



City of
Laguna Woods

NOTICE OF AGENDA REVISION

The agenda for the regular meeting of the Laguna Woods City Council on September 16, 2020 has been revised to include two additional items:

Item 6.8 – Conflict of Interest Code

Item 8.3 – City Council Meeting Schedule

POSTED SEPTEMBER 12, 2020

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CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting
Wednesday, September 16, 2020
2:00 p.m.

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

Noel Hatch
Mayor

Shari L. Horne
Mayor Pro Tem

Cynthia Conners
Councilmember



Carol Moore
Councilmember

Joe Rainey
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

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

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

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REGULAR MEETING SCHEDULE

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

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AFFIDAVIT OF POSTING

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COUNTY OF ORANGE) ss.
CITY OF LAGUNA WOODS)

I, Yolie Trippy, City Clerk, City of Laguna Woods, hereby certify under penalty of perjury that this agenda was posted at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637; on the City’s website (www.cityoflagunawoods.org); and, at other locations designated by Resolution No. 17-30, pursuant to California Government Code Section 54954.2 of the Ralph M. Brown Act.



YOLIE TRIPPY, CMC, City Clerk

9-12-20

Date

NOVEL CORONAVIRUS (COVID-19) NOTICE

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

Please exercise caution when attending City Council meetings. If you do attend this meeting, please maintain a distance of six feet or more between yourself and others, wash your hands with soap and water before and after the meeting, and refrain from handshaking and other physical contact.

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS AND CEREMONIAL MATTERS

V. PUBLIC COMMENTS

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

VI. CONSENT CALENDAR

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

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on August 19, 2020 and the adjourned regular meeting on August 27, 2020.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of August 2020.

6.3 Warrant Register

Recommendation: Approve the warrant register dated September 16, 2020 in the amount of \$544,996.69.

6.4 Employee Benefits

Recommendation: Adopt a resolution entitled:

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

6.5 Senior Mobility Transportation Services

Recommendation: Approve an agreement with Cabco Yellow, Inc. dba California Yellow Cab for senior mobility transportation services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.6 Water Efficient Median Improvement Project (Santa Maria Avenue)

Recommendation:

1. Approve final record plans and specifications reflecting completion of the “Water Efficient Median Improvement Project (Santa Maria Avenue)”.

AND

2. Accept project completion of the contract agreement with BrightView Landscape Services, Inc. for the “Water Efficient Median Improvement Project (Santa Maria Avenue)”.

AND

3. Release contract retention in the amount of \$3,223.04 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention.

AND

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

6.7 City Hall Refurbishment and Safety Project: Phase 2

Recommendation:

1. Approve the “City Hall Refurbishment and Safety Project: Phase 2” design plans and specifications as prepared by the project architect.

AND

2. Award a contract agreement to New Millennium Construction Services for the construction of the “City Hall Refurbishment and Safety Project: Phase 2”, in the amount of \$135,890, plus authorized change orders not to exceed 20% of the base

amount; and authorize the City Manager to execute a contract agreement and approve project changes, subject to approval of the contract agreement as to form by the City Attorney.

6.8 Conflict of Interest Code

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DETERMINING THAT NO CHANGES IN THE CONFLICT OF INTEREST CODE ADOPTED BY RESOLUTION NO. 18-27 ARE NECESSARY FOLLOWING THE REVIEW REQUIRED BY CALIFORNIA GOVERNMENT CODE SECTION 87306.5

VII. PUBLIC HEARINGS

7.1 False Security System Alarm Fees

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AN INCREASED FALSE SECURITY SYSTEM ALARM FEE, AND DETERMINING THAT THE FEE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

VIII. CITY COUNCIL BUSINESS

8.1 Residential Density Bonus Standards Regulations

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

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

8.2 Coronavirus Aid, Relief, and Economic Security Act Funding

Recommendation: Authorize the City Manager to implement and administer a COVID-19 Home Electric Utility Subsidy Program using Coronavirus Aid, Relief, and Economic Security Act funding to provide financial assistance to lower-income residents who are at least 65 years of age with increased electric utility costs as a result of complying with COVID-19-related public health measures.

8.3 City Council Meeting Schedule

Recommendation: Schedule an adjourned regular meeting of the City Council to be held at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting: Wednesday, October 21, 2020 at 2 p.m.
Laguna Woods City Hall
24264 El Toro Road, Laguna Woods, California 92637

6.0
CONSENT CALENDAR SUMMARY

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: September 16, 2020 Regular Meeting

SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the September 16, 2020 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 September 16, 2020 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on August 19, 2020 (Attachment A) and the adjourned regular meeting on August 27, 2020 (Attachment B).
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of August 2020.
- 6.3 Approval of the warrant register dated September 16, 2020 in the amount of \$544,996.69. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Adoption of a resolution approving and adopting an amendment of the Internal Revenue Code Section 125 Flexible Benefits Plan for City employees and taking other actions related to the administration, operation, and maintenance of the Flexible Benefits Plan. Provisions of the Coronavirus Aid, Relief, and Economic Security Act and other regulations and notices issued by federal agencies, allow the City to permit employees to carryover up to \$550 of unused amounts in their health flexible spending accounts to the immediately following plan year. Carryover amounts are also permitted to be adjusted in future years, as indexed to applicable statutory limits. The proposed resolution would implement those provisions in order to provide employees with increased flexibility to use their health flexible spending accounts. The proposed resolution would not increase the City's costs.
- 6.5 Approval of an agreement with Cabco Yellow, Inc. dba California Yellow Cab for senior mobility transportation services and authorization for the Mayor to execute the agreement, subject to approval as to form by the City Attorney. The Request for Proposals ("RFP") for senior mobility transportation services was released on August 6, 2020 with proposals due no later than August 28, 2020. California Yellow Cab was the only firm to submit a proposal. California Yellow Cab has provided senior mobility transportation services under an agreement with the City since 2003.
- 6.6 [1] Approval of final record plans and specifications reflecting completion of the "Water Efficient Median Improvement Project (Santa Maria Avenue)" (available for review at City Hall); [2] acceptance of project completion of the contract agreement with BrightView Landscape Services, Inc. for the "Water Efficient Median Improvement Project (Santa Maria Avenue)"; [3] release of contract retention in the amount of \$3,223.04 withheld per California Government Code 35 days following recordation of the Notice of Completion with the County of Orange, provided no Stop Notices are on file with the City preventing the release of the contract retention; and, [4] exoneration of project posted bonds 35 days following recordation of the Notice of Completion with the County of Orange. The subject project is included in the Fiscal Years 2019-30 Capital Improvement Program as a component of the "Water Efficient Median Improvement Project (El Toro Road between Calle Sonora and Moulton Parkway, Moulton Parkway between South City Limit and Calle Aragon, Santa Maria Avenue Shared Median)".

- 6.7 [1] Approval of the “City Hall Refurbishment and Safety Project: Phase 2” design plans and specifications as prepared by the project architect (available for review at City Hall). The subject project is included in the Fiscal Years 2019-30 Capital Improvement Program and generally includes the replacement and installation of interior doors, carpet, laminate, and an accessible ramp, as well as paint, wallpaper, the construction of a new wall, and the installation of a new hearing loop.

AND

- [2] Award of a contract agreement to New Millennium Construction Services for the construction of the “City Hall Refurbishment and Safety Project: Phase 2”, in the amount of \$135,890, plus authorized change orders not to exceed 20% of the base amount; and authorization for the City Manager to execute a contract agreement and approve project changes, subject to approval of the contract agreement as to form by the City Attorney. Bids to construct the subject project were solicited from August 6, 2020 to August 27, 2020. Five bids were received (A2Z Construct, Model Builders, New Millennium Construction Services, Nobel E&C, and RS Construction & Development) with New Millennium Construction Services bidding the lowest cost.
- 6.8 Adoption of a resolution determining that no changes in the conflict of interest code adopted by Resolution No. 18-27 are necessary following the review required by California Government Code Section 87306.5. The City is required to review conflict of interest codes at least every even-numbered year and identify whether any changes in conflict of interest codes are necessitated by changed circumstances by October 1 of the same year. Staff has reviewed the existing conflict of interest code (Attachment B) and determined that there are no changed conditions that necessitate changes. Staff recommends that the City Council review the existing conflict of interest code and, if no changed conditions are identified that necessitate changes, adopt the proposed resolution (Attachment A).

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6.1
CITY COUNCIL MINUTES

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
August 19, 2020
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Hatch called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:09 p.m.

II. ROLL CALL

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

All Councilmembers participated via teleconference as permitted by Governor Newsom’s Executive Order N-29-20 (dated March 17, 2020).

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

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

City Attorney Cosgrove participated via teleconference.

III. PLEDGE OF ALLEGIANCE

City Attorney Cosgrove led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Customer Time of Use (TOU) Rates – Southern California Edison

Kelley Lee and Josh Torres, Southern California Edison, made a presentation and responded to related questions from Councilmembers.

Councilmembers discussed the item.

V. PUBLIC COMMENT – None

VI. CONSENT CALENDAR

Mayor Hatch asked for discussion of Item 6.11.

Moved by Councilmember Conners, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.10. This vote was conducted by roll call.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on July 15, 2020.

6.2 City Treasurer’s Report

Received and filed the City Treasurer’s Report for the month of July 2020.

6.3 Warrant Register

Approved the warrant register dated August 19, 2020 in the amount of \$729,045.10.

6.4 Fiscal Years 2019-21 Budget Adjustments

1. Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEAR 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO ADJUSTMENTS OF FEDERAL GRANTS FUND APPROPRIATIONS FOR FUNDS FROM THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT

AND

2. Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND CORRECTING THE GENERAL FUND ASSIGNED RESERVE BALANCES FOR THE PAID LEAVE CONTINGENCY RESERVE AND THE GENERAL FUND CONTINGENCY RESERVE FOR FISCAL YEAR 2019-20

6.5 Building Official, Permit Counter, and Inspection Services

Approved an agreement with Willdan Engineering for building official, permit counter, and inspection services and authorized the Mayor to execute the agreement, subject to

approval as to form by the City Attorney.

6.6 Traffic Engineering Services

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

AND

2. Approved an agreement with Iteris, Inc. for traffic engineering services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.7 Harassment, Discrimination, and Retaliation Policy

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AMENDMENTS TO ADMINISTRATIVE POLICY 4.7 PERTAINING TO HARASSMENT, DISCRIMINATION, AND RETALIATION

6.8 State of Local Emergency (COVID-19) Executive Order

Confirmed Executive Order No. DES 2020-1-1 (Executive Order of the Director of Emergency Services Making and Issuing Rules and Regulations Regarding the Temporary Outdoor Operation of Certain Businesses that are Located within the City of Laguna Woods), dated July 22, 2020, pursuant to Laguna Woods Municipal Code Section 7.04.060.

6.9 Fiscal Years 2020-30 Pavement Management Plan

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE PAVEMENT MANAGEMENT PLAN FOR THE MEASURE M2 (M2) PROGRAM, AND ADOPTING A PAVEMENT MANAGEMENT PLAN FOR FISCAL YEARS 2020-21 THROUGH 2029-30

6.10 City Hall Refurbishment and Safety Project: Phase 2

Rejected all bids received for the “City Hall Refurbishment and Safety Project: Phase 2”.

Mayor Hach made comments regarding Item 6.11.

Moved by Councilmember Moore, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve Consent Calendar Item 6.11. This vote was conducted by roll call.

6.11 Laguna Woods Civic Support Fund

Appointed Ed Tao to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member.

VII. PUBLIC HEARINGS

7.1 Sign Program SP-1433 to allow for various signage at 23572 Moulton Parkway, Laguna Woods, CA 92637

City Manager Macon made a presentation.

Mayor Hatch opened the public hearing.

With no one requesting to speak, Mayor Hatch closed the public hearing.

Councilmembers discussed the item.

City Manager Macon and Chris Kelley, AKC representing the applicant for Sign Program SP-1433, responded to related questions.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING SIGN PROGRAM SP-1433 TO ALLOW FOR VARIOUS SIGNAGE AT 23572 MOULTON PARKWAY, LAGUNA WOODS, CA 92637, AND DETERMINING THAT THE SIGN PROGRAM IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT TO SECTION 15311 OF TITLE 14 OF THE CALIFORNIA CODE OF REGULATIONS

This vote was conducted by roll call.

7.2 Residential Density Bonus Standards Regulations

City Manager Macon made a presentation.

Mayor Hatch opened the public hearing.

With no one requesting to speak, Mayor Hatch closed the public hearing.

Councilmembers discussed the item.

City Attorney Cosgrove responded to a related question.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Horne, and carried unanimously on a 5-0 vote, to approve the introduction and first reading of an ordinance – read by title with further reading waived – entitled:

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

This vote was conducted by roll call.

VIII. CITY COUNCIL BUSINESS

8.1 Accessory Dwelling Unit Regulations

City Manager Macon introduced the item.

Moved by Mayor Pro Tem Horne, seconded by Councilmember Rainey, and carried unanimously on a 5-0 vote, to approve second reading and adopt an ordinance – read by title with further reading waived – entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING SECTIONS 13.06.010, 13.08.010, AND 13.26.230 OF THE LAGUNA WOODS MUNICIPAL CODE RELATED TO ACCESSORY DWELLING UNITS

This vote was conducted by roll call.

8.2 Temporary Sign Permit Fees (agendized by Councilmember Conners)

Councilmember Conners made a presentation.

City Manager Macon noted that staff have no objection to the recommended action.

Moved by Councilmember Conners, seconded by Councilmember Moore, and carried unanimously on a 5-0 vote, to, due to the impacts of COVID-19, waive the temporary sign permit fee of \$76 through December 31, 2020. This vote was conducted by roll call.

Councilmember Moore commented on the action taken.

At Mayor Hatch’s request, City Manager Macon commented on staff’s efforts to provide COVID-19-related business outreach.

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

City Manager Macon made a presentation.

Councilmembers discussed the item.

City Manager Macon and City Attorney Cosgrove responded to related questions.

Councilmembers expressed general support for the direction of the “City Hall/Public Library Project,” as presented.

Moved by Councilmember Moore, seconded by Councilmember Connors, and carried unanimously on a 5-0 vote, to approve the temporary deferral of the “Woods End Wilderness Preserve Trail Drainage and Improvement Project” and direct the City Manager to transfer the unexpended Fiscal Year 2020-21 General Fund appropriations for the “Woods End Wilderness Preserve Trail Drainage and Improvement Project” to the “City Hall/Public Library Project”. This vote was conducted by roll call.

8.4 City Council Meeting Schedule

City Manager Macon introduced the item and suggested that an adjourned regular meeting be scheduled on August 27, 2020 at 2 p.m.

Councilmembers discussed the item.

Mayor Pro Tem Horne advised that she has a scheduling conflict on August 27, 2020.

Moved by Councilmember Moore, seconded by Councilmember Rainey, and carried unanimously on a 4-0 vote with Mayor Pro Tem Horne abstaining due to her scheduling conflict, to schedule an adjourned regular meeting of the City Council to be held on August 27, 2020 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637. This vote was conducted by roll call.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

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

9.2 Orange County Fire Authority

Mayor Hatch provided a report and responded to a question from Councilmember Rainey. Councilmember Connors also responded to Councilmember Rainey’s question.

9.3 Orange County Library Advisory Board

No report.

9.4 Orange County Mosquito and Vector Control District

Mayor Pro Tem Horne provided a report and responded to questions from Mayor Hatch and Councilmember Rainey.

Mayor Pro Tem Horne commented on a roommate bill and impacts in Laguna Woods Village.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Connors provided a report and responded to a question from Mayor Hatch.

9.6 South Orange County Watershed Management Area

No report.

9.7 Other Comments and Reports

Councilmember Moore commented on her recent tour of the Smart Parke facility and displayed photographs taken during the tour.

Councilmembers commented on Councilmember Moore’s comments and Smart Parke.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 4:58 p.m. The next adjourned regular meeting will be at 2:00 p.m. on Thursday, August 27, 2020, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637. The next regular meeting will be at 2:00 p.m. on Wednesday, September 16, 2020, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, CMC, City Clerk

Approved: September 16, 2020

NOEL HATCH, Mayor

**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
ADJOURNED REGULAR MEETING
August 27, 2020
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Hatch called the Adjourned Regular Meeting of the City Council of the City of Laguna Woods to order at 2:02 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Conners, Moore, Hatch, Rainey
 ABSENT: Horne

The Councilmembers present participated via teleconference as permitted by Governor Newsom’s Executive Order N-29-20 (dated March 17, 2020).

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

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

City Attorney Cosgrove participated via teleconference.

III. PLEDGE OF ALLEGIANCE

City Attorney Cosgrove led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Citizenship Day & Constitution Week – September 7-23, 2020

City Clerk Trippy read the proclamation.

Councilmembers commented on the item and City Manager Macon and City Clerk Trippy responded to related questions.

Moved by Councilmember Rainey, seconded by Councilmember Conners, and carried unanimously on a 4-0 vote with Mayor Pro Tem Horne absent, to approve and present the proclamation. This vote was conducted by roll call.

