78%	545,650	22%	78%
Capital	<u>547,731</u>	<u>50%</u>	<u>50%</u>	<u>101,134</u>	<u>50%</u>	<u>50%</u>
	2,184,683	639,601	1,545,082	646,784	172,479	474,306
Total	2,846,866	787,549	2,059,317	769,051	199,796	569,255
Cost Allocation		28%	72%		26%	74%

1 - Contractual services allocated to fixed

Table A3: PHASE 2 - Unit Cost Calculation
City of San Fernando
Water Rate Study 2019

	Base		Extra		Cust. Serv.	Meters & Services	Total
Cost Allocation	64%		17%		9%	10%	100%
FY2020 Rate	\$2,841,127.83		\$767,501		\$400,987	\$464,384	\$4,474,000
Revenue	Fixed 28%	Variable 72%	Fixed 26%	Variable 74%	Fixed 100%	Fixed 100%	
Cost	\$785,961	\$2,055,166	\$199,393	\$568,107	\$400,987	\$464,384	\$4,474,000
Billing Units	8,136 Meter Equiv.	1,117,631 HCF (1)	8,136 Meter Equiv.	1,117,631 HCF (2)	5,040 # of Accounts	8,136 Meter Equiv.	
Rate	\$16.10 \$/bimo/equiv.	\$1.84 \$/HCF	\$4.08 \$/bimo/equiv.	\$0.51 \$/HCF	\$13.26 \$/bimo/account	\$9.51 \$/bimo/equiv.	

Total Volume Rate	\$2.35		\$2,623,274	59%
Total Meter Equiv. Rate	\$29.69		\$1,449,739	32%
Total Customer Serv. Rate	\$13.26		\$400,987	9%

1 - 98% of calendar year 2018 water use. As rates change, customers may respond by consuming less water.

Table A4: PHASE 2 - 2019/20 Fixed Charge Calculation
City of San Fernando
Water Rate Study 2019

Meter Size	Meter Ratio		Unit Cost		Meters & Services, Fixed Base-Extra		Cust. Serv.	Total Fixed Charge
5/8" and 3/4"	1.00	X	\$29.69	=	\$29.69	+	\$13.26	\$42.95
1"	2.50	X	\$29.69	=	\$74.23	+	\$13.26	\$87.49
1-1/2"	5.00	X	\$29.69	=	\$148.45	+	\$13.26	\$161.71
2"	8.00	X	\$29.69	=	\$237.52	+	\$13.26	\$250.78
3"	16.00	X	\$29.69	=	\$475.04	+	\$13.26	\$488.30
4"	25.00	X	\$29.69	=	\$742.25	+	\$13.26	\$755.51
6"	50.00	X	\$29.69	=	\$1,484.50	+	\$13.26	\$1,497.76

APPENDIX B: Sewer Cost Allocation Tables for Phase 2 Option

Table B1: PHASE 2 - Allocation of Revenue Requirements
City of San Fernando
Sewer Rate Study 2019

Customer Class	Total Allocation Factor	Phase 2: Revenue Requirement				
		2019/20	2020/21	2021/22	2022/23	2023/24
Revenue Requirement (1)		\$3,515,000	\$3,745,000	\$3,990,000	\$4,251,000	\$4,529,000
<u>Customer Class</u>						
Single Family Residential	53.3%	\$1,871,816	\$1,994,296	\$2,124,764	\$2,263,753	\$2,411,794
Multi-Family Residential	20.7%	\$726,332	\$773,859	\$824,485	\$878,418	\$935,863
Group II Commercial	7.0%	\$246,866	\$263,020	\$280,227	\$298,557	\$318,082
Group III Commercial	1.8%	\$62,215	\$66,286	\$70,623	\$75,242	\$80,163
Group IV Commercial	8.7%	\$304,915	\$324,867	\$346,120	\$368,760	\$392,876
City Property	0.6%	\$21,366	\$22,764	\$24,254	\$25,840	\$27,530
Industrial	6.7%	\$235,298	\$250,695	\$267,095	\$284,567	\$303,177
Schools	1.3%	\$46,190	\$49,213	\$52,432	\$55,862	\$59,515
Total	100.0%	\$3,648,000	\$3,745,000	\$3,990,000	\$4,251,000	\$4,529,000

1 - Because the new rates will go into effect on January 1 of each year, the City will only collect 6 months of revenue at the new rates. The revenue requirements shown here represents a full 12 months of revenues at the new rates, which is used for rate design purposes.

Table B2: PHASE 2 - Sewer Rate Derivation
City of San Fernando
Sewer Rate Study 2019

	Phase 2				
	2019/20	2020/21	2021/22	2022/23	2023/24
SINGLE FAMILY RESIDENTIAL					
Revenue Requirement	\$1,871,816	\$1,994,296	\$2,124,764	\$2,263,753	\$2,411,794
# of Accounts	3,832	3,851	3,870	3,889	3,908
Bi-Monthly Fixed Charge	\$81.41	\$86.31	\$91.51	\$97.02	\$102.86
MULTI- FAMILY RESIDENTIAL					
Revenue Requirement	\$726,332	\$773,859	\$824,485	\$878,418	\$935,863
# of Accounts	2,031	2,041	2,051	2,061	2,071
Bi-Monthly Fixed Charge	\$59.60	\$63.19	\$67.00	\$71.03	\$75.31
NON-RESIDENTIAL					
Revenue Requirement	\$124,802	\$132,969	\$141,667	\$150,934	\$160,805
# of Accounts	613	615	617	619	621
Bi-Monthly Fixed Charge	\$33.93	\$36.03	\$38.27	\$40.64	\$43.16
Unit Rates					
Group II Commercial	\$2.77	\$2.94	\$3.12	\$3.31	\$3.50
Group III Commercial	\$4.60	\$4.88	\$5.17	\$5.48	\$5.81
Group IV Commercial	\$6.79	\$7.20	\$7.63	\$8.09	\$8.58
City Property	\$2.41	\$2.55	\$2.71	\$2.87	\$3.04
Industrial	\$2.47	\$2.62	\$2.78	\$2.95	\$3.13
Schools (4)	\$1.78	\$1.89	\$2.00	\$2.12	\$2.25
Revenue Check					
Single Family Residential - Fixed Charges	\$1,871,779	\$1,994,279	\$2,124,862	\$2,263,865	\$2,411,861
Multi-Family Residential - Fixed Charges	\$726,286	\$773,825	\$824,502	\$878,357	\$935,802
Commercial - Fixed Charges	\$124,795	\$132,951	\$141,676	\$150,937	\$160,814
Commercial - Unit Charges	\$791,232	\$843,506	\$898,916	\$958,144	\$1,020,621
Total	\$3,514,090	\$3,744,560	\$3,989,955	\$4,251,303	\$4,529,098

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Elena G. Chávez, City Clerk

Date: September 16, 2019

Subject: Receive a Presentation by the Los Angeles County Registrar-Recorder/County Clerk Regarding Upcoming Changes to Elections

RECOMMENDATION:

Recommend that the City Council receive a presentation from the Los Angeles County Registrar-Recorder/County Clerk (RR/CC) regarding upcoming changes to elections.

BACKGROUND/ANALYSIS:

In 2009, the RR/CC launched the [Voting Solutions for All People](#) project to address an aging voting system and complex needs of an electorate with 5.3 million voters.

In March 2020, Los Angeles County will begin implementing a new voting experience that will include:

Vote Centers

The County will transition from precinct-based voting to “vote centers”. At vote centers, voters can cast their ballot at any location in the County over an 11-day voting period. Vote centers days and hours will vary depending on the site (i.e., libraries, schools, parks, shopping centers, markets, and mobile Vote Center bus/truck).

The City of San Fernando will have a vote center at Las Palmas Park (Arts & Crafts Room). The County completed an onsite accessibility assessment and confirmed that the Arts & Crafts Room will be used as a vote center for both 2020 elections (i.e., the March Presidential Primary and the November General Election). The County will follow up with staff regarding the next phase of planning and execution of a formal agreement.

New Voting System

The new voting system will include an interactive sample ballot and ballot marking device. The interactive sample ballot is a convenient option for voters to mark their selections at home, using a personal device with their preferred tools, and then transferring their selections to the ballot marking device at the vote center. The system will provide real time

Receive a Presentation by the Los Angeles County Registrar-Recorder/County Clerk Regarding Upcoming Changes to ElectionsPage 2 of 2

access to the full voter database at all County voting locations and permit same day registration.

The presentation by the RR/CC will also include information regarding demo centers and upcoming mock elections:

Demo Centers

Demo centers will be available from October 2019 to January 2020 at various strategic locations throughout the County, will serve as a demo of the new voting experience, and allow the public to interact with the new voting equipment.

