

San Fernando City Council Regular Meeting Notice and Agenda May 18, 2020 – 6:00 PM

Teleconference – Per Governor's Executive Order

SPECIAL NOTICE

STATE OF EMERGENCY: On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20, which allows a local legislative body to hold public meetings via teleconferencing and to make public meetings accessible telephonically, or otherwise electronically, to all members of the public seeking to observe and to address the local legislative body. Pursuant to the Executive Order, please be advised that the San Fernando City Council will participate in meetings telephonically.

PUBLIC PARTICIPATION: Pursuant to the Executive Order and given the current health concerns, members of the public can access meetings live on-line, with audio and video, via YouTube Live, at <u>https://www.youtube.com/channel/UC2OGT0-5m7SPbA-YmtPyDaA/</u>. Members of the public may submit comments by email to <u>cityclerk@sfcity.org</u>. Comments submitted via YouTube will not be read into the record. To ensure distribution to the City Council prior to consideration of the agenda, please submit your comments no later than 3:00 p.m. the day of the meeting. Those comments will be distributed to the City Council will be limited to three minutes, and made part of the official public record of the meeting.

CALL TO ORDER/ROLL CALL

Mayor Joel Fajardo Vice Mayor Hector A. Pacheco Councilmember Sylvia Ballin Councilmember Robert C. Gonzales Councilmember Mary Mendoza

PLEDGE OF ALLEGIANCE

Led by Mayor Joel Fajardo

APPROVAL OF AGENDA

Recommended that the City Council approve the agenda as presented and also move that all ordinances presented tonight be read in title only as authorized under Government Code Section 36934.

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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 <u>(SF Procedural Manual)</u>. 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 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

Members of the public can submit comments electronically for City Council consideration by sending them to cityclerk@sfcity.org. Comments submitted via Facebook Live will not be read into the record. To ensure distribution to the City Council prior to consideration of the agenda, please submit comments prior to 4:00 p.m. the day of the meeting. Those comments will be distributed to the City Council and will be limited to three minutes and made part of the official public record of the meeting.

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. 20-052 approving the Warrant Register.

2) CONSIDERATION TO APPROVE SUBMITTAL OF A GRANT APPLICATION TO THE FARMERS MARKET PROMOTION PROGRAM FOR FUNDING OF A FARMERS MARKET IN SAN FERNANDO

Recommend that the City Council:

- a. Authorize the preparation and submittal of a grant application to the Farmers Market Promotion Program in the amount of \$137,622 to fund the establishment and operation of a Farmers Market in the City of San Fernando;
- b. Authorize the City Manager to allocate matching funds to the project;



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- c. Authorize the City Manager to accept the grant, if awarded;
- d. Authorize the City Manager to execute all related grant documents required for receiving such grant funds pursuant to the terms and conditions of the grant; and
- e. Upon full execution of all grant-related documents, authorize the City Manager to amend the revenue and expenditure budget allocations for Fiscal Year 2020-2021 through Fiscal Year 2022-2023.

3) CONSIDERATION TO WAIVE 2019 BUSINESS LICENSE PENALTY FEES

Recommend that the City Council:

- a. Consider temporarily waiving Business License Penalty Fees from 2019 and resuming the collection of Penalty Fees in February 2021;
- b. Adopt Resolution No. 8803 implementing the proposed waiving of Business License Penalty Fees from 2019 and resuming collection of fees in February 2021; and
- c. Authorize the City Manager, or designee, to finalize and execute all documents related to waiving the 2019 Business License Penalty Fees.

ADMINISTRATIVE REPORTS

4) DISCUSSION OF CITY'S ACTIONS REGARDING CORONAVIRUS INCLUDING FINANCIAL ASSISTANCE PROGRAMS AND FUNDING OPPORTUNITIES

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

- 5) DISCUSS USE OF ADDITIONAL COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS PROVIDED THROUGH THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT Recommend that the City Council:
 - a. Receive a presentation regarding the additional Community Development Block Grant funding allocated to the City through the Coronavirus Aid, Relief, and Economic Security Act; and
 - b. Provide direction to staff, as appropriate.

6) CONSIDERATION TO APPROVE A COOPERATION AGREEMENT WITH THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY TO CONTINUE PARTICIPATION IN THE LOS ANGELES URBAN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



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Recommend that the City Council:

- a. Approve the Cooperation Agreement with the Los Angeles County Development Authority (Contract No. 1952) to continue participation in the Los Angeles Urban County Community Development Block Grant program; and
- b. Authorize the City Manager to make non-substantive changes and execute all related documents.

7) CONSIDERATION TO APPROVE AN INCREASE TO ENVIROGEN TECHNOLOGIES' PURCHASE ORDER FOR ADDITIONAL OPERATION AND MAINTENANCE SERVICES RELATED TO THE ION-EXCHANGE SYSTEM FOR SAN FERNANDO WELL NO. 7

Recommend that the City Council authorize the City Manager to increase Purchase Order No. 12115 with Envirogen Technologies in the amount of \$40,000 to cover the cost of additional operations and maintenance services related to the Ion-Exchange System at San Fernando Well No. 7.

8) CONSIDERATION TO ADOPT AN URGENCY ORDINANCE AMENDING SECTION 26-91(A) OF THE SAN FERNANDO CITY CODE TO PERMIT THE APPOINTMENT OF ANY MEMBER OF THE COUNCIL AS CHAIR AND VICE CHAIR OF THE DISASTER COUNCIL

Recommend that the City Council waive full reading and adopt Urgency Ordinance No. 1694 by title, "An Urgency Ordinance amending Section 26-91(a) of the San Fernando City Code to permit the appointment of any member of the City Council as Chair and Vice Chair of the Disaster Council."

This Urgency Ordinance is introduced pursuant to Government Code Sections 36934 and 36937 and requires a four-fifths (4/5th's) vote for adoption.

9) CONSIDERATION TO ADOPT AN ORDINANCE AMENDING SECTION 2-121(2) AND SECTION 2-161 OF THE SAN FERNANDO CITY MUNICIPAL CODE TO PERMIT THE APPOINTMENT OF A CITY CLERK BY THE CITY MANAGER

Recommend that the City Council:

- a. Introduce for first reading, in title only, and waive full reading of Ordinance No. 1695 "An Ordinance of the City Council of the City of San Fernando, California, amending section 2-121(2) and Section 2-161 of the San Fernando Municipal Code to permit the appointment of a City Clerk by the City Manager."; and
- b. Adopt Resolution No. 7973(a) amending Resolution No. 7973 to include the City Clerk in the Executive Compensation Plan for Department Head classifications.



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10) CONSIDERATION OF FISCAL YEAR (FY) 2020-2021 LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT (LLAD) APPROVAL OF ENGINEER'S REPORT AND SETTING THE DATE FOR THE PUBLIC HEARING

Recommend that the City Council:

- a. Adopt Resolution No. 7999 approving the Engineer's Report for FY 2020-2021 Landscaping and Lighting Assessment District (LLAD); and
- b. Adopt Resolution No. 8000 declaring the City Council's intention to order the annual assessments for FY 2020-2021 LLAD and setting the date for the Public Hearing on June 15, 2020.

11) CONSIDERATION TO ADOPT A RESOLUTION AUTHORIZING THE CITY TREASURER AND DEPUTY CITY TREASURER TO INVEST SURPLUS FUNDS

Recommended that the City Council adopt Resolution No. 8001 authorizing the City Treasurer and Deputy City Treasurer to invest surplus funds.

12) CONSIDERATION TO ADOPT A RESOLUTION APPROVING THE INVESTMENT POLICY FOR FISCAL YEAR 2020-21

Recommend that the City Council adopt Resolution No. 8002, approving the Annual Investment Policy for Fiscal Year 2020-2021.

STAFF COMMUNICATION INCLUDING COMMISSION UPDATES

GENERAL COUNCIL COMMENTS AND LIAISON UPDATES

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.

Julia Fritz, CMC City Clerk Signed and Posted: May 14, 2020 (5:00 p.m.)

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet website (<u>www.sfcity.org</u>). 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 <u>www.sfcity.org</u>. 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.



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Regular Meeting San Fernando City Council

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AGENDA REPORT

То:	Mayor Joel Fajardo and Councilmembers
From:	Nick Kimball, City Manager By: J. Diego Ibañez, Director of Finance
Date:	May 18, 2020
Subject:	Consideration to Adopt a Resolution Approving the Warrant Register

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 20-052 (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 Director of Finance 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 Director of Finance 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. 20-052

ATTACHMENT "A"

RESOLUTION NO. 20-052

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO ALLOWING AND APPROVING FOR PAYMENT DEMANDS PRESENTED ON DEMAND/ WARRANT REGISTER NO. 20-052

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 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

CC Meeting Agenda

EXHIBIT "A"

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vchlist 05/12/2020	12:30:32P	м	Voucher List CITY OF SAN FERNANDO			Page: 1
Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
218940	5/18/2020	890104 ABBA TERMITE & PEST CONTROL	42172		BEE HIVE REMOVAL-725 DE GARMO 001-311-0000-4260	95.00
			42209		BEE HIVE REMOVAL-1320 SFRD	
					043-390-0000-4330 Total :	95.00 190.00
218941	5/18/2020	888356 ADVANCED AUTO REPAIR	1427		VEHICLE MAINT., REPAIRS AND MINOR	
				12017	041-320-0225-4400	1,340.55
					Total :	1,340.55
218942	5/18/2020	893603 AHUMADA, MIREYA	50-4640-09		WATER ACCT REFUND-1014 ORANGE (
					070-2010	2.64
					Total :	2.64
218943	5/18/2020	100188 ANDY GUMP INC.	INV712298		PORTABLE TOILET SERV. FOR CITY YA	
				12070	043-390-3689-4260	760.48
			INV712951	12070	PORTABLE TOILET SERV. FOR CITY YA 043-390-3689-4260	427.78
				12070	Total :	1,188.26
218944	5/18/2020	100222 ARROYO BUILDING MATERIALS, INC	242168		HARDWARE SUPPLIES AND U-CARTS (
				12046	001-311-0000-4300	-65.51
			242169		HARDWARE SUPPLIES AND U-CARTS (
				12046	001-311-0000-4300	38.47
			242595	12046	HARDWARE SUPPLIES AND U-CARTS (001-311-0000-4300	31.10
				12040	Total :	4.06
218945	5/18/2020	893591 BIOMEDICAL WASTE DISPOSAL	89179		BIOHAZARD MATL SERVICE CHARGE	
					001-224-0000-4270	99.00
					Total :	99.00
218946	5/18/2020	892847 B-LINE INVESTIGATIONS, INC	1119		SPECIALIZED INVESTIGATIVE SERVICE	
				12047	001-112-0000-4270	1,475.00
			1122	12047	SPECIALIZED INVESTIGATIVE SERVICE	1 510 00
				12047	001-112-0000-4270	1,510.00

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
218946	5/18/2020	892847 892847 B-LINE INVESTIGATIONS, INC	(Continued)		Total :	2,985.00
218947	5/18/2020	888800 BUSINESS CARD	042220		VIDEO CONF - COVID-19	
			042420		001-135-3689-4260 MASKS - COVID-19	14.99
			042420		001-105-3689-4300	395.93
			042420		TABLET	
			042720		001-101-0000-4300 MASKS RETURNED - COVID-19	357.49
			012120		001-105-3689-4300	-474.41
			042720		MASKS - COVID-19	
			042720		001-105-3689-4300 POSTERS-COVID-19	474.41
					001-105-3689-4300	86.90
			042820		MASKS - COVID-19 001-105-3689-4300	467.00
			043020		FINANCE CHARGES	407.00
					001-190-0000-4435	11.10
					Total :	1,333.41
218948	5/18/2020	888800 BUSINESS CARD	042820		BREAK ROOM SUPPLIES	
					001-222-0000-4300	331.89
			042920		SURGICAL MASKS 001-222-3689-4300	102.95
					Total :	
218949	5/18/2020	892465 CANON SOLUTIONS AMERICA, INC.	4032476964		COPIER MONTHLY RATES AND OVERA	
				12020	001-135-0000-4260	1,113.20
					Total :	1,113.20
218950	5/18/2020	891860 CARL WARREN & COMPANY	20022-20026		REIMB. OF ITF ACCT (LIABILITY CLAIMS	
					006-1037	7,200.41
					Total :	7,200.41
218951	5/18/2020	893177 CELL ENERGY	INV0006469	12033	SERV. FOR VEH. BATTERIES (DELIVER 041-1215	251.03
				12033	041-1215 Total :	
					- Court	

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Voucher List

CITY OF SAN FERNANDO

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Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
218952	5/18/2020	892305 CISNEROS, GRACE	821098		SENIOR TRIP REFUND	
					004-2383	15.00
					Total :	15.00
218953	5/18/2020	893604 CISNEROS, RAMIRO	60-1433-00		WATER ACCT REFUND-764 N BRAND	
					070-2010	69.72
				Total :	69.72	
218954	5/18/2020	100713 CITY OF GLENDALE	773		WATERMASTER COST SHARE AGREEM	
					070-381-0000-4270	4,757.82
			777		WATERMASTER COST SHARE AGREEN	
					070-381-0000-4270	5,134.07
					Total :	9,891.89
218955	5/18/2020	100731 CITY OF LOS ANGELES	74PW200000041		FY 19-20 O&M OF ASSSC-MAY 2020	
				12110	072-365-0629-4600	149,167.00
			74WP200000042		FY 19-20 ASSSC - CAPITAL - MAY 2020	
				12109	072-360-0629-4260	99,487.00
					Total :	248,654.00
218956	5/18/2020	101957 CITY OF LOS ANGELES	SF20000009		FIRE SERVICES-APRIL	
					001-500-0000-4260	263,548.75
			SF20000010		FIRE SERVICES-MAY 2020	
					001-500-0000-4260	263,548.75
					Total :	527,097.50
218957	5/18/2020	890893 CITY OF SAN FERNANDO	MAY 2020		VARIOUS CITY PROPERTY UTILITY BIL	
					043-390-0000-4210	2,559.68
					Total :	2,559.68
218958	5/18/2020	100715 CITY-WIDE FIRE PROTECTION CO.	85651		FIRE ALARM ANNUAL TESTING & DEFI	
			12021	043-390-0000-4260	437.00	
			85652		FIRE ALARM ANNUAL TESTING & DEFIC	
				12021	043-390-0000-4260	724.00
					Total :	1,161.00
218959	5/18/2020	100805 COOPER HARDWARE INC.	120640		MISCELLANEOUS SUPPLIES FOR PW (
				12034	070-383-0301-4300	53.74

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218959 5/18/2020 100805 COOPER HARDWARE INC. (Continued) 120642 MISCELLANEOUS SUPPLIES FOR PW (070-383-0301-4300 MISCELLANEOUS SUPPLIES FOR PW (070-384-0301-4300 MISCELLANEOUS SUPPLIES FOR PW (070-384-0000-4310 MISCELLANEOUS SUPPLIES FOR PW (070-384-0000-4310 MISCELLANEOUS SUPPLIES FOR PW (070-384-0000-4310 MISCELLANEOUS SUPPLIES FOR PW (070-384-0000-4300 Total : 15.000 11.0000 11.0000 11.0000 11.0000 11.00000-4200 218960 5/18/2020 893538 CORONA, ALFREDO 621102 SENIOR TRIP REFUND 004-2383 40.00 004-2383 218961 5/18/2020 893538 CRUZ, GILDA 821099 SENIOR TRIP REFUND 004-2383 20.00 004-2383 218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER REINTAL-WELL 2A 070-384-0000-4280 Total : 108.55 001-190-0000-4280 108.55 001-190-0000-4280 108.56 001-190-0000-4280 108.56 001-190-0000-4280 74.34 001-190-0000-4280 74	vchlist 05/12/2020 12:30:32PM		Voucher List 12:30:32PM CITY OF SAN FERNANDO					Page: 4
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12034 07-038-001-4300 55.83 120695 12034 07-038-001-4300 6.55 120739 12034 07-038-001-4300 6.55 120739 12034 07-038-001-4300 6.55 120739 12034 07-038-001-4300 6.55 120795 12034 07-038-000-4310 5.48 120795 12034 07-038-000-4310 5.48 120795 12034 07-038-000-4310 5.48 120795 12034 07-038-000-4310 7.46 12034 07-038-000-4310 7.49 17.61 12034 07-038-000-4300 7.07 7.00 120861 5/18/2020 893538 CORONA, ALFREDO 82102 82102 SENIOR TRIP REFUND 00-2383 20.00 120862 5/18/2020 893598 CRUZ, GILDA 821099 SENIOR TRIP REFUND 00-2383 20.00 120862 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 70-0 12095 120963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 74-38 120864 5/18/2020 892398 FIDUCIARY EXPERTS LLC 37 12063 120-000-4220	5/18/2020	100805 COOPER HARDWARE INC.	(Continued)					
120695 MISCULANEOUS SUPPLIES FOR PW (12073) MISCULANEOUS SUPPLIES FOR PW (070-384-000.4300 6.55 120795 12034 070-384-000.4310 5.46 120795 12034 001-311-000-4300 7.51 1208960 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 40.00 218960 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 40.00 218961 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 004-2383 20.00 218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 001-319-0000-4260 168.59 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 101-190-0000-4260 74.36 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 74.36 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 74.36 218964 5/18/2020 92298 FIDUCIARY EXPERTS LLC 37 12063 001-190-0000			120642		MISCELLANEOUS SUPPLIES FOR PW (
12034 070-333-0301-300 6.55 120739 12034 070-333-0301-300 6.55 120739 12034 070-333-0301-300 5.46 120795 12034 001-311-000-4300 77.51 12034 001-311-000-4300 17.51 19.00 218960 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 004-2383 20.00 218961 5/18/2020 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 004-2383 20.00 218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 001-190-000-4260 186.55 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 101-190-000-4260 74.36 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES, ADMI 001-190-000-4260 74.36 218964 5/18/2020 892398 FIDUCIARY EXPERTS LLC 37 12063 001-190-000-4270 1250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-04				12034	070-383-0301-4300	35.83		
120739 MISCELLANEOUS SUPPLIES FOR PW (070-384-0000-4310 5.46 120795 12034 070-384-0000-4310 5.46 120795 12034 011-311-0000-4300 17.51 120860 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 04-2383 0004-2383 40.00 120861 5/18/2020 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 1219962 5/18/2020 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 1219863 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 20.00 1219863 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 168.55 1219864 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 168.56 1219864 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 74.36 1219864 5/18/2020 892398 FIDUCIARY EXPERTS LLC 37 12063 001-190-0000-4280 74.36 1219865 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MVD METER (PW) 1250.00 1219865 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MVD METER (PW) 1250.00			120695		MISCELLANEOUS SUPPLIES FOR PW (
12034 070-384-0000-4310 5.46 120795 12034 011-311-000-4300 17.51 12039 011-311-000-4300 17.51 19.09 218960 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 004-2383 40.00 218961 5/18/2020 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 004-2383 20.00 218961 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER REITAL-WELL 2A 070-384-0000-4280 168.59 218963 5/18/2020 101447 FEDEX 6-994-24641 COURIER SERVICES 168.59 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 168.59 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 6-49 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 12063 001-190-0000-4280 74.36 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-65251-040172 12063 001-190-0000-4280 1.250.00				12034	070-383-0301-4300	6.55		
120795 MISCELLANEOUS SUPPLIES FOR PW (01'311-0000-4300 17.51 17.51 17.51 218960 5/18/202 89358 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 004-2383 40.00 004-2383 60.00 1004-2383 218961 5/18/202 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 004-2383 20.00 1004-2383 20.00 10190-0000-4280 20.00 10190-0000-4280 20.00 101-190-0000-4270 21.05 1001-190-0000-4270 21.05 1001-190-0000-4270 21.05 1001-190-0000-4270 21.05 1001-190-0000-4270 1.250.00 100-190-0000-4270 1.250.00 100-190-0000-4270 1.250.00 100-190-0000-4270 1.250.00 100-190-0000			120739		MISCELLANEOUS SUPPLIES FOR PW (
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Total: 119.09 218960 5/18/2020 893538 CORONA, ALFREDO 821102 SENIOR TRIP REFUND 004-2383 00.00 204-2383 40.00 104 218961 5/18/2020 892306 CRUZ, GILDA 821099 SENIOR TRIP REFUND 004-2383 20.00 200-2383 218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 070-384-0000-4260 1068.59 101 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 74.36 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 74.36 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 12063 101-190-0000-4280 001-190-0000-4270 1,250.00 1,250.00 1,250.00 218965 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 12063 457 PLAN FIDUCIARY SERVICES, ADMI 001-190-0000-4270 1,250.00 1,250.00 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 070384-0000-4220 54.86 MUSIC CHANNEL			120795		MISCELLANEOUS SUPPLIES FOR PW (
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218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 070-384-0000-4260 10851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 070-384-0000-4260 168.59 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218964 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 12063 457 PLAN FIDUCIARY SERVICES, ADMI 001-190-0000-4270 1,250.00 1,250.00 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 070-384-0000-4220 1,250.00 1,250.00 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 070-384-0000-4220 56.46 1,250.00 1,250.00 1,250.00	5/18/2020	892306 CRUZ GILDA	821099		SENIOR TRIP REFLIND			
Total: Total: 20.00 218962 5/18/2020 103851 EVERSOFT, INC. R2054958 WATER SOFTNER RENTAL-WELL 2A 070-384-0000-4260 168.59 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 1250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 54.86	210901 5/10/2020 892306 CR02, GILDA	052000 ONOZ, OLEDIN	021000			20.00		
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Total: 168.59 218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 COURIER SERVICES 001-190-0000-4280 76.46 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 001-190-0000-4270 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL 54.86 54.86	5/18/2020	103851 EVERSOFT, INC.	R2054958					
218963 5/18/2020 101147 FEDEX 6-994-24641 COURIER SERVICES 001-190-0000-4280 74.36 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 COURIER SERVICES 001-190-0000-4280 56.46 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 37 12063 12063 12063 12063 1250.00 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250.00 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 1,250								
218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 001-190-0000-4280 56.4 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4220 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4270 1,250.00 12063 001-190-0000-4220 54.86 001-190-0000-4220 001-190-0000-4220 54.86 001-190-0000-4220 001-151-4939-102990 MUSIC CHANNEL					Total :	168.59		
5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 1,250.00 218964 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL 54.86 04.11 54.86	5/18/2020	101147 FEDEX	6-994-24641		COURIER SERVICES			
218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 001-190-0000-4220 1.250.00 Total : 1,250.00 Total : 1,250.00 Total : 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL					001-190-0000-4280	74.36		
Total: 130.82 218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 001-190-0000-4270 1,250.00 128965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 070-384-0000-4220 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-151-4939-102990			7-000-65100		COURIER SERVICES			
218964 5/18/2020 892298 FIDUCIARY EXPERTS LLC 37 457 PLAN FIDUCIARY SERVICES, ADMI 12063 001-190-0000-4270 1,250.00 Total: 12,050.00 218965 5/18/2020 892198 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL					001-190-0000-4280	56.46		
218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (PW.) 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL 54.86					Total :	130.82		
12063 001-190-0000-4270 1,250.00 Total: 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 070-384-0000-4220 54.86 001-190-0000-4270 MUSIC CHANNEL	5/18/2020	892298 FIDUCIARY EXPERTS LLC	37		457 PLAN FIDUCIARY SERVICES. ADMI			
Total: 1,250.00 218965 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172 MWD METER (P.W.) 070-384-0000-4220 070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL 54.86				12063		1,250.00		
070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL					Total :	1,250.00		
070-384-0000-4220 54.86 209-151-4939-102990 MUSIC CHANNEL	5/18/2020	892198 FRONTIER COMMUNICATIONS	209-150-5251-040172		MWD METER (PW)			
209-151-4939-102990 MUSIC CHANNEL	5,15/2020	052100 TRONTIER COMMONICATIONS	200-100-0201-040172			5/ 96		
			209-151-4939-102990			54.00		
			200 101 4000 102000			50.73		
		bank3 Date 5/18/2020 5/18/2020 5/18/2020 5/18/2020 5/18/2020	bank3 Vendor 5/18/2020 100805 COOPER HARDWARE INC. 5/18/2020 893538 CORONA, ALFREDO 5/18/2020 892306 CRUZ, GILDA 5/18/2020 103851 EVERSOFT, INC. 5/18/2020 101147 FEDEX 5/18/2020 892298 FIDUCIARY EXPERTS LLC	12:30:32PM CITY OF SAN FERNAM bank3 Invoice 5/18/2020 Vendor Invoice 5/18/2020 100805 COOPER HARDWARE INC. (Continued) 120642 120995 120739 120795 120795 5/18/2020 893538 CORONA, ALFREDO 821102 5/18/2020 892306 CRUZ, GILDA 821099 5/18/2020 103851 EVERSOFT, INC. R2054958 5/18/2020 101147 FEDEX 6-994-24641 7-000-65100 7000-65100 5/18/2020 892296 FIDUCIARY EXPERTS LLC 37 5/18/2020 892198 FRONTIER COMMUNICATIONS 209-150-5251-040172	12:30:32PM CITY OF SAN FERNANDO bank3	12:33:32PM CITY OF SAN FERNANDO bank3		

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			209-188-4362-031792		PD MAJOR PHONE LINES 001-222-0000-4220	621.59
			209-188-4363-031892		VARIOUS PHONE LINES 001-190-0000-4220 070-384-0000-4220	93.18 280.81
			818-361-6728-080105		001-420-0000-4220 ENGINEERING FAX LINE 001-310-0000-4220	273.98 37.66
			818-365-5097-120298		POLICE NARCOTICS VAULT 001-222-0000-4220	37.34
			818-837-1509-032207		PUBLIC WORKS PHONE LINES 001-190-0000-4220	37.63
			818-837-2296-031315 818-838-4969-021803		VARIOUS CITY HALL PHONE LINES 001-190-0000-4220 POLICE DEPT ALARM PANEL	352.39
			010-030-4909-021003		001-222-0000-4220 Total :	124.08 2,091.49
218966	5/18/2020	101376 GRAINGER, INC.	9514619155		SUPPLIES FOR BUILDING, ELECTRICA	
			9514773994	12022	043-390-0000-4300 SUPPLIES FOR BUILDING, ELECTRICA	64.91
				12022	043-390-0000-4300 Total :	60.13 125.04
218967	5/18/2020	888647 HDL SOFTWARE, LLC	0016061-IN	12064	BUSINESS LICENSE ADMIN SERVICES- 001-130-0000-4260 Total :	1,448.06 1,448.06
218968	5/18/2020	890594 HEALTH AND HUMAN RESOURCE	E0224448		EAP - JUNE 2020 001-106-0000-4260 Total :	243.10 243.10
218969	5/18/2020	102307 HI WAY SAFETY RENTALS, INC.	101863	12089	BLANKET PO FOR TRAFFIC DELINEATI 001-311-0000-4300	1,691.80

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218970	5/18/2020	101599 IMAGE 2000 CORPORATION	361574		Total : SHIPPING FEES-ADMIN COPIER TONEI 001-190-0000-4300	1,867.36 23.00
			368173		VARIOUS COPIER MAINT CONTRACT-0 001-135-0000-4260 072-360-0000-4450 001-135-0000-4260	609.22 36.81 150.59
			369045		SHIPPING FEES-CH TONER 001-190-0000-4300 Total :	10.50 830.12
218971	5/18/2020	101605 INDEPENDENT CITIES ASSOCIATION	1034		FY20/21 MEMBERSHIP DUES 001-190-0000-4380 Total :	1,112.13 1,112.13
218972	5/18/2020	891570 INNOVATIVE TELECOM. SYSTEMS	2728		TELEPHONE EQUIPMENT MAINT-MAY 2 001-190-0000-4260	395.00
			2735		DIAGNOSE PROB W/DISPATCH CONSC 001-190-0000-4260 Total :	250.00 645.00
218973	5/18/2020	891777 IRRIGATION EXPRESS	15177452-00	12038	MISC IRRIGATION SUPPLIES FOR REP, 070-383-0301-4300	32.45
			15180117-00	12038	MISC IRRIGATION SUPPLIES FOR REP. 043-390-0000-4300 Total :	31.50 63.95
218974	5/18/2020	887952 J. Z. LAWNMOWER SHOP	24581	12023	SMALL POWER EQUIPMENT REPAIRS 001-346-0000-4300	28.01
			24582	12023	SMALL POWER EQUIPMENT REPAIRS 001-346-0000-4300 SMALL POWER EQUIPMENT REPAIRS	63.18
			27004	12023	001-346-0000-4300	32.80

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218975	5/18/2020	893549 KOA CORPORATION	JC06021-1 JC06021-2	12202	INSPECTION SERVICES FOR GLENOAł 001-311-0000-4260 CONSTRUCTION MGMT & INSPECTION 008-311-6673-4600	1,900.00
			JC06045-1	12202	CONSTRUCTION MGMT & INSPECTION 008-311-6673-4600 Total :	850.00 6,750.00
218976	5/18/2020	892996 KS STATEBANK	22	11994 11994	SMART METER LEASE PAYMENT 001-190-0000-4405 001-190-0000-4428 Total :	110.30 1,489.95 1,600.25
218977	5/18/2020	101990 L.A. COUNTY METROPOLITAN	105624		TAP CARD REFILLS-MAR 2020 007-440-0441-4260 Total :	592.00 592.00
218978	5/18/2020	101852 LARRY & JOE'S PLUMBING	2133678-0001-02		DEPT SUPPLIES 070-384-0000-4300 Total :	142.32 142.32
218979	5/18/2020	101974 LOS ANGELES COUNTY	FEB 2020 MAR 2020	12067	ANIMAL CARE & CONTROL SERVICES 001-190-0000-4260 ANIMAL CARE & CONTROL SERVICES	19,052.24
				12067	001-190-0000-4260 Total :	7,365.31 26,417.55
218980	5/18/2020	102003 LOS ANGELES COUNTY	RE-PW-20040604835	12108	FY 2019-2020 INDUSTRIAL WASTE CHA 072-360-0000-4450 Total :	853.77 853.77
218981	5/18/2020	892477 LOWES	1276		MISC ITEMS 043-390-0000-4300	140.07

