

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Adjourned Regular Meeting
Wednesday, June 28, 2017
2:00 p.m.

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

Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember



Vacant
Councilmember

Noel Hatch
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

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

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

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

REGULAR MEETING SCHEDULE

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

AGENDA POSTING AND AVAILABILITY

Regular and Adjourned Regular Meetings: Pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act, the City of Laguna Woods posts agendas at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, at least 72 hours in advance of regular and adjourned regular meetings. Agendas and agenda materials are available at Laguna Woods City Hall during normal business hours and on the City’s website. Printed copies of agendas and agenda materials are provided at no charge in advance of meetings. After meetings have occurred, a per page fee is charged for printed copies.

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FOR ADDITIONAL INFORMATION

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

AFFIDAVIT OF POSTING

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

I, Yolie Trippy, Deputy City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 02-33, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.



YOLIE TRIPPY, Deputy City Clerk

6-23-17
Date

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Louis Edge Zobel – 97th Birthday

Recommendation: Approve and present the commendation.

4.2 Orange County Fair Presentation

Recommendation: Receive and file.

V. PUBLIC COMMENTS

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

VI. CONSENT CALENDAR

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

6.1 As Needed Financial Consulting Services

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

6.2 Information Technology Services

Recommendation: Approve an agreement with Practical Data Solutions for information technology services and authorize the

City Manager to execute the agreement, subject to approval as to form by the City Attorney.

6.3 Street, Right-of-Way, and Infrastructure Maintenance Services

Recommendation: Approve an extension and amendment of the agreement for services with PV Maintenance, Inc. for street, right-of-way, and infrastructure maintenance services and authorize the City Manager to execute the extension and amendment, subject to approval as to form by the City Attorney.

6.4 Employee Compensation and Benefits

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

6.5 Fiscal Year 2016-17 Annual Appropriations Limit

Recommendation: Approve a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A CORRECTED ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-17 COMMENCING JULY 1, 2016 AND ENDING JUNE 30, 2017

VII. PUBLIC HEARINGS

VIII. CITY COUNCIL BUSINESS

8.1 Fiscal Years 2017-19 Budget & Work Plan

Recommendation: Approve resolutions entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY

OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE FISCAL YEARS 2017-19 BUDGET AND WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019

AND

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A SEVEN-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2017-18 THROUGH 2023-24 IN CONFORMANCE WITH MEASURE M2 REQUIREMENTS

AND

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018

8.2 City Council Vacancy

Recommendation:

1. Conduct interviews for the City Council vacancy.

AND

2. Appoint an individual to fill the City Council vacancy for the balance of the unexpired term of the former incumbent and administer the oath of office.

8.3 Ad Hoc Audit Committee

Recommendation: Appoint two members of the City Council to an Ad Hoc Audit Committee beginning immediately through

December 31, 2017 to work with the City's independent auditors on matters related to the Fiscal Year 2016-17 audit.

8.4 San Joaquin Hills Transportation Corridor Agency

Recommendation: Appoint members of the City Council to serve as a director and alternate on the San Joaquin Hills Transportation Corridor Agency Board of Directors beginning immediately through December 31, 2017.

IX. CITY COUNCIL REPORTS AND COMMENTS

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

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

X. CLOSED SESSION

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

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting: Wednesday, July 19, 2017 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

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**4.1
COMMENDATION –
LOUIS EDGE ZOBEL –
97TH BIRTHDAY**

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**City of Laguna Woods
Certificate of Commendation
Louis Edge Zobel
97th Birthday**

WHEREAS, Louis Edge Zobel celebrated his 97th birthday on June 21, 2017; and

WHEREAS, Louis Edge Zobel has lived in Laguna Woods since December 2015; and

WHEREAS, Louis Edge Zobel is a United States Army veteran who served overseas from September 30, 1942 through March 21, 1946 and was honorably discharged at the rank of Captain, only to continue serving as a reserve for an additional nine years, before retiring at the rank of Major; and

WHEREAS, Louis Edge Zobel was awarded the Bronze Star with four Battle Stars, the Purple Heart, the Combat Infantryman's Badge, and the World War II Victory Medal, for his dedication and service to our country; and

WHEREAS, Louis Edge Zobel was involved with Senator Bob Dole and others in the process of establishing the National World War II Memorial in Washington D.C.

NOW, THEREFORE, BE IT RESOLVED that the Laguna Woods City Council does hereby deem it an honor and a pleasure to extend this certificate of commendation to Louis Edge Zobel on the occasion of his 97th birthday, with congratulations and best wishes for many more joyous years to come.

Dated this 28th day of June, 2017

Shari L. Horne
Mayor

Attest: Yolie Trippy
Deputy City Clerk

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4.2
ORANGE COUNTY FAIR PRESENTATION
(NO REPORT)

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6.1-6.5
CONSENT CALENDAR SUMMARY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: June 28, 2017 Adjourned Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the June 28, 2017 Consent Calendar by single motion and City Council action.

Background

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

Summary

The June 28, 2017 Consent Calendar contains the following items:

- 6.1 Approval of an agreement with Irwin B. Bornstein for as needed financial consulting services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. Mr. Bornstein is a highly qualified finance professional and Certified Public Accountant (CPA). He earned a Master of Business Administration (MBA) degree from Stanford University and has worked in management roles for the cities of Anaheim, Whittier, and Mission Viejo, where he retired in 2011 as Assistant City Manager/Administrative Services Director. Mr. Bornstein has provided as needed financial services to the City for several years, and

also provides or has provided similar services to the cities of Laguna Niguel, Stanton, Westminster, and others. The proposed agreement would allow Mr. Bornstein to assist with financial reporting, budgeting, accounting, and other matters, as well as to provide financial services to the Laguna Woods Civic Support Fund. The term of the proposed agreement is July 1, 2017 through June 30, 2018.

- 6.2 Approval of an agreement with Practical Data Solutions for information technology services and authorization for the City Manager to execute the agreement, subject to approval as to form by the City Attorney. Practical Data Solutions is the City's current information technology services vendor and has provided those services continuously since mid-2014 with additional service for numerous years preceding mid-2012. The City is in the midst of significant technological improvements, including this fiscal year's transition to new financial software, planned implementation of permitting software in Fiscal Years 2017-19, and computer server modifications. While the existing agreement with Practical Data Solutions will expire on June 30, 2017, staff recommends that the City Council award an additional two-year agreement, in the interest of maintaining continuity and systems knowledge during the aforementioned changes. The proposed agreement also includes new service levels and pricing based on the aforementioned changes and other factors.
- 6.3 Approval of an extension and amendment of the agreement for services with PV Maintenance, Inc. for street, right-of-way, and infrastructure maintenance services and authorization for the City Manager to execute the extension and amendment, subject to approval as to form by the City Attorney. A Request for Proposals (RFP) for street, right-of-way, and infrastructure maintenance services was released on March 23, 2017 with proposals due by April 14, 2017. A single proposal was received from the County of Orange; however, the City and County were unable to reach mutually agreeable terms. PV Maintenance, Inc., the City's current street, right-of-way, and infrastructure maintenance service vendor, has agreed to a two-month extension of the existing agreement that would provide for continuity of services and allow time for staff to negotiate a longer-term agreement. The proposed extension and amendment also includes the memorialization of prior authorized terms of agreement and performance.
- 6.4 Approval of a resolution establishing a compensation schedule and benefits for City employees. The proposed resolution would eliminate the long-term

disability coverage previously provided to qualifying, full-time employees; increase the City Manager's salary from \$172,313 to \$176,538 based on the change in the Consumer Price Index (CPI) provided for in his employment agreement; and, allow limited part-time employees to choose to contribute a portion of their salary – with no match or supplemental contribution by the City – to the deferred compensation plan offered to all other employees. The proposed resolution would also update paid time off information for part-time and limited part-time employees to reflect current state law.

- 6.5 Approval of a resolution adopting a corrected annual appropriations limit for Fiscal Year 2016-17 commencing July 1, 2016 and ending June 30, 2017. The proposed resolution would make minor corrections to the calculation of the appropriations limit for Fiscal Year 2016-17 (existing: \$9,546,508, corrected: \$9,546,698), including the appropriations subject to the limit for Fiscal Year 2016-17 (existing: \$3,796,765, corrected: \$3,789,072).

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6.1
AS NEEDED FINANCIAL CONSULTING
SERVICES

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**CONSULTANT SERVICES AGREEMENT
FOR AS NEEDED FINANCIAL SERVICES**

This Consultant Services Agreement for As Needed Financial Services (“Agreement”) between the CITY OF LAGUNA WOODS, a general law city of the State of California, (“City”) and IRWIN B. BORNSTEIN, an individual, (“Consultant”), is made and entered into this 1st day of July 2017 by and among City and Consultant

1. Services of Consultant. In compliance with all the terms and conditions of this Agreement, Consultant shall provide as needed financial services for the City, which may include finance, accounting, budget, purchasing, payroll/benefit administration, and other related services. Consultant shall have access to City support administrative staff as may be necessary to accomplish the tasks, directions, and service goals of the City, as the same are, and from time to time shall be, communicated to Consultant by the City’s City Manager. Consultant’s services to be performed may generally include, but not be limited to, the following:

- a) Assist City staff in preparing the City’s comprehensive annual financial reports, including providing audit support and participating in meetings.
- b) Assist City staff in preparing the City’s budgets and work plans, including developing revenue estimates, projecting expenditures, drafting narratives, and participating in meetings and public workshops.
- c) Complete account analysis and reconciliation projects.
- d) Provide bookkeeping, cash handling, and financial reporting services for the Laguna Woods Civic Support Fund, a nonprofit public benefit corporation.
- e) Advise and make recommendations to the City’s City Manager and the City’s Administrative Services Director/City Treasurer on matters pertaining to the City’s financial services staffing patterns, service delivery arrangements with other independent contractors, systems, programs, policies, and procedures.
- f) Coordinate with the City’s City Attorney regarding legal aspects of the City’s operations, legal opportunities, and potential liabilities as pertain to financial services, and confer with legal counsel in making recommendations on legal matters to the City’s City Manager and City’s City Council.

2. City Contract Officer. The City’s City Manager shall be the Consultant’s primary point of contact with the City, and shall have primary responsibility for coordinating communications with Consultant.

3. Consultant Conflicts. Consultant is free to contract with other parties, apart from City, for the performance of any services Consultant offers, provided that such additional work or clientele of Consultant does not directly conflict with work Consultant is doing for the City. Consultant has provided a list of current clients to City, and City has agreed there are no disabling conflicts with Consultant’s continuance of the identified matters for such clients. If Consultant is retained by additional clients during the period of this Agreement, and the work

such clients request of Consultant conflicts with work Consultant is performing for City, Consultant shall meet and confer with City prior to finalizing acceptance of the employment of the potentially conflicting matter.

4. Compensation. Subject to any limitations set forth in this Agreement, City agrees to pay Consultant the amount of Ninety-Five Dollars (\$95.00) hourly. Consultant shall perform work only as requested by City.

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

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

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

d) Consultant shall provide his own automotive transportation, at his cost, for local travel, including travel to and from the City's offices and local meetings. Consultant shall be reimbursed for registration fees and/or lodging expenses for events Consultant is required by the City to attend only as may be approved by the City in writing prior to the time such expenses are incurred. Any such expenses shall be documented and billed at Consultant's actual cost, without increase or overhead charge.

e) Consultant's hourly compensation rate shall be "all inclusive." City shall not provide separate reimbursement for telephone, data, or Internet service; equipment; supplies; or, incidental expenses incurred in the performance of Consultant's services.

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

6. Compliance with Applicable Laws. Consultant shall keep himself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations

and rules in effect during the term of this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

7. Nondiscrimination. Consultant shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition, sexual orientation, or marital status in connection with or related to the performance of this Agreement.

8. Term. This Agreement is effective beginning July 1, 2017, and shall continue until 11:59 p.m. on June 31, 2018 unless extended by mutual written agreement. This Agreement may be terminated by either party, with or without cause, upon no less than fifteen (15) days written notice to the other. In the event such termination, Consultant will be paid only for such portion of time actually worked, prior to the date of termination.

9. Prohibition Against Subcontracting or Assignment. Consultant shall not subcontract with any person or entity to perform, in whole or in part, the services required of Consultant herein without the prior express written approval of the City. Neither this Agreement, nor any interest herein, may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of the City. Any such prohibited assignment or transfer shall be void.

10. Independent Contractor. Consultant shall perform all work and services required hereunder as an independent contractor of the City, and shall remain under only such obligations as are consistent with that role. Consultant is not, and shall not at any time or in any manner during the course of this Agreement, represent that he is an employee of the City, and shall not be entitled to any employee benefits from City in any manner for the services Consultant is providing under this Agreement. Consultant may, but is not required to, utilize the facilities of the City, including City's offices, computers and e-mail service provider, in the performance of Consultant's duties hereunder.

11. Licenses, Permits and Fees. Consultant shall obtain and keep in effect, at all times during the term of this Agreement, and at his sole cost and expense, all such licenses, permits, or payment of fees as may be required by law for his performance of the services required under this Agreement.

12. Confidentiality.

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

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

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

(d) Consultant shall promptly notify City should Consultant be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

13. Prohibition Against Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement, nor shall any such officer or employee participate in any decision relating to the Agreement which has a material financial effect on his or her "economic interest," as that term is defined under Title 2, California Code of Regulations, section 18703, and related provisions of law.

14. Non-Liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, in the event of any default or breach by the City, or for any amount that become due to the Consultant under the terms of this Agreement.

15. Notice. Any written notice, demand, request, consent, approval, or communication called for under this Agreement shall be either served personally or sent by pre-paid, first class mail to the following addresses:

If to City: City of Laguna Woods
 Attn: City Manager
 24264 El Toro Road
 Laguna Woods, CA 92637

Copy to: David B. Cosgrove, Esq.
 Rutan & Tucker, LLP
 611 Anton Boulevard, Suite 1400
 Costa Mesa, CA 92626

If to Consultant: Irwin B. Bornstein
[Address on-file with City]

16. Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used, and shall not be construed for or against either party by reason of authorship of this Agreement.

17. Integration. This Agreement supersedes any and all oral agreements or other representations between the parties hereto affecting this Agreement and its subject matter, and this Agreement supersedes and cancels all such previous negotiations, arrangements, agreements, and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may only be amended by mutual consent of the parties, and only by an instrument in writing, executed by both parties.

18. Severability. In the event that any part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or inability to enforce shall not affect the remaining portions of this Agreement, which are hereby declared as severable. The parties affirm and declare their intention to carry out the remainder of the Agreement, notwithstanding such invalid or unenforceable portion, unless such portion is so material that its invalidity deprives either party of the basic benefit of their bargain, or renders this Agreement meaningless or impossible to perform as to its other aspects.

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

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
Irwin B. Bornstein

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

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6.2 INFORMATION TECHNOLOGY SERVICES

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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
PRACTICAL DATA SOLUTIONS
FOR INFORMATION TECHNOLOGY SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 1st day of July 2017 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Practical Data Solutions ("CONSULTANT").

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

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of SECTION 19 "TERMINATION OF AGREEMENT" of this AGREEMENT, the term of this AGREEMENT shall be for a period beginning on July 1, 2017 and ending at 11:59 p.m. on June 30, 2019. Such term may be extended upon written agreement of both parties to this AGREEMENT.

SECTION 2. SCOPE OF SERVICES.

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

SECTION 3. ADDITIONAL SERVICES.

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

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this AGREEMENT, CITY agrees to pay CONSULTANT the amounts specified in EXHIBIT "B" "COMPENSATION" and made a part of this AGREEMENT. CONSULTANT shall perform work only as requested by CITY. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected

ITEM 6.2

amount of work or compensation for as needed services or reimbursables. Compensation for services shall not exceed the amounts specified in EXHIBIT "B" "COMPENSATION".

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

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

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

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

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

SECTION 6. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by CONSULTANT in the course of providing any services pursuant to this AGREEMENT shall become the sole property of CITY and may be used, reused or otherwise disposed of by CITY without the permission of the CONSULTANT. Upon completion, expiration or termination of this AGREEMENT, CONSULTANT shall turn over to CITY all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents, notwithstanding any billing or compensation disputes that may then exist between CITY and CONSULTANT.

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

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

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

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

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

SECTION 8. STATUS OF CONSULTANT.

(a) CONSULTANT is and shall at all times remain a wholly independent contractor and not an officer, official, employee or agent of CITY. CONSULTANT shall have no authority to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against CITY, whether by contract or otherwise, unless such authority is expressly conferred under this AGREEMENT or is otherwise expressly conferred in writing by CITY.

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of

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CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

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

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

SECTION 9. STANDARD OF PERFORMANCE.

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

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

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

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

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap, medical condition, sexual orientation or marital status in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

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

SECTION 13. CONFLICTS OF INTEREST.

(a) CONSULTANT covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of CITY or which would in any way hinder CONSULTANT's performance of services under this AGREEMENT. CONSULTANT further covenants that in the performance of this AGREEMENT, no person having any such interest shall be employed by it as an officer, official, employee, agent or subcontractor without the express written consent of the City Manager of CITY or his or her designee. CONSULTANT agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY in the performance of this AGREEMENT.

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

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by CONSULTANT in performance of this AGREEMENT shall be considered confidential, unless such information is in the public domain or already known to CONSULTANT. CONSULTANT shall not release or disclose any such information or work product to persons or entities other than CITY without

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prior written authorization from the City Manager of CITY or his or her designee, except as may be required by law.

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

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

(d) CONSULTANT shall promptly notify CITY should CONSULTANT, its officers, officials, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this AGREEMENT or the work performed thereunder. CITY retains the right, but has no obligation, to represent CONSULTANT or be present at any deposition, hearing or similar proceeding. CONSULTANT agrees to cooperate fully with CITY and to provide CITY with the opportunity to review any response to discovery requests provided by CONSULTANT. However, this right to review any such response does not imply or mean the right by CITY to control, direct, or rewrite said response.

SECTION 15. INDEMNIFICATION.

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

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

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

SECTION 16. INSURANCE.

CONSULTANT agrees to obtain and maintain in full force and effect during the term of this AGREEMENT the insurance policies set forth in EXHIBIT "C" "INSURANCE" and made a part of this AGREEMENT. All insurance policies shall be subject to approval by CITY as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager of CITY or his or her designee. CONSULTANT agrees to provide CITY with copies of required policies upon request.

SECTION 17. ASSIGNMENT.

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

SECTION 18. CONTINUITY OF PERSONNEL.

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

prior to any such performance.

SECTION 19. TERMINATION OF AGREEMENT.

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

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

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

(d) Upon termination of this AGREEMENT by either CONSULTANT or CITY, all property belonging exclusively to CITY which is in CONSULTANT's possession shall be returned to CITY immediately upon demand by CITY, notwithstanding any billing disputes that may then exist under this AGREEMENT. CONSULTANT shall furnish to CITY a final invoice for work performed and expenses incurred by CONSULTANT, prepared as set forth in SECTION 4 of this AGREEMENT. This final invoice shall be reviewed and paid in the same manner as set forth in SECTION 4 of this AGREEMENT.

SECTION 20. DEFAULT.

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

SECTION 21. EXCUSABLE DELAYS.

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

SECTION 22. COOPERATION BY CITY.

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

SECTION 23. NOTICES.

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

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

To CONSULTANT: Practical Data Solutions
ATTN: John McDermott
27031 Springcreek Road
Rancho Palos Verdes, CA 90275

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

SECTION 24. AUTHORITY TO EXECUTE.