The San Fernando Library and the RR/CC have partnered to place a demo center at the library from December 2-23, 2019.

Mock Elections

On September 28-29, 2019 (between the hours of 10am-4pm), the RR/CC will hold mock elections at [50 locations](#) throughout the County. The mock elections will allow the public to interact with all the new technology available at the vote centers in a fun and exciting event.

BUDGET IMPACT:

The Fiscal Year 2019-2020 budget includes \$6,000 to cover potential election costs including advertising, if necessary.

ATTACHMENT:

A. RR/CC PowerPoint Presentation

Voting Solutions for All People



County of Los Angeles
Registrar-Recorder/County Clerk

Objective

Provide organizations/community members with the knowledge and materials needed to become educated on VSAP and disseminate key information to the public via peer to peer and digital outreach.



New Voter Experience

The **vision** for the new voting experience includes:



Modern Tally System



Interactive Sample Ballot



Ballot Marking Device



Voting Period



Vote Centers

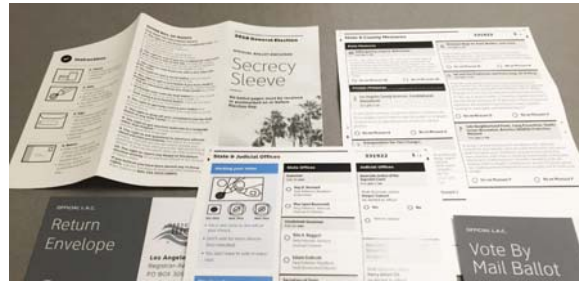


Electronic Pollbooks

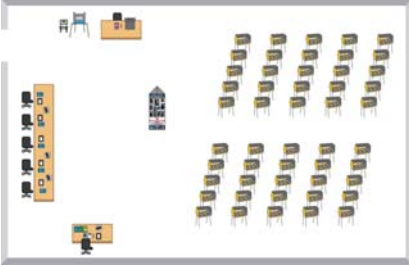



New Vote by Mail Experience








Vote by Mail




 Voters can vote at **any** vote center throughout the County with full language services and expanded accessibility

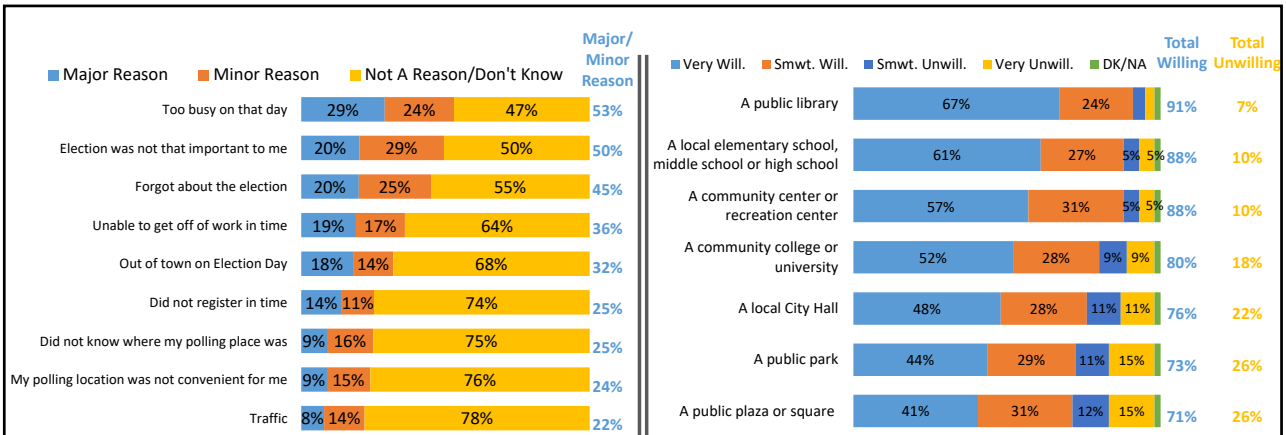
 *Electronic rosters access data in **real time** and allow for same day registration

 Fully accessible voting equipment available at **every** vote center

 Voting available for **11 days** at vote centers throughout the County

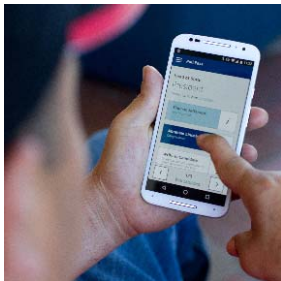


Vote Centers



Why voters missed a past election

Where voters would vote or drop-off a ballot



Interactive Sample Ballot



Ballot Marking Device





Upcoming Activities & Milestones

- Mock Elections
- Demo Centers
- Full Implementation March 2020



Adopt a Vote Center Initiative

- Secured 2,000 potential sites through community partnerships and the Vote Center Placement Project (VCCPP) Grassroots Meetings – over 70 meetings
- Become a civic engagement centerpiece in your community
- RR/CC using traditional and digital media to promote vote centers throughout the County
- Three opportunities for this initiative:
 1. Offer a location for 11 or 4 days
 2. Provide staff as Election Workers
 3. Both location and staff
- Email: AdoptAVoteCenter@rrcc.lacounty.gov
- Phone: 562-462-3330



Mock Election

September 28 and 29, 2019

Plan:

- Follows National Voter Registration Day (NVRD)
- Visit the Mock Election webpage at www.lavote.net/mock-election
- 50 locations – 100,000 people participating
- Outreach team can help promote and organize

Share:

- Help get voters to Mock Election sites
- Share VSAP videos and info on social media
- Notify and seek support from community leaders
- E-mail blasts to reach your stakeholders

RR/CC Outreach Promotion:

- Radio and media partnerships – English, Spanish and Asian language
- Digital media campaign
- Media interviews
- Traditional: E-mails to voters, Countywide mailing inserts, flyers, etc



Demo Centers

October 2019 – January 2020

- 10 rotating Demo Centers throughout the County
- Partner with the RR/CC to promote within your community
- Alert local leaders and representatives
- Utilize traditional and digital media to notify your stakeholders and community
- Tag @LACountyRRCC and #LAVotes to build earned and shared media



Full Implementation

January 2020 – March 2020

January

- Host a “Town Hall” meeting
- Print and distribute flyers/information
- Post on social media

February

- Host a voter registration drive
- Encourage local leaders and community members to vote early

February – Election Day: March 3, 2020

- Promote Early Voting
- GOTV and share your voting experience on social media
- Tag posts @LACountyRRCC and #LAVotes



Reaching Out

- LA County Snapshot
- Peer to Peer Outreach
- Digital Outreach



County of Los Angeles



Total Population

10.2 million

US Census Bureau

Eligible Population of Voters

6.1 million

SOS 60-Day Report of Registration

Registered Voters

5.3 million

Stats as of 1/2019



Peer to Peer Outreach

- Materials
- Tabling
- Community Meetings
 - Plan, promote, host



Digital Outreach

- Social Media
 - Follow, like, and share
 - Canned Messages
- Websites
 - Videos
 - Digital One-Pagers
- Email



Stay Engaged

Website:

<http://vsap.lavote.net>

Email:

vsap@rrcc.lacounty.gov

Social Media:

[@lacountyrrcc](https://twitter.com/lacountyrrcc)



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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: September 16, 2019

Subject: Discussion to Consider the Process for Filling the Impending City Council Vacancy

RECOMMENDATION:

It is recommended that the City Council:

- a. Receive a presentation from staff regarding options for filling the impending City Council vacancy; and
- b. Provide direction to staff, as appropriate.

BACKGROUND:

1. On August 19, 2019, Councilmember Antonio Lopez submitted his resignation from City Council, effective September 30, 2019.
2. As a General Law City, the California Government Code sets basic parameters and deadlines for filling a City Council vacancy.
3. The City Council Procedural Manual provides additional guidance for filling a City Council vacancy.

ANALYSIS:

Government Code section 36512 governs the process for filling the vacancy in an elective office. Section 36512 provides that a City Council must, within 60 days from the date of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The effective date of the anticipated vacancy is September 30, 2019, therefore, City Council must appoint someone to fill the vacancy or call a special election by November 29, 2019.

If the City Council chooses to fill the vacancy through a special election, or if the City Council seeks to fill the position by appointment, but does not do so within 60 days of the vacancy, the special election must be held on the next regularly established election date not less than 114 days from

Discussion to Consider the Process for Filling the Impending City Council VacancyPage 2 of 4

the call of the election. In this case, the next regularly established election date is the California primary election on Tuesday, March 3, 2020.