V. PUBLIC COMMENT – None

VI. CONSENT CALENDAR

Moved by Councilmember Moore, seconded by Councilmember Conners, and carried unanimously on a 4-0 vote with Mayor Pro Tem Horne absent, to approve Consent Calendar items 6.1 – 6.3. This vote was conducted by roll call.

6.1 Fiscal Years 2019-21 Budget Adjustments

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, AMENDING AND ADOPTING THE FISCAL YEARS 2019-21 BUDGET AND WORK PLAN FOR FISCAL YEAR 2019-20 COMMENCING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021, RELATED TO ADJUSTMENTS OF PEG/CABLE TELEVISION FUND APPROPRIATIONS FOR THE “CITY HALL TELEVISION BROADCAST IMPROVEMENT PROJECT”

6.2 City Hall Janitorial Services

Approved an agreement with Omni Enterprise, Inc. for City Hall janitorial services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.3 Code Enforcement Services

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

VII. PUBLIC HEARINGS – None

VIII. CITY COUNCIL BUSINESS

8.1 State of Local Emergency (COVID-19)

City Manager Macon made a presentation. He stated that facts and figures had changed since the City Council last continued the existing local emergency proclamation, which speak to the proclamation’s ongoing need, including:

- The local emergency proclamation references morbidity and mortality statistics from the World Health Organization. Those figures have increased from

ITEM 6.1 – Attachment B

10,021,401 persons infected with COVID-19, worldwide, as of June 29, 2020, to 23,057,288 persons infected, worldwide, as of the WHO's August 24, 2020 COVID-19 Weekly Epidemiological Update. Likewise, the number of deaths, worldwide, has increased from 499,913 to 800,906 over the same period of time.

- In Orange County, according to information provided by the Orange County Health Care Agency, the total number of COVID-19 cases has increased from 13,064 as of June 29, 2020 to 47,090 as of August 26, 2020. Approximately 24% of cases have been adults age 55 and older. Despite accounting for approximately 24% of cases, adults age 55 and older account for approximately 87% of the 918 total COVID-19 deaths in Orange County. In Laguna Woods – where the average age as of the 2010 Census was nearly 78 – there have been 51 COVID-19 cases and five deaths.
- Though Orange County was recently removed from the State of California's COVID-19 monitoring list and many metrics show signs of improvement, Orange County continues to be impacted by COVID-19 with a case rate of 80.7 per 100,000 as of August 26, 2020.
- On March 22, 2020, President Trump approved a Major Disaster Declaration for the State of California. That Major Disaster Declaration remains in effect.

Councilmembers discussed the item.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, CONTINUING THE EFFECT OF THE PROCLAMATION OF THE EXISTENCE OF A LOCAL EMERGENCY THAT WAS ISSUED BY THE DIRECTOR OF EMERGENCY SERVICES ON MARCH 19, 2020 AND THEN RATIFIED AND CONTINUED IN EFFECT BY THE CITY COUNCIL ON MARCH 24, 2020, MAY 11, 2020, AND JUNE 30, 2020, ON THE BASIS OF ONGOING NEED FOR 60 DAYS (THROUGH OCTOBER 26, 2020) UNLESS TERMINATED PRIOR TO THAT DATE BY THE CITY COUNCIL, PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 8630

This vote was conducted by roll call.

8.2 Community Development Block Grant Coronavirus Aid, Relief, and Economic Security Act (CDBG-CV) Funding

City Manager Macon made a presentation.

Councilmembers discussed the item.

ITEM 6.1 – Attachment B

Moved by Councilmember Conners, seconded by Councilmember Moore, and carried unanimously on a 4-0 vote with Mayor Pro Tem Horne absent, to:

1. Authorize the City Manager to execute an agreement with the County of Orange to accept \$33,713 in Community Development Block Grant Coronavirus Aid, Relief, and Economic Security Act (CDBG-CV) funding for the implementation of a COVID-19 Face Coverings Reimbursement Program to provide financial assistance to businesses and nonprofit organizations with direct costs as a result of purchasing and/or manufacturing face coverings for Laguna Woods residents and/or employees of Laguna Woods businesses, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to implement and administer a COVID-19 Face Coverings Reimbursement Program using Community Development Block Grant CARES Act (CDBG-CV) funding.

This vote was conducted by roll call.

8.3 California Public Utilities Commission Tariff Rule 20A Allocation

City Manager Macon made a presentation.

Councilmembers discussed the item.

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

1. Approve a memorandum of understanding with the City of Newport Beach to transfer and assign the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of August 4, 2020 (\$55,903) to the City of Newport Beach for an acquisition price of \$30,746.65, and to provide the City of Newport Beach with first right of refusal to purchase future Rule 20A allocations through July 1, 2022, and authorize the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

AND

2. Authorize the City Manager to request that Southern California Edison transfer and assign the entire balance of the City of Laguna Woods' California Public Utilities Commission Tariff Rule 20A allocation balance as of August 4, 2020 to and for the benefit of the City of Newport Beach, and provide any additional documentation or information that is reasonably requested by Southern California Edison to complete the transfer.

This vote was conducted by roll call.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

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

9.2 Orange County Fire Authority

Mayor Hatch stated that there is a meeting tonight.

9.3 Orange County Library Advisory Board

No report.

Councilmember Moore asked Mayor Hatch a question regarding the Orange County Fire Authority. Mayor Hatch responded to Councilmember Moore's question.

9.4 Orange County Mosquito and Vector Control District

No report.

9.5 San Joaquin Hills Transportation Corridor Agency

No report.

9.6 South Orange County Watershed Management Area

Councilmember Moore stated that there had been no meeting since the last meeting and commented on South Orange County Wastewater Authority issues.

9.7 Other Comments and Reports – None

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 2:55 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, September 16, 2020, at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, CMC, City Clerk

Approved: September 16, 2020

NOEL HATCH, Mayor

6.2
CITY TREASURER'S REPORT

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City of Laguna Woods
City Treasurer's Report
 For the Month Ended August 31, 2020

ITEM 6.2

CASH AND INVESTMENTS

| | Beginning Balances As of 7/31/20 | Earnings & Receipts | Disbursements | Purchases, Transfers & Other Adjustments | Ending Balances As of 8/31/20 | % of Total Cash & Investment Balances | Maximum % Allowed per Investment Policy |
|---|-------------------------------------|---------------------|---------------------|--|----------------------------------|---------------------------------------|---|
| Cash and Cash Equivalents | | | | | | | |
| Analyzed Checking Account (Note 1) | \$ 621,451 | \$ 372,598 | \$ (545,830) | \$ - | \$ 448,220 | 3.82% | |
| Cash Balances, Multi-Bank Securities (MBS) Account (Note 4) | \$ 5,618 | \$ 5,606 | \$ (5,771) | \$ - | \$ 5,453 | 0.05% | |
| Earned Interest in Transit and Accrued Interest, MBS Account (Note 4) | \$ 11,807 | \$ 6,035 | \$ (5,606) | \$ - | \$ 12,236 | 0.10% | |
| Petty Cash | \$ 2,302 | \$ 198 | \$ - | \$ - | \$ 2,500 | 0.02% | |
| Total Cash and Cash Equivalents | \$ 641,179 | \$ 384,437 | \$ (557,206) | \$ - | \$ 468,409 | 3.99% | 100.00% |
| Pooled Money Investment Accounts | | | | | | | |
| Local Agency Investment Fund (LAIF) (Notes 2 and 3) | \$ 6,438,058 | \$ - | \$ - | \$ - | \$ 6,438,058 | 54.91% | |
| Orange County Investment Pool (OCIP) (Notes 2 and 3) | \$ 2,165,036 | \$ - | \$ - | \$ - | \$ 2,165,036 | 18.46% | |
| Total Pooled Money Investment Accounts | \$ 8,603,094 | \$ - | \$ - | \$ - | \$ 8,603,094 | 73.37% | 90.00% |
| Investments - Interest and Income Bearing | | | | | | | |
| Certificates of Deposit (fair value) (Note 2 and 4) | \$ 2,656,307 | \$ - | \$ - | \$ (2,239) | \$ 2,654,068 | 22.63% | |
| Total Investments - Interest and Income Bearing | \$ 2,656,307 | \$ - | \$ - | \$ (2,239) | \$ 2,654,068 | 22.63% | 30.00% |
| TOTAL | \$ 11,900,580 | \$ 384,437 | \$ (557,206) | \$ (2,239) | \$ 11,725,571 | 100.00% | |

Summary of Total Cash, Cash Equivalents, and Investments:

| | General Fund | Special Revenue Funds | Totals |
|--|---------------------|-----------------------|----------------------|
| Analyzed Checking Account | \$ (1,354,509) | \$ 1,802,729 | \$ 448,220 |
| Cash Balances, MBS Account | \$ 5,453 | \$ - | \$ 5,453 |
| Earned Interest in Transit and Accrued Interest, MBS Account | \$ 12,236 | \$ - | \$ 12,236 |
| Petty Cash | \$ 2,500 | \$ - | \$ 2,500 |
| LAIF | \$ 6,438,058 | \$ - | \$ 6,438,058 |
| OCIP | \$ 2,165,036 | \$ - | \$ 2,165,036 |
| Certificates of Deposit | \$ 2,654,068 | \$ - | \$ 2,654,068 |
| Totals | \$ 9,922,842 | \$ 1,802,729 | \$ 11,725,571 |

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
 For the Month Ended August 31, 2020

ITEM 6.2

CASH AND INVESTMENTS

| CUSIP | Investment # | Issuer | Term | Purchase Date | Settlement Date | Par Value | Market Value | Book Value | Stated Rate (Note 4) | Coupon Type | 1st Coupon Date | Rating or Rank (*) | Yield to Maturity 365 Days | Maturity Date |
|--|--------------|----------------------------------|-----------|---------------|-----------------|------------------|------------------|------------------|----------------------|-------------|-----------------|--------------------|----------------------------|---------------|
| Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured) | | | | | | | | | | | | | | |
| 38148PTD9 | 2017-6 | GOLDMAN SACHS BANK USA | 36 months | 11/16/17 | 11/22/17 | 245,000 | 246,134 | 245,000 | 2.050 | Semi-Annual | 05/22/18 | Green* | 2.050 | 11/23/20 |
| 61747ML58 | 2018-1 | MORGAN STANLEY BK N A SALT LAKE | 36 months | 02/14/18 | 02/22/18 | 100,000 | 101,228 | 100,000 | 2.600 | Semi-Annual | 08/22/18 | Green*** | 2.600 | 02/22/21 |
| 05580AMD3 | 2018-4 | BMW BANK NORTH AMERICA | 36 months | 03/23/18 | 03/29/18 | 245,000 | 248,734 | 245,000 | 2.700 | Semi-Annual | 09/29/18 | Green*** | 2.700 | 03/29/21 |
| 254673RS7 | 2018-5 | DISCOVER BANK (#5649) | 36 months | 07/11/18 | 07/18/18 | 245,000 | 251,346 | 245,000 | 3.000 | Semi-Annual | 01/18/19 | Green*** | 3.000 | 07/19/21 |
| 87164YQG2 | 2018-8 | SYNCHRONY BANK RETAIL/MORGAN | 60 months | 05/19/17 | 05/19/17 | 100,000 | 103,886 | 98,288 | 2.470 | Semi-Annual | 11/19/17 | Green*** | 2.400 | 05/19/22 |
| 90348JEA4 | 2018-6 | UBS BANK USA | 48 months | 10/01/18 | 10/05/18 | 245,000 | 260,856 | 245,000 | 3.250 | Monthly | 11/05/18 | Green*** | 3.250 | 10/05/22 |
| 61760ARV3 | 2018-7 | MORGAN STANLEY PRIVATE BK NATL | 60 months | 11/06/18 | 11/15/18 | 245,000 | 270,999 | 245,000 | 3.550 | Semi-Annual | 05/15/19 | Green*** | 3.550 | 11/15/23 |
| 02589AA28 | 2018-9 | AMERICAN EXPRESS NATL | 60 months | 12/04/18 | 12/04/18 | 240,000 | 265,848 | 240,000 | 3.550 | Semi-Annual | 06/04/19 | Green*** | 3.550 | 12/04/23 |
| 33715LCZ1 | 2018-10 | FIRST TECHNOLOGY FED CU MTN VIEW | 60 months | 12/07/18 | 12/12/18 | 245,000 | 271,940 | 245,000 | 3.600 | Monthly | 01/12/19 | Green*** | 3.600 | 12/12/23 |
| 949763ZA7 | 2019-1 | WELLS FARGO BK N A | 60 months | 04/09/19 | 04/10/19 | 245,000 | 266,335 | 245,000 | 2.850 | Monthly | 05/10/19 | Green* | 2.850 | 04/10/24 |
| 75472RBB6 | 2020-1 | RAYMOND JAMES BK NATL ASSN | 60 months | 02/06/20 | 02/14/20 | 245,000 | 260,210 | 245,000 | 1.750 | Semi-Annual | 08/14/20 | Green*** | 1.750 | 02/14/25 |
| 59013KGJ9 | 2020-2 | MERRICK BANK | 60 months | 03/24/20 | 03/31/20 | 100,000 | 106,552 | 100,000 | 1.800 | Monthly | 05/01/20 | Green*** | 1.800 | 03/31/25 |
| Accrued Interest - Month End | | | | | | | 12,236 | | | | | | | |
| Total CDs | | | | | | 2,500,000 | 2,666,304 | 2,498,288 | | | | | | |

(*) At the time of purchase and until September 2017, CDs were rated or ranked using an IDC Financial Publishing, Inc. (IDC) compiled ranking, and includes a one-number summary rank of quality comprised of 35 key financial ratios. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups per Table 1. Post September 2017, CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. Table 2 below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

Table 1: CD Rankings (used prior to September 2017)

| IDC Rank | Group Meaning |
|----------|--------------------------------|
| 200-300 | Superior |
| 165-199 | Excellent |
| 125-164 | Average |
| 75-124 | Below Average |
| 2-74 | Lowest Ratios |
| 1 | Highest Probability of Failure |

Table 2: Veribanc Color Rankings (used post September 2017)

| Veribanc Rank | Color Meaning |
|---------------|---|
| Green | Highest rating, exceeds qualifications in equity and income tests |
| Yellow | Merits attention, meets minimal qualifications in equity and income tests |
| Red | Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses |

Government Pooled Money Investment Accounts (PMIA) (Notes 2 and 3)

| CUSIP | Investment # | Issuer | Term | Purchase Date | Settlement Date | Par Value | Market Value | Book Value | Stated Rate | Coupon Type | 1st Coupon Date | Rating or Rank (*) | Yield to Maturity 365 Days | Maturity Date |
|-------------------|--------------|--------------------------------------|------|---------------|-----------------|------------------|------------------|------------------|-------------|-------------|-----------------|--------------------|----------------------------|---------------|
| N/A | N/A | Local Agency Investment Fund (LAIF) | N/A | Various | Various | 6,438,058 | 6,438,058 | 6,438,058 | Pending | N/A | N/A | N/A | N/A | N/A |
| N/A | N/A | Orange County Investment Pool (OCIP) | N/A | Various | Various | 2,165,036 | 2,165,036 | 2,165,036 | Pending | N/A | N/A | N/A | N/A | N/A |
| Total PMIA | | | | | | 8,603,094 | 8,603,094 | 8,603,094 | | | | | | |

(See NOTES on Page 3 of 3)



City of Laguna Woods
City Treasurer's Report
 For the Month Ended August 31, 2020

CASH AND INVESTMENTS

| | Beginning Balances As of 7/31/20 | Contributions / (Withdrawals) | Administrative Fees & Investment Expense | Unrealized Gain / (Loss) | Ending Balances As of 8/31/20 |
|--|--|----------------------------------|---|-----------------------------|----------------------------------|
| Other Post-Employment Benefits (OPEB) Trust | | | | | |
| CalPERS California Employers' Retiree Benefit Trust (CERBT) (CERBT holds all assets and administers the OPEB Trust) | \$ 131,099 | \$ - | \$ (10) | \$ 1,354 | \$ 132,444 |
| Total Other Funds - Held in Trust | <u>\$ 131,099</u> | <u>\$ -</u> | <u>\$ (10)</u> | <u>\$ 1,354</u> | <u>\$ 132,444</u> |

Notes:

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect August 2020 vendor invoicing processed after the date of this report.

Note 2 - During August 2020, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to or withdrawals from the LAIF account. The balance includes an adjustment in the amount of \$31,363.52 to reflect the fair market value of the investment at June 30, 2020.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of \$18,013.41 to reflect the fair market value of the investment at June 30, 2020.

Investments / There were no maturities or purchases of investments. Investments were adjusted in the amount of (\$2,239.30) to report balances at fair market value as of August 31, 2020.