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			1895		043-390-3689-4300 HAND TOOLS	311.86
					043-390-0000-4300	125.52
			1911		SUPPLIES FOR WATER SITES	
			2686		070-384-0000-4310 SMALL TOOLS	283.12
			2000		041-320-0000-4340	60.59
					Tota	: 921.16
218982	5/18/2020	892471 MATHESON TRI-GAS INC	21568953		WELDER REPAIR	
					043-390-0000-4260	95.00
					Tota	: 95.00
218983	5/18/2020	888242 MCI COMM SERVICE	7DK54968		MTA PHONE LINE	
					007-440-0441-4220	33.68
					Tota	: 33.68
218984	5/18/2020	102226 MISSION LINEN SUPPLY	512312566		LAUNDRY	
					001-225-0000-4350	112.93
			512352432		LAUNDRY 001-225-0000-4350	89.38
			512358342		LAUNDRY	00.00
					001-225-0000-4350	131.92
			512393032		LAUNDRY 001-225-0000-4350	74.08
					Tota	
218985	E/19/2020	102311 NATIONAL ASSOCIATION OF LATINO	2184		LIFETIME MEMBERSHIP DUES	
210905	5/16/2020	102311 NATIONAL ASSOCIATION OF LATINO	2104		001-101-0111-4380	1,000.00
			2265		ANNUAL MEMBERSHIP DUES	.,
					001-101-0101-4380	100.00
					Tota	: 1,100.00
218986	5/18/2020	893247 NATIONAL READY MIX	732288		MISC. CONCRETE WORK	
				12039	015-310-0866-4600	667.60

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vchlist

Voucher List 05/12/2020 12:30:32PM CITY OF SAN FERNANDO Bank code : bank3

/oucher	Date	Vendor	Invoice	PO #	Description/Account	A	Amoun
218986	5/18/2020	893247 NATIONAL READY MIX	(Continued)				
			732939		MISC. CONCRETE WORK		
				12039	015-310-0866-4600		672.6
					То	tal: 1	1,340.2
218987	5/18/2020	893405 NEW HORIZON	35632		LP PHONE SERVICES-MAY 2020		
					001-420-0000-4220		306.5
					То	tal :	306.5
218988	5/18/2020	102432 OFFICE DEPOT	2389914335		OFFICE SUPPLIES		
					001-423-0000-4300		49.7
			2389946039		OFFICE SUPPLIES		
					017-420-1337-4300		57.4
			2393254960		OFFICE SUPPLIES		
					001-422-0000-4300		6.23
			458091375001		PRINTER TONERS		
					070-381-0000-4300		348.14
			460715412001		OFFICE SUPPLIES		
					043-390-0000-4300		17.60
			461118525001		OFFICE SUPPLIES		
					001-310-0000-4300		7.91
			461120785001		OFFICE SUPPLIES		
					001-310-0000-4300		16.65
			461120786001		OFFICE SUPPLIES		
					001-310-0000-4300		34.08
			461302138001		OFFICE SUPPLIES		
					001-222-0000-4300		287.28
			461814653001		OFFICE SUPPLIES		
					001-222-0000-4300		75.10
			464352537001		OFFICE SUPPLIES		
					001-222-0000-4300		103.39
			464476804001		OFFICE SUPPLIES		
					041-320-0000-4300		60.92
			465963603001		OFFICE SUPPLIES		
					001-222-0000-4300		182.56
			467028836001		OFFICE SUPPLIES		
					001-420-0000-4300		83.19

vchlist 05/12/2020			Voucher List CITY OF SAN FERNANDO				e: 10
Bank code :	bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account		Amount
218988	5/18/2020	102432 OFFICE DEPOT	(Continued)				
			467038036001		OFFICE SUPPLIES		
					001-422-0000-4300		32.84
			467039288001		OFFICE SUPPLIES		
					001-422-0000-4300		38.49
			469917696001		OFFICE SUPPLIES 001-222-0000-4300		64.06
			469968007001		OFFICE SUPPLIES		64.06
			409900007001		001-222-0000-4300		32.44
			469968008001		OFFICE SUPPLIES		02.44
					001-222-0000-4300		57.18
			469968009001		OFFICE SUPPLIES		
					001-222-0000-4300		54.99
			479286905001		OFFICE SUPPLIES		
					001-222-0000-4300		87.89
			480581431001		OFFICE SUPPLIES		
			101000070001		001-222-0000-4300		81.38
			481063670001		OFFICE SUPPLIES 043-390-0000-4300		32.84
						otal :	1,812.42
						otar .	1,012.42
218989	5/18/2020	890095 O'REILLY AUTOMOTIVE STORES INC	4605-370362		VEH. SERV., MAINT. & REPAIR PAR	TS	
				12025	041-320-0390-4400		64.81
					Т	otal :	64.81
218990	5/18/2020	893607 PADILLA, DAVID	821100		SENIOR TRIP REFUND		
					004-2383		30.00
						otal :	30.00
218991	5/40/2020	891705 PAPER RECYCLING & SHREDDING	456817		RECORDS DESTRUCTION		
216991	5/16/2020	891705 PAPER RECTCLING & SHREDDING	400017		001-150-0000-4300		17.50
					001-130-0000-4300		52.50
					001-310-0000-4270		12.25
					001-222-0000-4270		36.75
					001-420-0000-4260		5.25
					001-115-0000-4300		15.75

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Voucher List

CITY OF SAN FERNANDO

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		Vendor		Invoice		PO #	Description/Account	Amount
	5/18/2020	891705	891705 PAPER RECYCLING & SHRED	DING	(Continued)		Total :	140.00
18992	5/18/2020	887646 PI	UMBERS DEPOT INC	PD-451	12		SUPPLIES AND EQUIPMENT FOR SEWI	
						12191	072-360-0000-4340	632.67
							Total :	632.67
18993	5/18/2020	893601 PI	JLIDO, JOSE DANIEL	31-2140	1-01		WATER ACCT REFUND-1308 THIRD	
	0,10,2020	00000110	LEBO, CODE BATTLEE	0.2.10			070-2010	31.64
							Total :	31.64
							Total .	01.04
18994	5/18/2020	889602 RE	ESPOND SYSTEMS	105726			DISPOSABLE LAB COATS	
							001-225-3689-4300	769.61
							001-225-0000-4300	1,296.90
							001-222-3689-4300	54.95
							Total :	2,121.46
18995	5/18/2020	102855 RI	O HONDO REGIONAL	S20-12	3-ZSEN		SUPERVISORY COURSE	
							001-225-0000-4360	228.00
				S20-134	1-7SEN		POLICE ACADEMY REGISTRATION	220.00
				020-10-	-2011		001-225-0000-4360	2,480.50
							Total :	2,708.50
18996	5/18/2020	892708 RC	OYAL INDUSTRIAL SOLUTIONS	8901-78	6215		ST. LIGHTING, PARKING LOT LIGHTING	
10000	0/10/2020	002700 100		0001-70	0210	12050	001-370-0301-4300	1,425.24
				8901-78	0756	12030	ST. LIGHTING, PARKING LOT LIGHTING	1,423.24
				0301-70	5750	12050	001-370-0301-4300	1,413.24
				8901-78	0764	12030	ST. LIGHTING, PARKING LOT LIGHTING	1,413.24
				0001-70	5104	12050	070-384-0000-4330	11.25
				8901-78	0773	12000	ST. LIGHTING, PARKING LOT LIGHTING	11.20
				0001-70	5115	12050	001-370-0301-4300	-1.425.24
				8901-78	9858	12000	ST. LIGHTING, PARKING LOT LIGHTING	1,120.21
				0001.10		12050	070-384-0000-4330	71.99
				910731			ST. LIGHTING. PARKING LOT LIGHTING	
						12050	001-370-0301-4300	33.99
							Total :	1,530.47
18997	5/18/2020	102929 RC	OYAL PAPER CORPORATION	498729	4		COVID-19 JANITORIAL AND SANITIZER	
	0,10,2020	102020 110		100120		12192	043-390-3689-4300	1,439.90
						12102	0.0000000000000000000000000000000000000	1,403.50

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Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
218997	5/18/2020	102929 ROYAL PAPER CORPORATION	(Continued) 4988231	12192	COVID-19 JANITORIAL AND SANITIZER 043-390-3689-4300 Total :	37.47 1,477.37
218998	5/18/2020	893196 SAALEX SOLUTIONS INC	8816	12054	INFORMATION TECHNOLOGY MANAGE 001-135-0000-4270 Total :	9,600.00 9,600.00
218999	5/18/2020	103057 SAN FERNANDO VALLEY SUN	10823 19827		CENSUS 2020 AD-ENGLISH & SPANISH 110-105-3672-4270 CENSUS 2020 AD-ENGLISH & SPANISH 110-105-3672-4270 Total :	798.34 798.34 1,596.68
219000	5/18/2020	893107 SIEMENS MOBILITY INC	5620019504	12107	FY 2019/20 ON-CALL TRAFFIC SIGNAL 001-371-0564-4300 Total :	10,788.85 10,788.85
219001	5/18/2020	103170 SIRCHIE FINGER PRINT	0443650-IN		BIOHAZARD BAGS & EVIDENCE POUCI 001-222-0000-4300 Total :	224.59 224.59
219002	5/18/2020	103184 SMART & FINAL	42209		SFPCA SUPPLIES-REIMBURSED 001-222-0000-4300 Total :	50.40 50.40
219003	5/18/2020	103202 SOUTHERN CALIFORNIA EDISON CO.	2-02-682-7675		ELECTRIC-VARIOUS LOCATIONS 043-390-0000-4210 Total :	2,737.40 2,737.40
219004	5/18/2020	103206 SOUTHERN CALIFORNIA GAS CO.	176-827-9776-0		NATURAL GAS FOR CNG STATION 074-320-0000-4402 Total :	2,433.72 2,433.72
219005	5/18/2020	100540 STATE CONTROLLER'S OFFICE	FAUD-00002259		ANNUAL STREET REPORT FY18/19 011-311-0000-4270	3,000.00

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Bank code :	bank3						
Voucher	Date	Vendor		Invoice	PO #	Description/Account	Amoun
219005	5/18/2020	100540	100540 STATE CONTROLLER'S OFFIC	CE (Continued)		Total :	3,000.0
219006	5/18/2020	100532 8	TATE OF CALIFORNIA, DEPARTMENT OF	JU: 444639		FINGERPRINTS-MARCH 2020	
						001-106-0000-4270	128.0
						Total :	128.0
219007	5/18/2020	893599 T	HE DIG SAFE BOARD PROGRAM	18DSBFE3554-LF		LATE FEE	
						070-381-0000-4260	2.4
				18DSBFE4163		CA STATE FEE FOR REGULATORY COS	
						070-381-0000-4260	48.93
				18DSBFE4163-LF		LATE FEE	
						070-381-0000-4260	2.4
				18DSBFE4772		CA STATE FEE FOR REGULATORY COS	
						070-381-0000-4260	48.93
				18DSBFE4772-LF		LATE FEE	
						070-381-0000-4260	2.4
				18DSBFE5383		CA STATE FEE FOR REGULATORY COS	
				(00000000000000000000000000000000000000		070-381-0000-4260	48.9
				18DSBFE5383-LF		LATE FEE	
				100005550551		070-381-0000-4260	2.4
				18DSBFEE3554		CA STATE FEE FOR REGLATORY COST 070-381-0000-4260	48.9
						070-381-0000-4280	205.4
						I Otal .	205.4
219008	5/18/2020	888821 T	HE GOODYEAR TIRE & RUBBER CO	119372		TIRES FOR FLEET	
					12147	041-1215	434.23
						Total :	434.2
219009	5/18/2020	101528 T	HE HOME DEPOT CRC, ACCT#603532202	490 1904127		PPE SUPPLIES	
						001-152-3689-4300	140.3
				3020849		SIDEWALK MAT'LS FOR MACLAY	
						001-311-0000-4300	129.2
				3020862		LUMBER	
						001-311-0000-4300	60.24
				3371306		WEED REMOVAL SUPPLIES	
						001-311-0000-4300	129.7
				3530326		LOCKS FOR FEMA TRAILERS - COVID-'	

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Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219009	5/18/2020	101528 THE HOME DEPOT CRC, ACCT#603532	202490 (Continued)			
			3530327		001-222-3689-4300 SUPPLIES - COVID-19	47.63
			3546415		043-390-3689-4300 WEED REMOVAL SUPPLIES 001-311-0000-4300	117.77 201.17
			426380		PPE SUPPLIES 001-152-3689-4300	201.17
			4534736		SMALL TOOLS 041-320-0000-4340	313.03
			8545483		MISC SUPPLIES 070-383-0301-4300	331.39
					Total	1,620.05
219010	5/18/2020	890833 THOMSON REUTERS	842231745		DET INVESTIGATION SKILLS-APRIL 202	l .
					001-135-0000-4260	201.73
					Total	201.73
219011	5/18/2020	103903 TIME WARNER CABLE	196309042320		INTERNET SERVICE -4/23-05/22	
					001-190-0000-4220	1,299.00
					Total	1,299.00
219012	5/18/2020	892525 T-MOBILE	958769818		HOTSPOT & TABLET CONNECTION	
					001-420-0000-4220	29.40
					001-152-0000-4220	19.74
					Total	49.14
219013	5/18/2020	893504 TOWN HALL STREAMS, LLC	10871		TOWN HALL STREAMS	
				12195	001-101-3689-4300	175.00
					Total	175.00
219014	5/18/2020	103413 TRANS UNION LLC	04005034		CREDIT CHECKS	
					001-222-0000-4260	75.00
					Total	. 75.00
219015	5/18/2020	103445 UNDERGROUND SERVICE ALERT	420200684		(40) NEW TICKET CHARGE & MAINT FE 070-381-0000-4260	76.00

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Voucher List

CITY OF SAN FERNANDO

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Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amou
219015	5/18/2020	103445 UNDERGROUND SERVICE	ALERT (Continued)		Total :	76.0
219016	5/18/2020	103445 UNDERGROUND SERVICE ALERT	DSB20192423		CA. STATE FEE FOR REGULATORY CO 070-381-0000-4260 Total :	37.5 37 .5
219017	5/18/2020	103449 USA BLUE BOOK	214673		MAINT & REPAIRS-RSVR 2A LEVEL 070-384-0000-4330 Total :	1,064.2 1,064.2
219018	5/18/2020	893606 VALADEZ, XAVIER	821101		SENIOR TRIP REFUND 004-2383 Total :	190.0 190.0
219019	5/18/2020	893598 VALLEY CARE COMMUNITY	CSF-OS2020-013120	12204	OPEN STREETS EVENT CONSULTANT 010-420-3711-4260	1,225.0
			CSF-OS2020-022920 CSF-OS2020-033120	12204	OPEN STREETS EVENT CONSULTANT 010-420-3711-4260 OPEN STREETS EVENT CONSULTANT	1,225.0
			CSF-OS2020-113019	12204 12204	010-420-3711-4260 OPEN STREETS EVENT CONSULTANT 010-420-3711-4260	3,615.0
					Total :	7,290.0
219020	5/18/2020	892081 VERIZON BUSINESS SERVICES	71436764		MPLS PORT ACCESS & ROUTER FOR F 001-222-0000-4220 Total :	1,044.7 1,044.7
219021	5/18/2020	100101 VERIZON WIRELESS-LA	9851256577		PD CELL PHONE PLANS 001-222-0000-4220	206.4
			9851267335		CITY YARD CELL PHONE PLANS 070-384-0000-4220 043-390-0000-4220 041-320-0000-4220	149.9 31.6 31.6
			9852725691 9853062055		072-360-0000-4220 MDT MODEMS-PD UNITS 001-222-0000-4220 PD CELL PHONE PLANS	31.8 1,303.3

vchlist 05/12/2020	Voucher List 0 12:30:32PM CITY OF SAN FERNANDO					Page: 16
Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219021	5/18/2020	100101 VERIZON WIRELESS-LA	(Continued)			
			9853344205		001-222-0000-4220	507.66
			9653344205		VARIOUS CELL PHONE PLANS 001-106-0000-4220	53.39
					070-384-0000-4220	68.11
					Total :	2,383.91
219022	5/18/2020	893602 VIC'S RESTORATION & CONST	33-0310-02		WATER ACCT REFUND-610 SAN FERN/	
					070-2010	260.62
					Total :	260.62
219023	5/18/2020	892846 WEST COAST POWDER COATING	WC4518		MATL'S FOR 12900 DRONFIELD RSRV {	
					070-384-0000-4330	580.00
					Total :	580.00
219024	5/18/2020	890970 WEX BANK	65296550		FUEL FOR FLEET	
					041-320-0152-4402	314.20
					041-320-0221-4402	163.86
					041-320-0222-4402 041-320-0224-4402	119.17 612.06
					041-320-0225-4402	2,856.41
					041-320-0226-4402	2,030.41
					041-320-0228-4402	178.11
					041-320-0311-4402	470.35
					041-320-0312-4402	2.00
					041-320-0320-4402	125.85
					041-320-0346-4402	4.00
					041-320-0370-4402 041-320-0390-4402	1,059.46 629.75
					041-320-0390-4402 041-320-0420-4402	2.00
					007-313-3630-4402	133.94
					072-360-0000-4402	195.86
					029-335-0000-4402	54.08
					070-381-0000-4402	58.24
					070-382-0000-4402	619.19
					070-383-0000-4402	467.42
					070-384-0000-4402	289.15

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Bank code :	bank3					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
219024	5/18/2020	890970 890970 WEX BANK	(Continued)		Total :	8,357.10
219025	5/18/2020	891531 WILLDAN ENGINEERING	00332190 00619065 00619066	12148 11736 11736	NPDES COMPLIANCE SERVICES 001-310-0000-4270 DESIGN SERVICES FOR STREET RESL 072-365-6673-4600 DESIGN SERVICES FOR STREET RESL 012-311-6673-4600	212.25 392.00 708.00
219026	5/18/2020	893443 WILLDAN ENGINEERING	022-12408	12162	Total : GEOTECHNICAL ENGINEERING SERVI 012-311-0560-4600 Total :	1,312.2 195.00 195.00
219027	5/18/2020	892390 WILMINGTON TRUST	115494-007		COP 2016 INTEREST & PRINCIPAL PYN 012-310-0000-4410 012-310-0000-4420 012-190-0000-4265 012-1041 Total :	46,018.76 85,000.00 2,870.75 -23.77 133,865.7 4
219028	5/18/2020	893605 YBARRA, JOHN	821097		SENIOR TRIP REFUND 004-2383 Total :	130.00 130.00
89	Vouchers fo	r bank code : bank3			Bank total :	1,058,441.10
89	Vouchers in	this report			Total vouchers :	1,058,441.10

Voucher Registers are not final until approved by Council.

SPECIAL CHECKS

vchlist 05/01/2020	4:13:03P	и	Voucher List CITY OF SAN FERNANDC)		Page:	1
Bank code :	bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account		Amount
218935	4/27/2020	893115 P.E.R.S. CITY RETIREMENT	10000015947452		EMPLOYER CONTRIB VARIANCE - 001-1160 Total :		2,897.01 2,897.01
1	Vouchers fo	r bank code : bank3			Bank total :		2,897.01
1	Vouchers in	this report			Total vouchers :		2,897.01

Voucher Registers are not final until approved by Council.

SPECIAL CHECKS

vchlist 05/01/2020 4:51:01PM		м	Voucher List CITY OF SAN FERNANDO				Page:	1
Bank code :	bank3							
Voucher	Date	Vendor		Invoice	PO #	Description/Account		Amount
218936	5/5/2020	102519 P.E.R.S.		MAY 2020		HEALTH INS. BENEFITS-MAY 2020 001-1160 Total		65,944.70 65,944.70
1	Vouchers fo	r bank code : bank3	3			Bank total	1	65,944.70
1	Vouchers in	this report				Total vouchers	: 1	65,944.70

Voucher Registers are not final until approved by Council.

SPECIAL CHECKS

vchlist 05/05/2020				Voucher List CITY OF SAN FERNANDO			
Bank code :	bank3						
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
218939	5/5/2020	103184 SMART & FINAL	12218 12219 28290 53378		ENP & DEPT SUPPLIES 001-422-000-4300 004-2346 SUPPLIES-SENIOR DANCE 004-2380 WINTER CAMP SUPPLIES 017-420-1399-4300 WINTER CAMP SUPPLIES 017-420-1399-4300 Total :	23.08 7.58 19.66 44.20 34.30 128.82	
1	Vouchors fr	or bank code : bank3			Bank total :	128.82	
	Vouchers in				Total vouchers :	128.82	

Voucher Registers are not final until approved by Council.

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То:	Mayor Joel Fajardo and Councilmembers
From:	Nick Kimball, City Manager By: Julian J. Venegas, Director of Recreation and Community Services
Date:	May 18, 2020
Subject:	Consideration to Approve Submittal of a Grant Application to the Farmers Market Promotion Program for Funding of a Farmers Market in San Fernando

RECOMMENDATION:

It is recommended that the City Council:

- a. Authorize the preparation and submittal of a grant application to the Farmers Market Promotion Program in the amount of \$137,622 to fund the establishment and operation of a Farmers Market in the City of San Fernando;
- b. Authorize the City Manager to allocate matching funds to the project (Attachment "A");
- c. Authorize the City Manager to accept the grant, if awarded;
- d. Authorize the City Manager to execute all related grant documents required for receiving such grant funds pursuant to the terms and conditions of the grant; and
- e. Upon full execution of all grant-related documents, authorize the City Manager to amend the revenue and expenditure budget allocations for Fiscal Year 2020-2021 through Fiscal Year (FY) 2022-2023.

BACKGROUND:

- 1. During FY 2014-2015, the City Council adopted the exploration of implementing a Farmers Market program as a City Council Priority.
- 2. In FY 2016-2017, the City submitted a grant application to the USDA for the FINI Corner and Farmers Markets Incentive Program. Staff received notice the City was not awarded the grant.

RECREATION AND COMMUNITY SERVICES DEPARTMENT 208 PARK AVENUE, SAN FERNANDO, CA 91340 (818) 898-1290 WWW.SFCITY.ORG

Consideration to Approve Submittal of a Grant Application to the Farmers Market Promotion Program for Funding of a Farmers Market in San Fernando Page 2 of 4

- 3. During FY 2018-2019, staff met with the Mall Association and California Fruits to develop a strategy for implementing a Farmers Market and to identify funding that would support the operation of a Farmers Market.
- 4. On February 4, 2019, the City submitted a grant to the Healthy Food Financing Initiative Program to fund the establishment and operation of a Farmers Market. The Market would be a collaboration between the City, the Mall Association and California Fruits.
- 5. On August 23, 2019, staff received notice that the City was not selected for funding.
- 6. On January 27, 2020, staff provided City Council with an update regarding the Farmers Market priority. The City Council directed staff to continue seeking funding sources that will assist in the implementation of a Farmers Market.
- 7. On March 9, 2020, the Agrcultural Marketing Services relased the Farmers Market Promotion Program. Approximately \$13.5 million will be available to fund projects that promote affordable, health foods from local framers and ranchers.

ANALYSIS:

The U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS) administers programs that create domestic and international marketing opportunities for U.S. producers of food, fiber, and specialty crops. AMS also provides the agriculture industry with valuable services to ensure the quality and availability of wholesome food for consumers across the country.

One way AMS services the agriculture industry is by promoting economic development and access to wholesome foods. AMS creates domestic marketing opportunities for American farmers, ranchers and businesses in the supply chain from field to table through several grant programs.

The Farmers Market Promotion Program (FMPP) is one such grant. FMPP's goal is to support the development, coordination, and expansion of direct-producer-to-consumer markets to increase access and availability of locally and regionally produced agricultural products.

One objective of the FMPP grant is capacity building in the development, coordination, and expansion of domestic farmers markets, roadside stands, community support agriculture, agritourism activities, online sales, or other direct producer-to-consumer programs that provide accessibility to affordable, healthy foods in urban and rural areas, particularly in areas composed predominantly of lower-income neighborhoods and communities.

The City's FMPP grant application proposes to establish and operate a farmers market. The grant will provide critical funding over a three-year period to assist the City in building a long-term

Consideration to Approve Submittal of a Grant Application to the Farmers Market Promotion Program for Funding of a Farmers Market in San Fernando Page 3 of 4

organizational capacity venue, so local farmers and ranchers will be able to sell directly to the consumer. The proposed market will operate every Saturday between the hours of 8:30 am to 1:00 pm. The proposed site for the market is Parking Lot 10 located on the corner of Brand Blvd. and Celis Street. The site has adjacent parking (Lot 8) for market vendors and customers, and will not impact the traffic on either Brand Blvd. or Celis St.

AMS gives priority consideration to projects that benefit communities located in areas of concentrated poverty with limited access to supermarkets or locally or regionally grown food. According to the Los Angeles County Department of Public Health's City and Community Health Profile issued in June 2018, 51% of San Fernando residents are living below the 200th percentile of the Federal Poverty Level (FPL), and 20% are living below the 100th percentile of the FPL. The report also found that 26% of San Fernando residents live more than a ½ mile from the nearest supermarket or grocery store, and that the estimated percentage of school-age children eligible for free or reduced price meal hovers around 86%. Collectively, these issues increase the prevalence of food insecurity among San Fernando households by 19%.

A Farmer's Market is a valuable community resource that can promote healthy eating by making fresh and in-season fruits and vegetables more readily available to residents. The proposed Farmer's Market plans to participate in the Electronic Benefit Transfer (EBT) system and accepts checks from food assistance programs. This will ensure that low-income residents participating in programs such as the Supplemental Nutrition Assistance Program (SNAP) or the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) will have access to fresh, high quality produce proposed to be sold at the San Fernando Farmers Market.

The FMPP grant encourages applicants to seek collaborations and partnerships with public or private, non-profit or for-profit entities, including links with academic institutions (including minority-serving colleges and universities) and/or other appropriate professionals; community-based organizations; local government entities; for the purposes of providing additional resources and strengthening under-resourced communities.

The proposed Farmers Market proposes to collaborate with a number of partners. Providence Holy Cross will assist with registering participants in the SNAP and WIC programs. The Valley Care Community Consortium will provide nutritional seminars for participants. The Farmers Market Coalition and Farmspread will provide educational workshops and marketing seminars for vendors. The City will administer the grant, report to the FMPP administration, and serve as the fiscal agent. In addition, the City will develop a logistical safety plan for operating the Market with input from both the Police Department and the Public Works Department.

This funding opportunity requires matching funds from non-Federal sources in the form of cash or in-kind contributions in an amount equal to 25 percent (25%) of the total Federal portion of the grant. Based on the application grant request of \$137,622, the City's matching funds

Consideration to Approve Submittal of a Grant Application to the Farmers Market Promotion Program for Funding of a Farmers Market in San Fernando Page 4 of 4

requirement total is \$34,406. To meet the grant matching funds condition, the City proposes to contribute an in-kind match composed of staff time, land use, and office space.

The combined in-kind contribution from these three sources total \$42,356 per year. Over the life of the grant, the City's in-kind contribution total would be \$127,068. The Match Verification Letter (Attachment "A") details how the in-kind match is distributed.

BUDGET IMPACT:

There will be no budget impact on the Fiscal Year 2019-2020 General Fund to submit the grant application and there is no need to appropriate funds at this time. Should the City be awarded the grant, staff is requesting authorization for the City Manager to appropriate revenue and expenditures equal to the grant award in the Capital Grants Fund - Recreation and Community Services Grants (Fund 010).

CONCLUSION:

It is recommended that the City Council authorize staff to prepare and submit a grant application to the Farmers Market Promotion Program Grant, authorize the City Manager to allocate matching funds, accept grant funds and execute all related grant documents required for funding, and authorize the City Manager to amend the revenue and expenditure budgets to appropriate the grant funds if awarded.

ATTACHMENT:

A. Match Verification Letter



Councilmember Mary Mendoza

Dear Mr. Summers:

The City of San Fernando is committed to providing the following matching funds to the 2020 Farmers Market Promotion Program application for the San Fernando Farmers Market project.

The matching funds will be In-kind contributions in the total amount of \$127,068 over a three year period. The in-kind contribution will be contributed as follows:

a. Salaries and wages of staff time total \$92,376 for the follow

Employee	Title	Description of	Base Rate	Year 1:	Year 2:	Year 3*:
Name		Duties	(\$)/hr or	# of Hours	# of Hours	# of Hours
			% FTE	or\$	or \$	or \$
				equivalent	equivalent	equivalent
Julian	Director	Grant	.15	\$19,968	\$19,968	\$19,968
Venegas		Administration				
Maria	Office	Invoicing	.15	\$ 8,424	\$ 8,424	\$ 8,424
Calleros	Specialist	scheduling				
Richard	City	Review legal	\$200	\$ 2,400	\$ 2,400	\$ 2,400
Padilla	Attorney	documents				

*Applicable depending on the program.

b. The following items/activities with a total fair market value of \$34,6892:

Item/Activity	Fair Market	How Fair Market	Amount	Amount	Amount
(add additional	Value per	Value Determined	Donated	Donated	Donated
lines as	Unit:	(must provide	Year 1:	Year 2:	Year 3*:
needed)		documentation):			
Land Use	\$5.00	City's Fee Schedule	\$9,100	\$9,100	\$9,100
Room Use	\$28	City's Fee Schedule	\$ 448	\$ 448	\$ 448
Office Space	\$28	City's Fee Schedule	\$2,016	\$2,016	\$2,016

* Applicable depending on the program.

ADMINISTRATION Department

117 Macneil Street San Fernando California 91340

Office of the City Manager (818) 898-1202

Personnel Division (818) 898-1220

BRUCE SUMMERS, ADMINISTRATOR USDA, AGRICULTURAL MARKETING SERVICE USDA-AMS-TM-FMPP-G-20-0002 Page 2 of 2

The City is eager to offer a Farmers Market where local farmers and ranchers can provide fresh fruits, vegetables, and commodities to the residents of San Fernando and neighboring communities.