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

SECTION 25. BINDING EFFECT.

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

SECTION 26. MODIFICATION OF AGREEMENT.

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

SECTION 27. WAIVER.

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

SECTION 28. LAW TO GOVERN; VENUE.

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

SECTION 29. ATTORNEYS FEES, COSTS AND EXPENSES.

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

SECTION 30. ENTIRE AGREEMENT.

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

SECTION 31. SEVERABILITY.

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

SECTION 32. NO THIRD PARTY BENEFICIARIES.

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

[SIGNATURES ON NEXT PAGE]

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

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONSULTANT:

By _____
John McDermott, Owner

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

1. General and Incident Response Services

CONSULTANT shall provide incident response services to CITY, including troubleshooting and problem resolution, 24-hours per day, seven days per week, within two hours of request by CITY. Requests may be made via telephone or email. CONSULTANT shall continuously track all requests in writing, including status and resolution. CONSULTANT shall provide to CITY copies of request tracking or other associated data, as requested.

CONSULTANT shall not be responsible for maintaining service agreements for third-party software not included as a part of operating systems or specified in this AGREEMENT.

2. Managed Services

(a) CONSULTANT shall provide "Network Equipment Support" consisting of all labor related to maintaining configuration, logging (if possible and appropriate), and monitoring of network equipment, including routers, firewalls, switches, spam filters, and other equipment used to move, monitor, or intentionally affect network traffic on CITY's local area network. "Network Equipment Support" shall also consist of working with CITY's Internet service provider to maintain proper configuration of Internet equipment at CITY's offices, whether owned by CITY or CITY's Internet service provider.

(b) CONSULTANT shall provide "Server Support" consisting of all labor related to maintaining CITY's server operating systems, any programs included in the operating system, backup software, virus scanning software, hard disk defragmentation software, and the following programs installed after the operating systems: Tyler Technologies' Fundbalance and Incode product suites. CITY shall maintain separate service agreements with Tyler Technologies' for Fundbalance and Incode product suites. CONSULTANT shall coordinate or provide all service related to these products.

(c) CONSULTANT shall provide "Servers with SQL, Exchange, and/or SBS Support" consisting of all labor related to maintaining the specific software packages on any of the servers listed in Section 2(b) above.

(d/e) CONSULTANT shall provide "Desktop and/or Laptop Computer Support" consisting of all labor related to maintaining the computer operating system, any programs included in the operating system, Microsoft Office products, end user support for the following programs installed after the operating system: Tyler Technologies' Fundbalance and Incode product suites. CITY shall maintain separate service agreements with Tyler Technologies' for Fundbalance and Incode product suites. CONSULTANT shall coordinate or provide all service related to these products. "Desktop and/or Laptop Computer Support" shall also include all labor and licensing fees related to creating and maintaining centrally managed

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anti-malware systems for CITY, including but not limited to anti-virus, anti-spyware, and root kit protection. Anti-malware managed care to include active and scheduled scanners, monitoring of definition updates, reporting and periodic audits. Any and all labor resources costs resulting from “infected” machines shall be incurred solely by CONSULTANT.

(f) CONSULTANT shall provide “Server Backup” consisting of all labor related to creating a backup “image” of CITY’s servers on pre-determined remote backup systems, or on a server of CITY’s choice. “Server Backup” does not include the labor needed to restore files or systems in case such emergency services are necessary. “Server Backup” does provide for labor related to Disaster Recovery (DR) testing every 18 months and no more frequent than every 12 months. CITY agrees to provide and maintain both a storage device capable of handling this backup and an Internet connection sufficient to copy the backup files offsite in a reasonable amount of time.

(g) CONSULTANT shall provide “Postini Managed Secure Gateway Services” consisting of all labor and licensing fees related to creating and maintaining Postini-managed SPAM filtering and security services, or equivalent. Detail of managed care to include: user creation, SPAM policy management, reporting, and auditing.

3. At any time, CITY may add or remove services for computers by emailing CONSULTANT at support@solutions4data.com. CONSULTANT agrees to keep an accurate list of machines covered under this AGREEMENT and to provide said list to CITY upon request.
4. Maintaining the systems described in this EXHIBIT shall include applying all appropriate software and operating system updates in a reasonable amount of time. CONSULTANT shall determine when software updates are appropriate and what constitutes a reasonable amount of time. CITY acknowledges that if CITY requests updates that CONSULTANT considers inappropriate, or wishes to have updates applied before CONSULTANT deems them safe, CONSULTANT is not responsible for the consequences of such actions and CITY shall be charged additional fees on an as-needed basis for all labor related to the consequences of such actions. Furthermore, if CITY performs or allows anyone other than CONSULTANT to perform any maintenance on any computers or equipment covered by this AGREEMENT, CONSULTANT shall not be responsible for the consequences of such actions and CITY may be charged additional fees for all costs related to the consequences of such actions.
6. This AGREEMENT is intended to cover the maintenance of computer operating systems and software only. It also covers any hardware, materials, equipment, consumables, hardware failures, troubleshooting, or replacements if CITY maintains proper vendor contracts for covered software and hardware noted in this AGREEMENT. It does not cover any labor related to projects other than the proper maintenance of operating systems, software, and vendor-covered hardware.

EXHIBIT "B"
COMPENSATION

CONSULTANT shall be compensated using the following rates:

Section 1

Description	Unit	Pricing
24/7 monitoring, patch updates, anti-virus protection, on-site and remote support; Windows 2011 SBS fileserver	Lump Sum	\$269 per month
24/7 monitoring, patch updates, anti-virus protection, on-site and remote support; VM Windows 2012 R2 fileserver	Lump Sum	\$150 per month
Workstations – PC/Mac – Primary Workstations	Each	\$35 per workstation
Workstations – PC/Mac – Secondary Workstations	Each	\$15 per workstation
Network Support	Lump Sum	\$69 per month
Printers	Lump Sum	\$0 per month
Proofpoint Email Spam Support	Each	\$3 per email account
Backup Support	Lump Sum	\$65 per month

Section 2

CONSULTANT shall be compensated for additional work using the following rates:

Description	Quantity	Unit	Pricing
Personnel Time	1	Hour	\$125
Equipment and Software	Up to 10% mark-up over cost (as evidenced by receipts)		

The rates set forth in Section 1 and Section 2 are “all inclusive”. CITY shall not provide separate or supplemental compensation to CONSULTANT.

EXHIBIT "C"
INSURANCE

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

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

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

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

(3) Workers' Compensation insurance as required by the Labor Code of State of California and Employer's Liability insurance and covering all persons providing services on behalf of the CONSULTANT and all risks to such persons under this AGREEMENT.

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

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

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

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

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

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

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

2. General Liability and Automobile Liability Coverages.

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

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

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

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

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

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

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

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

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

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6.3
STREET, RIGHT-OF-WAY, AND
INFRASTRUCTURE MAINTENANCE SERVICES

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

This EXTENSION AND AMENDMENT of the AGREEMENT FOR SERVICES ("AGREEMENT") that was authorized by the City Council on December 19, 2012 by and among the City of Laguna Woods, a California municipal corporation ("CITY") and PV Maintenance, Inc. ("CONTRACTOR"), is made and entered into this 1st day of July 2017 by and among CITY and CONTRACTOR.

WHEREAS, the initial term of the AGREEMENT was for the period between January 1, 2013 and 11:59 p.m. on June 30, 2015 and previously executed extensions extended the term through 11:59 p.m. on June 30, 2017; and

WHEREAS, CITY and CONTRACTOR mutually agree to extend and amend the AGREEMENT as described herein.

NOW THEREFORE, the parties amend the AGREEMENT as follows:

1. CITY and CONTRACTOR hereby agree to an extension of the AGREEMENT for a period beginning on July 1, 2017 and ending at 11:59 p.m. on August 31, 2017.
2. The language attached hereto as Exhibit A is added to the AGREEMENT and, by doing so, CITY and CONTRACTOR memorialize prior authorized terms of agreement and performance consistent with same from and after January 1, 2013 until the date of signing hereto.

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

CITY OF LAGUNA WOODS:

By _____
Christopher Macon, City Manager

CONTRACTOR:

By _____
Frank J. Garza, President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

**ADDITIONAL LANGUAGE TO THE
AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
PV MAINTENANCE, INC.**

Prevailing Wage

ALL SERVICES PERFORMED BY CONTRACTOR UNDER THIS AGREEMENT ARE SUBJECT TO PREVAILING WAGE. In accordance with the provisions of Section 1770 et seq., of the Labor Code, the Director of Industrial Relations of the State of California has determined the general prevailing rate of wages applicable to the work to be done. CONTRACTOR shall pay to all persons employed for this work by CONTRACTOR sums not less than the sums set forth in the documents entitled "General Prevailing Wage Determination made by the Director of Industrial Relations pursuant to California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770,1773,1773.1"

California Department of Industrial Relations

CONTRACTOR shall be registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 at all times during the term of this AGREEMENT. All services performed by CONTRACTOR under this AGREEMENT are subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Firm Licensure

CONTRACTOR shall hold and maintain a valid State of California A (General Engineering Contractor) contractor's license at all times during the term of this AGREEMENT.

6.4

EMPLOYEE COMPENSATION AND BENEFITS

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RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ESTABLISHING A COMPENSATION SCHEDULE AND BENEFITS FOR CITY EMPLOYEES

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

SECTION 1. Effective July 1, 2017, Resolution No. 17-03 is hereby repealed and replaced by this resolution.

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

Exempt Full-Time Employees (Annual Equivalent)

City Manager	\$176,538
Administrative Services Director/ City Treasurer	\$104,706 – \$146,588
Senior Management Analyst	\$71,232 – \$99,720
Management Analyst	\$63,372 – \$88,716
Deputy City Clerk	\$51,948 – \$72,727

Non-Exempt Full-Time Employees (Hourly Rate)

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

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

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

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

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

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

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

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

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

For 2017, full-time employees may maintain a balance of no more than 480 hours of paid time off (Accrual Limit) and shall be compensated for accrued paid time off in excess of 480 hours as of December 31, 2017 following the end of the calendar year. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

Beginning on January 1, 2018, full-time employees may maintain a balance of no more than 480 hours of paid time off (Accrual Limit) and shall cease to accrue additional paid time off when the Accrual Limit has been reached. When a full-time employee's balance of paid time off falls below the Accrual Limit, accrual shall resume beginning with the first pay period following the pay period in which the balance of paid time off fell below the Accrual Limit. Upon separation from the City, full-time employees shall be compensated for the balance of their accrued paid time off.

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

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

- A. Paid Holidays: The City shall observe the following holidays with part-time employees receiving compensation for hours that would otherwise regularly be worked: New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving, Friday after Thanksgiving, and December Holiday (December 24 through January 1). Except for December Holiday, which is observed on specified dates, when a holiday falls on a Saturday, it shall be observed the prior Friday; when a holiday falls on a Sunday, it shall be observed the following Monday.

- B. Retirement: All City employees, including full-time and part-time employees, are required to participate in the Social Security system. Part-time employees who work 1,000 hours or more in a fiscal year, shall be eligible for membership in CalPERS for retirement benefits. Eligible part-time employees considered “classic” by CalPERS shall pay the 7% employee contribution pursuant to the terms of Resolution No. 12-18. Eligible part-time employees considered “new members” by CalPERS shall pay the employee contribution rate established by CalPERS, as may change from time to time.
- C. Retiree Medical: As required by, and in an amount established by California Government Code Section 22892, the City shall contribute toward CalPERS retiree health insurance for retiring full-time employees who have worked for the City for a minimum of 10 years. Part-time service for employees who transition from part-time to full-time employment with the City may be used to meet the 10 year requirement, with each 174 hours counting as one month.
- D. Employee Assistance Program: The City shall contract for an employee assistance program; enrollment in the program shall be mandatory for all part-time employees. The cost of enrollment in the employee assistance program shall be deducted from each part-time employee’s salary.
- E. Health Insurance: All employees shall be covered by basic health insurance that qualifies as Minimum Essential Coverage under the Patient Protection and Affordable Care Act. The City shall contract for health insurance through CalPERS; enrollment in a CalPERS health plan shall be mandatory for all part-time employees whose appointment with the City is intended to last more six months and whose time base is half-time or greater, unless proof of coverage under a qualifying, alternate basic health insurance is provided. The cost of enrollment in a CalPERS health plan shall be deducted from each part-time employee’s salary.
- F. Flexible Benefits Plan: The City shall contract for the provision of an Internal Revenue Code Section 125 Flexible Benefits Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees may contribute to the plan by contributing through a salary reduction at their sole expense.
- G. Deferred Compensation Plan: The City shall contract for the provision of an Internal Revenue Code Section 457 Deferred Compensation Plan; enrollment in the plan shall be voluntary for all part-time employees. Part-time employees

may contribute to the plan by contributing through a salary reduction at their sole expense.

- H. Paid Time Off: After the first 30 calendar days of employment, and every January 1 thereafter, part-time employees shall accrue 24 hours of annual paid time off (leave), which may be used for personal illness, to care for a sick family member, for preventive care or diagnosis, care or treatment of an existing health condition, or for specified purposes if the part-time employee is a victim of domestic violence, sexual assault, or stalking. Paid time off shall not be used within the first 90 calendar days of employment for new part-time employees. There is no accrual or carryover of paid time off between or across calendar years. Upon termination from the City, part-time employees shall not be compensated for the balance of their paid time off. If a part-time employee separates from and is rehired by the City within one year, previously accrued and unused paid time off shall be reinstated.

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

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

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

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

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the XX day of XX 2017, by the following vote:

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

YOLIE TRIPPY, Deputy City Clerk

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6.5
FISCAL YEAR 2016-17 ANNUAL
APPROPRIATIONS LIMIT

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RESOLUTION NO. 17-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A CORRECTED ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016-17 COMMENCING JULY 1, 2016 AND ENDING JUNE 30, 2017

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

WHEREAS, annual appropriations limits established pursuant to Article XIII B are required to be modified on an annual basis for changes in inflation and population according to calculation methods established by Proposition 111; and

WHEREAS, voters established the base annual appropriations limit for the City of Laguna Woods (“City”) at \$4,165,544 in 2002; and

WHEREAS, the City Council adopted an appropriations limit for Fiscal Year 2016-17 on June 29, 2016; and

WHEREAS, the City has identified a need for correction of the appropriations limit for Fiscal Year 2016-17; and

WHEREAS, the City has complied with the provisions of Article XIII B in determining a corrected appropriations limit for Fiscal Year 2016-17; and

WHEREAS, the City has complied with Government Code Section 7910 by making documentation regarding its determination available for public review for 15 days prior to this City Council meeting.

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

SECTION 1. That the annual appropriations limit corrected for Fiscal Year 2016-17 shall be \$9,546,698, as calculated in Exhibit A attached hereto.

SECTION 2. That the adjustment factors for the Fiscal Year 2016-17 limit calculation shall be the annual percentage change in Orange County population and the annual percentage change in California per capita personal income.

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2017.

SHARI HORNE, Mayor

ATTEST:

YOLIE TRIPPY, Deputy City Clerk

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

I, YOLIE TRIPPY, Deputy City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 17-XX** was duly adopted by the City Council of the City of Laguna Woods at an adjourned regular meeting thereof, held on the XX day of XX 2017, by the following vote:

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

YOLIE TRIPPY, Deputy City Clerk

**CITY OF LAGUNA WOODS
ANNUAL APPROPRIATIONS LIMIT
Corrected Fiscal Year 2016-17 Calculation**

Calculation of Appropriations Limit:

Appropriations Limit for Fiscal Year 2015-16	\$8,971,351
Adjustment Factors:	
Population Change (County of Orange)*	1.0099
Cost of Living (Per Capita Personal Income)*	x <u>1.0537</u>
Combined Adjustment Factor*	<u>1.0494</u>
Appropriations Limit for Fiscal Year 2016-17	<u>\$9,546,698</u>
Appropriations Subject to Limitation for Fiscal Year 2016-17	\$3,789,072

* State of California, Department of Finance, *Price and Population Information*. May 2016.
Factors are rounded to four decimal places for presentation purposes.

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8.1
FISCAL YEARS 2017-19
BUDGET & WORK PLAN

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: June 28, 2017 Adjourned Regular Meeting
SUBJECT: Fiscal Years 2017-19 Budget & Work Plan

Recommendation

Approve resolutions entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE FISCAL YEARS 2017-19 BUDGET AND WORK PLAN FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018, AND FISCAL YEAR 2018-19 COMMENCING JULY 1, 2018 AND ENDING JUNE 30, 2019

AND

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING A SEVEN-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2017-18 THROUGH 2023-24 IN COMFORMANCE WITH MEASURE M2 REQUIREMENTS

AND

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING THE ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2017-18 COMMENCING JULY 1, 2017 AND ENDING JUNE 30, 2018

Background

The proposed Fiscal Years 2017-19 Budget & Work Plan (Attachment A) outlines a scope of work and financial plan for the City to undertake during the fiscal years spanning the period of July 1, 2017 through June 30, 2019.

City Council meetings were held on April 26, 2017, May 17, 2017, and June 21, 2017 to discuss and provide direction to staff on the development of the Fiscal Years 2017-19 Budget & Work Plan and allow opportunities for public comment.

Discussion

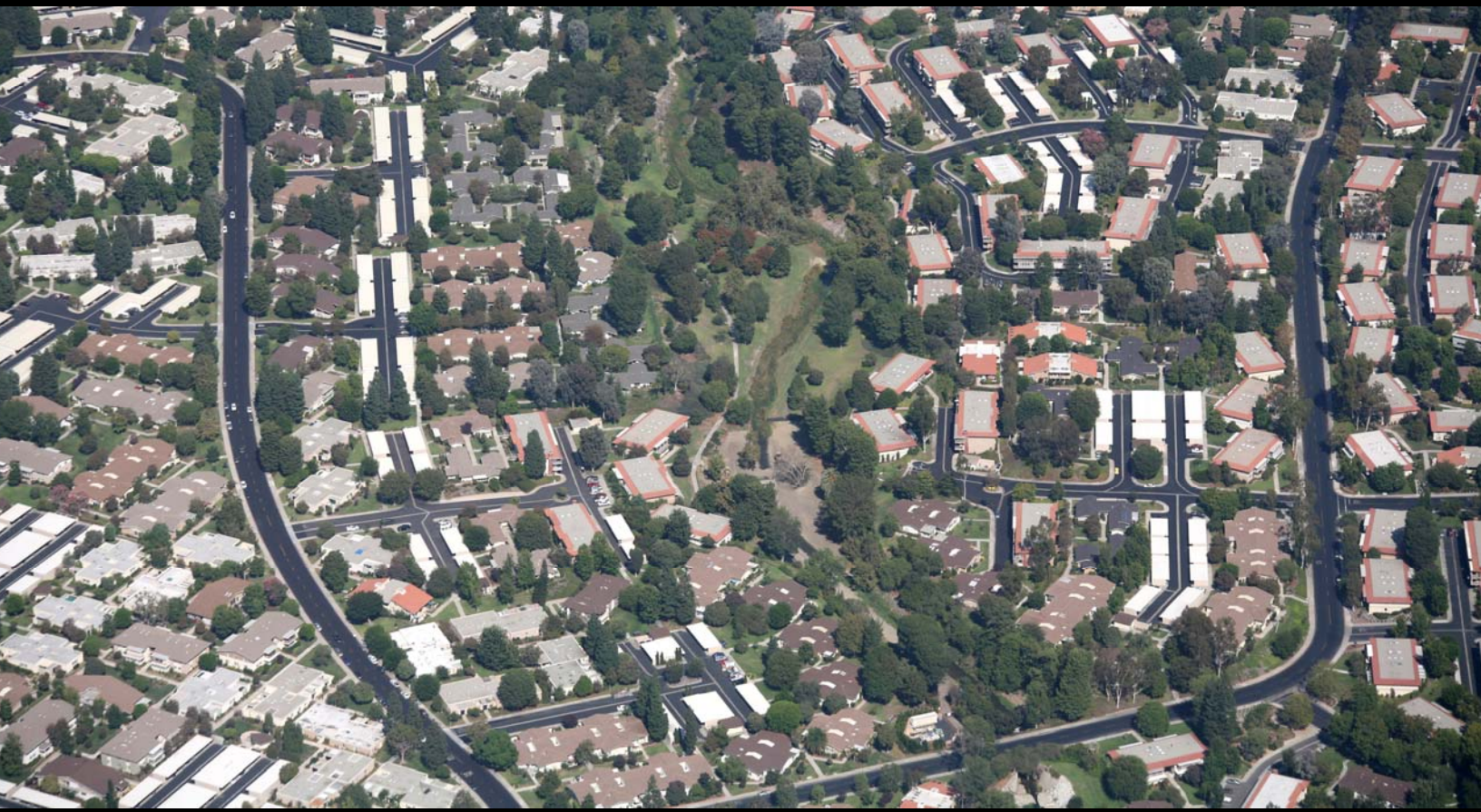
Today's meeting is an opportunity for City Council action, as well as public input, on the proposed Fiscal Years 2017-19 Budget & Work Plan (Attachment A) and implementing resolutions. There have been no significant changes to the proposed Fiscal Years 2017-19 Budget & Work Plan since its release on June 16, 2017.

