

CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting
Wednesday, October 20, 2021
2:00 p.m.

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

Shari L. Horne
Mayor

Carol Moore
Mayor Pro Tem

Cynthia Conners
Councilmember



Noel Hatch
Councilmember

Ed H. Tao
Councilmember

Welcome to a meeting of the Laguna Woods City Council!

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

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

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

REGULAR MEETING SCHEDULE

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

AGENDA POSTING AND AVAILABILITY

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

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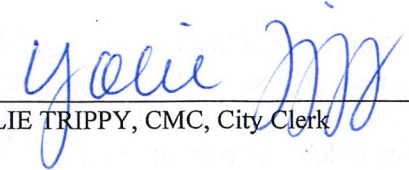
FOR ADDITIONAL INFORMATION

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

AFFIDAVIT OF POSTING

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

I, Yolie Trippy, 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

10-15-21

Date

NOVEL CORONAVIRUS (COVID-19) NOTICE

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

OPTIONS FOR PUBLIC COMMENTS

1. Attend the meeting in-person.

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

3. Make public comments by telephone. Dial (669) 900-6833. When prompted enter the following meeting ID: 822 8978 8185 followed by pound (#) and the following meeting passcode: 325034 followed by pound (#). When an item you wish to comment on is discussed, press *9 on your phone to raise your hand. When it is your turn, you will be unmuted and able to speak. Please note that your telephone number will be visible to the City. No party should expect privacy of such information.

4. Make public comments by computer.

- Visit www.zoom.us
- Click on “Join a Meeting” toward the top right of the webpage
- Enter the following meeting ID: 822 8978 8185
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 325034
- Enter a name and email address as required by Zoom

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

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PLEDGE OF ALLEGIANCE**
- IV. PRESENTATIONS AND CEREMONIAL MATTERS**
- V. PUBLIC COMMENTS**

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

VI. CONSENT CALENDAR

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

6.1 City Council Minutes

Recommendation: Approve the City Council meeting minutes for the regular meeting on September 15, 2021.

6.2 City Treasurer's Report

Recommendation: Receive and file the City Treasurer's Report for the month of September 2021.

6.3 Warrant Register

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

6.4 Teleconferencing for Meetings

Recommendation: Adopt a resolution titled:

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

6.5 Fiscal Years 2021-23 Budget Adjustment

Recommendation: Adopt a resolution entitled:

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

6.6 Investment of Financial Assets Policy

Recommendation: Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REVIEWING AND ADOPTING AN ANNUAL STATEMENT OF THE INVESTMENT POLICY, ADOPTING AN INVESTMENT POLICY, AND RENEWING THE CITY COUNCIL'S DELEGATION OF INVESTMENT AUTHORITY TO THE CITY TREASURER PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53607

VII. PUBLIC HEARINGS

7.1 Solid Waste Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

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

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

7.2 Purchasing and Procurement Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Close public hearing.

AND

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

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

7.3 Residential Density Bonus Standards Regulations

Recommendation:

1. Receive staff report.

AND

2. Open public hearing.

AND

3. Receive public testimony.

AND

4. Continue the public hearing to the regular meeting of the City Council on November 17, 2021 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637.

VIII. CITY COUNCIL BUSINESS

8.1 Edible Food Recovery Program

Recommendation: Approve an agreement with OneOC for edible food recovery program services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

8.2 Ridge Route Drive Landscape Project

Recommendation: Provide direction to the City Manager regarding the Ridge Route Drive Landscape Project.

IX. CITY COUNCIL REPORTS AND COMMENTS

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

9.1 Coastal Greenbelt Authority

Councilmember Conners; Alternate: Councilmember Tao

9.2 Orange County Fire Authority

Councilmember Hatch

9.3 Orange County Library Advisory Board

Mayor Pro Tem Moore; Alternate: Councilmember Tao

9.4 Orange County Mosquito and Vector Control District

Mayor Horne

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Conners; Alternate: Mayor Pro Tem Moore

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore; Alternate: Councilmember Hatch

9.7 Other Comments and Reports

X. CLOSED SESSION

XI. CLOSED SESSION REPORT

XII. ADJOURNMENT

Next Regular Meeting:

Wednesday, November 17, 2021 at 2 p.m.

Laguna Woods City Hall

24264 El Toro Road, Laguna Woods, California 92637

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6.0 CONSENT CALENDAR SUMMARY

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: October 20, 2021 Regular Meeting
SUBJECT: Consent Calendar Summary

Recommendation

Approve all proposed actions on the October 20, 2021 Consent Calendar by single motion and City Council action.

Background

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

Summary

The October 20, 2021 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the regular meeting on September 15, 2021.
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of September 2021.
- 6.3 Approval of the warrant register dated October 20, 2021 in the amount of \$598,872.45. A list of warrants is included in the agenda packet; detailed information about individual warrants is available at or from City Hall.

- 6.4 Adoption of a resolution allowing for the continued use of teleconferencing for meetings during the COVID-19 State of Emergency, pursuant to California Assembly Bill 361 (2021-2022). The proposed resolution includes the findings required by California Government Code Section 54953(e)(3) for the City Council to continue holding meetings via teleconferencing.
- 6.5 Adoption of a resolution amending and adopting the Fiscal Years 2021-23 Budget and Work Plan for Fiscal Year 2021-22 commencing July 1, 2021 and ending June 30, 2022, and Fiscal Year 2022-23 commencing July 1, 2022 and ending June 30, 2023, related to adjustments of Coastal Area Road Improvement & Traffic Signals (CARITS) Fund appropriations and closure of the Coastal Area Road Improvement & Traffic Signals (CARITS) Fund, and making related payment authorizations. The proposed resolution would increase Fiscal Year 2021-22 appropriations for the Coastal Area Road Improvement & Traffic Signals (CARITS) Fund in the amount of \$262,000 in order to enable final disposition of the remaining fund balance, including remittance to the County of Orange. The proposed resolution would also authorize staff to make related payments and close the Coastal Area Road Improvement & Traffic Signals (CARITS) Fund after the remaining fund balance is fully expended.
- 6.6 Adoption of a resolution reviewing and adopting an annual statement of the investment policy, adopting an investment policy, and renewing the City Council's delegation of investment authority to the City Treasurer pursuant to California Government Code Section 53607. The proposed resolution would readopt Administrative Policy 2.2 (Investment of Financial Assets) without modification and renew the City Council's delegation of investment authority to the City Treasurer for a one-year period. The recommendation is made jointly by the Ad Hoc Investment Policy Review Committee (Mayor Horne and Councilmember Tao) and staff.

6.1
CITY COUNCIL MINUTES

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**CITY OF LAGUNA WOODS CALIFORNIA
CITY COUNCIL MINUTES
REGULAR MEETING
September 15, 2021
2:00 P.M.
Laguna Woods City Hall
24264 El Toro Road
Laguna Woods, California 92637**

I. CALL TO ORDER

Mayor Horne called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:00 p.m.

II. ROLL CALL

COUNCILMEMBER: PRESENT: Conners, Hatch, Tao, Moore, Horne
 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 Patterson, City Clerk Trippy

All staff participated in-person at the meeting location.

III. PLEDGE OF ALLEGIANCE

Councilmember Tao led the pledge of allegiance.

IV. PRESENTATIONS AND CEREMONIAL MATTERS

4.1 Recent Financial Accomplishments

Mayor Horne introduced the item and provided information on:

- The City's ranking on the California State Auditor's High-Risk Local Government Agency Audit Program's Interactive Dashboard for Fiscal Year 2019-20; and
- The City's receipt of a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for Fiscal Year 2019-20.

Councilmembers and City Manager Macon made comments.

4.2 Hunger Action Month – September 2021

City Clerk Trippy read the proclamation.

Claudia Keller, Second Harvest Food Bank of Orange County and OC Hunger Alliance, made comments.

Councilmembers made comments and Ms. Keller answered related questions.

4.3 Fire Prevention Week – October 3-9, 2021

City Clerk Trippy read the proclamation.

Mike Contreras, Division Chief, Orange County Fire Authority, made comments.

Councilmembers made comments and Division Chief Contreras answered related questions.

V. PUBLIC COMMENTS – None

VI. CONSENT CALENDAR

Moved by Mayor Pro Tem Moore, seconded by Councilmember Conners, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.5. This vote was conducted by roll call.

6.1 City Council Minutes

Approved the City Council meeting minutes for the regular meeting on August 18, 2021.

6.2 City Treasurer's Report

Received and filed the City Treasurer's Report for the month of August 2021.

6.3 Warrant Register

Approved the warrant register dated September 15, 2021 in the amount of \$666,891.04.

6.4 Investment of Financial Assets Authority

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, RENEWING ITS DELEGATION OF INVESTMENT AUTHORITY TO THE CITY TREASURER PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53607

6.5 800-Megahertz Countywide Coordinated Communications System

Approved a joint agreement between the Orange County Sheriff's Department, the City, and other partner agencies [authorized subscribers to the system who agree to share in the System Operation Costs to administer, maintain, and upgrade the technology by providing recurring rate schedule payments] for the operation, maintenance and financial management of the Orange County 800-Megahertz Countywide Coordinated Communications System and authorized the Mayor to execute the memorandum of understanding, subject to approval as to form by the City Attorney.

VII. PUBLIC HEARINGS – None

VIII. CITY COUNCIL BUSINESS

8.1 Orange County Veterans Cemetery
(agendized by Mayor Horne)

Mayor Horne introduced the item.

Bill Cook, Chairman of the Orange County Veterans Memorial Park Foundation, expressed his support for the proposed resolution.

Councilmembers discussed the item.

Mr. Cook responded to Councilmember comments.

At Mayor Horne's request, a moment of silence was observed for the recent servicemember deaths in Afghanistan.

Moved by Councilmember Hatch, seconded by Councilmember Connors, 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, SUPPORTING THE ORANGE COUNTY
VETERANS CEMETERY IN ANAHEIM HILLS

This vote was conducted by roll call.

8.2 California Assembly Bill 63 (Petrie-Norris) (2021-2022)
(agendized by Mayor Horne)

Mayor Horne introduced the item.

Shannon Swanson, Assemblymember Petrie-Norris' Office, made comments.

Councilmembers discussed the item and Ms. Swanson answered related questions.

Moved by Councilmember Conners, seconded by Mayor Pro Tem Moore, and carried unanimously on a 5-0 vote, to adopt a position in support of California Assembly Bill 63 (Petrie-Norris) (2021-2022) (Marine resources: Marine Managed Areas Improvement Act: restoration and monitoring activities.). This vote was conducted by roll call.

8.3 California Joint Powers Insurance Authority 2021 Annual Board of Directors Meeting

Mayor Horne introduced the item.

Councilmembers discussed the item.

Moved by Councilmember Conners, seconded by Councilmember Hatch, and carried unanimously on a 5-0 vote, to appoint Mayor Pro Tem Moore as the voting delegate to vote on behalf of and represent the City at the California Joint Powers Insurance Authority's 2021 Annual Board of Directors Meeting. This vote was conducted by roll call.

8.4 Cannabis Businesses and Retail Sales Business Tax (agendized by Mayor Horne)

Mayor Horne introduced the item.

Councilmembers discussed the item and staff answered related questions.

Moved by Councilmember Conners, seconded by Councilmember Tao, and carried unanimously on a 5-0 vote, to direct the City Manager to draft an ordinance for future consideration by the City Council that would – if placed on a future ballot by the City Council and subsequently approved by registered voters – enact a tax on businesses engaged in the retail sale of cannabis and cannabis products. This direction was given with the understanding that, if approved by registered voters, such a tax would only be levied if the City Council took separate, future action to authorize the establishment and operation of cannabis dispensaries and/or other cannabis businesses. This vote was conducted by roll call.

8.5 City Council Meeting Schedule

City Manager Macon introduced the item.

Councilmembers discussed the item and staff answered related questions.