OPEB Trust / The City made no contributions to the OPEB Trust. The OPEB Trust experienced a net gain of \$1,344.48 in August 2020.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported August 2020 net of related fees were:

| Pool | Earnings Post | Prior Period Earnings Deposited | Deposit for Period Ended | Current Month / Quarter Gross Yield | Current Month / Quarter Earnings Will Post | Notes |
|------|---------------|---------------------------------|--------------------------|-------------------------------------|--|--|
| LAIF | Quarterly | \$0 | N/A | See Notes | October 2020 | Total pool interest for August 2020 was 0.784% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted. |
| OCIP | Monthly | \$2,649 | April 2020 | See Notes | See Notes | The OCIP August 2020 statement had not been received at the time of this report; balance reported is as of July 31, 2020. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at July 31, 2020 was \$6,831.21. July 2020 interest rate was 1.223% and fees were 0.059%. |

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$5,605.60 and transferred out \$5,771.09 in cash balances to the City's checking account in August 2020. Cash balances to be invested or paid out are classified separately on page 1 of 3. The City's portfolio also has \$12,236.21 in accrued interest, not yet vested.

City Treasurer's Certification

I, Elizabeth Torres, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.


 Elizabeth Torres, City Treasurer

9/10/20
 Date

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6.3
WARRANT REGISTER

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CITY OF LAGUNA WOODS
WARRANT REGISTER
September 16, 2020

ITEM 6.3

This Report Covers the Period 8/01/2020 through 8/31/2020

| Date | Vendor Name | Description | Amount | |
|--------------|-------------------------------|--|--|-----------|
| Debit | Automatic Bank Debits | | | |
| 08/03/2020 | GLOBAL PAYMENTS / OPEN EDGE | Credit Card Processing Fees / July 2020 | 199.69 | |
| 08/04/2020 | CALPERS - RETIREMENT | Retirement Contributions / Pay Period Ended 07/03/2020 | 2,993.57 | |
| 08/04/2020 | CALPERS - RETIREMENT | Retirement Contributions / Pay Period Ended 07/03/2020 | 1,995.83 | |
| 08/06/2020 | ADP TAX | Payroll Taxes / Pay Period Ended 07/31/2020 | 8,961.64 | |
| 08/06/2020 | ADP WAGE PAY | Payroll Transfer / Pay Period Ended 07/31/2020 | 19,946.61 | |
| 08/07/2020 | ICMA / MFRS AND TRADERS TRUST | Employee Benefit Program / Pay Period Ended 7/31/2020 | 1,488.46 | |
| 08/07/2020 | ADP PAYROLL SERVICES | Payroll Processing Fees / Pay Periods Ended 07/03/2020 and 7/17/2020 | 359.70 | |
| 08/10/2020 | COUNTY OF ORANGE - SHERIFF | Law Enforcement Services / July 2020 | 241,139.80 | |
| 08/11/2020 | CALPERS - HEALTH | Employee Benefit Program / August 2020 | 6,625.84 | |
| 08/14/2020 | U.S. BANK | Bank Service Charges / July 2020 | 131.07 | |
| 08/18/2020 | CALPERS - RETIREMENT | Retirement Contributions / Pay Period Ended 07/17/2020 | 2,993.56 | |
| 08/18/2020 | CALPERS - RETIREMENT | Retirement Contributions / Pay Period Ended 07/17/2020 | 1,911.66 | |
| 08/19/2020 | BUSINESS PLANS | Employee Benefit Program / August 2020 | 416.67 | |
| 08/20/2020 | ADP TAX | Payroll Taxes / Pay Period Ended 08/14/2020 | 8,639.09 | |
| 08/20/2020 | ADP WAGE PAY | Payroll Transfer / Pay Period Ended 08/14/2020 | 18,984.72 | |
| 08/21/2020 | ICMA / MFRS AND TRADERS TRUST | Employee Benefit Program / Pay Period Ended 8/14/2020 | 1,488.46 | |
| Numbe | Warrants: | | | |
| 4094 | 08/06/2020 | 360 BUSINESS CONSULTING | Website Hosting / July 2020 | 200.00 |
| 4095 | 08/06/2020 | AGE WELL SENIOR SERVICES | Permit Deposit Refund | 2,295.00 |
| 4096 | 08/06/2020 | CALIFORNIA INTERNET LP | City Hall Internet Service / August 2020 | 349.00 |
| 4097 | 08/06/2020 | CALIFORNIA JPIA | Property Insurance / Fiscal Year 2020-21 | 13,923.00 |
| 4098 | 08/06/2020 | CITY OF LAGUNA BEACH | Animal Control & Shelter Services / July 2020 | 9,087.17 |
| 4099 | 08/06/2020 | COUNTY OF ORANGE | Automated Fingerprint ID System / July 2020 | 726.00 |
| 4100 | 08/06/2020 | COUNTY OF ORANGE | NPDES Water Quality Support Annual Fee / Fiscal Year 2020-21 | 272.30 |
| 4101 | 08/06/2020 | PETTY CASH | Replenish Petty Cash | - |
| 4102 | 08/06/2020 | PROTEL COMMUNICATIONS, INC | Telephone Maintenance / July 2020 | 559.00 |
| 4103 | 08/06/2020 | SOUTHERN CALIFORNIA EDISON | Street Lighting / July 2020 | 1,520.88 |
| 4104 | 08/06/2020 | STAPLES | Office Supplies / July 2020 | 154.48 |
| 4105 | 08/06/2020 | SUNSET PROPERTY SERVICES | Street Sweeping Services / July 2020 | 2,832.00 |
| 4106 | 08/06/2020 | YOUNG SOON KIM | Taxi Voucher Refund | 86.80 |
| 4107 | 08/06/2020 | BARTEL ASSOCIATES, LLC | Final OPEB Funding Valuation / Fiscal Year 2019-20 | 645.00 |
| 4108 | 08/06/2020 | COUNTY OF ORANGE | 800 MHz Communication Charges / April - June 2019 | 360.01 |
| 4109 | 08/06/2020 | IRWIN B BORNSTEIN, CPA | Financial Consulting Services / June 2020 | 950.00 |
| 4110 | 08/06/2020 | PRACTICAL DATA SOLUTIONS | IT Support Services / June 2020 | 11,429.14 |
| 4111 | 08/12/2020 | EL TORO WATER DISTRICT | City Hall/Public Library Project | 300.00 |
| 4112 | 08/12/2020 | ORANGE COUNTY FIRE AUTHORITY | City Hall/Public Library Project | 668.00 |
| 4113 | 08/12/2020 | VAN DYKE LANDSCAPE ARCHITECTS | Landscape Architectural Services / June 2020 | 550.00 |
| 4114 | 08/12/2020 | AT&T | Telephone / 583-1105 / July 2020 | 22.49 |
| 4115 | 08/12/2020 | AT&T | White Pages / August 2020 | 4.48 |
| 4116 | 08/12/2020 | AT&T | Telephone / 581-9821 / July 2020 | 78.02 |
| 4117 | 08/12/2020 | CALIFORNIA YELLOW CAB | Taxi Voucher Services / July 2020 | 526.00 |
| 4118 | 08/12/2020 | COUNTY OF ORANGE | 800 MHz Communication Charges / July - September 2020 | 869.00 |

CITY OF LAGUNA WOODS

ITEM 6.3

WARRANT REGISTER

September 16, 2020

This Report Covers the Period 8/01/2020 through 8/31/2020

| Date | Vendor Name | Description | Amount |
|--|-------------------------------------|---|----------------------|
| 4119 08/12/2020 | GOLDEN RAIN FOUNDATION | Permit Deposit Refund | 1,623.94 |
| 4120 08/12/2020 | HARRIET HIMMELSTEIN | Taxi Voucher Refund | 82.00 |
| 4121 08/12/2020 | JEAN GROSSMAN | Taxi Voucher Refund | 60.00 |
| 4122 08/12/2020 | KONE INC. | City Hall Elevator Maintenance / August 2020 | 225.00 |
| 4123 08/12/2020 | ORANGE COUNTY REGISTER-NOTICES | Public Notices / July 2020 | 838.00 |
| 4124 08/12/2020 | RICOH USA, INC. | Copier Usage / May - July 2020 | 166.09 |
| 4125 08/12/2020 | SOUTHERN CALIFORNIA EDISON | Electric Services / July 2020 | 6,469.66 |
| 4126 08/12/2020 | THE GAS COMPANY | Gas Service - City Hall / July 2020 | 14.79 |
| 4127 08/12/2020 | WLC ARCHITECTS | City Hall Refurbishment & Safety Project: Phase 2 / July 2020 | 120.00 |
| 4128 08/12/2020 | WM CURBSIDE, LLC | HHW, Medicine & Sharps Program / July 2020 | 2,921.35 |
| 4129 08/21/2020 | ORANGE COUNTY CLERK-RECORDER | Document Recording Fee | 50.00 |
| 4130 08/21/2020 | BALLIET, MICHAEL | Waste Management Consulting Services / July 2020 | 3,017.50 |
| 4131 08/21/2020 | BRIGHTVIEW LANDSCAPE SERVICES, INC. | Landscape Maintenance / July 2020 | 7,653.06 |
| 4132 08/21/2020 | CALIFORNIA YELLOW CAB | NEMT Taxi Voucher Services / July 2020 | 1,726.00 |
| 4133 08/21/2020 | COASTAL BUILDING SERVICES, INC | Janitorial Services / July 2020 | 1,523.30 |
| 4134 08/21/2020 | COUNTY OF ORANGE | Automated Fingerprint ID System / August 2020 | 726.00 |
| 4135 08/21/2020 | DARYL EDEN | Administrative Citation Refund | 100.00 |
| 4136 08/21/2020 | FOREST PRINTING & COPYING INC | Printing Services | 60.34 |
| 4137 08/21/2020 | GOGOV, INC. | Code Enforcement & Water Quality Software / Fiscal Year 2020-21 | 2,280.00 |
| 4138 08/21/2020 | HANNAH BROWN | Taxi Voucher Refund | 70.00 |
| 4139 08/21/2020 | ICMA RETIREMENT CORPORATION | Plan Fee / 1st Quarter Fiscal Year 2020-21 | 125.00 |
| 4140 08/21/2020 | JACQUELINE MORGON | Taxi Voucher Refund | 161.00 |
| 4141 08/21/2020 | OBR ARCHITECTURE, INC. | City Hall/Public Library Project | 10,140.00 |
| 4142 08/21/2020 | PARK CONSULTING GROUP, INC | Software Implementation Services / July 2020 | 4,850.00 |
| 4143 08/21/2020 | PROTEL COMMUNICATIONS, INC | Telephone Maintenance / July 2020 | 299.00 |
| 4144 08/21/2020 | TOBI CANIN | Taxi Voucher Refund | 59.50 |
| 4145 08/21/2020 | TRAUMA INTERVENTION PROGRAMS, INC | Emotional & Practical Support Services / Fiscal Year 2020-21 | 1,998.24 |
| 4146 08/21/2020 | UNITED STATES POSTAL SERVICE | Postage | 1,750.00 |
| 4147 08/21/2020 | WILLDAN ENGINEERING | Code Enforcement Services / July 2020 | 3,074.00 |
| 4147 08/21/2020 | WILLDAN ENGINEERING | Building Official Services / July 2020 | 15,000.00 |
| 4148 08/21/2020 | XIU YUN ZANG | Cancelled Permit Refund | 68.74 |
| 4149 08/21/2020 | CITY OF ALISO VIEJO | Dairy Fork Constructed Wetland Maintenance Cost-Share / Fiscal Year 2019-20 | 6,339.89 |
| 4150 08/21/2020 | SIEMENS MOBILITY, INC. | Traffic Maintenance / June 2020 | 54,061.14 |
| 4151 08/28/2020 | ARLENE KELMAN | Taxi Voucher Refund | 138.00 |
| 4152 08/28/2020 | BUSINESS PLANS, INCORPORATED | 125 Cafeteria Plan Administration / August 2020 | 295.00 |
| 4153 08/28/2020 | CIVIL SOURCE | Building Inspection & Counter Services / July 2020 | 30,282.00 |
| 4154 08/28/2020 | COASTAL CURRENT ELECTRIC | Building Permit Refund | 90.50 |
| 4155 08/28/2020 | CSMFO | Employee Development Training | 150.00 |
| 4156 08/28/2020 | MANAGED HEALTH NETWORK | Employee Benefits Program / September 2020 | 18.81 |
| 4157 08/28/2020 | MICHAEL BAKER INTERNATIONAL | Planning Services / July 2020 | 19,470.50 |
| 4158 08/28/2020 | RICOH USA, INC. | Copier Lease / September 2020 | 214.20 |
| Total Bank Debits and Warrants: | | | \$ 544,996.69 |

CITY OF LAGUNA WOODS
WARRANT REGISTER
September 16, 2020

This Report Covers the Period 8/01/2020 through 8/31/2020

NOTES:

Note 1 - City Councilmembers are eligible to receive either a salary or vehicle reimbursement allowance in the amount of \$300 per month (\$3,600 per year). Such compensation is included in the City's regular payroll (see "ADP Payroll Services" under "Automatic Bank Debits"), unless waived by the Councilmember. For the month of August 2020, the following Councilmembers received compensation in the amount of \$300: Conners, Hatch, Horne, and Rainey.

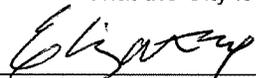
Note 2 - Petty cash is reported as cash is paid out, not when the fund is replenished. No petty cash transactions were paid during this time period. The petty cash replenishment on August 6, 2020 was to replenish the overdrawn cash drawers for taxi voucher refunds.

Note 3 - No credit card transactions were paid during this time period.

Administrative Services Director/City Treasurer's Certification

I, Elizabeth Torres, Administrative Services Director / City Treasurer, do hereby certify:

- In accordance with California Government Code Section 37202, I hereby certify to the accuracy of the demands on cash summarized within;
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months; and
- That the City is in compliance with California Government Code Section 27108.



Elizabeth Torres, Administrative Services Director/City Treasurer

9/10/20
Dated

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6.4 EMPLOYEE BENEFITS

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RESOLUTION NO. 20-XX

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

WHEREAS, the City has an Internal Revenue Code Section 125 Flexible Benefits Plan for City employees (“Flexible Benefits Plan”), for which various support services are provided by BusinessPlans, Incorporated; and

WHEREAS, the City desires to amend the existing Flexible Benefits Plan in order to implement provisions of the Coronavirus Aid, Relief, and Economic Security Act and other regulations and notices issued by federal agencies related to the ability of City employees to carryover unused amounts in their health flexible spending accounts between plan years; and

WHEREAS, staff has recommended that the restated Flexible Benefits Plan be made effective retroactive to January 1, 2020.

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

SECTION 1. The City Council hereby approves and adopts an amendment of the Internal Revenue Code Section 125 Flexible Benefits Plan, attached hereto as Exhibit A, to be effective retroactive to January 1, 2020.

SECTION 2. The Mayor is hereby authorized to execute the amendment of the Internal Revenue Code Section 125 Flexible Benefits Plan attached hereto as Exhibit A.

SECTION 3. The City Council hereby authorizes the City Manager and/or Administrative Services Director/City Treasurer to take any additional actions necessary to follow the processes and procedures established by BusinessPlans, Incorporated to operate and maintain the Internal Revenue Code Section 125

Flexible Benefits Plan including, without limitation, execution of agreements, documents, and certifications as may be necessary or advantageous.

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2020.

NOEL HATCH, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 20-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2020, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

2020 AMENDMENT FOR CARES ACT AND OTHER CHANGES

**ARTICLE 1
PREAMBLE; DEFINITIONS**

- 1.1 **Adoption of Amendment.** The Employer adopts this Amendment to implement provisions of the Act and other regulations and Notices issued by the IRS or DOL which affect the Plan.
- 1.2 **Superseding of inconsistent provisions.** This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.
- 1.3 **Construction.** Except as otherwise provided in this Amendment, any "Section" reference in this Amendment refers only to this Amendment and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment and does not relate to the Plan article, section, or other numbering designations.
- 1.4 **Effect of restatement of Plan.** If the Employer restates the Plan then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (e.g., if the Plan is restated onto a plan document which incorporates these provisions).
- 1.5 **Definitions.** Except as otherwise provided in this Amendment, terms defined in the Plan will have the same meaning in this Amendment. The following definition applies specifically to this Amendment:

The "Act" is the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act. This Amendment shall be interpreted and applied to comply with the Act.

**ARTICLE 2
IDENTIFYING INFORMATION; EMPLOYER ELECTIONS**

- 2.1 **Identifying information.**
- A. Name of Employer: City of Laguna Woods
- B. Name of Plan: City of Laguna Woods Section 125 Flexible Benefits Plan
- 2.6 **Carryover.** Will the Plan adopt the carryover provisions and/or the new adjustment for the carryover of amounts to be used in the health flexible spending account - \$550 for Plan Years beginning on or after January 1, 2020, and adjusted in future years, as described in Article 5.
- (a) **Yes.**
- (b) **No.**
- 2.8 **Effective Date.** This Amendment is effective as of January 1, 2020, or, if later, the following date:
_____.

