

# CITY of LAGUNA WOODS CITY COUNCIL AGENDA

Regular Meeting  
Wednesday, December 15, 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](http://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](mailto: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](http://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

12-10-21  
\_\_\_\_\_  
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](mailto: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: 844 4920 8491 followed by pound (#) and the following meeting passcode: 716502 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](http://www.zoom.us)
- Click on “Join a Meeting” toward the top right of the webpage
- Enter the following meeting ID: 844 4920 8491
- Open the Zoom application following the on-screen prompts
- Enter the following meeting password: 716502
- 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**

4.1 City Hall/Public Library Project Update

*Recommendation:* Receive and file

**V. PUBLIC COMMENTS**

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

**VI. CONSENT CALENDAR**

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

6.1 City Council Minutes

*Recommendation:* Approve the City Council meeting minutes for the regular meeting on November 17, 2021.

6.2 City Treasurer's Report

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

6.3 Warrant Register

*Recommendation:* Approve the warrant register dated December 15, 2021 in the amount of \$653,870.90.

#### 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 GENERAL FUND AND CAPITAL PROJECTS FUND APPROPRIATIONS FOR THE “WOODS END WILDERNESS PRESERVE TRAIL DRAINAGE AND IMPROVEMENT PROJECT”

#### 6.6 Measure M2 Expenditure Report

*Recommendation:* Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AND CONCERNING THE MEASURE M2 EXPENDITURE REPORT FOR FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021

#### 6.7 Solid Waste Handling Services

*Recommendation:* Adopt a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING A FIRST AMENDMENT OF THE AGREEMENT WITH CR&R INCORPORATED FOR SOLID WASTE HANDLING SERVICES, AND AUTHORIZING ITS EXECUTION

6.8 Laguna Woods Civic Support Fund

*Recommendation:* Appoint Young Lee to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member.

**VII. PUBLIC HEARINGS**

**VIII. CITY COUNCIL BUSINESS**

8.1 Annual Comprehensive Financial Report

*Recommendation:* Receive and file the following documents, each dated November 19, 2021:

1. Annual Comprehensive Financial Report with Report on Audit by Independent Auditors for the Year Ended June 30, 2021 (Fiscal Year 2020-21)

AND

2. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

AND

3. Independent Auditor's Statements on Auditing Standards 114 Letter: The Auditor's Communication with Those Charged with Governance

AND

4. Appropriations Limit Worksheet with Independent Accountant's Report on Applying Agreed-Upon Procedures for the Fiscal Year Ended June 30, 2021

## 8.2 Residential Density Bonus Standards Regulations

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

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

## 8.3 National Opioids Settlement

*Recommendation:*

1. Authorize the City Manager to execute the settlement agreement with McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, "settlement agreement" includes the participation form for the settlement including a release of claims and a separate signature page for California's Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

AND

2. Authorize the City Manager to execute the settlement agreement with Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreement” includes the participation form for the settlement including a release of claims and a separate signature page for California’s Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

8.4 Administrative Encroachment Permit for 24202 Moulton Parkway, Laguna Woods, CA 92637

*Recommendation:* Approve an Agreement Containing Covenants Affecting Real Property (Administrative Encroachment Permit) for 24202 Moulton Parkway, Laguna Woods, CA 92637 and authorize the Mayor to execute the administrative encroachment permit, subject to approval as to form by the City Attorney.

**[THE CITY COUNCIL WILL TAKE A BRIEF RECESS.]**

8.5 City Council Organization – Office of the Mayor

*Recommendation:* Appoint a member of the City Council to serve as Mayor effective immediately through December 2022.

8.6 City Council Organization – Office of the Mayor Pro Tem

*Recommendation:* Appoint a member of the City Council to serve as Mayor Pro Tem effective immediately through December 2022.

8.7 City Council Meeting Schedule

*Recommendation:* Approve a City Council meeting schedule for Fiscal Year 2022-23.

## **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, January 19, 2022 at 2 p.m.  
Laguna Woods City Hall  
24264 El Toro Road, Laguna Woods, California 92637

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**4.1**  
**CITY HALL/PUBLIC LIBRARY PROJECT UPDATE**  
***(NO REPORT)***

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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:** December 15, 2021 Regular Meeting  
**SUBJECT:** Consent Calendar Summary

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### **Recommendation**

Approve all proposed actions on the December 15, 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 December 15, 2021 Consent Calendar contains the following items:

- 6.1 Approval of the City Council meeting minutes for the adjourned regular meeting on November 17, 2021.
- 6.2 Approval of a motion to receive and file the City Treasurer's Report for the month of November 2021.
- 6.3 Approval of the warrant register dated December 15, 2021 in the amount of \$653,870.90. 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 General Fund and Capital Projects Fund appropriations for the “Woods End Wilderness Preserve Trail Drainage and Improvement Project.” The proposed resolution would increase General Fund and Capital Projects Fund appropriations by \$8,897 to provide the required match for the Proposition 68 (Per Capita Program) monies that will be used to fund the Woods End Wilderness Preserve Trail Drainage and Improvement Project.
- 6.6 Adoption of a resolution adopting and concerning the Measure M2 Expenditure Report for Fiscal Year 2020-21 commencing July 1, 2020 and ending June 30, 2021. Cities are required to annually account for Measure M2 net revenues, developer/traffic impact fees, and funds expended to meet maintenance of effort requirements. The report must be submitted to the Orange County Transportation Authority within six months of each fiscal year in order for the City to remain eligible to receive Measure M2 funds.
- 6.7 Adoption of a resolution approving a first amendment of the agreement with CR&R Incorporated for solid waste handling services, and authorizing its execution. The proposed amendment would (1) add temporary residential bin rates, bin relocation rates, and extra organics cart pickup and exchange rates, (2) modify locking bin rates, (3) remove bin cleaning rates, and (4) modify required bin specifications to allow for greater flexibility in material, composition, and height, while still maintaining “lower profile” options available to all customers. The proposed amendment would not increase any of the fees previously approved in the agreement.
- 6.8 Appointment of Young Lee to the Board of Directors for the Laguna Woods Civic Support Fund as a resident member. Mr. Lee is a retired psychologist and has relevant experience. This action is recommended by the Laguna Woods Civic Support Fund Board of Directors.

**6.1**  
**CITY COUNCIL MINUTES**

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**CITY OF LAGUNA WOODS CALIFORNIA  
CITY COUNCIL MINUTES  
REGULAR MEETING  
November 17, 2021  
2:00 P.M.  
Laguna Woods City Hall  
24264 El Toro Road  
Laguna Woods, California 92637**

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**I. CALL TO ORDER**

Mayor Horne called the Regular Meeting of the City Council of the City of Laguna Woods to order at 2:06 p.m.

**II. ROLL CALL**

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

Mayor Horne participated in-person at the meeting location.

All other councilmembers participated via teleconference.

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

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

Attorney Larsen participated via teleconference.

**III. PLEDGE OF ALLEGIANCE**

Councilmember Conners led the pledge of allegiance.

Councilmembers briefly commented on Veterans Day and Veterans-related activities.

**IV. PRESENTATIONS AND CEREMONIAL MATTERS – None**

**V. PUBLIC COMMENTS – None**

**VI. CONSENT CALENDAR**

Moved by Councilmember Conners, seconded by Councilmember Hatch, and carried unanimously on a 5-0 vote, to approve Consent Calendar items 6.1 – 6.8. This vote was conducted by roll call.