If the vacancy is filled through a special election in March 2020, the candidate receiving the most votes would serve out the remainder of the current term, which expires in November 2022. Conversely, if the vacancy is filled through an appointment by City Council, the appointee would serve through the next regular City Council election in November 2020. In that scenario, there will be three open City Council seats in November 2020 with two seats serving 4-year terms and one seat serving a 2-year term. Candidates will have to designate their candidacy for a particular seat.

Section 13 (Procedure for Filling City Council Vacancies) of the City Council Procedural Manual prescribes the following process for filling a vacant seat by appointment:

13.2 If the City Council elects to fill a vacancy to a City Council seat by appointment, any appointment shall be made in subject to the following procedures:

- a. At a regular or special meeting of the City Council, the City Council shall direct the City Clerk to make an application available, at the earliest possible date and time, for individuals interested in being appointed to the vacant City Council seat, and establish a reasonable due date for the applications.
- b. At a regular or special meeting of the City Council, the City Council will allow all applicants to address the City Council for the purpose of stating their experience and qualifications for being granted the appointment. The City Council shall determine the uniform amount of time candidates will receive to address the City Council.
- c. Following the presentations by potential appointees, the City Council will receive comment from interested members of the public.
- d. Following public comment, the City Council may commence deliberation on one of the following options:
 - i. Make an appointment to fill the vacant City Council position and direct the City Clerk to administer the Oath of Office; or
 - ii. Defer making an appointment until Councilmembers have had additional time to consider the applicants, and a further opportunity should they wish to interview the finalists one-on-one.

After reviewing the relevant Government Code Sections, City Council Procedural Manual, and recent proceedings in surrounding cities, staff recommends the following process:

Discussion to Consider the Process for Filling the Impending City Council VacancyPage 3 of 4

1. The City will publicly notice the application period for individuals interested in filling the impending City Council vacancy in the local adjudicated newspaper, City website, social media, and posted at City Hall. To be considered, applicants must be registered voters residing in the City of San Fernando.
2. Applications (Attachment "A") will be available beginning Tuesday, October 1, 2019, and shall be submitted to the City Clerk's Office no later than 8:00 a.m. on Monday, October 7, 2019. Late applications will not be accepted.
3. The City Clerk shall review applications to confirm that applicants are registered voters residing in the City of San Fernando and make the eligible applications available on the City's website by 9:00 a.m. on Monday, October 7, 2019. Applicant names will not be released until they have been confirmed as eligible and applications have been posted to the City's website on Monday, October 7, 2019.
4. The City Council will place the item to consider appointment to fill the vacancy on the regular City Council agenda on Monday, October 7, 2019. When the item is considered by City Council, each applicant will be given three minutes to make a public statement to City Council.
5. Members of the public shall have the opportunity to comment on the applicants either during regular public comment at the beginning of the meeting or after all applicants have been given the opportunity to make a statement.
6. Once public comment has been closed, all applicants will be asked to surrender electronic devices and be sequestered in the Community Room at City Hall.
7. Applicants will be called upon, one at a time, and the City Council will have the opportunity to publicly ask questions to each applicant.
8. Once the City Council has completed questioning an applicant, the applicant may then take a seat in the Council Chambers. They will not rejoin the remaining sequestered applicants in the Community Room.
9. After all applicants have responded to questions from the City Council, the Mayor may: 1) call for a vote to fill the vacancy, 2) defer making the appointment to a future date, or 3) extend the application period to solicit additional applicants.
10. If a vote is called, the City Clerk will conduct a roll call vote and each Councilmember will announce their vote to fill the vacancy until a replacement is appointed by simple majority vote.
11. The City Clerk will administer the Oath of Office to the applicant appointed to fill the vacancy.

Discussion to Consider the Process for Filling the Impending City Council VacancyPage 4 of 4

BUDGET IMPACT:

The estimated cost to make an appointment to fill the impending City Council vacancy is approximately \$500 for advertising costs and staff cost to verify applicant eligibility.

According to the Los Angeles County Registrar/Recorder, the estimated cost to hold a special election in March 2020 is approximately \$65,000.

CONCLUSION:

Staff recommends the City Council provide direction to staff related to the process for filling the impending City Council vacancy.

ATTACHMENT:

A. Draft City Council Vacancy Application

APPLICATION TO SERVE ON CITY COUNCIL

This is a public document. To assist the City Council in evaluating each applicant in the selection of City Council Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME		PHONE NO.	
RESIDENCE ADDRESS	CITY & STATE	ZIP CODE	
MAILING ADDRESS <i>If different than above</i>	CITY & STATE	ZIP CODE	
EMAIL ADDRESS			
EMPLOYER	OCCUPATION		
BUSINESS ADDRESS	CITY & STATE	ZIP CODE	
EDUCATION <i>Highest school year and degree received</i>			
ARE YOU A REGISTERED VOTER OF THE CITY OF SAN FERNANDO? <input type="checkbox"/> YES <input type="checkbox"/> NO			
HAVE YOU EVER BEEN CONVICTED FOR AN OFFENSE OTHER THAN A TRAFFIC CITATION OR TRAFFIC MISDEMEANOR? <i>If yes, please explain</i> <input type="checkbox"/> YES <input type="checkbox"/> NO			

MEMBER COMMITMENT

I am willing to fulfill all requirements of a City Councilmember, including but not limited to:

- I am a resident of the City of San Fernando and a registered voter at the time of appointment.
- I am able to attend City Council meetings that are regularly scheduled on the first and third Monday of each month at 6 pm.
- I understand that if I am chosen as an appointee, I will only serve on the City Council until November 3, 2020. If I wish to continue to serve on the City Council, I would need to run for that office at the November 3, 2020 General Municipal Election.
- I am willing to file financial disclosure statements (Form 700), a public record, as required by the State and the City's Conflict of Interest Code.
- I understand that this application and any documents submitted in connection with the application process, including the Economic Interests Disclosure form, will be public documents.
- I am willing to attend/complete the required two hours of State mandated AB1234 Ethics Training every two years.

Please complete the interview questions on page 2 of this application.

I hereby certify under penalty of perjury under the laws of the State of California that the information I have provided in this application is true and correct, and that I meet the qualifications of this office as established by the San Fernando Municipal Code and other applicable statutory or constitutional laws.

APPLICANT SIGNATURE	DATE
---------------------	------

APPLICATION TO SERVE ON CITY COUNCIL

CITY COUNCIL APPLICANT INTERVIEW QUESTIONS *Please answer each question*

1. *What makes you the best choice to be appointed to fill the City Council vacancy?*

2. *What do you believe are the most important issues facing the City today?*

3. *What are your goals as a City Councilmember?*

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: September 16, 2019

Subject: Presentation of Measure "A" Annual Report

RECOMMENDATION:

It is recommended that the City Council receive and file the 2019 Annual Report on the collection, management, and expenditure of Measure "A" as required by the City Code.

BACKGROUND:

1. On June 4, 2013, San Fernando voters approved a temporary ½ cent Transaction and Use Tax (Measure "A"), effective October 1, 2013 and terminating October 1, 2020.
2. On November 6, 2018, San Fernando voters approved extending Measure "A" indefinitely.
3. Chapter 82, Article V, Section 82-132 of the City Code requires an Annual Report on the collection, management, and expenditure of the Measure A funds prior to October 1st each year.
4. The San Fernando City Code also requires an overview of the Annual Report be presented to City Council at an open and public meeting and that the Annual Report be a public document.

ANALYSIS:

The City received \$2,498,386 in Measure A funds in Fiscal Year (FY) 2018-2019, which is a decrease of \$164,912, or (6.2%), from FY 2017-2018. The reduction is the result of the loss of a large retailer and a one-time adjustment by the State resulting from the way the State remits sales tax revenue to cities.

Revenues raised through Measure A have been critical to cover the short-term operating budget deficit, pay down debt, establish reserves, and fund key one-time enhancements. Since voter approval of Measure A in 2013, the deficit fund balance in the General Fund, which was

Presentation of Measure “A” Annual ReportPage 2 of 2

(\$5.7 million) in fiscal year 2013-2014, has been eliminated and there is a projected reserve in excess of \$1,500,000 as of June 30, 2019.

A full analysis can be found in the *Annual Report – Measure A: ½ Cent Transaction and Use Tax*, which is included as Attachment “A” to this agenda item. The report will also be available on the City’s website (www.sfcity.org) after September 13, 2019 under the Financial Documents section of the Finance Department page.

BUDGET IMPACT:

Measure A generated \$2,498,386 in FY 2018-2019 and is projected to raise \$2,550,000 in FY 2019-2020. Since October 1, 2013, Measure A has raised a total of \$13,281,667.

CONCLUSION:

Measure A has been instrumental to stabilizing the City’s finances since its passage in 2013. Preparation of this report demonstrates to voters the City has been responsible and fiscally prudent with Measure A funds and has been very transparent about the planned use of Measure A revenues each year through the budget process.