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

1. Schedule an adjourned regular meeting of the City Council for October 14, 2021 at 1 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637

AND

2. Reinstate the regular meeting of the City Council on November 17, 2021 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

This vote was conducted by roll call.

IX. CITY COUNCIL REPORTS AND COMMENTS

9.1 Coastal Greenbelt Authority

Councilmember Conners stated that there was nothing to report.

Mayor Horne briefly commented on wildlife corridor matters.

9.2 Orange County Fire Authority

Councilmember Hatch provided a report.

Mayor Horne briefly responded to Councilmember Hatch's report.

9.3 Orange County Library Advisory Board

Mayor Pro Tem Moore stated that there was nothing to report and inquired about providing a report on the Southern California Association of Governments' Emerging Technologies Committee.

City Manager Macon responded that such a report could be made under Item 9.7.

9.4 Orange County Mosquito and Vector Control District

Mayor Horne provided a report.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Conners provided a report and shared a video from the Transportation Corridor Agencies titled "Live Oak Canyon Conservation Grazing."

Mayor Horne briefly responded to Councilmember Conners' report.

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore commented on water matters.

9.7 Other Comments and Reports

Mayor Pro Tem Moore provided a report on the Southern California Association of Governments' Emerging Technologies Committee and shared a video from HyperloopTT titled "Imagine."

Councilmembers briefly commented on the video.

At Mayor Pro Tem Moore's request, City Manager Macon commented on the status of the mobility technology plan to be funded by the Southern California Association of Governments.

Councilmember Conners briefly responded to City Manager Macon's report.

Councilmember Conners stated that the Discovery Science Cube is open and has a special exhibit on organic waste recycling.

Mayor Horne stated that the Discovery Science Cube also has an exhibit on vectors.

Mayor Horne commented on pending state legislation regarding remote meetings.

Mayor Pro Tem Moore commented on the environmental benefits of remote meetings.

X. CLOSED SESSION – None

XI. CLOSED SESSION REPORT – None

XII. ADJOURNMENT

The meeting was adjourned at 3:40 p.m. The next adjourned regular meeting will be at 1:00 p.m. on Thursday, October 14, 2021 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, October 20, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

YOLIE TRIPPY, CMC, City Clerk

Approved: October 20, 2021

SHARI L. HORNE, Mayor

6.2 CITY TREASURER'S REPORT

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City of Laguna Woods
City Treasurer's Report
For the Month Ended September 30, 2021

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 8/31/21	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 9/30/21	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 1)	\$ 547,496	\$ 497,620	\$ (598,988)	\$ -	\$ 446,128	3.28%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 4,145	\$ 2,171	\$ (4,297)	\$ -	\$ 2,018	0.01%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 7,087	\$ 4,066	\$ (2,171)	\$ -	\$ 8,982	0.07%	
Petty Cash	\$ 1,279	\$ 221	\$ (106)	\$ -	\$ 1,394	0.01%	
Total Cash and Cash Equivalents	\$ 560,006	\$ 504,079	\$ (605,563)	\$ -	\$ 458,522	3.38%	100.00%
Pooled Money Investment Accounts							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 2,687,580	\$ -	\$ -	\$ -	\$ 2,687,580	19.78%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 8,682,336	\$ 6,557	\$ (821)	\$ -	\$ 8,688,071	63.95%	
Total Pooled Money Investment Accounts	\$ 11,369,916	\$ 6,557	\$ (821)	\$ -	\$ 11,375,652	83.74%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit (fair value) (Note 2)	\$ 1,753,456	\$ -	\$ -	\$ (2,628)	\$ 1,750,828	12.89%	
Total Investments - Interest and Income Bearing	\$ 1,753,456	\$ -	\$ -	\$ (2,628)	\$ 1,750,828	12.89%	30.00%
TOTAL	\$ 13,683,378	\$ 510,635	\$ (606,384)	\$ (2,628)	\$ 13,585,002	100.00%	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (3,562,946)	\$ 4,009,074	\$ 446,128
Cash Balances, MBS Account	\$ 2,018	\$ -	\$ 2,018
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 8,982	\$ -	\$ 8,982
Petty Cash	\$ 1,394	\$ -	\$ 1,394
LAIF	\$ 2,687,580	\$ -	\$ 2,687,580
OCIP	\$ 8,688,071	\$ -	\$ 8,688,071
Certificates of Deposit	\$ 1,750,828	\$ -	\$ 1,750,828
Totals	\$ 9,575,928	\$ 4,009,074	\$ 13,585,002

(See NOTES on Page 4 of 4)



City of Laguna Woods
City Treasurer's Report
For the Month Ended September 30, 2021

ITEM 6.2

CASH AND INVESTMENTS

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate (Note 4)	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)														
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	41 months	12/07/18	12/11/18	100,000	101,480	99,144	2.400	Semi-Annual	05/19/19	Green***	3.329	05/19/22
90348JEA4	2018-6	UBS BANK USA	48 months	10/01/18	10/05/18	245,000	252,793	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	261,334	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	256,315	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	262,052	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	259,364	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	253,683	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
59013KGJ9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	103,806	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
Accrued Interest - Month End							8,982							
Total CDs						1,665,000	1,759,810	1,664,144						

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

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

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

Table 2: Veribanc Color Rankings (used beginning in September 2017)

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

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

N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	2,687,580	2,687,580	2,687,580	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	8,688,071	8,688,071	8,688,071	Pending	N/A	N/A	N/A	N/A	N/A
Total PMIA						11,375,652	11,375,652	11,375,652						

(See NOTES on Page 4 of 4)



City of Laguna Woods
City Treasurer's Report
For the Month Ended September 30, 2021

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 8/31/21	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 9/30/21
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) (CERBT holds all assets and administers the OPEB Trust)	\$ 147,260	\$ -	\$ (10)	\$ (2,880)	\$ 144,369
Employer Pension Contributions Trust					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) (CEPPT holds all assets and administers the Employer Pension Contributions Trust)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Funds - Held in Trust	<u>\$ 147,260</u>	<u>\$ -</u>	<u>\$ (10)</u>	<u>\$ (2,880)</u>	<u>\$ 144,369</u>

(See NOTES on Page 4 of 4)



City of Laguna Woods
City Treasurer's Report
For the Month Ended September 30, 2021

ITEM 6.2

CASH AND INVESTMENTS

Notes:

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

Note 2 - During September 2021, 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 \$222.79 to reflect the fair market value of the investment at June 30, 2021.

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

Investments / There were no maturities or purchases of investments. Investments were adjusted in the amount of (\$2,627.65) to report balances at fair market value as of September 30, 2021.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net loss of (\$2,890.72) in September 2021.

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

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

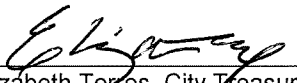
Pool	Earnings Post	Prior Period Earnings Deposited	Deposit for Period Ended	Current Month / Quarter Gross Yield	Current Month / Quarter Earnings Will Post	Notes
LAIF	Quarterly	\$0	N/A	See Notes	October 2021	Total pool interest yield for September 2021 was 0.206% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$6,557	May & June 2021	See Notes	See Notes	Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at September 30, 2021 was \$12,274.18. September 2021 interest rate was 0.562% and fees were 0.058%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$2,171.28 and transferred out \$4,297.41 in cash balances to the City's checking account in September 2021. Cash balances to be invested or paid out are classified separately on page 1 of 4. The City's portfolio also has \$8,981.92 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

10/14/21
 Date

6.3 WARRANT REGISTER

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CITY OF LAGUNA WOODS
WARRANT REGISTER
OCTOBER 20, 2021

ITEM 6.3

This Report Covers the Period 9/01/2021 through 9/30/2021

Date	Vendor Name	Description	Amount
Debit	<i>Automatic Bank Debits:</i>		
Debit 09/02/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 08/27/2021	2,838.46
Debit 09/02/2021	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / August 2021	505.01
Debit 09/02/2021	AUTHORIZE.NET	Online Credit Card Processing Fees / August 2021	12.00
Debit 09/02/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 08/27/2021	17,748.00
Debit 09/02/2021	ADP TAX	Payroll Taxes / Pay Period Ended 08/27/2021	8,368.95
Debit 09/07/2021	CALPERS - UAL / GASB 68	Annual GASB 68 Reporting Fee	700.00
Debit 09/10/2021	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 07/30/2021 & 08/13/2021 & 8/27/2021	614.34
Debit 09/10/2021	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / September 2021	255,071.73
Debit 09/13/2021	BUSINESS PLANS	Employee Benefit Program / September 2021	172.38
Debit 09/13/2021	CALPERS - HEALTH	Employee Benefit Program / September 2021	6,301.16
Debit 09/14/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/13/2021	2,753.71
Debit 09/14/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/13/2021	1,684.16
Debit 09/15/2021	U.S. BANK	Bank Service Charges / August 2021	94.85
Debit 09/16/2021	ADP TAX	Payroll Taxes / Pay Period Ended 09/10/2021	8,384.77
Debit 09/16/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 09/10/2021	17,867.37
Debit 09/17/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 09/10/2021	2,838.46
Debit 09/21/2021	BUSINESS PLANS	Employee Benefit Program / September 2021	178.96
Debit 09/21/2021	BUSINESS PLANS	Employee Benefit Program / September 2021	480.00
Debit 09/28/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/27/2021	3,003.94
Debit 09/28/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 08/27/2021	1,661.49
Debit 09/28/2021	BUSINESS PLANS	Employee Benefit Program / September 2021	293.92
Debit 09/30/2021	ADP TAX	Payroll Taxes / Pay Period Ended 09/24/2021	8,880.08
Debit 09/30/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 09/24/2021	20,108.76
Check Number	<i>Warrants:</i>		
5092 09/03/2021	LSA ASSOCIATES, INC.	Planning Services / April - June 2021	34,621.25
5093 09/03/2021	ACCOUNTEmps	Temporary Accounting Clerk Services / Week Ending August 20, 2021	1,376.51
5094 09/03/2021	AT&T	Telephone / 452-0600 / August 2021	2,158.49
5095 09/03/2021	AT&T	Telephone / 458-3487 / August 2021	44.91
5096 09/03/2021	AT&T	Telephone / 639-0500 / August 2021	225.04
5097 09/03/2021	MONTROSE & ASSOCIATES, INC.	City Hall Television Broadcast Improvement Project	3,995.00
5098 09/03/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending August 20, 2021	1,238.45
5099 09/03/2021	SOUTHERN CALIFORNIA EDISON	Electric Services / May - July 2021	13,976.87
5100 09/09/2021	ACCOUNTEmps	Temporary Accounting Clerk Services / Week Ending August 27, 2021	1,388.05
5101 09/09/2021	ADT COMMERCIAL	Fire System Maintenance	475.00
5102 09/09/2021	ARC DOCUMENT SOLUTIONS, LLC.	City Hall/Public Library Project	453.09
5103 09/09/2021	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / August 2021	20,528.97
5104 09/09/2021	CALIFORNIA INTERNET LP	City Hall Internet Service / October 2021	349.00
5105 09/09/2021	HKA ELEVATOR CONSULTING, INC.	City Hall Refurbishment & Safety Project: Phase 3	2,000.00
5106 09/09/2021	OBR ARCHITECTURE, INC.	City Hall/Public Library Project	7,240.86
5107 09/09/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending August 27, 2021	1,240.00
5108 09/09/2021	PETTY CASH	Reimburse Petty Cash / August 2021	-
5109 09/09/2021	SUNSET PROPERTY SERVICES	Street Sweeping Services / August 2021	4,350.00
5110 09/09/2021	THE GAS COMPANY	Gas Service - City Hall / August 2021	14.30