6.1 City Council Minutes

Approved the City Council meeting minutes for the adjourned regular meeting on October 14, 2021, the regular meeting on October 20, 2021, and the special meeting on October 29, 2021.

6.2 City Treasurer's Report

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

6.3 Warrant Register

Approved the warrant register dated November 17, 2021 in the amount of \$549,318.54.

6.4 Teleconferencing for Meetings

Adopted a resolution entitled:

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

Adopted 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 FUEL TAX FUND APPROPRIATIONS FOR THE "RIDGE ROUTE DRIVE LANDSCAPE PROJECT"

6.6 Planning Services

1. Approved an agreement with LSA Associates, Inc. for planning services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

AND

2. Approved an agreement with Sagecrest Planning and Environmental for planning

services and authorized the Mayor to execute the agreement, subject to approval as to form by the City Attorney.

6.7 Proposition 68 (California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018) Per Capita Program

Adopted a resolution entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING APPLICATION(S) FOR PER CAPITA GRANT FUNDS

6.8 Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)

1. Approved the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” design plans and specifications as prepared by the project engineer.

AND

2. Approved a notice of exemption for the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)” finding that the project is categorically exempt from the California Environmental Quality Act (CEQA) and authorized the City Manager to cause the notice of exemption to be filed pursuant to applicable law.

AND

3. Awarded a contract agreement to All American Asphalt for the construction of the “Pavement Management Plan Project (Southbound Moulton Parkway between Via Campo Verde and Calle Cortez)”, in the amount of \$172,969, plus authorized change orders not to exceed 10% of the base amount; and authorized the City Manager to execute a contract agreement and approve change orders, subject to approval of the contract agreement as to form by the City Attorney.

**VII. PUBLIC HEARINGS**

7.1 Residential Density Bonus Standards Regulations

City Manager Macon made a presentation.

Mayor Horne resumed the public hearing that was continued from the regular meeting of the City Council on October 20, 2021.

With no requests to speak, the public hearing was closed.

Councilmembers discussed the item and staff answered related questions.

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

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

This vote was conducted by roll call.

## **VIII. CITY COUNCIL BUSINESS**

### **8.1 Solid Waste Regulations**

Mayor Horne introduced the item.

City Manager Macon made a presentation.

Councilmembers discussed the item and staff answered related questions.

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

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

This vote was conducted by roll call.

### **8.2 Purchasing and Procurement Regulations**

Mayor Horne introduced the item.

City Manager Macon made a presentation.

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

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

This vote was conducted by roll call.

8.3 Accessibility Improvement Reimbursement Program

City Manager Macon made a presentation.

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. Approve Contract No. 21-23-0006-PLHA with County of Orange for Accessibility Improvement Reimbursement Program and authorize the Mayor to execute the contract, subject to approval as to form by the City Attorney.

AND

2. Direct the City Manager to explore the feasibility of adding walk-in tubs to the list of eligible improvements for the Accessibility Improvement Reimbursement Program, including consultation with the County of Orange and Laguna Woods Village.

This vote was conducted by roll call.

**IX. CITY COUNCIL REPORTS AND COMMENTS**

9.1 Coastal Greenbelt Authority

Councilmember Tao provided a report and shared a PowerPoint presentation from a recent Coastal Greenbelt Authority meeting.

Councilmember Conners made comments.

Mayor Pro Tem Moore briefly commented on and responded to the report.

Councilmember Tao briefly responded to Mayor Pro Tem Moore's comments.

9.2 Orange County Fire Authority

Councilmember Hatch provided a report.

Kathryn Freshley, resident, was offered an opportunity to make public comments per her

raised hand on Zoom. She indicated a preference to speak later in the meeting.

Mayor Pro Tem Moore briefly responded to the report.

Councilmember Hatch briefly responded to Mayor Pro Tem Moore's comments.

City Manager Macon responded to a question from Mayor Pro Tem Moore.

9.3 Orange County Library Advisory Board

No report

9.4 Orange County Mosquito and Vector Control District

Mayor Horne provided a report and shared a PowerPoint presentation from the Orange County Mosquito and Vector Control District for Laguna Woods. She also responded to related questions from Mayor Pro Tem Moore, Councilmember Hatch, and Councilmember Connors.

9.5 San Joaquin Hills Transportation Corridor Agency

Councilmember Connors provided a report.

Mayor Pro Tem Moore and Mayor Horne briefly responded to the report.

Councilmember Connors briefly responded to Mayor Pro Tem Moore and Mayor Horne's comments.

9.6 South Orange County Watershed Management Area

Mayor Pro Tem Moore reported on recent water-related meetings.

9.7 Other Comments and Reports

City Manager Macon provided an update on the City Hall/Public Library Project and responded to a related question from Councilmember Hatch.

Kathryn Freshley, resident, expressed appreciation for the update on the City Hall/Public Library Project, concern with costs associated with Item 6.8, concern with the cost and logistics of residential organic recycling, and concern with Item 8.3.

Councilmember Connors expressed her support for road maintenance projects.

**X. CLOSED SESSION – None**

**XI. CLOSED SESSION REPORT – None**

**XII. ADJOURNMENT**

The meeting was adjourned at 4:22 p.m. The next regular meeting will be at 2:00 p.m. on Wednesday, December 15, 2021 at Laguna Woods City Hall, 24264 El Toro Road, Laguna Woods, CA 92637.

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YOLIE TRIPPY, CMC, City Clerk

Approved: December 15, 2021

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SHARI L. HORNE, Mayor

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**6.2**  
**CITY TREASURER'S REPORT**

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

ITEM 6.2

**CASH AND INVESTMENTS**

	Beginning Balances As of 10/31/21	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 11/30/21	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
<b>Cash and Cash Equivalents</b>							
Analyzed Checking Account (Note 1)	\$ 980,299	\$ 453,719	\$ (657,117)	\$ -	\$ 776,901	5.88%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 1,953	\$ 7,766	\$ (2,106)	\$ -	\$ 7,613	0.06%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 11,082	\$ 4,066	\$ (7,766)	\$ -	\$ 7,383	0.06%	
Petty Cash	\$ 1,261	\$ 239	\$ (487)	\$ -	\$ 1,013	0.01%	
Total Cash and Cash Equivalents	\$ 994,595	\$ 465,790	\$ (667,476)	\$ -	\$ 792,909	6.00%	100.00%
<b>Pooled Money Investment Accounts</b>							
Local Agency Investment Fund (LAIF) (Notes 2 and 3)	\$ 1,989,217	\$ -	\$ -	\$ -	\$ 1,989,217	15.06%	
Orange County Investment Pool (OCIP) (Notes 2 and 3)	\$ 8,688,071	\$ 4,024	\$ (414)	\$ -	\$ 8,691,682	65.79%	
Total Pooled Money Investment Accounts	\$ 10,677,288	\$ 4,024	\$ (414)	\$ -	\$ 10,680,899	80.84%	90.00%
<b>Investments - Interest and Income Bearing</b>							
Certificates of Deposit (fair value) (Note 2)	\$ 1,744,470	\$ -	\$ -	\$ (6,375)	\$ 1,738,095	13.16%	
Total Investments - Interest and Income Bearing	\$ 1,744,470	\$ -	\$ -	\$ (6,375)	\$ 1,738,095	13.16%	30.00%
<b>TOTAL</b>	<b>\$ 13,416,354</b>	<b>\$ 469,814</b>	<b>\$ (667,890)</b>	<b>\$ (6,375)</b>	<b>\$ 13,211,903</b>	<b>100.00%</b>	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (3,300,407)	\$ 4,077,308	\$ 776,901
Cash Balances, MBS Account	\$ 7,613	\$ -	\$ 7,613
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 7,383	\$ -	\$ 7,383
Petty Cash	\$ 1,013	\$ -	\$ 1,013
LAIF	\$ 1,989,217	\$ -	\$ 1,989,217
OCIP	\$ 8,691,682	\$ -	\$ 8,691,682
Certificates of Deposit	\$ 1,738,095	\$ -	\$ 1,738,095
<b>Totals</b>	<b>\$ 9,134,595</b>	<b>\$ 4,077,308</b>	<b>\$ 13,211,903</b>