ATTACHMENT:

A. Annual Report – Measure A: San Fernando’s ½ Cent Transaction and Use Tax



MEMORANDUM

September 16, 2019

**Measure A: ½ Cent Transaction & Use Tax
2019 Annual Report**

Chapter 82, Article V, Section 82-132 of the San Fernando City Code states:

On or before each anniversary of the operative date, the city shall complete a study and produce a report reviewing the collection, management and expenditure of revenue from the proposed tax and shall present a report explain[ing] and providing an overview of the same at an open and public meeting of the City Council. This report shall be a public document.

This report is being presented in accordance with the City Code.

Executive Summary:

The City received \$2,498,386 in Measure A funds in Fiscal Year 2018-2019, which is a decrease of \$164,912, or (6.2%), from Fiscal Year 2017-2018. The reduction is the result of the loss of a large retailer and a one-time adjustment by the State resulting from the way the State remits sales tax revenue to cities.

Revenues raised through the Transaction Tax are necessary to fund a number of critical one-time needs, including, but not limited to: 1) establishing General Fund, Self-Insurance, Equipment Replacement, and Facility Maintenance fund reserves, 2) paying off existing debt, 3) eliminating deficit fund balances in Grant and other Special Revenue funds, 4) increase public safety by replacing outdated vehicles and equipment, 5) replacing and updating outdated computer hardware, software and telecommunications systems, and 6) funding capital projects to reduce the City's deferred maintenance backlog.

A preliminary review of the City's finances for Fiscal Year 2018-2019 indicates that there will be a surplus in the General Fund¹. In accordance with the identified critical needs, the surplus will be used to reduce the General Fund deficit fund balance, which ended Fiscal Year 2017-2018 with a (\$208,253) deficit fund balance. Continued annual surpluses will be necessary to build healthy fund reserves, address a backlog of deferred maintenance on City streets, parking lots and facilities, and address the City's many critical one-time needs.

¹ The estimated General Fund surplus is a preliminary, pre-audit estimate and is subject to change during the annual independent audit.

Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

Page 2 of 7

Voters insisted there be accountability for the use of these revenues by including a requirement for an Annual Report to be presented at a public meeting. As evidenced in this report, the City Council and City staff have worked diligently to ensure that Measure A revenues are being collected, managed, and expended responsibly and in a manner consistent with the communities' goals.

In November 2018, City Council created a Measure "A" Community Advisory Committee and authorized the City Manager to advertise and solicit applications from interested parties to serve on the Committee. The duties for the Committee include: (1) reviewing the Annual Report of collection, management, and expenditure of Measure "A" revenues, and (2) providing general recommended budget priorities for use of Measure "A" funds as part of the annual budget process. General recommended budget priorities include, but are not limited to, paying down debt, establishing reserves, investing in capital improvements, replacing equipment, adding staff, etc. It is expected that Committee members will be appointed prior to November 1, 2019.

Revenues raised through Measure A have been critical to cover the short-term operating budget deficit, pay down debt, establish reserves, and fund key one-time enhancements. Since voter approval of Measure A in 2013, the deficit fund balance in the General Fund, which was (\$5.7 million) in fiscal year 2013-2014, has been eliminated and there is a projected reserve in excess of \$1,500,000 as of June 30, 2019.

The City has also used Measure A to:

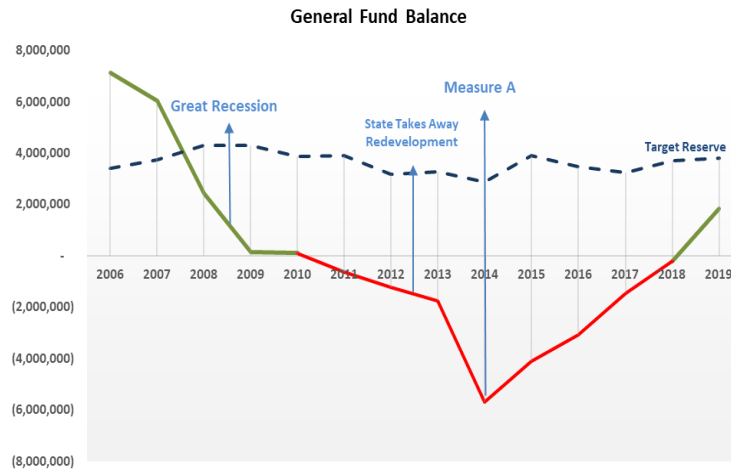
- Improve public safety reliability and response time by replacing ten (10) police patrol vehicles and upgrading all in-car computers.
- Support the annual residential resurfacing program, reconstruction of Glenoaks Boulevard, sidewalk improvements, and additional tree trimming.
- Beautify Brand Boulevard to create a notable entrance into the City.
- Support a number of special events, including Dia de los Muertos 5k run, San Fernando Open Streets Festival, and JAM sessions.
- Facility improvements at Recreation Park, Las Palmas Park, Pioneer Park and Layne Park.
- Create an award-winning website and significantly increased social media presence to better inform the community.
- Replace the City's outdated network equipment and software to protect customer information and increase efficiency.
- Increase Citywide tree trimming.

Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

Page 3 of 7

Background:

Since 2005, the City's financial position has changed significantly. The General Fund, which pays for police, fire, recreation and public works services, experienced a dramatic decrease in the amount of money available to provide services. The City's reserves fell from \$7.1 million in June 2006 to a deficit of (\$5.7 million) in June 2014.



The dramatic reduction was the result of a perfect storm as the City's expenditures on services began to increase (e.g. the San Fernando Regional Pool, Los Angeles Fire Department contract, and other projects added significant ongoing operations and maintenance costs) just before the bottom of the "Great Recession" in 2008/2009. Additionally, the State of California eliminated local redevelopment funding in 2012, which the City used to make infrastructure improvements and fund economic development programs.

To remain solvent, the City implemented layoffs and furloughs, eliminated vacant positions, reduced employee benefits, discontinued retiree medical benefits for new employees, reduced department budgets, and renegotiated the contract with Los Angeles Fire Department. City employment was reduced from 160 in 2008 to 128 in 2017 (20% reduction). The number of sworn Police Officers was reduced from 37 in 2008 to 31 in 2017 (16% reduction).

In FY 2012-2013, the City declared a fiscal emergency and held a special election on June 4, 2013 for the San Fernando electorate to vote on a temporary one-half (½) cent Transaction and Use Tax ("Tax"). The "City Services Emergency Protection Measure" (Measure A) was approved by sixty percent (60%) of voters. The increased Transaction Tax rate went into effect on October 1, 2013 and is set to expire on October 1, 2020.

Without the revenues generated by Measure A, the City would have struggled to stay out of bankruptcy. In 2013, the City's auditors expressed their concern regarding the City's ability to continue operate and carry out its financial commitments, obligations and objectives.

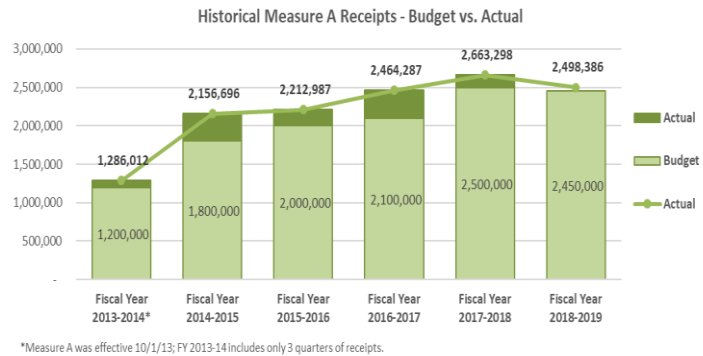
Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

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Collection:

The City began collecting a ½ cent Transaction Tax on applicable transactions in San Fernando on October 1, 2013.

Below are a few key statistics related to the collection of the Tax:



- Fiscal year 2018-19 estimated Tax receipts were \$2,450,000.
- Fiscal year 2018-19 actual Tax receipts were \$2,498,386. This is due primarily to a change in distribution methodology by California Department of Tax and Fee Administration (CDTFA) to accommodate a new Enterprise Resource Management Software System.
- Since October 1, 2013, Measure A has generated \$13,281,667 in additional revenue.
- The Sales Tax to Transaction Tax ratio, a key metric for measuring local business compliance with the Tax, was 56.2% for Fiscal Year 2018-2019. Since the City Sales Tax is 1.0% and the Transaction tax is 0.5%, a Sales Tax to Transaction Tax ratio of 50% or greater indicates high compliance by local businesses with Measure A. Consequently, it appears that local businesses are complying with and collecting the Tax.