Sincerely,

Nick Kimball, City Manager NKimball@sfcity.org 05/18/2020

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То:	Vice Mayor Hector A. Pacheco and Councilmembers		
From:	Mayor Joel Fajardo		
Date:	May 18, 2020		
Subject:	Discussion of City's Actions Regarding Coronavirus Including Financial Assistance Programs and Funding Opportunities		

RECOMMENDATION:

I have placed this on the agenda for City Council to discuss the City's response efforts and policy initiatives related to the COVID-19 pandemic and provide direction to staff, as appropriate.

ANALYSIS:

This discussion is meant to provide City Council and staff the opportunity to discuss all items related to the City's response efforts and policy initiatives related to the COVID-19 pandemic, including, but not limited to, discussion of financial hardship programs and CARES Act and other potential stimulus funding.

Staff Updates.

Los Angeles County Department of Public Health Safer At Home Health Order (Health Order). On May 15, 2020, the Health Order expired and was replaced with new guidelines. With the expiration of the May 15, 2020 Health Order, the following City of San Fernando financial assistance programs were scheduled to lapse:

- Parking Citation Reduction Program
- Modified Residential Street Sweeping Parking Restrictions
- Temporary Suspension of Local Transportation and Parking Meter Fees
- Waiving Late Fees for Water Payment

Staff is requesting direction from City Council to allow these programs to lapse or extend them concurrent with the new Health Order.

City Facility Closures.

City Hall and City indoor recreational facilities remain closed and staff is developing plans to reopen slowly when allowed by the revised Health Order.

Discussion of City's Actions Regarding Coronavirus Including Financial Assistance Programs and Funding Opportunities

Page 2 of 2

Summer Cooling Centers.

As the Summer months and heat approach, there will be a need for Cooling Centers. Staff is developing Cooling Center protocols to comply with social distancing while still offering Cooling Centers to the public.

Alert San Fernando.

The City's local emergency alert system, Alert San Fernando, is currently active and equipped to distribute text, voice, and email messages to keep residents informed about emergencies and important issues. Residents may sign up via the City's website (<u>WWW.SFCITY.ORG/ALERT-SAN-FERNANDO</u>).

Letter of Support.

Mayor Albert Robles from the City of Carson requested support from all 87 cities in Los Angeles County (excludes City of Los Angeles) to add San Fernando to the attached letter (Attachment "A") requesting the expeditious and deserving re-distribution of the CARES ACT funds to *The-87-Other-Cities* in the Los Angeles area to assist each respective city in the fight against the COVID-19 pandemic.

BUDGET IMPACT:

There is no budget impact associated with discussing this item. Additional future costs to be determined based on City Council direction.

ATTACHMENT:

A. Sample Letter re: re-distribution of CARES Act Funding

ATTACHMENT "A"

SAMPLE LETTER

Dear _____,

First of all, we want to thank you for all your efforts during this difficult period of unprecedented crisis due to the COVID-19 (coronavirus) pandemic. You made the necessary tough decisions that have saved lives, e.g., shutting down non-essential businesses *county-wide*, closing public places *county-wide*, mandating nose-and-mouth coverings *county-wide*, etc. These actions saved lives *county-wide*, i.e., throughout *The-87-Other-Cities* in Los Angeles County.

While your leadership should be extolled, we respectfully request in the spirit of partnership that LA County and the City of Los Angeles share the \$1.8 BILLION in financial assistance received via the CARES ACT Coronavirus Relief Fund (CARES ACT). To be more precise, LA County received \$1,049,000,000 and the City of Los Angeles \$706,500,000. Because the CARES ACT only provides financial assistance to counties and cities with populations exceeding 500,000, only Los Angeles County and the City of Los Angeles were qualified to receive the funding. We request that you expeditiously re-distribute a significant portion of the funds to *The-87-Other-Cities*.

If we are all in this together as you have stated, and the pandemic impact and costs are shared, then the financial assistance received must likewise be shared. Although the Congress and the Trump Administration failed to acknowledge the uniqueness of the interwoven fabric that is the Los Angeles area, it does not mean that Los Angeles County and the City of Los Angeles should as well. *The-87-Other-Cities* and our respective residents are deserving of the same compassion and care; moreover, many of *The-87-Other-Cities* have infection rates much higher than the City of Los Angeles.

An example of an organization doing the right thing is the LA Lakers who received millions of dollars via the CARES ACT. When the LA Lakers realized they were taking money intended to save small businesses, the money was returned so that it could be re-distributed more deservingly. By correcting this wrong, the LA Lakers endeared themselves even more to fans and set a good example to be followed.

So, we implore Los Angeles County and the City of Los Angeles to also do the right thing and demonstrate to all residents by action, not words, that irrespective of what city or unincorporated area you may reside in, we truly are all in this together. Furthermore, by doing so, LA County and the City of Los Angeles will exponentially increase our regional power in the fight against coronavirus.

All of the Mayors/Councilmembers from the *The-87-Other-Cities* who have put their names to this letter are asking as one voice for LA County and the City of Los Angeles to follow the example of the LA Lakers and re-distribute the CARES ACT funds fairly to *The-87-Other-Cities*. After all, these funds are generated from our tax money too. Let's truly work together as partners for the benefit of ALL residents, because we are in this together.

Sincerely,

X

City of Agoura Hills Pop 20,472 = \$3.6M

X___

City of Alhambra Pop 84,649 = \$14.8M

X__

City of Arcadia Pop 58,610 = \$10.3M

X_____

City of Artesia Pop 16,750 = \$2.9M

X_____

City of Avalon Pop 3,723 = \$652K

X_____

City of Azusa Pop 49,958 = \$8.7M

X___

City of Baldwin Park Pop 75,813 = \$13.3M

X_

City of Bell Pop 35,728 = \$6.3M

X____

City of Bellflower Pop 77,131 = \$13.5M

X__

City of Bell Gardens Pop 42,331 = \$7.4M

X

City of Beverly Hills Pop 34,183 = \$6M

X___

City of Bradbury Pop 1,084 = \$190K X______ City of Burbank Pop 103,695 = \$18.1M

X_

City of Calabasas Pop 23,954 = \$4.2M

Χ_

City of Carson Pop 91,909 = \$16.1M

X

City of Cerritos Pop 50,462 = \$8.8M

X___

City of Claremont Pop 36,478 = \$6.4M

X_____

City of Commerce Pop 12,808 = \$2.2M

Х

City of Compton Pop 96,617 = 17M

X

City of Covina Pop 47,693 - \$8.3M

X

City of Cudahy Pop 23,826 = \$4.2M

X

City of Culver City Pop 39,214 = \$6.9M

X

City of Diamond Bar Pop 56,275 = \$9.8M

X___

City of Downey Pop 112,269 = \$19.6M

X_____ City of Duarte

Pop 21,527 = \$3.8M

X___

City of El Monte Pop 115,586 = \$20.2M

X___

City of El Segundo Pop 16,719 = \$3M

Х

City of Gardena Pop 59,721 = \$10.5M

X_____

City of Glendale Pop 201,361 = \$35.2M

Χ____

City of Glendora Pop 52,002 = \$9.1M

X_____

City of Hawaiian Gardens Pop 14,315 = 2.5M

X__

City of Hawthorne Pop 86,965 = \$15.2M

X_____

City of Hermosa Beach Pop 19,465 = \$3.4M

X____

City of Hidden Hills Pop 1,898 = \$332K

X____

City of Huntington Park Pop 58,173 = 10.2M

X____

City of Industry Pop 202 = 35K

CC Meeting Agenda

X_

City of Inglewood Pop 109,419 = \$19.1M

X

City of Irwindale Pop 1,463 = \$256K

X_

City of La Canada Flintridge Pop 20,227 = \$3.6M

X_

City of La Habra Heights Pop 5,353 = \$937K

X___

City of Lakewood Pop 80,140 = \$14M

X___

City of La Mirada Pop 48,683 = \$8.5M

X

City of La Puente Pop 39,908 = \$7M

X__

City of La Verne Pop 32,206 = \$5.6M

X__

City of Lancaster Pop 159,053 = \$27.8M

X

City of Lawndale Pop 32,754 - \$5.7M

X_

City of Lomita Pop 20,521 = \$3.6M

X_

City of Long Beach Pop 467,354 = \$81.8M

X___

City of Lynwood Pop 70,504 = \$12.3M

X

City of Malibu Pop 12,777 = \$2.2M

X

City of Manhattan Beach Pop 35,532 = \$6.2M

х

City of Maywood Pop 27,298 = \$4.8M

X_

City of Monrovia Pop 36,715 = \$6.4M

Χ_

City of Montebello Pop 62,632 = \$11M

X

City of Monterey Park Pop 60,401 = \$10.6M

X

City of Norwalk Pop 105,120 = \$18.4M

X

City of Palmdale Pop 156,667 = \$27.4M

X

City of Palos Verdes Estates Pop 13,404 = \$2.3M

X

City of Paramount Pop 54,387 = \$9.5M

X

City of Pasadena Pop 141,371 = \$24.7M

X_____ City of Pico Rivera

Pop 62,888 = \$11M

Χ____

City of Pomona Pop 152,361 = \$26.7M

X_

City of Rancho Palos Verdes Pop 41,928 = \$7.3M

X

City of Redondo Beach Pop 67,412 = \$11.8M

X___

City of Rolling Hills Pop 1,867 = \$327K

X

City of Rolling Hills Estates Pop 8,141 = \$1.4M

X_

City of Rosemead Pop 54,412 = \$9.5M

X_____

City of San Dimas Pop 33,982 = \$5.9M

X_

City of San Fernando Pop 24,510 = \$4.3M

X_

City of San Gabriel Pop 40,335 = \$7.1M

Χ_

City of San Moreno Pop 13,186 = \$2.3M

X

City of Santa Clarita Pop 210,089 = \$36.8M

X_

City of Santa Fe Springs Pop 17,832 = \$3.1M

X_

City of Santa Monica Pop 91,411 = \$16M

X__

City of Sierra Madre Pop 10,917 = \$2M

X

City of Signal Hill Pop 11,555 = \$2M

X_____

City of South El Monte Pop 20,767 = \$3.6M

X

City of South Gate Pop 94,443 = \$16.5M

X_

City of South Pasadena Pop 25,611 = \$4.5M

X

City of Temple City Pop 36,120 = \$6.3M

X___

City of Torrance Pop 145,182 = \$25.4M

X

City of Vernon Pop 112 = \$20K

X_

City of Walnut Pop 30,006 = \$5.3M

X___

City of West Covina Pop 106,311 = \$18.6M

X_

City of West Hollywood Pop 36,854 = \$6.4M

X__

City of Westlake Village Pop 8,352 = \$1.5M

X____

City of Whittier Pop 86,064 = \$15.1M 05/18/2020

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AGENDA REPORT

То:	Mayor Joel Fajardo and Councilmembers
From:	Nick Kimball, City Manager By: J. Diego Ibañez, Director of Finance
Date:	May 18, 2020
Subject:	Consideration to Waive 2019 Business License Penalty Fees

RECOMMENDATION:

It is recommended that the City Council:

- a. Consider temporarily waiving Business License Penalty Fees from 2019 and resuming the collection of Penalty Fees in February 2021;
- b. Adopt Resolution No. 8803 (Attachment "A") implementing the proposed waiving of Business License Penalty Fees from 2019 and resuming collection of fees in February 2021; and
- c. Authorize the City Manager, or designee, to finalize and execute all documents related to waiving the 2019 Business License Penalty Fees.

BACKGROUND:

- 1. On March 4, 2020, a State of Emergency was declared in the State of California in response to an outbreak of a novel coronavirus, known as COVID-19.
- 2. On March 16, 2020, the City of San Fernando declared a local emergency in response to the COVID-19 pandemic.
- 3. On March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in the State of California to stay home or at their place of residence, except to obtain essential services.
- 4. Order N-33-20 has significantly impacted the business community throughout the State, including San Fernando based businesses. Staff has received requests from local businesses seeking some financial relief for their businesses.

5. On May 4, 2020, City Council directed staff to create a program that could assist local businesses with their business license penalties.

ANALYSIS:

The current COVID-19 Pandemic has caused many economic difficulties for the businesses of San Fernando. HdL Companies, the City of San Fernando's partner who collects the business license fees, provided staff with a list of businesses that have outstanding penalties for 2019.

Under Chapter 22 (Business) of the San Fernando City Code, if a business fails to pay the required Business Tax and related fees (e.g., Mall Maintenance, Parking, and Mall Association fees, if applicable) by the last day in February, a ten percent (10%) delinquency penalty is imposed. Additional penalties of 10% per month are applied up to 100% penalty if not paid by the following December. These penalties can be quite cumbersome and often create a disincentive to comply for businesses that get too far behind.

In an effort to assist local businesses affected by the COVID-19 Pandemic, staff is recommending waiving the 2019 Business License penalty fees and resuming the collection of penalty fees in February 2021. This action will not waive penalties for businesses that are delinquent for prior years. Staff will work with HdL Companies to assist businesses with current outstanding penalties.

BUDGET IMPACT:

The delinquent amount for 2019 Business License renewals that would be waived under this proposal is approximately \$32,000. Waiving the penalties for expired business licenses will not impact the budget significantly as penalties are not a budgeted revenue. This revenue stream is very fluid and at times difficult to forecast for any fiscal year. While the City records this revenue, it does not rely on it for maintaining normal City operations.

CONCLUSION:

To assist local San Fernando Businesses affected by the COVID-19 Pandemic, staff recommends City Council waive the business license penalty fees from 2019.

ATTACHMENT:

A. Resolution No. 8803

ATTACHMENT "A"

RESOLUTION NO. 8003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, TEMPORARILY WAIVING ALL PENALTIES IMPOSED UPON DELINQUENT ACCOUNTS OF BUSINESS LICENSE TAX PAYMENTS FROM 2019 AND RESUMING PENALTIES IN FEBRUARY 2021

WHEREAS, on March 4, 2020, the Governor of California ("Governor") proclaimed a State of Emergency to exist in California, as authorized by Government Code sections 8558(b) 8625(c), in response to an outbreak and spread of a respiratory disease caused by a novel coronavirus now known as COVID-19 throughout California; and

WHEREAS, on March 10, 2020, Los Angeles County proclaimed a local emergency due to the threat of COVID-19 in Los Angeles County; and

WHEREAS, on March 16, 2020, City of San Fernando declared a local emergency in response to the COVID-19 pandemic; and

WHEREAS, on March 19, 2020, Los Angeles County issued a Safer at Home Order and required the public to practice social distancing to further contain the spread of COVID-19; and

WHEREAS, on March 19, 2020, Governor Newsom issued Executive Order N-33-20 ordering all individuals living in the State of California to stay home or at their place of residence, except to obtain essential services; and

WHEREAS, with the closing of many businesses around San Fernando due to the various orders of the City, the County of Los Angeles, and the Governor, many sectors of the local economy have been significantly affected, especially small business owners; and

WHEREAS, in the current economic climate, such penalties may cause economic hardship for businesses or individuals attempting to operate legitimately within the City of San Fernando; and

WHEREAS, the San Fernando City Council desires to enact a measure to assist business during this financial crisis and encourage compliance with San Fernando's business license regulations; and

WHEREAS, to assist local businesses during this time of crisis, the City Council desires to temporarily waive all penalties imposed on business license taxes; and

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

Section 1. Business License Taxes. Notwithstanding anything, to the contrary in Section 22-28 of the San Fernando Municipal Code or any other applicable law, rule or regulation, any

penalties that may otherwise be imposed upon a business, as that term is defined in Section 22-48, of the San Fernando Code are hereby waived for the year of 2019 and resuming in February of 2021 following adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of San Fernando at a regular meeting thereof held on the 18th day of May 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk

05/18/2020

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: May 18, 2020

Subject:Discuss Use of Additional Community Development Block Grant Funds Provided
Through the Coronavirus Aid, Relief, and Economic Security Act

RECOMMENDATION:

It is recommended that the City Council:

- a. Receive a presentation regarding the additional Community Development Block Grant funding allocated to the City through the Coronavirus Aid, Relief, and Economic Security (CARES) Act; and
- b. Provide direction to staff, as appropriate.

BACKGROUND:

- 1. The City participates in the Community Development Block Grant (CDBG) through participation in the Los Angeles County Urban CDBG Program administered by the Los Angeles County Development Authority (LACDA).
- 2. On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which includes \$5 billion in additional CDBG funding to prevent, prepare for, and respond to the Coronavirus (COVID-19) pandemic.
- 3. On April 7, 2020, LACDA notified the City that an additional amount of \$136,373 in federal CDBG-CARES Act (CDBG-CV) grant funds are now available to the City in response to COVID-19 (Attachment "A").
- 4. On May 4, 2020, the City Council discussed a number of recommended uses for CDBG-CV funds proposed by staff. City Council directed staff to return at a future City Council meeting with additional options for use of CDBG-CV funds.

Discuss Use of Additional Community Development Block Grant Provided Through the Coronavirus Aid, Relief, and Economic Security Act Page 2 of 4

ANALYSIS:

The CARES Act provides CDBG grantees with the flexibility to make it easier to use CDBG-CARES funds and fiscal years 2019 and 2020 CDBG Grants for coronavirus response. The CARES Act also requires CDBG-CV grantees to prevent the duplication of benefits, which means grant funds may not be used to pay costs if another source of financial assistance is available to pay that cost.

CDBG-CV funds must be used to cover or reimburse costs to prevent, prepare for, and respond to coronavirus when those costs comply with the CDBG requirements. This includes making improvements to buildings, including public facilities, assistance to businesses, provision of new or quantifiably increased public services, and planning, capacity building, and technical assistance. A summary of appropriate uses is included in the *Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response* (Attachment "B").

Based on feedback provided by the City Council on May 4, 2020, the following list includes a menu of potential uses for CDBG-CV funds. They are listed in order of administrative ability to implement (i.e., easier to implement programs are listed first).

- 1. *Cleaning supplies, disinfectant and Personal Protective Equipment*. The City may purchase branded hand sanitizer and masks to provide to residents and businesses. This program could be implemented quickly and may be combined with the City's Census 2020 effort.
- 2. Youth Enrichment programs. The City may partner with the Los Angeles County Library and other non-profits to fund distance learning and enrichment programs. The City does not have current distance learning and enrichment programs established, but can work with existing partners to identify and fund programs for residents.
- 3. Vouchers for residents to purchase food. According to LACDA, a food distribution program in response to COVID-19 through distribution of food items or providing for a meal voucher or store branded value card qualifies as a CDBG general Public Service activity. This activity could provide income eligible households with a one-time (apply and receive a card) or limited service for a short time (ex: summer lunch program). Self-certification can be used. Staff would need to develop an application, self-certification, and voucher or pre-paid card system, and identify local restaurants willing to provide the service.
- 4. Short-Term Rental Assistance. Funds may be used to provide direct payments to landlords on behalf of qualifying residents impacted by COVID-19 for up to three (3) months. The City would need to develop a program, including application materials, marketing, review of applications to ensure a resident meets CDBG qualifications, and preparation/ remittance of payments.
- 5. *Small Business Assistance Grants*. Funds may be used to provide direct payments to small business owners impacted by COVID-19. Similar to a Rental Assistance Program, the City

Discuss Use of Additional Community Development Block Grant Provided Through the Coronavirus Aid, Relief, and Economic Security Act Page 3 of 4

would need to develop a program, including application materials, marketing, review of applications to ensure businesses meet CDBG qualifications, preparation and remittance of payments.

- 6. *Provide testing for City residents*. The City may use funds to provide testing for City residents at a preliminary estimated cost is \$200 \$250 per test. The City would need to identify a location to provide the testing, secure a service with the proper qualifications, procedures and PPE to safely administer the tests, secure a lab to test samples, and provide results in accordance with HIPPA, ADA and other applicable regulations.
- 7. Senior meals. The City Council expressed an interest in using CDBG-CV funds to supplement the current Senior Meals program. It is unclear if funding can be used to supplement this program because it may eligible for FEMA reimbursement and CDBG-CV funds cannot be used on programs for which there are other funding sources. The senior meal program is meeting the current demand (i.e., there are currently no San Fernando residents on the waiting list). Staff will continue to assist seniors with signing up for the program through the County.
- 8. Consultant to assist businesses. The City Council expressed an interest to hire a consultant to partner with local business groups (e.g., San Fernando Mall Association and San Fernando Chamber of Commerce) to provide technical assistance related to assisting with CARES Act loan applications, reopening to the public, compliance with social distancing requirements, and marketing strategies to enhance business activity. The City would need to identify potential consultants, prepare a Request for Proposals, and award a contract to provide the requested services. It is unclear at this time if funding can be used for this purpose. Staff will need to follow-up with LACDA with more specific information.

BUDGET IMPACT:

The City's allocation of CDBG-CARES Act funds through LACDA is \$136,373, which can be used to support the City's COVID-19 response and planning effort in accordance with CDBG guidelines for use of funds.

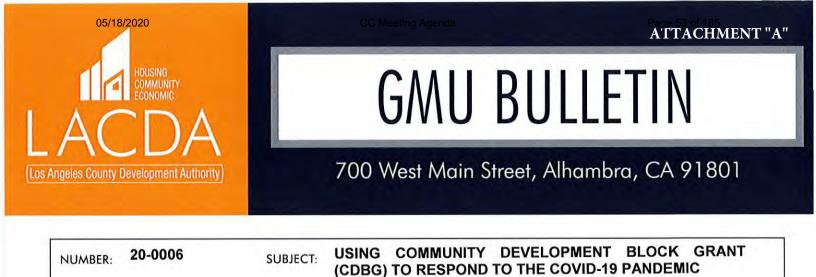
CONCLUSION:

It is recommended that the City Council discuss uses for the CDBG-CARES Act funding to support the community's COVID-19 response and provide direction as appropriate.

Discuss Use of Additional Community Development Block Grant Provided Through the Coronavirus Aid, Relief, and Economic Security Act Page 4 of 4

ATTACHMENTS:

- A. LACDA Notice of Available Funding
- B. CDBG-CV Quick Reference Guide



DATE:	April 7, 2020	EFFECTIVE DATE:	IMMEDIATELY	PAGE	1	OF	3	
1.2.2.2.2.2								

TO: PARTICIPATING CITIES

This bulletin provides information to Los Angeles Urban County CDBG participating cities on additional funding, revisions to various program provisions, and shares ideas on adjustments cities and service providers are making to provide a rapid response to the critical needs of residents and businesses impacted by COVID-19.

On March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which includes \$5 billion in additional CDBG funding to prevent, prepare for, and respond to the COVID-19 pandemic. The following is a breakdown of the funding and how HUD plans to allocate it nationwide:

- \$2 billion as a direct allocation to state and local governments through the existing formula for all grantees that received a Fiscal Year (FY) 2020-2021 CDBG allocation. The Los Angeles Urban County has been allocated \$13,668,315.
 - The Los Angeles Urban County Participating City CDBG-CARES Act supplemental allocations are included on page 4 of this bulletin. They are based on the current CDBG allocation methodology and are expected to be available by late April.
- \$2 billion allocated directly to state and local governments, at the discretion of the Secretary of the U.S. Department of Housing and Urban Development (HUD), using a **new formula** to be developed by HUD including prioritizing risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions. HUD has not yet determined the amount the Los Angeles Urban County will receive under this allocation method.
- \$1 billion to States based on a new formula developed by HUD including taking into account public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market interruptions. States may implement activities within both entitlement areas and in non-entitlement areas that do not receive a direct allocation from HUD or participate in an Urban County program. It is currently unknown how much the Los Angeles Urban County may receive directly or indirectly from the State of California.

Community Development Division–Grants Management Unit (CDD-GMU) Putting Dollars Into Action Participating Cities April 7, 2020 Page 2

Revisions to Program Provisions

The CARES Act identifies program provisions that allow revisions to the following CDBG administrative requirements. These provisions apply to current and new FY 2019-2020 and FY 2020-2021 CDBG-funded activities and new CDBG-CARES Act-funded activities to prevent, prepare for, and respond to the COVID-19 pandemic:

- Suspends the 15% cap on public services;
- Allows virtual hearings as long as national or local health authorities recommend social distancing and limit public gatherings for public health reasons; and
- Allows the public comment period for substantial amendments and for the FY 2020-2021 Action Plan to be reduced from 30 days to five (5) days.

Responding to Community Needs

As our cities and other partner agencies have taken precautionary measures to keep their employees and clients safe, many programs are adapting operations to remain focused on the continuity of essential services. The majority of our cities and agencies are complying with the "safer at home" directive by allowing personnel to work remotely and begin to implement alternative methods of service delivery. With your input, an assessment of the operational status of your agencies has identified what programs have proceeded, been modified, or suspended. It has revealed many examples of how agencies have remained proactive in assessing community needs and remaining operational through virtual services and other modifications that adapt congregate activities to virtual services and other changes to program delivery.

On March 18, 2020, through CDBG-EDL message "*HUD Publishes CDBG Quick Guide to Support Infectious Disease Response - COVID19*", we provided information on COVID19-CDBG eligible activities. The following shares ideas on what has been learned about some preliminary local efforts and adjustments you might consider to continue providing valuable services in your community:

ORIGINAL ACTIVITY	MODIFIED OR ENHANCED ACTIVITY
Senior Activities include onsite senior club activities, meals, home visits, case management, information services and referrals.	Virtual case management, referrals, and information services via electronic devices. Meal programs modified to include additional deliveries and "grab & go", group online activities via Zoom or other social platforms, virtual home visits, book clubs, games, links to adventure, hobby, and educational websites.
Handyworker Program activities including minor home repairs and correction of minor code violations.	Staff can conduct program outreach distributing marketing materials while assisting another existing program in the delivery of senior meals or other community efforts.
Home Rehabilitation Program activities include providing grants/loans for eligible home repairs for single-family residences.	Offer broadband infrastructure wiring or broadband (internet) service subsidy to income-eligible households.
Youth Enrichment Program provides onsite activities such as homework assistance, youth development, and recreation programs.	Programs modified to offer teleservices, including online tutoring and virtual classes. "Grab & Go" activity packets may be provided as a service. Re-program funds to purchase equipment and supplies.

Participating Cities April 7, 2020 Page 3

Other eligible activities jurisdictions may consider are short-term subsistence payments for up to three (3) months of assistance on behalf of an individual or family for rent or utilities and assisting small and micro businesses through loans and grants.

Repurposing and Adding CDBG-Funded Programs

If your agency anticipates having unspent funds due to the suspension of currently funded activities or has available unprogrammed funds, you may amend projects to increase the budgets of other current CDBG-funded programs that are in greater need. As authorized in the CARES Act, participating cities may exceed the 15% public service cap by allocating additional funds to COVID-19-related public service programs. Unless it is a local requirement, no public notice or Council approval is required.

To allocate additional funds to existing CDBG-funded activities that can respond to COVID-19, please send an email request with amendment details to your Contract Manager and they will process the amendment for you. Approved modifications to existing activities may begin immediately and do not have to wait for the amendment to be executed. The deadline for amendments to existing CDBG-funded activities is May 1, 2020.

To add a new project or cancel an existing CDBG-funded activity, the CARES Act has reduced the public notice period from 30 days to 5 days. The Los Angeles Urban County Consolidated Plan Citizen Participation Plan is being revised to not require City Council approval for new projects. Unless it is a local requirement, this will not be required for new CDBG-funded activities implemented under the CARES Act.

Further guidance on the process to add new activities utilizing CDBG-CARES Act Supplemental Funding is forthcoming. We will also provide any additional information regarding additional funds and other program requirements and opportunities as soon as it is received.

Thank you for your ongoing partnership. We look forward to working with you in putting CDBG dollars into action to help our residents and communities affected by the COVID-19 pandemic.

Should you have any questions, please contact your Contract Manager.

Sincerely,

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DAVON BARBOUR, Director Community & Economic Development Division

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Enclosure

CDBG-CARES ACT SI	JPPLEMENTAL	FUNDING
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CITY	\$ ALLOCATION
AGOURA HILLS	44,646
ARCADIA	180,088
AVALON	24,702
AZUSA	241,825
BELL	290,958
BELL GARDENS	374,513
BEVERLY HILLS	100,414
CALABASAS	59,634
CERRITOS	116,563
CLAREMONT	92,759
COMMERCE	74,890
COVINA	177,848
CUDAHY	220,908
CULVER CITY	130,389
DIAMOND BAR	137,962
DUARTE	97,824
EL SEGUNDO	46,359
HAWAIIAN GARDENS	117,977
HIDDEN HILLS	3,026
HERMOSA BEACH	37,479
IRWINDALE	5,625
LA CANADA-FLINTRIDGE	35,942
LA HABRA HEIGHTS	10,478
LA MIRADA	157,648
LA PUENTE	211,520
LA VERNE	90,230
LAWNDALE	194,224
LOMITA	89,527
MALIBU	39,450
MANHATTAN BEACH	65,663
MAYWOOD	255,354
MONROVIA	127,380
RANCHO PALOS VERDES	
ROLLING HILLS ESTS	86,499
SAN DIMAS	17,856
SAN FERNANDO	83,006
SAN GABRIEL	136,373
	186,148
SAN MARINO	30,806
SANTA FE SPRINGS	78,692
SIERRA MADRE	24,880
SIGNAL HILL	64,962
SOUTH EL MONTE	128,099
SOUTH PASADENA	73,528
TEMPLE CITY	123,206
TORRANCE	444,081
WALNUT	73,877
WEST HOLLYWOOD	138,241
WESTLAKE VILLAGE	18,250

Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response REVISED April 6, 2020

Grantees should coordinate with local health authorities before undertaking any activity to support state or local pandemic response. Grantees may use Community Development Block Grant (CDBG) funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus.