CITY OF LAGUNA WOODS
WARRANT REGISTER
OCTOBER 20, 2021

This Report Covers the Period 9/01/2021 through 9/30/2021

Date	Vendor Name	Description	Amount
5111	09/09/2021	WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / August 2021
5112	09/17/2021	360CIVIC	Website Hosting / August 2021
5113	09/17/2021	ALISO CREEK MINUTEMAN PRESS	Printing Services
5114	09/17/2021	ARC DOCUMENT SOLUTIONS, LLC.	City Hall/Public Library Project
5115	09/17/2021	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Services / August 2021
5116	09/17/2021	CMTA	Annual Membership / Fiscal Year 2021-22
5117	09/17/2021	DEPARTMENT OF CONSERVATION	Strong Motion Instrumentation & Seismic Hazard Mapping Fee / April - June 2021
5118	09/17/2021	DONNA'S RADIUS MAPS	Public Notice Radius Mailing
5119	09/17/2021	HENNESSEY & HENNESSEY LLC	Appraisal Services
5120	09/17/2021	LSA ASSOCIATES, INC.	Planning Services / July 2021
5121	09/17/2021	MARC DONOHUE	Administrative Services / August 2021
5122	09/17/2021	MICHAEL BAKER INTERNATIONAL	Planning Services / August 2021
5123	09/17/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending September 3, 2021
5124	09/17/2021	ORANGE COUNTY REGISTER-NOTICES	Public Notices / August 2021
5125	09/17/2021	ORKIN	Pest Control Services / September 2021
5126	09/17/2021	PARK CONSULTING GROUP, INC	Software Implementation Consulting / July - August 2021
5127	09/17/2021	R.P. LAURAIN & ASSOCIATES	Appraisal Services
5128	09/17/2021	RECREATION BRANDING SERVICES	Graphic Design Services
5129	09/17/2021	RICOH USA, INC.	Copier Usage / August 2021
5130	09/17/2021	SAGECREST PLANNING AND ENVIRONMENTAL	Planning Services / August 2021
5131	09/17/2021	SIEMENS MOBILITY, INC.	Traffic Maintenance / July - August 2021
5132	09/17/2021	SOUTHERN CALIFORNIA SHREDDING, INC	Shredding Services / August 2021
5133	09/17/2021	STAPLES	Office and Janitorial Supplies
5134	09/17/2021	VERIZON WIRELESS	Building Division iPads Data Plans / August 2021
5135	09/17/2021	VITUITY - URGENT CARE SERVICES, PC	Employee Health Services / August 2021
5136	09/17/2021	WILLDAN ENGINEERING	Building Official, Permit Counter & Inspection Services / August 2021
5137	09/24/2021	ACCOUNTEMPS	Temporary Accounting Clerk Services / Week Ending September 3, 2021
5138	09/24/2021	ADT COMMERCIAL	Fire & Security Monitoring / October - December 2021
5139	09/24/2021	AT&T	Telephone / 583-1105 / August 2021
5140	09/24/2021	AT&T	Telephone / 581-9821 / August 2021
5141	09/24/2021	AT&T	White Pages / September 2021
5142	09/24/2021	BALLIET, MICHAEL	Waste Management Consulting Service / August 2021
5143	09/24/2021	CALIFORNIA BLDG STANDARDS COMM	Building Permit Fee Assessment / April - June 2021
5144	09/24/2021	CALIFORNIA YELLOW CAB	Taxi Voucher Services / August 2021
5145	09/24/2021	COUNTY OF ORANGE	Automated Fingerprint ID System / September 2021
5146	09/24/2021	DAVID EVANS & ASSOCIATES INC.	Trash Provision Planning Services / August 2021
5147	09/24/2021	DEPARTMENT OF JUSTICE	Fingerprinting Service / August 2021
5148	09/24/2021	HDL COREN & CONE	ACFR Statistical Package / Fiscal Year 2020-2021
5149	09/24/2021	KONE INC.	City Hall Elevator Maintenance / September 2021
5150	09/24/2021	OFFICE TEAM	Temporary Filing Clerk Services / Week Ending September 10, 2021
5151	09/24/2021	SOUTHERN CALIFORNIA EDISON	Electric Services / July - August 2021
Total Bank Debits and Warrants:			\$ 598,766.45

CITY OF LAGUNA WOODS
WARRANT REGISTER
OCTOBER 20, 2021

This Report Covers the Period 9/01/2021 through 9/30/2021

Petty Cash Expenditures Paid Out (See Note 2)

OC Clerk-Recorder Document Recording

Total Petty Cash: \$106.00
\$106.00

TOTAL \$ 598,872.45

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


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

Note 3 - 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

10/14/21
Dated

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6.4 TELECONFERENCING FOR MEETINGS

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RESOLUTION NO. 21-XX

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 1. The above recitals are true and correct.

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

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

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

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

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

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

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

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 21-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2021, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

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RESOLUTION NO. 21-XX

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

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

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

WHEREAS, with the exception of interest earnings on the remaining fund balance and correcting entries, the Coastal Area Road Improvement & Traffic Signals (CARITS) Fund (“CARITS Fund”) has been inactive since Fiscal Year 2013-14 and no future activity is anticipated; and

WHEREAS, the agreement with the County of Orange under which the CARITS Fund monies were obtained requires the City to remit any unspent fund balance to the County of Orange; and

WHEREAS, it is necessary for the City Council to increase Fiscal Year 2021-22 appropriations for the CARITS Fund in the amount of \$262,000, with the appropriations drawn from unassigned CARITS Fund balance, to enable final disposition of the remaining fund balance, including remittance to the County of Orange; and

WHEREAS, staff has recommended that the CARITS Fund be closed after the remaining fund balance is fully expended.

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

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

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

	<i>Fiscal Year 2021-22</i>	<i>Fiscal Year 2022-23</i>
General Fund	\$6,432,593 (includes transfers to Capital Projects Fund of \$301,296)	\$6,633,681 (includes transfers to Capital Projects Fund of \$265,591)
Capital Projects Fund	\$301,296	\$265,591
Fuel Tax	\$375,514	\$361,360
Road Maintenance & Rehabilitation Program	\$270,600	\$309,800
Measure M2 (OC Go)	\$240,850	\$251,366
Coastal Area Road Improvement and Traffic Signals (CARITS)	\$262,000 ^A	-
Service Authority for Abandoned Vehicles	-	-
Supplemental Law Enforcement Services	\$158,100	\$158,100
Mobile Source Reduction	-	\$92,500
PEG/Cable Television	-	-
Senior Mobility	\$119,000	\$131,000
Community Development Block Grant (CDBG)	\$350,000	\$150,000
Federal Grants	\$1,895,829	\$1,895,828
State of California Grants	\$16,000	\$193,952
Laguna Woods Civic Support Fund	\$24,408	\$24,408
TOTAL	\$10,144,894	\$10,201,995

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

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

SECTION 2. The City Manager is hereby authorized to:

(A) Approve payments of up to \$262,000 remitting the remaining CARITS Fund balance to the County of Orange; and

(B) Close the CARITS Fund after the remaining fund balance is fully expended.

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

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

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 21-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2021, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

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INVESTMENT OF FINANCIAL ASSETS POLICY

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RESOLUTION NO. 21-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, REVIEWING AND ADOPTING AN ANNUAL STATEMENT OF THE INVESTMENT POLICY, ADOPTING AN INVESTMENT POLICY, AND RENEWING THE CITY COUNCIL'S DELEGATION OF INVESTMENT AUTHORITY TO THE CITY TREASURER PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53607

WHEREAS, the California legislature has declared that the deposit and investment of public funds by local officials and agencies is an issue of statewide concern (California Government Code sections 53600.6 and 53630.1); and

WHEREAS, the City Council is able to invest surplus monies not required for the immediate necessities of the City in accordance with California Government Code sections 5921 and 53601 et seq.; and

WHEREAS, the City's investment policy is contained in Administrative Policy 2.2 and was last adopted by the City Council on May 19, 2021; and

WHEREAS, the City Council's practice is to review the City's investment policy, annually, and consider any changes thereto at a public meeting; and

WHEREAS, on December 16, 2020, the City Council appointed Mayor Horne and Councilmember Tao to serve on the standing Investment Policy Review Committee from January 1, 2021 through December 31, 2022, as called for in the investment policy; and

WHEREAS, the Investment Policy Review Committee has worked with the City Manager and City Treasurer to review the adequacy and effectiveness of the existing investment policy; and

WHEREAS, the Investment Policy Review Committee (at a special meeting on September 27, 2021), City Manager, and City Treasurer have recommended that the City Council readopt Administrative Policy 2.2 (Investment of Financial Assets) without modification; and

WHEREAS, California Government Code Section 53607 provides that the authority of City Council to invest or to reinvest City funds, or to sell or exchange

securities so purchased, may be delegated for a one-year period by the City Council to the City Treasurer, who shall thereafter assume full responsibility for those transactions until the delegation of authority is revoked or expires. Subject to review, the City Council may renew the delegation of authority annually; and

WHEREAS, the City Council last renewed its delegation of investment authority to the City Treasurer on September 15, 2021; and

WHEREAS, the Investment Policy Review Committee (at a special meeting on September 27, 2021) and City Manager have recommended that the City Council renew its delegation of investment authority to the City Treasurer pursuant to California Government Code Section 53607 for a one-year period.

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

SECTION 1. After independent review and consideration, the administrative policy attached hereto as Exhibit A is adopted and is a statement of the City's investment policy. The City Council receives and files said statement in accordance with the City's investment policy and applicable California Government Code and Laguna Woods Municipal Code provisions. The administrative policy attached hereto as Exhibit A replaces and supersedes all previous City investment policies.

SECTION 2. After independent review and consideration, the City Council renews its delegation of investment authority to the City Treasurer, as described in Administrative Policy 2.2 attached hereto as Exhibit A, in accordance with applicable California Government Code (including, but not limited to, California Government Code Section 53607) and Laguna Woods Municipal Code provisions.

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

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

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Resolution No. 21-XX** was duly adopted by the City Council of the City of Laguna Woods at a regular meeting thereof, held on the XX day of XX 2021, by the following vote:

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

YOLIE TRIPPY, CMC, City Clerk

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**CITY OF LAGUNA WOODS
ADMINISTRATIVE POLICY 2.2**

INVESTMENT OF FINANCIAL ASSETS

2.2.01. Statement of Purpose.

This Administrative Policy is intended to assist the City of Laguna Woods with the investment of the City's financial assets in a manner that ensures adequate safety and liquidity, while maximizing yield (return) and complying with the requirements of California Government Code sections 5921 and 53600 et seq.

2.2.02. Scope.

This Administrative Policy generally applies to all financial assets of the City. Such funds are accounted for, or disclosed, in annual audited financial statements and include the General Fund, Special Revenue Funds, and the Capital Projects Fund. Funds belonging to the Laguna Woods Civic Support Fund and funds invested separately with independent fiduciaries, including funds held and managed by the California Public Employees' Retirement System (CalPERS) for the purpose of funding employee retirement obligations and other post-employment benefits (OPEB) are exempt from this Administrative Policy.

2.2.03. Objectives.

The objectives of the City's investment activities, in priority order, shall be:

1. Safety – Safety of principal shall be the foremost objective. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall investment portfolio and the mitigation of credit risk and interest rate risk. This Administrative Policy recognizes that market conditions may warrant the sale of individual securities that would incur market losses in order to protect from further capital losses. The intent of this Administrative Policy is to ensure that capital losses are minimized on a portfolio level rather than on each transaction. To attain the safety objective, diversification of investments among a variety of securities with independent returns and institutions is required.
2. Liquidity – The investment portfolio shall remain sufficiently liquid (i.e., capable of being converted to cash quickly) in order to enable the City to meet all reasonably anticipated cash demands and operational requirements and to

maintain compliance with all applicable indenture agreements. Since unusual or unanticipated cash demands and operational requirements may occur from time-to-time, the portfolio shall primarily consist of investments in securities with active secondary and resale markets.

3. Yield (Return) – The investment portfolio shall be designed in a manner that seeks to attain the highest rate of return, consistent with established safety and liquidity objectives. While it is acknowledged and understood that occasional measurement losses may occur, the overall portfolio should generally earn at least market interest rates (market-average rates of return throughout budgetary and economic cycles for similar investments).