(See NOTES on Page 4 of 4)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended November 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
<b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b>														
87164YQG2	2018-8	SYNCHRONY BANK RETAIL/MORGAN	41 months	12/07/18	12/11/18	100,000	101,053	99,572	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	251,208	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	259,506	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	254,503	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	260,190	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	257,581	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	251,289	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	102,764	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
Accrued Interest - Month End								7,383						
<b>Total CDs</b>						<b>1,665,000</b>	<b>1,745,477</b>	<b>1,664,572</b>						

(\*) 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)**

CUSIP	Investment #	Issuer	Term	Purchase Date	Settlement Date	Par Value	Market Value	Book Value	Stated Rate	Coupon Type	1st Coupon Date	Rating or Rank (*)	Yield to Maturity 365 Days	Maturity Date
N/A	N/A	Local Agency Investment Fund (LAIF)	N/A	Various	Various	1,989,217	1,989,217	1,989,217	Pending	N/A	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	8,691,682	8,691,682	8,691,682	Pending	N/A	N/A	N/A	N/A	N/A
<b>Total PMIA</b>						<b>10,680,899</b>	<b>10,680,899</b>	<b>10,680,899</b>						

(See NOTES on Page 4 of 4)



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

ITEM 6.2

**CASH AND INVESTMENTS**

	Beginning Balances As of 10/31/21	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 11/30/21
<b>Other Post-Employment Benefits (OPEB) Trust</b>					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) <small>(CERBT holds all assets and administers the OPEB Trust)</small>	\$ 147,735	\$ -	\$ (10)	\$ (1,162)	\$ 146,563
<b>Employer Pension Contributions Trust</b>					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) <small>(CEPPT holds all assets and administers the Employer Pension Contributions Trust)</small>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Funds - Held in Trust	<u>\$ 147,735</u>	<u>\$ -</u>	<u>\$ (10)</u>	<u>\$ (1,162)</u>	<u>\$ 146,563</u>

(See NOTES on Page 4 of 4)



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

**CASH AND INVESTMENTS**

**Notes:**

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

Note 2 - During November 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 (\$6,375.35) to report balances at fair market value as of November 31, 2021.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net loss of (\$1,172.27) in November 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 November 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	January 2022	Total pool interest yield for November 2021 was 0.203% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$4,024	July 2021	See Notes	See Notes	The OCIP November 2021 statement had not been received at the time of this report; balance reported is as of October 31, 2021. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at October 31, 2021 was \$12,041.38. October 2021 interest rate was 0.514% 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 \$7,765.63 and transferred out \$2,106.16 in cash balances to the City's checking account in November 2021. Cash balances to be invested or paid out are classified separately on page 1 of 4. The City's portfolio also has \$7,382.64 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

12/9/21  
 Date

## **6.3 WARRANT REGISTER**

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## CITY OF LAGUNA WOODS

ITEM 6.3

## WARRANT REGISTER

DECEMBER 15, 2021

This Report Covers the Period 11/01/2021 through 11/30/2021

Date	Vendor Name	Description	Amount
<b>Debit</b>	<b>Automatic Bank Debits:</b>		
Debit 11/02/2021	GLOBAL PAYMENTS / OPEN EDGE	Credit Card Processing Fees / October 2021	570.30
Debit 11/02/2021	AUTHORIZE.NET	Online Credit Card Processing Fees / October 2021	12.00
Debit 11/02/2021	BUSINESS PLANS	Employee Benefit Program / October 2021	913.69
Debit 11/05/2021	ADP PAYROLL SERVICES	Payroll Processing Fees / Pay Periods Ended 10/08/2021 & 10/22/2021	379.14
Debit 11/09/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	59.47
Debit 11/09/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 10/08/2021	3,003.94
Debit 11/09/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 10/08/2021	1,901.00
Debit 11/09/2021	ADP TAX	Payroll Taxes / Pay Period Ended 11/05/2021	8,157.34
Debit 11/09/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 11/05/2021	20,328.23
Debit 11/10/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 11/05/2021	2,838.46
Debit 11/10/2021	COUNTY OF ORANGE - SHERIFF	Law Enforcement Services / November 2021	255,071.73
Debit 11/12/2021	CALPERS - HEALTH	Employee Benefit Program / November 2021	7,257.38
Debit 11/15/2021	U.S. BANK	Bank Service Charges / October 2021	96.72
Debit 11/16/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	84.82
Debit 11/17/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	880.00
Debit 11/23/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 10/22/2021	3,003.94
Debit 11/23/2021	CALPERS - RETIREMENT	Retirement Contributions / Pay Period Ended 10/22/2021	2,039.88
Debit 11/23/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	35.00
Debit 11/23/2021	ADP TAX	Payroll Taxes / Pay Period Ended 11/19/2021	7,819.02
Debit 11/23/2021	ADP WAGE PAY	Payroll Transfer / Pay Period Ended 11/19/2021	19,032.34
Debit 11/24/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	27.26
Debit 11/24/2021	ICMA / MFRS AND TRADERS TRUST	Employee Benefit Program / Pay Period Ended 11/19/2021	2,838.46
Debit 11/30/2021	BUSINESS PLANS	Employee Benefit Program / November 2021	10.00
<b>Check Number</b>	<b>Warrants:</b>		
5225 11/03/2021	ACC BUSINESS	City Hall Internet Service / September 2021	603.58
5226 11/03/2021	BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / October 2021	3,213.76
5227 11/03/2021	CALIFORNIA YELLOW CAB	Taxi Voucher Service / September 2021	1,005.00
5227 11/03/2021	CALIFORNIA YELLOW CAB	NEMT Taxi Voucher Service / September 2021	219.00
5228 11/03/2021	DC PLUMBING, HEATING AND AIR CONDITIONING	City Hall Maintenance	470.00
5229 11/03/2021	DELTA DENTAL OF CALIFORNIA	Employee Benefit Program / November 2021	497.29
5230 11/03/2021	EL TORO WATER DISTRICT	Water Service / September 2021	5,259.08
5231 11/03/2021	MANAGED HEALTH NETWORK	Employee Benefit Program / November 2021	18.81
5232 11/03/2021	NAVIA BENEFIT SOLUTIONS, INC	125 Cafeteria Plan Administration / October 2021	100.00
5233 11/03/2021	OFFICE TEAM	Temporary Filing Clerk Services / Weeks Ended October 15 & 22, 2021	2,449.00
5234 11/03/2021	ON POINT LAND SURVEYING, INC	Survey Document Preparation	3,600.00
5235 11/03/2021	ORKIN	Pest Control Services	500.00
5236 11/03/2021	PROTELESIS	Telephone System Maintenance	364.00
5237 11/03/2021	RICOH USA, INC.	Copier Lease / November 2021	214.20
5238 11/03/2021	RUTAN & TUCKER, LLP	Legal Services / August 2021	10,365.49
5239 11/03/2021	SOUTHERN CALIFORNIA EDISON	Street Lighting - Residential / September 2021	1,710.83
5240 11/03/2021	U.S. BANK	Credit Card Charges (expenditures reported separately - see note 3)	868.88
5241 11/03/2021	VISION SERVICE PLAN OF AMERICA	Employee Benefit Program / November 2021	106.76