Examples of Eligible Activities to Support Coronavirus and Other Infectious Disease Response

For more information, refer to applicable sections of the Housing and Community Development Act of 1974 (for State CDBG Grantees) and CDBG regulations (for Entitlement CDBG grantees).			
Buildings and Improvements, Including Public Facilities			
Acquisition, construction,	Construct a facility for testing, diagnosis, or treatment.		
reconstruction, or installation of public works, facilities, and	Rehabilitate a community facility to establish an infectious disease treatment clinic.		
site or other improvements. See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).	Acquire and rehabilitate, or construct, a group living facility that may be used to centralize patients undergoing treatment.		
Rehabilitation of buildings and improvements (including	Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, e.g., by replacing the HVAC system.		
interim assistance). See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR	Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.		
570.201(f); 570.202(b).	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.		
Assistance to Businesses, inclu	ding Special Economic Development Assistance		
Provision of assistance to private, for-profit entities,	Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.		
when appropriate to carry out an economic development project. See section 105(a)(17) (42 U.S.C. 5305(a)(17)); 24 CFR 570.203(b).	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.		
Provision of assistance to microenterprises. See section 105(a)(22) (42 U.S.C. 5305(a)(22)); 24 CFR 570.201(o).	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.		

Provision of New or Quantifiably Increased Public Services			
Following enactment of the CARES Act ¹ , the public	Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.		
services cap ² has no effect on CDBG-CV grants and no	Provide testing, diagnosis or other services at a fixed or mobile location.		
effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.	Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.		
See section 105(a)(8) (42	Provide equipment, supplies, and materials necessary to carry-out a public service.		
U.S.C. 5305(a)(8)); 24 CFR 570.201(e).	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.		
Planning, Capacity Building, and Technical Assistance			
States only: planning grants and planning only grants. See section $105(a)(12)$.	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.		
States only: use a part of to support TA and capacity building. See section $106(d)(5)$ (42 U.S.C. $5306(d)(5)$.	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.		
Entitlement only: data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans. <i>See 24 CFR 570.205.</i>	Gather data and develop non-project specific emergency infectious disease response plans.		

Planning Considerations

Infectious disease response conditions rapidly evolve and may require changes to the planned use of funds:

- CDBG grantees must amend their Consolidated Annual Action Plan (Con Plan) when there is a change to the allocation priorities or method of distribution of funds; an addition of an activity not described in the plan; or a change to the purpose, scope, location, or beneficiaries of an activity (24 CFR 91.505).
- If the changes meet the criteria for a "substantial amendment" in the grantee's citizen participation plan, the grantee must follow its citizen participation process for amendments (24 CFR 91.105 and 91.115).
- Under the CARES Act, CDBG grantees may amend citizen participation and Con Plans concurrently in order to establish and implement expedited procedures with a comment period of no less than 5-days.

Resources

The Department has technical assistance providers that may be available to assist grantees in their implementation of CDBG funds for activities to prevent or respond to the spread of infectious disease. Please contact your local CPD Field Office Director to request technical assistance from HUD staff or a TA provider.

- Submit your questions to: <u>CPDQuestionsAnswered@hud.gov</u>
- Coronavirus (COVID-19) Information and Resources: <u>https://www.hud.gov/coronavirus</u>
- CPD Program Guidance and Training: <u>https://www.hudexchange.info/program-support/</u>

¹ On March 27, 2020, President Trump approved the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus.

² Section 105(a)(8) of the HCD Act caps public service activities at 15 percent of most CDBG grants. Some grantees have a different percentage cap.

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AGENDA REPORT

To: Mayor Joel Fajardo and Councilmembers

From: Nick Kimball, City Manager

Date: May 18, 2020

Subject:Consideration to Approve a Cooperation Agreement with the Los Angeles County
Development Authority to Continue Participation in the Los Angeles Urban County
Community Development Block Grant Program

RECOMMENDATION:

It is recommended that the City Council:

- Approve the Cooperation Agreement with the Los Angeles County Development Authority (Attachment "A" – Contract No. 1952) to continue participation in the Los Angeles Urban County Community Development Block Grant program; and
- b. Authorize the City Manager to make non-substantive changes and execute all related documents.

BACKGROUND:

- 1. In 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, which created the Community Development Block Grant (CDBG) program.
- 2. The City receives CDBG program funds through participation in the Los Angeles Urban County CDBG Program administered by the Los Angeles County Development Authority (LACDA), formerly known as the Community Development Commission/Housing Authority of the County of Los Angeles (CDC/HACoLA).
- 3. In May 2019, CDC/HACoLA was rebranded as LACDA to combine the strength of two separate legal entities with a history of operating in tandem the CDC and HACoLA into one agency, under one management structure, and one uniform voice.
- 4. The City's existing Cooperation Agreement with CDC expires on June 30, 2021 (Contract No. 1744, as amended, Attachment "B").

Consideration to Approve a Cooperation Agreement with the Los Angeles County Development Authority to Continue Participation in the Los Angeles Urban County Community Development Block Grant Program

Page 2 of 2

ANALYSIS:

As the administrator of the Urban County CDBG Program, the LACDA is awarded and accepts funds directly from HUD on behalf of participating cities in LA County. LACDA also assumes responsibility for all obligations of an applicant under federal statues, including, but not limited to, performing the analysis of needs, setting objectives, development of community development and housing assistance plans, development of the consolidated plan, and the assurances of certificates.

Every three (3) years, the County of Los Angeles must re-qualify with the U.S. Department of Housing and Urban Development (HUD) for entitlement status as an Urban County in order to participate in the CDBG program. The County is currently preparing to submit documentation for the next qualification period, which will begin on July 1, 2021 and end on June 30, 2024.

Under the City's existing Agreement with the CDC, which expires on June 30, 2021, the term automatically renews every three years unless the City provides written notice at least 60-days prior to the end of the term that it elects not to participate in a new qualification period. Due to the legal name change from CDC to LACDA, a new Cooperation Agreement is required reflected the new legal entity.

The remaining terms of the Agreement remain substantially unchanged.

BUDGET IMPACT:

The City receives an allocation of approximately \$225,000 per year in CDBG funds through the Urban County program administered by LACDA.

CONCLUSION:

To continue to take advantage of the administrative and federal reporting services provided by LACDA through the Urban County program, it is recommended that the City Council approve the Cooperation Agreement with LACDA.

ATTACHMENTS:

- A. Contract No. 1952
- B. Contract No. 1744, as amended

COUNTY OF LOS ANGELES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM HOME INVESTMENT PARTNERSHIPS PROGRAMS

PARTICIPATING CITY COOPERATION AGREEMENT

This Agreement is being entered into on this _____ day of ______, to be effective on the 1st day of July 2021, by and between the City of San Fernando, hereinafter referred to as "City," and the County of Los Angeles, by and through the Executive Director of the Los Angeles County Development Authority, hereinafter referred to as "County" and shall remain in effect for the three-year qualification period through the 30th day of June 2024. After this date, this Agreement provides for automatic renewal of participation in successive three-year qualification periods, unless the County, or the City provides written notice it elects not to participate in a new qualification period.

WITNESSETH THAT:

WHEREAS, in 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, as amended, herein called the "Act;" and

WHEREAS, County and City desire to cooperate to undertake, or assist in undertaking, community development, community renewal of lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act, the Cranston-Gonzalez National Affordable Housing Act (NAHA), and the U.S. Housing Act of 1937, as amended;

WHEREAS, the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program are required to have an approved comprehensive housing strategy as authorized under NAHA;

WHEREAS, the County has requested of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," that the County be designated as an "Urban County;"

WHEREAS, the City desires to participate with the County in said program;

WHEREAS, as the Urban County designee, the County will take responsibility and assume all obligations of an applicant under federal statues, including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications;

WHEREAS, the terms and provisions of this Agreement are fully authorized under State and local law, and this Agreement provides full legal authority for the County, by and through its agents and instrumentalities including the Los Angeles County Development Authority, herein referred as "County," to undertake, or assist in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing; and

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WHEREAS, by executing this Agreement, the parties hereby give notice of the intention to participate in the Urban County CDBG Program.

NOW, THEREFORE, the parties agree as follows:

1. The City hereby authorizes the County to perform, or cause to be performed, those acts necessary or appropriate to implement the community development and housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, improvement or development of housing for persons of low- to moderate-income, and other community or urban renewal activities authorized under the Act specified for the City in the County's Consolidated Plan which will be funded from annual CDBG and applicable HOME Programs from Federal annual appropriations and from any program income generated from the expenditure of such funds. County shall have final authority and responsibility for selecting projects and annually filing its Final Housing and Community Development Plan with HUD.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the then current fiscal year. The County will endeavor to notify the City in writing within ten (10) days of receipt of non-appropriation notice.

- 2. This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: The CDBG Entitlement Program, the HOME Program and the ESG Program.
- 3. In executing this Agreement, the City understands that it shall not be eligible to apply for grants under the Small Cites or State CDBG Programs for appropriations for fiscal years during the period in which the City is participating in the Urban County CDBG entitlement program; and further, the City shall not be eligible to participate in the HOME and ESG programs except through the Urban County.
- 4. The City may participate in a HOME Program only through the County. Thus, even if the County does not receive a HOME formula allocation, the City cannot form a HOME consortium with other local governments.
- 5. The term of this Agreement shall commence on July 1, 2021, the beginning date of the first year of the new Urban County Qualification Period, which will end on June 30, 2024. After this three (3) year Qualification Period ends, this Agreement will automatically renew for another period of three (3) years, unless the City provides written notice at least 60 days prior to the end of the term that it elects not to participate in a new qualification period. A copy of that notice must be sent to the HUD Field Office. Towards the end of the three-year term, the County will notify the City in writing of its right not to participate in the Urban County for a successive three-year term.

The parties agree to adopt amendments to this Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification Notice by HUD, prior to the subsequent three-year extension of the term. Any amendment to this Agreement shall be submitted to HUD as required by the regulations and any failure to adopt required amendments will void the automatic renewal of the Agreement for the subsequent three-year term.

6. This Agreement shall be effective for the period of time required for the expenditure of all CDBG and/or applicable HOME funds allocated to the City under this Agreement and appropriations from any program income therefrom and for the completion of the funded activities. The County and City agree that they cannot terminate or withdraw from this Agreement while it remains in effect.

The City and the County agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act.

The City and the County in the performance of this Agreement shall take all actions necessary or appropriate to assure compliance with the Urban County's certification under Section 104 (b) of Title I of the Act, as amended, regarding Title VI of the Civil Rights Act of 1964; the Fair Housing Act and affirmatively furthering fair housing as cited in 24 CFR 91.225(a); Section 109 of Title I of the Act, which incorporates Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975, and all other applicable laws and regulations.

Urban County funding is prohibited for activities in, or in support of, any City that does not affirmatively further fair housing within its local jurisdiction or that impedes the County's action to comply with the Fair Housing Certification.

- 7. The City and County agree that CDBG and HOME funding is prohibited for any activities in or in support of any cooperating City that do not affirmatively further fair housing within its own jurisdiction or that impede the County's action to comply with its fair housing certification.
- 8. Pursuant to 24 CFR 570.501 (b), the City is subject to all requirements applicable to subrecipients, including the requirement of a written agreement as set forth in 24 CFR 570.503.
- 9. The City shall report to the County of any income generated by the use of CDBG or HOME funds received by the City. Any such program income must be remitted to the County within 30 days of receipt if applicable. Such program income may be used for eligible activities in accordance with all CDBG and HOME requirements as may then apply.
- 10. The County shall be responsible for monitoring and reporting to HUD on the use of any program income; therefore, the City shall be required to maintain appropriate record keeping and reporting for this purpose.
- 11. The City may not sell, trade or otherwise transfer all or any portion of CDBG funds at another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in

exchange for any other funds, credits or non-Federal consideration, but must use such funds for activities eligible under title I of the Housing and Community Act of 1974.

- 12. In the event of grant close-out or termination of this Agreement, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the County within 60 days after grant closeout.
- 13. All program income generated from the disposition or transfer of real property acquired or improved by the City, using CDBG and/or HOME funds or program income, during the term of this Agreement, shall be subject to all the terms and conditions of this Agreement, particularly Sections 6 through 11.
- 14. Any real property which is acquired or improved by the City during the term of this Agreement, in whole or in part, using CDBG and/or HOME funds or program income in excess of \$25,000, shall be subject to the following standards:
 - a. The County shall be notified by the City in writing of any modification or change in the use or disposition of such real property from that planned at the time of the acquisition or improvement. Such notification shall be made prior to the modification, change in use or disposition.
 - b. If such real property is sold within five (5) years or transferred for a use which does not qualify as an eligible activity under CDBG and/or HOME regulations, the City shall reimburse to the County an amount equal to the pro-rata share of the current fair market value of the property or proceeds from the sales. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.
- 15. The City shall make available for inspection and audit to County's and HUD's representatives, upon request, at any time during the duration of this Agreement and for a period of five (5) years, thereafter, all of its books and records relating to CDBG and HOME program activities and income.
- 16. Following the end of the three-year reimbursable contract period and after resolving any financial or programmatic findings, if a City elects to leave the Los Angeles County Grant Program, and is not eligible to become an entitlement City, the City will be unable to request that its allocation or any remaining balance be transferred to the City. Any remaining balance will be transferred to the funding pool of the Supervisorial District in which the City is located.
- 17. The City has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of

such non-violent civil rights demonstrations within its jurisdiction.

- 18. The City shall provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i The dangers of drug abuse in the workplace;
 - ii The City's policy of maintaining a drug-free workplace;
 - iii Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph "a" of this Section 18.
 - d. Notifying the employee in the statement required by paragraph "a" of this Section 18 that, as a condition of employment funded by the CDBG and/or HOME grant, the employee will:
 - i Abide by the terms of the statement; and
 - Notify the City in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.
 - e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d(ii) of this Section 18 from an employee or otherwise receiving actual notice of any such conviction; and the City must provide written notice, including position or title, of any City employees convicted of any criminal drug statute to every County officer or other designee who processed a CDBG or HOME grant which funded any activity on which the convicted employee was working, unless HUD has designated an identification number(s) of each affected grant.
 - f. Taking one (1) of the following actions, within thirty (30) calendar days of receiving notice under subparagraph d(ii) of this Section 18, with respect to any employee who is so convicted:
 - i Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the

Rehabilitation Act of 1973, as amended; or

- ii Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purpose by a federal, State, local health, law enforcement, or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f, of this Section 18.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by the Executive Director of the Los Angeles County Development Authority, and the City has subscribed the same through its duly authorized officers, on the day, month, and year first above written.

County Counsel Certification

The office of the County Counsel hereby certifies that the terms and provisions of this Agreement are fully authorized under State and local laws, and that the Agreement provides full legal authority for the County to undertake or assist in undertaking essential community development and housing assistance activities, specifically urban renewal and public assisted housing.

By:

Deputy County Counsel

Date

COUNTY OF LOS ANGELES

By ______ EMILIO SALAS Acting Executive Director Los Angeles County Development Authority



ATTEST:

City Clerk

By_____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARY C. WICKHAM County Counsel

By_

Deputy

By

City Attorney





COMMUNITY DEVELOPMENT COMMISSION of the County of Los Angeles 700 W. Main Street • Alhambra, CA 91801 Tel: 626.262.4511 • TDD: 626.943.3898 • www.lacdc.org Hilda L. Solis Mark Ridley-Thomas Sheila Kuehl Janice Hahn Kathryn Barger Commissioners

October 13, 2017

RECEIVED

OCT 2 6 2017 ADMINISTRATIVE OFFICE OF CITY OF SAN FERNANDO

Alex Meyerhoff, City Manager City of San Fernando 117 N. Macneil St. San Fernando, CA 91340-2911

Dear Mr. Meyerhoff:

CITY'S CONTINUED PARTICIPATION IN THE LOS ANGELES URBAN COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The County, acting through the Community Development Commission of the County of Los Angeles, is pleased to join in partnership with 47 participating cities in the Los Angeles County Community Development Block Grant (CDBG) Program. The cities acted in a truly cooperative spirit recently when we requested everyone to execute an Amendment to their Cooperation Agreement within a short timeframe. Unfortunately, it could not be avoided, and, as usual, all 47 cities reacted positively and helped us meet the U.S. Department of Housing and Urban Development's (HUD) deadline.

We have already been notified that the documentation has been reviewed and found to be legally acceptable and meets HUD's requirements to re-qualify for entitlement status. The Cooperation Agreements and the subsequent Amendment also document the fact that the City is part of the CDBG Urban County Program for the next three (3) Fiscal Years (July 1, 2018 - June 30, 2021). As you may be aware, every three (3) years, the County of Los Angeles must re-qualify with HUD for this entitlement designation.

Enclosed for your records is the City's fully executed copy of the Amendment to the Cooperation Agreement. This Amendment has also been scanned and is filed electronically in the CDBG Online System, along with the CDBG contracts you have with the CDC, as well as the original Cooperation Agreement the City signed in 2014.

We	Build Better Lives
	& Better Neighborhoods



Alex Meyerhoff, City Manager October 13, 2017 Page 2

We look forward to funding future programs and services in the City and to your continued partnership in the CDBG Program. It is because of jurisdictions such as yours and the partnership that we have that we are able to reach those residents most in need.

Should you have any questions, please contact Hermelinda Rendon, Grants Planning and Administration Team Supervisor, of my staff, at (626) 586-1750.

Sincerely,

SCOTT STEVENSON, Director Community Development Division

SS:LJ:HR:rb K:\GMU COMMON\GPPA\GPA\Urban County Qualification Docs\2018-2020 Qualification Period\City amendment thanku .ltr.final merge

Enclosure

COUNTY OF LOS ANGELES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM PARTICIPATING CITY COOPERATION AGREEMENT AMENDMENT NUMBER 1

CITY: SAN FERNANDO

THIS AMENDMENT NUMBER 1 TO THE COOPERATION AGREEMENT which was effective July 1, 2015, is made this <u>20</u> day of <u>September 2017</u> by and between the County of Los Angeles, hereinafter called the "County," acting by and through the Community Development Commission of the County of Los Angeles (Commission) and the City of San Fernando (City).

WITNESSETH THAT:

WHEREAS, in 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, as amended, herein called the "Act;"

WHEREAS, the County and City desire to cooperate to undertake, or assist in undertaking, community development, community renewal of lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act, the Cranston-Gonzalez National Affordable Housing Act (NAHA), and the U.S. Housing Act of 1937, as amended;

WHEREAS, the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program are required to have an approved comprehensive housing strategy as authorized under NAHA;

WHEREAS, the County has requested of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," that the County be designated as an "Urban County;"

WHEREAS, the County and the Participating City previously entered into a Cooperation Agreement;

WHEREAS, the City desires to participate with the County in said program;

WHEREAS, as the Urban County designee, the County will take responsibility and assume all obligations of an applicant under federal statutes including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications; and WHEREAS, the terms and provisions of this Agreement are fully authorized under State and local law, and this Agreement provides full legal authority for the County, by and through its agents and instrumentalities including the Housing Authority of the County of Los Angeles and the Community Development Commission of the County of Los Angeles, herein referred as "County," to undertake, or assist in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing; and

NOW, THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived there from, the parties agree as follows:

1. The City may not sell, trade or otherwise transfer all or any portion of CDBG funds at another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal consideration, but must use such funds for activities eligible under title I of the Housing and Community Act of 1974.

This Amendment No. 1 amends the original Cooperation Agreement to reflect the additions and/or change(s) noted above, and this section(s) should be substituted in its entirety or added to the previously executed agreement. All other terms and conditions of said agreement shall remain the same.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this amendment to the Cooperation Agreement to be subscribed by the Executive Director of the Community Development Commission of the County of Los Angeles, and the City has subscribed the same through its duly authorized officers, on the day, month, and year first above written

County Counsel Certification

The office of the County Counsel hereby certifies that the terms and provisions of this Agreement are fully authorized under State and local laws, and that the Agreement provides full legal authority for the County to undertake or assist in undertaking essential community development and housing assistance activities, specifically urban renewal and public assisted housing.

Behnez Jas Deputy County Counsel By:

Date

COUNTY OF LOS ANGELES

SEAN ROGAN, Executive Director Community Development Commission of the County of Los Angeles CITY OF SAN FERNANDO

OR DESIGNEE

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARY C. WICKHAM County Counsel

By City Atterney

City Attorney

05/18/2020



Sean Rogan Executive Director COMMUNITY DEVELOPMENT COMMISSION of the County of Los Angeles 700 W. Main Street • Alhambra, CA 91801 Tel: 626.262.4511 • TDD: 626.943.3898 • www.lacdc.org Gloria Molina Mark Ridley-Thomas Zev Yaroslavsky Don Knabe Michael D. Antonovich Commissioners

RECEIVED

OF SAN FERNANDO

August 7, 2014

Brian Saeki, City Manager City of San Fernando 117 Macneil Street San Fernando, CA 91340

Dear Mr. Saeki:

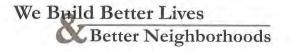
PARTICIPATING CITY COOPERATION AGREEMENT

The purpose of this letter is to express our pleasure that the City of City of San Fernando has chosen to continue working with the County as a partner in the Urban County Community Development Block Grant (CDBG) Progam for the new qualification period, which began on July 1, 2015 and ends on June 30, 2018.

Enclosed you will find a copy of the fully executed Cooperation Agreement and the Certification of Understanding Concerning the Prohibition of the Exchange of CDBG Funds. Thank you for your assistance in this matter. This Agreement has an automatic self-renewal provision every three (3) years, so it will automatically self-renew at the end of this qualification period, unless the County or the City provide written notice electing not to participate. Because of this self-renewal provision, it is unlikely that the City and County will need to execute another Cooperation Agreement anytime in the near future, unless the U.S. Department of Housing and Urban Development changes their requirements. Prior to this year, the last time most of our partner cities signed the Cooperation Agreement was in 2005.

Your Cooperation Agreement and the Certification of Understanding Concerning the Prohibition of the Exchange of CDBG Funds are accessible in the CDBG Online System, along with your other contracts. In order to view and/or download a contract, go to the toolbar found on the top of the screen of the CDBG Online System, click on "Contract," move the cursor down to "Contracts," then click on "Search." This will take you to a screen that will list all of your contracts. The enclosed hard copy, with original signatures, is for your City's records since many of the City Clerks requested a hard copy of the fully executed contract.

We look forward to working in partnership with your City to serve the residents of Los Angeles County during this new qualification period. Should you have any questions, about the





Page 76 of 185

Brian Saeki, City Manager August 7, 2014 Page 2

Cooperation Agreement or the process, please contact Hermelinda Rendon, Program Administration Supervisor, at (626) 586-1750 or <u>Hermelinda.Rendon@lacdc.org</u>.

Sincerely,

Satt Stueno

SCOTT STEVENSON, Director Community Development Division

SS:LJ:HR:rb K:\GMU COMMON\GPPA\GPA\Urban County Qualification Docs\2015.2017Coop Agreement.final merge

Enclosures

CONTRACT NO. 1744

COUNTY OF LOS ANGELES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM HOME INVESTMENT PARTNERSHIPS PROGRAMS

PARTICIPATING CITY COOPERATION AGREEMENT

This Agreement is being entered into on this 4th day of June 2014, to be effective on the 1st day of July 2015, by and between the City of San Fernando, hereinafter referred to as "City," and the County of Los Angeles, by and through the Executive Director of the Community Development Commission of the County, hereinafter referred to as "County" and shall remain in effect for the three-year qualification period through the 30th day of June 2018. After this date, this Agreement provides for automatic renewal of participation in successive three-year qualification periods, unless the County or the City provides written notice it elects not to participate in a new qualification period.

WITNESSETH THAT:

WHEREAS, in 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, as amended, herein called the "Act;" and

WHEREAS, County and City desire to cooperate to undertake, or assist in undertaking, community development, community renewal of lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act, the Cranston-Gonzalez National Affordable Housing Act (NAHA), and the U.S. Housing Act of 1937, as amended;

WHEREAS, the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program are required to have an approved comprehensive housing strategy as authorized under NAHA;

WHEREAS, the County has requested of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," that the County be designated as an "Urban County;"

WHEREAS, the City desires to participate with the County in said program;

WHEREAS, as the Urban County designee, the County will take responsibility and assume all obligations of an applicant under federal statues, including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications;

WHEREAS, the terms and provisions of this Agreement are fully authorized under State and local law, and this Agreement provides full legal authority for the County, by and through its agents and instrumentalities including the Housing Authority of the County of Los Angeles and the Community Development Commission of the County of Los Angeles, herein referred as "County," to undertake, or assist in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing; and

WHEREAS, by executing this Agreement, the parties hereby give notice of the intention to participate in the Urban County CDBG Program.

NOW, THEREFORE, the parties agree as follows:

1. The City hereby authorizes the County to perform, or cause to be performed, those acts necessary or appropriate to implement the community development and housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, improvement or development of housing for persons of low- to moderate-income, and other community or urban renewal activities authorized under the Act specified for the City in the County's Consolidated Plan which will be funded from annual CDBG and applicable HOME Programs from Federal annual appropriations and from any program income generated from the expenditure of such funds. County shall have final authority and responsibility for selecting projects and annually filing its Final Housing and Community Development Plan with HUD.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the then current fiscal year. The County will endeavor to notify the City in writing within ten (10) days of receipt of non-appropriation notice.

- 2. This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: The CDBG Entitlement Program and the HOME Program.
- 3. In executing this Agreement, the City understands that it shall not be eligible to apply for grants under the Small Cites or State CDBG Programs for appropriations for fiscal years during the period in which the City is participating in the Urban County CDBG entitlement program; and further, the City shall not be eligible to participate in the HOME and ESG programs except through the Urban County.
- 4. The City may participate in a HOME Program only through the County. Thus, even if the County does not receive a HOME formula allocation, the City cannot form a HOME consortium with other local governments.
- 5. The term of this Agreement shall commence on **July 1, 2015**, the beginning date of this new Urban County Qualification Period, which will end on **June 30, 2018**. After this three (3) year Qualification Period ends, this Agreement will automatically renew for another period of three (3) years, unless the City provides

written notice at least 60 days prior to the end of the term that it elects not to participate in a new qualification period. A copy of that notice must be sent to the HUD Field Office. Before the end of the first three-year term, the County will notify the City in writing of its right not to participate in the Urban County for a successive three-year term.

The parties agree to adopt amendments to this Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification Notice by HUD, prior to the subsequent three-year extension of the term. Any amendment to this Agreement shall be submitted to HUD as required by the regulations and any failure to adopt required amendments will void the automatic renewal of the Agreement for the subsequent three-year term.

6. This Agreement shall be effective for the period of time required for the expenditure of all CDBG and/or applicable HOME funds allocated to the City under this Agreement and appropriations from any program income therefrom and for the completion of the funded activities. The County and City agree that they cannot terminate or withdraw from this Agreement while it remains in effect.

The City and the County agree to cooperate to undertake, or assist in undertaking, community development, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act.

The City and the County in the performance of this Agreement shall take all actions necessary or appropriate to assure compliance with the County's certification required by Section 104 (b) of Title I of the Act, as amended, including the provisions of the National Environmental Policy Act of 1969, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 109 of Title I of the Act, which incorporates Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, affirmatively furthering fair housing, Section 3 of the Housing and Urban Development Act of 1968, the Fair Housing Act, the Act, and all other applicable laws and regulations.

- 7. The City and County agree that CDBG and HOME funding is prohibited for any activities in or in support of any cooperating City that do not affirmatively further fair housing within its own jurisdiction or that impede the County's action to comply with its fair housing certification.
- 8. Pursuant to 24 CFR 570.501 (b), the City is subject to all requirements applicable to subrecipients, including the requirement of a written agreement as set forth in 24 CFR 570.503.
- 9. The City shall report to the County of any income generated by the use of CDBG or HOME funds received by the City. Any such program income must be

remitted to the County within 30 days of receipt if applicable. Such program income may be used for eligible activities in accordance with all CDBG and HOME requirements as may then apply.

- 10. The County shall be responsible for monitoring and reporting to HUD on the use of any program income; therefore, the City shall be required to maintain appropriate record keeping and reporting for this purpose.
- 11. In the event of grant close-out or termination of this Agreement, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the County within 60 days after grant closeout.
- 12. All program income generated from the disposition or transfer of real property acquired or improved by the City, using CDBG and/or HOME funds or program income, during the term of this Agreement, shall be subject to all the terms and conditions of this Agreement, particularly Sections 6 through 11.
- 13. Any real property which is acquired or improved by the City during the term of this Agreement, in whole or in part, using CDBG and/or HOME funds or program income in excess of \$25,000, shall be subject to the following standards:
 - a. The County shall be notified by the City in writing of any modification or change in the use or disposition of such real property from that planned at the time of the acquisition or improvement. Such notification shall be made prior to the modification, change in use or disposition.
 - b. If such real property is sold within five (5) years or transferred for a use which does not qualify as an eligible activity under CDBG and/or HOME regulations, the City shall reimburse to the County an amount equal to the pro-rata share of the current fair market value of the property or proceeds from the sales. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.
- 14. The City shall make available for inspection and audit to County's and HUD's representatives, upon request, at any time during the duration of this Agreement and for a period of five (5) years, thereafter, all of its books and records relating to CDBG and HOME program activities and income.
- 15. Following the end of the three-year reimbursable contract period and after resolving any financial or programmatic findings, if a City elects to leave the Los Angeles County Grant Program, and is not eligible to become an entitlement City, the City will be unable to request that its allocation or any remaining balance be transferred to the City. Any remaining balance will be transferred to the funding pool of the Supervisorial District in which the City is located.
- 16. The City has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
- b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- 17. The City shall or shall continue to provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i The dangers of drug abuse in the workplace;
 - ii The City's policy of maintaining a drug-free workplace;
 - iii Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph "a" of this Section 17.
 - d. Notifying the employee in the statement required by paragraph "a" of this Section 17 that, as a condition of employment funded by the CDBG and/or HOME grant, the employee will:
 - i Abide by the terms of the statement; and
 - ii Notify the City in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.
 - e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d(ii) of this Section 17 from an employee or otherwise receiving actual notice of any such conviction; and the City must provide written notice, including position or title, of any City employees convicted of any criminal drug statute to every County officer or other designee who processed a CDBG or HOME grant which

funded any activity on which the convicted employee was working, unless HUD has designated an identification number(s) of each affected grant.