**ARTICLE 5
HEALTH FLEXIBLE SPENDING ACCOUNT CARRYOVER**

- 5.1 **Application.** This Section 5.1 will apply if the Employer has made Election 2.6. A Participant in the Health Flexible Spending Account may carry over up to \$550 for a Plan Year beginning on or after January 1, 2020 of unused amounts in the Health Flexible Spending Account remaining at the end of one Plan Year to the immediately following Plan Year, subject to any further provisions or restrictions of the Plan. Such limit shall be adjusted in future years, as indexed to 20% of the statutory limit under Code Section 125(i) for health flexible spending accounts.

* * * * *

This Amendment has been executed this _____ day of _____, 20_____.

Name of Plan: City of Laguna Woods Section 125 Flexible Benefits Plan

Name of Employer: City of Laguna Woods

By: _____
EMPLOYER

CERTIFICATE OF ADOPTING RESOLUTION

The undersigned authorized representative of City of Laguna Woods (the Employer) hereby certifies that the following resolution was duly adopted by Employer on _____, and that such resolution has not been modified or rescinded as of the date hereof;

RESOLVED, this Amendment to the City of Laguna Woods Cafeteria Plan is hereby approved and adopted and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Plan Administrator the Amendment and to take any and all actions as it may deem necessary to effectuate this resolution.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date: _____

Signed: _____

[print name/title]

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6.5
SENIOR MOBILITY TRANSPORTATION
SERVICES

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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
CABCO YELLOW, INC. DBA CALIFORNIA YELLOW CAB
FOR SENIOR MOBILITY TRANSPORTATION SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this 1st day of October 2020 ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and Cabco Yellow, Inc. dba California Yellow Cab ("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 October 1, 2020 and ending at 11:59 p.m. on June 30, 2023. Such term may be extended upon written agreement of both parties to this AGREEMENT through a maximum of 11:59 p.m. on June 30, 2024.

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

ITEM 6.5

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 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 (see EXHIBIT "D" "REQUIRED INVOICE FORMATS"). 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, Orange County Transportation Authority, 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.

ITEM 6.5

(b) The personnel performing the services under this AGREEMENT on behalf of CONSULTANT shall at all times be under CONSULTANT's exclusive direction and control. Neither CITY, nor any elected or appointed boards, officers, officials, employees or agents of CITY, shall have control over the conduct of CONSULTANT or any of CONSULTANT's officers, officials, employees or agents, except as set forth in this AGREEMENT. CONSULTANT shall not at any time or in any manner represent that CONSULTANT or any of CONSULTANT's officers, officials, employees or agents is in any manner officials, officers, employees or agents of CITY.

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

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

SECTION 9. STANDARD OF PERFORMANCE.

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

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

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

(b) CONSULTANT shall not be debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs, or from receiving Federal contracts,

subcontracts, or financial or nonfinancial assistance or benefits, under Executive Order 12549, "Debarment and Suspension" (24 CFR 85.35) or other Federal laws, statutes, codes, ordinances, regulations or rules, at any time during the term of this AGREEMENT.

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, religion, creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy, childbirth or related medical conditions, veteran status, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, sex, age over 40 years, or any other basis protected by applicable federal, state, or local law, including association with individuals with one or more of these protected characteristics or perception that an individual has one or more of these protected characteristics in connection with or related to the performance of this AGREEMENT.

SECTION 12. UNAUTHORIZED ALIENS.

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

SECTION 13. CONFLICTS OF INTEREST.

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

(b) CITY understands and acknowledges that CONSULTANT is, as of the date of execution of this AGREEMENT, independently involved in the performance of non-related services for other governmental agencies and private parties. CONSULTANT is unaware of any stated position of CITY relative to such projects. Any future position of CITY on such projects

shall not be considered a conflict of interest for purposes of this section.

SECTION 14. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

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

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

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

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

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which

ITEM 6.5

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.

(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

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

SECTION 31. SEVERABILITY.

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

SECTION 32. NO THIRD-PARTY BENEFICIARIES.

This AGREEMENT, its provisions, and its covenants, are for the sole and exclusive benefit of CITY and CONSULTANT. No other parties or entities are intended to be,

nor shall be considered, beneficiaries of the performance by either party of any of the obligations under this AGREEMENT.

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

CITY OF LAGUNA WOODS:

By _____
Noel Hatch, Mayor

CONSULTANT:

By _____
Tim Conlon, President

APPROVED AS TO FORM:

David B. Cosgrove, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT shall be required to perform and complete senior mobility transportation services for CITY's Senior Mobility Program by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, in accordance with standards and specifications as contained in this AGREEMENT.

SENIOR MOBILITY PROGRAM SUMMARY

CITY's Senior Mobility Program generally consists of the following:

General Travel Vouchers ("Taxi Bucks")

Taxi Bucks are available in books valued at \$50 and \$100 and can be used by Laguna Woods residents for any trip beginning or ending in Laguna Woods to or from any point in Orange County with the exception of John Wayne Airport. Residents purchase Taxi Bucks at Laguna Woods City Hall and use them in lieu of cash or other payment (with one Taxi Buck equaling \$1). CONSULTANT's drivers submit redeemed taxi vouchers to CONSULTANT, which then invoices CITY on a monthly basis. Travel arrangements are made by residents directly with CONSULTANT. No payment is provided for trips that are cancelled or missed by residents.

For ease of use within a core service area, trips to or from destinations located within four miles of any Laguna Woods address are charged a single, fixed price fare.

Non-Emergency Medical Transportation ("NEMT") – NEMT Vouchers

NEMT – NEMT Vouchers are available to Laguna Woods residents for certain non-emergency medical trips (e.g., routine doctors' appointments; does not include stand-alone pharmacy trips) beginning or ending in Laguna Woods to or from a designated facility in Orange County or the Long Beach Veterans Hospital (see list below). Residents purchase NEMT vouchers at Laguna Woods City Hall and use them in lieu of cash or other payment (with each NEMT voucher being valid for only certain locations). CONSULTANT's drivers submit redeemed NEMT vouchers to CONSULTANT, which then invoices CITY on a monthly basis with the redeemed NEMT vouchers submitted as backup. Travel arrangements are made by residents directly with CONSULTANT. No payment is provided for trips that are cancelled or missed by residents.

Designated Facilities for NEMT Vouchers (subject to change at CITY's sole discretion)

- VOUCHER 1: Good for a one-way trip to or from Laguna Woods and one of the following:
 - Fresenius Medical Care (23681 Via Linda, Mission Viejo, CA 92691)
 - Gottschalk Medial Plaza (1 Medical Plaza Drive, Irvine, CA 92617)

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- Hoag – Irvine (16200-16300 Sand Canyon Avenue, Irvine, CA 92618)
 - Kaiser Aliso Viejo / Foothill Ranch / Irvine / Mission Viejo / Tustin
 - Mission Medical Plaza (26800 Crown Valley Parkway, Mission Viejo, CA 92691)
 - Mission Viejo Medical Offices (27800 Medical Center Road, Mission Viejo, CA 92691)
 - Taj Mahal Medical Center (23521 Paseo de Valencia, Laguna Hills, CA 92653)
 - UCI – Irvine (850 Health Sciences Road, Irvine, CA 92617)
- VOUCHER 2: Good for a one-way trip to or from Laguna Woods and one of the following:
 - Hoag Hospital (1 Hoag Drive, Newport Beach, CA 92663)
 - Hoag Hospital nearby addresses (520 Superior Avenue, Newport Beach, CA 92663 and 1441 Avocado Avenue, Newport Beach, CA 92660)
 - Kaiser Anaheim (3440 E. La Palma Avenue, Anaheim, CA 92806 and 411 N. Lakeview, Anaheim, CA 92807)
 - Newport Lido Medical Center (351 Hospital Road, Newport Beach, CA 92663 and 361 Hospital Road, Newport Beach, CA 92663)
 - Newport Orthopedic Institute (22 Corporate Plaza Drive, Newport Beach, CA 92660)
 - Santa Ana Veterans Medical Clinic (1506 Brookhollow Drive, Santa Ana, CA 92705)
 - UCI Orange (101 The City Drive South, Orange, CA 92868)
 - VOUCHER 3: Good for a one-way trip to or from Laguna Woods and Kaiser Brea (1900 E. Lambert Road, Brea, CA 92821) or Long Beach Veterans Hospital (5901 E. 7th Street, Long Beach, CA 90822)

Non-Emergency Medical Transportation (“NEMT”) – Staff Arrangement

NEMT – Staff Arrangement is available to Laguna Woods residents for any non-emergency medical trip (e.g., routine doctors’ appointments; does not include stand-alone pharmacy trips) beginning or ending in Laguna Woods to or from any facility in Orange County or the Long Beach Veterans Hospital. Residents visit Laguna Woods City Hall to make travel arrangements and CITY staff contact CONSULTANT to schedule trips at least one business day in advance. Trip details are currently provided to CONSULTANT via email. Residents purchase NEMT vouchers at Laguna Woods City Hall and use them in lieu of cash or other payment (with each NEMT voucher being valid for only certain locations). CONSULTANT’s drivers submit redeemed NEMT vouchers to CONSULTANT, which then invoices CITY on a monthly basis with the redeemed NEMT vouchers submitted as backup. No payment is provided for trips cancelled in advance by either CITY or residents. Payment is provided for trips that are missed by residents.

Irvine Station (Transportation Center) Travel Vouchers

Irvine Station (Transportation Center) Travel Vouchers are available to Laguna Woods residents for taxi trips beginning or ending in Laguna Woods to the Irvine Station (15215 Barranca

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Parkway, Irvine, CA 92618). Residents purchase travel vouchers at Laguna Woods City Hall and use them in lieu of cash or other payment (with each travel voucher being valid for only the Irvine Station). CONSULTANT's drivers submit redeemed travel vouchers to CONSULTANT, which then invoices CITY on a monthly basis. Travel arrangements are made by residents directly with CONSULTANT. No payment is provided for trips that are cancelled or missed by residents.

GENERAL REQUIREMENTS

The following apply to all senior mobility transportation services:

1. CONSULTANT shall maintain a fleet of at least 50 individual vehicles and 50 individual drivers, each capable of being placed into service concurrently, and at least five of which shall be vans equipped with wheelchair lifts that are capable of transporting four or more passengers. Demand for the SMP may change over time and CONSULTANT shall be required to meet such demand without interruption. This minimum fleet and driver size requirement is meant to provide reasonable assurance that CONSULTANT is able to manage a larger operation and also possesses accessibility-minded vehicles.
2. CONSULTANT shall provide SMP transportation services 24-hours per day, seven-days per week, without exception (please note that all holidays are included).
3. CONSULTANT shall provide a 24-hour, seven-days per week call center available by calling a toll-free telephone number (a toll-free "800" telephone number and/or an area code "949" telephone number). Only one call center shall be provided; CONSULTANT shall not routinely "rollover" or link multiple call centers.
4. CONSULTANT shall utilize a two-way radio (or equivalent) voice dispatching system that allows for rapid voice communication to and from CONSULTANT's call center and individual vehicles. This system may be supplemented with, but not replaced by, data-based systems.
5. CONSULTANT's drivers shall pick-up every passenger within 45 minutes of the call center receiving a request (this requirement pertains to the time that a request is received and not the time that a request is dispatched to drivers).
6. CONSULTANT's drivers shall assist any passenger who requests assistance entering or exiting the vehicle. This may include, but is not limited to, assisting with wheelchairs, walkers, canes, and other mobility or medical assistive devices.
7. CONSULTANT shall not comingle routes. Only residents who are scheduled to travel (and up to two guests who shall be permitted to travel at no additional cost) shall occupy a single vehicle. CONSULTANT's drivers shall not transport passengers other than the resident who is scheduled to travel and their guests, nor make any unrequested stops.

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8. Every vehicle used by CONSULTANT shall have a taxi meter with a current approval and inspection by the California Department of Weights and Measures.
9. No form of tip or other gratuity shall be required as a condition of transportation. CITY will not discourage residents from offering tips subject to their sole personal discretion.
10. CONSULTANT's vehicles shall be generally uniform in appearance and bear its name and logo in a prominent location on all sides thereof.
11. CONSULTANT's vehicles shall be cleaned daily prior to each vehicle service day and shall be kept clean throughout the day. Vehicle exteriors shall be washed not less than once per week, and after any rain or other circumstances that compromise the vehicle's clean appearance. Floors shall be free of paper or other debris and gum or other wet or sticky substances. Windows shall be free of dirt, dust, smudges, hands and fingerprints, on both the exterior and interior. Dashboards, rails and ledges shall be kept clean and free of dirt and grease. Seating areas shall be kept clean and in good repair with attention paid to cleaning upholstery on a regular basis, except for wet or sticky spills, which shall be cleaned immediately. Wheelchair lifts (if applicable) shall be kept clean and in good repair. CITY reserves the right to, at its sole discretion, require CONSULTANT to remove from service any vehicle that does not meet its standards.
12. CONSULTANT shall designate a single, primary point-of-contact for CITY to forward complaints to. That person, or his or her designee whose contact information shall be provided to CITY, in writing, in advance of assuming the primary point-of-contact role, shall be available by telephone or email 24-hours, seven days per week, and shall also be available for in-person meetings in the city of Laguna Woods with 12 hours' notice.
 - a. Within 24 hours of each forwarded complaint, CONSULTANT's primary point-of-contact shall contact the complainant to resolve the problem. Within 48 hours of each forwarded complaint, CONSULTANT's primary point-of-contact shall provide CITY with a written summary of the complaint and steps taken to resolve it. CONSULTANT shall continue to generate such documentation until the complaint is resolved to the satisfaction of CITY. CITY reserves the right to, at its sole discretion, require CONSULTANT to remove from service any driver or vehicle due to a complaint or the finding of subsequent investigation and resolution.
13. CONSULTANT's invoices shall be submitted to CITY on a monthly basis using the formats in EXHIBIT "D" "REQUIRED INVOICE FORMATS", together with any additional or supplemental information that CITY may require including, at a minimum, all redeemed and voided (see number 18 below) Taxi Bucks and travel vouchers. Invoicing requirements may change at CITY's sole discretion.
14. CONSULTANT shall maintain records of each trip and provide the same to CITY upon request. At a minimum, CONSULTANT must document the name of the person who requested pick-up, his or her telephone number, the pick-up and drop-off addresses, the

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date and time that the request was received by CONSULTANT's call center, the time that the request was dispatched by CONSULTANT to its drivers, the name of the driver who provided service, and the time pick-up occurred. Recordkeeping requirements may change, at CITY's sole discretion.

15. CONSULTANT shall report to CITY, in writing, any out of the ordinary incident that occurs during trips, inclusive of arrival, passenger entrance and exit, and transportation (e.g., disputes between drivers and passengers, disputes between passengers, failure of passengers to provide proper travel vouchers, and passenger misconduct). Such reports shall be submitted to CITY no later than 48 hours following each incident. At a minimum, such report shall include a summary of the incident and trip information (see number 14 above). CITY reserves the right to require additional reporting at its sole discretion.
16. CONSULTANT shall report to CITY, in writing, any incident involving passenger injury or vehicle damage that occurs during trips, inclusive of arrival, passenger entrance and exit, and transportation. Such report shall be submitted to CITY immediately and, in no case, later than 24 hours following the incident. At a minimum, such report shall include a summary of the incident and trip information (see number 14 above). CITY reserves the right to require additional reporting at its sole discretion.
17. CONSULTANT's drivers shall require at least one passenger to present a valid CITY-issued Senior Mobility Program identification card for the purpose of confirming that individual's participation in the Senior Mobility Program. No transportation shall be provided without a valid Senior Mobility Program identification card.
18. CONSULTANT's drivers shall void all Taxi Bucks and travel vouchers redeemed by residents by punching a hole therein upon redemption. CONSULTANT's drivers shall not accept any voided Taxi Bucks or travel vouchers, nor shall CONSULTANT invoice CITY for any trips erroneously made using voided Taxi Bucks or travel vouchers.
19. CITY prints Taxi Bucks and travel vouchers with an expiration date (currently 30 days after the end of each July 1 through June 30 fiscal year, but subject to change at CITY's sole discretion). CONSULTANT's drivers shall not accept any expired Taxi Bucks or travel vouchers, nor shall CONSULTANT invoice CITY for any trips erroneously made using expired Taxi Bucks or travel vouchers.
20. CONSULTANT, all of its drivers, and all of its vehicles shall hold and maintain all applicable Orange County Taxi Administration Program (OCTAP) permits.
21. CONSULTANT shall provide all services on an as-needed basis. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation, nor have any representations been made to the contrary. CITY relies on third-party funding to support the Senior Mobility Program and reserves the right and

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sole discretion to change, modify, or cancel it at any point with or without notice to CONSULTANT.

22. As relates to the novel coronavirus (COVID-19) pandemic, CONSULTANT shall require its drivers to comply with applicable federal, state, and county public health orders and mandatory guidance including, but not limited to, orders and guidance concerning the use of face coverings and safe operation of transportation services.