CITY OF LAGUNA WOODS  
WARRANT REGISTER  
DECEMBER 15, 2021

ITEM 6.3

This Report Covers the Period 11/01/2021 through 11/30/2021

Date	Vendor Name	Description	Amount
5242	11/03/2021 ZAHRA AZARTASH	Building Permit Refund	193.00
5243	11/05/2021 AMERICAN PLANNING ASSOCIATION	Membership Dues / Calendar Year 2022	470.00
5244	11/05/2021 ARC DOCUMENT SOLUTIONS, LLC.	Printing Services	15.68
5245	11/05/2021 AT&T	Telephone / 639-0500 / October 2021	223.00
5246	11/05/2021 AT&T	Telephone / 452-0600 / October 2021	2,159.61
5247	11/05/2021 AT&T	Telephone / 458-3487 / October 2021	44.23
5248	11/05/2021 BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / September - October 2021	7,259.68
5249	11/05/2021 CALIFORNIA INTERNET LP	City Hall Internet Service / December 2021	349.00
5250	11/05/2021 CAPTIONING UNLIMITED	Closed Captioning / October 2021	500.00
5251	11/05/2021 COASTAL CURRENT ELECTRIC	Building Permit Refund	362.00
5252	11/05/2021 CSMFO	Membership Dues / Calendar Year 2022	110.00
5253	11/05/2021 DAVID EVANS & ASSOCIATES INC.	Trash Provisions Planning Services / September 2021	11,017.33
5254	11/05/2021 ELLA RONEN	Taxi Voucher Refund	30.00
5255	11/05/2021 PETTY CASH	Replenish Petty Cash / October 2021	-
5256	11/05/2021 RICOH USA, INC.	Copier Usage / August - October 2021	247.09
5257	11/05/2021 RUTAN & TUCKER, LLP	Legal Services / August - September 2021	14,645.51
5258	11/05/2021 SIEMENS MOBILITY, INC.	Traffic Signal Maintenance / September - October 2021	4,318.88
5259	11/05/2021 STAPLES	Office & Janitorial Supplies	560.83
5260	11/05/2021 WILLDAN ENGINEERING	Building Official, Permit Counter & Inspection Services / July - September 2021	131,192.50
5261	11/05/2021 WINDOW JAZZ	Building Permit Refund	72.53
5262	11/12/2021 360CIVIC	Website Hosting / September - October 2021	400.00
5263	11/12/2021 AT&T	White Pages / November 2021	4.53
5264	11/12/2021 BRIGHTVIEW LANDSCAPE SERVICES, INC.	Landscape Maintenance / October 2021	16,978.29
5265	11/12/2021 BUCKNAM INFRASTRUCTURE GROUP, INC.	Pavement Management Plan Update Services	717.00
5266	11/12/2021 CITY OF LAGUNA BEACH	Animal Control & Shelter Services / October 2021	9,264.00
5267	11/12/2021 CIVIL SOURCE	Engineering Services / September 2021	15,510.00
5268	11/12/2021 COUNTY OF ORANGE	Automated Fingerprint ID System / November 2021	636.00
5269	11/12/2021 IRWIN B BORNSTEIN, CPA	Financial Consulting Services / October 2021	142.50
5270	11/12/2021 KONE INC.	City Hall Elevator Maintenance / November 2021	225.00
5271	11/12/2021 OBR ARCHITECTURE, INC.	City Hall/Public Library Project	2,500.00
5272	11/12/2021 OFFICE TEAM	Temporary Filing Clerk Services / Week Ending October 29, 2021	1,240.00
5273	11/12/2021 ORANGE COUNTY REGISTER-NOTICES	Public Notices / October 2021	2,159.00
5274	11/12/2021 PARK CONSULTING GROUP, INC	Software Implementation Consulting Services / October 2021	3,781.25
5275	11/12/2021 SOUTHERN CALIFORNIA EDISON	Electric Services / August - September 2021	7,584.10
5276	11/12/2021 SOUTHERN CALIFORNIA SHREDDING,	Shredding Services / October 2021	1,075.00
5277	11/12/2021 SUNSET PROPERTY SERVICES	Street Sweeping Services / October 2021	3,480.00
5278	11/12/2021 THE GAS COMPANY	Gas Service - City Hall / October 2021	20.76
5279	11/12/2021 WM CURBSIDE, LLC	HHW, Medicine & Sharps Program / October 2021	3,166.25
5280	11/19/2021 AT&T	Telephone / 581-9821 / October 2021	115.29
5281	11/19/2021 AT&T	Telephone / 583-1105 / October 2021	22.55
5282	11/19/2021 BALLIET, MICHAEL	Waste Management Consulting Services / October 2021	1,750.00
5283	11/19/2021 BROWN ARMSTRONG ACCOUNTANCY CORPORATION	Audit Services / Fiscal Year 2020-21	2,000.00
5284	11/19/2021 COUNTY OF ORANGE	Aliso Creek Watershed NPDES Cost-Share / Fiscal Year 2021-22	4,439.22
5285	11/19/2021 G2 CONSTRUCTION, INC	Catch Basin Maintenance	2,200.00
5286	11/19/2021 ITERIS, INC	Traffic Engineering / October 2021	2,730.00

CITY OF LAGUNA WOODS  
WARRANT REGISTER  
DECEMBER 15, 2021

This Report Covers the Period 11/01/2021 through 11/30/2021

Date	Vendor Name	Description	Amount	
5287	11/19/2021	MARC DONOHUE	Administrative Services / October 2021	200.00
5288	11/19/2021	MICHAEL BAKER INTERNATIONAL	Planning Services / October 2021	4,573.00
5289	11/19/2021	NADIA COOK	Mileage Reimbursement	75.60
5290	11/19/2021	OFFICE TEAM	Temporary Filing Clerk Services / Weeks Ended November 5 & 12, 2021	2,580.75
5291	11/19/2021	ON POINT LAND SURVEYING, INC	Survey Document Preparation	450.00
5292	11/19/2021	ORKIN	Pest Control Services	600.00
5293	11/19/2021	PRACTICAL DATA SOLUTIONS	IT Support Services / July - October 2021	11,902.00
5294	11/19/2021	SAFEGUARD BUSINESS SYSTEMS	Printing Services	218.82
5295	11/19/2021	SAGECREST PLANNING AND ENVIRONMENTAL	Planning Services / October 2021	1,470.00
5296	11/19/2021	SIEMENS MOBILITY, INC.	Traffic Signal Maintenance / October 2021	9,007.00
			<b>Total Bank Debits and Warrants:</b>	<b>\$ 653,418.59</b>
 <i>Petty Cash Expenditures Paid Out</i> (See Note 2)				
		Home Depot	Landscaping Supplies	\$46.29
		Lowe's	City Hall/Public Library Project	\$10.73
		Home Depot	City Hall/Public Library Project	\$107.64
		Full Color	Office Supplies	\$118.62
		Amazon	Landscaping Supplies	\$144.27
		Home Depot	City Hall Refurbishment & Safety Project: Phase 3	\$24.76
			<b>Total Petty Cash:</b>	<b>\$452.31</b>
			<b>TOTAL</b>	<b>\$ 653,870.90</b>