- f. Taking one (1) of the following actions, within thirty (30) calendar days of receiving notice under subparagraph d(ii) of this Section 17, with respect to any employee who is so convicted:
 - i Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - ii Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purpose by a federal, State, local health, law enforcement, or other appropriate agency.
- Making a good faith effort to continue to maintain a drug-free workplace g. through implementation of paragraphs a, b, c, d, e, and f, of this Section 17.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by the Executive Director of the Community Development Commission of the County of Los Angeles, and the City has subscribed the same through its duly authorized officers, on the day, month, and year first above written

County Counsel Certification

The office of the County Counsel hereby certifies that the terms and provisions of this Agreement are fully authorized under State and local laws, and that the Agreement provides full legal authority for the County to undertake or assist in undertaking essential community development and housing assistance activities, specifically urban renewal and public assisted housing.

By:

Belinez Jashihme Deputy County Counsel

6/2/14	
Date	

COUNTY OF LOS ANGELES

Bv

SEAN ROGAN, Executive Director **Community Development Commission** of the County of Los Angeles

CITY OF SAN FERNANDO

Sylvia Callin SYLVIA BALLIN, Mayor

- 6 -

05/18/2020

ATTEST:

City Clerk

By ylena y Chave ELENA G. CHAVEZ, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JOHN F. KRATTLI County Counsel

uchnez Jashakme By

Deputy

By RICK OLIVAREZ, City Attorney

-7-

CERTIFICATION OF UNDERSTANDING CONCERNING PROHIBITION OF EXCHANGE OF CDBG FUNDS

I CERTIFY THAT I HAVE READ AND UNDERSTAND COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) BULLETIN NO. 12-0027, *DISCONTINUANCE OF THE CDBG EXCHANGE OR TRANSFER OF FUNDS POLICY*, DATED NOVEMBER 6, 2012, AND AGREE THAT NO CDBG FUNDS MAY BE EXCHANGED OR TRANSFERRED BETWEEN ANY JURISDICTION. I ALSO AGREE THAT ALL OTHER PROVISIONS OF THE COOPERATION AGREEMENT REMAIN IN FULL EFFECT.

COUNTY OF LOS ANGELES

By

SEAN ROGAN, Executive Director community Development Commission of the County of Los Angeles

CITY OF SAM FERNANDO By OR OR DESIGNEE MA

ATTEST: DEPUTY City Clerk By

Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JOHN F. KRATTLI County Counsel

By K

Bv ity Attorney

05/18/2020

7

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AGENDA REPORT

- To: Mayor Joel Fajardo and Councilmembers
 From: Nick Kimball, City Manager By: Kenneth Jones, Management Analyst
 Date: May 18, 2020
 Subject: Consideration to Approve an Increase to F
- Subject: Consideration to Approve an Increase to Envirogen Technologies' Purchase Order for Additional Operation and Maintenance Services Related to the Ion-Exchange System for San Fernando Well No. 7

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to increase Purchase Order No. 12115 with Envirogen Technologies in the amount of \$40,000 to cover the cost of additional operations and maintenance services related to the Ion-Exchange System at San Fernando Well No. 7.

BACKGROUND:

- On July 15, 2019, City Council awarded a five-year contract (Attachment "A"- Contract No. 1920) to Enivrogen Technologies (Contractor) to conduct operations and maintenance services to the Nitrate System for San Fernando Well No.7.
- 2. During September 2019, there was an unforeseen expenditure of \$5,000 due to the emergency replacement of multiple water nitrate system valves that had failed.
- 3. On January 28, 2020, the Contractor submitted an invoice to the City in the amount of \$27,029 for bulk salt deliveries provided during Fiscal Year 2018-2019.
- 4. On April 30, 2020, the conductivity sensor and pressure sensor on the nitrate system were damaged and needed repair, totaling in \$1,700.00 for material and labor.

ANALYSIS:

Nitrate is one of the most common groundwater contaminants, and can be dangerous to a person's health if found in high levels within potable water. Nitrate is a chemical found in most fertilizers, manure, and liquid waste discharged from septic tanks. Natural bacteria in soil can

Consideration to Approve an Increase to Envirogen Technologies' Purchase Order for Additional Operation and Maintenance Services Related to the Ion-Exchange System for San Fernando Well No.7 Page 2 of 2

convert nitrogen into nitrate. Rain or irrigation water can then carry nitrate down through the soil into groundwater.

Keeping the Well No. 7 Ion-Exchange System functioning properly at all times is critical to providing potable water that is low in nitrates to residents. To remove nitrates from water being pumped from Well No. 7, the Ion-Exchange System uses a proprietary process for the removal of nitrate anions from the water. Nitration removal is accomplished using ion-exchanged resin, regenerated with sodium chloride (brine) solution. This process must be conducted on a daily basis. The Contactor's scope of services is predicated on keeping the nitrate system's nitrate removal process running properly.

During Fiscal Year 2018-2019, \$27,000 worth of salt was purchased from Envirogen for use with the nitrate system. Envirogen invoiced the City for this cost during the current fiscal year and the unexpected expenditure greatly reduced the amount of funds available for the operations and maintenance of the nitrate system. Envirogen no longer provides salt for the nitrate system due to the City purchasing from another company.

The current purchase order for Contractor's services is for the full base contract amount of \$93,908.64, which has a balance remaining of \$6,279.76. Section 1.3 and Section 1.5 of the Contract authorize additional work above the base contract amount, subject to City Council approval. The \$40,000 being requested will raise the purchase order amount to \$133,908.64. The new remaining balance on purchase order would be \$46,279.76. The \$46,279.76 balance on the purchase order will be used to cover the cost of five invoices, three outstanding and two upcoming and all with an average dollar amount of \$7,796, and the cost of any unforeseen emergency call-outs.

BUDGET IMPACT:

The \$93,908.64 cost for the Contractor to provide operations and maintenances services to the nitrate system for Well No.7 was budgeted in the Fiscal Year 2019-2020 approved budget within the Water Fund (Account number 070-384-0857-4260). The additional \$40,000 being requested is also available within the Water Fund (Account number 070-384-0857-4300). If increase is approved, the \$40,000 will be transferred from the 4300 account into the 4260 account.

CONCLUSION:

With the importance of keeping the City's water system running properly to meet the City's daily needs and in times of crisis, staff recommends that the City Council authorize an increase

Consideration to Approve an Increase to Envirogen Technologies' Purchase Order for Additional Operation and Maintenance Services Related to the Ion-Exchange System for San Fernando Well No.7 Page 3 of 2

of \$40,000 to Envirogen Technologies' Purchase Order for providing operations and maintenances services.

ATTACHMENT:

A. Contract No. 1920

Page 90 of 185 ATTACHMENT "B" CONTRACT NO. 1920



CONTRACT SERVICES AGREEMENT (Contractor: Envirogen Technologies, Inc.) (Services: Maintenance Services for San Fernando Well No. 7)

THIS CONTRACT SERVICES AGREEMENT ("Agreement") is entered into this 15th day of July, 2019 by and between the CITY OF SAN FERNANDO, a municipal corporation (hereinafter, "City") and ENVIROGEN TECHNOLOGIES, INC., a Delaware 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.

RECITALS

This AGREEMENT is made and entered into with respect to the following facts:

WHEREAS, City requires operations and maintenance services in connection with the City's ion exchange system for San Fernando Well No. 7; and

WHEREAS, Contractor represents that it is fully qualified to perform such work by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, Contractor further represents that it is willing to accept responsibility for performing such work in accordance with the terms and conditions set forth in this Agreement; and

WHEREAS, this Agreement was approved by the San Fernando City Council ("City Council") at its meeting of July 15, 2019 under Agenda Item 3.

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

- I.

SCOPE AND TERM OF SERVICES AND COMPENSATION

1.1 <u>SCOPE OF SERVICES</u>: Contractor shall perform those services and tasks described under the heading "Scope of Work" on page 2 of that certain proposal of Contractor dated April 10, 2019 and entitled "Envirogen Technologies – Maintenance Service Contract Well No. 7" which is attached and incorporated hereto as Exhibit "A" (hereinafter, 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 "Services." This Agreement constitutes an "Order" within the meaning of Section 1 (Definitions) found on page 5 of the Scope of Services. The following provisions of the Scope of Services are hereby deleted and repealed and shall be of no force or effect:

- Subsections 3.4 through 3.7 of Section 3 found on page 6 of the Scope of Services;
- (ii) Section 7 found on page 8 of the Scope of Services;
- (iii) Section 8 found on pages 8 through 9 of the Scope of Services;
- (iv) Section 9 found on page 9 of the Scope of Services; and
- (v) Subsections 11.4 through 11.10 found on page 10 of the Scope of Services.
- 1.2 <u>TERM</u>: This Agreement shall have a term (hereinafter, "Term") of five (5) years commencing from the date the Agreement is signed by all of the Parties (the "Effective Date")
- 1.3 COMPENSATION: In consideration for Contractor's performance of the Services, Contractor shall be compensated in the lump sum amount of Seven Thousand Eighty-Eight Dollars (\$7,088) per month (the "Monthly Not-to-Exceed Sum"). provided however, that the Monthly Not-to-Exceed Sum shall increase automatically by an amount equal to two percent (2%) of the most current Monthly Not-to-Exceed Sum once a year on 15th day of April of each year, commencing April 15, 2020. The foregoing notwithstanding, in no event may the Monthly Not-to-Exceed Sum exceed the sum of Seven Thousand, Eight Hundred Twenty-Five Dollars and Seventy-Two Cents (\$7,825.72) during the Term of this Agreement nor may Contractor's total aggregate compensation during any single Contract Year exceed the sum of Ninety-Three Thousand, Nine Hundred Eight Dollars and Sixty-Four Cents (\$93,908.64) without the prior approval of the City Council. City may suspend Contractor's performance pending such City Council approval. For purposes of this Agreement, the capitalized term "Contract Year" means any one-year period of time during the Term of the Agreement commencing from the Effective Date or each anniversary of the Effective Date thereafter.
- 1.4 <u>PAYMENT OF COMPENSATION</u>: Following the conclusion of each calendar month, Contractor will submit to City an invoice indicating the sums owed for the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred for City-authorized services or tasks that were performed during the recently concluded calendar month that are not included in the Scope of Services. If the amount of Contractor's compensation monthly compensation for City-authorized work performed that is not covered under this Scope of Services 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 services or tasks, 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 such services and tasks performed. Within thirty (30) calendar days of receipt of each invoice, City will notify Contractor in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, City will pay all undisputed amounts included on the invoice. City will not withhold applicable taxes or other authorized deductions from payments made to Consultant.

- 1.5 <u>EXTRA WORK; COMPENSATION FOR EXTRA SERVICES</u>: At any time during the term of this Agreement, City may request that Contractor perform Extra Work. For the purposes of this Agreement, the term "Extra Work" means any additional work, services or tasks not set forth in the Scope of Services but later determined by City to be necessary. Contractor shall not undertake, nor shall Contractor be entitled to compensation for Extra Work without the prior written authorization of the City. Extra Work does not include any labor, materials, tools, supplies, equipment, services, tasks or incidental and customary work undertaken to competently perform and timely complete the Services and related sub-tasks set forth in the Scope of Services.
- 1.6 <u>ACCOUNTING RECORDS</u>: 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.
- 1.7 <u>ABANDONMENT BY CONTRACTOR</u>: In the event Contractor ceases to perform the Services 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 satisfactorily performed up to the time of cessation or abandonment, less any deduction for any damages, costs or additional expenses which City may incur as a result of Contractor's cessation or abandonment.

11.

PERFORMANCE OF AGREEMENT

2.1 <u>CITY'S REPRESENTATIVES</u>: The City hereby designates the Director of Public Works and the Water Division Superintendent (hereinafter, the "City Representatives") to act as its representatives for the performance of this Agreement; the Director of Public Works shall be the City's 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 <u>CONTRACTOR'S REPRESENTATIVE</u>: Contractor hereby designates Joe Gutierrez, Business Development Manager West to act as its representative for the performance of this Agreement (hereinafter, "Contractor's Representative"). Contractor's Representative shall have full authority to represent and act on behalf of the Contractor for all purposes under this Agreement. Contractor's Representative or his designee shall supervise and direct the performance of the Services, 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 Services under this Agreement. Notice to the Contractor's Representative shall constitute notice to Contractor.
- 2.3 <u>COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS</u>: Contractor agrees to work closely with City staff in the performance of the Services and this Agreement and shall be available to City staff and the City Representatives at all reasonable times. All work or work product prepared by Contractor shall be subject to inspection and approval by City Representatives or their designees.
- 2.4 <u>STANDARD OF CARE; PERFORMANCE OF EMPLOYEES</u>: Contractor represents, acknowledges and agrees to the following:
 - A. Contractor shall perform all work skillfully, competently and to the highest professional 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 Services to be performed under this Agreement as well as any and all schedules of performance;
 - E. Contractor shall perform all Services under this Agreement in a skillful and competent manner equivalent to, if not greater than, the standard generally recognized as being employed by professionals performing the same services in the State of California;
 - F. All of Contractor's employees and agents (including but not limited to Contractor's subcontractors and subconsultants) possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by Contractor; and
 - G. All of Contractor's employees and agents (including but not limited to Contractor's 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.

The Parties acknowledge and agree that Contractor shall perform, at Contractor's own cost and expense and without any reimbursement from City. any services or tasks 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 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 Services in a skillful and competent manner equivalent to, if not greater than, the standard of performance generally recognized as being employed by professionals performing the same type of work and services in the State of California.

- 2.5 <u>ASSIGNMENT</u>: 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 PAYMENT OF SUBORDINATES; INDEPENDENT CONTROL AND CONTRACTOR: The Services shall be performed by Contractor or under Contractor's strict supervision. Contractor will determine the means, methods and details of performing the Services 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 others during the term of this Agreement, provided such work does not unduly interfere with Contractor's competent performance under this Agreement or result in the unauthorized disclosure of City's confidential or proprietary information. Any additional personnel performing the Services 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 Services 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 Services. In keeping with the indemnification provisions of Article IV, below, Contractor shall indemnify, defend and hold free and harmless City, its elected or appointed officials, officers, employees, agents and volunteers from any claims or liability arising out of the removal of any of Contractor's officers, employees, agents, contractors, subcontractors or subconsultants pursuant to this Section.
- 2.8 COMPLIANCE WITH LAWS: Contractor shall keep itself fully informed of and in compliance with all applicable laws, statutes, codes, rules, regulations and ordinances of the federal government of the United States of America, the State of California, the County of Los Angeles, the City of San Fernando and any other local governmental entity to the extent such laws, statutes, codes, rules, regulations or ordinances governing or affecting the performance of the Services. Contractor's compliance with applicable laws shall include without limitation compliance with all Cal/OSHA requirements, and the issuance of all notices required by law. Contractor shall be liable for all violations of such laws, statutes, codes, rules, regulations and ordinances in connection with Services. If Contractor performs any work knowing it to be contrary to such laws, statutes, codes, rules, regulations or ordinances, Contractor shall be solely responsible for all costs arising therefrom. In keeping with the indemnification requirements of Article IV, below, Contractor shall indemnify, defend and hold free and harmless City and City's elected or appointed officials, officers, employees, agents and volunteers from any claim or liability arising out of any failure or alleged failure to comply with such laws, statues, codes, rules, regulations or ordinances.
- 2.9 <u>SAFETY</u>: Contractor shall perform its work so as to avoid injury or damage to any person or property. In performing the Services, Contractor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Services and the conditions under which any work is to be performed, including but not limited to:
 - A. Adequate life protection and lifesaving equipment and procedures;
 - B. Instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or

lawfully required to prevent accidents or injuries; and

- C. Adequate facilities for the proper inspection and maintenance of all safety measures.
- 2.10. <u>NON-DISCRIMINATION</u>: 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.
- 2.11. <u>INDEPENDENT CONTRACTOR</u>: 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, 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.
- 2.12. <u>LABOR CERTIFICATION</u>: Contractor, by execution of this Agreement, certifies that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.
- 2.13. <u>PREVAILING WAGES</u>: Contractor is aware of the requirements of California Labor Code Section 1770 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works contracts." If this is a "public works contract" pursuant to the California Labor Code and if the total compensation is One Thousand Dollars (\$1,000.00) or more, Contractor agrees to fully comply with such Prevailing Wage Laws. Copies of the prevailing rate of per diem wages for each craft, classification or type of worker needed to execute this Agreement shall be made available to interested parties upon request, and shall be posted at the Project site. In addition to the indemnification duties set forth under Article IV of this Agreement, Contractor agrees to indemnify, defend and hold free and harmless the City and City's elected and appointed officials, officers, employees, agents and volunteers from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.
- 2.14. <u>WARRANTY AGAINST DEFECTS</u>. Contractor warrants all work done and goods provided under this Agreement shall: (i) meet all conditions of the Agreement; (ii) shall be free from all defects in design, materials and workmanship; and (iii) shall be fit for the purposes intended. If any defects occur within twelve (12) months following acceptance, Contractor shall be solely

responsible for the correction of those defects.

II.

INSURANCE

- 3.1 <u>DUTY TO PROCURE AND MAINTAIN INSURANCE</u>: As more specifically set forth below under this Article, Contractor agrees that it shall procure and maintain for the term of this Agreement (and for such extended period of time as may be required under this Article) insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Contractor's performance of this Agreement. Contractor shall also procure and maintain such other types of insurance as may be required under this Article, below. City shall not, and shall be under no obligation to, issue a Notice to Proceed until Contractor has provided evidence satisfactory to City that it has procured all insurance required under this Article III (Insurance).
- 3.2 <u>REQUIRED COVERAGES</u>: Contractor agrees that it shall procure and maintain the following insurance coverage, at its own expense, for the duration for this Agreement or any extended period set forth herein:
 - A. <u>Commercial General Liability Insurance</u>: 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). Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability. The general aggregate limit of the CGL Coverage shall either apply separately to the Services to be performed under this Agreement; or the general aggregate limit shall be twice the required occurrence limit;
 - B. <u>Automobile Liability Insurance</u>: 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. <u>Workers' Compensation Insurance/ Employer's Liability Insurance</u>: Contractor shall procure and maintain Workers' Compensation Insurance affording coverage at least as broad as that required by the State of California with Employer's Liability Insurance with minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. The Workers' Compensation insurer shall also agree to waive all rights of subrogation against City and City's elected and appointed officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy. Workers' Compensation insurance shall also provide or be endorsed to provide: There will be no cancellation, suspension, reduction or voiding of coverage without thirty (30) calendar days prior written notice by certified mail, return receipt requested, to City. If any reduction of coverage

occurs, Contractor shall furnish City with information regarding such reduction at Contractor's earliest possible opportunity and in no case later than five (5) calendar days after Contractor is notified of the change in coverage. Any failure to comply with reporting or other provisions of the policy, including breaches of warrants, shall not affect the coverage provided to City and City's elected or appointed officials, officers, employees, agents or volunteers.

- D. <u>Error & Omissions Insurance</u>: 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.
- 3.3 <u>ADDITIONAL INSURED REQUIREMENTS</u>: 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.
- 3.4 <u>REQUIRED CARRIER RATING</u>: 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.
- 3.5 <u>DISCLOSURE OF DEDUCTIBLES AND SELF-INSURED RETENTIONS</u>: With respect to all varieties of insurance required under this Article, all deductibles and self-insured retentions shall be declared to and approved by City. City, at its option and in its sole and absolute discretion may require that: (i) the insurer reduce or eliminate such deductibles or self-insured retentions as respects City and City's elected or appointed officials, officers, employees, agents and volunteers; or (ii) Contractor shall provide a financial guarantee satisfactory to City guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- 3.6 <u>NOTICE OF FACTORS DIMINISHING COVERAGE</u>: If any of the required insurance coverages contain aggregate limits, or apply to other operations of Contractor not related to this Agreement, Contractor shall give City prompt, written notice of any incident, occurrence, claim settlement or judgment against such insurance which may diminish the protection such insurance affords Contractor, City and City's elected and appointed officials, officers, employees, agents and volunteers. Contractor shall also immediately restore such aggregate limits or shall provide other insurance protection for such aggregate limits. City may, at its option, specify a minimum acceptable aggregate for each line of

coverage required. Contractor shall not make any substantial reductions in scope of coverage which may affect City's protection without City's prior written consent.

- 3.7 <u>DELINEATION OF EXCLUSIONS ADDED BY ENDORSEMENT</u>: All policies of insurance required under this Article shall delineate exclusions added by endorsement. The Parties acknowledge and agree that the purpose of this provision is to enable the Parties to easily identify material limitations in the scope of coverage afforded under each policy of insurance.
- 3.8 <u>SEPARATION OF INSUREDS; NO SPECIAL LIMITATIONS</u>: All varieties of insurance required under this Article shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to City and City's elected or appointed officials, officers, employees, agents or volunteers.
- 3.9 <u>PRIMACY OF CONTRACTOR'S INSURANCE</u>: All polices 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.
- 3.10 WAIVER OF SUBROGATION: No policy of insurance or endorsement thereto that is procured by Contractor pursuant to this Article shall allow (either expressly or by the omission of any express prohibition) any insurance carrier to seek subrogation from City or City's elected or appointed officials, officers, employees, agents or volunteers for any sums paid by the insurance carrier on behalf of Contractor or Contractor's subcontractors or subconsultants or on behalf of City or City's elected or appointed officials, officers, employees, agents or volunteers. All policies of insurance required under this Article shall contain provisions waiving or shall be endorsed to waive any subrogation rights or other like rights of recovery by the insurance carrier against City or City's elected or appointed officials, officers, employees, agents and volunteers for any sums paid on behalf Contractor or Contractor's contractors, subcontractors or subconsultants or on behalf of City or City's elected or appointed officials, officers, employees, agents or volunteers by the insurance carrier. The City Representatives may waive this requirement as to CGL Coverage but only upon Contractor's delivery to City of endorsements demonstrating that City and City's elected or appointed officials, officers, employees, agents and volunteers have been named as additional insureds under the CGL Coverage.
- 3.11 <u>VERIFICATION OF COVERAGE</u>: 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 of San Fernando. 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 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 Services. Contractor shall also provide City with certified copies of all required insurance policies as a condition precedent to the commencement of any work or any of the Services. City shall not, and shall be under no obligation to, issue a Notice to Proceed until Contractor fully complies with this Section. The requirements of this Section cannot be waived and any attempted waiver shall be void, invalid and nonbinding upon City.

- 3.12 <u>NOTICE OF TERMINATION</u>: All policies of insurance required by this Agreement shall contain an endorsement providing that notice of cancellation will be provided to the City by Envirogen as soon as reasonably practical. Contractor agrees to require all its insurers to modify the certificates of insurance to delete any exculpatory wording stating that the failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.
- 3.13 <u>FAILURE TO ADHERE TO INSURANCE PROVISIONS</u>: In addition to any other remedies City may have under this Agreement or at law or in equity, if Contractor fails to comply with any of the requirements set forth in this Article, City may, but shall not be obligated to: (a) Order Contractor to stop any and all work under this Agreement or withhold any payment, which becomes due to Contractor hereunder, or both stop work and withhold any payment, until Contractor demonstrates compliance with the requirements hereof; or (b) terminate this Agreement. City's exercise of any of the foregoing remedies, shall be in addition to any other remedies City may have and is not the exclusive remedy for Contractor's to failure to comply with the insurance requirements set forth under this Article.
- 3.14 <u>SUBCONTRACTORS INSURANCE COVERAGE</u>: Contractor shall include all persons and entities performing work on its behalf as insureds (including all contractors, subcontractors and subconsultants) or, in the alternative, shall furnish separate certificates of insurance <u>and</u> endorsements for each such persons or entities evidencing their independent procurement of insurance. All coverages for such persons or entities shall be identical to the requirements imposed upon Contractor under this Article.
- 3.15 <u>NO LIMITATION ON LIABILITY</u>: Contractor's procurement of insurance shall not be construed as a limitation of Contractor's liability or as full performance of Contractor's indemnification duties set forth under Article V of this Agreement.

IV. INDEMNIFICATION

4.1 The Parties agree that City and City's elected and appointed officials, officers, employees, agents and volunteers 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 City and City's elected and appointed officials, officers, employees, agents and volunteers 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 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 or any of its officers, employees, servants, agents, or subcontractors in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.
- 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 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.
- 4.8 Anything in this Article 4 or elsewhere in this Agreement notwithstanding, any liability of contractor under the order shall not exceed \$1,000,000.

V. TERMINATION

- 5.1 TERMINATION WITHOUT CAUSE: City may terminate this Agreement for convenience and without cause or penalty at any time upon the issuance of thirty (30) days prior written notice to Contractor. Upon termination, Contractor shall be compensated only for that Services which have been satisfactorily rendered to City, and Contractor shall be entitled to no further compensation. Contractor may not terminate this Agreement except for breach of this Agreement. 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 7.1 below, and other information of any kind prepared by Contractor in connection with the performance of the Services. Contractor shall be required to provide such documents and other information within fifteen (15) calendar days of the request. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, Services similar to those terminated.
- 5.2 DEFAULT, BREACH AND TERMINATION IN THE EVENT OF BREACH: In the event either Party fails to perform, or adhere to, any applicable duty, obligation or standard of conduct set forth under this Agreement (or fails to perform or adhere to any such duty, obligation or standard of conduct at the time, place or manner set forth in this Agreement), an event of default (hereinafter, "Event of Default") shall have occurred. Except as otherwise provided in this Agreement, if an Event of Default remains uncured by the defaulting Party for a period in excess of fourteen (14) calendar days from the date upon which the non-defaulting Party issues notice of default (hereinafter, a "Default Notice") to the defaulting Party, then the default shall constitute a breach of this Agreement. If a Party is in breach of this Agreement, the non-breaching Party may pursue any and all remedies available to it at law or in equity. If Contractor is in breach (whether or not such breach is caused by Contractor or Contractor's officials, officers, employees, agents, contractors, subcontractors or subconsultants, City may, in its sole and absolute discretion (and without obligation), terminate this Agreement upon the issuance of five (5) calendar days prior written notice of termination on the grounds of breach (a "Breach-Termination Notice"). City's ability to terminate this Agreement as provided in this Section, shall be in addition to any other remedies City may have at law or in equity in the event of breach and shall not be in lieu of such other remedies.

- 5.3 <u>SCOPE OF WAIVER</u>: 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 <u>SURVIVING ARTICLES, SECTIONS AND PROVISIONS</u>: 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 <u>CONFIDENTIALITY</u>: Contractor and Contractor's agents, subcontractors and employees in the course of their duties may have access to information and data concerning sensitive City infrastructure and other information of a confidential nature. Contractor covenants that all data, documents, discussions, 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 authorization of the City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Contractor's covenants under this Section shall survive the termination of this Agreement.

6.2 OWNERSHIP OF DOCUMENTS; PUBLIC RECORDS ACT DISCLOSURE:

- A. All reports, documents, information, findings and data including but not limited to, digitally or electronically stored computer data, files and tapes furnished or prepared by Contractor or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Contractor. Contractor shall deliver to City any reports, documents, information, findings and data, in any form, including but not limited to, digitally or electronically stored files, tapes, discs, data, audio tapes or any other Services-related items as requested by City at no additional cost.
- B. Contractor is advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, digitally or electronically stored files, tapes or discs, furnished or prepared by Contractor, or any of Contractor's subcontractors or subconsultants, pursuant to this Agreement and provided to City may be subject to public disclosures as required by the California Public Records Act (California Government Code Section 6250 et seq.)(the "Public Records Act"). All proprietary and other information received from Contractor by City, whether

received in connection with Contractor's s initial proposal to City or in connection with any work or services performed by Contractor under this Agreement, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act (Government Code Section 6250 et seq.); provided, however, that, if any information is set apart and clearly marked "trade secret" or "proprietary" when it is provided to City, City shall give notice to Contractor of any request for the disclosure of such information. The Contractor shall then have five (5) days from the date it receives such notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by City in any legal action to compel the disclosure of such information under the California Public Records Act. The Contractor shall have sole responsibility for defense of the actual "trade secret" or "proprietary" designation of such information. The Parties understand and agree that any failure by Contractor to respond to the notice provided by City and/or to enter into an agreement with City, in accordance with the provisions of this subsection, above, shall constitute a complete waiver by Contractor of any rights regarding the information designated "trade secret" or "proprietary" by Contractor, and such information shall be disclosed by City pursuant to applicable procedures required by the Public Records Act.

6.3 <u>NOTICES</u>: 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:

CONTRACTOR:

Envirogen Technologies, Inc. 2627 Chestnut Ridge Road, Suite 260 Kingwood, TX 77339 Tel: 877.312.8950 Fax:909.980.4732

CITY:

City of San Fernando Public Works Department San Fernando City Hall 117 Macneil Street San Fernando, CA 91340 Attn: Public Works Water Superintendent Phone: 818-898-1222 Fax: 818-361-6728 E-mail: publicworks@sfcity.org

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

6.4 <u>COOPERATION; FURTHER ACTS</u>: 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.

- 6.5 <u>SUBCONTRACTING</u>: Contractor shall not subcontract any portion of the Services 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.
- 6.6 <u>CITY'S RIGHT TO EMPLOY OTHER CONTRACTORS</u>: City reserves the right to employ other contractors in connection with the various projects worked upon by Contractor.
- 6.7 <u>PROHIBITED INTERESTS</u>: 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.
- 6.8 <u>TIME IS OF THE ESSENCE</u>: Time is of the essence for each and every provision of this Agreement.
- 6.9 <u>GOVERNING LAW AND VENUE</u>: 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.
- 6.10 <u>ATTORNEY'S FEES</u>: 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 attorney's fees and all other costs of such action.
- 6.11 <u>SUCCESSORS AND ASSIGNS</u>: This Agreement shall be binding on the successors and assigns of the Parties.
- 6.12 <u>NO THIRD PARTY BENEFIT</u>: 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.
- 6.13 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.