LIQUIDATED DAMAGES

The following apply to all senior mobility transportation services:

Without prejudice to CITY's right to treat such breaches as an event of default, CONSULTANT shall pay to CITY liquidated damages (as liquidated damages and not as a penalty) in the amounts set forth below for each type of action warranting such damages:

- For each failure of a driver of CONSULTANT's to arrive for a pick-up as scheduled for the Non-Emergency Medical Transportation – Staff Arrangement service: 150% of the fare.
- For each failure of a driver of CONSULTANT's to arrive for a pick-up within 45 minutes of CONSULTANT's call center receiving a request (see number 5 above): \$5.00 per minute.
- For each failure of CONSULTANT to process complaints as required herein: \$100.00.
- Any report shall be considered late until such time as the correct and complete report (see numbers 12(a), 13, 14, 15, and 16 above) is received by CITY. For each calendar day a report is late, the daily liquidated damage amount shall be: \$100.00.

EXHIBIT "B"
COMPENSATION

CONSULTANT shall be compensated on an hourly basis using the following rates:

Table B-1: Compensation Schedule – General Travel Vouchers (“Taxi Bucks”) and Non-Emergency Medical Transportation (“NEMT”) – One-way trip

| Number of Miles | Flat Rate ¹ | Number of Miles | Flat Rate ¹ |
|-----------------|--|-----------------|------------------------|
| 1 | <i>(single, fixed rate for all trips within four miles):</i> \$12 | 26 | \$67 |
| 2 | | 27 | \$70 |
| 3 | | 28 | \$72 |
| 4 | | 29 | \$74 |
| 5 | \$14 | 30 | \$76 |
| 6 | \$16 | 31 | \$78 |
| 7 | \$18 | 32 | \$82 |
| 8 | \$21 | 33 | \$84 |
| 9 | \$23 | 34 | \$87 |
| 10 | \$26 | 35 | \$89 |
| 11 | \$29 | 36 | \$92 |
| 12 | \$31 | 37 | \$94 |
| 13 | \$34 | 38 | \$97 |
| 14 | \$36 | 39 | \$99 |
| 15 | \$39 | 40 | \$102 |
| 16 | \$42 | 41 | \$104 |
| 17 | \$44 | 42 | \$106 |
| 18 | \$47 | 43 | \$109 |
| 19 | \$49 | 44 | \$111 |
| 20 | \$52 | 45 | \$114 |
| 21 | \$55 | 46 | \$116 |
| 22 | \$57 | 47 | \$119 |
| 23 | \$59 | 48 | \$121 |
| 24 | \$62 | 49 | \$124 |
| 25 | \$64 | 50 | \$126 |

Table B-2: Compensation Schedule – Irvine Station (Transportation Center) Travel Vouchers – One-way trip

| |
|------------------------|
| Flat Rate ¹ |
| \$25 |

¹ Rates are not subject to minimums or maximums and are all inclusive. CONSULTANT shall

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not receive separate compensation for travel, lodging, fuel, telephone service, internet service, equipment, supplies, food, drink, or any other purpose.

Rates set forth in this EXHIBIT "B" shall not increase during the term of this AGREEMENT unless approved, in advance, by the City Council of CITY at its sole discretion.

CONSULTANT shall provide all services on an as-needed basis. This AGREEMENT does not state, convey, imply or infer a specific, minimum or expected amount of work or compensation, nor have any representations been made to the contrary.

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.

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

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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.

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

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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.

EXHIBIT "D"
REQUIRED INVOICE FORMATS

CONSULTANT's invoices shall be submitted to CITY on a monthly basis using the formats specified below, together with any additional or supplemental information that CITY may require including, at a minimum, all redeemed and voided (see number 18 in EXHIBIT "A" "SCOPE OF SERVICES") Taxi Bucks and travel vouchers. Invoicing requirements may change at CITY's sole discretion.

A. General Travel Vouchers.

COMPANY NAME
 STREET ADDRESS
 CITY, STATE ZIP CODE
 TELEPHONE NUMBER

**SENIOR MOBILITY TRANSPORTATION SERVICES
 GENERAL TRAVEL VOUCHERS**

Bill To:

| |
|--|
| CITY OF LAGUNA WOODS ATTN: ACCOUNTS PAYABLE 24264 EL TORO ROAD LAGUNA WOODS, CA 92637 |
|--|

Invoice No.: XX
 Date: XX
 Month of: XX

| Call # | Date | Passenger Name | Pick-Up Address | Destination Address | Purpose | # of Pax | Miles | Time | Rate | Wait | Total |
|--------------|----------|----------------|-----------------|---------------------|---------|----------|-------|------|------|------|-------|
| XX | XX/XX/XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| TOTAL | | | | | | | | | | | XX |

Purpose -- M = Medical, O = Other, P = Personal Business, R = Recreation/Entertainment, W = Work

B. Non-Emergency Medical Transportation.

COMPANY NAME
 STREET ADDRESS
 CITY, STATE ZIP CODE
 TELEPHONE NUMBER

**SENIOR MOBILITY TRANSPORTATION SERVICES
 NON-EMERGENCY MEDICAL TRANSPORTATION ("NEMT")**

Bill To:

| |
|--|
| CITY OF LAGUNA WOODS ATTN: ACCOUNTS PAYABLE 24264 EL TORO ROAD LAGUNA WOODS, CA 92637 |
|--|

Invoice No.: XX
 Date: XX
 Month of: XX

| Call # | Date | Passenger Name | Pick-Up Address | Destination Address | Voucher or Arrangement | # of Pax | Miles | Time | Rate | Wait | Total |
|--------------|----------|----------------|-----------------|---------------------|------------------------|----------|-------|------|------|------|-------|
| XX | XX/XX/XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| TOTAL | | | | | | | | | | | XX |

[CONTINUED ON NEXT PAGE]

C. Irvine Station Travel Vouchers.

COMPANY NAME
 STREET ADDRESS
 CITY, STATE ZIP CODE
 TELEPHONE NUMBER

**SENIOR MOBILITY TRANSPORTATION SERVICES
 IRVINE STATION TRAVEL VOUCHERS**

Invoice No.: XX

Date: XX

Month of: XX

Bill To:

CITY OF LAGUNA WOODS
 ATTN: ACCOUNTS PAYABLE
 24264 EL TORO ROAD
 LAGUNA WOODS, CA 92637

| Call # | Date | Passenger Name | Pick-Up Address | Destination Address |  | # of Pax | Miles | Time | Rate | Wait | Total |
|--------------|----------|----------------|-----------------|---------------------|--|----------|-------|------|------|------|-------|
| XX | XX/XX/XX | XX | XX | XX | | XX | XX | XX | XX | XX | XX |
| TOTAL | | | | | | | | | | | XX |

6.6
WATER EFFICIENT MEDIAN IMPROVEMENT
PROJECT (SANTA MARIA AVENUE)
(NO REPORT)

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6.7
CITY HALL REFURBISHMENT AND SAFETY
PROJECT: PHASE 2
(NO REPORT)

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6.8
CONFLICT OF INTEREST CODE

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RESOLUTION NO. 20-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, DETERMINING THAT NO CHANGES IN THE CONFLICT OF INTEREST CODE ADOPTED BY RESOLUTION NO. 18-27 ARE NECESSARY FOLLOWING THE REVIEW REQUIRED BY CALIFORNIA GOVERNMENT CODE SECTION 87306.5

WHEREAS, the Political Reform Act of 1974 and California Government Code Section 81000 et seq. (“Act”), require local governmental agencies to adopt a conflict of interest code pursuant to the Act; and

WHEREAS, California Government Code Section 87306.5 requires local governmental agencies to review conflict of interest codes at least every even-numbered year and identify whether any changes in conflict of interest codes are necessitated by changed circumstances by October 1 of the same year; and

WHEREAS, the City’s existing conflict of interest code was adopted on June 20, 2018 by Resolution No. 18-27.

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

SECTION 1. After reviewing the existing conflict of interest code adopted by Resolution No. 18-27, the City Council hereby determines that there are no changed conditions that necessitate changes in the existing conflict of interest code.

SECTION 2. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED on this XX day of XX 2020.

NOEL HATCH, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 20-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2020, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

RESOLUTION NO. 18-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RESCINDING RESOLUTION NO. 16-32 AND RE-ADOPTING THE CONFLICT OF INTEREST CODE ADOPTED BY RESOLUTION NO. 16-32, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 81000 ET SEQ.

WHEREAS, the Political Reform Act of 1974 and California Government Code Section 81000 *et seq.* (“Act”), require local governmental agencies to adopt a conflict of interest code pursuant to the Act; and

WHEREAS, California Government Code Section 87306.5 requires local governmental agencies to review conflict of interest codes at least every even-numbered year and identify whether any changes in conflict of interest codes are necessitated by changed circumstances by October 1 of the same year; and

WHEREAS, the City Council adopted Resolution No. 16-32 on November 16, 2016, adopting an amended conflict of interest code.

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

SECTION 1. After reviewing the existing conflict of interest code adopted by Resolution No. 16-32, the City Council hereby determines that there are no changed conditions that necessitate changes in the existing conflict of interest code.

SECTION 2. Resolution No. 16-32 is hereby repealed.

SECTION 3. The terms of 2 California Code of Regulations, Section 18730, a copy of which is attached hereto as Exhibit A, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby adopted and incorporated by reference as the conflict of interest code for the City. Exhibit A, together with exhibits B, C, D, and E to this resolution, in which members and employees are designated and disclosure categories are set forth and explained, shall constitute the conflict of interest code of the City.

SECTION 4. Employees designated in Exhibit C hereto shall file Statements of Economic Interests (“Form 700”) with the City Clerk pursuant to this resolution. The Mayor, Members of the City Council, City Manager, City

EXHIBIT A

**CONFLICT OF INTEREST CODE
CITY OF LAGUNA WOODS**

**TITLE 2. ADMINISTRATION
DIVISION 6. FAIR POLITICAL PRACTICES COMMISSION
CHAPTER 7. CONFLICTS OF INTEREST**

ARTICLE 2. DISCLOSURE

2 CCR 18730 (1998)

18730. Provisions of Conflict of Interest Codes

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18100, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and
- (C) The filing officer is the same for both agencies.¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of financial interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the financial interests set forth in a designated employee's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property³ is required to be reported⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported⁵ the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported⁶ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$440.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$440 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This

section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$440 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services or 18705.2(c) totaling in value one thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91015. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

AUTHORITY:

NOTE: Authority cited: Section 83112, Government Code. Reference: Section 87302, Government Code.

HISTORY:

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14). Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).

10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).
16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).
19. Editorial correction of subsection (a) (Register 98, No. 47).
20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).
21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).
22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to Fair Political Practices Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

FOOTNOTES:

¹ Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

² See Government Code section 81010 and 2 Cal. Code of Regs. section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

³ For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

⁴ Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

⁵ A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁶ Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

EXHIBIT B

Consultants

Commission Regulation 18701 (a)(2) defines "consultant" as an individual who, pursuant to a contract with a state or local government agency:

- (A) Makes a governmental decision whether to:
- (i) Approve a rate, rule, or regulation
 - (ii) Adopt or enforce a law;
 - (iii) Issue, deny, suspend, or revoke any permit license, application, certificate, approval, order, or similar authorization or entitlement;
 - (iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
 - (v) Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
 - (vi) Grant agency approval to a plan, design, report, study, or similar item;
 - (vii) Adopt, or grant agency approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or
- (B) Serves in a staff capacity with the agency, and in that capacity participates in making a governmental decision (Regulation 18702.2) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The City Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the section. Such written determination shall include a description of the consultant's duties and, based upon the description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

EXHIBIT C

Designated Employees and Disclosure Categories

The following positions are held by individuals involved in making, or who participate in the making, of decisions which may foreseeably have a material effect on financial interests:

Designated Position Disclosure Categories

Administrative Services Director/City Treasurer 1

Building Official (Consultant) 1

Chief of Police Services (Consultant)..... 1

City Clerk..... 1

Consultant* 1

Assistant City Attorney (Consultant)..... 1

Exempt Officials** 1

Fire Chief (Consultant) 1

Senior Accountant..... 1

* See Attachment B for explanation of Consultant filing

** The Mayor, City Council, Members of the Planning Commission, City Manager, City Attorney, City Treasurer, and officials who manage public investments are all required to file disclosure statements pursuant to state law and thus are not included herein.

EXHIBIT D**Categories of Reportable Economic Interests****Designated Persons in Category " 1 " Must Report:**

All investments, interests in real property, income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within and subject to the jurisdiction of the City, or if the business entity is doing business or planning to do business in an area subject to the jurisdiction of the City, or has done business within an area subject to the jurisdiction of the City at any time during the two (2) years prior to the filing of the statement.

Designated Persons in Category " 2 " Must Report:

- (a) All investments in real property located within or subject to the jurisdiction of the City.
- (b) Investments in any business entity which within the last two (2) years has contracted or in the future foreseeably may contract with the City.
- (c) Income from any source which within the last two (2) years has contracted or in the future foreseeably may contract with the City.
- (d) His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity which within the last two (2) years has contracted or in the future foreseeably may contract with the City.

Designated Persons in Category " 3 " Must Report:

- (a) Investments and business positions in, and income from business entities located in, doing business in, or planning to do business in the redevelopment project area and all interests in real property located within two (2) miles of the redevelopment project area.

EXHIBIT E

Definitions under the Political Reform Act

Government Code Section 82030

82030. Income.

a) "Income" means, except as provided in subdivision (b), a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan, forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes an outstanding loan. Income of an individual also includes a pro rata share of any income of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a 10-percent interest or greater. "Income," other than a gift, does not include income received from any source outside the jurisdiction and not doing business within the jurisdiction, not planning to do business within the jurisdiction, or not having done business within the jurisdiction during the two years prior to the time any statement or other action is required under this title.

(b) "Income" also does not include:

- (1) Campaign contributions required to be reported under Chapter 4 (commencing with Section 84100).
- (2) Salary and reimbursement for expenses or per diem received from a state, local, or federal government agency and reimbursement for travel expenses and per diem received from a bona fide nonprofit entity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.
- (3) Any devise or inheritance.
- (4) Interest, dividends, or premiums on a time or demand deposit in a financial institution, shares in a credit union or any insurance policy, payments received under any insurance policy, or any bond or other debt instrument issued by any government or government agency.
- (5) Dividends, interest, or any other return on a security which is registered with the Securities and Exchange Commission of the United States government or a commodity future registered with the Commodity Futures Trading Commission of the United States government, except proceeds from the sale of these securities and commodities futures.
- (6) Redemption of a mutual fund.

- (7) Alimony or child support payments.
- (8) Any loan or loans from a commercial lending institution which are made in the lender's regular course of business on terms available to members of the public without regard to official status if:
 - (A) The loan is secured by the principal residence of filer; or
 - (B) The balance owed does not exceed ten thousand dollars (\$10,000).
- (9) Any loan from or payments received on a loan made to an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, uncle, aunt, or first cousin, or the spouse of any such person, provided that a loan or loan payment received from any such person shall be considered income if he or she is acting as an agent or intermediary for any person not covered by this paragraph.
- (10) Any indebtedness created as part of a retail installment or credit card transaction if made in the lender's regular course of business on terms available to members of the public without regard to official status, so long as the balance owed to the creditor does not exceed ten thousand dollars (\$10,000).
- (11) Payments received under a defined benefit pension plan qualified under Internal Revenue Code Section 401(a).
- (12) Proceeds from the sale of securities registered with the Securities and Exchange Commission of the United States government or from the sale of commodities futures registered with the Commodity Futures Trading Commission of the United States government if the filer sells the securities or the commodities futures on a stock or commodities exchange and does not know or have reason to know the identity of the purchaser.

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**7.1
FALSE SECURITY SYSTEM ALARM FEES**

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: September 16, 2020 Regular Meeting
SUBJECT: False Security System Alarm Fees

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

AND
5. Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AN INCREASED FALSE SECURITY SYSTEM ALARM FEE, AND DETERMINING THAT THE FEE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

Background

The County of Orange's practice is to charge fees to recover the reasonable costs of the Orange County Sheriff's Department's response to the third and subsequent false security system alarms at the same residence or business in a calendar year, as well as for response to intentionally set false security system alarms. For unincorporated areas, the Orange County Board of Supervisors adopts such fees.

Cities that receive law enforcement services from the Orange County Sheriff's Department have the option of adopting similar false security system alarm fees as the County of Orange charges in unincorporated areas. If adopted, those fees are collected by the County of Orange and passed through to cities as a credit against law enforcement costs. In Laguna Woods, the existing false security system alarm fee is \$85, as adopted by the City Council in May 2009 (Resolution No. 09-10).

State law prohibits the City from charging fees in excess of its reasonable costs (in this case, its law enforcement-related costs). While the City may charge less than its reasonable costs, the practical implication of doing so is that subsidies would then be borne by taxpayers as law enforcement resources are diverted to respond to repeated or intentionally set false security system alarms at the City's expense.

Discussion

At today's meeting, the City Council will conduct a public hearing regarding a proposed increase of the false security system alarm fee (Attachment A). After the public hearing, adoption will be considered. Staff recommends that the City Council adopt the proposed fee schedule with an effective date of October 5, 2020.