**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 November 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 - The table below summarizes credit card expenditures paid via Check #5240 to U.S. Bank totaling \$868.88:

Microsoft	Office 365 Subscription	\$300.00
Adobe	Computer Software	\$78.50
Zoom	Video Conferencing	\$69.98
Network Solutions	Domain Registration	\$223.94
Aldi	Office Supplies	\$8.72
NotaryStamps.com	Office Supplies	\$137.19
Home Depot	Office Supplies	\$18.29
FedEx	City Hall/Public Library Project	\$32.26
		<b>Total Credit Card Reimbursement:</b>
		<b>\$868.88</b>

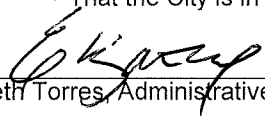
CITY OF LAGUNA WOODS  
WARRANT REGISTER  
DECEMBER 15, 2021

This Report Covers the Period 11/01/2021 through 11/30/2021

**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

12/9/21  
Dated

## **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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**6.5**

**FISCAL YEARS 2021-23 BUDGET ADJUSTMENT**

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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 GENERAL FUND AND CAPITAL PROJECTS FUND APPROPRIATIONS FOR THE “WOODS END WILDERNESS PRESERVE TRAIL DRAINAGE AND IMPROVEMENT PROJECT”

**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**, the “Woods End Wilderness Preserve Trail Drainage and Improvement Project” is included in the Capital Improvement Program; and

**WHEREAS**, funding for the Woods End Wilderness Preserve Trail Drainage and Improvement Project is to be provided by Proposition 68 (Per Capita Program) with a required 20% match drawn from the General Fund; and

**WHEREAS**, subsequent to the adoption of the Budget, staff clarified the methodology required to calculate the Proposition 68 (Per Capita Program) 20% match, resulting in an increase in the anticipated match amount from \$35,591 to \$44,488; and

**WHEREAS**, it is necessary for the City Council to increase Fiscal Year 2021-22 appropriations for the Woods End Wilderness Preserve Trail Drainage and Improvement Project in the General Fund in the amount of \$8,897, with the appropriation drawn from the General Fund unassigned balance and contributed to the Capital Projects Fund, and in the Capital Projects Fund in the amount of \$8,897, with the appropriation drawn from the aforementioned General Fund contribution, to provide the Proposition 68 (Per Capita Program) 20% match; and

**WHEREAS**, with the proposed Budget amendment, the total Woods End Wilderness Preserve Trail Drainage and Improvement Project budget would be

\$222,440 (\$44,488 Capital Projects Fund and \$177,952 State of California Grants Fund); and

**WHEREAS**, the unassigned General Fund balance has sufficient funds to accommodate the increased General Fund appropriations.

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, as previously amended by resolution nos. 21-32 and 21-36, is hereby amended, in its entirety, to read as follows:

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

Fiscal Year 2021-22

	<i>Fiscal Year 2021-22 Adopted Budget</i>	<i>Fiscal Year 2021-22 Carryover Appropriations</i>	<i>Fiscal Year 2021-22 Budget Amendments</i>	<i>Fiscal Year 2021-22 Amended Budget</i>
General Fund	\$6,432,593 (includes transfers to Capital Projects Fund of \$301,296)	-	\$8,897 <sup>C</sup>	\$6,441,490 (includes transfers to Capital Projects Fund of \$310,193)
Capital Projects Fund	\$301,296	\$382,583	\$8,897 <sup>C</sup>	\$692,776
Fuel Tax	\$375,514	-	\$5,632 <sup>B</sup>	\$381,146
Road Maintenance & Rehabilitation Program	\$270,600	-	-	\$270,600
Measure M2 (OC Go)	\$240,850	\$31,641	-	\$272,491
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	\$262,000 <sup>A</sup>	\$262,000
Service Authority for Abandoned Vehicles	-	-	-	-
Supplemental Law Enforcement Services	\$158,100	-	-	\$158,100
Mobile Source Reduction	-	-	-	-
PEG/Cable Television	-	-	-	-
Senior Mobility	\$119,000	-	-	\$119,000
Community Development Block Grant (CDBG)	\$350,000	-	-	\$350,000
Federal Grants	\$1,895,829	-	-	\$1,895,829
State of California Grants	\$16,000	\$636,821	-	\$652,821

Laguna Woods Civic Support Fund	\$24,408	-	-	\$24,408
<b>TOTAL</b>	<b>\$9,882,894</b>	<b>\$1,051,045</b>	<b>\$285,426</b>	<b>\$11,210,468</b>

<sup>A</sup> Fund Budget Adjustment CC-21/22-1: Coastal Area Road Improvement & Traffic Signals (CARITS) Fund, +\$262,000 (R 21-32). Fund closure authorized.

<sup>B</sup> Fund Budget Adjustment CC-21/22-2: Fuel Tax Fund, +\$5,632 (R 21-36).

<sup>C</sup> Fund Budget Adjustment CC-21/22-3: Woods End Project, +\$8,897 (R 21-XX).

### Fiscal Year 2022-23

	<i>Fiscal Year 2022-23 Adopted Budget</i>	<i>Fiscal Year 2022-23 Carryover Appropriations</i>	<i>Fiscal Year 2022-23 Budget Amendments</i>	<i>Fiscal Year 2022-23 Amended Budget</i>
General Fund	\$6,633,681 (includes transfers to Capital Projects Fund of \$265,591)	-	-	\$6,633,681 (includes transfers to Capital Projects Fund of \$265,591)
Capital Projects Fund	\$265,591	-	-	\$265,591
Fuel Tax	\$361,360	-	-	\$361,360
Road Maintenance & Rehabilitation Program	\$309,800	-	-	\$309,800
Measure M2 (OC Go)	\$251,366	-	-	\$251,366
Coastal Area Road Improvement and Traffic Signals (CARITS)	-	-	-	-
Service Authority for Abandoned Vehicles	-	-	-	-
Supplemental Law Enforcement Services	\$158,100	-	-	\$158,100
Mobile Source Reduction	\$92,500	-	-	\$92,500
PEG/Cable Television	-	-	-	-
Senior Mobility	\$131,000	-	-	\$131,000
Community Development Block Grant (CDBG)	\$150,000	-	-	\$150,000
Federal Grants	\$1,895,828	-	-	\$1,895,828
State of California Grants	\$193,952	-	-	\$193,952
Laguna Woods Civic Support Fund	\$24,408	-	-	\$24,408
<b>TOTAL</b>	<b>\$10,201,995</b>	<b>-</b>	<b>-</b>	<b>\$10,201,995</b>

### Carryover Appropriations

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 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

**6.6**  
**MEASURE M2 EXPENDITURE REPORT**

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**RESOLUTION NO. 21-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, ADOPTING AND CONCERNING THE MEASURE M2 EXPENDITURE REPORT FOR FISCAL YEAR 2020-21 COMMENCING JULY 1, 2020 AND ENDING JUNE 30, 2021

**WHEREAS**, local jurisdictions are required to meet eligibility requirements and submit eligibility verification packages to the Orange County Transportation Authority (“OCTA”) in order to remain eligible to receive Measure M2 funds; and

**WHEREAS**, local jurisdictions are required to adopt an annual Measure M2 Expenditure Report as part of one of the Measure M2 eligibility requirements; and

**WHEREAS**, local jurisdictions are required to account for Net Revenues, developer/traffic impact fees, and funds expended by local jurisdiction in the Measure M2 Expenditure Report that satisfy the Measure M2 Maintenance of Effort requirements; and

**WHEREAS**, the Measure M2 Expenditure Report shall include all Net Revenue fund balances, interest earned, and expenditures identified by type and program or project; and

**WHEREAS**, the Measure M2 Expenditure Report must be adopted and submitted to the OCTA each year within six months of the end of each local jurisdiction’s fiscal year to be eligible to receive Net Revenues as part of Measure M2.