- 6.14 <u>SEVERABILITY</u>: 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.
- 6.15 <u>AMENDMENT; MODIFICATION</u>: 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.
- 6.16 <u>CAPTIONS</u>: 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.
- 6.17 <u>INCONSISTENCIES OR CONFLICTS</u>: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto (including the Scope of Services), the provisions of this Agreement shall govern and control but only to the extent of the conflict or inconsistency and no further.
- 6.18 <u>ENTIRE AGREEMENT</u>: 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.
- 6.19 <u>COUNTERPARTS</u>: This Agreement shall be executed in three (3) original counterparts each of which shall be of equal force and effect. One counterpart shall be delivered to Contractor, one counterpart shall be delivered to the City Clerk for the City of San Fernando and one counterpart shall be delivered to the City. 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 6.15, above.

[SIGNATURES ON NEXT PAGE]

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, a municipal
corpora	tion: 10
Ву:	helit
Name:	Wick KinSall
Title:	City Manager
Date:	8/7/18

ENVIROGEN TECHNOLOGIES, INC.

By: Name: na Title: (ESI en 30 Date:

APPROVED AS TO FORM:

By:

Richard Padilla Asst. City Attorney

8-5-19 Date:

EXHIBIT "A" SCOPE OF SERVICES

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City of San Femando

SCOPE OF WORK

Envirogen will continue O&M responsibilities for the San Fernando Well No.7 water treatment system in accordance with the service provisions in the existing contract. The scope of work to be provided will consist of the following:

- 1. Provide required routine and preventative maintenance and repairs of the treatment System. Scope includes onsite visits by service technician up to six (6) times per month.
- 2. Recommend consumables required for the proper operation of the treatment unit to treat the raw water.
- 3. Provide necessary calibration of all Envirogen provided instruments and analyzers.
- 4. Respond to maintenance and consult on operation issues, (24) hours per day, (7) days a week within the following response time breakdown
 - a. Phone Call Response Time: 4 hours
 - b. Non Critical Service Call Response Time: 24 hours
 - c. Critical Service Call Response Time: 12 hours
 - d. Unit Repair Request Call Response time: 36 hours
 - e. Service visits outside of normal business hours will incur additional costs per rate sheet attached. Normal business hours as follows:
 - i. Monday to Friday 8:00 am to 5:00 pm.
- 5. Participate in meetings, correspondence and other interactions with regulatory agencies associated with the treatment unit as reasonably requested by the City
- 6. Provide recommendations to the City to maintain efficient operation of the treatment equipment.
- 7. Remotely monitor the Treatment System via email updates and automated, phone-based communication.
- Supply appropriately qualified and certified personnel who will assist in operating the treatment system as required by applicable law and in accordance with the Governmental Approval and manuals and instructions provided by Envirogen as part of the equipment sale.
- 9. Envirogen's operations team will maintain a log book and O&M reading sheets at the treatment system that summarizes all O&M activities.

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AGENDA REPORT

То:	Mayor Joel Fajardo and Councilmembers		
From:	Nick Kimball City Manager By: Richard Padilla, Assistant City Attorney		
Date:	May 18, 2020		
Subject:	Consideration to Adopt an Urgency Ordinance Amending Section 26-91(a) of the San Fernando City Code to Permit the Appointment of any Member of the Council as Chair and Vice Chair of the Disaster Council		

RECOMMENDATION:

It is recommended that the City Council waive full reading and adopt Urgency Ordinance No. 1694 (Attachment "A") by title, "An Urgency Ordinance amending Section 26-91(a) of the San Fernando City Code to permit the appointment of any member of the City Council as Chair and Vice Chair of the Disaster Council."

This Urgency Ordinance is introduced pursuant to Government Code Sections 36934 and 36937 and requires a four-fifths (4/5th's) vote for adoption.

BACKGROUND:

- 1. Chapter 26, Article III of the San Fernando City Code establishes a nine member Disaster Council consisting of the Mayor, a Councilmember appointed by the Mayor, Assistant Director of Emergency Services, Coordinator of Emergency Services, disaster communications representative, Los Angeles Fire Department representative, American Red Cross representative, Los Angeles Unified School District representative, and a representative of the California Emergency Mobile Patrol or other similar trained volunteer organization.
- 2. The purpose of the Disaster Council is to develop and recommend for adoption by the City Council emergency and mutual aid plans and agreements and such ordinances and resolutions as are necessary to implement such plans and agreements.
- 3. On March 16, 2020 the City of San Fernando ("City") declared a local emergency in response to the Coronavirus (COVID-19) pandemic, which prompted the City Council to direct staff to revive the dormant Disaster Council.

Consideration to Adopt an Urgency Ordinance Amending Section 26-91(a) of the San Fernando Municipal Code to Permit the Appointment of any Member of the City Council as Chair and Vice Chair of the Disaster Council Page 2 of 2

4. On May 4, 2020, City Council discussed the current constitution of the Disaster Council and directed staff to prepare an Ordinance allowing any two Councilmembers to be appointed to the Disaster Council, rather than specifically naming the Mayor and a Councilmember.

ANALYSIS:

Pursuant to Chapter 26, Article III of the San Fernando City Code, only the Mayor and one City Councilmember are eligible to serve on the Disaster Council. In an effort to appoint the most interested and qualified members, the City Council desires to amend the City Code to allow any two Councilmembers be appointed to serve on the Disaster Council.

The purpose of the proposed Urgency Ordinance is to ensure the Disaster Council is running effectively and in the best interest of the residents of the City of San Fernando, particularly during the current time of the COVID-19 pandemic crisis. The current composition requirements for the Disaster Council are too restrictive and do not take into account the competing commitments of Councilmembers. Adoption of the proposed Urgency Ordinance will allow for greater flexibility in the selection of the membership and facilitate its orderly and efficient working.

BUDGET IMPACT:

Adoption of the proposed Urgency Ordinance has minimal impact on the Fiscal Year 2019-2020 Adopted Budget as emergency services are part of staff's adopted work plan.

CONCLUSION:

It is recommended that the City Council approve the proposed Urgency Ordinance.

ATTACHMENT:

A. Urgency Ordinance No. 1694

ATTACHMENT "A"

URGENCY ORDINANCE NO. 1694

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, AMENDING SECTION 26-91(a) OF THE SAN FERNANDO MUNICIPAL CODE TO PERMIT THE APPOINTMENT OF ANY MEMBER OF THE CITY COUNCIL AS CHAIR AND VICE CHAIR OF THE DISASTER COUNCIL

WHEREAS, Article XI, Section 7 of the California Constitution provides that the City of San Fernando ("City") may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, 26-91(a) of the San Fernando Municipal Code reads as follows:

"The city's disaster council is created and shall consist of the following:

- (1) The mayor, who shall be chairman;
- (2) A councilmember who shall be appointed by the mayor, shall be vice chairperson;
- (3) The assistant director of emergency services;
- (4) The coordinator of emergency services;
- (5) A disaster communications representative;
- (6) A representative of the fire department;
- (7) A representative of the American Red Cross;
- (8) A representative of the Los Angeles Unified School District; and
- (9) A representative of the California Emergency Mobile Patrol or other similar trained volunteer organization"; and

WHEREAS, the City Council of San Fernando finds that section 26-91(a) of the San Fernando City Municipal Code is too restrictive in terms of the composition of the Disaster Council and an immediate change is needed to address current and pending challenges confronting the City in light of the Coronavirus (COVID-19) pandemic.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

<u>SECTION 1.</u> The facts set forth in the recitals above are true and correct.

SECTION 2. Section 26-91 (Created; composition) of Article III (Disaster Council) of the San Fernando City Municipal Code is amended in its entirety to read as follows:

"Sec. 26-91. Created; composition.

- (a) The city's disaster council is created and shall consist of the following:
 - (1) The chairman, who shall be selected from the membership of the City Council and appointed by a minimum of three (3) affirmative votes in

favor of appointment;

- (2) The vice chairman, who shall be selected from the membership of the City Council and appointed by a minimum of three (3) affirmative votes in favor of appointment;
- (3) The assistant director of emergency services;
- (4) The coordinator of emergency services;
- (5) A disaster communications representative;
- (6) A representative of the fire department;
- (7) A representative of the American Red Cross;
- (8) A representative of the Los Angeles Unified School District; and
- (9) A representative of the California Emergency Mobile Patrol or other similar trained volunteer organization.
- (b) The disaster council shall be composed of nine members, each with full participation and voting right. Except for those members included pursuant to subsection (a)(1) through (4) of this section, the terms of office of members of the disaster council shall be for periods of two years."

<u>SECTION 3.</u> Urgency Findings. The purpose of this Urgency Ordinance is to ensure the Disaster Council is running as effectively and with the best interest of the residents of the City of San Fernando, particularly during the current time of the COVID-19 pandemic crisis. The current composition requirements for the Disaster Council are too restrictive and do not take into account the competing commitments of Councilmembers. Passage of this Urgency Ordinance will allow for greater flexibility in the selection of the membership and facilitate its orderly and efficient working.

<u>SECTION 4.</u> <u>CEQA</u>. This Urgency Ordinance is not subject to CEQA under the general rule set forth in Section 15601(b)(3) of the CEQA Guidelines that CEQA only applies to projects which have the potential for causing a significant effect on the environment. This Urgency Ordinance merely establishes prohibitions on commercial cannabis activities in the City.

<u>SECTION 5.</u> Inconsistent Provisions. Any provision of the San Fernando Municipal Code, or appendices thereto, that conflicts with the provisions of this Urgency Ordinance, to the extent of such conflict and no further, is hereby repealed or modified to the extent necessary to affect the provisions of this Urgency Ordinance.

<u>SECTION 6.</u> Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Urgency Ordinance, or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Urgency Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase or phrase would be subsequently declared invalid or unconstitutional.

<u>SECTION 7.</u> <u>Construction</u>. This Urgency Ordinance is intended to supplement, not to duplicate or contradict, applicable state and federal law and this Urgency Ordinance shall be

construed in light of that intent. To the extent the provisions of the San Fernando Municipal Code as amended by this Urgency Ordinance are substantially the same as the provisions of that Code as it read prior to the adoption of this Urgency Ordinance, those amended provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 8. Publication and Effective Date. This Urgency Ordinance is enacted pursuant to the authority conferred upon the City Council by Government Code Sections 36934 and 36937 and shall be in full force and effect upon its adoption by a four-fifths (4/5) vote of the City Council. The City Clerk shall cause this Urgency Ordinance to be published once in a newspaper of general circulation within fifteen (15) days after its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of San Fernando at the regular meeting of this 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

APPROVED AS TO FORM:

Richard Padilla, Assistant City Attorney

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES)SS:CITY OF SAN FERNANDO)

I, Julia Fritz, City Clerk of the City of San Fernando, hereby certify that the foregoing Urgency Ordinance No. 1694 was passed and adopted by the City Council of the City of San Fernando, signed by the Mayor and attested by the City Clerk at the regular meeting of said Council held on the 18th day of May 2020 and that said Urgency Ordinance was adopted by the following votes, to-wit:

AYES: NOES: ABSTAIN: ABSENT:

Julia Fritz, City Clerk

05/18/2020

05/18/2020

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AGENDA REPORT

 To: Mayor Joel Fajardo and Councilmembers
 From: Nick Kimball, City Manager By: Richard Padilla, Assistant City Attorney
 Date: May 18, 2020
 Subject: Consideration to Adopt an Ordinance Amending Section 2-121(2) and Section 2-161 of the San Fernando City Municipal Code to Permit the Appointment of a City

RECOMMENDATION:

It is recommended that the City Council:

Clerk by the City Manager

- a. Introduce for first reading, in title only, and waive full reading of Ordinance No. 1695 (Attachment "A") "An Ordinance of the City Council of the City of San Fernando, California, amending section 2-121(2) and Section 2-161 of the San Fernando Municipal Code to permit the appointment of a City Clerk by the City Manager."; and
- b. Adopt Resolution No. 7973(a) (Attachment "B") amending Resolution No. 7973 (Attachment "C") to include the City Clerk in the Executive Compensation Plan for Department Head classifications.

BACKGROUND:

- 1. On July 15, 2013, the San Fernando City Council adopted Ordinance No. 1627 amending the San Fernando Municipal Code to change the administrative structure of the City from a City Administrator form of government to a City Manager form of government.
- 2. The City Manager was granted the authority to appoint, supervise, discipline and terminate the City's executive level employees, excluding the City Attorney and the City Clerk.
- 3. On January 6, 2020, the City Clerk announced her retirement from the City, effective April 10, 2020.
- 4. On January 27, 2020, the City Council approved Resolution No. 7973 setting the compensation plan for the following Department Heads: 1) Police Chief, 2) Director of Public Works, 3) Director of Community Development, 4) Director of Finance, and 5) Director of

Consideration to Adopt an Ordinance Amending Section 2-121(2) and Section 2-161 of the San Fernando City Municipal Code to Permit the Appointment of a City Clerk by the City Manager

Page 2 of 3

Recreation and Community Services.

5. On May 5, 2020, after conducting a formal recruitment process, the City Council approved an Employment Agreement with Julia Fritz to serve as City Clerk at the pleasure of City Council.

ANALYSIS:

The City of San Fernando ("City") has operated under the City Manager form of government as authorized under Government Code Sections 34851-34859 since the adoption of Ordinance No. 1627 in 2013. As of 2016, the overwhelming majority of California cities (468 cities, 97%) employ the City Manager form of government, where the executive responsibilities of municipal government are placed under the day-to-day supervision and control of a council-appointed City Manager.¹

The structure of a municipality operating under the City Manager form of government is similar to the structure of a corporation. In this regard, the municipality's citizens are viewed as shareholders that elect a City Council to serve as their Board of Directors. The City Council establishes the City's policies, while the City Manager, hired by the City Council, is charged with implementing the City Council's policies. In this capacity, the City Manager functions similarly to a corporation's chief executive officer, or CEO.

The City Manager serves at the pleasure of the City Council. If a majority of the City Council is displeased with the City Manager's performance, the City Manager can be dismissed, subject to applicable laws and ordinances, as well as the terms of the City Manager's employment agreement with the City. The City Manager form of government is designed to free the City Council from the administration of daily operations, allowing it to instead devote attention to policy-making responsibilities. Under the current language in the City Code, the City Council appoints the City Clerk, who also serves at the pleasure of the City Council. The amendment proposed under the attached Ordinance will place the City Clerk under the chain of command of the City Manager. It should be noted that the employment contract with the incumbent City Clerk authorizes the City Council to delegate managerial authority over the City Clerk to the City Manager.

Resolution No. 7973 sets the compensation and benefit plan for the City's Department Heads, excluding the City Clerk as that position currently serves pursuant to an Employment Agreement. The proposed amendment to Resolution No. 7973 adds the City Clerk to the list of Department Heads covered by the compensation and benefit plan. The Amendment is necessary to ensure

¹ Nicolas Heidorn, *California Municipal Democracy Index* (December 2016), https://www.commoncause.org/wp-content/uploads/legacy/states/california/research-and-reports/california-municipal.pdf.

Consideration to Adopt an Ordinance Amending Section 2-121(2) and Section 2-161 of the San Fernando City Municipal Code to Permit the Appointment of a City Clerk by the City Manager

Page 3 of 3

the City Clerk continues to receive the same level of salary and benefits afforded to other Department Heads and included in the existing Employment Agreement. The effective date of the proposed Amendment is the same as the effective date of the proposed Ordinance, which is July 1, 2020.

BUDGET IMPACT:

The salary and benefits for the City Clerk are included in the Fiscal Year 2019-2020 Adopted Budget. The proposed Ordinance and amended Resolution do not provide for an increase in salary and benefits above what is provided in the existing Employment Agreement. Therefore, there is no impact associated with adopting and effectuating the proposed Ordinance and amended Resolution.

CONCLUSION:

It is recommended that the City Council approve the proposed Ordinance for first reading to amend the San Fernando City Code to place the City Clerk position in the chain of command of the City Manager and to vest the City Manager with the power to appoint, evaluate, discipline and dismiss persons serving the capacity of City Clerk.

ATTACHMENTS:

- A. Ordinance No. 1695
- B. Resolution No. 7973(a)
- C. Resolution No. 7973

ATTACHMENT "A"

ORDINANCE NO. 1695

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, AMENDING SECTION 2-121(2) AND SECTION 2-161 OF THE SAN FERNANDO MUNICIPAL CODE TO PERMIT THE APPOINTMENT OF A CITY CLERK BY THE CITY MANAGER

WHEREAS, Article XI, Section 7 of the California Constitution provides that the City of San Fernando ("City") may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, on July 15, 2013, the City Council of the City of San Fernando ("City Council") approved Ordinance No. 1627 which reorganized the administrative structure of the City to a so-called City Manager Form of Government; and

WHEREAS, the City Manager serves as the chief executive officer the City, responsible for the hiring, management, discipline and termination of City's executive staff, excluding those hired or appointed directly by the City Council; and

WHEREAS, the City Council wishes to modify the responsibilities of the City Manager to place the office of City Clerk under the City Manager's chain of command along with other executive staff of the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA DO HEREBY ORDAIN AS FOLLOWS:

<u>SECTION 1.</u> The facts set forth in the recitals above are true and correct.

SECTION 2. Section 2-121 (Powers and duties) of Article III (Officers and Employees), Division 2 (City Manager) of the San Fernando Municipal Code is amended in its entirety to read as follows:

"Sec. 2-121. Powers and duties.

The city manager shall be the administrative head of the government of the city under the direction and control of the city council except as otherwise provided in this division. The city manager shall be responsible for the efficient administration of all affairs of the city, which are under his or her control. In addition to the general powers as administrative head of the city government, and not as a limitation thereon, the city manager shall be expected to, and shall have the power to:

- (1) Enforce all laws and ordinances of the city and to see that all franchises, contracts, permits, and privileges granted by the city council are faithfully observed;
- (2) Appoint, remove, promote, and demote any and all officers and employees of the city (including city department heads) except elected officers and the city

attorney, subject to all applicable personnel rules and regulations which may be adopted by the city council;

- (3) Control, order, and give directions to all department heads who are subject to his or her appointment and removal authority and to subordinate officers and employees of the city under his or her jurisdiction through their department heads;
- (4) Conduct studies and effect such organization and reorganization of offices, positions, or units under his or her direction as may be indicated in the interest of efficient, effective, and economical conduct of the city's business;
- (5) Recommend to the city council for adoption such measures and ordinances as he or she deems necessary;
- (6) Attend all meetings of the city council unless excused therefrom by the mayor individually or the city council as a whole, except when his or her removal is under consideration;
- (7) Prepare and submit the proposed annual budget and the proposed annual salary plan to the city council for its approval;
- (8) *Keep the city council at all times fully advised as to the financial condition and needs of the city;*
- (9) Make investigations into the affairs of the city and any department or division thereof and any contract or other obligation of the city; and further to investigate all complaints in relation to matters concerning the administration of the city government and in regard to the service maintained by public utilities in the city;
- (10) Exercise general supervision over all public buildings, public parks, and all other public properties which are under the control and jurisdiction of the city;
- (11) Have the same authority as the mayor, as the convenience of the parties may dictate, to sign documents specified in Government Code section 40602 whenever such documents have been approved by the city council for execution by resolution, motion, minute order, or other appropriate action; and
- (12) Perform such other responsibilities and exercise such other powers as may be delegated to him or her from time to time by ordinance or resolution or other official action of the city council."

SECTION 3. Section 2-161 (Office established; appointment) of Article III (Officers and Employees), Division 3 (City Clerk) of the San Fernando Municipal Code is amended in its entirety to read as follows:

"There shall be a city clerk who shall be appointed by the city manager and included in the civil service system pursuant to division 5 of this article."

<u>SECTION 4.</u> <u>CEQA</u>. This Ordinance is not subject to CEQA under the general rule set forth in Section 15601(b)(3) of the CEQA Guidelines that CEQA only applies to projects which have the potential for causing a significant effect on the environment. This Ordinance merely establishes prohibitions on commercial cannabis activities in the City.

<u>SECTION 5.</u> Inconsistent Provisions. Any provision of the San Fernando Municipal Code, or appendices thereto, that conflicts with the provisions of this Ordinance, to the extent of

such conflict and no further, is hereby repealed or modified to the extent necessary to affect the provisions of this Ordinance.

<u>SECTION 6.</u> Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause or phrase would be subsequently declared invalid or unconstitutional.

<u>SECTION 7.</u> <u>Construction</u>. This Ordinance is intended to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent. To the extent the provisions of the San Fernando Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code as it read prior to the adoption of this Ordinance, those amended provisions shall be construed as continuations of the earlier provisions and not as new enactments.

SECTION 8. Publication and Effective Date. The Mayor shall sign, and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within fifteen (15) days after its adoption. This Ordinance shall become effective thirty (30) days after adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of San Fernando at the regular meeting of this _____ day of ______, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

APPROVED AS TO FORM:

Richard Padilla, Assistant City Attorney

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES)SS:CITY OF SAN FERNANDO

I, Julia Fritz, City Clerk of the City of San Fernando, hereby certify that the foregoing Ordinance No. 1695 was passed and adopted by the City Council of the City of San Fernando, signed by the Mayor and attested by the City Clerk at the regular meeting of said Council held on the 18th day of May 2020 and that said Ordinance was adopted by the following votes, to-wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

Julia Fritz, City Clerk

ATTACHMENT "B"

RESOLUTION NO. 7973(a)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, AMENDING PORTIONS OF RESOLUTION NO. 7973 ESTABLISHING THE SALARY AND BENEFITS FOR EMPLOYEES IN CLASSIFICATIONS DESIGNATED AS DEPARTMENT HEADS

WHEREAS, under California State law, the City Council is vested with the authority to designate classifications as being Department Heads; and

WHEREAS, the City Council has established and designated the following classifications as Department Heads: (1) Police Chief; (2) Director of Public Works; (3) Director of Community Development; (4) Director of Finance; and (5) Director of Recreation and Community Service;

WHEREAS, on May 18, 2020, the City Council modified the responsibilities of the City Manager to place the office of the City Clerk under the City Manager's chain of command along with other executive staff (Department Heads) of the City;

WHEREAS, the City Clerk classification is not included in Resolution No. 7973 establishing the salary and benefits for Department Heads; and

WHEREAS, the City Council desires to include the City Clerk designation as a Department Head; and

WHEREAS, the terms and conditions of employment for the Department Heads are set forth in Resolution Number 7973 adopted on January 27, 2020; and

WHEREAS, the City Council has determined that it is appropriate to provide a salary and benefits to the City Clerk commensurate with negotiated provisions in other recognized bargaining units in the City.

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

SECTION 1. Approval of amendments to Resolution No. 7973 as outlined in the attached "Exhibit 1". Resolution 7973 and all exhibits attached thereto shall remain binding and operation except to the extent amended under this Resolution and no further.

PASSED, APPROVED, AND ADOPTED this 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk

EXHIBIT "1"

Resolution 7973 is hereby amended as follows:

SECTION 1. DEPARTMENT HEAD CLASSIFICATIONS:

Amended to add the classification of City Clerk.

ATTACHMENT "C"

RESOLUTION NO. 7973

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, ESTABLISHING THE SALARY AND BENEFITS FOR CERTAIN EMPLOYEES IN CLASSIFICATIONS DESIGNATED AS DEPARTMENT HEADS

WHEREAS, under California State law, the City Council is vested with the authority to designate classifications as being Department Heads; and

WHEREAS, the City Council; has established and designated the following classifications as Department Heads: (1) Police Chief, (2) Director of Public Works; (3) Director of Community Development; (4) Director of Finance; and (5) Director of Recreation and Community Service; and

WHEREAS, the classifications designated as Department Heads of the City of San Fernando are critical to the City's efficient and effective operations, the City Council recognizes the management nature and responsibilities of the positions; and

WHEREAS, the City Council desires to provide competitive salary and benefits to its employees; and

WHEREAS, the City of San Fernando intends to provide adjustments effective the first day of the first pay period beginning after July 1, 2019 to employees in Department Head classifications; and

WHEREAS, the City Council has determined that it is appropriate to provide economic adjustments to employees in Department Head classifications that are consistent with negotiated provisions in other recognized bargaining units in the City; and

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

SECTION 1. Approve the wages, benefits, and terms and conditions of employment for the employees in Department Head classifications as outlined in the attached "Exhibit 1."

PASSED, APPROVED, AND ADOPTED this 27th day of January, 2020.

Jul Contractoria Joel Fajardo, Mayor

ATTEST:

Hena y Chavey

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 special meeting of the City Council held on the 27th day of January, 2019, by the following vote to wit:

Pacheco, Ballin, Gonzales, Mendoza-4 AYES:

Fajardo – 1 NOES:

ABSENT: None

Una FClavez Elena G. Chávez, City Clerk

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Upon the City Council's adoption of Resolution 7973, the compensation, benefits plan, and terms and conditions of employment for employees in classifications designated as Department Heads will be as set forth below.

SECTION 1. DEPARTMENT HEAD CLASSIFICATIONS:

- Police Chief
- Director of Public Works
- Director of Community Development
- Director of Finance
- Director of Recreation and Community Services

SECTION 2. SALARY:

The base salary for each employee subject to this Resolution shall be adjusted as follows:

- Effective on the first day of the first pay period beginning after July 1, 2019, the employee's base salary shall be increased by four percent (4.0%). The Director of Recreation and Community Services (RCS) salary will be y-rated for the first year of this Resolution. Subsequent salary increases will be applied to the Director of RCS salary.
- Effective on the first day of the first pay period beginning after January 1, 2020, equity adjustments as follows:

Classification	Change in Base Salary
Police Chief	9.0%
Director of Public Works	12.0%
Director of Community Development	3.5%
Director of Finance	3.5%

- Effective on the first day of the first pay period beginning after July 1, 2020, the employee's base salary shall be increased by four percent (4.0%).
- Effective on the first day of the first pay period beginning after July 1, 2021, the employee's base salary shall be increased by four percent (4.0%).
- Effective on the first day of the first pay period beginning after July 1, 2022, the employee's base salary shall be increased by four percent (4.0%).
- Effective on the first day of the first pay period beginning after July 1, 2023, the employee's base salary shall be increased by three percent (3.0%).

SECTION 3. SPECIAL PAY:

Longevity

Department Heads that have completed 10 years of service from date of hire will receive an additional 3% above the base salary step.

Department Heads that have completed 20 years of service from date of hire will receive a total of 4% over and above the base salary.

Department Heads that have completed 30 years of service from date of hire will receive a total of 5% over and above the base salary.

Department Heads on leave of absence without pay, with the exception of Family & Medical Leave (FMLA), shall not have such leave time credited as service time for purposes of calculating the years of service.

Bilingual Pay

Department Heads will receive bilingual pay in the amount of \$100 per month provided he or she has satisfactorily demonstrated to the City his/her fluency in the Spanish language, based on written and/or oral testing procedures as selected by the City.

Acting Pay

Department Heads who, by written assignment, perform the duties of a position with a higher salary classification that in which they are regularly employed shall receive the compensation specified for the position to which assigned, if performing the duties thereof for a period of fifteen (15) or more consecutive work days. The increased compensation shall be retroactive to the first day of said assignment, and at the step within the higher classification as will accord the employee an increase of at least 5% of his or her current regular compensation.

Deputy City Manager Designation

The City Manager may, at his or her discretion, designate no more than one (1) Department Head as Deputy City Manager. In addition to the duties and responsibilities included in the Department Head's regular classification, the Deputy City Manager designation will be responsible for assisting the City Manager with general City administrative duties, as assigned, and will assume the responsibilities of the City Manager during the City Manager's absence. A Department Head designated as Deputy City Manager will receive ten percent (10%) special assignment pay on top of their base salary.

SECTION 4. EMPLOYEE AND RETIREE INSURANCE BENEFITS:

Medical, Dental and Vision Insurance for Active Employees

The City contracts with the California Public Employees' Retirement System (CalPERS) for medical insurance coverage. Eligible new hires are covered under the program on the first day of the month following enrollment. The City will contribute the Public Employee's Medical and Hospital Care Act (PEMHCA) statutory minimum on behalf of each participant in the program. A participant is defined as:

- 1. An enrolled employee and eligible dependents;
- 2. An enrolled retiree and eligible dependents; and
- 3. A surviving annuitant.

The City will provide Department Heads with a full flex cafeteria plan in accordance with IRS Code Section 125. Department Heads shall receive a monthly flex dollar allowance to purchase medical, dental and vision benefits offered through the City's insurance plans.

For 2020, the monthly flex dollar allowances for employees purchasing benefits under the cafeteria plan, inclusive of the statutory PEMHCA minimum, are as follows:

	January 1, 2020	
Employee only:	\$878.38	
Employee + 1:	\$1,521.10	
Family:	\$2,048.13	

The monthly flex dollar allowance may be used in accordance with the terms of the cafeteria plan to purchase benefits offered under the cafeteria plan and other supplementary products. After enrolling in a mandatory medical insurance plan, or opting out under the "Opt Out" provision below, Department Heads have the option to waive the other benefits and have the excess flex dollars converted to taxable income or purchase other supplementary products.

In the event that premiums and/or costs for the selected benefits exceed the monthly flex dollar allowance, the balance will be paid by the employee through automatic pre-tax payroll deduction, as permitted under IRS Code Section 125.

Beginning January 1, 2021, and each January 1 thereafter, the monthly dollar allowance, inclusive of the statutory PEMHCA minimum, will be adjusted based on the average change from the prior year's monthly premium from CalPERS contracting agencies in the Los Angeles Area Region for all plans. The adjustment will not be less than 0.0% and will not exceed 4.0%.

If any bargaining unit negotiates a flex dollar allowance that exceeds the amounts identified above, the City will adjust the flex dollar allowance for Department Heads to match the higher flex dollar amount.

Opt Out

Department Heads may elect to discontinue participation in the CalPERS Health Plan medical insurance coverage ("Opt Out"), subject to the provisions set forth below. The intent of this provision is to share premium savings that the City will receive as a result of a Department Head canceling City coverage.