2.2.04. Delegation of Authority.

City Treasurer

No person other than the City Treasurer or Acting City Treasurer (hereafter referred to jointly as the “City Treasurer”) shall engage in an investment transaction using the City’s financial assets. The City Treasurer shall additionally be responsible for all investment transactions undertaken and shall establish and maintain a system of internal controls to regulate all investing activities.

In accordance with Government Code Section 53607, the City Council delegates investment authority for a one-year period to the City Treasurer. Such delegation of authority is subject to annual review and renewal by the City Council, as well as revocation at the City Council’s discretion. Adoption of this Administrative Policy shall constitute renewal of such delegation for an additional one-year period.

Pursuant to Laguna Woods Municipal Code Section 2.10.010, the City Treasurer is appointed by, and reports to, the City Manager. The City Manager may serve as, or appoint, an Acting City Treasurer at any time during the absence of a permanent City Treasurer. During his/her/their appointment, the Acting City Treasurer shall have all of the powers and duties of the City Treasurer.

The City Treasurer and City Manager (with respect to his/her/their role appointing and supervising the City Treasurer, and participating in investment decisions) shall be relieved of personal responsibility for an individual investment’s performance or losses, market price changes, and the performance of or losses incurred by the overall portfolio provided that (1) actions were undertaken in accordance with this Administrative Policy and applicable federal and state law, (2) significant deviations

from expectations were reported to the City Council in a timely manner, and (3) appropriate action was taken to mitigate future adverse developments.

Investment Policy Review Committee of the City Council

The Investment Policy Review Committee shall be responsible for conducting at least biannual reviews of the adequacy and effectiveness of this Administrative Policy and preparing related recommendations for City Council consideration.

The City Council shall appoint two of its members to serve on the Investment Policy Review Committee for terms two calendar years in length, commencing on January 1 of each odd-numbered year. The City Council reserves the right to remove or replace any member of the Investment Policy Review Committee, with or without cause, following a publicly noticed vote of a majority of the quorum of City Councilmembers present at the time.

The Investment Policy Review Committee shall be considered a standing committee, subject to all applicable provisions of the Ralph M. Brown Act.

2.2.05. Public Trust.

The City Council, City Manager, City Treasurer, and all individuals authorized to participate in investment decisions on behalf of the City shall act as custodians of the public trust and recognize that the investment portfolio is subject to public review and evaluation. The City's overall approach to investment shall be designed and managed with a degree of professionalism that is worthy of the public trust.

2.2.06. Prudence.

The City Council, City Manager, City Treasurer, and all individuals authorized to participate in investment decisions on behalf of the City, are considered to be trustees and, therefore, fiduciaries subject to the prudent investor standard. The prudent investor standard is summarized in Government Code Section 53600.3, as follows:

All governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the

circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

2.2.07. Ethics and Conflicts of Interest.

As set forth in the City's Conflict of Interest Policy, and as otherwise required by the Political Reform Act and Fair Political Practices Commission, public officials who manage public investments are required to file economic interest disclosures.

In addition to federal, state and local statutes relating to conflicts of interest, the City Council, City Manager, City Treasurer, and all individuals authorized to participate in investment decisions on behalf of the City shall refrain from personal business association or activity that conflicts with proper execution of this Administrative Policy, or which could impair their ability to make impartial investment decisions.

2.2.08. Internal Controls and Routine External Review.

The City Treasurer shall develop, implement, and maintain a system of internal controls designed to ensure the effectiveness and efficiency of investment activities, compliance with applicable laws and regulations, and the reliability of financial reporting. Such internal controls shall seek to prevent the loss of public funds due to fraud, error, misrepresentation, and unanticipated market changes.

As a part of their annual review of internal controls, the City's independent, external auditors shall review internal controls related to investment activities.

2.2.09. Authorized Financial Dealers, Depositories, and Institutions.

In accordance with Government Code Section 53601.5, investments shall either be purchased (1) directly from the issuer, (2) from an institution licensed by the State of California as a Broker-Dealer, as defined in Corporations Code Section 25004, provided that the institution is a primary or regional dealer qualified under federal Securities and Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule), (3) from a member of a federally regulated securities exchange, (4) from a national or

state-chartered bank, from a savings association or federal association, as defined by Financial Code Section 5102, or (5) from a brokerage firm designated as a primary government dealer by the Federal Reserve bank. In addition, investments shall only be purchased from entities or deposits made in qualified public depositories, as established by state law, with full knowledge of applicable California law and at least five years' experience providing similar services to California municipalities.

The selection of financial dealers, depositories, and institutions shall follow a periodic competitive procurement process (e.g., requests for proposals or requests for qualifications) and be subject to ultimate approval of the City Council or City Manager in accordance with established purchasing regulations and policies. The nature of the competitive procurement process, frequency thereof, and submittals required, shall be designed and determined by the City Treasurer.

On an annual basis, the City Treasurer shall send a copy of the current version of this Administrative Policy to all financial dealers, depositories, and institutions approved to do business with the City. Receipt of this Administrative Policy shall be considered confirmation that the parties to whom they were distributed understand the City's authorized investment types and requirements thereof.

2.2.10. Authorized Investments.

In accordance with the requirements set forth in this Administrative Policy and in Government Code sections 53601, 53601.6, 53601.8, 53635, 53635.2, 53638, and 53684, the following types of investment are authorized:

A. Monies required to meet immediate cash flow needs:

- *Federal Deposit Insurance Corporation (FDIC) Insured Accounts*
Fully insured by the FDIC or collateralized in accordance with Section 2.2.15

B. Monies not required to meet immediate cash flow needs, but which can be reasonably anticipated to be required over the following 12 months:

- *Bankers' Acceptances*
Minimum Standard & Poor's Rating: A-1 or Minimum Moody's Rating: P-1
- *Commercial Paper*
Minimum Standard & Poor's Rating: A-1 or Minimum Moody's Rating: P-1

- *Local Government Investment Pools*
 - *Joint Powers Authority Pools*
Must retain an investment advisor who is registered with the Securities and Exchange Commission (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in the securities and obligations authorized by Government Code Section 53601, subdivisions (a) to (o)
 - *Money Market Mutual Funds*
Minimum Standard & Poor's Rating: AAA, Minimum Moody's Rating: Aaa, or other rating service equivalent
 - *Passbook Savings Demand Deposits*
Fully insured by the FDIC or collateralized in accordance with Section 2.2.15
 - *Repurchase Agreements*
Collateralized in accordance with Section 2.2.15; Minimum Standard & Poor's Rating for Collateralization: AA or Minimum Moody's Rating for Collateralization: Aa
 - *All investments authorized under Section 2.2.10(A).*
- C. Monies not required to meet immediate cash flow needs, and which cannot be reasonably anticipated to be required over the following 12 months:
- *Certificates of Deposit (Negotiable and Non-Negotiable)*
Issued by a nationally or state-chartered bank, or state or federal savings and loan association, as defined by California Financial Code Section 5102, and fully insured by the FDIC or collateralized in accordance with Section 2.2.15
 - *United States Treasury Obligations (notes, bonds, bills, or other certificates or coupons)*
Explicit full faith and credit guarantee of the United States Government; Minimum Standard & Poor's Rating for Bonds: AA or A-1+, or Minimum Moody's Rating for Bonds: Aa3 or P-1
 - *United States Agency Obligations*

Implied full faith and credit guarantee of the United States Government;
Minimum Standard & Poor's Rating for Bonds: AA or A-1+, or Minimum
Moody's Rating for Bonds: Aa3 or P-1

- *State of California and Others States-issued Obligations (notes, bonds, or warrants)*
Minimum Standard & Poor's Rating for Bonds: AA or A-1+, or Minimum
Moody's Rating for Bonds: Aa or P-1
- *California Local Government-issued Municipal Obligations (notes, bonds, warrants, or other indebtedness issued by a California county, city, or local district/agency)*
Minimum Standard & Poor's Rating: AA or A-1+, or Minimum Moody's
Rating: Aa or P-1
- *Medium-Term Notes*
Minimum Nationally Recognized Statistical Ratings Organization Rating:
"A" rating category or its equivalent or better
- *All investments authorized under sections 2.2.10(A) and (B).*

2.2.11. Local Government Investment Pools and Other Pooled Investment Funds.

While local government investment pools generally provide significant safety and liquidity, the City Treasurer shall complete a thorough investigation prior to making any such investment and consider the same during the monthly compliance review required by Section 2.2.13. Due diligence in investigations shall generally include a review of written statements of investment policies, objectives, fees schedules, and reporting schedules, as well as issues related to (1) eligible investors and securities, (2) the permitted frequencies and sizes of deposits and withdrawals, (3) security safeguards, including settlement processes, (4) the frequency with which securities are priced and the program audited, (5) the treatment of gains and losses, including interest calculations and distribution, (6) whether and, if so, how reserves, retained earnings, and similar funds are utilized by the investment pool, and (7) whether the investment pool is eligible for and, if so, accepts bond proceeds. In addition, only local government investment pools with at least five years' experience providing similar services to other California municipalities may be utilized. Similar due diligence and investigative procedures shall be performed prior to investing in any other pooled investment funds, such as money market mutual funds.

2.2.12. Prohibited Investments.

Notwithstanding those types of investments that are otherwise prohibited by law or this Administrative Policy, financial derivatives (e.g., futures, options, and interest rate swaps) and foreign investments (e.g., indices and currencies) are prohibited.

2.2.13. Monthly Internal Compliance Review of Investment Portfolio.

Investments shall be in compliance with the ratings and other requirements set forth in this Administrative Policy at the time of purchase. It is acknowledged and understood that some investments may not fully comply with the same following purchase. The City Treasurer shall review the overall investment portfolio on a monthly basis and identify any investments that no longer comply. Non-compliant investments shall be reported to the City Council, City Manager, and City Attorney within 10 business days of discovery and corrected as soon as practical.

2.2.14. Safekeeping and Custody.

All investments shall be registered in the name of the City and all interest, principal payments, and withdrawals shall indicate the City as the sole payee.

All investments, with the exception of Federal Deposit Insurance Corporation (FDIC) Insured Accounts, Local Government Investment Pools, and Money Market Funds shall be held by a third-party custodian designated by the City Treasurer and evidenced by custodial agreements or safekeeping receipts. Third-party custodians shall comply with the requirements set forth in Section 2.2.09.

All security transactions, where applicable, shall use a Delivery-versus-Payment (DVP) settlement procedure with the City's payment due at the time of delivery.

2.2.15. Collateralization.

Collateral for bank deposits and certificates of deposit shall be 110% of the market value of principal and accrued interest. Collateral can be either United States Treasury securities or United States Agency securities.

Collateral for repurchase agreements shall be 102% of the market value of principal and accrued interest. Collateral can be either United States Treasury securities or United States Agency securities. The City Treasurer is authorized to grant the right of collateral substitution for repurchase agreements.

All collateral shall be held by an independent third party with whom the City has a current custodial agreement or master repurchase agreement. Evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

2.2.16. Diversification.

The overall investment portfolio shall be diversified to avoid incurring unreasonable and avoidable risks associated with concentrating investments in specific investment types, maturity segments, or individual financial institutions. In a diversified portfolio, it is acknowledged and understood that occasional measurement losses may occur. Such losses shall be considered within the overall portfolio's investment return. Diversification also requires investments to be spread among varying security types and institutions.