The proposed budget and work plan adoption resolution (Attachment B) includes the establishment of several committed and assigned reserves. The annual target for the Paid Leave Contingency Fund is calculated based on projected accrued paid leave balances at the end of each fiscal year (June 30), in accordance with the City's paid leave policies and obligations. Once fiscal-year-end calculations are available to finalize such calculations, the City Council will be asked to adjust the annual targets for committed and assigned reserves, accordingly.

Report Prepared With: Margaret Cady, CPA, Administrative Services Director/City Treasurer

Attachments: A – Proposed Fiscal Years 2017-19 Budget & Work Plan
B – Proposed Budget and Work Plan Adoption Resolution
C – Proposed Capital Improvement Program Adoption Resolution
D – Proposed Annual Appropriations Limit Adoption Resolution

City of Laguna Woods
**Fiscal Years 2017-19
Budget & Work Plan**



City of Laguna Woods
24264 El Toro Road
Laguna Woods, CA 92637
www.cityoflagunawoods.org

June 28, 2017

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City of Laguna Woods
Fiscal Years 2017-19 Budget & Work Plan

June 28, 2017



Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember

Vacant
Councilmember

Noel Hatch
Councilmember

Christopher Macon
City Manager

Margaret Cady, CPA
Administrative Services Director/
City Treasurer

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Appendices (“B” – “D” NOT INCLUDED IN THIS DRAFT)

- A – Administrative Policy 2.9 (Budgeting, Reserves, and Reporting)
- B – Resolution No. 17-XX (Budget and Work Plan Adoption)
- C – Resolution No. 17-XX (Capital Improvement Program Adoption for
Fiscal Year 2017-18)
- D – Resolution No. 17-XX (Annual Appropriations Limit Adoption)
Fiscal Year 2017-18)
- E – Glossary of Terms and Acronyms

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TRANSMITTAL LETTER

June 28, 2017

Honorable Mayor and City Councilmembers:

It is my privilege to present the City of Laguna Woods' Fiscal Years 2017-19 Budget & Work Plan. This document establishes a scope of work and financial plan for the City to undertake during the fiscal years spanning the 24-month period from July 1, 2017 through June 30, 2019.

The programs, projects, and services provided for herein, are intended to continue to fulfill the City's legal responsibilities as set forth in State law and advance efforts with respect to the City Council's six priority focus areas (see *below*). The priority focus areas articulate the goals and intended outcomes of this budget and work plan, while also reinforcing the City's commitment to the delivery of exemplary municipal services rich in public value.

City Council's Priority Focus Areas

A City that is...



Healthy and safe



High in quality of life



Environmentally conscious



Economically prosperous



Fiscally responsible



Professionally and efficiently served

The Fiscal Years 2017-19 Budget & Work Plan marks the successful culmination of a multi-year, labor-intensive process to transition the City from single-year to two-year budgets and work plans. It also contains the City's first five-year strategic financial plan. As I have said previously, it is my sincere belief that the City's new, longer-term perspective will make the organization and its services more efficient, strategically-minded, and sustainable. Laguna Woods taxpayers should find assurance in knowing that the City is planning ahead, looking beyond even the two-years included in this budget and work plan, with an ever-present focus on the prudent stewardship of local dollars.

Prior Year Highlights

Before looking ahead, I would like to take a moment to highlight several of the City's recent accomplishments. Additional information is included on the City's highlights dashboard, which is produced annually and available at City Hall and on the City's website at www.cityoflagunawoods.org.

- Laguna Woods was ranked as the **fourth safest city in California** by SafeWise. In the 2016 calendar year alone, Laguna Woods' public safety personnel responded to **5,367** calls for fire/emergency medical services, **3,498** calls for law enforcement services, and **539** calls for animal services, under contracts and agreements with the City.
- The City continued to provide resources to applicants for renovation and development projects. In the 2016 calendar year alone, the City issued **3,486** building permits and conducted over **9,000** building inspections.
- The City's Senior Mobility Program continued to promote lifelong mobility by providing affordable, senior-oriented transportation services. In the 2016 calendar year alone, Laguna Woods residents took **15,042** trips to destinations throughout Orange County, totaling **95,940** miles.
- The City continued its efforts to protect and improve the environment by offering a wide assortment of waste and recycling programs. In addition to diverting a considerable amount of recyclable waste from landfills, in the 2016 calendar year alone, the City collected **120,274** pounds of paper at document shredding events, free of charge to residents. The City also began to accept home-generated sharps waste at City Hall, which resulted in the collection of **128** pounds in only five months.
- The City partnered with Southern California Edison to replace **170** public street light fixtures with new light-emitting-diode fixtures, at no cost.

- The City became the first city in Orange County to **fully fund** the entirety of its California Public Employees' Retirement System ("CalPERS") pension plans according to current actuarial projections. That action is expected to save the City upwards of \$500,000 over the next 30 years.
- The City was recognized for several financial achievements, including by receiving an **Operating Budget Excellence Award** from the California Society of Municipal Finance Officers for Fiscal Year 2016-17.
- The City's annual independent audit resulted in an **unmodified opinion** that the financial statements for Fiscal Year 2015-16 were fairly presented in conformity with governmental accounting standards.
- The City replaced its antiquated financial software with new software that will better meet operational needs, improve internal efficiency, and enable future electronic customer service opportunities.
- The City completed the first phase of a project to update and clarify its Zoning Code. Doing so supports the City's goal of providing residents with access to high quality goods and service close to home.
- The City enhanced the events offered at City Hall by entering into new partnerships that allowed for participation in National Prescription Drug Take-Back Day, senior fall prevention workshops offered in conjunction with Mission Hospital, monthly small business workshops hosted by the United States Small Business Administration's SCORE Program, and more frequent OC Public Libraries programming.
- The City established and obtained tax exemptions for the Laguna Woods Civic Support Fund, a nonprofit public benefit corporation that will help to support the City's operations, as well as the Laguna Woods branch of the County of Orange's public library system.

Introductory Notes

This budget and work plan continues the conservative approach to budget development that has been a key contributing factor to the City's economic viability since its incorporation more than 18 years ago. While revenue trends continue to reflect minimal to modest growth, with the City's projected cost of doing business keeping pace with or slightly exceeding the same, the City must continue to exercise serious and steadfast fiscal discipline. In doing so, the City must also maintain a realistic understanding of the limits of available resources and remain committed to improving the efficiency, effectiveness,

and economy of its operations, not only in principal, but as an essential and ongoing strategy to manage future costs. While the City may not be able to provide a vast array of elective services, prudent management will allow for the continued fulfillment of all core services and statutory responsibilities.

17-18

Inclusive of all funds, net expenditures for Fiscal Year 2017-18 total \$7,357,806. The General Fund operating budget is balanced and accounts for the majority of net expenditures at \$5,359,050. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$5,731,896, or 107% of the Fiscal Year 2017-18 operating budget. That unassigned balance would be in addition to assigned and committed reserves totaling \$2,686,800.

18-19

Inclusive of all funds, net expenditures for Fiscal Year 2017-18 total \$7,027,538. The General Fund operating budget is balanced and accounts for the majority of net expenditures at \$5,456,246. At the end of the fiscal year, it is projected that the unassigned General Fund balance will be \$5,568,250, or 102%, of the Fiscal Year 2018-19 operating budget. That unassigned balance would be in addition to assigned and committed reserves totaling \$2,770,800.

General Fund Highlights

The single greatest threat to the solvency of the City remains the rising cost of law enforcement services, exacerbated by operational changes within the Orange County Sheriff's Department and labor agreements approved by the Orange County Board of Supervisors. While the City was able to moderate costs in Fiscal Year 2017-18 through a reduction in staffing, future costs are expected to continue to increase at an unsustainable rate, significantly in excess of inflation. Projections from the Orange County Sheriff's Department indicate that costs to maintain the existing level of service will increase at least 15% over the next four years. Adding even greater cause for concern is that those projections do not account for potentially significant costs that are likely, but as-of-yet unknown, including impacts of future labor agreements and growth in departmental overhead. As a result, it is conceivable that costs may increase more than 15%, simply to continue the status quo.

In addition to advocating for restraint and consultation in decision-making by the Orange County Board of Supervisors, the City must continue to explore

alternate service delivery models with the goal of achieving sustainability in long-term costs, while still maintaining high levels of safety for Laguna Woods residents and law enforcement personnel. It is also necessary for the City to further develop community partnerships and enhance its crime prevention activities in order to manage future needs for law enforcement services and commensurate costs. In any case, service level reductions and operational changes above and beyond what the City has already implemented may still be required, so long as the Orange County Board of Supervisors exercises majority control over local law enforcement costs.

The City's lack of a strong and diversified local sales tax base also continues to be of significant concern. While there are signs of improvement, including the long-awaited renovation of the Willow Tree Center, the City will continue to be reliant on a small number of businesses for its second largest source of operating revenue. Now more than ever, fostering a productive environment for local businesses is of paramount importance. Doing so adds security to the City's budget and aids in the City's ongoing pursuit of ensuring that the mix of local businesses meets the needs of Laguna Woods residents.

Special Revenue Funds Highlights

In April 2017, Governor Brown signed the Road Repair and Accountability Act of 2017 ("Senate Bill 1") into law, which will dramatically increase the funds available to cities for public road maintenance and rehabilitation, beginning in Fiscal Year 2017-18. For the City, Senate Bill 1 revenue will help address the historical erosion of Fuel Tax revenue caused, in part, by statewide reductions in gasoline prices and consumption, which was highlighted as a matter of "significant concern" in the prior year's budget and work plan. Over the first 10 years of Senate Bill 1, the City anticipates that it will receive approximately \$3.5 million to improve the condition of local roads and flow of traffic.

Capital Improvement Program Highlights

The Capital Improvement Program ("CIP") included in this budget and work plan envisions public facility and infrastructure investments of approximately \$4.3 million over the course of the next seven years. The projects that will be completed during fiscal years 2017-18 and 2018-19 are primarily focused on rehabilitating existing infrastructure and improving pedestrian accessibility.

In addition to pedestrian accessibility improvements that will be constructed as part of pavement rehabilitation projects, the City anticipates receiving a federal Community Development Block Grant ("CDBG") in Fiscal Year 2017-

18 to enhance the ease and accessibility of pedestrian travel along Moulton Parkway. Similar improvements at other locations throughout Laguna Woods are planned for future years, contingent on the receipt of additional CDBG funding, which is subject to appropriation by the United States Congress.

Conclusion

As in years past, this budget and work plan was developed with an abiding concern for the quality of life, health, safety, wellness, and well-being of those who call Laguna Woods home. Though the City faces challenges in the years ahead, the prudence, conservatism, and strategic investments that underlay this document will serve residents and businesses well.

Respectfully submitted,



Christopher Macon
City Manager

1.0. CITY BACKGROUND

This chapter is intended to provide a brief overview of the City of Laguna Woods in order to establish a context for understanding the decision-making that resulted in this budget and work plan.

A BRIEF HISTORY

Laguna Woods, California occupies approximately three square miles of land that was once a part of South Orange County's expansive Moulton Ranch. Prior to the 1960s, dry farming and cattle grazing dominated the area, with a few scattered ranch dwellings and barns.

In 1962, Ross Cortese, a young developer whose previous projects included Rossmoor and Leisure World Seal Beach, purchased a portion of the Moulton Ranch. His goal was to create a second Leisure World community or, as he said, "to supply the basic needs of life for people aged 52 and older; create a serene atmosphere of beauty; and provide security, recreation, and religious facilities – then leave the living to the individual." His dream materialized and in 1964 Leisure World Laguna Hills received its first residents.

The prospect of incorporation first arose in 1971 and was a lingering issue until 1996, when the potential for a reduction in County services and the possibility of a commercial airport at the nearby site of the former Marine Corps Air Station, El Toro, became very real concerns. Proponents of cityhood were successful in gaining the necessary approvals and signatures to place the issue of incorporation on the ballot for a special election on March 2, 1999.

On March 24, 1999, Laguna Woods officially became Orange County's 32nd city. In an afternoon ceremony, Superior Court Judge Francisco F. Firmat swore in the five-newly elected members of the City Council.

Today, Laguna Woods is bordered by unincorporated areas, as well as the cities of Aliso Viejo, Irvine, Laguna Beach, and Laguna Hills. It includes the private gated community of Laguna Woods Village (formerly Leisure World Laguna Hills), several senior-oriented residential communities, a number of commercial centers, three public parks, and additional open space areas.

The City of Laguna Woods celebrated its 18th anniversary in 2017.

PHYSICAL LOCATION

Laguna Woods occupies approximately three square miles of land in Orange County, California and is bordered by the cities of Aliso Viejo, Irvine, Laguna Beach, and Laguna Hills, as well as unincorporated and undeveloped open space owned by the County of Orange and the City of Laguna Beach.

Transportation routes near Laguna Woods include the Interstate 5 Freeway (I-5) and State Routes 73 (SR-73) and 133 (SR-133). Portions of SR-73 and SR-133 are operated as toll roads by the Transportation Corridor Agency.

[Regional Location]



LOCAL GOVERNMENT

The City of Laguna Woods is a “general law city” with a “Council-Manager” form of local government, meaning that it operates within the parameters of California municipal law with an elected City Council that is responsible for legislative and policy functions. The City Council appoints and supervises a professional City Manager charged with the “day-to-day” responsibilities of managing the City and implementing City Council laws and policy. The City Council also appoints a City Attorney to serve as the City’s legal counsel. The five members of the City Council are residents elected at large by registered voters to four-year terms. Elections are held in even numbered years with two and then three Councilmembers elected at subsequent elections. The City Council appoints a Mayor and Mayor Pro Tem from amongst its membership.

[Elected Officials]

Mayor.....Shari L. Horne
 Mayor Pro Tem.....Carol Moore
 Councilmember.....Cynthia Conners
 Councilmember.....Vacant
 Councilmember.....Noel Hatch

[Key Appointed Officials]

City Manager.....Christopher Macon
 City Attorney.....David B. Cosgrove

The City has eight and nine-tenths full-time equivalent (“FTE”) employees who are responsible for delivering a full range of municipal services. The City operates as a “contract city” meaning that its small in-house staff leverage the resources of a variety of contract, franchise, and joint powers agencies to provide efficient, effective, and economical services. If the City were a “full service city,” those services would be provided by City employees often at higher costs and with considerably greater liability. While contract service providers may charge the City for current year liabilities, the City’s contract service arrangements do not result in the assumption of any other agency’s long-term retirement or other post-employment benefit (“OPEB”) liabilities.

[Key Operating Contract Service Providers]

Animal Control & Shelter Services.....City of Laguna Beach
 Building & Engineering Services.....CivilSource
 Landscape Maintenance Services.....Nieves Landscaping
 Law Enforcement Services.....Orange County Sheriff’s Department
 Legal Services.....Rutan & Tucker, LLP
 Planning Services.....Michael Baker International
 Street & Right-of-Way Maintenance Services.....PV Maintenance
 Traffic Signal & Lighting Maintenance Services.....
 Computer Service Company

CITY PROPERTIES

Most of the land within Laguna Woods is privately owned, including all local roadways with the exception of El Toro Road, Moulton Parkway, Ridge Route Drive, and Santa Maria Avenue. The City is responsible for operating and maintaining portions of those four roadways, as well as three public parks (City Centre Park, Ridge Route Linear Park/“A Place for Paws” Dog Park, and Woods End Wilderness Preserve); a multi-modal trail network for pedestrians, golf carts, and bicyclists; and, parkways, medians, and other areas of public right-of-way. Laguna Woods City Hall is located at 24264 El Toro Road.

LOCAL DEMOGRAPHICS

The California Department of Finance (“DOF”) estimates that Laguna Woods’ population was 16,319 as of January 1, 2017, a 0.1% decrease from the year prior¹. DOF estimates incorporate United States Census counts, the most recent of which found that Laguna Woods’ population was 16,192². The population is known to experience some seasonal variation with the total number of residents present at any given time remaining mostly constant.

[Age]

Age	Population (2000 Census)	Population (2010 Census)
Median age	78 years	77.4 years
Birth to 34 years	1.6%	1.4%
35 to 54 years	3.6%	4.2%
55 to 74 years	32.4%	39%
75 to 84 years	41.1%	55.5%
85 years and over	21.2%	23.9%

[Gender]

Gender	Population (2000 Census)	Population (2010 Census)
Male	34.1%	35.5%
Female	65.9%	64.5%

¹ State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2016 and 2017*. Sacramento, California, May 2017.

² U.S. Census Bureau, 2010 Census.