The proposed fee schedule would increase the false security system alarm fee from \$85 to \$141 per response. The proposed \$141 fee is based on an Orange County Sheriff's Department cost study that calculated the reasonable cost of responding to applicable false security system alarms (Attachment B) and the Orange County Board of Supervisor's subsequent adoption of a fee for such response, including findings of compliance with Section 1(e)(2) of Article XIIC of the California Constitution (Attachment C).

As is the case in unincorporated areas, the false security system alarm fee is only charged in the following circumstances:

- For the Orange County Sheriff's Department's response to the third and subsequent false security system alarms at the same residence or business in a calendar year; and
- For the Orange County Sheriff's Department's response to an intentionally set false security system alarm.

The false security system alarm fee is charged to homeowners and businesses responsible for security systems. In Laguna Woods, the majority of false security system alarms resulting in fees being charged have involved business properties.

Environmental Review

This action is not subject to the California Environmental Quality Act (Pub. Resources Code, Sec. 21000 et seq.) ("CEQA") pursuant to sections 15060(c)(2) (the activities will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activities are not a project as defined in section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3. CEQA Guideline section 15378(b)(4) excludes "government funding mechanisms or other government fiscal activities" from its definition of "project" when they "do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment," as is the case here. Even if this action were subject to CEQA, it would be categorically exempt under CEQA Guideline section 15273, which applies to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by the City, when such charges are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, and (2) purchasing or leasing supplies, equipment, or materials – as is the case with the false security system alarm fee. Finally, this action is exempt from CEQA based on CEQA Guideline section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Fiscal Impact

As proposed, the false security alarm fee would increase by \$56 (or, approximately 66%) to recover the City's reasonable costs associated with the Orange County Sheriff's Department's response to false security system alarms. While the number of false security system alarms resulting in fees being charged has historically been

low, the recommendation would nonetheless result in a small amount of additional revenue to offset law enforcement costs.

According to information obtained from the Orange County Sheriff's Department, in Fiscal Year 2018-19 there were 21 false security system alarms resulting in fees being charged, for a total invoiced amount of \$1,785. At the proposed \$141 fee, the total invoiced amount would have been \$2,961 (an increase of \$1,176). In Fiscal Year 2019-20, there were 11 false security system alarms resulting in fees being charged, for a total invoiced amount of \$935. At the proposed \$141 fee, the total invoiced amount would have been \$1,551 (an increase of \$616).

Once fees are collected, the County of Orange passes 100% of the revenue through to the City as a credit against law enforcement costs two years in arrears. For the current fiscal year's law enforcement services, the City received a credit of \$1,785.

- Attachments: A – Proposed Resolution
 Exhibit A – Proposed False Security System Alarm Services Fee Schedule
B – Orange County Sheriff's Department Cost Study dated June 2020
C – Orange County Board of Supervisors Resolution No. 20-106

RESOLUTION NO. 20-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AN INCREASED FALSE SECURITY SYSTEM ALARM FEE, AND DETERMINING THAT THE FEE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, pursuant to applicable California law, cities may charge rates or fees that are equal to or less than the reasonably anticipated costs of providing a service, conferring a benefit, granting a privilege, performing regulatory duties, enforcing laws, or as a condition of property development; and

WHEREAS, the City charge fees to recover the reasonable costs of the Orange County Sheriff’s Department’s response to the third and subsequent false security system alarms at the same residence or business in a calendar year, as well as for response to an intentionally set false security system alarm, which costs would otherwise be incurred by the City; and

WHEREAS, the Orange County Sheriff’s Department prepared a cost study dated June 2020 that calculated the reasonable cost of responding to applicable false security system alarms in the amount of \$141; and

WHEREAS, on July 28, 2020, via Resolution No. 20-106, the Orange County Board of Supervisors adopted a false security alarm fee based on the aforementioned Orange County Sheriff’s Department cost study and, in doing so, made findings of compliance with Section 1(e)(2) of Article XIIC of the California Constitution; and

WHEREAS, the City Council conducted a duly noticed public hearing at its regular meeting on September 16, 2020 regarding the proposed adoption of an increased false security system alarm fee; and

WHEREAS, public noticing for the aforementioned public hearing included publication in the *Laguna Woods Globe*; and

WHEREAS, the fee that is included on the False Security System Alarm Services Fee Schedule attached hereto as Exhibit A was made available to the public at and from Laguna Woods City Hall, as well as on the City’s website, beginning on August 31, 2020; and

WHEREAS, after consideration of the information provided by City staff, the attachments to the agenda report for the September 16, 2020 public hearing, the City’s costs to provide false security system alarm response services, and all public comments and testimony received, the City Council finds that it is in the best interest of the City to adopt an increased fee for false security system alarms.

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

SECTION 1. The False Security System Alarms Fee Schedule attached hereto as Exhibit A is hereby adopted to be effective beginning on October 5, 2020. In adopting such fee, the City Council finds that the amount of the fee does not exceed the reasonable costs of providing the services for which the fee is charged.

SECTION 2. Upon the effective date of the False Security System Alarm Services Fee Schedule attached hereto as Exhibit A, all previous false security system alarm services fees adopted by resolution of the City Council shall be repealed including, without limitation, Resolution No. 09-10.

SECTION 3. After reviewing the entire project record, the City Council hereby determines and certifies that this action is not subject to the California Environmental Quality Act (Pub. Resources Code, Sec. 21000 et seq.) (“CEQA”) pursuant to sections 15060(c)(2) (the activities will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activities are not a project as defined in section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3. CEQA Guideline section 15378(b)(4) excludes “government funding mechanisms or other government fiscal activities” from its definition of “project” when they “do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment,” as is the case here. Even if this action were subject to CEQA, it would be categorically exempt under CEQA Guideline section 15273, which applies to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by the City, when such charges are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, and (2) purchasing or leasing supplies, equipment, or materials – as is the case with the false security system alarm fee. Finally, this action is exempt from CEQA based on CEQA Guideline section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

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

PASSED, APPROVED AND ADOPTED on this XX day of XX 2020.

NOEL HATCH, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 20-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2020, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

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**CITY OF LAGUNA WOODS
FALSE SECURITY SYSTEM ALARM SERVICES**

Fee Schedule

Effective beginning on October 5, 2020

| False Security System Alarm Services | |
|---|--------------------|
| DESCRIPTION | FEE |
| For the Orange County Sheriff's Department's response to the third and subsequent false security system alarms at the same residence or business in a calendar year, or to an intentionally set false security system alarm | \$141 per response |

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EXHIBIT IV
FEE CHECKLIST FOR ASR SUBMISSION

DESCRIPTION

County Agencies & Departments are generally responsible for all aspects of their fees. Three weeks prior to filing the ASR for proposed fee updates with the Clerk of the Board, the department/agency must submit the ASR, Fee Checklist, and appropriate documentation to allow adequate time for the CEO and Auditor-Controller to perform a limited review. The Fee Checklist signed by both the CEO and Auditor-Controller must be attached to the ASR.

DEPT./AGENCY: SHERIFF CORONER DEPARTMENT DATE: 06/10/2020
DEPT./AGENCY CONTACT: NOMA M. CROOK PHONE NO.: 714-834-6681

Description of proposed fee contained in ASR:
Increase False Alarm fee from \$85 to \$141 for responding to the third and subsequent false alarm at a resident or a business in a calendar year. The fee affects the unincorporated areas of Orange County as well as any potential Contract City that adopts the rate.

Amount of annual revenue related to this proposal:
\$28,623

Answer the following questions and check appropriate boxes.

Check One
YES NO N/A

BACKGROUND:

- 1. Is this a revision of existing fee(s)? If YES, when were the fee(s) last revised?
01/01/2009
Attach a fee schedule that includes a comparison between current and proposed fees.
2. Are there any new fee(s)?
3. When will the fee(s) be effective?
Date: 07/28/2020

LEGAL CONSIDERATIONS:

- 4. Has legal authority for the fee been reviewed?
5. Is the fee request consistent with the legal authority to levy?
6. Cite the legal authority of the fee and attach a copy of the reference code(s).
Resolution No. 88-527 date April 20, 1988, implemented false alarm of \$30 for the third and subsequent response to a false alarm at a business or resident in a calendar year.
Resolution No. 91-179, dated February 26, 1991, increase false alarm fees of \$30 to \$56 for the third and subsequent response to a false alarm at a business or resident in a calendar year.
Resolution No. 00-336, date August 22, 2000, increase false alarm fees of \$56 to \$64 for the third and subsequent response to a false alarm at a business or resident in a calendar year.
Resolution No. 08-157, dated December 16, 2008, increase false alarm fee of \$64 to \$85 for the third and subsequent response to a false alarm at a business or resident in a calendar year.

- 7. Does the fee(s) meet one of Proposition 26's exceptions (Note 1)?
If "NO" is checked, please contact your CEO Budget Analyst.
If "YES" is checked, please list the exception(s). If necessary, please provide attachments.
California Constitution Section 1 of Article XIII(C):
(E)(2) - A charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable cost to the local government of providing the service or product.
(E)(3) - A charge imposed for the reasonable regulatory costs to the local government for issuing license and permits, performing investigations, inspections, and audits, enforcing agriculture marketing orders, and the administrative enforcement and adjudication thereof.

- 8. Is the drafted Board Resolution or ordinance language (if required) attached?

COMMUNICATIONS



EXHIBIT IV
FEE CHECKLIST FOR ASR SUBMISSION

9. List county and non-county departments, agencies, organization and/or communities impacted by the fee(s), if applicable

Businesses and homeowners of Unincorporated areas of Orange County and any potential

a. Contract Cities that adopt the rate Have they been notified?

Has the fee been coordinated with them?

10. Have all advisory board and public hearing concurrences been finalized?

FEE CALCULATIONS

11. Is full cost recovery planned in the fee calculation? If not, Please provide an explanation.

12. Are the proposed fee(s) derived from a cost basis analysis? If YES, Please complete questions 13 through 16. If NO, please provide explanation.

13. Is agency/department indirect cost included in the fee calculation?

14. Is the County General support service costs as determined by the County Wide Cost Allocation Plan (CWCAP) included in the fee calculation?

15. Identification of the costs related to this fee proposal:

| | | |
|--|----|-------------------|
| Personnel (Salaries & Employee Benefits) | \$ | <u>116.00</u> |
| Services and Supplies | \$ | <u>2.00</u> |
| Equipment | \$ | <u> </u> |
| Department/Agency Indirect Costs | \$ | <u>18.00</u> |
| County General support service costs (CWCAP) | \$ | <u>1.00</u> |
| Other | \$ | <u>4.00</u> |
| Total | \$ | <u>141.00</u> |

16. *Initial Fiscal Year

| | | |
|----------|----|------------------|
| Costs: | \$ | <u>28,623.00</u> |
| Revenue: | \$ | <u>17,255.00</u> |
| NCC: | \$ | <u>11,368.00</u> |

*Projected Fiscal Year

| | | |
|----------|----|-------------------|
| Costs: | \$ | <u>28,623.00</u> |
| Revenue: | \$ | <u>28,623.00</u> |
| NCC: | \$ | <u> </u> |

* Costs, revenue, and NCC including cost and revenue related to this fee update.

17. Revenue Coding:

| FUND | DEPT | BUDGET CONTROL | UNIT | REVENUE SOURCE | DEPT REVENUE SOURCE |
|------|------|----------------|------|----------------|---------------------|
| 100 | 060 | 060 | 1411 | 7460 | 6014 |
| 100 | 060 | 060 | 1412 | 7460 | 6014 |
| 100 | 060 | 060 | 1413 | 7460 | 6014 |



EXHIBIT IV
FEE CHECKLIST FOR ASR SUBMISSION

Dept./Agency Authorized Signature Noma M. Crook Print Name: NOMA M. Crook Date: 6/10/20

Auditor-Controller Signature Nina Phan Print Name: NINA PHAN Date: 6/29/2020

CEO Signature Oana Cosma Print Name: Oana Cosma Date: 6/30/2020

Note 1: California State Constitution, Article XIII C, § 1 (e), 2(d), (Proposition 26, November 3, 2010)
Requires a fee or charge that does not fall within the seven exceptions listed in Proposition 26 is deemed a tax which must be approved by the voter.

ORANGE COUNTY SHERIFF DEPARTMENT
FALSE ALARM REVENUE COMPARISON

| REVENUE | | | | | | |
|------------------|----------------------|--|--|--|-------------------------------------|-----------|
| DEPT REV 7460 | CITY | FY 2018-19 NUMBER OF FALSE ALARM | TOTAL REVENUE AT CURRENT RATE OF \$85 / ALARM | TOTAL REVENUE AT PROPOSED RATE OF \$141 / ALARM | Revenue Increase / (Decrease) | |
| 6014 | North & South Patrol | 203 | \$ 17,255 | \$ 28,623 | (1) | \$ 11,368 |

(1) Current revenue divided by current fee for total calls then multiplied by proposed fee

Orange County Sheriff-Coroner Department
False Alarm Fee Cost Study
Position Costs
FY 2020-21

ITEM 7.1 - Attachment B

I. DIRECT COSTS

A. SALARIES AND BENEFITS

1. SALARIES & WAGES

| | <u>Rates</u> | <u>Hrs</u> | [1] Deputy Sheriff II | [2] Cost Per Alarm Call <i>[1] / 2088 x 0.97</i> |
|---------------------------------|--------------------|------------|-----------------------------|---|
| REGULAR TIME | \$ 55.56 | 2,088 | \$ 116,009 | \$ 53.84 |
| POST | 7,774 /year/person | | 7,774 | 3.61 |
| Total Salaries and Wages | | | \$ 123,783 | \$ 57.45 |

2. BENEFITS

| | <u>Rates</u> | | | |
|-------------------------------|---------------------------|--|-------------------|-----------------|
| RETIREMENT | 65.90% | | \$ 81,567 | \$ 37.85 |
| RETIREMENT(Def. Contribution) | 5.00% | | 5,800 | 2.69 |
| RETIREMENT(STAR COLA) | 0.041% | | 48 | 0.02 |
| UNEMPLOYMENT | 0.00% | | - | - |
| SALARY CONTINUANCE BENEFITS | | | - | - |
| GROUP INSURANCE | \$ 1,463.93 /month/person | | 26,351 | 12.23 |
| DENTAL INSURANCE | | | - | - |
| LIFE INSURANCE | | | - | - |
| AD&D | \$ 24.00 /year/person | | 36 | 0.02 |
| HEALTH & WELFARE | \$ 52.00 /month/person | | 936 | 0.43 |
| WORKERS' COMPENSATION | 8.41% | | 9,756 | 4.53 |
| MEDICARE | 1.45% | | 1,795 | 0.83 |
| Total Benefits | | | \$ 126,289 | \$ 58.61 |

TOTAL SALARIES & BENEFITS \$ 250,072 \$ 116.05

B. SERVICES & SUPPLIES

| | <u>Rates</u> | | | |
|--------------------------------------|--------------------|--|-----------------|----------------|
| SERVICES & SUPPLIES | | | \$ 1,432 | \$ 0.66 |
| LIABILITY INSURANCE | 3,231 /year/person | | 3,231 | 1.50 |
| TOTAL SERVICES & SUPPLIES | | | \$ 4,663 | \$ 2.16 |

TOTAL DIRECT COSTS \$ 254,735 \$ 118.22

II. INDIRECT COSTS

| | <u>Rates</u> | | | |
|-----------------------------|--------------------|--|------------------|-----------------|
| CWCAP | | | \$ 2,697 | \$ 1.25 |
| DEPT OH | 7,674 /year/person | | 7,674 | 3.56 |
| TRAINING OH | 3,732 /year/person | | 3,732 | 1.73 |
| DIVISION OH + CAPTAIN | | | 28,028 | 13.01 |
| TOTAL INDIRECT COSTS | | | \$ 42,131 | \$ 19.55 |

TOTAL DIRECT AND INDIRECT COSTS \$ 296,866 \$ 137.77

III. TRANSPORTATION COST

| | <u>Rates</u> | <u>Miles</u> | | |
|-----------------|--------------|--------------|----------|---------|
| CLASS A VEHICLE | \$ 1.69 | 1.95 | [3] \$ 3 | \$ 3.30 |

TOTAL COSTS \$ 296,869 \$ 141.07

Notes:

[1] Cost of a DSII is based on the average from the FY 2020-21 LEC for North and South Patrol.

[2] Cost per alarm call is based on response time of 32.97 minutes. $(32.97/60 * 1.5 = .82)$.82 of an hour x productive rate of 1.1817 ==> $0.82 \times 1.1817 = 0.97$.

[3] Transportation cost is part of S&S but does not include productive rate.