2.2.17. Limits and Maturities.

Authorized investments shall be invested subject to the following:

Table 2.2-1: Limits and Maturities Table

Type of Investment	Maximum Amount of Portfolio Investment	Maximum Amount of Individual Investment	Maximum Maturity
Federal Deposit Insurance Corporation (FDIC) Insured Accounts	100%	-	N/A
Bankers' Acceptances	20% (no more than 5% with one bank)	-	180 days
Commercial Paper	15% (no more than 10% of a single issuer)	-	270 days
Local Government Investment Pools	90%	-	N/A
Joint Powers Authority Pools	90%	-	N/A
Money Market Mutual Funds	10%	-	N/A

Type of Investment	Maximum Amount of Portfolio Investment	Maximum Amount of Individual Investment	Maximum Maturity
Certificates of Deposit (Negotiable and Non-Negotiable)	30% (no more than 10% with one bank or issuer)	\$250,000	5 years
Passbook Savings Demand Deposits	100%	-	3 years
Repurchase Agreements	10% (no more than 20% of a single issuer)	-	30 days
United States Treasury Obligations	90% of overall portfolio for any one investment type (no more than 20% of a single issuer)	-	5 years
United States Agency Obligations		-	5 years
State of California and Other States-issued Obligations	20% of overall portfolio for any one investment type (no more than 5% of a single issuer)	-	3 years
California Local Government-issued Municipal Obligations		-	3 years
Medium-Term Notes	20%	-	5 years

2.2.18. Reporting.

The City Treasurer shall prepare and submit a monthly investment report to the City Council. The monthly report shall include a summary of all investment transactions for the reporting period, as required by Government Code Section 53607, as well as similar information that would be required by Government Code Section 53646(b) if the City prepared quarterly investment reports, to the extent that such information is available. The monthly report shall also comply with Government Accounting Standard Board (GASB) Statement No. 40 and include the following:

- A. Certification that all investment actions executed since the last report have been made in full compliance with this Administrative Policy; and
- B. Certification that the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

2.2.19. Annual City Council Review and Adoption of this Administrative Policy.

This Administrative Policy shall be reviewed, modified as necessary, and adopted, at least annually, by resolution of the City Council at a duly noticed public meeting. Such annual review shall be in addition to the reviews conducted by the Investment Policy Review Committee as described in Section 2.2.04.

2.2.20. Relationship to Federal and State Laws.

Where federal or state laws are more restrictive than or contradict this Administrative Policy, such laws shall take precedence. Where this Administrative Policy is more restrictive than federal or state laws, this Administrative Policy shall take precedence. The City Treasurer shall advise the Investment Policy Review Committee of any contradictions of federal or state law for consideration during its reviews conducted as described in Section 2.2.04.

2.2.21. Attachments.

Attachment A, “Glossary of Terms and Acronyms,” is incorporated by reference.

Attachment B, “California Municipal Treasurers Association Investment Policy Certification”

City Council Adoption: October XX, 2021

Attachment A, “Glossary of Terms and Acronyms”

This Glossary of Terms and Acronyms contains common investment terminology to provide users with a better understanding of basic investment terms. It is intended to be used as a basic reference only, is not intended to be all inclusive, and should not be treated as a substitute for professional counsel or analysis.

ACCRUED INTEREST: Coupon interest accumulated on a bond or note since the last interest payment or, for a new issue, from the dated date to the date of delivery.

AVERAGE: An arithmetic mean of selected stocks intended to represent the behavior of the market or some component of it.

BANK DEPOSITS: Deposits in banks or other depository institutions that may be in the form of demand accounts (checking) or investments in accounts that have a fixed term and negotiated rate of interest.

BANKERS’ ACCEPTANCE: A draft or bill or exchange accepted by a bank or trust company. The accepting institution, as well as the issuer, guarantees payment of the bill.

BOND PROCEEDS: The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or purpose for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

BONDS: A debt obligation of a firm or public entity. A bond represents the agreement to repay the debt in principal and, typically, in interest on the principal.

BROKER: A person or firm that acts as an intermediary by purchasing and selling securities for others rather than for its own account.

CASH FLOW: A comparison of cash receipts (revenues) to required payments (debt service, operating expenses, etc.).

CERTIFICATE OF DEPOSIT: A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period. Certificates of Deposit (CDs) differ in terms of collateralization and marketability. CDs appropriate to public agency investing include:

Negotiable Certificates of Deposit – Generally, short-term debt instruments that pay interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. The majority of negotiable CDs mature within six months while the average maturity is two weeks. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor). Negotiable CDs are insured by the FDIC up to \$250,000, but they are not collateralized beyond that amount.

Non-Negotiable Certificates of Deposit – CDs that carry a penalty if redeemed prior to maturity. A secondary market does exist for non-negotiable CDs, but redemption includes a transaction cost that reduces returns to the investor. Non-negotiable CDs issued by banks and savings and loans are insured by the FDIC up to the amount of \$250,000, including principal and interest. Amounts deposited above this amount may be secured with other forms of collateral through an agreement between the investor and the issuer. Collateral may include other securities, including treasuries or agency securities (e.g., issued by the Federal National Mortgage Association).

COLLATERALIZATION OF DEPOSITS: A process by which a bank or other financial institution pledges securities or other deposits for the purpose of securing the repayment of deposited funds.

COMMERCIAL PAPER: An unsecured short-term promissory note issued by corporations or municipalities, with maturities ranging from two to 270 days.

COUNTY POOLED INVESTMENT FUNDS: The aggregate of all funds from public agencies placed in the custody of the county treasurer or chief finance officer for investment and reinvestment.

COUPON: The annual rate of interest that a bond's issuer promises to pay the bondholder in the bond's face value; a certificate attached to a bond evidencing interest due on a payment date.

CREDIT RATING: The credit worthiness of an investment. Credit ratings are issued by Nationally Recognized Statistical Rating Organizations (NRSROs) registered with the Securities and Exchange Commission. Three highly recognized NRSROs are Standard and Poor's, Moody's, and Fitch. The organizations use a primary letter designation (numbers or symbols may follow the letter designation) to indicate the quality of an investment. As an example, short-term ratings by Standard and Poor's of A-1+ and Moody's of P-1 indicate a prime or high-grade quality investment. Long-term prime or high-grade quality investments would be rated AAA or Aaa by

Standard and Poor's and Moody's, respectively. Rates beginning with letters B or C would typically indicate an investment of speculative and higher risk quality.

CREDIT RISK: The chance that an issuer will be unable to make scheduled payments of interest and principal on an outstanding obligation. Another concern for investors is that the market's perception of an issuer/borrower's credit will cause the market value of a security to fall, even if default is not expected.

CUSTODIAN: A bank or other financial institution that keeps custody of stock certificates and other assets.

DEALER: Someone who acts as a principal in all transactions, including underwriting, buying, and selling securities, including from his/her/their own account.

DELIVERY-VERSUS-PAYMENT (DVP): The payment of cash for securities as they are delivered and accepted for settlement.

DERIVATIVE: Securities that are based on, or derived from, some underlying asset, reference date, or index.

DISCOUNT: The difference between the par value of a security and the cost of the security, when the cost is below par. Investors purchase securities at a discount when return to the investor (yield) is higher than the stated coupon (interest rate) on the investment.

DISCOUNT RATE: The interest rate used in discounted cash flow analysis to determine the present value of future cash flows. The discount rate in discounted cash flow analysis takes into account not just the time value of money, but also the risk or uncertainty of future cash flows; the greater the uncertainty of future cash flows, the higher the discount rate.

DIVERSIFICATION: The allocation of different types of assets in a portfolio to mitigate risks and improve overall portfolio performance.

DURATION: A measure of the timing of the cash flows to be received from a security that provides the foundation for a measure of the interest rate sensitivity of a bond. Duration is a volatility measure and represents the percentage change in price divided by the percentage change in interest rates. A high duration measure indicates

that for a given level of movement in interest rates, prices of securities will vary considerably.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FIDUCIARY: An individual who holds something in trust for another and bears liability for its safekeeping.

GOVERNMENT ACCOUNTING STANDARDS BOARD (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

INDEX: An indicator that is published on a periodic basis that shows the estimated price and/or yield levels for various groups of securities.

INTEREST: The amount a borrower pays to a lender for the use of his/her/their money.

INTEREST RATE RISK: The risk that an investment's value will change due to a change in the absolute level of interest rates, spread between two rates, shape of the yield curve, or any other interest rate relationship.

INVESTMENT AGREEMENTS: Contracts with respect to funds deposited by an investor. Investment agreements are often separated into those offered by banks and those offered by insurance companies. In the former case, they are sometimes referred to as “bank investment contracts.”

JOINT POWERS AUTHORITY POOLS: Investment pools involving the joint exercise of common investment powers between two or more public agencies with shares of beneficial interest issued pursuant to Government Code Section 6509.7.

LIQUIDITY: The measure of the ability to convert an instrument to cash on a given date at full face or par value.

LIQUIDITY RISK: The risk that a security, sold prior to maturity, will be sold at a loss of value. For a local agency, the liquidity risk of an individual investment may not be as critical as how the overall liquidity of the portfolio allows the agency to meet its cash needs.

LOCAL AGENCY INVESTMENT FUND (LAIF): A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOLS: Investment pools that include the Local Agency Investment Fund (LAIF) and County Pooled Investment Funds. These funds are not subject to the same SEC rules applicable to money market mutual funds. For this Administrative Policy, Joint Powers Authority Pools are not considered "Local Government Investment Pools."

MARKET RISK: The chance that the value of a security will decline as interest rates rise. In general, as interest rates fall, prices of fixed income securities rise. Similarly, as interest rates rise, prices fall. Market risk also is referred to as systematic risk or risk that affects all securities within an asset class similarly.

MARKET VALUE: The price at which a security is trading and presumably could be purchased or sold at a particular point in time.

MATURITY: The date on which the principal or stated value of an investment becomes due and payable.

MEDIUM-TERM NOTES: Corporate or depository institution debt securities meeting certain minimum quality standards (as specified in Government Code Section 53601) with a maximum remaining maturity of five years or less, issued by (a) corporations organized and operating within the United States or (b) depository institutions licensed by the United States or any state and operating within the United States. Instruments separately defined in, or authorized by, this Administrative Policy are not considered "Medium-Term Notes."

MONEY MARKET MUTUAL FUNDS (MMFs): Mutual funds that invest exclusively in short-term money market instruments. MMFs seek the preservation of capital as a primary goal while maintaining a high degree of liquidity and providing income representative of the market for short term investments.

MORTGAGE-BACKED SECURITIES (MBS): Securities created when a mortgagee or a purchaser of residential real estate mortgages creates a pool of mortgages and markets undivided interests or participations in the pool. MBS owners receive a pro-rata share of the interest and principal cash flows (net of fees) that are "passed through" from the pool of mortgages. MBS are complex securities whose cash flow is determined by the characteristics of the mortgages that are pooled

together. Investors in MBS face prepayment risk associated with the option of the underlying mortgagors to pre-pay or payoff their mortgage. Most MBS are issued and/or guaranteed by federal agencies and instrumentalities (e.g., Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC)).

MUNICIPAL NOTES, BONDS, AND OTHER OBLIGATIONS: Obligations issued by state and local governments to finance capital and operating expenses.

MUTUAL FUNDS: An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments.

NATIONALLY RECOGNIZED STATISTICAL RATINGS ORGANIZATION (NRSRO): A credit rating agency registered as a “Nationally Recognized Statistical Ratings Organization” with the Securities and Exchange Commission, consistent with the Credit Rating Agency Reform Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and other applicable legislation and rulemaking, as may change from time-to-time.

NEW ISSUE: Securities sold during the initial distribution of an issue in a primary offering by the underwriter or underwriting syndicate.

NOTE: A written promise to pay a specified amount to a certain entity on demand or on a specified date. Usually bearing a short-term maturity of a year or less (though longer maturities are issued—see “Medium-Term Notes”).

OPTIONS: A contract that gives the buyer the right to buy or sell an obligation at a specified price for a specified time. Exchange Traded Options are standardized option contracts that are actively traded on the Chicago Board of Exchange on a daily basis whereas Over-the-Counter Options are traded directly between the buyer and seller at agreed upon prices and conditions (the former type of option is therefore more liquid than the latter).

PAR VALUE: The principal amount of a note or bond which must be paid at maturity. Par, also referred to as the “face amount” of a security, is the principal value stated on the face of the security. A par bond is one sold at a price of 100 percent of its principal amount.