The Tax is collected and administered by the California Department of Tax and Fee Administration (CDTFA), formerly collected and administered by the Board of Equalization. CDTFA remits Measure A collections to the City Treasurer on a monthly basis. The CDTFA charges approximately \$30,000 per year for tax administration services.

The City contracts with Hinderliter, de Llamas & Associates (HdL) to monitor Tax receipts to identify, correct, and recover allocation errors and prepare the necessary case submittal documents with the CDTFA. This ensures that the City is maximizing collections and receipts are properly allocated to the City by the CDTFA.

Management:

In order to track Measure A revenue, the City Treasurer records receipts in a special account number on the City's General Ledger. This allows the City staff to easily discern year-to-date receipts, update projections, and make budget adjustments, if necessary.

Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

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The planned use of Measure A funds is clearly identified through the annual budget process and in the City Manager's Budget Message. All current and prior Annual Reports and Budget documents are posted on the City's website (www.sfcity.org) under the Financial Documents section of the Finance Department page.

Measure A revenues are budgeted and recorded in a separate account in the City's General Ledger. This allows the City staff to easily discern year-to-date receipts, update projections, and make budget adjustments, if necessary.

Lastly, City staff conducts quarterly meetings with a consultant to review Sales and Transaction Tax receipts in detail. This provides staff with valuable information on the health of the local economy, various business sectors, and individual companies by reviewing their quarterly sales tax reports. It also gives staff an opportunity to make the consultant aware of new businesses opening in the City so staff can ensure compliance with Measure A.

A quarterly newsletter providing Sales and Transaction Tax information pertinent to San Fernando is posted on the City's website (www.sfcity.org) under the Financial Documents section of the Finance Department page.

Expenditure:

Measure A was approved as a general tax, which means that it can be used for any general governmental purpose.

For FY 2018-2019, Measure A funds were used for the following:

<u>Repayment of Debt</u>		<u>Enhancements/Investments (cont.)</u>	
To Retirement Fund	200,000	Upgrade 50 streetlights to LED	9,963
To Sewer Fund	50,000	Economic Development activity	49,672
To Water Fund	50,000	Special Event fee waivers	1,843
	300,000	Additional staff training	18,500
			254,740
<u>Establish Reserves</u>			
Self-Insurance Fund	320,000		
Equipment Replacement Fund	107,225	Deficit reduction	1,476,421
	427,225	Subsidize Street Lighting District	40,000
		Cover operating deficit	-
<u>Enhancements/Investments</u>			1,516,421
Replace 1 Detective Vehicle	40,000		
Purchase Police Voice Recorders	63,225		
Additional street maint materials	118,500	Total Measure A funds:	\$2,498,386
Upgrade network hardware	53,037		

Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

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The table above illustrates that a majority of Measure A expenditures are appropriated toward repaying debt, establishing a “rainy day reserve” in critical funds, upgrading equipment and staff knowledge to enhance service, and reducing the City’s deficit.

Deficit Elimination Plan:

In FY 2013-2014, the City Council began the development and implementation of a multi-year Deficit Elimination Plan. Put simply, the Deficit Elimination Plan aims to pay off debt, reduce ongoing expenditures and increase ongoing revenue. Revenues raised through Measure A have been critical to implementing the City’s Deficit Elimination Plan.

The City’s General Fund has been in a deficit fund balance position since Fiscal Year 2010-2011. To address the deficit, the City took a number of steps to stabilize ongoing finances, including reducing programs and services, reducing training and professional development opportunities for City staff, implementing layoffs and furloughs, and eliminating vacant positions. Many of these actions were short-term fixes that were necessary to remain solvent, but were not sustainable in the long-term.

In addition to short-term actions identified above, the City has taken a number of longer-term actions since the passage of Measure A to address the City’s deficit and improve long-term financial stability, including:

- Renegotiated the Fire and Emergency Services contract with the Los Angeles Fire Department to reduce the City’s ongoing annual cost without reducing service (saved more than \$500,000/year).
- Transferred operational and financial responsibility of the San Fernando Regional Pool to the County of Los Angeles through a lease of up to 55 years (saved more than \$500,000/year).
- Reduced retiree health benefits to the statutory minimum for new employees to decrease the City’s retiree health (OPEB) liability (significant long-term savings).
- Sold surplus land and used the land sale proceeds to reduce the General Fund deficit (generated \$1 million in proceeds).
- Developed a five-year General Fund projection to improve long-term decision making.
- Adopted a Development Agreement Ordinance to provide additional tools to increase economic development efforts and diversify the tax base.

Measure A: ½ Cent Transaction & Use Tax – 2019 Annual Report

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- Re-established reserves for the Self-Insurance and Equipment Replacement Funds (more than \$1 million in reserve to protect against large lawsuits).
- Updated user fees, development fees, cost allocation calculations to ensure an appropriate cost recovery for City services (more than \$500,000/year in projected ongoing revenue).
- Updated the City's long term financial planning policies, including budget, purchasing, debt management, grant management, investment, and reserve policies, with an emphasis on creating long term fiscal sustainability.

Conclusion:

Measure A has been instrumental to stabilizing the City's finances since its passage in 2013. Preparation of this report demonstrates to voters the City has been responsible and fiscally prudent with Measure A funds and has been very transparent about the planned use of Measure A revenues each year through the budget process.

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: September 16, 2019

Subject: Consideration to Appoint Measure "A" Community Advisory Committee Members or Amend the Resolution Establishing the Committee

RECOMMENDATION:

It is recommended that the City Council:

- a. Appoint Michael Remenih (two-year term) and Nicolas A. Cardenas (one-year term) as the two Resident Committee Members;
- b. Appoint Irwin Rosenberg (two-year term) and Frank Villalpando (one-year term) as the two Labor Representative Committee Members;
- c. Appoint Sev Aszkenazy (two-year term) as one of the two Business Representative Committee Members;
- d. Appoint Holly Scott (two-year term) as the one At-Large Committee Member;
- e. Appoint Adriana Gomez (one-year term) as an Alternate Business Representative Committee Member representing the San Fernando Chamber of Commerce until the second permanent Business Representative Member is appointed; and
- f. Appoint Humberto Quintana (one-year term) as an Alternate Resident Committee Member in the event one of the Resident Member's is not able to participate in a meeting.

BACKGROUND:

1. On November 6, 2018, San Fernando voters approved extending the City's existing half-percent Transactions and Use Tax Measure (Measure "A") indefinitely.
2. On November 19, 2019, the City Council discussed the proposed composition, duties, and by-laws of a Measure "A" Community Advisory Committee (the Committee). Subsequently, the City Council adopted Resolution No. 7895 establishing a Measure "A" Community Advisory

Consideration to Appoint Measure “A” Community Advisory Committee Members or Amend Resolution Establishing the CommitteePage 2 of 3

Committee (Attachment “A”) and authorized the City Manager to advertise and solicit applications from interested parties to serve on the Committee.

3. Between December 2018 and September 2019, the City has received several applications to serve on the Committee (Attachment “B”).

ANALYSIS:

Pursuant to direction received from the City Council, the adopted Committee by-laws include:

Composition: The proposed Committee will be comprised of up to seven members appointed by City Council, consisting of up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member.

- Resident Members shall be registered voters of the City.
- Business Community Members shall own or be the primary operator of a duly-licensed business physically located within the City limits.
- Labor Representative Members shall be an active City employee and a member of one of the City’s non-management bargaining groups (e.g., SEIU Local 721, San Fernando Police Officers Association, and San Fernando Police Civilians Association). Labor Representatives shall not be employees of either the Finance Department or City Manager’s Office.

Terms of Office: Appointments will be for two-year terms running from November 1st through October 31st to encompass the budget recommendation timeframe and Annual Report timeline and to coincide with the annual City Council reorganization. Members shall be limited to two consecutive terms (for a maximum of four years). Former Members may be re-appointed two years after the expiration of their last term. Upon reappointment, Members may serve two additional two-year terms.

Duties: The proposed duties for the Committee include: (1) reviewing the Annual Report of collection, management, and expenditure of Measure “A” revenues, and (2) providing general recommended budget priorities for use of Measure “A” funds as part of the annual budget process. General recommended budget priorities include, but are not limited to, paying down debt, establishing reserves, investing in capital improvements, replacing equipment, adding staff, etc.

To accomplish these duties, it is recommended that the Committee meet at least twice each year: (1) each September to review the Annual Measure “A” Report and select Committee Officers,

Consideration to Appoint Measure “A” Community Advisory Committee Members or Amend Resolution Establishing the CommitteePage 3 of 3

and (2) each January/February to discuss recommended budget priorities for Measure “A” revenues.

Staff support for the Committee will be provided by the Finance Department and include: agenda preparation and posting, responding to requests for information by the Committee, providing technical assistance and advice to the Committee, taking minutes and coordinating preparation and dissemination of materials, and performing follow-up activity as requested and consistent with the duties of the Committee.