[Race and Ethnicity]

Racial/Ethnic Group	Population (2000 Census)	Population (2010 Census)
White	96.1%	87.3%
Asian	2.5%	10%
<i>Asian Indian</i>	0.1%	0.4%
<i>Chinese</i>	0.7%	3.1%
<i>Filipino</i>	0.6%	1.7%
<i>Japanese</i>	0.5%	1.1%
<i>Korean</i>	0.4%	3.1%
<i>Vietnamese</i>	0.1%	0.2%
<i>Other Asian</i>	0.1%	0.3%
Black or African American	0.2%	0.7%
Hispanic or Latino	2.1%	4%
All Other Races	0.4%	0.8%

[Language Spoken at Home³]

Subject	Speak English "very well"	Speak English less than "very well"
Population 5 years and over	91.6%	8.4%
Speak a language other than English	55.9%	44.1%
Speak Spanish or Spanish Creole	67.3%	32.7%
Speak other Indo-European languages	64.9%	35.1%
Speak Asian & Pacific Island languages	46.7%	53.3%
Speak other languages	26.7%	73.3%

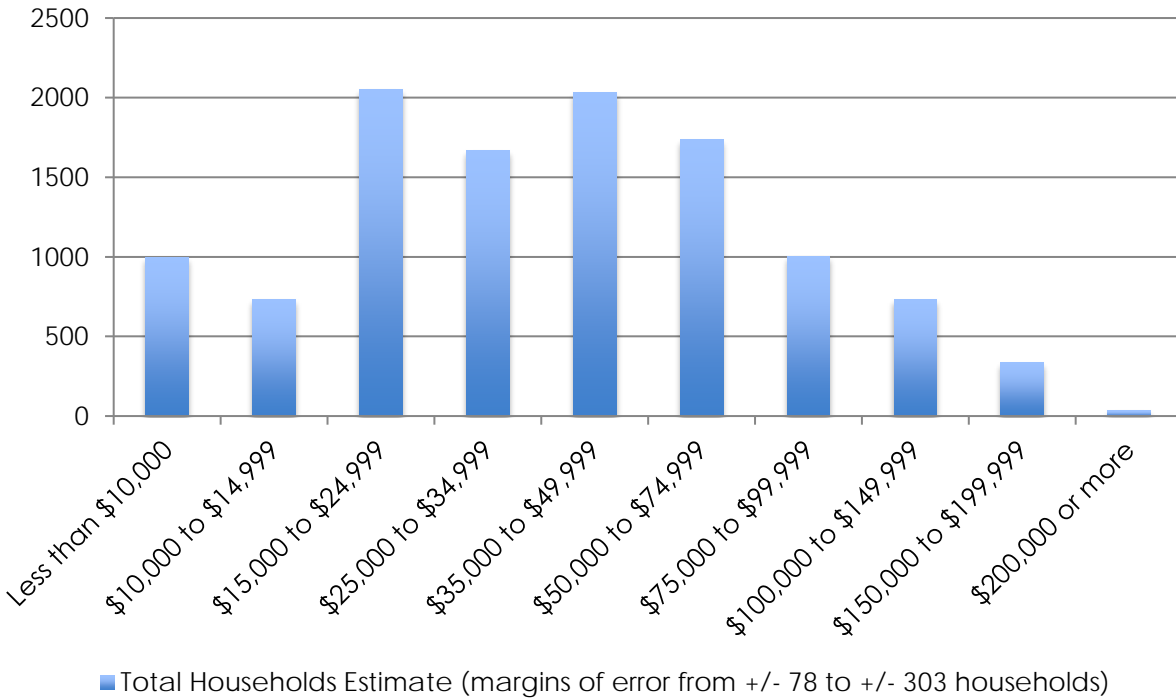
[Household Size]

Subject	Measure (2000 Census)	Measure (2010 Census)
Average household size	1.40	1.42

³ U.S. Census Bureau, 2008-2012 American Community Survey. Note: The American Community Survey produces population, demographic, and housing unit estimates only. Estimates for the "Language Spoken at Home" data for Laguna Woods are subject to margins of error from +/- 1.5% to +/- 38.6%.

[Household Income⁴]

Subject	Measure	Margin of Error
Median household income	\$36,818	+/- \$2,001
Mean household income	\$53,033	+/- \$3,839



As a point of comparison, the State of California’s median household income as reported in the 2008-2012 American Community Survey is \$61,400. Laguna Woods’ median household income is \$24,582 less per year, or approximately 60% of the State’s median household income.

LOCAL ECONOMY

Residential Communities

The vast majority of land within Laguna Woods is occupied by residential uses, which include five private residential communities offering an assortment of condominium, cooperative, rental, and assisted living housing totaling 13,386 units. Laguna Woods Village is the largest community with 12,736 units (or, approximately 95% of all units), including 311 units located in high-rise towers.

⁴ U.S. Census Bureau, 2008-2012 American Community Survey. Note: The American Community Survey produces population, demographic, and housing unit estimates only. Estimates for the “Income and Benefits” data for Laguna Woods are reported in 2012 inflation-adjusted dollars.

Other communities include Las Palmas (184 units), The Regency (192 units), San Sebastian (134 units), and Whispering Fountains (140 units).

Places of Worship

Laguna Woods is home to five dedicated places of worship serving Catholic, Jewish, Lutheran, Methodist, and Presbyterian faiths. Other faith-based groups and religious communities meet in locations throughout Laguna Woods.

Shopping Centers, Hotels, and Commercial Properties

At just over three square miles, most of the land within Laguna Woods is zoned for residential, open space, and other non-commercial purposes. While less than one-fifth of a square mile is zoned as commercial, residents and visitors enjoy a wide assortment of retail, professional, and medical services.

Laguna Woods is served by the following five shopping centers:

- Town Centre (north of El Toro Road, west of Moulton Parkway)
- Home Depot Center (south of El Toro Road, west of Moulton Parkway)
- PS Business Park (south of Ridge Route Drive, east of Moulton Parkway)
- Valencia Center (south of El Toro Road, west of Paseo de Valencia)
- Willow Tree (south of El Toro Road, east of Moulton Parkway)

Laguna Woods is home to the 138-room Ayres Hotel in Town Centre.

Additional commercial properties are located:

- In the vicinity of Moulton Parkway, east of Town Centre
- In the vicinity of Moulton Parkway at El Toro Road
- In the vicinity of Via Campo Verde, west of Moulton Parkway
- In the vicinity of Calle Aragon, east of Moulton Parkway
- In the vicinity of Paseo de Valencia, south of Valencia Center
- Northwest of Laguna Hills Drive and Paseo de Valencia
- Northwest of El Toro Road and Paseo de Valencia

2.0. CITY ORGANIZATION

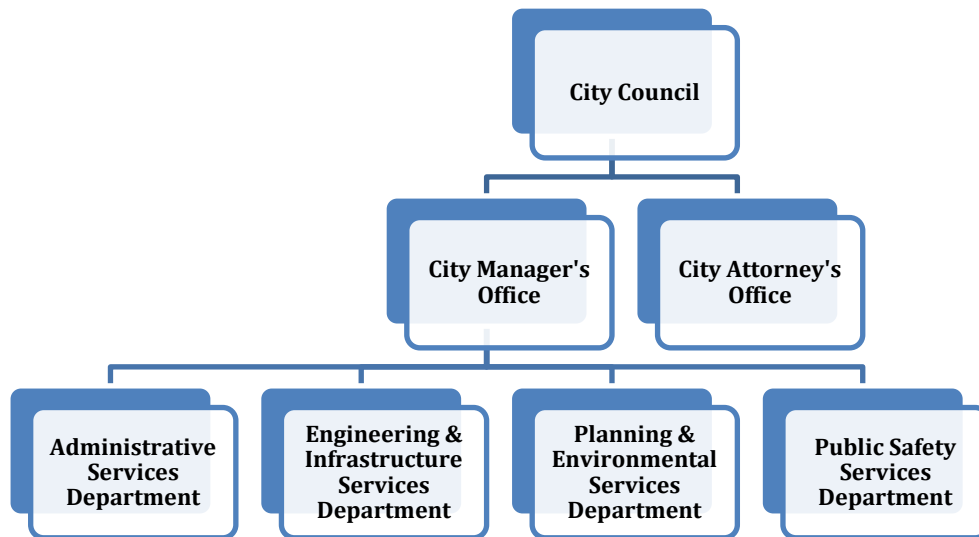
This chapter is intended to provide a brief overview of the City of Laguna Woods' internal structure in order to establish a context for understanding how this budget and work plan will be implemented.

DEPARTMENTAL STRUCTURE

The City is organized into the following seven departments:

- City Council
- City Manager's Office
- City Attorney's Office
- Administrative Services Department
- Engineering & Infrastructure Services Department
- Planning & Environmental Services Department
- Public Safety Services Department

[Organizational Chart – Departments]



As a contract city, many departmental functions are coordinated by City personnel and performed under contract with independent, franchise, and joint powers agencies. This chapter reviews the organizational structures and allocations of City personnel and the City Attorney's Office.

CITY COUNCIL

Shari L. Horne, Mayor
Carol Moore, Mayor Pro Tem
Cynthia Conners, Councilmember
Vacant, Councilmember
Noel Hatch, Councilmember

The City Council is the governing body for the City. Its five members are directly accountable to the Laguna Woods electorate and are responsible for providing overall legislative and policy direction for the City as an organization. As a body, the City Council is also responsible for appointing the City Manager and the City Attorney, as well as adopting the City's budget.

The Mayor and Mayor Pro Tem are appointed annually by the members of the City Council to preside over City Council meetings; execute certain legal instruments and authorizations; and, attend to various ceremonial matters.

CITY ATTORNEY'S OFFICE

David B. Cosgrove, City Attorney (under contract with Rutan & Tucker, LLP)

The City Attorney is appointed by the City Council and serves as chief legal counsel for the City as an organization. The City Attorney reports to the City Council and works closely with the City Manager.

In addition to furnishing legal advice to the City Council and City personnel on matters related to the conduct of City business, the City Attorney's Office is responsible for preparing, reviewing, and approving the form of ordinances, resolutions, agreements, and other legal instruments.

The City Attorney's Office is a contract function. Associated expenditures are included in the Legal Services line item of the General Government section of this budget; however, legal services rendered for special projects, and other related expenditures, may be charged to those projects.

PERSONNEL ALLOCATION

This budget and work plan includes an authorized personnel allocation of eight and nine-twentieths full-time equivalent ("FTE") positions. Compared to the previous fiscal year, that personnel allocation represents a reduction of

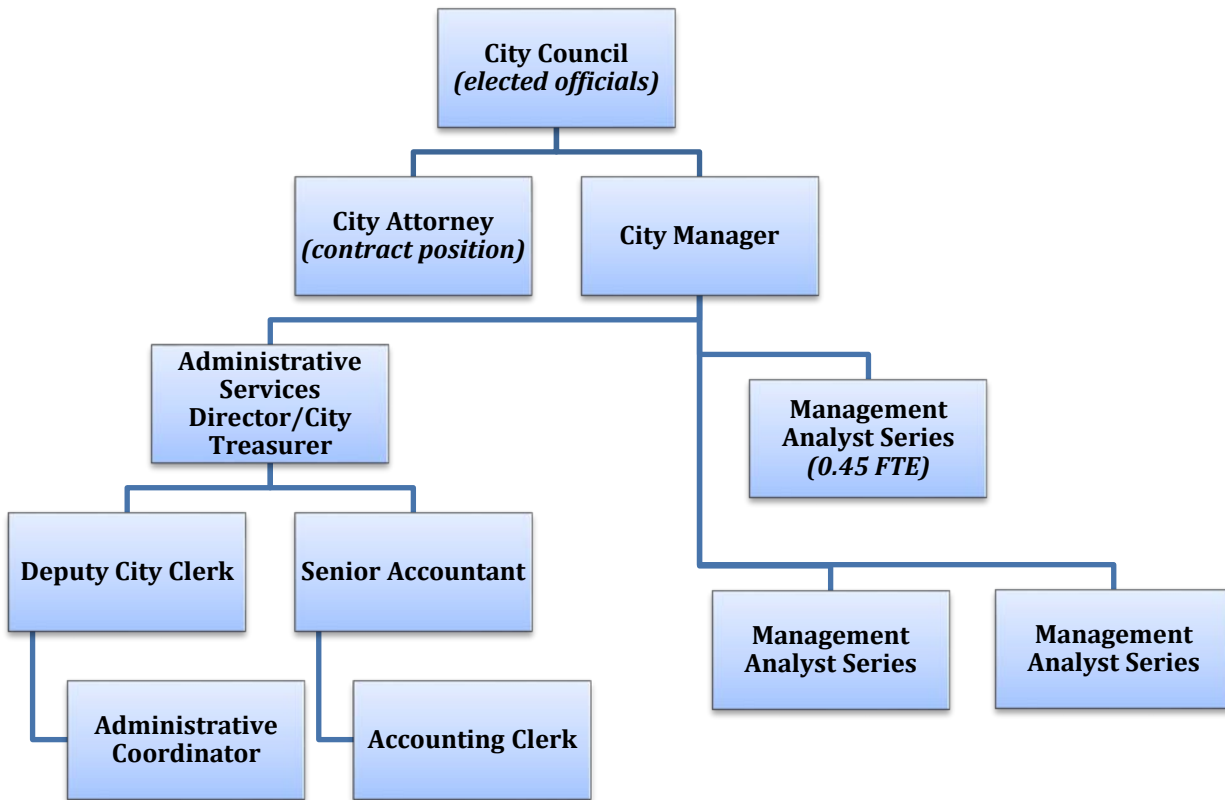
nine-twentieths of an authorized FTE position. The reduction in authorized personnel is primarily attributable to the impact of increasing law enforcement costs, exacerbated by labor agreements approved by the Orange County Board of Supervisors with higher salary and benefit costs.

[Personnel Allocation – Citywide]

Position	Number Authorized					
	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-Time Employees [full-time equivalents (FTE)]</i>						
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	-	-	-
Administrative Services Director/City Treasurer	-	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	-	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	-	-	-	-	-
Community Services Manager	1.00	1.00	0.50	-	-	-
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Finance Manager	1.00	-	-	-	-	-
Management Analyst/ Senior Management Analyst	-	-	1.00*	2.00	2.00	2.00
Management Assistant	1.00	1.00	1.00*	-	-	-
Planning Manager	1.00	1.00	-	-	-	-
Public Safety Director	1.00	-	-	-	-	-
Senior Accountant	-	1.00	1.00	1.00	1.00	1.00
Total FTE – full-time positions	10.00	10.00	8.50	8.00	8.00	8.00
<i>Part-Time Employees [full-time equivalents (FTE)]</i>						
Accountant	0.50	-	-	-	-	-
Administrative Assistant	1.50	1.00	-	-	-	-
Customer Service Representative	-	-	-	0.45	-	-
Management Analyst/ Senior Management Analyst	-	-	-	0.45	0.45	0.45
Total FTE – part-time positions	2.00	1.00	-	0.90	0.45	0.45
Total FTE – all positions	12.00	11.00	8.50	8.90	8.45	8.45
Year-over-year change		(1.00)	(2.50)	0.40	(0.45)	-

* These positions were authorized for only a portion of the fiscal year, resulting in a total net FTE of 1.00.

REPORTING RELATIONSHIPS



CITY MANAGER’S OFFICE

Christopher Macon, City Manager

The City Manager is appointed by the City Council and is responsible for the “day-to-day” management of the City as an organization. The City Manager is also responsible for implementing City Council direction and policy, as well as serving as the City Council’s chief technical advisor. All City employees work under the ultimate direction of the City Manager.

In addition to providing organizational oversight and development, the City Manager’s Office works closely with the City Attorney’s Office; facilitates public and inter-governmental relations; manages long-range planning and special projects; and, coordinates competitive procurement activities.

Though presented separately for ease of reference, the Public Safety Services Department receives ongoing support from personnel accounted for in the City Manager’s Office section of this budget. Due to reductions in personnel in

previous fiscal years, the City Manager’s Office also provides direct oversight of the Engineering & Infrastructure Services Department and the Planning & Environmental Services Department.

[Personnel Allocation – City Manager’s Office]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
City Manager	1.00	1.00	1.00	1.00	1.00
Community Services Manager	1.00	0.50	-	-	-
Management Assistant	1.00	1.00	-	-	-
Total FTE – full-time positions	3.00	2.50	1.00	1.00	1.00
<i>Part-time Employees [full-time equivalents (FTE)]</i>					
Management Analyst/ Senior Management Analyst	-	-	0.45	0.45	0.45
Total FTE – part-time positions	-	-	0.45	0.45	0.45
Total FTE – all positions	3.00	2.50	1.45	1.45	1.45

Personnel allocated to the City Manager’s Office are included in the General Government expenditures section of this budget.

[Organizational Chart – City Manager’s Office]



ADMINISTRATIVE SERVICES DEPARTMENT

Margaret Cady, CPA, Administrative Services Director/City Treasurer

The Administrative Services Department contains a variety of internal business

units, including finance, accounting, payroll, human resources, information technology, risk management, and the City Clerk’s Office.

Community Services Division

The Administrative Services Department’s Community Services Division includes the following service areas: community recreation events, local government television programming (Channel 31), and the Senior Mobility Program.

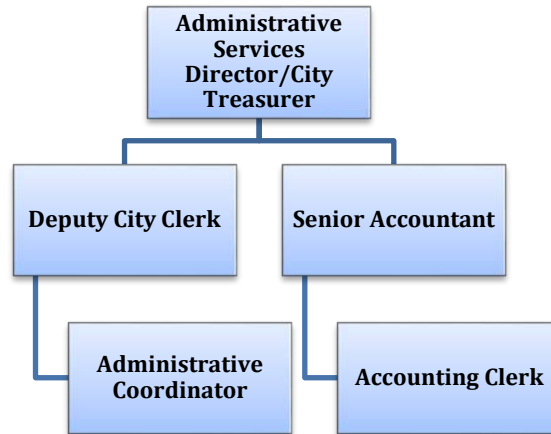
[Personnel Allocation – Administrative Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Administrative Services Director/City Treasurer	1.00	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00	1.00
Administrative Coordinator	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Senior Accountant	1.00	1.00	1.00	1.00	1.00
Total FTE – full-time positions	5.00	5.00	5.00	5.00	5.00
<i>Part-time Employees [full-time equivalents (FTE)]</i>					
Administrative Assistant	1.00	-	-	-	-
Customer Service Representative	-	-	0.45*	-	-
Total FTE – part-time positions	1.00	-	0.45	-	-
Total FTE – all positions	6.00	5.00	5.45	5.00	5.00

* This position was authorized, but never filled, due to the impact of increasing law enforcement costs, exacerbated by labor agreements approved by the Orange County Board of Supervisors with higher salary and benefit costs.

Personnel expenses directly related to community events are included in the Community Services expenditures section of this budget. Personnel other than those allocated to the Administrative Services Department may also work at community events and be charged accordingly.

[Organizational Chart – Administrative Services Department]



ENGINEERING & INFRASTRUCTURE SERVICES DEPARTMENT

The Engineering & Infrastructure Services Department includes the following service areas: capital improvement projects, engineering, and maintenance (including maintenance of roadways, parks, landscaped areas, public rights-of-way, bus shelters, catch basins, street lights, and City Hall).

[Personnel Allocation – Engineering & Infrastructure Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Assistant City Manager	0.50	0.25	-	-	-
Management Analyst/ Senior Management Analyst	-	1.00	1.00	1.00	1.00
Total FTE	0.50	1.25	1.00	1.00	1.00

PLANNING & ENVIRONMENTAL SERVICES DEPARTMENT

The Planning & Environmental Services Department includes the following service areas: building, planning, economic development, water quality, waste and recycling, environmental sustainability, and code enforcement.

Personnel other than those allocated to the Planning & Environmental Services

Department may also work at community waste events and be charged to the Planning & Environmental Services Department budget.

[Personnel Allocation – Planning & Environmental Services Department]

Position	Number Authorized				
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
<i>Full-time Employees [full-time equivalents (FTE)]</i>					
Assistant City Manager	0.50	0.75	-	-	-
Management Analyst/ Senior Management Analyst	-	-	1.00	1.00	1.00
Planning Manager	1.00	-	-	-	-
Total FTE	1.50	0.75	1.00	1.00	1.00

PUBLIC SAFETY SERVICES DEPARTMENT

The Public Safety Services Department includes law enforcement and animal control and shelter services, which are provided under contract by the Orange County Sheriff’s Department and Laguna Beach Animal Services, respectively. This department’s budget also includes other public safety-related contract services (e.g., Trauma Intervention Program). Fire services provided by the Orange County Fire Authority are funded separately through a structural fire fund administered by the County of Orange on the City’s behalf.