PASSBOOK SAVINGS DEMAND DEPOSITS: An interest-bearing bank deposit that unlike time deposits which have a specified term, is typically considered readily available funds and can be withdrawn without advance notice.

PORTFOLIO: Combined holding of more than one stock, bond, commodity, real estate investment, cash equivalent, or other asset. The purpose of a portfolio is to reduce risk by diversification.

PREMIUM: The difference between the par value of a security and the cost of the security, when the cost is above par. Investors pay a premium to purchase a security when the return to the investor (yield) is lower than the stated coupon (interest rate) on the investment.

PRICE: The amount of monetary consideration required by a willing seller and a willing buyer to sell an investment on a particular date.

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRUDENT INVESTOR STANDARD: A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds. The test of whether the standard is being met is if a prudent person acting in such a situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

REPURCHASE AGREEMENTS: An agreement of one party (for example, a financial institution) to sell securities to a second party (such as a local agency) and simultaneous agreement by the first party to repurchase the securities at a specified price from the second party on demand or at a specified date.

RISK: The uncertainty of maintaining the principal or interest associated with an investment due to a variety of factors.

SAFEKEEPING SERVICE: Offers storage and protection of assets provided by an institution serving as an agent.

SAFETY: In the context of investing public funds, safety relates to preserving the principal of an investment in an investment portfolio; local agencies address the concerns of safety by controlling exposure to risks.

SECURITIES AND EXCHANGE COMMISSION (SEC): The federal agency responsible for supervising and regulating the securities industry.

TRUSTEE, TRUST COMPANY OR TRUST DEPARTMENT OF A BANK: A financial institution with powers to act in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

UNDERWRITER: A dealer that purchases a new issue of municipal securities for resale.

UNITED STATES AGENCY OBLIGATIONS: Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises, including federal agency mortgage-backed securities. Types of instruments may include mortgage-backed securities from the Federal National Mortgage Association (FNMA) including Fannie Mae and Freddie Mac securities.

UNITED STATES TREASURY OBLIGATIONS: Debt obligations of the United States government sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less and are sold at a discount. Notes are obligations that mature between one year and 10 years. Bonds are long-term obligations that generally mature in 10 years or more.

YIELD: The current rate of return on an investment security generally expressed as a percentage of the securities current price.

YIELD CURVE: A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

Attachment B, “California Municipal Treasurers Association Investment Policy Certification”

The City’s Investment of Financial Assets policy, as adopted by the City Council on October 16, 2019, was certified by the California Municipal Treasurers Association (CMTA) on December 16, 2019.



Since receiving certification, the City’s modifications of the Investment of Financial Assets policy have been limited to addressing recommendations made by CMTA evaluators (which included clarifying authorized investment, collateralization, and reporting requirements), clarifying requirements for several previously authorized investments, newly authorizing investments in Medium-Term Notes, updating the glossary of terms and acronyms, and making various non-substantive changes.

7.1 SOLID WASTE REGULATIONS

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: October 20, 2021 Regular Meeting
SUBJECT: Solid Waste Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

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

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

Background

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

California Senate Bill 1383 aims to reduce methane, hydrofluorocarbon gas, and anthropogenic black carbon emissions in a statewide effort to combat climate change and improve public health. Senate Bill 1383 applies throughout California (including in incorporated cities and unincorporated areas) and includes a variety of new regulatory mandates affecting the City's operations. Beginning January 1, 2022, the City and other jurisdictions that provide solid waste collection services will be required to have an enforceable mechanism to regulate entities' compliance with Senate Bill 1383 regulatory requirements and standards.

Discussion

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the solid waste regulations set forth in Chapter 4.10 of the Laguna Woods Municipal Code (Attachment B). Staff recommends that the City Council initiate the adoption process for the proposed regulations in order to modify existing regulations pertaining to solid waste in furtherance of state law [specifically Senate Bill 1383 and related regulations adopted by the California Department of Resources Recycling and Recovery ("CalRecycle")], as well as public health, safety, and welfare.

Environmental Review

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

Woods Municipal Code is not a project subject to the California Environmental Quality Act (“CEQA”) pursuant to sections 15378(b) and 15061(b)(3) of Title 14 of the California Code of Regulations, and is categorically exempt under Section 15321(a) of Title 14 of the California Code of Regulations.

Fiscal Impact

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

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

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Footnotes:

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

Sec. 4.10.010. - Scope of chapter.

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

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

Sec. 4.10.020. - Definitions.

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

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

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

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

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

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

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

Sec. 4.10.030. - Provision of service.

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

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

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

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

(a) *Fees.*

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

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

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

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

- (2) A residential solid waste franchise shall be granted by resolution on such terms and conditions as the City Council in its sole discretion shall establish as matters of local concern. At a minimum, a residential solid waste franchise shall be in writing, naming the solid waste enterprise, and shall provide that:
 - a. The franchisee shall comply with the provisions of this chapter; and,
 - b. The franchisee shall be required to protect, defend, indemnify and hold the City harmless from liability, including, specifically, liability under the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. §§ 6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., or the Carpenter-Presley-Tanner Hazardous Substance Account Act, ("HSAA"), (Health and Safety Code § 25300 et seq.) and all regulations implementing these Acts; and
 - c. The franchisee shall be required to cooperate with the City in solid waste disposal characterization studies or other waste stream audits and to submit information required by the City to meet the reporting requirements of AB 939 and to implement measures consistent with the City's source reduction and recycling element in order for the City to reach the diversion and other goals mandated by the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.).
- (c) *Commercial solid waste collection franchises, permits and licenses.*
 - (1) The City Council may award one or more exclusive solid waste franchises, permits, licenses or other forms of authorization (collectively a "commercial solid waste franchise") for the collection of solid wastes, including recyclable solid wastes and/or green waste, from commercial premises in the City. Any such commercial solid waste franchise shall be granted by the City Council by resolution upon a determination that the public health, safety and well-being so require.
 - (2) A commercial solid waste franchise shall be granted on such terms and conditions as the City Council in its sole discretion shall establish as matters of local concern. At a minimum, a commercial solid waste franchise shall be in writing, naming the franchisee, and shall provide as follows:
 - a. The franchisee shall comply with the provisions of this chapter; and,
 - b. The franchisee shall be required to protect, defend, indemnify and hold the City harmless from liability, including, specifically, liability under the Resource Conservation and Recovery Act of 1976 ("RCRA") (42 U.S.C. §§ 6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et seq., or the Carpenter-Presley-Tanner Hazardous Substance Account Act, ("HSAA") (Health and Safety Code § 25300 et seq.) and all future amendments to any of them, as they may be amended from time to time and all regulations implementing these acts, on terms satisfactory to the City; and
 - c. The franchisee shall be required to cooperate with City in solid waste disposal characterization studies or other waste stream audits, to submit information required by City to meet the reporting requirements of AB 939 and to implement measures consistent with the City's source reduction and recycling element in order for the City to reach the diversion goals mandated by the California Integrated Waste Management Act of 1989 (Public Resources Code § 40000 et seq.), to the extent authorized by law.
- (d) *Solid waste facilities.* No person shall construct or operate a solid waste management facility, including but not limited to a materials recovery facility, solid waste transfer or processing station, composting facility, a buy-back or drop-off center, disposal facility or a recycling center without first satisfying all City requirements for land use, environmental and other approvals.
- (e) *Liability for fees.*

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

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

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

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

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

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

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

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

Sec. 4.10.050. - Containers.

(a) *Use.*

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

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

Sec. 4.10.060. - Collection.

(a) *Frequency of collection and removal.*

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

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

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

Sec. 4.10.070. - Collection vehicles.

(a) *Collection equipment.*

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

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

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

Sec. 4.10.080. - Self-haulers and gardeners.

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

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

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

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

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

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

Sec. 4.10.100. - Cleanup responsibility.

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

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

Sec. 4.10.110. - Prohibited acts and enforcement.

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

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

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

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

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

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

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ORDINANCE NO. 21-XX

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 6. The Mayor shall sign this Ordinance.

SECTION 7. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 8. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

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

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

ALISHA PATTERSON, City Attorney

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 21-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2021 by the following vote to wit:

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

YOLIE TRIPPY, CMC, City Clerk

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**EXHIBIT A
CODE AMENDMENTS**

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

CHAPTER 4.10. - SOLID WASTE

Sec. 4.10.010. - Purpose and intent.

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

Sec. 4.10.020. - Definitions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4.10.030. - Franchise agreements.

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

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

Sec. 4.10.040. - Mandatory arrangements for solid waste.

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

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

Sec. 4.10.050. - Containers.

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

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

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

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

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

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

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

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

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

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

Sec. 4.10.060. - Frequency of collection.

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

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

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

Sec. 4.10.070. - Prohibitions and unlawful acts.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4.10.080. - Self-haulers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 4.10.090. - Removal of unauthorized containers.

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

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

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

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

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

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

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

Sec. 4.10.100. - Violations and penalties.

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

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

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

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

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

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

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

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

ITEM 7.1 – Exhibit A to Attachment B

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

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

a. for a first violation - \$50

b. for a second violation - \$100

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

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

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

7.2 PURCHASING AND PROCUREMENT REGULATIONS

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: October 20, 2021 Regular Meeting
SUBJECT: Purchasing and Procurement Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Close public hearing.

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

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

Background

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

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

Discussion

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

Environmental Review

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

Fiscal Impact

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

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

Footnotes:

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

Sec. 3.06.010. - Purpose and intent.

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

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

Sec. 3.06.020. - Definitions.

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

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

and responsibilities imposed by this chapter on the purchasing officer.

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

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

Sec. 3.06.030. - Authority and responsibility.

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

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

Sec. 3.06.040. - Purchasing limitations.

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

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

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

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

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

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

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

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

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

Sec. 3.06.070. - Public projects.

ITEM 7.2 - Attachment A

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

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

Sec. 3.06.080. - Maintenance and professional services.

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

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

Sec. 3.06.090. - Cooperative agreements.

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

Sec. 3.06.100. - Bidding rejections and exemptions.

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

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

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

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

Sec. 3.06.110. - Suspension during emergencies.

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

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

Sec. 3.06.120. - Prohibited activity.

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

ITEM 7.2 - Attachment A

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

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

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ORDINANCE NO. 21-XX

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 6. The Mayor shall sign this Ordinance.

SECTION 7. The City Clerk shall certify to the passage of this Ordinance and shall cause this Ordinance to be published or posted as required by law.

SECTION 8. All of the above-referenced documents and information have been and are on file with the City Clerk of the City.

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

SHARI L. HORNE, Mayor

ATTEST:

YOLIE TRIPPY, CMC, City Clerk

APPROVED AS TO FORM:

ALISHA PATTERSON, City Attorney

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

I, YOLIE TRIPPY, City Clerk of the City of Laguna Woods, do HEREBY CERTIFY that the foregoing **Ordinance No. 21-XX** was duly introduced and placed upon its first reading at a regular meeting of the City Council on the XX day of XX 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the XX day of XX 2021 by the following vote to wit:

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

YOLIE TRIPPY, CMC, City Clerk

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EXHIBIT A
CODE AMENDMENTS

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

Sec. 3.06.020. - Definitions.

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

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

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

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

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

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

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

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

Sec. 3.06.050. - Purchasing considerations.

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

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

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

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

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

Sec. 3.06.090. - Bidding rejections and exemptions.

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

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

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

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

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

ITEM 7.2 – Exhibit A to Attachment B

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

ITEM 7.2 – Exhibit A to Attachment B

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

7.3 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: October 20, 2021 Regular Meeting
SUBJECT: Residential Density Bonus Standards Regulations

Recommendation

1. Receive staff report.

AND
2. Open public hearing.

AND
3. Receive public testimony.

AND
4. Continue the public hearing to the regular meeting of the City Council on November 17, 2021 at 2 p.m. at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, California 92637.