BUDGET IMPACT:

Establishing a Community Advisory Committee will require the Finance Department to dedicate additional resources to preparing Committee agendas and staffing Committee meetings. However, it is anticipated that this Committee will only meet a few times per year and will not cause a significant stress on resources.

CONCLUSION:

Establishing a Community Advisory Committee comprising of local stakeholders to review Measure “A” related financial activity will strengthen public support and confidence in the transparent and responsible use of local transaction tax revenues. Staff recommends that the City Council appoint the recommended applicants.

ATTACHMENTS:

- A. Resolution No. 7895, with Exhibit 1
- B. Measure “A” Community Advisory Committee Applications

ATTACHMENT "A"**RESOLUTION NO. 7895****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN FERNANDO, CALIFORNIA, ESTALISHING A MEASURE
"A" COMMUNITY ADVISORY COMMITTEE**

WHEREAS, on June 4, 2013, San Fernando voters approved a half-cent temporary local Transaction and Use Tax that sunsets on October 1, 2020; and

WHEREAS, Chapter 82, Article V, Section 82-132 of the City Code requires an Annual Report on the collection, management, and expenditure of the Measure A funds prior to October 1st each year; and

WHEREAS, Chapter 82, Article V, Section 82-132 of the City Code also requires an overview of the Annual Report be presented to City Council at an open and public meeting and that the Annual Report be a public document; and

WHEREAS, on June 4, 2018, City Council approved placing a question on the November 6, 2018 ballot relating to extension of the existing half-cent local Transaction and Use Tax until it is repealed by San Fernando voters; and

WHEREAS, the Los Angeles County Registrar/Recorder has notified the City that the upcoming ballot measure has been assigned the title "Measure A"; and

WHEREAS, should the extension be approved by San Fernando voters on November 6, 2018, the City Council has determined the establishment of a Measure "A" Community Advisory Committee is in the best interests of San Fernando; and

WHEREAS, it is the intent of the City Council that the Measure "A" Community Advisory Committee shall review the annual report required by Chapter 82, Article V, Section 82-132 of the City Code; and

WHEREAS, it is also the intent of the City Council that the Measure "A" Community Advisory Committee shall provide general recommended priorities for use of Measure "A" funds as part of the annual budget process (e.g. pay down debt, establish reserves, invest in capital improvements, replace equipment, add staff, etc.); and

WHEREAS, it is within the City Council's authority to establish a committee for a specified purpose.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, DOES HEREBY RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The Measure “A” Community Advisory Committee shall be established upon certification of the affirmative election results. If Measure “A” fails, then the “Measure A Community Advisory Committee” shall not be established.

Section 2. The Measure “A” Community Advisory Committee shall consist of up to seven (7) voting members as follows: two (2) residents, two (2) representatives of the business community, two (2) labor representatives, and one (1) at-large member.

Section 3. Committee members shall be appointed by City Council after the prospective candidate submits an application of interest to fill a vacant position. Applicants must indicate which vacant position they are interested in.

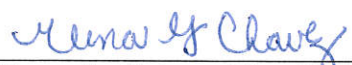
Section 4. The Measure “A” Community Advisory Committee By-Laws, attached hereto as Exhibit “1” and incorporated herein by this reference, are hereby approved and may be amended by resolution of the City Council.

Section 5. This Resolution shall take effect immediately upon its adoption. The City Clerk shall certify the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of November, 2018.


Sylvia Ballin, Mayor

ATTEST:


Elena G. Chávez, City Clerk


STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF SAN FERNANDO)

I HEREBY CERTIFY that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 19th day of November, 2018, by the following vote to wit:

AYES: Ballin, Fajardo, Gonzales, Lopez – 4

NOES: None

ABSENT: Soto – 1


Elena G. Chávez, City Clerk



SAN FERNANDO

EXHIBIT "1"

ADVISORY COMMITTEE

Date: November 19, 2018

Subject: Measure "A" Community Advisory Committee By-Laws

PURPOSE:

To review the Annual Report of collection, management and expenditure of the local half-cent Transaction and Use Tax (Measure "A") revenue as required by Chapter 82, Article V, Section 82-132 of the City Code and make non-binding recommendations to the City Council general priorities for the use of Measure "A" funds during the annual budget process.

ARTICLE 1 - ORGANIZATION:

1. Composition

- a. The Measure "A" Community Advisory Committee (hereinafter Committee) shall consist of up to seven (7) members appointed by the City Council, consisting of: up to two (2) residents, up to two (2) representatives of the business community, up to two (2) labor representatives, and one (1) at-large member.
 - i. The Resident Members shall be registered voters of the City.
 - ii. The Business Community Members shall own or be the primary operator of a duly licensed business physically located within the City limits.
 - iii. The Labor Representative Members shall be an active City employee and a member of one of the City's non-management bargaining groups (e.g. SEIU Local 721, San Fernando Police Officers Association, and San Fernando Police Civilians Association). Labor Representatives shall not be employees of either the Finance Department or City Manager's Office.
- b. Prospective candidates must submit a completed application of interest to fill a vacant position. Applicants must indicate which vacant position they are interested in and provide proof of qualification for the position based on the criteria identified in subsection (a)(i-iii).

Measure “A” Community Advisory Committee By-LawsPage 2 of 5

2. Terms of Office

- a. Except as otherwise provided under paragraph (d), below, appointments will be for two (2) year terms running from November 1st through October 31st. The term is structured to encompass the budget recommendation timeframe (February/March), the Annual Report timeline (September), as well as coincide with the annual City Council reorganization.
- b. Except as otherwise provided under paragraph (e), below, members shall serve a maximum of two (2) consecutive terms. If a member serves a partial term in excess of two (2) years, it shall be considered one term for the purposes of these By-Laws.
- c. A former Member may be re-appointed two (2) years after the expiration of their last term. Upon reappointment, the Member will be subject to the limitations in Paragraphs (a) and (b) of this Section from their new appointment date.
- d. Initially, one (1) Resident Member, one (1) Business Community Member, and one (1) Labor Representative Member will serve a one (1) year term. Members that serve the initial one-year term may serve a third term.
- e. Paragraphs (a) and (b) of this Section notwithstanding, all members shall serve at the pleasure of the City Council and may be removed and replaced by action of the City Council at any time with or without cause.

3. Appointments to Fill Vacancies

- a. If a vacancy occurs, the City Council may, but shall not be required to, appoint a replacement for the remainder of the term for that seat.
- b. Prospective replacements must complete an application of interest to fill the vacant position.

4. Absence of Committee Members

- a. Any member who, within a twelve (12) month period, has two (2) absences shall be referred to the City Council for consideration for replacement.

5. Compensation and Reporting

- a. Members of the Committee shall serve without compensation for their service on the Committee.

Measure "A" Community Advisory Committee By-LawsPage 3 of 5

- b. Members shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

ARTICLE 2 - DUTIES:

1. In accordance with Chapter 82, Article V, Section 82-132 of the City Code, the Committee shall receive and review the Annual Report of collection, management, and expenditure of local Transaction and Use Tax revenues.
2. The Committee shall provide general recommended budget priorities for use of Measure "A" funds as part of the annual budget process. General recommended budget priorities include, but are not limited to, paying down debt, establishing reserves, investing in capital improvements, replacing equipment, adding staff, etc.
3. The operation of this Committee is subject to all applicable laws, including but not limited to, the City Code and other Ordinances, Resolutions and Policies adopted by the City Council.

ARTICLE 3 - OFFICERS:

1. Designation of Officers
 - a. At the initial meeting and at the first meeting in or after November 1st of each year, the Committee shall elect a Chair and Vice-Chair from among its membership.
 - b. The Chair and Vice-Chair shall serve at the pleasure of the Committee.
 - c. Subject to Section 2(d) of Article I, above, the Chair and Vice-Chair shall serve terms of one (1) year commencing upon their appointment and concluding on the latter of October 31st of the following year or the election of their successors.
2. Duty of the Officers
 - a. The Chair shall preside over all Committee meetings.
 - b. The Vice-Chair shall act as the Chair in his/her absence.