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

**SECTION 1.** That the Measure M2 Expenditure Report for the Fiscal Year ended June 30, 2021, attached hereto as Exhibit A, is in conformance with the template provided in the Measure M2 Eligibility Guidelines and accounts for Net Revenues, including interest earned, expenditures during the fiscal year, and balances at the end of the fiscal year.

**SECTION 2.** That the Measure M2 Expenditure Report for the Fiscal Year ended June 30, 2021, attached hereto as Exhibit A, is hereby adopted by the City of Laguna Woods.

**SECTION 3.** That the City of Laguna Woods’ Administrative Services Director/City Treasurer is hereby authorized to sign and submit the Measure M2 Expenditure Report to the OCTA for the Fiscal Year ended June 30, 2021, acting in the capacity of the City of Laguna Woods’ Director of Finance.

**SECTION 4.** 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

**M2 Expenditure Report**  
**Fiscal Year Ended June 30, 2021**  
**Beginning and Ending Balances**

Description	Line No.	Amount	Interest
<b>Balances at Beginning of Fiscal Year</b>			
A-M Freeway Projects	1	\$ -	\$ -
O Regional Capacity Program (RCP)	2	\$ -	\$ -
P Regional Traffic Signal Synchronization Program (RTSSP)	3	\$ (77,717.52)	\$ 1,035
Q Local Fair Share	4	\$ 136,494.44	\$ -
R High Frequency Metrolink Service	5	\$ -	\$ -
S Transit Extensions to Metrolink	6	\$ -	\$ -
T Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	7	\$ -	\$ -
U Senior Mobility Program or Senior Non-Emergency Medical Program	8	\$ 6,054.19	\$ -
V Community Based Transit/Circulators	9	\$ -	\$ -
W Safe Transit Stops	10	\$ -	\$ -
X Environmental Cleanup Program (Water Quality)	11	\$ -	\$ -
Other*	12	\$ -	\$ -
<b>Balances at Beginning of Fiscal Year</b>	13	\$ 64,831.11	\$ 1,035
Monies Made Available During Fiscal Year	14	\$ 391,301.41	\$ 3,177
<b>Total Monies Available (Sum Lines 13 &amp; 14)</b>	15	\$ 456,132.52	\$ 4,212
Expenditures During Fiscal Year	16	\$ 285,708.60	\$ 3,177
<b>Balances at End of Fiscal Year</b>			
A-M Freeway Projects	17	\$ -	\$ -
O Regional Capacity Program (RCP)	18	\$ -	\$ -
P Regional Traffic Signal Synchronization Program (RTSSP)	19	\$ (3,109.56)	\$ 1,035
Q Local Fair Share	20	\$ 139,906.27	\$ -
R High Frequency Metrolink Service	21	\$ -	\$ -
S Transit Extensions to Metrolink	22	\$ -	\$ -
T Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	23	\$ -	\$ -
U Senior Mobility Program or Senior Non-Emergency Medical Program	24	\$ 33,627.21	\$ -
V Community Based Transit/Circulators	25	\$ -	\$ -
W Safe Transit Stops	26	\$ -	\$ -
X Environmental Cleanup Program (Water Quality)	27	\$ -	\$ -
Other*	28	\$ -	\$ -

\* Please provide a specific description

**M2 Expenditure Report**  
**Fiscal Year Ended June 30, 2021**  
**Sources and Uses**

Description	Line No.	Amount	Interest
<b>Revenues:</b>			
<b>A-M</b> Freeway Projects	1	\$ -	\$ -
<b>O</b> Regional Capacity Program (RCP)	2	\$ -	\$ -
<b>P</b> Regional Traffic Signal Synchronization Program (RTSSP)	3	\$ 74,608	\$ -
<b>Q</b> Local Fair Share	4	\$ 222,926	\$ 1,660
<b>R</b> High Frequency Metrolink Service	5	\$ -	\$ -
<b>S</b> Transit Extensions to Metrolink	6	\$ -	\$ -
<b>T</b> Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	7	\$ -	\$ -
<b>U</b> Senior Mobility Program or Senior Non-Emergency Medical Program	8	\$ 93,767	\$ 1,516
<b>V</b> Community Based Transit/Circulators	9	\$ -	\$ -
<b>W</b> Safe Transit Stops	10	\$ -	\$ -
<b>X</b> Environmental Cleanup Program (Water Quality)	11	\$ -	\$ -
Other*	12	\$ -	\$ -
<b>TOTAL REVENUES (Sum lines 1 to 12)</b>	<b>13</b>	<b>\$ 391,301</b>	<b>\$ 3,177</b>
<b>Expenditures:</b>			
<b>A-M</b> Freeway Projects	14	\$ -	\$ -
<b>O</b> Regional Capacity Program (RCP)	15	\$ -	\$ -
<b>P</b> Regional Traffic Signal Synchronization Program (RTSSP)	16	\$ -	\$ -
<b>Q</b> Local Fair Share	17	\$ 219,514	\$ 1,660
<b>R</b> High Frequency Metrolink Service	18	\$ -	\$ -
<b>S</b> Transit Extensions to Metrolink	19	\$ -	\$ -
<b>T</b> Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	20	\$ -	\$ -
<b>U</b> Senior Mobility Program or Senior Non-Emergency Medical Program	21	\$ 66,194	\$ 1,516
<b>V</b> Community Based Transit/Circulators	22	\$ -	\$ -
<b>W</b> Safe Transit Stops	23	\$ -	\$ -
<b>X</b> Environmental Cleanup Program (Water Quality)	24	\$ -	\$ -
Other*	25	\$ -	\$ -
<b>TOTAL EXPENDITURES (Sum lines 14 to 25)</b>	<b>26</b>	<b>\$ 285,709</b>	<b>\$ 3,177</b>
<b>TOTAL BALANCE (Subtract line 26 from 13)</b>	<b>27</b>	<b>\$ 105,593</b>	<b>\$ -</b>

\* Please provide a specific description

**M2 Expenditure Report**  
**Fiscal Year Ended June 30, 2021**  
**Streets and Roads Detailed Use of Funds**

Type of Expenditure	Line No.	MOE	Developer / Impact Fees <sup>1</sup>	O	O Interest	P	P Interest	Q	Q Interest	X	X Interest	Other M2 <sup>2</sup>	Other M2 Interest	Other*	TOTAL
<b>Indirect and/or Overhead</b>	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650
<b>Construction &amp; Right-of-Way</b>															
New Street Construction	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Reconstruction	3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Signals, Safety Devices, & Street Lights	4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pedestrian Ways & Bikepaths	5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Drains	6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Damage	7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Construction<sup>1</sup></b>	8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Right of Way Acquisition	9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Construction &amp; Right-of-Way</b>	10	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Maintenance</b>															
Patching	11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overlay & Sealing	12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Lights & Traffic Signals	13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,864.21	\$ 1,660.22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,524
Storm Damage	14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Street Purpose Maintenance	15	\$ 104,578.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,578
<b>Total Maintenance<sup>1</sup></b>	16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other - Senior Mobility Program</b>	17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,194.39	\$ 1,516.34	\$ -	\$ 67,711
<b>GRAND TOTALS (Sum Lines 1, 10, 16, 17)</b>	18	\$ 104,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219,514	\$ 1,660	\$ -	\$ -	\$ 66,194	\$ 1,516	\$ -	\$ 68,361
<b>Finance Director Confirmation</b>	19	Any California State Constitution Article XIX streets and road eligible expenditure may be "counted" in local jurisdictions' calculation of MOE if the activity is supported (funded) by a local jurisdictions' discretionary funds (e.g. general fund). The California State Controller also provides useful information on Article XIX and the Streets and Highways Code eligible expenditures in its "Guidelines Relating to Gas Tax Expenditures for Cities and Counties". I have reviewed and am aware of these guidelines and their applicability in calculating and reporting on Maintenance of Effort expenditures.  Finance Director initial: _____													