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

Discussion

Staff plans to recommend amendments of the residential density bonus standards regulations set forth in Section 13.26.040 of the Laguna Woods Municipal Code. Amendments are necessary to respond to changes in state law that were enacted after the most recent amendments were approved by the City Council in September 2020.

Due to the need for additional time to finalize agenda and meeting materials for this item – particularly in light of the Governor approving additional changes in state law on September 28, 2021 (California Senate Bill 290 and California Senate Bill 728) – staff recommends that the City Council open the public hearing, receive public testimony, and then continue the public hearing to the next regular meeting of the City Council on November 17, 2021. An additional opportunity for public testimony would be provided at that meeting.

Environmental Review

The California legislature has expressed its intent that cities "should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes." (California Government Code Section 65884(a)(2).) The State Planning and Zoning Law and the implementing regulations to the California Environmental Quality Act ("CEQA") exempt such determinations from environmental review. (California Government Code Section 65884(g); 14 California Code of Regulations sections 15283, 15326.) In addition, the ordinance is covered by CEQA's "common sense" exception that CEQA applies only to projects, which have the

potential for causing a significant effect on the environment. (14 California Code of Regulations Section 15061(b)(3).) It can be seen with certainty that this project has no possibility of having a significant effect on the environment. In the absence of any pending application for any housing development that might implicate density bonus considerations, any specific environmental effects, apart from those already assessed in the City's General Plan and Housing Element review, would be speculative.

Fiscal Impact

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

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8.1 EDIBLE FOOD RECOVERY PROGRAM

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City of Laguna Woods

Agenda Report

TO: Honorable Mayor and City Councilmembers

FROM: Christopher Macon, City Manager

FOR: October 20, 2021 Regular Meeting

SUBJECT: Edible Food Recovery Program

Recommendation

Approve an agreement with OneOC for edible food recovery program services and authorize the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

Background

California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016) and the Senate Bill 1383 regulations adopted by the California Department of Resources Recycling and Recovery (“CalRecycle”) require certain commercial edible food generators to arrange to recover the maximum amount of edible food that would otherwise be disposed (e.g., a food generator might enter into an agreement with a food recovery organization to pick-up edible food that would otherwise be thrown away).

Commercial edible food generators subject to Senate Bill 1383 are divided into two tiers – one and two – each with a different compliance deadline. In general, CalRecycle considers tier one as having more produce, fresh grocery, and shelf-stable foods to donate and tier two as having more prepared foods to donate, which often require more careful handling to meet food safety requirements. A summary graphic from CalRecycle’s website is included as Attachment A.

Senate Bill 1383 requires all cities, counties, and special districts that provide solid waste collection services to implement an edible food recovery program including, at a minimum, all of the following:

- Developing, posting online, and annually updating a list of food recovery organizations and food recovery services operating within the jurisdiction;
- Providing commercial edible food generators with information about state and local programs and resources related to edible food waste recovery;
- Providing commercial edible food generators with information about actions that can be taken to prevent the creation of food waste;
- Increasing commercial edible food generator access to food recovery organizations and food recovery services;
- Monitoring commercial edible food generator compliance as required by the Senate Bill 1383 regulations; and
- Increasing edible food recovery capacity if county-level analysis indicates that there is insufficient capacity to meet edible food recovery needs.

Discussion

Today's meeting is an opportunity for City Council discussion and direction, as well as public input, on the proposed agreement with OneOC for edible food recovery program services (Attachment B). While the agreement is within the City Manager's approval authority, it has been agendized due to the new and ongoing nature of the City's edible food recovery program obligations. Staff recommends that the City Council approve the agreement and authorize its execution.

Under the proposed agreement, Abound Food Care, a fiscally sponsored project of OneOC, would provide certain edible food recovery program services to support Senate Bill 1383 compliance efforts. City staff would remain responsible for overall program management and more significant enforcement activities, while Abound Food Care would provide most field services, including annual commercial edible food generator education, outreach, and inspections. It is currently anticipated that six Laguna Woods businesses will meet the tier one criteria and three will meet the tier two criteria, although that is likely to change over time.

Information about Abound Food Care is available at www.aboundfoodcare.org.

Fiscal Impact

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

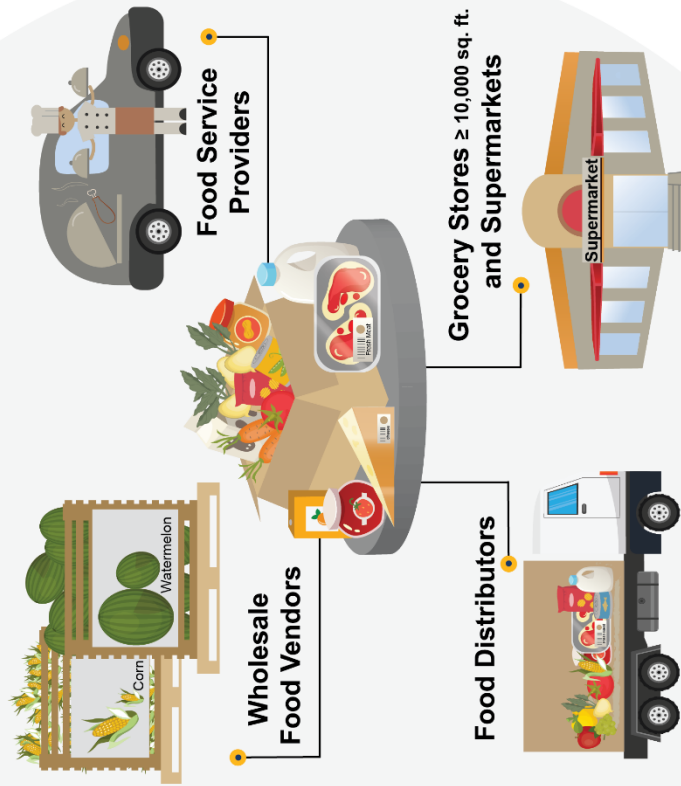
Attachments: A – CalRecycle Tier One and Tier Two Summary Graphic
B – Draft Agreement

Commercial Edible Food Generators

Tier 1

January 1, 2022

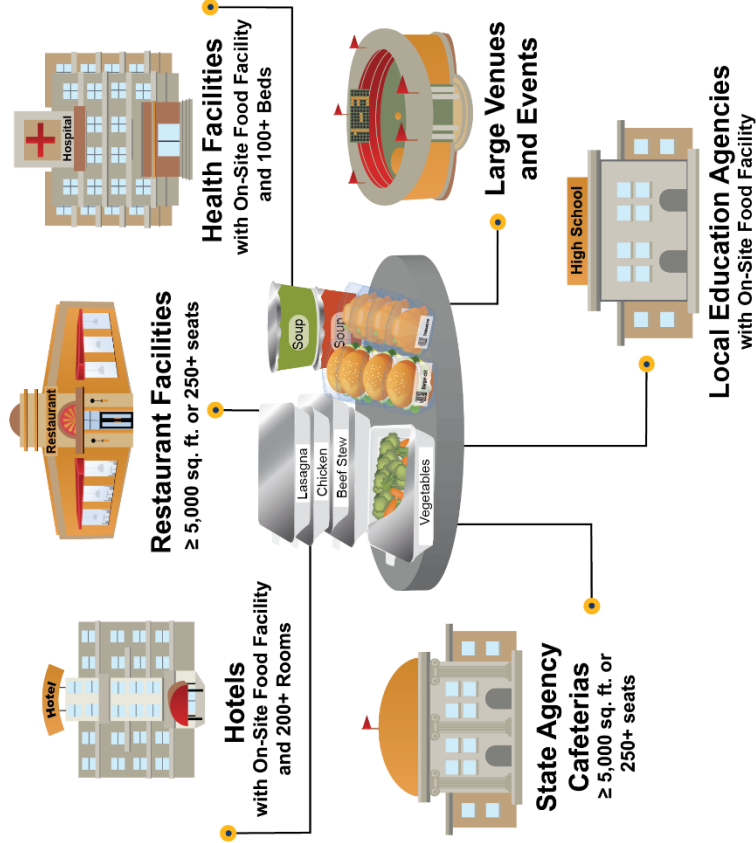
Tier one businesses typically have more produce, fresh grocery, and shelf-stable foods to donate.



Tier 2

January 1, 2024

Tier two businesses typically have more prepared foods to donate, which often require more careful handling to meet food safety requirements (e.g. time and temperature controls).



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**AGREEMENT FOR CONSULTANT SERVICES
BETWEEN THE
CITY OF LAGUNA WOODS
AND
ONEOC
FOR EDIBLE FOOD RECOVERY PROGRAM SERVICES**

This AGREEMENT FOR CONSULTANT SERVICES ("AGREEMENT"), is made and entered into this _____ ("EFFECTIVE DATE"), by and among the City of Laguna Woods, a California municipal corporation ("CITY"), and OneOC ("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 November 1, 2021, and ending at 11:59 p.m. on December 31, 2024. Such term may be extended upon written agreement of both parties to this AGREEMENT.

SECTION 2. SCOPE OF SERVICES.

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

SECTION 3. ADDITIONAL SERVICES.

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

SECTION 4. COMPENSATION AND METHOD OF PAYMENT.

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

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

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

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

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

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

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

SECTION 6. OWNERSHIP OF DOCUMENTS.

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

SECTION 7. CONSULTANT'S BOOKS AND RECORDS.

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

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

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

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

SECTION 8. STATUS OF CONSULTANT.

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

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

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

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

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

SECTION 9. STANDARD OF PERFORMANCE.

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

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

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

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

SECTION 11. NONDISCRIMINATION.

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, 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 attorney's fees, caused by or incurred as a result of CONSULTANT's conduct.

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

SECTION 15. INDEMNIFICATION.

(a) CITY and its respective elected and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively, "INDEMNITEES") shall have no liability to CONSULTANT or any other person for, and CONSULTANT shall indemnify, defend and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements (collectively "CLAIMS"), which INDEMNITEES may suffer or incur or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s), damage to property, loss of use of property, economic loss or otherwise occurring as a

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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 equitably adjusted for any delays due to such causes.

SECTION 22. COOPERATION BY CITY.

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

SECTION 23. NOTICES.

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

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

To CONSULTANT: Abound Food Care
 Attn: Executive Director
 2450 – B North Glassell Street
 Orange, CA 92865

AND

OneOC
Attn: Finance Director
1901 E. 4th Street, Suite 100
Santa Ana, CA 92705

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

SECTION 24. AUTHORITY TO EXECUTE.

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

SECTION 25. BINDING EFFECT.

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

SECTION 26. MODIFICATION OF AGREEMENT.

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

SECTION 27. WAIVER.

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

SECTION 28. LAW TO GOVERN; VENUE.

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

SECTION 29. ATTORNEYS FEES, COSTS, AND EXPENSES.

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

SECTION 30. ENTIRE AGREEMENT.

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

SECTION 31. SEVERABILITY.

If a term, condition, or covenant of this AGREEMENT is declared or determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining

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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 _____
Shari L. Horne, Mayor

CONSULTANT:

By _____
Mike Learakos, Abound Food Care Executive Director

By _____
Randa Wren, OneOC Finance Director

APPROVED AS TO FORM:

Alisha Patterson, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES

CONSULTANT, through its fiscally sponsored project Abound Food Care, shall perform and complete the edible food recovery program services specified in this Exhibit “A” by providing all labor, tools, equipment, materials, and supplies necessary to complete work in a professional, thorough, and timely manner, in accordance with standards and specifications as contained in this AGREEMENT.

California Senate Bill 1383 (Lara, Chapter 395, Statutes of 2016) (“SB 1383”) and the final SB 1383 regulations adopted by the California Department Resources Recycling and Recovery (“CalRecycle”) require CITY to implement an edible food recovery program. CONSULTANT shall implement the components of an edible food recovery program specified in this EXHIBIT “A” on CITY’s behalf in full compliance with SB 1383 and the final SB 1383 regulations. CONSULTANT’s work shall be based on CITY’s identification of Tier One and Tier Two commercial edible food generators and CONSULTANT’s identification of food recovery organizations and food recovery services, as may change from time to time.