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RESOLUTION OF THE BOARD OF SUPERVISORS OF
ORANGE COUNTY, CALIFORNIA

July 28, 2020

WHEREAS, by Resolution No. 88-527, the Board of Supervisors established a fee in the amount of \$30.00 for the Sheriff's Department's response to false security system alarms; and

WHEREAS, by Resolution No. 91-179, the Board of Supervisors increased said fee to \$56.00 to reflect full cost recovery; and

WHEREAS, by Resolution No. 00-336, the Board of Supervisors increased said fee to \$64.00 to reflect full cost recovery; and

WHEREAS, by Resolution No. 08-157, the Board of Supervisors increased said fee to \$85.00 to reflect full cost recovery; and

WHEREAS, the Sheriff's Department is proposing to further increase the fee charged for response to the third and subsequent false security system alarms at the same residence or business in a calendar year or response to an intentionally set false alarm so as to effect full recovery of the direct costs of responding to such false alarm;

WHEREAS, the Sheriff Department has conducted a cost study showing that the current cost for responding to such false alarms is \$141; and

WHEREAS, a Notice of Public Hearing with respect to the proposed revised fee was given according to law; and

WHEREAS, a Public Hearing pertaining to said proposed revised fee was held on July 28, 2020.

NOW, THEREFORE, BE IT RESOLVED that this Board of Supervisors does hereby

1. Find that adoption of this Resolution approving the fee is statutorily exempt from the provisions of the California Environmental Quality Act pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273 of the CEQA Guidelines as the establishment or modification of rates, fees and charges which are for the purpose of meeting operating expenses, including employee wage rates and

fringe benefits, overheads, and purchasing or leasing supplies, equipment or materials.

2. Find that the fee meets the requirements set forth in subdivision (e)(2) to Section 1 of Article XIIC of the California Constitution, and is therefore exempt from the definition of a tax as used therein.
3. Find that the revenue resulting from the fee established pursuant to this Resolution will not exceed the Sheriff's reasonable cost to respond to the third and subsequent false alarm at the same residence or business within a calendar year, or an intentionally set false alarm.
4. Approve, effective July 28, 2020, a fee of \$141 will be charged for the third and subsequent false alarm at the same residence or business that is responded to by the Sheriff's Department within a calendar year or for any intentionally set false alarm. The fee is only in effect in the unincorporated areas of the County.

IT IS FURTHER RESOLVED that this Resolution supersedes Resolution No. 08-157.

The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on July 28, 2020, to wit:

| | | |
|------------|----------------|---|
| AYES: | Supervisors: | ANDREW DO, LISA A. BARTLETT, DONALD P. WAGNER DOUG CHAFFEE |
| NOES: | Supervisor(s): | MICHELLE STEEL |
| EXCUSED: | Supervisor(s): | |
| ABSTAINED: | Supervisor(s): | |



CHAIRWOMAN

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

I, ROBIN STIELER, Clerk of the Board of Orange County, California, hereby certify that a copy of this document has been delivered to the Chair of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange County Board of Supervisors.

IN WITNESS WHEREOF, I have hereto set my hand and seal.



ROBIN STIELER
Clerk of the Board
County of Orange, State of California



Resolution No: 20-106
Agenda Date: 07/28/2020
Item No: 27

 I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, Orange County, State of California

Robin Stieler, Clerk of the Board of Supervisors
By: _____
Deputy

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8.1
RESIDENTIAL DENSITY BONUS STANDARDS
REGULATIONS

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: September 16, 2020 Regular Meeting

SUBJECT: Residential Density Bonus Standards Regulations

Recommendation

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

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

Background

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

Section 13.26.040 of the Laguna Woods Municipal Code (Attachment B) contains regulations related to residential density bonus standards and other incentives for housing developments within, or for the donation of land for housing within, the City's jurisdiction, consistent with California Government Code Section 65915 et seq. Those regulations were last amended in February 2013.

On August 19, 2020, a public hearing was held and the City Council introduced and approved the first reading of an ordinance (Attachment A) which, if adopted, would amend regulations related to residential density bonus standards regulations.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on proposed residential density bonus standards regulations (Attachment A). Staff recommends that the City Council adopt the proposed ordinance in order to help ensure clarity and consistency with state law.

The following legislation was chaptered into state law subsequent to the City Council's adoption of the existing residential density bonus standards regulations:

- Senate Bill 1227 (Density bonuses.)
- Assembly Bill 2753 (Density bonuses: density bonus application.)

Irrespective of whether or not the City Council adopts the proposed ordinance, state law requires the City to comply with existing density bonus law, including the amendments codified by Senate Bill 1227 and Assembly Bill 2753.

The proposed ordinance would delete regulations that are now outdated as a result of the enactment of Senate Bill 1227 and Assembly Bill 2753. To provide greater clarity and potentially reduce the need for significant amendments in the future as a result of prospective changes in state law, the proposed ordinance would also add new language directly referencing state law and incorporating future amendments and changes thereto. The proposed ordinance provides for only the density bonuses required by state law; no additional or enhanced density bonuses are included.

If the City Council takes the recommended action at today's meeting, the proposed ordinance would become effective in 30 days.

Environmental Review

It can be seen with certainty that this project has no possibility of having a significant effect on the environment. In the absence of any pending application for any housing development that might implicate density bonus considerations, any specific environmental effects, apart from those already assessed in the City's General Plan and Housing Element review, would be speculative. Therefore, the adoption of the ordinance is not a project subject to the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

Fiscal Impact

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

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

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ORDINANCE NO. 20-XX

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

WHEREAS, California Government Code Section 65915 et seq., requires every city and county to adopt an ordinance providing density bonuses and other incentives or concessions to persons wishing to develop affordable housing projects and senior housing projects; and

WHEREAS, residential density bonus standards regulations are codified, in part, at Section 13.26.040 of the Laguna Woods Municipal Code, with the goal of providing incentives for the production of housing for very low, lower income, or senior households in accordance with California Government Code Section 65915 et seq.; and

WHEREAS, the City Council last amended the residential density bonus standards regulations on February 21, 2018 by Ordinance No. 18-03; and

WHEREAS, the California Legislature has amended California Government Code Sections 65915 et seq. several times since the City enacted its existing residential density bonus standards regulations, including Senate Bill 1227 and Assembly Bill 2753, California Statutes of 2018; and

WHEREAS, the City Council desires to comply with state law, and likewise encourage the provision of affordable housing and senior housing in accordance with state guidelines, provided that such housing does not create a specific, adverse impact upon the public health or safety; and

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

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

WHEREAS, on August 19, 2020, the City Council held a duly noticed public hearing on the proposed Code Amendments at which it considered all of the information, evidence, and testimony presented, both written and oral.

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

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

SECTION 2. After reviewing the entire project record, the City Council hereby determines and certifies that it can be seen with certainty that this project has no possibility of having a significant effect on the environment. In the absence of any pending application for any housing development that might implicate density bonus considerations, any specific environmental effects, apart from those already assessed in the City’s General Plan and Housing Element review, would be speculative. Therefore, the adoption of the ordinance is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

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

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

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

SECTION 6. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 7. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

PASSED, APPROVED AND ADOPTED this XX day of XX 2020.

NOEL HATCH, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

DAVID B. COSGROVE, City Attorney

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 20-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2020, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2020 by the following vote to wit:

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

YOLIE TRIPPY, CMC, City Clerk

**EXHIBIT A
CODE AMENDMENTS**

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

Sec. 13.26.040. - Residential density bonus standards.

(a) *Purpose and intent.* This section is intended to provide incentives for the production of housing for ~~very low, lower income, or senior~~ specified types of households in accordance with California Government Code sections 65915 through 65918, as amended or superseded. In enacting these provisions, it is the intent of the City to facilitate the development of affordable housing and to implement the goals, objectives, and policies of the housing element of the City’s General Plan. ~~Where regulations are not specifically addressed in this section or where there are conflicts between these provisions and the provisions of California Government Code sections 65915 through 65918, the provisions of California Government Code, as they may be amended over time, shall apply.~~

(b) *Applicability.* This section shall apply to projects qualifying for density bonuses and/or incentives provided for by California Government Code Section 69515, as amended or superseded.

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

(05) *Affordable housing development* means any housing subsidized by the federal or state government, or any housing development in which at least 20 percent of the housing units are affordable dwelling units.

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

(15) *Affordable housing development plan* means that plan prepared by an applicant for an affordable housing development under this

ordinance that outlines and specifies the development's compliance with the applicable requirements of this ordinance.

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

(25) *Child care facility* means a child day care facility other than a family day care home, including, but not limited to, infant centers, preschools, extended day care facilities, and school age child care centers.

(30) *Density bonus* means those additional residential units granted which exceed the maximum allowable gross residential density for the development site.

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

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

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

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

(d) California Government Code Section 65915 adopted by reference. California Government Code Section 65915 (and any future amendments thereto), a copy of which may be obtained from the City Clerk for use and examination by the public, is adopted and incorporated herein by reference

as if fully set forth, and shall constitute the affordable housing density bonus regulations of the City.

~~(c) — *Eligibility for bonus and incentives.* To be eligible for a density bonus and other incentives as provided by this section, a proposed residential development project shall:~~

~~(1) — Consist of five or more dwelling units; and~~

~~(2) — Include one or more of the following within the development:~~

~~a. — 10 percent of the total dwelling units reserved for lower income households, as defined in California Health and Safety Code Section 50079.5;~~

~~b. — Five percent of the total dwelling units reserved for very low income households, as defined in California Health and Safety Code Section 50105;~~

~~c. — A senior citizen housing development, as defined in California Civil Code sections 51.3 and 51.12, or a mobilehome park that limits residency based on age requirements for housing for older persons pursuant to California Civil Code sections 798.76 or 799.5;~~

~~d. — 10 percent of the total dwelling units in a common interest development, as defined in California Civil Code Section 4100, reserved for persons and families of moderate income, as defined in California Health and Safety Code Section 50093, provided that all units in the development are offered to the public for purchase; or~~

~~e. — 10 percent of the total units of a housing development for transitional foster youth, as defined in California Education Code Section 66025.9, disabled veterans, as defined in California Government Code Section 18541, or homeless persons, as defined in the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.). The units described in this subparagraph shall be subject to a recorded affordability restriction of 55 years and shall be provided at the same affordability level as very low income units.~~

~~f.—When an applicant for approval of a commercial development has entered into an agreement for partnered housing to contribute affordable housing through a joint project or two separate projects encompassing affordable housing, the commercial developer may be entitled to a development bonus as prescribed in California Government Code Section 65915.7.~~

~~(d)—Types of bonuses and incentives allowed. A residential development project that satisfies all relevant provisions of this section shall be entitled to a density bonus and one or more incentives described below. If the density bonus units cannot be accommodated on a parcel due to strict compliance with the provisions of this section, the City Council shall waive or modify development standards to accommodate the density bonus units and/or grant the incentives to which the development would be entitled pursuant to this section, unless such waiver, modification or incentive would have a specific adverse impact, as defined herein, upon health, safety, or the physical environment, and for which there is no feasible method to mitigate or avoid the specific adverse impact.~~

~~(1)—Minimum density bonus. The minimum density bonus granted to a residential development project that is eligible for a density bonus pursuant to this section shall be equal to at least:~~

~~a.—A 20 percent increase in density, when the development meets the requirements of subsection (c)(2) (a) or (b) of this section;~~

~~b.—For housing developments meeting the criteria of subsection (c)(2)(c) of this section, the density bonus shall be 20 percent of the number of senior housing units;~~

~~c.—For housing developments meeting the criteria of subsection (c)(2)(e) of this section, the density bonus shall be 20 percent of the number of the type of units giving rise to a density bonus under that subparagraph;~~

~~d.—A five percent increase in density, when the development meets the requirements of subsection (c)(2)(d) of this section;~~

~~e.—A 15 percent increase in density, when an applicant for a residential development project donates land to the City in accordance with the requirements of California Government~~

~~Code Section 65915(g)(1); and (2) of sufficient acreage to permit construction of units affordable to very low income households equal to at least 10 percent of the total dwelling units. Nothing in this section shall be construed to enlarge or diminish the authority of the City to require a developer to donate land as a condition of development; or~~

~~f.—The City may, in its discretion, grant a density bonus that is proportionately greater than that described in subsections (d)(1) a. through c. of this section for a development that meets the requirements therein, or proportionately lower than that described in subsections (d)(1) a. through c. of this section for a development that does not meet the requirements therein.~~

~~(2)—Additional density bonus. A residential development project that satisfies all relevant provisions of this section and that includes affordable housing units in excess of the base percentage established in subsection (c)(2) of this section shall be entitled to an additional density bonus and one or more incentives described below. The amount of density bonus to which an applicant is entitled shall vary according to the amount by which the percentage of affordable housing units exceeds the base percentage established in subsection (c)(2) of this section. The amount of density bonus for a donation of land shall vary according to the amount by which the donation exceeds the base donation established by California Government Code Section 65915(g).~~

~~a.—Lower income households. For each one percent increase above 10 percent in the percentage of units affordable to lower income households, the density bonus shall be increased by one and one-half percent.~~

~~b.—Very low income households. For each one percent increase above five percent in the percentage of units affordable to very low income households, the density bonus shall be increased by two and one-half percent.~~

~~c.—Moderate income households. For each one percent increase above 10 percent in the percentage of units affordable to moderate income households in a condominium project or a~~

~~planned development, the density bonus shall increase by one percent.~~

~~d.—*Donation of land.* The density bonus shall be increased by one percent for each one percent increase in the donation of land above the minimum 10 percent requirement of subsection (d)(1) e of this section. Nothing in this section shall be construed to enlarge or diminish the authority of the City to require a developer to donate land as a condition of development.~~

~~(3)— The density bonus units shall not be included when determining the total number of dwelling units in the residential development project. All calculations resulting in fractional units shall be rounded up to the next whole number. In no event shall the City be required to grant more than a 35 percent increase over the otherwise maximum allowable residential density under the applicable provisions of this code and the land use element of the City’s General Plan. The density bonus percentages available pursuant to the requirements of this section are shown in the following table:~~

~~*Density Bonus Percentages*~~

| | Qualifying Percentage (of total units) | Minimum Density Bonus (above maximum allowable density) | Increase in Density Bonus (for each 1% over qualifying percentage) |
|--|---|--|---|
| Very Low | 5% | 20% | 2.5% |
| Lower | 10% | 20% | 1.5% |
| Moderate (Common Interest Developments) | 10% | 5% | 1% |

| | | | |
|--|----------------|----------------|----------------|
| Senior Citizen | n/a | 20% | n/a |
| Transitional-Foster Youth, Disabled-Veterans, or Homeless-Persons | n/a | 20% | n/a |
| Donation (Very-Low Income-Housing) | 10% | 15% | 1% |

~~(4) — Incentives — Number. An eligible residential development project shall receive the incentives described in subsection (d)(5) of this section, as follows:~~

~~a. — Lower income households. An applicant shall receive:~~

- ~~i. — One incentive for a residential development project in which at least 10 percent of the total dwelling units are reserved for lower income households;~~
- ~~ii. — Two incentives for a residential development project in which at least 20 percent of the total dwelling units are reserved for lower income households; and~~
- ~~iii. — Three incentives for a residential development project in which at least 30 percent of the total dwelling units are reserved for lower income households.~~

~~b. — Very low income households. An applicant shall receive:~~

- ~~i. — One incentive for a residential development project in which at least five percent of the total dwelling units are reserved for very low income households;~~
- ~~ii. — Two incentives for a residential development project in which at least 10 percent of the total dwelling units are reserved for very low income households; and~~

~~iii.—Three incentives for a residential development project in which at least 15 percent of the total dwelling units are reserved for very low income households.~~

~~c.—Moderate income households in common interest developments. An applicant shall receive:~~

~~i.—One incentive for a residential development project in which at least 10 percent of the total dwelling units are reserved for persons and families of moderate income in a condominium project or a planned development;~~

~~ii.—Two incentives for a residential development project in which at least 20 percent of the total dwelling units are reserved for persons and families of moderate income in a condominium project or a planned development; and~~

~~iii.—Three incentives for a residential development project in which at least 30 percent of the total dwelling units are reserved for persons and families of moderate income in a condominium project or a planned development.~~

~~(5)—Incentives—Description. A residential development project that is eligible to receive incentives pursuant to subsection (d)(4) of this section shall be entitled to the following incentives in the number specified in subsection (d)(4) of this section:~~

~~a.—A reduction in the applicable development standards (e.g., coverage, setback, zero lot line and/or reduced parcel sizes, and/or parking requirements).~~

~~b.—Approval of mixed use zoning in conjunction with the housing project if nonresidential land uses would reduce the cost of the housing project, and the nonresidential land uses would be compatible with the housing project and adjoining development.~~

~~c.—Other regulatory incentives or concessions proposed by the applicant or the City that would result in identifiable cost reductions.~~

~~(6) — Nothing in this section shall be construed to require the City to provide, or limit the City’s ability to provide, direct financial incentives for housing developments, including the provision of publicly owned land by the City or the waiver of fees and dedication requirements.~~

~~(7) — *Limitations and Exceptions.*~~

~~a. — In order to receive incentives as described in subsections (d)(4) and (5) of this section, an applicant must submit a proposal to the City requesting the specific incentives that the applicant desires.~~