Personnel accounted for in the City Manager’s Office section of this budget are responsible for coordinating with public safety service partners, as well as managing emergency planning, hazard mitigation, climate adaptation, and other “in-house” public safety programs.

CITY HALL VOLUNTEER PROGRAM

Since incorporation, the City has relied on the generous support of volunteers to provide reception, administrative, and clerical services at Laguna Woods City Hall. That support is invaluable and helps to reduce personnel costs.

3.0. CITY WORK PLAN

This chapter is intended to describe the programs, projects, and services included in this budget and work plan and their alignment with the City Council's priority focus areas.

CONTINUED PROGRAMS, PROJECTS, AND SERVICES

In general, this budget and work plan includes the continuation of programs, projects, and services that were either ongoing or underway as of the close of Fiscal Year 2016-17, including all core municipal functions such as public safety; building plan review, permitting, and inspection; road, public right-of-way, park, and infrastructure maintenance; water quality and environmental improvement and protection activities; and, related administrative support.

Other continuing services include:

- The **Senior Mobility Program**, which subsidizes the cost of taxi travel for residents who are 60 years of age or older.
- The **Residential Bulky Item Collection Program**, which allows residents to have unwanted appliances, clothing, electronic waste, furniture, and certain types of residential waste removed from inside of their homes, at no charge. Bulky items are also collected from trash enclosures and designated curbside locations, at no charge.
- The **Household Hazardous Waste Door-to-Door Collection Program**, which allows residents to safely and easily dispose of unwanted paint, light bulbs, aerosols, chemicals, motor oil, vehicle batteries, and other household hazardous waste, at no charge.
- The **City Hall Waste Drop-Off Collection Program**, which allows residents to safely and easily dispose of medications, home-generated sharps waste, non-vehicle batteries, and certain other items by dropping them off at City Hall, at no charge.
- **Quarterly Document Shredding Events**, which allow residents to safely and easily dispose of unwanted, sensitive personal records (e.g., bank statements, tax returns, and medical information), at no charge.
- **Twice Annual Goods Exchange/Drop-Off Events**, which allow residents to donate unwanted appliances, clothing, electronic waste, furniture,

books, and other items to others, or to charity, at no charge. Inoperable electronic waste is also collected for salvage or safe disposal.

- **An Annual “National Prescription Drug Take Back Day” Event**, which allows residents to safely and easily dispose of unwanted, unused, and expired prescription medications, at no charge.
- **Public Health and Safety Workshops, SCORE Small Business Workshops, Office Hours for Federal and State Officials, and Other Events at City Hall**, which are offered at no charge.
- **Notary Services and Foreign Pension Acknowledgements**, which are provided to residents at no charge.

LAW ENFORCEMENT SERVICES

This budget and work plan continues the City’s contract relationship with the Orange County Sheriff’s Department for law enforcement services, including proactive patrol, 911 emergency response, investigation, and related support services (e.g., crime scene analysis, custody/jail services, coroner operations, and missing persons). Under the direction of the City’s Chief of Police Services, the City’s sworn peace officers will continue to work with private security and property management to maintain a high level of personal safety.

ANIMAL CONTROL & SHELTER SERVICES

This budget and work plan continues the City’s contract relationship with the City of Laguna Beach for animal control and shelter services. Residents and their pets will continue to enjoy the high quality of services provided by the Laguna Beach/Laguna Woods Animal Services Division, including access to a humane animal shelter located in nearby Laguna Canyon.

SIGNIFICANT CHANGES IN SERVICE LEVELS

The significant changes in service levels that are included in this budget and work plan are necessary in order to ensure the long-term solvency of the City in light of increasing law enforcement costs.

- Discontinuance of the **Sharps Waste Mail Back Collection Program**, which allowed residents to dispose of used needles, lancets, and other home-generated sharps waste, via regular mail, at no charge. The City continues to accept home-generated sharps waste from residents, at City Hall, at no charge.

- Suspension of the ***Residential Energy Efficiency Improvement Program***, which installed replacement windows, doors, and other energy efficient improvements in the homes of qualifying low-income residents, at no charge. Reinstatement of the program may be considered for future Community Development Block Grant (“CDBG”) applications, should circumstances change.

Additional changes in service levels are described in the Significant Work Plan Items tables beginning on pages 20 (new items) and 26 (continuing items), as well as in the Capital Projects chapter beginning on page 35.

SIGNIFICANT WORK PLAN ITEMS

For ease of reference and to assist with implementation, programs, projects, and services that represent substantial new and/or limited-term undertakings by the City are presented in tables beginning on page 20.

The following information is included in the Significant Work Plan Items tables:

- Description – A brief summary of the significant work plan item
- Lead Department – Designation of the City personnel who are primarily responsible for implementing the significant work plan item
- Priority Alignment – A visual representation of the City Council’s priority focus areas that are addressed by the significant work plan item




While many priority focus areas may be directly or indirectly addressed by a single work plan item, only the primary focus areas are shown in the table.

Please note that the City Council retains the ability to modify this budget and work plan throughout the fiscal year. Significant work plan items that are not completed within the current fiscal year will be carried over to a future fiscal year or, subject to City Council direction, reconsidered at a later date.



This work plan replaces all previous work plans approved for the City.

[New Significant Work Plan Items]



<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
1	2020 Census Local Update of Census Addresses Operation – Work with the United States Census Bureau in order to ensure that the local address list that will be used for the 2020 Census is accurate and complete.	City Manager’s Office	
2	Audit Services Request for Proposals – Conduct a competitive process to select an audit services provider for the City’s annual audits in order to ensure the efficient, effective, and economical conduct of City business.	Administrative Services	
3	City Hall Elevator Maintenance Services Request for Proposals – Conduct a competitive process to select City Hall elevator maintenance provider(s) in order to ensure the efficient, effective, and economical conduct of City business.	Engineering & Infrastructure Services	




<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
4	<p>Complete Streets Assessment – Conduct an analysis of El Toro Road and Moulton Parkway in order to identify opportunities for active transportation, pedestrian and bicycle safety, transit facility, drainage and storm water capture, and other “complete streets” improvements. The analysis will be based on the Orange County Council of Governments’ (“OCCOG”) Complete Streets Handbook.</p>	<p>Engineering & Infrastructure Services</p>	
5	<p>Landscape Architecture, Landscape Plan Review, and Arborist Services Request for Proposals – Conduct a competitive process to select landscape architecture, landscape plan review, and arborist services provider(s) for City property in order to ensure the efficient, effective, and economical conduct of City business.</p>	<p>Engineering & Infrastructure Services</p>	




<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
6	<p>Pavement Management Plan Update – Review and update the City’s pavement management plan in order to plan for and manage the long-term preservation, rehabilitation, and maintenance of public streets. This item will also fulfill a biennial planning requirement for the local allocation of revenues generated from Orange County’s Measure M2 half-cent transportation sales tax. The planning period for this update is fiscal years 2018-19 through 2024-25.</p>	<p>Engineering & Infrastructure Services</p>	
7	<p>Polyphagous Shot Hole Borer (“PSHB”) Response – Develop and implement a response plan for PSHB infections in the City’s street trees in order to maintain a healthy and safe urban forest. The response plan may be implemented over several fiscal years, based on identified needs.</p>	<p>Engineering & Infrastructure Services</p>	


<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
8	Construction and Demolition Materials Management Regulations Update – Review and update the City’s construction and demolition materials management regulations in order to streamline the permitting process and ensure compliance with State law.	Planning & Environmental Services	
9	County Easements Clarification – Review and correct property records for easements that were transferred from the County of Orange to the City upon incorporation. This item may also include the vacation or transfer of unnecessary easements.	Planning & Environmental Services	
10	Permitting Software – Implement permitting software in order to increase operational efficiencies, automate certain workflows, increase digitization of records, add new internal controls, and enable future online customer service opportunities.	Planning & Environmental Services	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
11	Planning Services Request for Proposals – Conduct a competitive process to select planning services provider(s) in order to ensure the efficient, effective, and economical conduct of City business.	Planning & Environmental Services	
12	Crime Prevention through Environmental Design (“CPTED”) Regulations – Adopt regulations related to the design and maintenance of new development and redevelopment projects in order to deter criminal activity.	Public Safety Services	
13	Local Hazard Mitigation Plan Update – Review and update the City’s local hazard mitigation plan in order to support the City’s long-term strategy to reduce disaster losses. This item will also fulfill requirements of federal law. The planning period for this update is calendar years 2018 through 2022.	Public Safety Services	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
14	<p>Smoking and Tobacco Sales Regulations Update – Review and update the City’s smoking and tobacco sales regulations in order to protect public health, safety, and welfare, as well as to promote clarity and administration.</p>	Public Safety Services	

[Continuing Significant Work Plan Items]



<p><i>Priority Alignment (A City that is...) Legend:</i></p>	 <p><i>Healthy and safe</i></p>	 <p><i>High in quality of life</i></p>	 <p><i>Environmentally conscious</i></p>	 <p><i>Economically prosperous</i></p>	 <p><i>Fiscally responsible</i></p>	 <p><i>Professionally and efficiently served</i></p>
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ID	Description	Lead Department	Priority Alignment
15	Purchasing Standards Update – Review and update the City’s purchasing processes and regulations in order to ensure the efficient, effective, and economical conduct of City business.	Administrative Services	
16	Electric Vehicle Charging at City Hall – Evaluate the feasibility of installing and maintaining electric vehicle charging infrastructure at City Hall in order to support the expanded use of alternatively fueled vehicles.	Engineering & Infrastructure Services	
17	Right-of-Way and Park Landscape Maintenance Request for Proposals – Conduct a competitive process to select right-of-way and park landscape maintenance provider(s) for City property in order to ensure the efficient, effective, and economical conduct of City business.	Engineering & Infrastructure Services	




<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
18	<p>Commercial Parking Standards Update – Review and update the City’s parking regulations in order to clarify and better align commercial permitted uses with off-street parking standards. This item is consistent with the City’s goal of providing residents with access to high quality goods and services close to home.</p>	<p>Planning & Environmental Services</p>	
19	<p>General Plan Comprehensive Update – Review and update the City’s General Plan to establish a 25-year vision for the future of Laguna Woods. Updates will focus on the circulation, housing, land use, noise, and open space elements with modifications, as necessary, to the conservation and safety elements. A new economic vitality element will be developed to address business attraction, business development, and fiscal issues.</p>	<p>Planning & Environmental Services</p>	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
20	<p>Local California Environmental Quality Act (“CEQA”) Guidelines Update – Review and update the City’s Local California Environmental Quality Act Guidelines in order to ensure compliance with State law, create new public education materials, and ensure the efficient, effective, and economical conduct of City business.</p>	<p>Planning & Environmental Services</p>	
21	<p>Water Conscious Development Regulations Update – Review and update the City’s development regulations in order to reduce potable water consumption within the built environment. Regulations to be reviewed and potentially updated include, but are not limited to, tree maintenance and removal standards, water conservation, water efficient landscapes, and building and construction codes.</p>	<p>Planning & Environmental Services</p>	

<p><i>Priority Alignment</i> (A City that is...) Legend:</p>	 <i>Healthy and safe</i>	 <i>High in quality of life</i>	 <i>Environmentally conscious</i>	 <i>Economically prosperous</i>	 <i>Fiscally responsible</i>	 <i>Professionally and efficiently served</i>
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ID	Description	Lead Department	Priority Alignment
22	Animal Regulations – Review and update the City’s animal regulations in order to strengthen prohibitions and procedures related to nuisance, potentially dangerous, and vicious animals, as well as feeding of wildlife.	Public Safety Services	
23	Backup Generator Regulations – Adopt regulations requiring backup generators for new and redeveloped fuel stations in order to mitigate energy shortage impacts.	Public Safety Services	
24	Emergency Operations Plan (“EOP”) Update – Review and update the City’s emergency operations plan in order to enhance collaboration with public and private stakeholders, incorporate analysis from the City’s Local Hazard Mitigation Plan, reflect organizational changes, and prepare for future updates called for in the City’s Climate Adaptation Plan.	Public Safety Services	

FURTHERANCE OF LONG-RANGE PLANS

The City's Climate Adaptation Plan, Community & Economic Development Improvement Plan, and Local Hazard Mitigation Plan provide long-range strategic direction in areas of special concern. Each plan is intended to help focus and improve City programs, projects, and services, as well as assist with budget and work plan development and resource allocation.

In order to promote active and ongoing implementation of long-range plans, correlations between this budget and work plan's significant work plan items and the actions and recommendations contained in each long-range plan are presented beginning on page 31.

Climate Adaptation Plan

The City's Climate Adaptation Plan establishes an approach for the City to prepare for a future with evolving and potentially varying climate conditions. The Climate Adaptation Plan identifies local vulnerabilities to climate change impacts (e.g., increased temperatures, decreased precipitation, and strained water supplies) and outlines a strategy to increase resilience to climate change-related hazards, increase resource independence, and sustain and advance climate adaptation efforts. At the time of its initial adoption in late-2014, the Climate Adaptation Plan was the first non-coastal, stand-alone, municipal climate adaptation plan in California.

Community & Economic Development Improvement Plan

The City's Community & Economic Development Improvement Plan identifies potential business, development, and permit-related service and regulatory improvements that could be undertaken by the City in order to:

- Reduce and streamline regulatory mandates for residents and businesses with respect to permitting and other activities that result in local safety, environmental, and/or quality of life improvements; and
- Support and foster high quality shopping, dining, and service experiences in order to promote the local availability of amenities and jobs for residents, as well as a productive business climate.

Local Hazard Mitigation Plan

The City's Local Hazard Mitigation Plan forms the foundation for the City's long-term strategy to reduce disaster losses and break the cycle of disaster damage, reconstruction, and repeated damage. Consistent with federal law, the Local Hazard Mitigation Plan is updated at least every five years. The

Local Hazard Mitigation Plan fulfills the requirements of Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5165, as amended by the Disaster Mitigation Act of 2000, and also serves as the City’s Local Energy Assurance Plan consistent with the State of California’s Energy Assurance Plan and the California Energy Commission’s California Local Energy Assurance Planning (“CaLEAP”) framework.

[Significant Work Plan Item Correlations to Long-Range Plans]

Significant Work Plan Item 4: Complete Streets Assessment	
Climate Adaptation Plan	Goal 1. Increase resilience to climate change-related hazards.
	Implementation Action 2.3.1. Manage the City’s urban forest and landscaping in a changing climate.
Local Hazard Mitigation Plan	Objective 1.2. Implement resource and property protection and improvement projects.
Significant Work Plan Item 10: Permitting Software	
Community & Economic Development Improvement Plan	Recommendation O.05. Implement electronic systems to support building permit issuance, plan review, and inspection processes, including digitization of records.
	Recommendation O.01. Expand the forms of payment accepted at City Hall to include credit cards, debit cards, and electronic funds transfers (e.g., web checks).
Significant Work Plan Item 13: Local Hazard Mitigation Plan Update	
Local Hazard Mitigation Plan	Project L. Enhance the local specificity and estimative accuracy of Hazus analysis.
	Project BB. Update the Local Hazard Mitigation Plan at least once every five years, including integration into the City’s General and Capital Improvement Plans.

Climate Adaptation Plan	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Significant Work Plan Item 16: Electric Vehicle Charging at City Hall	
Climate Adaptation Plan	Implementation Action 2.3.2. Develop and implement municipal renewable energy technology and energy efficiency improvement projects.
Significant Work Plan Item 18: Commercial Parking Standards Update	
Community & Economic Development Improvement Plan	Recommendation R.05. Update the City's permitted uses by zoning district regulations.
Significant Work Plan Item 19: General Plan Comprehensive Update	
Climate Adaptation Plan	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Community & Economic Development Improvement Plan	Recommendation R.07. Update the City's General Plan for economic development issues.
Significant Work Plan Item 21: Water Conscious Development Regulations Update	
Climate Adaptation Plan	Implementation Action 2.2.1. Review and amend development and permitting standards to reduce potable water consumption.
Community & Economic Development Improvement Plan	Recommendation R.03. Update the City's tree maintenance and removal regulations.
Local Hazard Mitigation Plan	Project A. Review and update building-related ordinances and policies, as necessary.

Local Hazard Mitigation Plan	Project E. Develop and implement plans, projects, and programs that reduce water use and augment local water supplies (e.g., capture/reuse).
Significant Work Plan Item 23: Backup Generator Regulations	
Local Hazard Mitigation Plan	Project C. Adopt an ordinance requiring emergency backup generators for new and redeveloped fuel stations and cellular telephone towers.
Significant Work Plan Item 24: Emergency Operations Plan ("EOP") Update	
Climate Adaptation Plan	Implementation Action 1.1.1. Amend the Emergency Operations Plan to include an Extreme Heat Annex.
	Implementation Action 1.2.1. Amend the Emergency Operations Plan to include a Wildfire Air Quality Annex.
	Implementation Action 3.1.1. Incorporate climate adaptation into long-range planning documents.
Local Hazard Mitigation Plan	Project V. Develop and implement a Continuity of Operations Plan (COOP) for City services.
	Project Y. Develop memoranda of understanding (MOUs) for emergency reception centers, shelters, and points of dispensing (PODs).
	Project Z. Develop MOUs for emergency provisions (e.g., food, water, and generator fuel).

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4.0. CITY CAPITAL PROJECTS

This chapter is intended to describe major capital improvement projects that are included in this budget, as well as projects that are currently unfunded, but may be considered in the future.

CAPITAL IMPROVEMENT PROGRAM

In order to assist with the long-term development of funding for major capital improvement projects on public property, the City Council adopts a seven-year Capital Improvement Program ("CIP") on an annual basis. The CIP and the seven-year period to which it applies is also a requirement for receiving funding from Orange County's Measure M2 half-cent sales tax, which voters approved in 2006 to fund transportation projects and activities. While the first two years of the CIP are included in this budget and work plan, it is important to note that the City Council retains the ability to modify the CIP at its discretion and that no funding commitment is created by the inclusion of unfunded projects or projects planned for future years.

The City considers a "major capital improvement project" to be any project that meets the definition of a "public project" in Section 22002 of the State of California's Public Contracts Code, including "construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work" of facilities owned, leased, or operated by the City, as well as any non-minor "painting or repainting." Maintenance is not considered a public project. A "major capital improvement project" also includes pavement management work included in the City's seven-year Pavement Management Plan.

The City classifies its major capital improvement projects as either primarily relating to buildings (e.g., City Hall), green spaces (e.g., landscaping and parks), and/or transportation (e.g., streets and traffic control devices). These classifications are intended to organize similar projects for ease of reference. Throughout the CIP, projects are color-coded **purple** for building projects, **green** for green spaces projects, and **blue** for transportation projects. Where a project is classified in multiple categories, the color-coding is blended (e.g., transportation/green spaces projects are color-coded **blue/green**).

Major capital improvement projects are further categorized as either funded, partially funded, or unfunded. Partial funding of projects is not unusual, as full

funding may be developed over the course of several fiscal years, as grants and other federal, state, and county funds are obtained in order to reduce impacts to the General Fund. In other cases, funding from the General Fund may be set aside for projects over multiple fiscal years in the interest of fiscal prudence. The preparation of design documents and construction drawings may also precede the allocation of construction funding.

SIGNIFICANT CHANGES IN CAPITAL IMPROVEMENT PROJECTS

Fiscal Year 2017-18

A project to rehabilitate the pavement on westbound El Toro Road between Avenida Sevilla and Paseo de Valencia has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. The project is part of the City's seven-year Pavement Management Plan.