<sup>1</sup> Includes direct charges for staff time  
<sup>2</sup> Other M2 includes A-M, R,S,T,U,V, and W  
 + Transportation related only  
 \* Please provide a specific description

Project	Description
A-M	Freeway Projects
O	Regional Capacity Program (RCP)
P	Regional Traffic Signal Synchronization Program (RTSSP)
Q	Local Fair Share
R	High Frequency Metrolink Service
S	Transit Extensions to Metrolink
T	Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems
U	Senior Mobility Program or Senior Non-Emergency Medical Program
V	Community Based Transit/Circulators
W	Safe Transit Stops
X	Environmental Cleanup Program (Water Quality)

**M2 Expenditure Report**  
**Fiscal Year Ended June 30, 2021**  
**Local Fair Share Project List**

PROJECT NAME	AMOUNT EXPENDED
Measure M2 Fair Share Expenditures:	
Street Lighting - Public Right-of-Way	\$ 28,633.48
Contract - Traffic Engineering	\$ 145,635.19
Contract - Traffic Signal Maintenance	\$ 46,255.76
Allowable Overhead Costs, Direct	\$ 650.00
	\$ 221,174.43

**M2 Expenditure Report**  
**Fiscal Year Ended June 30, 2021**

I hereby certify that:

- All the information attached herein and included in schedules 1 through 4 is true and accurate to the best of my knowledge;
- The interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated;
- The City of Laguna Woods is aware of the State Controller’s “Guidelines Relating to Gas Tax Expenditures for Cities and Counties”, which is a guide for determining MOE Expenditures for M2 Eligibility purposes;
- The City/County’s Expenditure Report is in compliance with direction provided in the State Controller’s “Guidelines Relating to Gas Tax Expenditures for Cities and Counties;” and
- The City of Laguna Woods has expended in this fiscal year an amount of local discretionary funds for streets and roads purposes at least equal to one of the maintenance of effort requirements below<sup>10</sup>:
  - A) The City met the existing FY 2020-21 MOE benchmark dollar amount.
  - B) The City met a proportional MOE benchmark amount of FY 2020-21 General Funds Revenues that is at least equal to the percent listed in column C of Exhibit 2 in the M2 Eligibility Guidelines.

Elizabeth Torres  
\_\_\_\_\_  
Administrative Services Director/City Treasurer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

<sup>10</sup> An actual General Fund Revenue excerpt from a jurisdiction’s Comprehensive Annual Finance Report (CAFR) must be provided as backup documentation.

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**6.7**  
**SOLID WASTE HANDLING SERVICES**

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**RESOLUTION NO. 21-XX**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA WOODS, CALIFORNIA, APPROVING A FIRST AMENDMENT OF THE AGREEMENT WITH CR&R INCORPORATED FOR SOLID WASTE HANDLING SERVICES, AND AUTHORIZING ITS EXECUTION

**WHEREAS**, on October 14, 2021, the City Council approved an exclusive franchise agreement with CR&R Incorporated for solid waste handling services, the term of which shall begin on January 1, 2022 (“Agreement”); and

**WHEREAS**, the City and CR&R Incorporated mutually desire to amend the Agreement as described in Exhibit A attached hereto (“Amendment”); and

**WHEREAS**, California Public Resources Code Section 49300 requires the City Council to approve contracts for the collection and disposal of solid waste by either resolution or ordinance.

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 hereby determines and certifies that it can be seen with certainty that the Amendment does not have a possibility of having a significant effect on the environment. Therefore, the adoption of the Amendment is a not 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.** The City Council hereby approves the Amendment with CR&R Incorporated, subject to the terms and conditions set forth in this resolution and the Amendment, which is attached hereto as Exhibit A and incorporated herein by reference, and authorizes the Mayor to execute the Amendment, subject to approval as to form by the City Attorney.

**SECTION 4.** 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

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN CITY OF  
LAGUNA WOODS AND CR&R INCORPORATED FOR SOLID WASTE HANDLING  
SERVICES**

THIS FIRST AMENDMENT TO THE AGREEMENT BETWEEN CITY OF LAGUNA WOODS AND CR&R INCORPORATED FOR SOLID WASTE HANDLING SERVICES ("Amendment No. 1") is made and entered into as of \_\_\_\_\_ day of December, 2021 ("Effective Date"), by and between the CITY OF LAGUNA WOODS ("City"), and CR&R INCORPORATED ("Contractor").

**R E C I T A L S**

A. On or about January 1, 2022, City and Contractor entered into that certain Agreement between City of Laguna Woods and CR&R Incorporated for Solid Waste Handling Services ("Agreement"), pursuant to which City agreed to provide to Contractor an exclusive franchise for Solid Waste Handling Services within the City of Laguna Woods.

B. Pursuant to Section 8.3.7 of the Agreement, Contractor is required to provide Commercial Bulky Item Services to Commercial Customers on an on-call basis. Contractor is required to charge rates for such services that do not exceed the maximum rates set forth in Exhibit A of the Agreement. Upon approval of the Agreement, Exhibit A did not include rates for Commercial Bulky Item Services. City and Contractor now wish to update Exhibit A to include rates for Commercial Bulky Item Services.

C. Subsequent to the adoption of the Agreement, Contractor requested corrections to its pricing, including the addition of temporary residential bin rates, bin relocation rates, and extra organics cart pickup and exchange rates, as well as the modification of locking bin rates and the removal of bin cleaning rates, the latter in deference to Contractor's practice of exchanging bins in need of cleaning. City and Contractor now wish to update Exhibit A accordingly.

D. Pursuant to Exhibit B of the Agreement, Contractor is required to provide containers that meet certain specifications. City and Contractor now wish to amend Exhibit B to allow for greater flexibility in bin material, composition, and height, while still maintaining "lower profile" options available to all Customers.

**A M E N D M E N T**

In consideration of the foregoing Recitals, which are incorporated herein by this reference, and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree to amend the Agreement as follows:

1. Exhibit A. The Agreement is hereby amended to replace, in its entirety, Exhibit A with the attached maximum rate schedule.

2. Exhibit B. The Agreement is hereby amended to modify the last paragraph in Exhibit B, as follows (additions shown with underlining and deletions shown with ~~strike through~~). The remainder of Exhibit B is unchanged and remains in full force and effect.