~~b. — The City shall grant the eligible incentives requested by the applicant pursuant to subsection (d)(7) a. of this section and required pursuant to subsection (d)(4) of this section, unless the City makes a written finding, based upon substantial evidence, of either of the following:~~

~~i. — The incentive is not required in order to provide for affordable housing costs, as defined in California Health and Safety Code sections 50052.5 and 50053; or~~

~~ii. — The incentive would have a specific adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to low and moderate income households. As used in this subsection, a “specific adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified-written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.~~

~~c. — The City’s granting of an incentive shall not be interpreted, in and of itself, to require a general plan amendment, zoning change, or other discretionary approval.~~

~~d.— Nothing in this section shall be interpreted to require the City to waive or reduce development standards or to grant an incentive that would have a specific adverse impact upon health, safety or the physical environment for which there is no feasible method to mitigate or avoid the specific adverse impact; nor shall this subsection require the City to waive or reduce development standards or to grant an incentive that would have an adverse impact on any real property that is listed in the California Register of Historical Resources.~~

~~e.— The affordable units shall be generally dispersed throughout the residential development project and shall not differ in appearance from the other dwelling units in the project.~~

~~(e) — Continued affordability — Equity sharing.~~

~~(1) — Before the issuance of a building permit for any dwelling unit in a development for which density bonus units have been awarded or incentives have been granted pursuant to this section, the developer shall identify the affordable units and shall enter into a written covenant with the City to guarantee one or both of the following, as applicable:—~~

~~a.— Low and very low income households: The low and very low income units shall continue to be offered and available at an affordable housing cost, as defined in California Health and Safety Code sections 50052.5 and 50053, for a minimum of 55 years, which 55-year restriction shall survive the sale or transfer of the units.~~

~~b.— An equity sharing agreement will be required indicating that upon resale, the seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation. Upon resale, the City shall recapture its proportionate share of appreciation, which shall be equal to the percentage by which the initial sale price of the unit to the person or family was less than the fair market value of the unit at the time of initial sale. The City shall spend such recaptured funds within five years for the construction, rehabilitation, or preservation of affordable housing for very~~

~~low, low and moderate income persons or families, as described in California Health and Safety Code Section 33334.2(e).~~

~~c.—The terms and conditions of the covenant required by subsection (e)(1) a. of this section and the equity sharing agreement required by subsection (e)(1) b. of this section shall run with the land which is to be developed, shall be binding upon the successor(s) in interest of the developer, and shall be recorded in the county recorder’s office. In addition to the requirements described in subsections (e)(1) a. and b. of this section, the covenant or agreement shall include the following provisions:–~~

~~i.—The City shall have a continuing right of first refusal to purchase or lease any or all of the affordable units at the current fair market value; and–~~

~~ii.—The deeds to the affordable units shall contain a covenant stating that the owner shall not sell, rent, lease, sublet, assign, or otherwise transfer any interests for same without the written approval of the City confirming that the sell or rental price of the unit is consistent with the limits established by this section for lower, very low and moderate income persons and families; and–~~

~~iii.—The City shall have the authority to enter into other agreements with the developer or purchasers of the affordable units, as may be necessary to ensure that the lower and very low income units are continuously occupied by persons or families of lower and very low income.–~~

~~(f)—*Child care facilities.*–~~

~~(1)—When an applicant proposes to construct a residential development project described in subsection (c) of this section that includes a child care facility located on the premises of, as part of, or adjacent to the project, the City shall grant either of the following:–~~

~~a.—An additional density bonus that is an amount of square feet of residential space that is equal to or greater than the amount of square feet in the child care facility.–~~

~~b.—An additional incentive that contributes significantly to the economic feasibility of the construction of the child care facility, as determined by the City in its discretion.—~~

~~(2)—The City shall require, as a condition of approving the residential development project, that the following occur:—~~

~~a.—The child care facility shall remain in operation for a period of time that is as long as or longer than the period of time during which the affordable units are required to remain affordable pursuant to subsection (e) of this section.—~~

~~b.—Of the children who attend the child care facility, the children of very low, lower and moderate income households shall equal a percentage that is equal to or greater than the percentage of dwelling units that are required for very low, lower or moderate income households pursuant to subsection (e)(2) of this section.—~~

~~(3)—Notwithstanding subsections (f)(1) and (2) of this section, the City shall not be required to provide a density bonus or incentive for a child care facility if it finds, based upon substantial evidence, that the community has adequate child care facilities.—~~

~~(g)—*Condominium conversions.*—~~

~~(1)—An applicant shall be eligible for either a density bonus or other incentives or concessions of equivalent financial value in accordance with state law if the applicant for a conversion of existing rental apartments to condominiums agrees to provide 33 percent of the total units of the proposed condominium project as target units affordable to households with moderate incomes or less, or to provide 15 percent of the total units in the condominium conversion project as target units affordable to lower income households. All such target units shall remain affordable for the period specified in the density bonus housing agreement.—~~

~~(2)—For purposes of this subsection, a density bonus means an increase in units of 25 percent over the number of units to be provided within the existing structure or structures proposed for conversion.—~~

~~(3) — No condominium conversion shall be eligible for a density bonus if the apartments proposed for conversion constitute a housing development for which a density bonus or other incentives or concessions were previously provided pursuant to this section or Government Code Section 65915.~~

~~(h)~~ *Processing of bonus request.*

(1) *Permit required.* Residential development projects that include a request for a density bonus and/or incentive pursuant to this section shall require the approval of a conditional use permit, which shall be approved by the City Council, provided, however, that in no event shall City Council withhold approval of a density bonus to which an affordable housing development is entitled to under state law.

(2) *Initial review of density bonus request.* The director shall notify the applicant whether the application is complete within 30 days of filing the application, in a manner consistent with [California Government Code Section 65943](#). The director shall notify the applicant within 90 days of the filing of the conditional use permit application whether the residential development project qualifies for the density bonus and incentives described in this section.

(3) *Criteria to be considered.* Criteria to be considered in analyzing a request for a density bonus shall include whether the applicant has agreed to construct affordable units that meet the requirements of ~~subsection (e) of this section~~ [California Government Code Section 65915\(k\)](#). Criteria to be considered in analyzing a requested incentive shall include whether an incentive has a specific adverse impact upon health, safety or the physical environment, and whether there is no feasible method to eliminate or mitigate such specific adverse impact.

(4) The applicant shall enter into an agreement with the City or its designee to maintain and enforce the affordable housing component of the housing development.

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

(6) *Required documents.* All applications for a density bonus, developer incentive, or waiver or modification of development standards must include the following information:

- a. A description of the project, including the number of dwelling units, the number of affordable units and level of affordability, and the location of the affordable units;
- b. The specific developer incentive(s) sought, if any, and documentation regarding the necessity of the incentive in order to provide affordable housing costs or rents;
- c. The specific waiver or modification to development standard(s), if any, and documentation regarding the necessity of the waiver or modification, including documentation demonstrating that the City’s development standards physically preclude the utilization of a density bonus;
- d. For parking standard modification requests, that the requirements of ~~subsection (i) of~~ this section are met;
- e. The proposed method of ensuring the continued affordability of all low, very low, or moderate units, or senior units, transitional foster youth, disabled veterans, homeless, or child care facilities, that qualified the applicant for the award of the density bonus for at least 55 years, as required by California Government Code Section 65915(c)(1);
- f. For the application for a density bonus permit for the donation of land, the application must show the location of the land in addition to including sufficient information to establish that each requirement California Government Code Section 65915(g)(2) has been met;
- g. The application for a density bonus permit for a development that includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project (California Government Code Section 65915(b)), shall show the location and square footage of the child care facility in addition to including sufficient information as how the applicant proposes to regulate attendance at the child care

facility to conform to the requirements of California Government Code Section 65915(h)(2)(B).

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

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

- a. The residential development project would not be a hazard or nuisance to the city at large or establish a use or development inconsistent with the goals and policies of the City's General Plan;
- b. The number of dwelling units can be accommodated by existing and planned infrastructure capacities;
- c. Adequate evidence exists to ensure that the development of the property would result in the provision of affordable housing in a manner consistent with the purpose and intent of this section;
- d. In the event that the City does not grant at least one incentive described in ~~subsection (d)(5) of this section~~ [California Government Code Section 65915\(k\)](#), that additional concessions or incentives are not necessary to provide housing

at an affordable housing cost, as defined in California Health and Safety Code sections 50052.5 and 50053; and

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

~~(i) — Vehicular parking ratio.~~

~~(1) — Upon approval of a density bonus application and at the request of the developer, the City may only require the following maximum parking space requirements, except where noted under subsection (i)(2) of this section:~~

~~a. — Zero to one bedroom: one onsite parking space~~

~~b. — Two to three bedrooms: two onsite parking spaces~~

~~c. — Four or more bedrooms: two and one half parking spaces~~

~~(2) — Exceptions. Upon request of the applicant, the following maximum parking standards shall apply, inclusive of disabled and guest parking, to the entire housing development subject to this section, as required by California Government Code Section 65915(p)(2):~~

~~a. — A maximum of 0.5 parking spaces per bedroom shall apply when all the following conditions apply:~~

~~i. — The development includes the maximum percentage of low or very low income units provided for in subsection (d)(3) of this section.~~

~~ii. — The development is located within 0.5 mile of a major transit stop, as defined in California Public Resources Code Section 21155(b).~~

~~iii. — There is unobstructed access to the major transit stop from the development. A development shall have unobstructed access to a major transit stop if a resident is able to access the major transit stop without encountering natural or constructed impediments.~~

ITEM 8.1 – Exhibit A to Attachment A

~~b. — A maximum of 0.5 parking spaces per unit shall apply when all the following conditions apply:~~

~~i. — The development consists solely of rental units, exclusive of a manager’s unit or units, with an affordable housing cost to lower income families, as provided in California Health and Safety Code Section 50052.5.~~

~~ii. — The development is located within 0.5 mile of a major transit stop, as defined in California Public Resources Code Section 21155(b).~~

~~iii. — There is unobstructed access to the major transit stop from the development. A development shall have unobstructed access to a major transit stop if a resident is able to access the major transit stop without encountering natural or constructed impediments.~~

~~c. — A maximum of 0.5 parking spaces per unit shall apply when all the following conditions apply:~~

~~i. — The development consists solely of rental units, exclusive of a manager’s unit or units, with an affordable housing cost to lower income families, as provided in California Health and Safety Code Section 50052.5.~~

~~ii. — The development is for individuals who are 62 years of age or older and which complies with California Civil Code sections 51.2 and 51.3.~~

~~iii. — The development shall have either paratransit service or unobstructed access, within 0.5 mile, to fixed-bus route service that operates at least eight times per day.~~

~~d. — A maximum of 0.3 parking spaces per unit shall apply when all the following conditions apply:~~

~~i. — The development consists solely of rental units, exclusive of a manager’s unit or units, with an affordable housing cost to lower income families, as provided in California Health and Safety Code Section 50052.5.~~

~~ii.—The development is a special needs housing development, as defined in California Health and Safety Code Section 51312.~~

~~iii.—The development shall have either paratransit service or unobstructed access, within 0.5 mile, to fixed bus route service that operates at least eight times per day.~~

~~(3)—If the total number of parking spaces required for the qualified housing development is other than a whole number, the number shall be rounded up to the next whole number. For purposes of this section, “on-site parking” may be provided through tandem parking or uncovered parking, but not through on-street parking.~~

~~(4)—An applicant may request additional parking incentives beyond those provided in this section if applied for pursuant to subsection (d) of this section (Government Code Section 65915(p)(3)).~~

~~(5)—Notwithstanding allowances in subsection (i)(2) of this section, if the City or an independent consultant has conducted an area-wide or jurisdiction-wide parking study in the last seven years, then the City may impose a higher vehicular parking ratio not to exceed the ratio described in subsection (i)(1) of this section, based on substantial evidence found in the parking study that includes, but is not limited to, an analysis of parking availability, differing levels of transit access, walkability access to transit services, the potential for shared parking, the effect of parking requirements on the cost of market-rate and subsidized developments, and the lower rates of car ownership for low and very low income individuals, including seniors and special needs individuals. The City shall pay the costs of any new study. The City shall make findings, based on a parking study completed in conformity with this paragraph, supporting the need for the higher parking ratio.~~

8.2
CORONAVIRUS AID, RELIEF, AND
ECONOMIC SECURITY ACT FUNDING

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: September 16, 2020 Regular Meeting

SUBJECT: Coronavirus Aid, Relief, and Economic Security Act Funding

Recommendation

Authorize the City Manager to implement and administer a COVID-19 Home Electric Utility Subsidy Program using Coronavirus Aid, Relief, and Economic Security Act funding to provide financial assistance to lower-income residents who are at least 65 years of age with increased electric utility costs as a result of complying with COVID-19-related public health measures.

Background

The City will receive \$347,649 in Coronavirus Aid, Relief, and Economic Security (“CARES”) Act funding (in addition to \$33,713 in Community Development Block Grant CARES Act funding). According to United States Department of the Treasury guidance, CARES Act funds can only be used for expenditures that:

1. Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”);
2. Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act); and
3. Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

CARES Act funds cannot be used to fill the City’s revenue shortfalls.

At present, staff anticipates that at least \$80,000 in CARES Act funds could be allocated for COVID-19-related subsidy programs assisting residents who have been financially impacted by COVID-19, including as a result of complying with related public health measures (e.g., California Department of Public Health and Orange County Health Officer guidance advising older adults to remain at home).

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on a proposed COVID-19 Home Electric Utility Subsidy Program. A summary of the proposed program is included as Attachment A. Staff recommends that the City Council provide the requested authorizations to the City Manager in order to allow for the implementation and administration of the proposed program.

If the City Council takes the recommended action, staff would anticipate releasing an approximately 30-day call for applications within the coming week. The time required to review applications would likely vary based on the completeness of the applications received; however, staff would endeavor to complete an initial review of each application within 10 days. Subsidy payments would be approved by the City Manager and awarded on a "first-qualifying, first awarded" basis.

In developing the proposed program, staff reviewed guidance issued by the United States Department of the Treasury. The Department's "Coronavirus Relief Fund Frequently Asked Questions" document, updated as of September 2, 2020, reads in part: *"Fund payments may be used for subsidy payments to electricity account holders to the extent that the subsidy payments are deemed by the [government] to be necessary expenditures incurred due to the COVID-19 public health emergency and meet the other criteria of section 601(d) of the Social Security Act outlined in the Guidance. For example, if determined to be a necessary expenditure, a government could provide grants to individuals facing economic hardship to allow them to pay their utility fees and thereby continue to receive essential services."*

Staff also consulted with California Department of Finance staff who indicated that the proposed program appears to be CARES Act-eligible provided the City is able to document the necessity of the subsidy payments.

After subsequent communication with California Department of Finance staff and internal review, City staff determined that necessity could be documented based on one or more household members being subject to and complying with California

Department of Public Health and Orange County Health Officer guidance advising older adults to remain at home, income (extremely low, very low, or low income based on United States Department of Housing and Urban Development limits), and year-over-year electric utility costs following the onset of COVID-19 (subsidy payments limited to increased costs only). With older adults remaining at home more often than they would have otherwise, the use of air conditioning, lighting, and other electric-powered items may have increased, creating heightened financial burdens of particular challenge for lower-income residents. The use of electricity is necessary for older adults to be able to remain at home during COVID-19, thus facilitating compliance with COVID-19-related public health measures.

Fiscal Impact

Sufficient CARES Act funds are available to support the proposed program. The specific amount of funding available would vary based on the extent of the City's other CARES Act-eligible expenditures, but is currently anticipated to be at least \$80,000. Staff would only award subsidy payments as funding allows.

To maximize the direct public benefit of the CARES Act funds, existing staff and General Fund resources would be used to implement and administer the proposed program. CARES Act funds would only be used to provide subsidy payments.

Attachment: A – Proposed Program Summary

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COVID-19 Home Electric Utility Subsidy Program

Proposed Program Summary

Qualifying Laguna Woods households are invited to apply to receive a subsidy payment for increased electric utility costs (monies paid to Southern California Edison) incurred between March 1, 2020 and August 31, 2020 as a result of complying with COVID-19-related public health measures. This COVID-19 Home Electric Utility Subsidy Program is made possible with the assistance of Coronavirus Aid, Relief, and Economic Security Act funding.

Households will likely qualify if (1) they have lived at the same address in Laguna Woods since at least August 1, 2019 and (2) one or more household members were at least 65 years of age prior to August 1, 2020 and (3) the combined income of all household members for the 2019 calendar year was equal to or less than the following federal limits:

- \$71,750 for one-person households;
- \$82,000 for two-person households; or
- \$92,250 for three-person households.

City staff will calculate the amount of the subsidy payment that households are eligible to receive by reviewing electric utility bills. The maximum subsidy payment is equal to the difference between the current and prior year's electric utility costs for each month that one or more of the members of the household were 65 years of age or older.

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8.3
CITY COUNCIL MEETING SCHEDULE
(NO REPORT)

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