- 1. Department Heads electing to waive City medical insurance coverage for themselves and all eligible family members must annually provide the City with proof of other health/medical insurance coverage that meets the minimum essential coverage requirements, as established by the Affordable Care Act, through another source (other than coverage in the individual market, whether or not obtained through Covered California, and must waive any liability to the City for their decision to cease coverage under the City's medical insurance plan.
- 2. Department Heads receiving opt-out pay as of January 1, 2020 will receive \$845 per month through December 31, 2020, or until they elect to enroll in City medical insurance, whichever is earlier.
- 3. Department Heads that were receiving opt-out pay as of January 1, 2020, and who have continuously received it without interruption will receive \$795 per month beginning January 1, 2021. The opt-out pay will be further reduced by \$50 per month each January 1 thereafter until it is equal to the opt-out pay provided for employees "who opt out after January 1, 2020" as enumerated in provision 5 of this section.
- 4. Department Heads that were receiving opt-out pay as of January 1, 2020 who subsequently enroll in City medical insurance, then opt out again after January 1, 2020 will receive the opt-out pay provided for employees "who opt out after January 1, 2020" as enumerated in provision 5 of this section.
- 5. For Department Heads not receiving opt-out pay as of January 1, 2020 and/or who opt out after January 1, 2020, the City shall deposit, on behalf of the employee, an amount equal to the most expensive family level dental and vision premiums (currently \$210/month) each month into Retiree Health Savings Account.
- 6. After electing to Opt Out, a Department Head who later requests to re-enroll under the City plan can only do so during the open enrollment period or after a qualifying event as permitted by the insurance carrier and Cafeteria Plan regulations.
- 7. For medical insurance plans, when a unit employee is the spouse of another benefited employee, the affected employees shall have the option of:
 - a. Receiving a flex dollar amount and selecting coverage as a single employee; or

b. One (1) employee may select a plan and list the spouse as a dependent under the two-party or family coverage, as applicable and the remaining employee may optout as outlined above.

Medical Insurance for Retirees

Effective upon approval of the necessary Resolution(s) by CalPERS, the City will create a two (2) tier structure for retiree medical insurance. The City will adopt a Resolution to implement a ten (10) year retiree medical insurance vesting schedule, pursuant to the provisions of California Government Code Section 22893.

1. <u>Retiree Medical Tier I</u>: Department Heads hired on or before June 30, 2015 and retire on or after July 1, 2015:

If the employee meets the vesting schedule set forth in California Government Code Section 22893, 100% paid medical insurance benefits for whatever plan is selected by the employee for himself/herself and eligible dependents, except that if the employee chooses the most expensive plan, the employee will be pay the difference in premiums.

2. <u>Retiree Medical Tier II</u>: Department Heads hired on or after July 1, 2015:

If the employee meets the vesting schedule set forth in California Government Code Section 22893, PEMHCA minimum (currently \$122 per month for 2015).

Retiree Health Savings Account

For Department Heads that are in Retiree Medical Tier II as described above, the City will contribute \$100 per month into a Retiree Medical Trust (RMT) or Retiree Health Savings (RHS) Plan, whichever is designated by the City. An employee may elect to contribute an additional amount to the RMT or RHS, at his or her option. The City will work to implement a RMT or RHS prior to June 30, 2016.

Life Insurance

The City shall provide all Department Heads with a \$50,000 Basic Life and AD&D insurance policy at no cost to the employee.

SECTION 5. RETIREMENT:

The City shall provide retirement benefits to eligible employees through the California Public Employees' Retirement System (CalPERS) as follows: The definition of "new" member and "classic" member are set forth in the Public Employee Pension Reform Act of 2013 (PEPRA).

First Tier: "Classic" members hired prior to November 12, 2005 will receive the 3% at 60, single highest year compensation retirement calculation.

Second Tier: "Classic" members hired on or after November 12, 2005 will receive the 2% at 55, final 36-month average compensation retirement calculation.

Third Tier: "New" members hired on or after January 1, 2013 will receive the 2% at 62, final 36month average compensation retirement compensation retirement calculation.

In accordance with the existing contracts with CalPERS, the City shall provide the following retirement benefits to employees:

- a. Fourth Level of 1959 Survivor Benefits (Government Code Section 21574).
- b. 5% Cost of Living Allowance (COLA) for employees hired on or before November 12, 2005; and 3% COLA for employees hired after November 12, 2005 (Government Code Section 21335).
- c. Credit for unused sick leave for employees as per CalPERS guidelines (Government Code Section 20965).

Retirement benefits applicable to the Police Chief only are included in Article 3. RETIREMENT BENEFITS, Sections 3.01 - 3.03, of the Memorandum of Understanding between the San Fernando Police Officers Association and the City of San Fernando for the term July 1, 2019 through June 30, 2024.

CalPERS Contributions

1. Employer Paid Members Contributions for Classic Members

The City shall pay 8.0% of the member contribution for First Tier "classic" members and 7.0% of the member contribution for Second Tier "classic" members.

The City's payments, above, shall be treated as a "pick up" of employee contributions pursuant to IRC 414(h)(2).

The City shall report the value of the Employer Paid Member Contribution ("EPMC") to CalPERS as compensation earnable on behalf of each Department Head, pursuant to California Government Code Section 20636(c)(4).

2. <u>PEPRA Member Contributions</u>

In accordance with PEPRA, "New" members shall pay, by pre-tax payroll deduction, the full employee contribution of 50% of the total normal cost.

3. <u>CalPERS Cost Sharing</u>

Classic Employees shall pay an additional pension contribution as cost sharing in accordance with Government Code section 20516(f) as follows:

- Effective on the first day of the first full pay period after July 1, 2019: one percent (1%) for a total of 1% cost sharing of the City's contribution.
- Effective July 1, 2020: an additional one percent (1%) for a total of two percent (2%) cost sharing of the City's contribution.
- Effective July 1, 2021: an additional one percent (1%) for a total of three percent (3%) cost sharing of the City's contribution.
- Effective July 1, 2022: an additional one percent (1%) for a total of four percent (4%) cost sharing of the City's contribution.

SECTION 6. LEAVE BENEFITS:

Management Leave

Management leaves provides a means of compensation for hours worked by exempt employees beyond their normal work schedule. The City shall provide Department Heads with one hundred twenty (120) hours Management Leave per year credited each January 1. Management Leave must be used in the year earned and cannot be carried over from one calendar year to the next. Unused management leave hours will be cashed out in December of each year at the employee's current rate of pay. At the time of separation, any unused management leave hours will be paid at the employee's current rate of pay.

Annual Leave

Department Heads earn Annual Leave in lieu of vacation and sick leave. Annual Leave is intended to provide time for an employee to be away from the work environment and to enable such employee to return to work mentally and physically refreshed.

The City shall provide for Annual Leave to accrue on a payroll to payroll basis prorated in accordance with the following rates.

0 - 4 years of City service: 6.15 hours per pay period (160/year)
5 - 9 years of City service: 7.69 hours per pay period (200/year)
10 or more years of City service: 9.23 hours per pay period (240/year)

Department Heads who have pre-existing sick leave and/or vacation accrual balance shall convert sick leave to annual leave at the rate of one hour of sick leave to 0.5 hours of annual leave; and convert vacation to annual leave at the rate of one hour of vacation to one hour of annual leave.

Department Heads may, at the employee's discretion, accrue up to four hundred (400) hours of Annual Leave. Upon separation from City service, the employee shall be compensated for any unused Annual Leave at his or her regular rate of pay.

The incumbent Police Chief will be paid out up to two hundred and fifty (250) hours from existing leave balances (including compensatory time, sick leave, holiday leave, etc.) each July 31st until all other leave balances, excluding Management Leave, are exhausted and annual leave is less than three hundred (300) hours. At that point, the Police Chief will be subject to the four-hundred-hour cap for annual leave. The Police Chief will continue to accrue annual leave at the applicable rate identified in this Resolution.

Holiday Leave

Each Department Head shall be entitled to the following holidays with pay (8 hours per holiday):

- (1) New Year's Day
- (2) Martin Luther King, Jr. Birthday
- (3) President's Day
- (4) Cesar Chavez's Birthday
- (5) Memorial Day
- (6) Independence Day

- (7) Labor Day
- (8) Veteran's Day
- (9) Thanksgiving Day
- (10) Day after Thanksgiving
- (11) Christmas Day
- (12) Floating Holiday

Floating holiday hours are credited each January 1 and must be used before December 30. Unused floating holiday hours are not carried forward.

Bereavement Leave

Department Heads shall be permitted to use up to five (5) days of paid bereavement leave following the death of an immediate family member and one (1) paid day following the death of an extended family member.

For the purposes of this benefit, "Immediate Family" shall mean grandparent, parent, child, sibling (including step or half), spouse, or registered domestic partner as permitted by California law, or any person living in the household. Proof of residence may be required. "Parent" shall mean biological, foster, or adoptive parent, stepparent, legal guardian or person who has parental rights

to employee. "Child" shall mean a biological, adopted, or foster child, stepchild, legal ward or a child of a person who has parent's rights.

For the purpose of implementing this benefit, "Extended Family" shall mean: Aunts, Uncles, and Cousins, god-parents or god-parent equivalent.

The City Manager may authorize additional days of leave for bereavement purposes on an asneeded basis.

SECTION 7. WORK SCHEDULE:

Department Heads shall devote not less than 40 hours per week to assigned duties. It is recognized that Department Heads may need to devote more time outside of normal office hours for the benefit of the City.

SECTION 8. REIMBURSEMENTS:

Tuition Reimbursements

The City shall reimburse Department Heads for pre-approved courses to a maximum of \$3,000 per fiscal year. Approval must be obtained from the City Manager prior to enrolling in the course. Requests for reimbursement and approval must be in accordance with the City's policy on tuition reimbursement.

Tuition reimbursement shall be contingent upon employee satisfactorily completing course(s) with a minimum of a "B" grade and commit to continued service (employment) to the City of San Fernando for the equivalent of the school units, not to exceed two (2) years.

Wellness Reimbursement

To encourage the health and well-being of employees, the City shall reimburse certain wellness expenses in an amount not to exceed \$600 each fiscal year. Employees must request reimbursement using a City approved form and supply valid receipts at time of reimbursement. Unused funds will not be carried over to the following fiscal year.

The following are reimbursable items under this section:

- a. Medical examination by the health provider of the employee's choice.
- b. Other formal wellness programs provided by professionals (e.g. smoking cessation, weight control, nutrition, or similar programs.)
- c. Reimbursement for employee or eligible dependent medical expenses (deductibles or copayments) not covered by the employee's health, dental, or vision insurance.

- d. Reimbursement for medical, vision, and dental insurance premiums in excess of the monthly flex dollar allowance, if applicable.
- e. Additional contact lenses, prescription glasses, or prescription sunglasses not covered by medical or vision insurance.
- f. Dental work (included orthodontia) for employee or eligible dependents not covered by medical or dental insurance.
- g. Membership in a health club or fitness center.
- h. Registration fees for health classes (e.g. yoga, cross fit, etc.).
- i. Entrance fees for competitive sporting events (e.g. bicycle or running race, mud run competition, et cetera).

Technology Reimbursement

Department Heads may elect to receive a technology reimbursement of \$100/month in lieu of a City issued cell phone. Department Heads that continue to receive a City issued cell phone will not receive the reimbursement.

SECTION 9. CAR ALLOWANCE:

Department Heads will receive a City-provided vehicle or car allowance of \$300/month as compensation for attendance at off-site meetings, conferences, professional development, and any other business-related travel. Department Heads receiving a City-provided vehicle or car allowance will not be reimbursed for mileage.

SECTION 10. SEVERANCE PAY:

Department Heads are considered at-will employees and serve at the pleasure of the City Manager. If a Department Head is dismissed or discharged without cause, the City will provide the employee up to three (3) months' severance pay. Severance pay shall be calculated on base salary only, and on years of service with the City at a rate of one (1) month per one (1) year of service. In the event a Department Head is dismissed for cause, the City shall have no obligation to pay severance benefits.

After receiving written notice of dismissal from the City, Department Heads may elect to be placed on administrative leave for an amount of time equal to their earned severance pay (i.e. up to three months) instead of receiving a lump-sum payout. The employee must notify the City of their election within three (3) business days of receiving written notice of dismissal.

SECTION 11. EMPLOYMENT CONTRACTS

The City Manager, with the approval as to form by the City Attorney, may execute a separate employment contract with any Department Head provided the benefits included in the contract do not exceed the benefits listed in this Resolution. Benefits listed in this Resolution shall govern unless otherwise provided in the Department Head's employment contract.

SECTION 12. PROVISIONS OF LAW AND SEVERABILITY:

The parties agree that this Resolution is subject to all current and future applicable federal, state, and local laws.

If any article, part, or provision of this Resolution is in conflict with or inconsistent with applicable provisions of federal, state or local law or is otherwise held to be invalid or unenforceable by a court of competent jurisdiction, such article, part, or provision thereof shall be suspended or superseded by such applicable law or regulation, and the remainder of the Resolution shall not be affected thereby.

05/18/2020

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AGENDA REPORT

- To: Mayor Joel Fajardo and Councilmembers
- From:Nick Kimball, City ManagerBy:Patsy Orozco, Civil Engineering Assistant II
- Date: May 18, 2020
- Subject: Consideration of Fiscal Year (FY) 2020-2021 Landscaping and Lighting Assessment District (LLAD) Approval of Engineer's Report and Setting the Date for the Public Hearing

RECOMMENDATION:

It is recommended that the City Council:

- a. Adopt Resolution No. 7999 (Attachment "A") approving the Engineer's Report for FY 2020-2021 Landscaping and Lighting Assessment District (LLAD); and
- b. Adopt Resolution No. 8000 (Attachment "B") declaring the City Council's intention to order the annual assessments for FY 2020-2021 LLAD and setting the date for the Public Hearing on June 15, 2020.

BACKGROUND:

- 1. On February 18, 2020, the City Council adopted Resolution No. 7982 to initiate proceedings and order the preparation of the Engineer's Report for the FY 2020-2021 levy of annual assessments for the City's street lighting. Assessments under the LLAD are to be used for street lighting purposes only.
- 2. The LLAD has been in effect in the City since FY 1981-1982, under the 1972 Landscaping and Lighting Assessment District Act. The purpose of the LLAD is to equitably assess properties in accordance with special benefits received from the improvements to cover the cost of maintenance and operation of the lighting system within the City's streets.
- 3. City Council has previously approved the methodology for assessments and staff will continue with the same methodology this year.

Fiscal Year (FY) 2020-2021 Landscaping and Lighting Assessment District (LLAD) Approval of Engineer's Report and Setting the Date for the Public Hearing Page 2 of 2

ANALYSIS:

Per the Engineer's Report (Exhibit "A" of Attachment "A"), the assessments collected this year will not be sufficient for future operations and maintenance costs. For FY 2020-2021, staff estimates the proposed total levy assessment amount to be \$331,181, which is the maximum assessment rate as approved in the 2003 ballot. The total operations and maintenance costs for FY 2020-2021 is estimated at \$382,400, which exceeds the maximum amount the City may assess by \$51,219.

In order to address the additional operations and maintenance costs for FY 2020-2021, General Funds will be budgeted until the assessed amount can be increased. Under Proposition 218, which became effective in FY 1997-1998, new or increased assessments, or existing assessments not imposed exclusively to fund capital costs or operations and maintenance may not be routinely imposed.

BUDGET IMPACT:

The \$5,000 cost to prepare the LLAD Engineer's Report has been appropriated within the FY 2020-2021 proposed budget under Fund 27; Street lighting.

CONCLUSION:

The Engineer's Report prepared by Willdan Financial Services for FY 2020-2021 is acceptable to City staff, therefore City staff recommends that the City Council approve the Engineer's Report and set the date for the Public Hearing. The Engineer's Report and the Summary Listings are on file with the City Clerk and Engineering.

Since assessments do not cover all of the maintenance costs associated with the district, the City has traditionally utilized the General Fund to maintain service levels. In light of existing budget constraints, next year it may be prudent to increase assessment amounts to cover rising maintenance costs. This action would require a vote of properties in the assessment area prior to the approval of any increase.

ATTACHMENTS:

- A. Resolution No. 7999
- B. Resolution No. 8000

ATTACHMENT "A"

RESOLUTION NO. 7999

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR CERTAIN STREET LIGHTING MAINTENANCE IN THE CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FISCAL YEAR 2020-2021

WHEREAS, pursuant to the provisions of Division 15, Part 2, of the Streets and Highways Code of the State of California, being known as the "Landscaping and Lighting Act of 1972," the City Council, by previous Resolution, ordered the preparation of an Engineer's Report ("Report") including an engineer's cost estimate, assessment diagram, assessment roll, and plans and specifications relating to the CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT (hereinafter referred to as the "DISTRICT"); and

WHEREAS, there now has been presented to the City Council the Report as required by Division 15, Part 2 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, the City Council has now carefully examined and reviewed the Report as presented, and is satisfied with each and all of the items and documents as set forth therein and is satisfied that the assessments, on a basis, have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said Report;

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

Section 1: That the above recitals are all true and correct.

Section 2: The Report as presented includes the following:

- a. Plans and Specifications
- b. Engineer's Cost Estimate
- c. Assessment Roll
- d. Assessment Diagram (District Boundary)

Section 3: That the Report (Exhibit "A") is approved as filed and is ordered to be filed in the Office of City Clerk as a permanent record and to remain open for public inspection.

Section 4: That the City Clerk shall certify to the passage and adoption of this Resolution and the minutes of this meeting shall so reflect the presentation of the Engineer's Report.

PASSED, APPROVED, AND ADOPTED this 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

APPROVED AS TO FORM:

Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020; by the following vote, to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk



City of San Fernando

Landscaping and Lighting Assessment District

2020/2021 ENGINEER'S ANNUAL LEVY REPORT

Intent Meeting: May 18, 2020 Public Hearing: June 15, 2020

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AFFIDAVIT FOR THE ENGINEER'S ANNUAL LEVY REPORT

City of San Fernando Los Angeles County, State of California

Landscaping and Lighting Assessment District

This Report and the information contained herein reflect the proposed budget for each of the various services provided by the San Fernando Landscaping and Lighting Assessment District and the assessments applicable to those services as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Los Angeles County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District.

The undersigned respectfully submits the enclosed Report as directed by the City Council of the City of San Fernando.

Dated this ______ day of _____, 2020.

Willdan Financial Services Assessment Engineer

By: _____

Chonney Gano Project Manager District Administration Services

By: _____

Richard Kopecky R.C.E. # 16742

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SECTION 1. AUTHORITY FOR REPORT

This report for the San Fernando Landscaping and Lighting Assessment District (the "District") is prepared pursuant to a resolution of the City Council of the City of San Fernando (the "City") and in compliance with the requirements of Article 4, Chapter 1, (commencing with Section 22565) of the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code of the State of California.

Section 22573 of the Landscaping and Lighting Act of 1972 requires assessments to be levied according to benefit rather than according to assessed value. The section states:

"The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.

The determination of whether or not a lot or parcel will benefit from the improvements shall be made pursuant to the Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code, State of California)."

Exemption from Article XIIID of the California Constitution

As a result of the passage of Proposition 218 by voters on November 5, 1996, Articles XIIIC and XIIID were added to the California Constitution. Article XIIID specifically addressed both the substantive and procedural requirements to be followed for assessments. The new procedural and approval process for assessments outlined in this article apply to all assessment districts, with the exception of those existing assessments that met one or more of the following criteria: 1) a district that received prior voter approval, 2) a district originated with a petition signed by 100 percent of the property owners in the district, or 3) a district complying with the requirements set forth in Section 5(a) of Article XIIID that states:

...assessments existing on the effective date of this Article shall be exempt from the procedures and approval process set forth in Section 4 [if they were] imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control.

Street Improvement as defined herein is based on the definitions provided by the Office of the Controller for the State of California in the *Guidelines Relating to Gas Tax Expenditures* published by the Division of Local Government Fiscal Affairs. The state's gas tax program is administered by local agencies but audited by the Office of the State Controller. The proceeds of the gas tax are statutorily limited to expenditures for streets and roads. Because the funds are restricted to street and road costs, the State Controller developed the "Street Purpose Definitions and Guidelines" based on the *Manual of Uniform Highway Accounting and Financial Management Procedures* developed by the American Association of State Highway Officials. Street improvement, as it relates to this District, is defined as the construction, operation, or maintenance of facilities within the right of way used for street or road purposes including but not limited to the following:



- Installation or expansion of the street lighting system including replacement of old equipment with superior equipment, installation of traffic signals at intersections and railroad crossings, replacement of equipment as required for relocations for street purposes, and purchase and installation of traffic signal control equipment.
- Servicing lighting systems and street or road traffic control devices including, repainting and repairing traffic signals and lighting standards; and furnishing of power for street and road lighting and traffic control devices.

Incidental expenses associated with the improvements including, but not limited to:

- The cost of preparation of the report, including plans, specifications, estimates, diagram, and assessment;
- The costs of printing, advertising, and the publishing, posting and mailing of notices;
- Compensation payable to the County for collection of assessments;
- Compensation of any engineer or attorney employed to render services;
- Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
- Any expenses incidental to the issuance of bonds or notes pursuant to Section 22662.5.
- Costs associated with any elections held for the approval of a new or increased assessment.

Therefore, the City determined that the District assessments (assessment rates) approved and levied prior to the passage of Proposition 218 for Street Improvements (Fiscal Year 1996/1997) as defined above were exempt from the Article XIIID procedural and approval process, however any proposed increase to the assessments would be subject to both the substantive and procedural requirements outlined in Article XIIID.

In Fiscal Year 2002/2003 the City conducted property owner protest ballot proceedings for an assessment increase. At the conclusion of the public hearing for the District and proposed assessment increase, returned ballots were tabulated and it was determined that majority protest existed and the proposed assessment increase was not imposed. Therefore the previously approved maximum assessment rate was applied and the District was levied in accordance with the Method of Apportionment.

Based on the District's estimated expenses and revenues for Fiscal Year 2003/2004, the City once again submitted a proposed assessment increase to the property owners within the District and initiated and conducted property owner protest ballot proceedings in compliance with the substantive and procedural requirements of the Constitution Article XIIID. At the conclusion of the Public Hearing scheduled July 7, 2003, all property owner protest ballots returned were tabulated to determine if majority protest existed. As a majority protest did not exist, the proposed special benefit assessment increase was approved and adopted by the City Council for Fiscal Year 2003/2004. The proposed assessment presented to the property owners' established new maximum assessment rates for the various land use classifications within the District.



The actual assessment rates adopted in any Fiscal Year may be less than or equal to these maximum assessment rates without additional balloting. Any proposed assessment that exceeds the maximum assessment rates will require additional property owner ballot proceedings for the incremental assessment increase. The method of apportioning special benefits and the maximum assessment rates are discussed in more detail in the Method of Assessment section of this report.

SECTION 2. DISTRICT BOUNDARIES

The boundary of the District is coterminous with the City limits of the City of San Fernando and is shown on the Assessment Diagram (in Section 7 of this report) and incorporated herein by reference. The boundaries of the zones within the District are the boundaries shown on the official zoning map of the City of San Fernando, on file in the office of the City Clerk and incorporated herein by reference. All parcels of real property included within the District are described in more detail on maps on file in the Los Angeles County Assessor's office.

SECTION 3. PLANS AND SPECIFICATIONS

The improvements for Fiscal Year 2020/2021 may be generally described as the continued maintenance and operation of streets and sidewalks within the District, including the maintenance and servicing of public lighting facilities and appurtenant facilities that are located in and along such streets and sidewalks. The improvements do not include the maintenance or servicing of public lighting facilities that are not located in and along streets and sidewalks within the District.

There has been prepared and filed with the City Clerk, the District improvement plans and specifications showing and describing the existing improvements. The plans and specifications are identified as "Plans and Specifications No. L-2000" and are available for public inspection. These Street Lighting Plans consist of the Southern California Edison Company maps showing the general nature, location, and extent of existing and proposed street lights in the District which are owned and maintained by the Edison Company, as well as City as-built construction plans showing the general nature, location, and extent of existing street lights which are owned and maintained by the Edison Company, as well as City as-built construction plans showing the general nature, location, and extent of existing street lights which are owned and maintained by the City. The plans and specifications and documents so described are by reference made part of this report and incorporated herein.

In addition to the improvements referenced above, additional streetlight facilities and improvements were added in Fiscal Year 2004/2005 utilizing District funds designated for Capital Improvement Projects. The additional improvements included the expenses associated with the underground improvements for various streetlight facilities within the District. The specific location and extent of these new improvements are on file in the Office of the City Engineer and by reference are made part of this report.



SECTION 4. METHOD OF ASSESSMENT

A. PROPOSITION 218 BENEFIT ANALYSIS

In conjunction with the provisions of the 1972 Act, the California Constitution Article XIIID addresses several key criteria for the levy of assessments, notably:

Article XIIID Section 2(d) defines District as follows:

"District means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service";

Article XIIID Section 2(i) defines Special Benefit as follows:

"Special benefit" means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute "special benefit."

Article XIIID Section 4(a) defines proportional special benefit assessments as follows:

"An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

This District was formed to establish and provide for the improvements that enhance the presentation of the surrounding properties and developments. These improvements will directly benefit the parcels to be assessed within the District. The assessments and method of apportionment is based on the premise that the assessments will be used to construct and install landscape and lighting improvements within the existing District as well as provide for the annual maintenance of those improvements, and the assessment revenues generated by District will be used solely for such purposes.

The costs of the proposed improvements have been identified and allocated to properties within the District based on special benefit. The improvements to be provided by this District and for which properties will be assessed have been identified as an essential component and local amenity that provides a direct reflection and extension of the properties within the District which the property owners and residents have expressed a high level of support.

The method of apportionment (method of assessment) set forth in the Report is based on the premise that each assessed property receives special benefits from the landscape and lighting improvements within the District, and the assessment obligation for each parcel reflects that parcel's proportional special benefits as compared to other properties that receive special benefits.

To identify and determine the proportional special benefit to each parcel within the District, it is necessary to consider the entire scope of the improvements provided as well as the properties that benefit from those improvements. The improvements and the associated costs described in this Report, have been carefully reviewed and have been identified and allocated based on a



benefit rationale and calculations that proportionally allocate the net cost of only those improvements determined to be of special benefit to properties within the District. The various public improvements and the associated costs have been identified as either "general benefit" (not assessed) or "special benefit".

B. STREET LIGHTING BENEFITS

The special benefits derived from the maintenance and servicing of street lighting are the convenience, safety, and security of property, improvements, and goods. Specifically:

- 1. Improves ingress and egress to property.
- 2. Enhances nighttime commercial, business, and residential living environment through improved visibility and related safety.
- 3. Increased nighttime safety on roads and highways and improved ability of pedestrians and motorists to see.
- 4. Enhanced deterrence of crime and the aid to police protection.
- 5. Deters nighttime vandalism and other criminal acts and damage to improvements or property.
- 6. Improved traffic circulation and reduced nighttime accidents and personal property loss.
- 7. Enhances desirability of properties through association with District improvements.

C. METHODOLOGY

The method of assessment separates costs into two categories:

- 1. District-wide Lighting Street Intersection Safety Lights
- 2. Local Lighting Street Lights and Alley Lights

District-wide Lighting (Street Intersection Safety Lights)

District-wide Lighting represents the special benefit received from each and every parcel within the District from street intersection safety lights. The cost of such improvements is apportioned at a uniform rate per assessable front foot established for each assessable lot or parcel within the District. Corner single-family residential lots are assessed for street address footage only; side yard frontage is not assessed.

Local Lighting (Street Lights and Alley Lights)

Local Lighting represents the special benefit received from the servicing and maintenance of street and alley lights in close proximity to the assessed parcels. The total cost for Local Lighting is determined by estimating the total amount to be assessed for all street lighting costs and deducting the cost specifically identified as street intersection safety lights.

Local Lighting is further separated into the following zones for both street and alley lights categories:



- Residential
- Industrial
- Commercial

Each zone is defined by the zoning map established by the City Planning Commission the year the Engineer's Report is prepared and approved by the City Council, as shown on the official City records. Separation into zones recognizes differences in estimated special benefit from lighting received by properties within residential, industrial, and commercial areas.

Because non-residential properties are often vacant and unattended during late night hours they are generally more susceptible to vandalism and crime than residential properties. In addition, convenient ingress and egress is more critical to non-residential properties, especially commercial properties, since a larger number of vehicles generally use such properties, and since the convenience of ingress and egress is a significant factor in attracting clients, customers, and employees. For these reasons, non-residential properties derive a greater benefit from street lighting than residential properties.

In addition to the benefit rational described above, the benefit various properties receive from street lighting are directly related to the level of illumination. Nationally, industry standards recommend increasing the intensity of street light illumination from the minimum level specified for local residential streets, to higher levels specified for commercial and arterial streets (Reference: American National Standard Practice for Roadway Lighting, RP-8, page 11, Table J, Recommendation for Average Maintained Horizontal Illumination). Therefore, properties zoned for non-residential use are assessed at a higher rate than properties zoned for residential use because the intensity of street lighting associated with non-residential properties is greater.

Local Lighting cost for street lighting was apportioned per front foot against all "benefited" lots or parcels within each particular zone. "Benefited" lots or parcels were determined to be those where there is existing lighting on the street fronting the lot or parcel. No assessment for Local Lighting has been apportioned to properties where there are no lights or where existing lights are too distant to provide special benefit to those properties.