A project to improve pedestrian accessibility in several locations along Moulton Parkway has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project contingent on the receipt of external funding. The City has received a tentative notice of award of Community Development Block Grant ("CDBG") funds for the project.

A project to improve drainage in the vicinity of Moulton Parkway at Santa Maria Avenue has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project.

Construction of the "City Hall Restroom Repair and Improvement Project" has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. Design documents and construction drawings were prepared in Fiscal Year 2016-17.

A project to design various refurbishments and safety improvements at City Hall has been added to the Fiscal Year 2017-18 Budget & Work Plan and CIP as a funded project. Construction of the refurbishments has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project.

Fiscal Year 2018-19

A project to rehabilitate the pavement on eastbound El Toro Road between Avenida Sevilla and Church Intersection has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project. The project is part of the City's seven-year Pavement Management Plan.

A project to improve pedestrian accessibility in several locations along El Toro Road and Moulton Parkway has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project, contingent on the receipt of external funding. The City intends to apply for CDBG funds for the project.

A project to design water efficient improvements for the medians located on El Toro Road between Calle Sonora and Moulton Parkway has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project. The City Council is expected to consider funding construction as part of the Fiscal Years 2019-20 Budget & Work Plan and CIP.

A project to refurbish and improve safety at City Hall has been added to the Fiscal Year 2018-19 Budget & Work Plan and CIP as a funded project.

Future Fiscal Years

The following projects have been added to the CIP as unfunded projects for the fiscal years noted. The City Council is expected to consider funding as a part of the respective fiscal years budgets, work plans, and CIPs.

[Capital Projects Summary – Changes for Future Fiscal Years]

Fiscal Year	Project Title
2019-20	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 3 (El Toro Road)
2019-20	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)
2019-20	City Hall Emergency Backup Generator Project (Design)
2020-21	Woods End Wilderness Preserve Trail Drainage and Improvement Project
2020-21	City Hall Emergency Backup Generator Project (Construction)
2020-21	City Hall Television Broadcast Improvement Project
2021-22	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)
2022-23	Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 5 (El Toro Road and Santa Maria Avenue)

The estimated cost of the pedestrian accessibility improvements included in the “Pavement Management Plan Project (Eastbound Ridge Route Drive between Eastern City Limit and Moulton Parkway)” has been increased by \$1,750, based on the nature of anticipated improvements.

The estimated costs for design and construction of the “El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway)” have been decreased by \$181,300, based on conceptual design changes. It is assumed that no hardscape maintenance band will be installed and that the irrigated area will be limited to 25% of the pervious surface area.

The “Santa Maria Avenue Water Efficient Median Project” has been removed from the CIP. It was previously included as an unfunded project; however, after further consideration, it has been determined that on-site conditions do not necessitate such extensive reconstruction, at this time.

FUTURE OUTLOOK FOR CAPITAL PROJECTS

The City’s seven-year Pavement Management Plan anticipates rehabilitation phased in a manner that is intended to minimize the length and impact of in-lane roadway work on residents and businesses. The Pavement Management Plan will undergo a biennial update during Fiscal Year 2017-18 for a term spanning fiscal years 2018-19 through 2024-25. It is anticipated that additional pavement management plan projects will be identified through that effort.

Pedestrian accessibility improvements on City sidewalks and curb ramps will continue to be necessary on an ongoing basis, as even well-maintained and presently accessible hardscape cracks, lifts, or otherwise degrades over time. It is anticipated that an accessibility survey will be completed during Fiscal Year 2020-21, and every five years thereafter, to identify future projects.

During Fiscal Years 2017-19, staff will conduct an analysis of El Toro Road and Moulton Parkway in order to identify opportunities for active transportation, pedestrian and bicycle safety, transit facility, drainage and storm water capture, and other “complete streets” improvements. It is anticipated that future projects will be identified through that effort.

During Fiscal Years 2017-19, staff will prepare a scope of work for additional refurbishments and safety improvements at City Hall. It is anticipated that the scope of work will form the basis of a future, second phase of the “City Hall Refurbishment and Safety Improvement Project.”

Like jurisdictions throughout California, the City’s urban forest is impacted by the invasive Polyphagous Shot Hole Borer (“PSHB”). The PSHB has infected more than one-third of the Sycamore trees on El Toro Road (as of November 2016) with a pathogenic fungi likely to cause branch dieback, canopy loss, and/or death. While the infected trees show only minimal impacts at present,

extensive tree removal and replacement may be required in coming years to maintain a healthy and safe urban forest. Staff is currently monitoring the situation and developing a recommended course of action. PSHB response is included as a significant work plan item in this budget and work plan.

FUNDED AND PARTIALLY FUNDED CAPITAL IMPROVEMENT PROJECTS

[Funded and Partially Funded Capital Projects – Fiscal Year 2017-18]

Project Title	Page
El Toro Road Traffic Signal Synchronization Project	40
Moulton Parkway Traffic Signal Synchronization Project	41
Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	42
Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 1 (Moulton Parkway)	43
Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	44
Moulton Parkway Water Efficient Median Improvement Project (Construction)	45
City Hall Restroom Repair and Improvement Project	46
City Hall Refurbishment & Safety Project: Phase 1 (Design)	47

[Funded and Partially Funded Capital Projects – Fiscal Year 2018-19]

Project Title	Page
El Toro Road Traffic Signal Synchronization Project	40
Moulton Parkway Traffic Signal Synchronization Project	41
Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	48
Americans with Disabilities Act (ADA) Pedestrian Accessibility Project: Phase 2 (Moulton Parkway)	49
El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	50
City Hall Refurbishment & Safety Project: Phase 1 (Construction)	51

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **El Toro Road Traffic Signal Synchronization Project**

Classification: **Transportation**

Funding Status: **Funded (Multiple Prior Years)**

Priority

Alignment:



Healthy and safe



High in quality of life



Environmentally conscious

Project Description

This project is a multi-city undertaking with the City acting as the lead agency with support from the City of Aliso Viejo, City of Laguna Hills, and the California Department of Transportation (“Caltrans”). The project includes synchronization work and the installation of traffic detection, monitoring, and backup power equipment at certain intersections on El Toro Road from Bells Vireo Lane (in Aliso Viejo) to Bridger Road (in Laguna Hills).

Purpose

This project will help improve the flow of traffic by modifying timing plans and installing various equipment to reduce congestion. Minimization of the time motor vehicles spend idling at red lights will also improve air quality and new uninterrupted power supplies will help sustain the operation of traffic signals during energy shortages and disruptions.

Construction and Implementation Costs

This project is currently awarded \$514,000 in funding from the Orange County Transportation Authority’s Measure M2 program. The City will match the award with in-kind services and \$83,020 in CARITS funds. The total project cost, including matches from all involved agencies, is \$642,500.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Moulton Parkway Traffic Signal Synchronization Project**

Classification: **Transportation**

Funding Status: Funded (Multiple Prior Years)

Priority

Alignment:



Healthy and safe



High in quality of life



Environmentally conscious

Project Description

This project is a multi-city undertaking with the City acting as the lead agency with support from the City of Laguna Hills, City of Laguna Niguel, and the California Department of Transportation ("Caltrans"). The project includes synchronization work and the installation of traffic detection, monitoring, and backup power equipment at certain intersections on Moulton Parkway from Lake Forest Drive (in Laguna Hills) to Camino del Avion (in Laguna Niguel).

Purpose

This project will help improve the flow of traffic by modifying timing plans and installing various equipment to reduce congestion. Minimization of the time motor vehicles spend idling at red lights will also improve air quality and new uninterrupted power supplies will help sustain the operation of traffic signals during energy shortages and disruptions.

Construction and Implementation Costs

This project is currently awarded \$645,440 in funding from the Orange County Transportation Authority's Measure M2 program. The City will match the award with in-kind services and \$65,680 in CARITS funds. The total project cost, including matches from all involved agencies, is \$808,050.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)**

Classification: **Transportation** Street Section ID: W/BET-AS-PDV

Funding Status: Funded (2017-18)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the rehabilitation of pavement along the specified street section, including replacement of deteriorated pavement and a surface seal of crack sealant and rubberized slurry. Pedestrian accessibility improvements will also be made along the street section and/or within the City.

Purpose

This project is a part of the City’s seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index (“PCI”) below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, the specified street section had a PCI of 78.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$157,500 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



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

Classification: **Transportation**

Funding Status: Contingent on the receipt of external funding (2017-18)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Purpose

This project is based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$145,700 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). This project is contingent on the receipt of external funding. The City anticipates receiving Community Development Block Grant ("CDBG") funding.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)**

Classification: **Transportation**

Funding Status: **Funded (2017-18)**

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

The project involves the installation of a box culvert and related drainage, as well as the repair of an existing perforated pipe, on Moulton Parkway south of Santa Maria Avenue. Portions of the southbound sidewalk will be removed to allow for the repair of the perforated pipe and replaced with mulch or another pervious covering to facilitate future repairs.

Purpose

This project is intended to improve drainage and prevent pooling near curb ramps and in pedestrian paths-of-travel.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$59,563 (as of April 2017; subject to competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Moulton Parkway Water Efficient Median Improvement Project (Construction)**

Classification: **Transportation/Green Spaces**

Funding Status: Funded (2016-17)

Priority

Alignment:



Healthy and safe



High in quality of life



Environmentally conscious

Project Description

This project involves retrofitting three primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. The irrigated area of the medians will be limited to 25% of the pervious surface area. The medians are located on Moulton Parkway between Via Campo Verde and Via Iglesia.

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When available, the use of recycled water for irrigation will help conserve potable water, thereby reducing demand for imported water.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$273,914 (as of June 2017). Fuel tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Restroom Repair and Improvement Project**

Classification: **Buildings**

Funding Status: Funded (2017-18)

Priority

Alignment:



Healthy and safe

Project Description

This project involves the repair of the deteriorated subfloor in the second floor restrooms at City Hall, including replacement of tile flooring and underlying lightweight concrete. Accessibility, lighting, energy, heating, ventilation, and air conditioning improvements will also be made in both the first and second floor restrooms, and first floor drinking fountains.

Purpose

This project is necessary in order to complete the repair of the deteriorated subfloor at City Hall, improve accessibility and energy efficiency within City Hall, and modernize restroom and drinking facilities.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$283,363 (as of May 2017; subject to competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Refurbishment and Safety Project: Phase 1 (Design)**

Classification: **Buildings**

Funding Status: **Funded (2017-18)**

Priority

Alignment:



Healthy and safe

Project Description

This project involves refurbishments and safety improvements at City Hall, including the exterior, public areas, and stairwells. Improvements will include paint, façade repair, replacement of deteriorated signage, reconstruction of damaged planters, replacement of stained/worn carpeting and baseboards, accessibility improvements, and safety and security modifications.

Purpose

This project is intended to ensure that City Hall remains a safe, accessible, and well-maintained public space. The improvements will help to safeguard the City’s only public building and seat of government.

Design Costs

The one-time cost of designing this project is estimated at \$22,500. Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)**

Classification: **Transportation** Street Section ID: E/BET-AS-LCC

Funding Status: Funded (2018-19)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the rehabilitation of pavement along the specified street section, including replacement of deteriorated pavement and a surface seal of crack sealant and rubberized slurry. Pedestrian accessibility improvements will also be made along the street section and/or within the City.

Purpose

This project is a part of the City’s seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index (“PCI”) below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, the specified street section had a PCI of 79.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$110,250 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). Road Maintenance and Rehabilitation Program revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)**

Classification: **Transportation**

Funding Status: Contingent on the receipt of external funding (2018-19)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves the improvement of pedestrian paths-of-travel, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and/or, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Purpose

This project is based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$145,700 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). This project is contingent on the receipt of external funding. The City anticipates applying for Community Development Block Grant ("CDBG") funding.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)**

Classification: **Transportation/Green Spaces**

Funding Status: Funded (2018-19)

Priority

Alignment:



Healthy and safe



High in quality of life

Project Description

This project involves retrofitting two primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. The irrigated area of the medians will be limited to 25% of the pervious surface area. The medians are located on El Toro Road between Calle Sonora and Moulton Parkway.

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When available, the use of recycled water for irrigation will help conserve potable water, thereby reducing demand for imported water.

Design Costs

The one-time cost of designing this project is estimated at \$19,250. Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET



Project Title: **City Hall Refurbishment and Safety Project: Phase 1 (Construction)**

Classification: **Buildings**

Funding Status: Funded (2018-19)

Priority

Alignment:



Healthy and safe



Environmentally conscious

Project Description

This project involves refurbishments and safety improvements at City Hall, including the exterior, public areas, and stairwells. Improvements will include paint, façade repair, replacement of deteriorated signage, reconstruction of damaged planters, replacement of stained/worn carpeting and baseboards, accessibility improvements, and safety and security modifications.

Purpose

This project is intended to ensure that City Hall remains a safe, accessible, and well-maintained public space. The improvements will help to safeguard the City's only public building and seat of government.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$165,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). Unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Centre Park Lighting Improvement Project**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2023-24

Project Description

This project involves using existing conduit to install low-level walkway lighting along the serpentine walking path and hardscape areas in City Centre Park.

Purpose

This project is intended to improve the utility and function of City Centre Park. Light fixtures were part of the initial design for City Centre Park; however, only conduit to allow for future lighting was installed during construction.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$115,000 (as of May 2016; subject to the completion of design documents, construction drawings, and competitive bids). No funding source has been identified; however, City personnel will seek grant opportunities.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2019-20

Project Description

This project involves retrofitting two primarily turf grass medians with drought-tolerant landscaping, water efficient irrigation systems, and “purple pipe” for future recycled water use. The irrigated area of the medians will be limited to 25% of the impervious surface area. The medians are located on El Toro Road between Calle Sonora and Moulton Parkway.

Purpose

This project is intended to reduce irrigation-related water consumption and runoff through the replacement of turf grass with drought-tolerant plantings and overhead spray irrigation with a more water efficient alternative. Moving irrigation systems and plantings further from the curb face of the medians will also help prevent inadvertent runoff and related pavement damage. When available, the use of recycled water for irrigation will help conserve potable water, thereby reducing demand for imported water.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$95,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Fuel Tax revenue will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Woods End Wilderness Preserve Trail Drainage and Improvement Project**

Classification: **Green Spaces** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the construction of new drainage facilities, installation of crushed rock and gravel on the trail and access road, entry improvements, and safety and security modifications at Woods End Wilderness Preserve.

Purpose

This project is intended to improve drainage and prevent storm water runoff from the Woods End Wilderness Preserve trail and access road. It will also enhance the safety and condition of the City-maintained entry area.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$101,396 (as of May 2017; subject to competitive bids). It is anticipated that unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Pavement Management Plan Projects**

Classification: **Transportation** Funding Status: Unfunded

Projected Funding Plan: See Table Below

Project Description

These projects involve the rehabilitation of pavement, including replacement of deteriorated pavement and surface seals of crack sealant and rubberized slurry. Pedestrian accessibility improvements would also be made along the street sections and/or within the City.

Street Section ID	Street Section Location
W/BET-SNCC-AS	Westbound El Toro Road between Avenida Sevilla and Church Intersection
E/BRR-MP-RRLP	Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park

Purpose

These projects are a part of the City’s seven-year Pavement Management Plan to extend the useful life and improve the quality of pavement on street sections rated at a Pavement Condition Index (“PCI”) below 80. Ongoing pavement management helps to minimize the prolonged and more impactful work that typically accompanies projects involving significantly degraded pavement. As of January 2016, Street Section W/BET-SNCC-AS had a PCI of 78 and Street Section E/BRR-MP-RRLP had a PCI of 95.

Construction and Implementation Costs

Over the course of fiscal years 2019-20 through 2021-22, the one-time cost of constructing these projects is estimated at \$127,750 (as of June 2016; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Road Maintenance and Rehabilitation Program revenue will be used to fund these projects.

Street Section ID	Anticipated Fiscal Year	Pavement	Pedestrian Accessibility	Total
W/BET-SNCC-AS	2019-20	\$105,000	\$5,250	\$110,250
E/BRR-MP-RRLP	2021-22	\$15,000	\$2,500	\$17,500
Total		\$120,000	\$7,750	\$127,750

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Projects**

Classification: **Transportation** Funding Status: Unfunded

Projected Funding Plan: See Table Below

Project Description

These projects involve the improvement of pedestrian paths-of-travel along El Toro Road, Moulton Parkway, and Santa Maria Avenue, including elimination of gaps, lifts, and other uneven sidewalk surfaces; reconstruction of curb ramps; and/or, replacement of detectable warnings. Right-of-way may also be modified to increase navigable area and clearances.

Street(s)
El Toro Road
Moulton Parkway and Santa Maria Avenue
El Toro Road and Santa Maria Avenue

Purpose

These projects are based on the findings of an accessibility survey of City sidewalks and curb ramps. The improvements are intended to enhance ease of travel and promote compliance with the Americans with Disabilities Act of 1990, Architectural Barriers Act of 1968, and Rehabilitation Act of 1973.

Construction and Implementation Costs

Over the course of fiscal years 2019-20 through 2022-23, the one-time cost of designing and constructing these projects is estimated at \$437,100 (as of January 2017; subject to the completion of design documents, construction drawings, and competitive bids). These projects are contingent on the receipt of external funding. The City anticipates applying for Community Development Block Grant ("CDBG") funding.

Street(s)	Anticipated Fiscal Year	Total
El Toro Road	2019-20	\$145,700
Moulton Parkway and Santa Maria Avenue	2021-22	\$145,700
El Toro Road and Santa Maria Avenue	2022-23	\$145,700
	Total	\$437,100

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Television Broadcast Improvement Project**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the replacement of analog video equipment in the City Council Chambers at City Hall with digital video equipment.

Purpose

This project is intended to improve the broadcast quality of the City’s local government television channel. Currently, individuals who use digital or high-definition televisions to view the City’s local government channel experience low picture quality as a result of existing analog video equipment.

Construction and Implementation Costs

The one-time cost of designing and constructing this project is estimated at \$75,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that Public, Educational, and Governmental (“PEG”) Fees collected from cable television franchisees will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Emergency Backup Generator Project (Design)**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2019-20

Project Description

This project involves the installation of an emergency backup generator and automatic transfer switch at City Hall. The emergency backup generator will be capable of providing sufficient power to allow City Hall to function for a period of not less than 24 hours of continuous use.

Purpose

This project is intended to ensure the security, reliability, and functionality of City Hall during emergencies. The installation of an appropriately sized and configured emergency backup generator will support continuity of City Hall's operations during energy shortages and disruptions.

Design Costs

The one-time cost of designing this project is estimated at \$60,000. It is anticipated that unassigned General Fund balance will be used to fund this project.

CAPITAL IMPROVEMENT PROGRAM PROJECT WORKSHEET

Project Title: **City Hall Emergency Backup Generator Project
(Construction)**

Classification: **Buildings** Funding Status: Unfunded

Projected Funding Plan: Fiscal Year 2020-21

Project Description

This project involves the installation of an emergency backup generator and automatic transfer switch at City Hall. The emergency backup generator will be capable of providing sufficient power to allow City Hall to function for a period of not less than 24 hours of continuous use.

Purpose

This project is intended to ensure the security, reliability, and functionality of City Hall during emergencies. The installation of an appropriately sized and configured emergency backup generator will support continuity of City Hall's operations during energy shortages and disruptions.