Measure "A" Community Advisory Committee By-LawsPage 4 of 5

ARTICLE 4 - MEETINGS:

1. Bi-annual Meetings: The Committee shall meet at least twice each year: (1) in the month of September to review the Annual Measure "A" Report and select Officers, and (2) in February to discuss recommended budget priorities for Measure "A" revenues.
2. Regular Meetings: The Committee will determine time, place, and frequency to hold regular meetings.
3. Special Meetings: Special meetings may be called at any time by the Chair or a majority of appointed members.
4. All meetings shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with California Government Code Section 54950)
5. A majority of appointed members shall constitute a quorum. Each Committee Member shall be entitled to one vote. Approval of any matter requires an affirmative vote from the majority of members present.
6. The Committee may refer to the latest edition of Robert's Rules of Order for guidance, interpretation or to supplement these By-Laws. The foregoing notwithstanding, in the event of any conflict or inconsistency between the provisions of these By-Laws, the San Fernando Municipal Code or any other resolution of the City Council and the provisions of Robert's Rules of Order, the provisions of these By-Laws, the San Fernando Municipal Code and/or the resolution of the City Council shall govern and control but only to the extent of the conflict or inconsistency and no further. Failure to strictly follow Robert's Rules of Order shall not invalidate any action of the Committee.
7. Consensus among a majority of Committee members present must exist in order to place an item on a future agenda for discussion, or to request research by staff.
8. The issuance of written recommendations by the Committee for any given budget year shall not be a condition precedent to the City Council's ability to approve the City's annual general fund budget in an given year.

ARTICLE 5 - STAFF SUPPORT:

1. The Director of Finance and Finance Department staff, as directed and determined by the Director of Finance, shall provide staff support to the Committee to include:
 - a. Agenda preparation and posting.

Measure "A" Community Advisory Committee By-LawsPage 5 of 5

- b. Respond to requests for information by the Committee.
 - c. Provide technical assistance and advice to the Committee.
 - d. Take minutes and coordinate preparation and dissemination of materials.
 - e. Perform follow-up activity as requested and consistent with the duties of the Committee.
2. In the event the Director of Finance determines that a request for research by the Committee is not within the approved tasks or duties of the Committee as stated in the "DUTIES" Section of these By-Laws, or that the request requires a dedication of staff time that is not available within the requirements of day-to-day operations, the Director of Finance shall confer with the City Manager. The City Manager shall decide whether the staff support shall be provided in that instance. The Committee may appeal the City Manager's decision to the City Council.

ARTICLE 6 - AMENDMENT TO BY-LAWS:

1. These By-Laws may only be amended by resolution of the City Council.



APPLICATION TO SERVE ON THE

MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME

Michael Remenih

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☒ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☒ YES

☐ NO

RESIDENCE ADDRESS:

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES

☐ NO

BUSINESS NAME:

BUSINESS ADDRESS:

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME:

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

While I am not aware of any duties, guidelines or responsibility's that have been formally laid out for the Measure "A" Community Advisory Committee. Or at least not made public yet. I believe the positions on this committee should include the following.

1. Review the annual budget or at least the portion pertaining to measure A money.
2. Bring to the table their personal opinions, based on how they represent the city. That is to say are they looking at it from a business, resident or labor point of view.
3. Make recommendations to the city council and city management as to how measure A money can best be used.

** SEE BACK OF FORM*

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

Michael Remenih

DATE

12/4/2018



**APPLICATION TO SERVE ON THE
MEASURE "A" COMMUNITY ADVISORY COMMITTEE**

**WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY
ADVISORY COMMITTEE?** *Continued*

4. Measure A was passed by the voters with a healthy margin in large part because the residents, tax payers and voters of the City of San Fernando recognize the many items and issue that need

attention in this city. And that the funds raised through the passing of Measure A will be a good start in meeting these needs.

5. With the last statement in mind I feel that it is imperative that the residents, tax payers and voters of this city not only have a say or at least some influence in how their tax dollars are

spent, but are informed in a timely manner of how and when these funds are used.

THE CITY OF
SAN FERNANDO



APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME <u>Nicolas A. Cardenas</u>	PHONE NO. [REDACTED]
EMAIL ADDRESS <i>Business or personal to be used for Committee activity</i> [REDACTED]	

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☒ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☒ YES ☐ NO RESIDENCE ADDRESS: [REDACTED]

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES ☐ NO BUSINESS NAME: _____
BUSINESS ADDRESS: _____

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES ☐ NO NON-MANAGEMENT BARGAINING GROUP NAME: _____

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

Attend handful of meetings annually to give opinion on the use of Measure "A" funds within the city. My understanding of what the city should be focusing nowadays is continuing to work to honor the history of the city, but collaborate with residents, business owners, and staff to create a vision for our future. I think this committee is a great way to be a ^{shared} part of that process.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE <u>Nicolas A. Cardenas</u>	DATE <u>1/10/19</u>
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APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME

Humberto Quintana

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☒ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☐ YES

☐ NO

RESIDENCE ADDRESS:

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES

☐ NO

BUSINESS NAME:

BUSINESS ADDRESS:

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME:

☒ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

My understanding of the duties as a member of the Measure "A" Community Advisory Committee is to provide oversight and accountability for the revenue that will be generated by this local Sales Tax Measure. As a resident and former employee of the City of San Fernando, I have a strong understanding of the City's operational capacity. The original measure was key in keeping the City afloat during the Great Recession. As we approach another potential economic downturn, we must be thoughtful and strategic on how we can build the City's reserves and how we prioritize City services. As a member of this advisory committee, I will take proactive in addressing the City's deficit and ensure that as a City, we are fiscally conservative, and that we prioritize improving the quality of life of the residents of the City of San Fernando, by focusing these dollars on public safety, economic development and improving our aging infrastructure.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

DATE

9/6/19



RECEIVED

JAN 2 2019

APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

CITY CLERK DEPARTMENT
CITY OF SAN FERNANDO

APPLICANT INFORMATION

NAME

Ruben Quintana

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☐ RESIDENT MEMBER

Are you a registered voter of the City of San Fernando?

☐ YES

☐ NO

RESIDENCE ADDRESS: _____

☐ BUSINESS COMMUNITY MEMBER

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES

☐ NO

BUSINESS NAME: _____

BUSINESS ADDRESS: _____

☐ LABOR REPRESENTATIVE MEMBER

Are you an active City of San Fernando employee?

☒ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME: S.F.P.E.A.

☐ AT-LARGE MEMBER

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

My understanding of the Measure "A" Community Advisory Committee is that it will be made up of two residents, two business owners and two labor representatives. It is also my understanding is that as a member my duties would be to review the Annual Measure "A" Report as a committee and provide general recommended budget priorities for the use of Measure "A" funds during the annual budget process.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

DATE

12/24/18



APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME

Irwin Rosenberg

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☐ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☐ YES☐ NO

RESIDENCE ADDRESS: _____

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES☐ NO

BUSINESS NAME: _____

BUSINESS ADDRESS: _____

☒ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☒ YES☐ NONON-MANAGEMENT BARGAINING GROUP NAME: SF Police Officers Association

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

I understand the duties of a member of the Measure A Community Advisory Committee include giving guidance on how best to expend Measure A funds as well as provide input on potential projects that can overall benefit the community. Each member will bring a unique perspective given the sector they represent and will provide advisory input which will provide direction for staff and the City Council Council when developing priorities for the use of Measure A funds.

Another key aspect of the duties of each member is this input assures that the integrity of the commitment made to voters in approving these funds are maintained. Voters believed these funds would be used to maintain public safety, maintain and attract a quality workforce, help beautify the city, invest in infrastructure, and develop entertainment and cultural venues and programs.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

DATE

**APPLICATION TO SERVE ON THE
MEASURE "A" COMMUNITY ADVISORY COMMITTEE****WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY
ADVISORY COMMITTEE? *Continued***

I served as a key member of the initial campaign committee to assure passage of the Measure in 2013 and then again in 2018. I believe I can bring historical and unique prospective to this advisory committee. In addition, my application for

this position has been unanimously endorsed by the seven member board of directors of the San Fernando Police Officer Association, which has also been a key supporter of the Measure in both 2013 and 2018.

I respectfully request your consideration of this application and look forward to hopefully serving the City in this advisory capacity.



APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME Frank Villalpando	PHONE NO [REDACTED]
EMAIL ADDRESS <i>Business or personal to be used for Committee activity</i> [REDACTED]	

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☐ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☐ YES ☐ NO RESIDENCE ADDRESS: _____

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES ☐ NO BUSINESS NAME: _____

BUSINESS ADDRESS: _____

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☒ YES ☐ NO NON-MANAGEMENT BARGAINING GROUP NAME: **S F P E A**

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

Duties, Respect - for others be on time.
Commitment - Do your homework, be part of the solution not the problem. Trans-
parent - Needed to be successful for the committee to have a clear path

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE Frank Villalpando	DATE Jan 29, 2019
---	-----------------------------

**APPLICATION TO SERVE ON THE
 MEASURE "A" COMMUNITY ADVISORY COMMITTEE**

**WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY
 ADVISORY COMMITTEE?** *Continued*

to follow. Timeline - to have a start
 and a finish date. Delivery - to
 sum up the information in letter
 form. Lastly accountability which is
 the corner stone of any group
 or committee which doesn't rely on
 one but all.