Based on recommended illumination levels and recognizing variations in existing lighting, the Local Lighting costs have been apportioned according to the following ratios:

Benefit ratios for street lighting:

Parcels within the District receive benefit from local street lighting, namely the street lighting located on the streets or streets in close proximity to the parcels' street address frontage. The benefit ratios established for these street lights are based on the following ratios:

- Residential Zone = 1.0
- Industrial Zone = 2.5
- Commercial Zone = 3.0



Benefit ratios for alley lighting:

In addition to the benefit received from street lighting located in close proximity to the parcels' street address frontage, certain parcels within the District receive a benefit from alley lighting located in close proximity to their side or rear footage. This alley lighting benefit for residential parcels has been estimated at one-half of the street lighting benefit. Non-residential parcels are assigned twice as much benefit from alley lighting as residential parcels because such parcels generally utilize the alleys for deliveries and other purposes. The benefit ratios established for alley lights are based on the following ratios:

- Residential Zone = 0.5
- Industrial Zone = 1.0
- Commercial Zone = 1.0

Single Family Residential Corner Lots

As a result of an assessment analysis, the City Council took action at their regular meeting on February 21, 1995 to modify the apportionment formula to eliminate charging corner lots with single-family residences for their side yard footage. Single-family residential corner lots are assessed for footage along street address frontage only at the rate set by its respective zone and side yard footage is not included in the calculation for either District-wide Lighting or Local Lighting.

Frontage Rates

Based on the preceding discussion, the following are the resulting frontage rate formulas:

Where:	TAF	=	Total Assessable Footage
	TLF	=	Total Local Footage (Adjusted Front Footage)
	SLB	=	Street Light Local Benefit
	ALB	=	Alley Light Local Benefit
	RF	=	Residential Frontage
	MF	=	Industrial Frontage
	CF	=	Commercial Frontage
	RAF	=	Residential Alley Frontage
	MAF	=	Industrial Alley Frontage
	CAF	=	Commercial Alley Frontage
	DLR	=	District-wide Lighting Rate
	LLR	=	Local Lighting Rate

The following outlines the proportional special benefit formulas used to calculate the assessment rate applied to District-wide Lighting benefits (street intersection lighting):

Total Assessable Footage (TAF) = (RF+MF+CF+RAF+MAF+CAF)(Assessable Footage)(All assessed parcels)

District-wide Lighting (DLR) = <u>Budgeted Intersection Safety Light Cost</u> (Assessment Rate) Total Assessable Footage (TAF)



The following outlines the proportional special benefit applied to various land use classifications to determine the adjusted front footage used for calculating Local Lighting assessments. Each parcel's total adjusted front footage is the sum of the parcel's calculated SLB and ALB applicable to that parcel's land use.

Residential SLB Residential ALB		(Residential Frontage) (Residential Alley Frontage)
Industrial SLB Industrial ALB		(Industrial Frontage) (Industrial Alley Frontage)
Commercial SLB Commercial ALB		(Commercial Frontage) (Commercial Alley Frontage)

The following outlines the proportional special benefit formulas used to calculate the assessment rate applied to Local Lighting benefits:

Total Local Footage (TLF)= RF+2.5(MF)+3.0(CF)+0.5(RAF)+MAF+CAF)(Adjusted Footage)(All assessed parcels)

Local Lighting Rate (LLR)= <u>(Total Balance to Levy) – (Intersection Light Cost)</u> (Assessment Rate) Total Local Footage (TLF)

The annual assessment calculated for each parcel is the sum of their District-wide Lighting assessment and Local Lighting assessment.

Total Assessment =District-wide Assessment + Local Lighting Assessment

Residential Assessment	=	(RF x DLR) + [(1(RF) + .5(RAF)) x LLR]
Industrial Assessment	=	(MF x DLR) + [(1(MF) + .5(MAF)) x LLR]
Commercial Assessment	=	(CF x DLR) + [(1(CF) + .5(CAF)) x LLR]

D. MAXIMUM ASSESSMENT RATES

Based on the preceding discussion of apportioning special benefits to all properties within the District and the City Engineer's cost estimate for Fiscal Year 2020/2021, the maximum assessment rate approved by property owners for District-wide Lighting (Street Intersection Safety Lighting) is \$0.2262 per assessable foot and the maximum assessment rate approved by property owners for Local Lighting (Street Lights and Alley Lights) is \$0.4477 per adjusted foot.



SECTION 5. CITY ENGINEER'S COST ESTIMATE

STREET LIGHT ENERGY AN	D MAINTENANCE COSTS FISCAL YEAR 2020/2021 B	UDGET
OPERATING EXPENSES:		
	Utilities	\$195,000
	Contractual Services	5,000
	Department Supplies/Equipment Maintenance/Tools	7,900
	Cost Allocation	46,222
Total Operating Expenses	—	\$254,122
PERSONNEL EXPENSES:		
	Personnel Costs	\$124,531
	Overtime	0
Total Personnel Expenses		\$124,531
CITY INCIDENTIAL COSTS:		
	Consultant Engineering & Legal Services	\$2,500
	County Assessor	1,247
Total City Incidental Costs		\$3,747
Total Operating and Perso	nnel Costs	\$382,400
Levy Adjustments		
	General Fund	(51,219)
Total Levy Adjustments		(51,219)
TOTAL BALANCE TO LEVY		\$331,181.37
District Statistics	Total Number of Parcels	E 17E
	Number of Assessed Parcels	5,175 4,989
	Total Assessable Footage (District-wide Lighting)	4,989 375,847
		541,786
District-wide Assessment	Total Adjusted Footage (Local Lighting)	541,760
District-Wide Assessment	Maximum Rate	\$0.2262
	Applied Rate	\$0.2262
Local Lighting Assessmer		\$0.2202
Looar Lighting Addodition	Maximum Rate	\$0.4477
	Applied Rate	\$0.4477



SECTION 6. ASSESSMENT ROLL

The net amount to be assessed upon assessable lands within the District for Fiscal Year 2020/2021 is \$331,181.37. The Fiscal Year 2020/2021 assessment rates for the District-wide Benefit are \$0.2262 per Front Foot and \$0.4477 per Adjusted Front Foot for the Local Lighting Benefit. These rates equal the maximum assessment rates for the District-wide Benefit that were approved and applied in Fiscal Year 2019/2020.

The amount to be assessed against each individual parcel within the District is set forth in the Assessment Roll, which is on file in the office of the City Clerk and incorporated herein by reference. Reference is made to the Los Angeles County Secured Roll for details concerning the description of the parcels within the District.



SECTION 7. ASSESSMENT DIAGRAM

A reduced copy of the Assessment Diagram follows.

MAP NO. L-2000

THE 1972 LANDSCAPING AND LIGHTING ACT ASSESSMENT DIAGRAM

CITY OF SAN FERNANDO

LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT

COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS REQUIRED BY SECTION 22570, ARTICLE 4, DIVISION IS PART 2 OF THE STREETS AND HIGHWAYS CODE.

NOTES 1. BOUNDARY OF THE DISTRICT SHALL BE AS DESCRIBED IN THE DESCRIPTION OF THE BOUNDARIES OF THE CITY OF SAN FERNANDO

2.	ZONE 1	=	ALL RESIDENTIAL PROPERTY

ZONE 2	=	ALL COMMMERCIAL PROPERT

ALL INDUSTRIAL PROPERTY ZONE 3

AS SHOWN ON THE OFFICIAL ZONING MAP OF THE CITY OF SAN FERNANDO AS OF FIRST MONDAY OF JUNE EACH YEAR.

3. THE LINES AND SIMENSIONS OF ALL LOTS AND PARCLES SHALL BE AS SHOWN ON THE LOS ANGELS COUNTY ASSESSOR'S MAPS AS OF THE FIRST DAY OF AUGUST EACH YEAR.

CERTIFICATION

ALL PARCELS WITHIN THE CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT AND THE ASSESSMENT ROLL THEREFOR WERE CONFIRMED AND LEIVED BY THE CITY COUNCIL BY RESOLUTION NO. APPROVED AND ADOPTED __DAY OF ____ DAY OF , 2000 AND WERE FILED IN THE OFFICE OF THE CITY CLERK ON THE_ THE _____ DAY OF _____ 2000. REFERENCE IS MADE TO SAID ASSESSMENT OUT FOR THE EXACT AMOUNT OF EACH ASSESSMENT AGAINST EACH PARCEL WITHIN SAID ASSESSMENT DISTRICT.

DATE

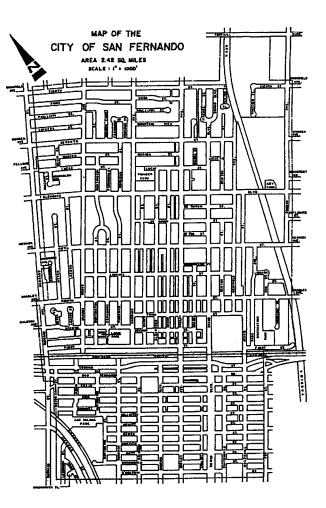
CITY CLERK

DRAWN BY: S.A. IBRAHIM.

CHECKED BY: EDWIN G. GALVEZ 4/7/00,

APPROVED: CITY ENGINEER

51505 RCE.NO 4/7/00 DATE



ATTACHMENT "B"

RESOLUTION NO. 8000

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN THE CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FOR FISCAL YEAR 2020-2021 PURSUANT TO THE PROVISIONS OF DIVISION 15, PART 2, OF THE STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING

WHEREAS, the City Council has previously ordered the Engineer to prepare and file a Report pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the State of California being the "Landscaping and Lighting Act of 1972," for an assessment district known and designated as the CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT (hereinafter referred to as "DISTRICT"); and

WHEREAS, there has been presented to and approved by the City Council the Engineer's Report as required by law; and

WHEREAS, the City Council is desirous of proceeding with the ordering of the annual levy of assessments in accordance with the requirements of the California Constitution; and

WHEREAS, the City Council has determined that in order to maintain a satisfactory level of maintenance, service and benefit to properties within the District, an increase assessment will be necessary, and that said increase must be approved by the property owners in accordance with the requirements of the California Constitution, Articles XIIID.

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

Section 1: GENERAL

That the above recitals are all true and correct.

Section 2: PUBLIC INTEREST

That it is the intention of the City Council, consistent with the public interest and convenience, to levy and collect annual assessments for Fiscal Year 2020-2021 for the continued maintenance and operation of streets within the City of San Fernando Landscaping and Lighting Assessment District generally including all parcels within the City, all to serve and benefit said District as said area is shown and delineated on a map, previously approved by the City Council and on file in the Office of the City Clerk, open for public inspection, and herein so referenced and made a part hereof.

Section 3: REPORT

That the Engineer's Report, previously approved regarding the Fiscal Year 2020-2021 Assessment, which Report sets forth a full and detailed description of the improvements, the boundaries of the District and the zones therein, and the proposed assessments upon assessable lots and parcels of land within the District, is on file with the Clerk of the City of San Fernando and open for public inspection.

Section 4: ASSESSMENT

That the public interest and convenience requires, and it is the intention of the City Council to order the annual levy of the assessments as set forth and described in said Engineer's Report. The City Council hereby declares its intention to seek the annual levy and collection of the assessments within the Landscaping and Lighting Assessment District to pay the annual costs and expenses of the improvements and services described in the Engineer's Report, for Fiscal Year 2020-2021.

Section 5: DESCRIPTION OF IMPROVEMENTS

That the proposed improvements for Fiscal Year 2020-2021 may be generally described as the continued maintenance and operation of streets and sidewalks within the District including the maintenance and servicing of public lighting facilities and appurtenant facilities that are located in and along such streets and sidewalks. The proposed improvements shall no longer include the maintenance or servicing of public lighting facilities that are not located in and along streets and sidewalks within the District.

Section 6: EXEMPTION FROM REQUIREMENTS OF ARTICLE XIIID, SECTION 4 OF THE CALIFORNIA CONSTITUTION

That the City Council hereby determines and declares that the proposed assessments constitute a continuation of assessments existing on the effective date of Article XIIID, that the assessments are imposed exclusively to finance the maintenance and operation expenses for sidewalks and streets, and that the assessments are exempt from the requirements of Article XIIID, Section 4 of the California Constitution.

Section 7: COUNTY AUDITOR

The County Auditor shall enter on the County Assessment Roll the amount of the assessments and shall collect said assessments at the time and in the same manner as County taxes are collected. After collection by the County, the net amount of the assessments, after the deduction of any compensation due to the County for collection, shall be paid to the City Treasurer of the City for purposes of paying for the costs and expenses of said District.

Section 8: SPECIAL FUND

That the City Treasurer shall place all monies collected by the Tax Collector as soon as said monies have been received by said City Treasurer in the special fund known as the "CITY OF SAN FERNANDO LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT FUND." Payment shall be made out of said fund only for the purposes provided for in this Resolution.

Section 9: BOUNDARIES OF DISTRICT

That said contemplated improvements are, in the opinion of the City Council, of direct and special benefit to the properties within the boundaries of the District, as set forth below, and the City Council makes the costs and expenses of said improvements chargeable upon the District, which district said City Council hereby declares to be the District specially benefited by said improvements and to be further assessed to pay the costs and expenses thereof. Except for those parcels referred to in Section 9 of this Resolution, said District shall include each and every parcel of land within the boundaries of said District as said District is shown on a map as approved by the City Council and on file in the Office of the City Clerk, and so designated by the name of the District.

Section 10: PUBLIC PROPERTY

Public property owned by any public agency and in use in the performance of a public function which is included within the boundaries of the District, shall be omitted and exempt from any assessment to be made under these proceedings to cover any of the costs and expenses of said improvements.

Section 11: PUBLIC HEARING

Notice is hereby given that June 15, 2020, at the hour of 6:00 p.m., in the Council Chambers of the City Council of the City of San Fernando, 117 Macneil Street, San Fernando, California, being the regular meeting place of said City Council is the time and place fixed by this City Council for the hearing of protests, comments or objections in reference to the extent of the improvements and to the levy of the proposed assessments. Any interested person who wishes to object to the levy and collection of the proposed assessments may file a written protest with the City Clerk prior to the conclusion of the public hearing, or, having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection, and a protest by a property owner shall contain a description sufficient to identify the property owned by the property owner. At the hearing, all interested persons shall be afforded the opportunity to hear and be heard, and the City Council shall consider all oral statements and all written protests made or filed by any interested person.

Section 12: PUBLICATION OF NOTICE

The City Clerk is hereby authorized and directed to publish a copy of this Resolution in The San Fernando Valley Sun newspaper, a newspaper of general circulation in said City; said publication shall not be less than ten (10) days before the date of said Public Hearing.

Section 13: PROCEEDINGS INQUIRIES

For any and all information relating to the procedures, protest procedure, documentation, and/or information of a procedural or technical nature, your attention is directed to the office listed below as designated:

DEPARTMENT OF PUBLIC WORKS (818) 898-1222

PASSED, APPROVED, AND ADOPTED this 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

APPROVED AS TO FORM:

Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk

05/18/2020

11

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AGENDA REPORT

То:	Mayor Joel Fajardo and Councilmembers
From:	Nick Kimball, City Manager By: Margarita Solis, City Treasurer
Date:	May 18, 2020
Subject:	Consideration to Adopt a Resolution Authorizing the City Treasurer and Deputy City Treasurer to Invest Surplus Funds

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 8001 (Attachment "A") authorizing the City Treasurer and Deputy City Treasurer to invest surplus funds.

BACKGROUND:

Pursuant to Government Code Section 53607, the City Council may delegate to the City Treasurer the authority to make investments. The City Council has delegated this authority to the City Treasurer and Deputy City Treasurer in past years. The Government Code requires that, if the City Council wishes to delegate this authority to the Treasurer, this delegation must be readopted annually.

The Resolution would renew for one year the delegation to the City Treasurer and Deputy City Treasurer the authority to invest surplus funds of the City.

BUDGET IMPACT:

None

ATTACHMENT:

A. Resolution No. 8001

ATTACHMENT "A"

RESOLUTION NsO. 8001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, AUTHORIZING THE CITY TREASURER AND DEPUTY CITY TREASURER TO INVEST SURPLUS FUNDS

WHEREAS, the City Council of the City of San Fernando has determined that, as a policy and practice of the City, any monies ("Surplus Funds") in a sinking fund of, or surplus money in, its treasury not required for the immediate necessities of the City, may be invested in such a manner as to maximize the return thereof for the benefit of the City, its citizens and its taxpayers.

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

SECTION 1. Any portion of any Surplus Funds in a sinking fund of, or surplus money in, the City Treasury not required for the immediate necessities of the City may be invested by the City in any investment medium permissible under state law for the investment of the funds of a General Law city.

<u>SECTION 2.</u> The investment of all Surplus Funds shall be made and maintained pursuant to Section 53601 of Title 5, Division 2 of the California Government Code.

SECTION 3. The authority of the City Council to invest or to reinvest surplus funds of the City, or to sell or exchange securities so purchased, is hereby delegated by the City Council to the Treasurer of the City ("Treasurer") and to the Deputy Treasurer of the City ("Deputy Treasurer"), who both shall assume full responsibility for such transactions until such time as this delegation of authority is revoked, and who shall make monthly reports of any and all such transactions to the City Council.

SECTION 4. The authority of the City Council is hereby delegated to the Treasurer or Deputy Treasurer to deposit for safekeeping with a federally chartered or state chartered savings and loan association, a trust company or a state or national bank located within the State of California or with the Federal Reserve Bank of San Francisco or any branch thereof within the state, or with any Federal Reserve Bank or with any state or national bank located in any city designated as a reserve city by the Boards of Governors of the Federal Reserve System, the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants, or other evidences of indebtedness in which the Surplus Funds of the City is invested pursuant to this Resolution. The Treasurer or Deputy Treasurer shall take from such financial institution a receipt for securities so deposited. The Treasurer or Deputy Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Treasurer.

PASSED, APPROVED, AND ADOPTED this 18th day of May, 2020.

ATTEST:

Joel Fajardo, Mayor

Julia Fritz, City Clerk

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk

05/18/2020

05/18/2020

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AGENDA REPORT

То:	Mayor Joel Fajardo and Councilmembers
From:	Nick Kimball, City Manager By: Margarita Solis, City Treasurer
Date:	May 18, 2020
Subject:	Consideration to Adopt a Resolution Approving the Investment Policy for Fiscal Year 2020-21

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 8002 (Attachment "A"), approving the annual Investment Policy for Fiscal Year 2020-2021.

BACKGROUND:

- 1. On January 1, 1996, SB 564 went into effect which requires that the City Treasurer render annually to the legislative body for consideration at a public meeting, a statement of investment policy.
- 2. Since 1996, the investment policy has been reviewed annually by the City Manager, Director of Finance and City Treasurer and has been presented to the City Council for approval.
- 3. The proposed policy has been reviewed by City Manager, Director of Finance and City Treasurer.

ANALYSIS:

The ultimate investment goal of a good investment policy is to enhance the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City. The proposed Investment Policy requires investments be selected based on safety, liquidity, and yield, in that order, and are made in accordance with California Government Code, Sections 53600 et. seq.

The City attempts to obtain the highest yield possible when selecting investments, providing that criteria for safety and liquidity are met.

FINANCE DEPARTMENT 117 MACNEIL STREET, SAN FERNANDO, CA 91340 (818) 898-1207 WWW.SFCITY.ORG

Consideration to Adopt a Resolution Approving the Investment Policy for Fiscal Year 2020-2021 Page 2 of 2

The proposed Investment Policy authorizes investment in a number of investment vehicles that may offer higher yields while maintaining the safety and liquidity criteria.

BUDGET IMPACT:

Investment in higher yield investments may result in additional investment income earned by all City funds.

CONCLUSION:

Approval of the annual Investment Policy by the City Council will ensure that the City complies with the SB 564 requirement.

ATTACHMENT:

A. Resolution No. 8002, including Exhibit 1 - Investment Policy

ATTACHMENT "A"

RESOLUTION NO. 8002

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO, CALIFORNIA, ADOPTING THE ANNUAL INVESTMENT POLICY FOR FISCAL YEAR 2019-2020

WHEREAS, Senate Bill 564, effective January 1, 1996, requires the City Treasurer present a statement of investment policy annually to the City Council; and

WHEREAS, a responsible investment policy enhances the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City.

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

Section 1. The City Council hereby establishes the Investment Policy, attached hereto as Exhibit "1" and incorporated herein by this reference.

PASSED, APPROVED, AND ADOPTED this 18th day of May, 2020.

Joel Fajardo, Mayor

ATTEST:

Julia Fritz, City Clerk

STATE OF CALIFORNIA)COUNTY OF LOS ANGELES) ssCITY 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 18th day of May, 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Julia Fritz, City Clerk

SAN FERNANDO

POLICY/PROCEDURE

	1		
SUBJECT	ISSUANCE		
	ORIGINAL DATE	EFFECTIVE	
	05/15/2017	05/05/2017	
INVESTMENT POLICY	CURRENT DATE	EFFECTIVE	
	05/18/2020	05/18/2020	
CATEGORY	POLICY NO.	SUPERSEDES	
FINANCE	FIN-	05/20/2019	

MANAGEMENT POLICY/PROCEDURES

SECTION I. <u>PURPOSE</u>

This Policy is intended to provide specific criteria for the prudent investment of City funds. The ultimate investment goal is to enhance the economic status of the City while protecting funds under management and meeting the daily cash flow demands of the City.

SECTION II. STATEMENT OF POLICY

The City's cash management system is designed to accurately monitor and forecast expenditures and revenues, thus enabling the City to invest funds to the fullest extent possible. The City attempts to earn the highest yield obtainable while keeping within the investment criteria established for the safety and liquidity of public funds.

The Finance Director shall establish procedures that separate the internal responsibility for management and accounting of the investment portfolio. An analysis by an external independent auditor shall be conducted annually to review internal controls, account activity and compliance with policies and procedures.

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San Fernando operates its temporary pooled idle cash investment under the prudent investor standard (i.e., such a trustee must act with the "care, skill, prudence and diligence...that a prudent investor...would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency"). This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and allowable under current legislation of the State of California (Government Code Section 53600 et seq.)

Criteria for selecting investments and the order of priority are:

- 1. <u>SAFETY</u> The safety and risk associated with an investment refers to the potential loss of principal, accrued interest or both. Protection of the public funds entrusted to the Treasurer is the paramount criteria used to evaluate the investment instruments available.
- <u>LIQUIDITY</u> This refers to the ability to convert an investment to cash at any moment in time with minimal risk of forfeiting a portion of principal or interest. Liquidity is an essential investment requirement especially in light of the City's need to be able to meet emergency financing demands of the community at any time.

3. <u>YIELD</u> – It is the potential dollar earnings an investment can provide and is described as the market rate of return. As a general rule, yields tend to mirror the inherent risk and liquidity characteristics of the particular investment and thus can only be evaluated after those investment criteria are satisfied.

Authorized Investments

All investments shall be made in accordance by the California Government Code, Sections 53600 et. seq. Within the context of these limitations and based on the cost at the time of purchase, the following investments are authorized as further limited herein:

1. U.S. Treasuries

The U.S. Treasury Bills, Bonds, and Notes, or those for which the full faith and credit of the U.S. are pledged for payment of principal and interest provided that:

a) There is no limitation as to the percentage of the portfolio that can be invested in this category.

2. U.S. Agencies

The Obligations issued by the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and the Student Loan Marketing Association (SLMA) provided that:

- a) No more than 30% of the cost (book) value of the portfolio will be invested in any one agency.
- 3. Bankers' Acceptances

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Bills of exchange or time drafts drawn on and accepted by a commercial bank provided that:

- a) Bankers' Acceptances purchased may not exceed 180 days to maturity or 25% of the cost (book) value of the portfolio;
- b) No more than 5% of the cost (book) value of the portfolio may be invested in Bankers' Acceptances issued by any one bank;
- c) Prior to the purchase of any Banker's Acceptance, the portfolio manager shall review the rating of the issuing bank; and
- d) Bankers' Acceptances of issuing financial institutions shall have both a short and long term rating in the highest category by at least one nationally recognized rating agency at the time of purchase.

4. Commercial Paper

- a) The paper is ranked P1 by Moody's Investor Services and A1 by S&P, and have an minimum of A by both rating agencies;
- b) Issued by a domestic corporation having assets in excess of \$500 million;
- c) Purchases of eligible paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of an issuing corporation;
- d) May not exceed 15% of the cost value of the portfolio at time of purchase; and
- e) No more than 5% of the cost value of the portfolio may be invested in Commercial Paper issued by any one corporation.

5. <u>Certificates of Deposit</u>

- a) Negotiable Certificates of Deposit issued by nationally or state chartered banks or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of the City's Investment Cash at the time of purchase. Investment in any one institution may not exceed more than 5% of the City's Investment Cash at the time of purchase. Cash will be invested only in FDIC Insured certificates.
- b) Time Deposits Non Negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type. Investment in any one institution may not exceed more than 5% of the City's Investment Cash at the time of purchase. Cash will be invested only in fully collateralized certificates. Collateral for a given investment must be 110% of principal for government securities collateral and 150% of principal for first mortgage collateral.
- c) For investments greater than \$100,000 the institution must maintain \$100 million in assets. For investments greater than \$300,000 the institution must maintain at least \$300 million in assets.
- d) The city will not invest in any institution less than five years old.

6. <u>Repurchase Agreements</u>

- a) No more than 20% of the cost value of the portfolio may be invested in repurchase agreements at any time; and
- b) The maturity of repurchase agreements shall not exceed 75 days.

In order to conform with provisions of the Federal Bankruptcy Code which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest by, the



United States Government such as Treasury bills, Treasury notes or Treasury bonds with less than a five year maturity.

- 7. Local Agency Investment Fund (LAIF)
 - a) The City may invest in the LAIF established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State Law.
- 8. <u>Municipal Bonds</u>
 - a) Municipal Securities of any California local agency including bonds, notes, warrants or other indebtedness, provided the issuer has a minimum credit rating of "AA" by one of the following: Moody's, Standard & Poor's, or Fitch. Municipal bonds shall be limited to a 60 months maximum maturity.

Upon any announcement of negative credit watch or downgrade by a major rating agency of any issue within the portfolio, the investment manager should contact the Finance Director and recommend a course of action. If at any time a security falls below "investment grade," the investment manager should obtain the best bid and take the necessary steps toward liquidation.

- 9. Corporate Medium Term Notes
 - a) Corporate Medium Term Notes, provided the issuer has a minimum credit rating of "AA" by one of the following: Moody's, Standard & Poor's, or Fitch. Corporate bonds shall be limited to a 60 months maximum maturity.
 - b) Issued by a domestic corporation having assets in excess of \$500 million; Issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. AUG. 31, 1911
 - c) The aggregate total of all purchased medium term notes may not exceed 30% of the cost value of the portfolio; and
 - d) No more than 5% of the cost value of the portfolio may be invested in notes issued by one corporation.

Upon any announcement of negative credit watch or downgrade by a major rating agency of any issue within the portfolio, the investment manager should contact the Finance Director and recommend a course of action. If at any time a security falls below "investment grade," the investment manager should obtain the best bid and take the necessary steps toward liquidation.

- 10. Money Market Mutual Funds
 - a) Must have a rating of AAA/Aaa or an equivalent by one or more national rating agencies with no load maintained at \$1 par value;
 - b) No more than 20% of portfolio value may be invested;

- c) Investment in a single mutual fund will not to exceed 10% of the cost value (book value) of the total portfolio exclusive of the fiscal agent cash portfolio; and
- d) The City's investment in any specific mutual fund will not exceed 2% of that mutual fund's total assets.

Considerations for Investments

The City attempts to obtain the highest yield possible when selecting investments, providing that criteria for safety and liquidity are met. Ordinarily, because investments normally carry a positive yield curve, (i.e., longer term investments have higher rates than shorter maturities), the City attempts to stagger its maturities to meet anticipated cash needs in such a way that new investment money can be placed in maturities that carry a higher rate that is available in the short market of 30 days or under. Furthermore, maturities are selected to anticipate cash needs of the City, thereby obviating the need for forced liquidation.

City Constraints

The City Treasurer is responsible for managing the City's investment portfolio in accordance with Federal and State laws as well as this policy. Longer term investments (i.e., over one year) are limited to maturities of five years or less.

The City strives to maintain an appropriate level of investment of all funds through daily and projected cash flow determinations. Idle cash management and investment transactions are the responsibility of the City Treasurer in consultation with the Finance Director.

The basic premise underlying the City's investment philosophy is, and will continue to be, to insure that money is always safe and available when needed.

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The City Treasurer or the Deputy Treasurer and/or Finance Director in the absence of the City Treasurer shall continually review the financial condition of proposed depositories of City funds. The City should demand a copy of the latest financial statements and audit reports prior to investment and any reports issued during the period of the investment.

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Investment Strategy

- 1. When making an investment decision, the purchase of an investment is made with the intent of holding that investment to maturity.
- 2. Cash flow projections are fully utilized to balance the liquidity needs at all times.
- 3. At least bi-weekly, economic forecasts are obtained from financial experts in the field through bankers and brokers.
- 4. Close rapport is maintained with the City Manager, Finance Director, Public Works and other departments having a significant impact on cash flow.

SAN FERNANDO

- 5. The City will invest all City and Successor Agency to the Redevelopment Agency funds and the estimated checking accounts float, except for those amounts required by the City's banks to pay for bank services furnished to the City.
- 6. Depending on market conditions, time deposits are maintained in commercial banks and savings and loan institutions. Particular attention is paid to investment opportunities available from financial institutions within the City of San Fernando so as to contribute to the economic vitality of the community.
- 7. Safekeeping: Securities purchased from brokers/dealers shall be held in third party safekeeping by the City's third party custodian. Said securities shall be held in the name of the City of San Fernando with the trustee executing investment transactions as directed by the Treasurer.

Prohibited and Restricted Investments

The City will not invest in derivative-type investments which are now prohibited by law, inverse floaters, range notes, interest- only strips derived from a mortgage pool, equity linked securities, swaps, margin/leveraging, and any security that could result in zero interest accrual if held to maturity. The City will not invest in reverse repurchase agreements. The City will not engage in speculative buying.

Investment Policy Adoption

The investment plan and strategy are reviewed and updated as needed, and no less often than annually.

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SECTION III. EXCEPTIONS

There will be no exceptions to this policy, except as may be approved by the City Council.

SECTION IV. AUTHORITY

By order of City Council Resolution No. 8002, Policy adopted by the City Council on May 18, 2020.

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