Construction and Implementation Costs

The one-time cost of constructing this project is estimated at \$385,000 (as of May 2017; subject to the completion of design documents, construction drawings, and competitive bids). It is anticipated that unassigned General Fund balance will be used to fund this project.

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CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17	Year 1				Year 2					
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS														
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	\$ 720	\$ 611,800	\$ 29,980	-	-	-	-	-	-	-	-	-
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	\$ 1,440	\$ 736,850	\$ 69,760	-	-	-	-	-	-	-	-	-
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	\$ 157,500	-	-	-	-	-	\$ 157,500	-	-	-	-	-	-
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	\$ 110,250	-	-
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-	-
6	Pavement Management Plan Project (Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park)	\$ 17,500	-	-	-	-	-	-	-	-	-	-	-	-
7	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	\$ 145,700 *	-	-	-	-	-
8	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	\$ 145,700 **	-
9	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
10	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
11	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-
12	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 59,563	-	-	-	-	\$ 59,563	-	-	-	-	-	-	-
TRANSPORTATION / GREEN SPACES PROJECTS														
13	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	\$ 19,250	-	-	-	-	-	-	-	-	-	\$ 19,250	-	-

CITY OF LAGUNA WOODS
Fiscal Years 2017-18 and 2018-19 Capital Improvement Program - Funding Plan

EXPENDITURES		FY 14-15	FY 15-16	FY 2016-17		Year 1			Year 2					
#	Project Title	Estimated Project Cost	Funded FY 14-15	Funded FY 15-16	Funded FY 16-17	Amount Unfunded (If Partially Funded)	Budget FY 17-18 (General Fund)	Budget FY 17-18 (Transportation Funds)	Proposed FY 17-18 (Other)	Amount Unfunded (If Partially Funded)	Budget FY 18-19 (General Fund)	Budget FY 18-19 (Transportation Funds)	Budget FY 18-19 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION / GREEN SPACES PROJECTS (continued)														
14	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)	\$ 95,000	-	-	-	-	-	-	-	-	-	-	-	-
15	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	\$ 52,250	-	-	-	-	-	-	-	-	-	-
16	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	\$ 273,914	-	-	-	-	-	-	-	-	-
GREEN SPACES PROJECTS														
17	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-
18	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-
BUILDING PROJECTS														
19	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	\$ 283,363	-	-	-	-	-	-	-
20	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 22,500	-	-	-	-	\$ 22,500	-	-	-	-	-	-	-
21	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	\$ 165,000	-	-	-
22	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-
23	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-
24	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL (ALL PROJECTS)		\$ 4,281,786	\$ 2,160	\$ 1,400,900	\$ 373,654	\$ -	\$ 365,426	\$ 157,500	\$ 145,700	\$ -	\$ 165,000	\$ 129,500	\$ 145,700	\$ -
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE***														
A	Measure M2 Fair Share Expenditures													
	Street Lighting - Public Right-of-Way	\$ 22,501	\$ 27,006	\$ 25,329	-	-	-	\$ 25,761	-	-	-	\$ 26,367	-	-
	Contract - Traffic Engineering	\$ 119,429	\$ 122,126	\$ 165,600	-	-	-	\$ 163,600	-	-	-	\$ 163,600	-	-
	Contract - Traffic Signal Maintenance	\$ 35,502	\$ 23,843	\$ 41,505	-	-	-	\$ 51,983	-	-	-	\$ 52,325	-	-
	Vendor Reimbursements (Prior Year Charges)	\$ (9,495)	-	-	-	-	-	-	-	-	-	-	-	-
	Allowable Overhead Costs	\$ 1,535	\$ 600	\$ 600	-	-	-	\$ 700	-	-	-	\$ 700	-	-
TOTAL		\$ 169,472	\$ 173,575	\$ 233,034	\$ -	\$ -	\$ -	\$ 242,044	\$ -	\$ -	\$ -	\$ 242,992	\$ -	\$ -

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.
 ** This project is contingent on the City receiving external funding. The City anticipates applying for Community Development Block Grant (CDBG) funding.
 *** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

CITY OF LAGUNA WOODS
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 3				Year 4				Year 5				Year 6				Year 7			
		Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION PROJECTS																					
1	El Toro Road Traffic Signal Synchronization Project	\$ 642,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Moulton Parkway Traffic Signal Synchronization Project	\$ 808,050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Paseo de Valencia)	\$ 157,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Pavement Management Plan Project (Eastbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Pavement Management Plan Project (Westbound El Toro Road between Avenida Sevilla and Church Intersection)	\$ 110,250	-	\$ 110,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	(Eastbound Ridge Route Drive between Moulton Parkway and Ridge Route Linear Park)	\$ 17,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 1 (Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 2 (El Toro Road and Moulton Parkway)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 3 (El Toro Road)	\$ 145,700	-	-	\$ 145,700 *	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 4 (Moulton Parkway and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Americans with Disabilities Act (ADA) Pedestrian Accessibility Improvement Project: Phase 5 (El Toro Road and Santa Maria Avenue)	\$ 145,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Drainage Improvement Project (Moulton Parkway at Santa Maria Avenue)	\$ 59,563	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TRANSPORTATION / GREEN SPACES PROJECTS																					
13	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Design)	\$ 19,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	El Toro Road Water Efficient Median Improvement Project (Between Calle Sonora and Moulton Parkway) (Construction)	\$ 95,000	-	\$ 95,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Moulton Parkway Water Efficient Median Improvement Project (Design)	\$ 52,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Moulton Parkway Water Efficient Median Improvement Project (Construction)	\$ 273,914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
GREEN SPACES PROJECTS																					
17	City Centre Park Lighting Improvement Project	\$ 115,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Woods End Wilderness Preserve Trail Drainage and Improvement Project	\$ 101,396	-	-	-	\$ 101,396	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
BUILDING PROJECTS																					
19	City Hall Restroom Repair and Improvement Project (Construction)	\$ 283,363	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	City Hall Refurbishment and Safety Project: Phase 1 (Design)	\$ 22,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	City Hall Refurbishment and Safety Project: Phase 1 (Construction)	\$ 165,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	City Hall Emergency Backup Generator Project (Design)	\$ 60,000	\$ 60,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	City Hall Emergency Backup Generator Project (Construction)	\$ 385,000	-	-	-	\$ 385,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	City Hall Television Broadcast Improvement Project	\$ 75,000	-	-	-	-	-	\$ 75,000 ***	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (ALL PROJECTS)		\$ 4,281,786	\$ 60,000	\$ 205,250	\$ 145,700	\$ -	\$ 486,396	\$ -	\$ 75,000	\$ -	\$ -	\$ 17,500	\$ 145,700	\$ -	\$ -	\$ -	\$ 145,700	\$ -	\$ 115,000	\$ -	\$ -

CITY OF LAGUNA WOODS
Fiscal Years 2019-20 through 2023-24 Capital Improvement Program - Projected Funding Plan

EXPENDITURES		Year 3				Year 4				Year 5				Year 6				Year 7			
		Projected FY 19-20 (General Fund)	Projected FY 19-20 (Transportation Funds)	Projected FY 19-20 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 20-21 (General Fund)	Projected FY 20-21 (Transportation Funds)	Projected FY 20-21 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 21-22 (General Fund)	Projected FY 21-22 (Transportation Funds)	Projected FY 21-22 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 22-23 (General Fund)	Projected FY 22-23 (Transportation Funds)	Projected FY 22-23 (Other)	Amount Unfunded (If Partially Funded)	Projected FY 23-24 (General Fund)	Projected FY 23-24 (Transportation Funds)	Projected FY 23-24 (Other)	Amount Unfunded (If Partially Funded)
TRANSPORTATION-RELATED OPERATIONS & MAINTENANCE****																					
A	Measure M2 Fair Share Expenditures																				
	Street Lighting - Public Right-of-Way		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Contract - Traffic Engineering	\$	163,600	-	-	-	\$	167,440	-	-	-	-	\$	167,440	-	-	-	\$	167,440	-	-
	Contract - Traffic Signal Maintenance	\$	52,682	-	-	-	\$	53,048	-	-	-	-	\$	54,359	-	-	-	\$	54,359	-	-
	Vendor Reimbursements (Prior Year Charges)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Allowable Overhead Costs	\$	700	-	-	-	\$	750	-	-	-	-	\$	700	-	-	-	\$	700	-	-
	TOTAL	\$	216,982	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-

* This project is contingent on the City receiving external funding. The City anticipates receiving Community Development Block Grant (CDBG) funding.
 ** This project is contingent on the City receiving external funding. The City anticipates applying for Community Development Block Grant (CDBG) funding.
 *** This project would be funded using Public, Educational, and Governmental ("PEG") fees.
 **** This information is provided at the direction of the Orange County Transportation Authority. Operations and maintenance expenses are not capital improvement projects.

5.0. CITY BUDGET PRACTICES

This chapter is intended to review the budgeting and accounting practices employed in the development of this budget.

INTRODUCTION

In addition to outlining a scope of work for the City to undertake during the fiscal years spanning July 1, 2017 through June 30, 2019, this budget and work plan serves as a financial plan for the City's operations. To that end, chapters 5.0, 6.0, 7.0, and 8.0 translate the scope of work that is described in chapters 3.0 and 4.0 into revenue estimates and expenditure appropriations.

TWO-YEAR BUDGETING AND WORK PLANNING

Beginning with the adoption of the Fiscal Years 2017-19 Budget & Work Plan, the City transitioned from single-year to two-year budgets and work plans. The transition was undertaken with the goals of providing longer-term economic forecasts, greater certainty regarding the sustainability of the City's operations, and heightened strategic vision. Central to the transition to a two-year budget and work plan was the development of a five-year strategic financial plan with projections of future revenue and expenditure conditions. The five-year strategic financial plan is discussed in greater detail in Chapter 9.0 and is incorporated throughout this budget and work plan.

BUDGET AND WORK PLAN DEVELOPMENT PROCESS

The City Council adopts a budget and work plan for the upcoming two fiscal years, no later than June 30 of odd-numbered years. Fiscal years begin every July 1 and end 12 months later on the following June 30.

The process of developing the City's budget and work plan is continuous and iterative in nature with City personnel working throughout each fiscal year, and particularly between the months of January and June, to prepare revenue estimates, expenditure projections, and draft documents that are responsive to the City Council's direction. Budget and work plan development is jointly managed by the City Manager's Office (City Manager) and Administrative Services Department (Administrative Services Director/City Treasurer).

In the first year of each two-year budget and work plan, development focuses on updating revenue estimates and expenditure projections, as well as refining the budget figures adopted for the second year of the same two-year budget and work plan. In June, the City Council will adopt a Gann limit for the second year of the same two-year budget and work plan, as well as update budgetary reserves and the seven-year capital improvement program. The City Council may also be asked to modify adopted budgets and work plans to reflect changes in the economy and/or priorities.

In the second year of each two-year budget and work plan, development is focused on updating revenue estimates and expenditure projections, as well as preparing a draft budget and work plan for the next two-year budget and work plan. The City Council's public budget and work plan deliberations begin with a kick-off meeting in mid- to late-April and conclude with adoption of the budget and work plan in late-June.

The Fiscal Years 2017-19 Budget & Work Plan development process included a total of four open and publically noticed City Council meetings, each with an opportunity for public comment. The meetings occurred as follows:

- Wednesday, April 26, 2017 – kick-off, discussion and development
- Wednesday, May 17, 2017 – discussion and development
- Friday, June 16, 2017 – release of the draft budget and work plan
- Wednesday, June 21, 2017 – discussion and development
- Wednesday, June 28, 2017 – adoption

CONTINUAL BUDGET AND WORK PLAN IMPROVEMENT PROCESS

The City is committed to continually improving the transparency and manner in which information is presented in its budgets and work plans. Best practices and other guidance from the California Society of Municipal Finance Officers ("CSMFO") and the Government Finance Officers Association ("GFOA") is used as a foundation for both near- and long-term improvement efforts.

In addition to internal utility, public comments, and City Council feedback, the effectiveness of budget and work plan improvements can be assessed by evaluations conducted by CSMFO and GFOA. While the results of evaluations are expressed in the form of "awards," evaluations are important, not as accolades, but as benchmarks of progress made in improving budgets and work plans through the incorporation of best practices.

The City's Fiscal Year 2016-17 operating budget was submitted for evaluation by CSMFO. Following two independent, third-party reviews, the City earned CSMFO's highest level of distinction, the Operating Budget Excellence Award.

[CSMFO Operating Budget Excellence Award for Fiscal Year 2016-17]



BUDGET POLICIES

City of Laguna Woods Administrative Policy 2.9 (see Appendix A) provides a framework for the development of the City's budget, with an emphasis on balance, transparency, fiscal responsibility, and long-term planning. The policy establishes numerous conservative and prudent standards related to the development and implementation of the City's budget, including regular public reporting in the interest of financial transparency and accountability.

After the City Council adopts the budget, authorized appropriations become effective on July 1 of the applicable fiscal year and establish legal spending limits for City programs, projects, and services. The City Council may amend the adopted budget at a public meeting at any time during the fiscal year.

The City Council adopts budgets at the fund level with the City Manager having the authority to make adjustments within and between departments in the same fund, provided that there are no increases in fund budgets. While the City Manager is authorized to decrease fund-level budget appropriations as a method of fiscal control, City Council action is required to increase fund-level budget appropriations, regardless of the amount.

STATUS OF BUDGETARY RESERVES

Recognizing that reserves are a key component of fiscal responsibility and financial resilience, Administrative Policy 2.9 provides guidance for the City to ensure the adequacy of its available financial resources to address periodic, unanticipated, and emergency needs. In addition to local fiscal needs, the establishment and maintenance of reserves also includes the consideration of best practices established by various authoritative agencies.

The overall target for committed and assigned reserves is currently established in an amount equal to 50% of the adopted General Fund revenue budget at the beginning of each fiscal year (July 1), less any one-time revenues and non-operating revenues. The overall target amount is currently used to fund three committed and assigned reserves – (1) a Paid Leave Contingency Fund to compensate for payments required to comply with the City’s paid leave policies and obligations, when such amounts exceed adopted budgets; (2) a Self-Insurance Contingency Fund to compensate for liability and workers’ compensation claim settlements not covered by insurance policies; and, (3) a General Fund Contingency Fund to compensate for economic uncertainty, operating contingencies, and emergencies caused by calamitous events.

[Committed and Assigned Reserves Funding Levels – Fiscal Year 2017-18]

Fiscal Year 2017-18 General Fund Revenue Budget,	
less one-time and non-operating revenues	\$5,373,600
	x .50
Overall Target for Committed and Assigned Reserves	<u>\$2,686,800</u>
Paid Leave Contingency Fund ⁵	\$81,609
Self-Insurance Contingency Fund	\$50,000

⁵ Note: The Paid Leave Contingency Fund has an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30). The funding level shown in this budget and work plan is an estimate that will be finalized after fiscal-year-end calculations are available.

General Fund Contingency Fund	\$2,555,191
Total Committed and Assigned Reserves	<u>\$2,686,800</u>

[Committed and Assigned Reserves Funding Levels – Fiscal Year 2018-19]

Fiscal Year 2017-18 General Fund Revenue Budget, less one-time and non-operating revenues	\$5,541,600
	x .50
Overall Target for Committed and Assigned Reserves	<u>\$2,770,800</u>
Paid Leave Contingency Fund ⁶	\$81,609
Self-Insurance Contingency Fund	\$50,000
General Fund Contingency Fund	\$2,639,191
Total Committed and Assigned Reserves	<u>\$2,770,800</u>

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

BASIS OF BUDGETING AND ACCOUNTING

This budget and the underlying accounting are prepared in accordance with generally accepted accounting principles on a “modified accrual” basis. In the California Department of Finance’s *Finance Glossary of Accounting and Budgeting Terms* (2017), “modified accrual” is defined as:

“The basis of accounting in which revenues are recognized if the underlying transaction has occurred as of the last day of the fiscal year and the amount is measurable and available to finance expenditures of the current period (i.e., the actual collection will occur either during the current period, or after the end of the current period, to be used to pay current year-end liabilities). Expenditures are recognized when the

⁶ Note: The Paid Leave Contingency Fund has an annual target equal to projected accrued paid leave balances at the end of each fiscal year (June 30). The funding levels shown in this budget and work plan are estimates that will be finalized after fiscal-year-end calculations are available.

obligations are created, except for amounts payable from future fiscal year appropriations.”

The City’s accounting system is organized by fund. Each fund is a separate accounting entity with a self-balanced set of accounts that record assets, liabilities, fund equity, revenues, and expenditures. Funds are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND TYPES

Government agencies classify funds as either governmental (accounting for typical government operations), proprietary (accounting for activities that are financed and operated in a manner similar to private enterprises, where the cost of providing services is recovered from user charges), or fiduciary (used when acting as a trustee or agent for resources belonging to other agencies or individuals). The City has no proprietary or fiduciary funds, although the City does maintain an Other Post-Employment Benefits (“OPEB”) trust fund that is administered by the California Public Employees’ Retirement System. The City maintains the following governmental fund types:

- General Fund – The General Fund is the City’s primary operating fund and is used to account for the proceeds of revenue sources that are not legally restricted to expenditures for specified purposes.
- Special Revenue Funds (“Special Funds”) – Special funds are used to account for the proceeds of revenue sources that are legally restricted to expenditures for specified purposes (e.g., grants and Measure M2 allocations). The City’s special funds are categorized as primarily relating to the environment, community services, public safety, or transportation.
- Capital Projects Fund – The Capital Projects Fund is used to account for transfers from the General Fund that are reserved for either current- or future-year capital improvement purposes. The Capital Projects Fund is combined with the General Fund for the purpose of reporting in the City’s Comprehensive Annual Financial Report (“CAFR”).

ANNUAL APPROPRIATIONS LIMIT (“GANN LIMIT”)

California’s Proposition 4, commonly referred to as the “Gann Initiative,” was approved by voters on November 6, 1979. The Gann Initiative added Article XIII B to the California State Constitution, establishing a limit on the amount of tax proceeds that state and local governments can receive and appropriate

on an annual basis (“Gann limit”). Gann limits vary amongst agencies and are either based on the amount of tax revenue that was authorized to be spent in Fiscal Year 1978-79 or, in the case of the City of Laguna Woods and other local governments that incorporated after Fiscal Year 1978-79, on an amount established by voters. Gann limits are modified, annually, according to the calculation methods established by California’s Proposition 111 (1990).

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

The City’s Gann limit is adopted by the City Council by resolution each year (see Resolution No. 17-XX included with this budget as Appendix D). The Gann limit for Fiscal Year 2017-18 is \$6,130,215 and was calculated as shown below.

[Gann Limit Calculation – Fiscal Year 2017-18]

Fiscal Year 2016-17 Gann Limit		\$9,546,698
Population Change (County of Orange) ⁷	x	1.0069
Cost of Living Change (Per Capita Personal Income) ⁷	x	1.0369
Fiscal Year 2017-18 Gann Limit		\$9,967,274
Fiscal Year 2017-18 Appropriations Subject to the Gann Limit		<u>\$3,837,059</u>
Fiscal Year 2017-18 Gann Limit over Appropriations		<u>\$6,130,215</u>

The Gann limit for Fiscal Year 2018-19 is expected to be adopted by the City Council in June 2018, once the necessary information on population and cost of living changes in Fiscal Year 2017-18 becomes available.

As in prior fiscal years, the City does not anticipate receiving or appropriating tax proceeds in excess of the Gann limit during fiscal years 2017-18 or 2018-19. As such, the Gann limit is not expected to impact the City’s operations.