- ***List of Food Recovery Organizations/Services.*** Between November 1 and November 30, 2021, CONSULTANT shall develop a list of food recovery organizations identified in California Code of Regulations (“CCR”) Section 18982(a)(25)(A)–(B) and food recovery services operating within CITY’s jurisdiction, which are required to comply with SB 1383, and provide the list to CITY to post on CITY’s website. The list shall include, at a minimum, the following information about each food recovery organization and each food recovery service: (i) name and physical address, (ii) contact information, (iii) collection service area, and (iv) an indication of types of food the food recovery service or organization can accept for food recovery. Between each November 1 and November 30, beginning in 2022, CONSULTANT shall update the list and provide the same to CITY to post on CITY’s website.
- ***List of Select Commercial Edible Food Generators.*** Between November 1 and November 30, 2021, CONSULTANT shall develop a list of commercial edible food generators located in CITY’s jurisdiction that have a contract or written agreement with food recovery organizations or services pursuant to CCR Section 18991.3(b) and provide the list to CITY. The list shall include, at a minimum, the following information about each commercial edible food generator: (i) name and physical address of the commercial edible food generator, (ii) name(s) and physical address(es) of the food recovery organization(s) and/or food recovery service(s) with whom the commercial edible food generator has contract(s) or written agreement(s) pursuant to CCR Section 18991.3(b), (iii) a general description of the nature of the contract(s) or written agreement(s), and (iv) the amount of edible food in pounds recovered under each contract or written agreement in the previous calendar year. Between each November 1 and November 30, beginning in 2022, CONSULTANT shall update the list and provide the same to CITY.
- ***Annual Education and Outreach.*** Annually, in the month of January, CONSULTANT shall prepare and provide Tier One and Tier Two commercial edible food generators with the

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following written information: (i) information about CITY's edible food recovery program established pursuant to Section 18991.1, (ii) information about the commercial edible food generator requirements specified in Article 10 of CCR Title 14, Division 7, Chapter 12, (iii) information about food recovery organizations and food recovery services operating within CITY, and where a list of those food recovery organizations and food recovery services can be found, and (iv) information about actions that commercial edible food generators can take to prevent the creation of food waste. CONSULTANT shall provide CITY with copies of all written information provided including, but not limited to, flyers, brochures, newsletters, invoice messaging, and website and social media postings, accompanied by the date and to whom the information was disseminated or direct contact made. If CONSULTANT provides mass distribution through mailings, or bill inserts, it shall provide the date, a copy of the information, and the type and number of accounts receiving the information. If CONSULTANT used electronic media, it shall provide a copy, with dates posted, of each social media post, email, or other electronic message. CONSULTANT shall submit all annual education and outreach documentation to CITY no later than February 15 of each year.

- ***Tier One and Food Recovery Organizations/Services Inspections.*** Beginning January 1, 2022, CONSULTANT shall conduct annual inspections of Tier One commercial edible food generators, food recovery organizations, and food recovery services located in CITY's jurisdiction for compliance with CCR Title 14, Division 7, Chapter 12. CONSULTANT shall provide CITY with documentation of each inspection including, but not limited to, date, time, CONSULTANT's personnel involved, inspected entity's personnel involved, content of inspection, and findings of inspection. If CONSULTANT takes photographs or obtains any written documentation from the inspected entity, it shall provide a copy to CITY. CONSULTANT shall submit all inspection documentation to CITY within 15 days of each inspection.

- ***Tier Two Inspections.*** Beginning January 1, 2024, CONSULTANT shall conduct annual inspections of Tier Two commercial edible food generators located in CITY's jurisdiction for compliance with CCR Title 14, Division 7, Chapter 12. CONSULTANT shall provide CITY with documentation of each inspection including, but not limited to, date, time, CONSULTANT's personnel involved, inspected entity's personnel involved, content of inspection, and findings of inspection. If CONSULTANT takes photographs or obtains any written documentation from the inspected entity, it shall provide a copy to CITY. CONSULTANT shall submit all inspection documentation to CITY within 15 days of each inspection.

- ***Commercial Edible Food Generator Non-Compliance.*** During inspections, should CONSULTANT find any Tier One or Tier Two commercial edible food generators out of compliance with provisions of CCR Title 14, Division 7, Chapter 12, CONSULTANT shall make every reasonable effort to bring the commercial edible food generator(s) into compliance. If compliance has not been achieved within thirty (30) business days, CONSULTANT shall refer the case(s) to CITY for enforcement action. In such instances of enforcement action, CONSULTANT shall be available to advise and assist CITY, as necessary, in order to bring the commercial edible food generator(s) into compliance. Upon referring the case(s) to CITY for

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enforcement action, CONSULTANT shall send CITY a final report of its observations and efforts made to bring the commercial edible food generator(s) into compliance.

Services Excluded: CONSULTANT's services do not include picking up or distributing food nor establishing contracts or written agreements between commercial edible food generators and food recovery organizations or services.

EXHIBIT "B"
COMPENSATION

CONSULTANT shall be compensated in the amount of \$4,438 (payable in equal monthly installments) for the period commencing November 1, 2021 through December 31, 2022.

CONSULTANT shall be compensated in the amount of \$4,571 (payable in equal monthly installments) for the period commencing January 1, 2023 through December 31, 2023.

CONSULTANT shall be compensated in the amount of \$4,708 (payable in equal monthly installments) for the period commencing January 1, 2024 through December 31, 2024.

EXHIBIT “C”
INSURANCE

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

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

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

(2) Insurance Services Office form number CA 0001 (Ed. 03/10) covering Automobile Liability. The auto liability policy must cover all non-owned autos, scheduled autos, and hired autos subject to the written approval of CITY.

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

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

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:

ITEM 8.1 – Attachment B

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.

ITEM 8.1 – Attachment B

2. Any deductibles or self-insured retentions must be declared to and approved by CITY.

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.

RIDGE ROUTE DRIVE LANDSCAPE PROJECT

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City of Laguna Woods Agenda Report

TO: Honorable Mayor and City Councilmembers
FROM: Christopher Macon, City Manager
FOR: October 20, 2021 Regular Meeting
SUBJECT: Ridge Route Drive Landscape Project

Recommendation

Provide direction to the City Manager regarding the Ridge Route Drive Landscape Project.

Background

The Ridge Route Drive Landscape Project is included in the Fiscal Years 2021-32 Capital Improvement Program. The project involves the removal of the fencing, artificial turf, and remaining fixtures from the former dog park site on Ridge Route Drive, and installation of parkway landscaping in its place. A photograph and aerial location of the former dog park site are included as Attachment A.

Discussion

Today's meeting is an opportunity for City Council discussion and direction, as well as public input, on the Ridge Route Drive Landscape Project. Staff is seeking direction regarding the preferred conceptual landscape option (Attachment B) prior to proceeding with the preparation of full design documents.

Option A

(Final Design Cost: Existing Budget [\$40,000] + Additional \$5,632)
(Estimated Construction Cost: \$240,881)

A key difference between the two options is the location of the decomposed granite

sidewalk. In Option A, the sidewalk remains in its existing location substantially parallel to the eastbound vehicle lane on Ridge Route Drive. New landscaping is installed in place of the former dog park site. All plant types match the existing plantings found on the Laguna Woods side of Ridge Route Drive to achieve visual continuity with adjacent landscaping. All existing trees remain. While no new trees are included, they could be planted for an additional cost.

Option B

(Final Design Cost: Existing Budget [\$40,000] + Additional \$14,762)

(Estimated Construction Cost: \$345,688)

In Option B, the location of the decomposed granite sidewalk changes. Instead of running substantially parallel to the eastbound vehicle lane on Ridge Route Drive, the sidewalk is relocated to the interior of the parkway with a curving, serpentine alignment that mimics the alignment of the sidewalk elsewhere on the Laguna Woods side of Ridge Route Drive. Neither option includes changes in plant types; however, Option B includes the removal of four existing trees to accommodate the relocated sidewalk. 12 new trees are planted for a net increase of eight trees.

Alternatives

If the City Council would like to modify either option A or B, or does not wish to proceed with either option A or B, such direction could be provided.

Fiscal Impact

The Fiscal Year 2021-22 Budget includes \$40,000 to fund the design of the Ridge Route Drive Landscape Project. No funds are budgeted for construction. Based on the direction provided at today's meeting, staff will prepare a budget adjustment to cover final design for future consideration by the City Council.

Staff will recommend construction funding sources to the City Council after full design documents have prepared and an updated construction cost estimate is available. Potential funding sources include some combination of the General Fund and Fuel Tax Fund, and/or Coronavirus Local Fiscal Recovery Funds (American Rescue Plan Act) available for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency.

Attachments: A – Former Dog Park Site Photograph & Location
B – Conceptual Landscape Options

Former Dog Park Site Photograph & Location



Photograph taken on September 9, 2021; view is looking southeast from Ridge Route Drive west of Oceanaire



Approximate project site is outlined in red



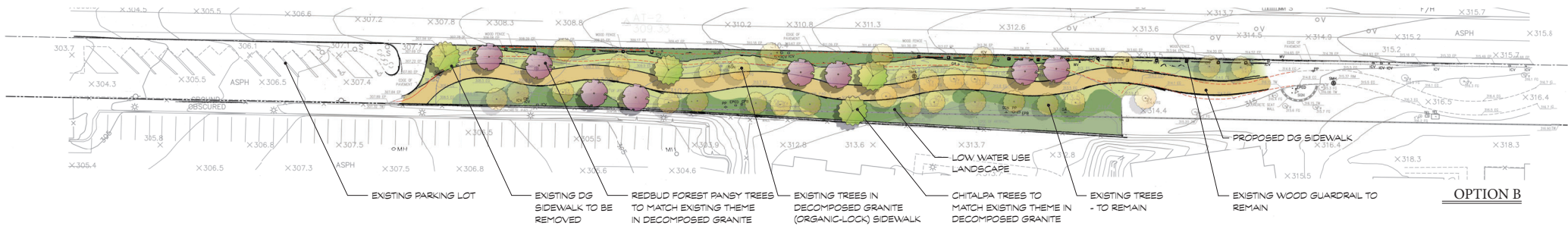
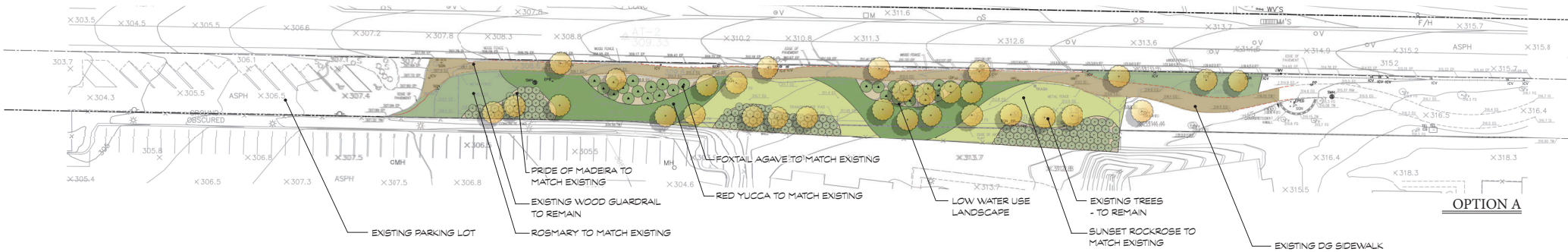
EXISTING WOOD GUARDRAIL / BARRIER



EXISTING LANDSCAPE



EXISTING LANDSCAPE



FOX TAIL AGAVE TO MATCH EXISTING



SUNSET ROCKROSE TO MATCH EXISTING



PRIDE OF MADEIRA TO MATCH EXISTING



RED YUCCA TO MATCH EXISTING



ROSMARY TO MATCH EXISTING