Respect
 Commitment
 Transparent
 timeline
 Deliver

Accountability

APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

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APPLICANT INFORMATION

NAME

Holly Scott

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☒ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☒ YES

☐ NO

RESIDENCE ADDRESS:

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES

☐ NO

BUSINESS NAME:

BUSINESS ADDRESS:

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME:

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

To research and review suggestions/ideas on how the Measure "A" monies should be used and to then pass on the information to the City Council.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

DATE

Holly Scott

May 1, 2019

APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

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APPLICANT INFORMATION

NAME

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☐ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☐ YES

☐ NO

RESIDENCE ADDRESS: _____

☐ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☐ YES

☐ NO

BUSINESS NAME: _____

BUSINESS ADDRESS: _____

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME: _____

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

DATE

09/12/19

**WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY
ADVISORY COMMITTEE?** *Continued*



APPLICATION TO SERVE ON THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE

This is a public document. To assist the City Council in evaluating each applicant in the selection of Committee Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME

Adriana Gomez

PHONE NO.

EMAIL ADDRESS *Business or personal to be used for Committee activity*

COMMITTEE MEMBER POSITION OF INTEREST *The Measure "A" Community Advisory Committee shall consist of up to seven members appointed by the City Council, consisting of: up to two residents, up to two representatives of the business community, up to two labor representatives, and one at-large member. Please indicate which position you are interested in filling.*

☐ **RESIDENT MEMBER**

Are you a registered voter of the City of San Fernando?

☐ YES

☐ NO

RESIDENCE ADDRESS: _____

☒ **BUSINESS COMMUNITY MEMBER**

Are you the owner or primary operator of a duly licensed business physically located within the City limits?

☒ YES

☐ NO

BUSINESS NAME: San Fernando City Chamber of Commerce

BUSINESS ADDRESS: 110 N. Maclay Avenue Suite #103

☐ **LABOR REPRESENTATIVE MEMBER**

Are you an active City of San Fernando employee?

☐ YES

☐ NO

NON-MANAGEMENT BARGAINING GROUP NAME: _____

☐ **AT-LARGE MEMBER**

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Use reverse, if necessary.*

To provide general recommended budget priorities for the use of Measure "A" funds during the annual budget process.

MEMBER COMMITMENT *I am willing to fulfill all requirements of a Measure "A" Community Advisory Committee Member, including but not limited to:*

- I am willing to fulfill the two-year term of office (November 1st through October 31st).
- I understand that two absences within a 12-month period shall be referred to the City Council for consideration for replacement.
- I understand that Members of the Committee shall serve without compensation for their service on the Committee.
- I understand that Members of the Committee shall take any mandatory training prior to serving or, if deemed appropriate by the City Manager, within 180 days of being appointed by the City Council.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE

Adriana Gomez

DATE

9/12/2019

WHAT IS YOUR UNDERSTANDING OF THE DUTIES AS A MEMBER OF THE MEASURE "A" COMMUNITY ADVISORY COMMITTEE? *Continued*

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AGENDA REPORT

To: Vice Mayor Sylvia Ballin and Councilmembers

From: Mayor Joel Fajardo

Date: September 16, 2019

Subject: Consideration to Appoint a Transportation and Safety Commissioner

RECOMMENDATION:

I recommend that Clarisa Tolentino be appointed as my representative to the Transportation and Safety Commission.

BUDGET IMPACT:

The City pays each Commissioner \$75.00 for attendance at up to one (1) meeting per month. A total of \$900 per commissioner is appropriated in each responsible Department's budget. Sufficient funds are appropriated in the Fiscal Year 2019-2020 Budget.

ATTACHMENT:

A. Commission Application

THE CITY OF
SAN FERNANDO

RECOMMENDED BY CITY COUNCIL MEMBER:

Joel Fajardo

APPLICATION TO SERVE ON A CITY COMMISSION

This is a public document. To assist the City Council in evaluating each applicant in the selection of Commission Members, please provide as complete of a response as possible to all questions.

APPLICANT INFORMATION

NAME <u>Clarisa Tolentino</u>		PHONE NO. [REDACTED]
RESIDENCE ADDRESS [REDACTED]	CITY & STATE <u>San Fernando, Ca</u>	ZIP CODE <u>91340</u>
MAILING ADDRESS <i>If different than above</i> [REDACTED]	CITY & STATE	ZIP CODE

EMAIL ADDRESS *Business or personal to be used for Commission activity*

tolentino clarisa@gmail.com

EMPLOYER <u>LAUSD</u>	POSITION <u>Teacher's Assistant</u>
--------------------------	--

BUSINESS ADDRESS <u>576 N. Maday Ave.</u>	CITY & STATE <u>San Fernando, Ca</u>	ZIP CODE <u>91340</u>
--	---	--------------------------

BUSINESS PHONE
(818) 365-7182

ARE YOU A REGISTERED VOTER OF THE CITY OF SAN FERNANDO?

☒ YES ☐ NO

DO YOU OWN PROPERTY IN THE CITY OF SAN FERNANDO? *If yes, please list the address(es)*

☐ YES ☒ NO

DO YOU OWN OR OPERATE A BUSINESS IN SAN FERNANDO? *If yes, please state the name and nature of the business*

☐ YES ☒ NO

MEMBER COMMITMENT

I am willing to fulfill all requirements of a City Commissioner, including but not limited to:

- As Planning and Preservation Commissioner, I am willing to file financial disclosure statements (Form 700), a public record, as required by the State and the City's Conflict of Interest Code.
- I understand that absence from three consecutive regular meetings shall be deemed to constitute my retirement.
- I am willing to attend/complete the required two hours of State mandated AB1234 Ethics Training every two years.

Please also attach and submit a brief bio statement to this application.

I agree to all requirements mentioned above and have provided all correct and truthful information in this application.

APPLICANT SIGNATURE <u>[Signature]</u>	DATE <u>9-1-19</u>
---	-----------------------

APPLICATION TO SERVE ON A CITY COMMISSION

COMMISSION APPLICATION CHOICE(S) *Please indicate which Commission you are interested in*

☐ **EDUCATION COMMISSION** *Must be at least 18 years old and a registered voter of the City of San Fernando*

What is your understanding of the duties as a member of the Education Commission?

☐ **PARKS, WELLNESS, AND RECREATION COMMISSION** *Must be at least 18 years old and a registered voter of the City of San Fernando*

What is your understanding of the duties as a member of the Parks, Wellness, and Recreation Commission?

☐ **PLANNING AND PRESERVATION COMMISSION** *Must be at least 18 years old and a registered voter of the City of San Fernando*

What is your understanding of the duties as a member of the Planning and Preservation Commission?

☒ **TRANSPORTATION AND SAFETY COMMISSION** *Must be at least 18 years old and a registered voter of the City of San Fernando*


What is your understanding of the duties as a member of the Transportation and Safety Commission?

My understanding of the duties as a member of the transportation and safety commission is that members ensure the safety and comfort of the community by ensuring that any trouble areas that might cause accidents or interrupt traffic are pinpointed and corrected.

PLEASE ATTACH AND SUBMIT A BRIEF BIO STATEMENT TO THIS APPLICATION

Clarisa Tolentino

767 N Brand Blvd apt. C
San Fernando, CA 91340



Skills

I work well under pressure and I provide problem solving skills in any situation. I have great communication skills in English as well as in Spanish.

Experience

January 2018 - PRESENT

LAUSD, 576 N Maclay Ave, San Fernando Ca. 91340 – Teachers Assistant

- Work with children from kindergarten to fifth grade to help with reading, writing, and problem solving .
- Assist teachers in providing a safe and comfortable environment where children can learn and reach their potential.
- Administer tests to determine if the child is in the appropriate reading and comprehension range for his or her age or if there will be a need for intervention.

January 2017 - April 2017

Montana Professional Services, Sylmar, Ca. – Seasonal Tax preparers assistant

- Provide assistance by pulling the clients file and ensuring that the information is up to date and ready for processing.
- Input any new clients information into DRAKE software to initiate tax return process.
- Attend to any phone calls and answer the questions for potential clients.

April 2015 - August 2016

Young Champions Boxing Gym, San Fernando, Ca. – sanitation and vendor

- In charge of sanitizing equipment for boxing tournaments.
- I would sell tournament tickets as well as food and drinks to the audience.
- I would keep a record of the money that was being made to make sure that sells and income were consistent.

Education

August 2016 - present

Cal State Northridge, Northridge, Ca. –*B.A in Psychology*

I am currently a Junior at Cal State Northridge for my Bachelors degree in Psychology. I plan on returning to school to get my Masters degree in psychology as well.