⁷ State of California, Department of Finance, *Price and Population Information*. May 2017. Factors are rounded to four decimal places for presentation purposes.

DEBT SERVICE OBLIGATIONS

In the California Department of Finance's *Finance Glossary of Accounting and Budgeting Terms* (2017), "debt service" is defined as:

"The amount of money required to pay interest on outstanding bonds and the principal of maturing bonds."

The City has never issued bonds and is not currently engaged in any financing arrangements other than those previously described for retirement and other post-employment benefits. Accordingly, this budget and work plan does not include any budgeted debt service obligations.

6.0. CITY BUDGET DETAIL, **ALL FUND SUMMARIES**

This chapter is intended to summarize revenues and expenditures for the programs, projects, and services included in this budget.

INTRODUCTION

This budget accounts for financial activity using the governmental funds listed below. Additional information on fund types and individual funds, including revenue and expenditure detail, is included in chapters 7.0 and 8.0.

[Fund Structure – Fiscal Years 2017-19]

General Fund

Special Revenue Funds

- *Transportation Funds*
 - Fuel Tax
 - Road Maintenance & Rehabilitation Program
 - Measure M2
 - Coastal Area Road Improvement and Traffic Signals (CARITS)
- *Public Safety Funds*
 - Supplemental Law Enforcement Services
- *Environmental Funds*
 - Mobile Source Reduction
 - Beverage Container Recycling
 - Used Oil/Oil Payment Program
- *Community Services Funds*
 - PEG/Cable Television
 - Senior Mobility
 - Community Development Block Grant (CDBG)

Capital Projects Fund

NATIONAL, STATE, AND REGIONAL ECONOMIC OUTLOOK

The City uses information from sources including the California Department of Finance ("DOF"), the California Legislative Analyst's Office ("LAO"), California State University, Fullerton, and Chapman University, to provide national, state, and regional economic context for budget and work plan development.

This budget was developed assuming that the local economy will remain fairly stable over the next two fiscal years. This is consistent with the approach taken in the State of California's budget for Fiscal Year 2017-18.

In May 2017, the LAO issued a *Multiyear State Budget Outlook*, which assumed that the State's economy will continue to grow and that both federal and state policymaking will remain relatively comparable to current conditions. Nevertheless, in November 2016, and again in May 2017, the LAO cautioned that federal policy changes and consumer reaction could have a negative or recessionary impact on the state and local economies.

The DOF, in conjunction with the release of the "May Revise" of the State's budget for Fiscal Year 2017-18, cautioned that economic recovery from the 2008 recession has extended three years longer than the average recovery, and that a future recession is inevitable. For the purpose of this budget, it was assumed that economic recovery will continue, but at a slower pace than has occurred over the last several fiscal years.

In June 2017, Chapman University's A. Gary Anderson Center for Economic Research's California Composite Index of Consumer Sentiment found that a majority of consumers have become pessimistic, but that spending on "big-ticket items" is likely to remain relatively stable for the next six months. One year prior, another report from the A. Gary Anderson Center for Economic Research titled, "The Recovery Continues... But Barely," was equally guarded.

California State University, Fullerton's Woods Center for Economic Analysis and Forecasting's spring 2017 update to its *Economic Outlook and Forecasts* stated that "one positive indicator for the [Orange County] economy is local business leaders' expectations of growth [which]... tends to trend with local economic conditions... [and] was at its highest level ever in the first quarter of 2017." At the same time, local business leaders cited concerns regarding the impact of future political and economic reforms, as well as interest rate increases.

The City's conservative approach to budgeting and financial management has historically positioned the City well to weather mild recessionary periods.

OVERALL BUDGET SUMMARY

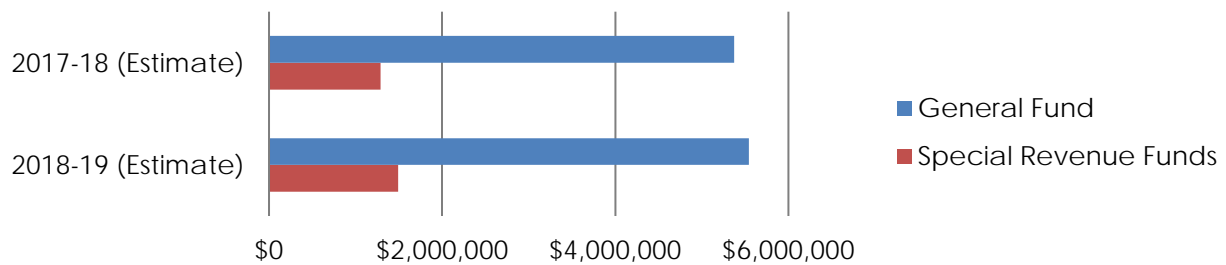
[Change in General Fund Balances – Fiscal Years 2017-19]

Description	General Fund	Special Revenue Funds	Capital Projects Fund
Anticipated Beginning Fund Balance at July 1, 2017	\$8,679,572	\$1,173,840	\$72,902
<i>Revenues</i>	\$5,373,600	\$1,287,700	\$365,426
<i>Expenditures</i>	\$5,724,476	\$1,267,904	\$365,426
Ending Fund Balance at June 30, 2018	\$8,418,696	\$1,193,636	\$72,902
<i>Revenues</i>	\$5,541,600	\$1,490,700	\$165,000
<i>Expenditures</i>	\$5,621,246	\$1,241,291	\$165,000
Ending Fund Balance at June 30, 2019	\$8,339,050	\$1,443,045	\$72,902

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

BUDGET SUMMARY – ALL REVENUES

[Total Revenue Estimates by Fund Type – Fiscal Years 2017-19]

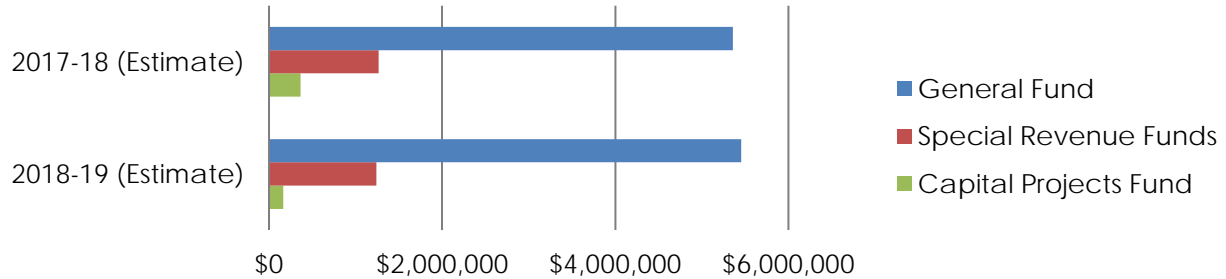


Fiscal Year	General Fund Revenue	Special Revenue Funds
2017-18 (Estimate)	\$5,373,600	\$1,287,700
2018-19 (Estimate)	\$5,541,600	\$1,490,700

Note: This chart/table excludes inter-fund transfers. The Capital Projects Fund is not shown separately, as all revenue is transferred from the General Fund.

BUDGET SUMMARY – ALL EXPENDITURES

[Total Expenditure Estimates by Fund Type – Fiscal Years 2017-19]

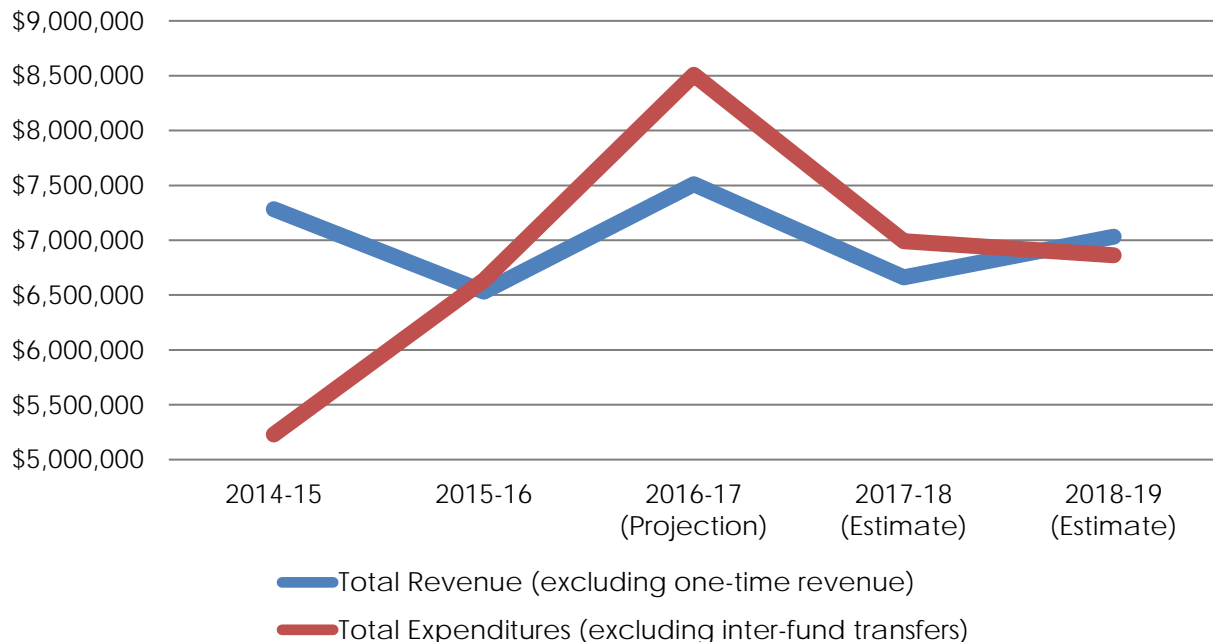


Fiscal Year	General Fund Expenditures	Special Revenue Funds	Capital Projects Fund
2017-18 (Estimate)	\$5,359,050	\$1,267,904	\$365,426
2018-19 (Estimate)	\$5,456,246	\$1,241,292	\$165,000

Note: This chart/table excludes inter-fund transfers.

HISTORICAL COMPARISONS

[Historical "All Funds" Revenue and Expenditure Comparison – Fiscal Years 2014-15 through 2018-19]

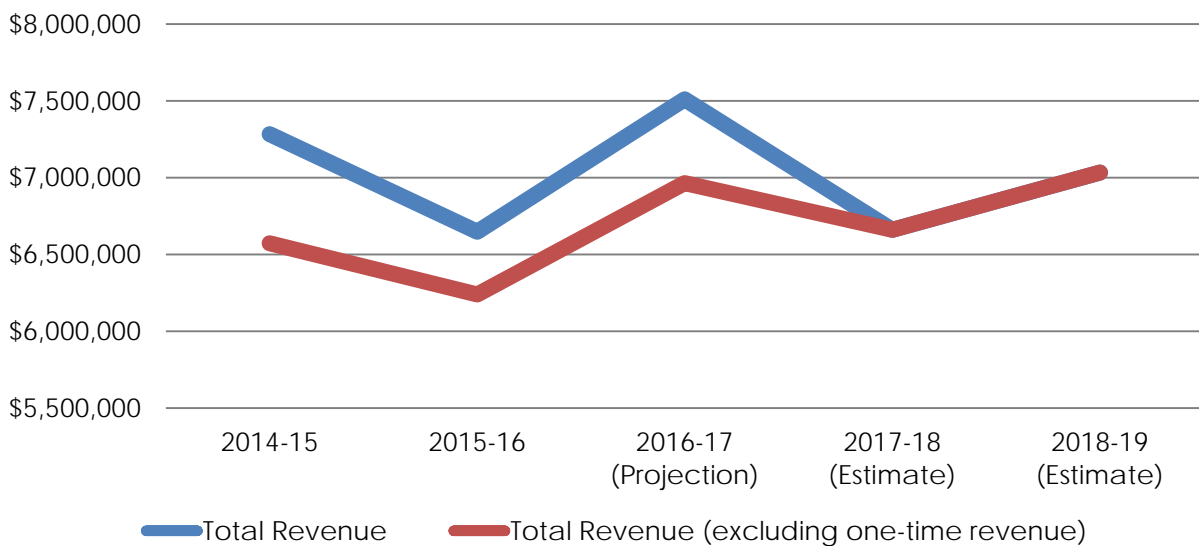


Fiscal Year	Total Revenue (excluding one-time revenue)	Total Expenditures (excluding inter-fund transfers)
2014-15	\$7,283,251	\$5,229,144
2015-16	\$6,531,254	\$6,636,291
2016-17 (Projection)	\$7,510,841	\$8,508,415
2017-18 (Estimate)	\$6,661,300	\$6,992,380
2018-19 (Estimate)	\$7,032,300	\$6,862,538

Note: This chart/table excludes one-time revenue and inter-fund transfers.

Note: Expenditures exceed revenue as a result of limited-term non-operating and capital improvement project expenditures, as well as expenditures for projects that utilize revenues received in prior fiscal years.

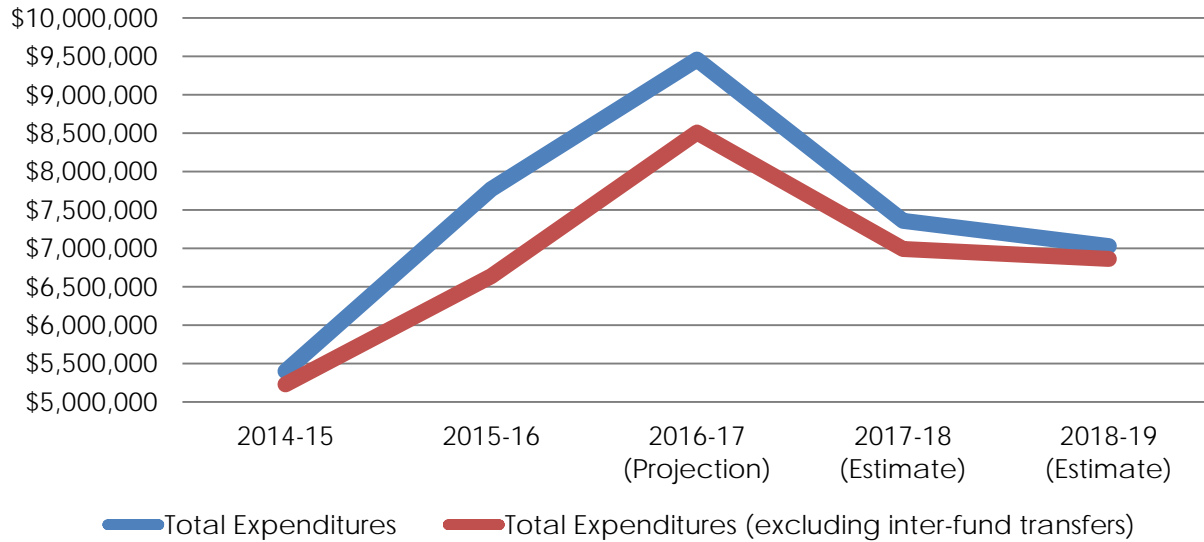
[Historical Revenue Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Total Revenue	Total Revenue (excluding one-time revenue)
2014-15	\$7,283,251	\$7,283,251
2015-16	\$6,648,508	\$6,531,254
2016-17 (Projection)	\$7,510,274	\$7,510,841
2017-18 (Estimate)	\$6,661,300	\$6,661,300
2018-19 (Estimate)	\$7,032,300	\$7,032,300

Note: This chart/table excludes one-time revenue and inter-fund transfers.

[Historical Expenditures Comparison – Fiscal Years 2014-15 through 2018-19]



Fiscal Year	Total Expenditures	Total Expenditures (excluding inter-fund transfers)
2014-15	\$5,400,264	\$5,229,144
2015-16	\$7,769,608	\$6,636,291
2016-17 (Projection)	\$9,456,287	\$8,508,415
2017-18 (Estimate)	\$7,357,806	\$6,992,380
2018-19 (Estimate)	\$7,027,538	\$6,862,538

Note: This chart/table excludes inter-fund transfers.

CITY OF LAGUNA WOODS
Fiscal Years 2017-19 Revenue Summary - All Funds

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>GENERAL FUND</u>								
<u>General Fund</u>								
Property Tax	2,019,911	2,182,789	2,272,000	2,282,612	2,448,200	7.3%	2,543,000	3.9%
Property Transfer Tax	88,357	94,807	90,000	158,422	95,900	-39.5%	99,600	3.9%
Sales Tax:								
Regular	908,621	853,903	932,000	774,522	803,200	3.7%	832,100	3.6%
One-Time	-	117,254	-	-	-	0.0%	-	0.0%
Franchise Fees	604,739	539,107	591,000	652,440	623,800	-4.4%	628,100	0.7%
Transient Occupancy Tax	452,293	475,926	467,000	454,736	461,800	1.6%	468,900	1.5%
Development Processing Fees	699,984	730,204	671,000	700,372	707,300	1.0%	723,900	2.3%
Interest	21,785	40,421	48,000	50,700	51,200	1.0%	51,700	1.0%
Miscellaneous	176,625	198,803	190,000	191,103	182,200	-4.7%	194,300	6.6%
Total General Fund	4,972,313	5,233,214	5,261,000	5,264,907	5,373,600	2.1%	5,541,600	3.1%
Less: One-Time Sales Tax	-	117,254	-	-	-	0.0%	-	0.0%
Total General Fund (ongoing revenues)	4,972,313	5,350,468	5,261,000	5,264,907	5,373,600	2.1%	5,541,600	3.1%
Plus: INTER-FUND TRANSFERS	20,628	1,043,009	467,451	467,451	-	-100.0%	-	0.0%
TOTAL GENERAL FUND (including inter-fund transfers and one-time revenues)	4,992,941	6,276,223	5,728,451	5,732,358	5,373,600	-6.3%	5,541,600	3.1%

CITY OF LAGUNA WOODS								
Fiscal Years 2017-19 Revenue Summary - All Funds								

	2014-15	2015-16	2016-17		2017-18		2018-19	
	Actual For Year	Actual For Year	Amended Budget	Current Projection for Year	Budget	% Change From 2016-17 Projection	Budget	% Change From 2017-18 Budget
<u>Capital Projects Fund</u>								
Capital Projects	91,320	62,780	137,240	137,240	365,426	166.3%	165,000	-54.8%
TOTAL CAPITAL PROJECTS FUND	91,320	62,780	137,240	137,240	365,426	166.3%	165,000	-54.8%
TOTAL GENERAL FUNDS	5,084,261	6,339,003	5,865,691	5,869,598	5,739,026	-2.2%	5,706,600	-0.6%
<u>SPECIAL FUNDS:</u>								
<u>Transportation Funds</u>								
Fuel Tax	537,418	372,739	449,360	432,160	366,500	-15.2%	373,000	1.8%
Road Maintenance & Rehabilitation Program	-	-	-	-	93,800	100.0%	279,500	198.0%
Measure M1	235,774	4,075	184,001	184,001	-	0.0%	-	0.0%
Measure M2	177,604	205,261	1,312,154	1,248,554	211,200	-83.1%	218,400	3.4%
Prop 1B -- State-Local Partnership Program (SLPP)	-	293,000	-	-	-	0.0%	-	0.0%
Traffic Mitigation Fees - Moulton Parkway Project	709,529	1,900	-	2,160	-	0.0%	-	0.0%
Coastal Area Road Improvement and Traffic Signals (CARITS)	349	-	-	-	-	0.0%	-	0.0%
Total Transportation Funds	1,660,675	876,975	1,945,515	1,866,875	671,500	-64.0%	870,900	29.7%