All Bins shall be ~~industry standard metal~~ or plastic Bins, ~~split vertically, and equipped with low profile casters that shall not exceed three (3) inches in height. If approved by City Manager upon either a request by Customers, or in response to Contractor's desire, Bins may be made of plastic, vertically split, and equipped with casters~~ that and shall not to exceed fifty-five (55) inches in height from the bottom of the caster to the Bin lid lip. Bin lids shall be "Single Wall Impact Plastic REC Lid, Lightweight" and vertically split, or comparable if approved by the City Manager. Upon request from the City Manager, Contractor shall, at no charge, timely replace any number of metal or plastic Bins with metal or plastic Bins at an alternate height as specified by the City Manager, provided that such alternate height is no less than forty-six (46) inches and no more than fifty-five (55) inches from the bottom of the caster to the Bin lid lip. Upon request of any Customer, Contractor shall provide Bins with lids that close securely and which are capable of being locked at rates that do not exceed those set forth in Exhibit A.

3. Effect of Amendment. Except as expressly provided in this Amendment No. 1, all of the terms, conditions, and provisions set forth in the Agreement shall remain in full force and effect.

4. Effective Date. The effective date of this Amendment No. 1 shall be the later of the dates set forth next to the signatures of the parties hereto, after both parties hereto have signed this Amendment No. 1, which date shall be inserted into the preamble to this Amendment No. 1.

5. Representations. The persons executing this Amendment No. 1 on behalf of each party hereto warrant that (a) they are duly authorized to execute this Amendment on behalf of the party for whom they sign, and (b) by so executing this Amendment No. 1, the party for whom they sign is formally bound to the provisions of this Amendment No. 1.

6. Counterparts. This Amendment No. 1 may be executed in counterparts, each of which, when both parties hereto have signed this Amendment No. 1, shall be deemed an original.

[END – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, City and Contractor have caused this instrument to be executed on their behalf by their respective officers or agents herein duly authorized as of the date first written above.

“City”

CITY OF LAGUNA WOODS

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Shari L. Horne, Mayor

ATTEST:

By: \_\_\_\_\_  
Yolie Trippy, CMC, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Alisha Patterson, City Attorney

“Contractor”

CR&R INCORPORATED.

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Cliff Ronenberg, Chairman and Chief  
Executive Officer

[END OF SIGNATURES]

**EXHIBIT A**

**MAXIMUM RATE SCHEDULE FOR SOLID WASTE HANDLING SERVICES**

[BEGINS ON FOLLOWING PAGE]

ITEM 6.7 - Exhibit A

**MAXIMUM RATE SCHEDULE FOR YEAR 1 (January 1, 2022 – December 31, 2022)**

**Residential Services Rates**

Standard Rate (1 Refuse & 1 Recycling)	\$ 12.73/month plus \$4.00/month if customer requests organics cart
Extra Pickup	\$ 4.34/pickup
Additional Refuse Cart	\$ 7.04/month
Additional Recycling Cart	\$ 1.52/month
Walk-Out Service Eligible Customers	No Charge
Walk-Out Service Other Customers	\$ 5.83/month
Contaminated Cart Fee	\$ 28.04/instance
Organics Pail (Purchase)	\$ 7.50/pail

**Monthly Residential Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 53.78	\$ 82.01	\$ 164.77	\$ 219.68	\$ 258.14	\$ 296.57	N/A
3-Yard Refuse	\$ 60.16	\$ 91.74	\$ 184.32	\$ 245.73	\$ 288.74	\$ 331.73	N/A
4-Yard Refuse	\$ 82.72	\$ 120.33	\$ 272.43	\$ 360.65	\$ 448.87	\$ 488.80	N/A
2-Yard Recycling	\$ 40.33	\$ 61.51	\$ 123.58	\$ 164.76	\$ 193.60	\$ 222.42	N/A
3-Yard Recycling	\$ 45.12	\$ 68.80	\$ 138.24	\$ 184.30	\$ 216.55	\$ 248.80	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 37.94	\$ 70.19	\$ 100.02	\$ 128.36	\$ 155.63	\$ 182.09	N/A
Cart - Recycling	\$ 28.46	\$ 52.64	\$ 75.01	\$ 96.27	\$ 116.73	\$ 136.57	N/A
2-Yard Organics	\$ 81.59	\$ 124.43	\$ 249.96	\$ 333.28	\$ 391.60	\$ 449.90	N/A
Cart Organics	\$ 29.91	\$ 45.61	\$ 91.66	\$ 122.20	\$ 143.58	\$ 164.96	N/A

**Residential Bin Rates**

Extra Refuse Pickup	\$ 44.46/pickup
Extra Recycling Pickup	\$ 33.35/pickup
Extra Bin Exchange	\$ 57.47/exchange
Contaminated Bin Fee	\$ 56.07/instance
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 102.86
Temporary 4-Yard Bin	N/A
Temporary 3-Yard Bin Rental Beyond 7 Days	\$ 9.07/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 77.15

**Monthly Commercial Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 107.61	\$ 164.11	\$ 329.70	\$ 439.58	\$ 516.53	\$ 593.43	N/A
3-Yard Refuse	\$ 120.39	\$ 183.57	\$ 368.82	\$ 491.71	\$ 577.76	\$ 663.79	N/A
4-Yard Refuse	\$ 165.53	\$ 240.78	\$ 545.13	\$ 721.66	\$ 898.20	\$ 978.09	N/A
2-Yard Recycling	\$ 80.71	\$ 123.08	\$ 247.27	\$ 329.68	\$ 387.40	\$ 445.07	N/A
3-Yard Recycling	\$ 90.29	\$ 137.68	\$ 276.62	\$ 368.78	\$ 433.32	\$ 497.84	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 37.94	\$ 70.19	\$ 100.02	\$ 128.36	\$ 155.63	\$ 182.09	N/A
Cart - Recycling	\$ 28.46	\$ 52.64	\$ 75.01	\$ 96.27	\$ 116.73	\$ 136.57	N/A
2-Yard Organics	\$ 81.59	\$ 124.43	\$ 249.96	\$ 333.28	\$ 391.60	\$ 449.90	N/A
Cart Organics	\$ 29.91	\$ 45.61	\$ 91.66	\$ 122.20	\$ 143.58	\$ 164.96	N/A

**Commercial Services Rates**

Extra Refuse Pickup	\$ 44.46/pickup
Extra Recycling Pickup	\$ 33.35/pickup
Extra Bin Exchange	\$ 57.47/exchange
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 102.86
Temporary 4-Yard Bin	N/A
Temporary 3-Yard Bin Rental Beyond 7 Days	\$ 9.07/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 77.15
Extra Organics Cart Pickup	\$ 22.43/pickup
Extra Organics Cart Exchange	\$ 28.74/exchange
Extra Organics Bin Exchange	\$ 57.19/exchange
Contaminated Bin Fee	\$ 56.07/instance
Contaminated Cart Fee	\$ 28.74/instance
Bulky Item Collection (up to four items)	\$ 57.00/collection
Additional Bulky Item (beyond four items)	\$ 25.00/item

**Monthly Commercial Green Waste Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
Green Waste Bin	\$ 80.02	\$ 122.03	\$ 245.16	\$ 326.87	\$ 384.07	\$ 441.25	N/A
Green Waste Cart	\$ 29.34	\$ 44.74	\$ 89.89	\$ 119.85	\$ 140.82	\$ 161.79	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A

**Commercial Green Waste Services Rates**

Extra Green Waste Pickup	\$ 60.01/pickup
Contaminated Cart Fee	\$ 28.74/instance
Contaminated Bin Fee	\$ 56.07/instance

**Roll-off Services Rates (Pull Rate Includes 6 Tons)**

Standard 40-Yard Rental (7 Days)	\$ 582.22
Low Boy Rental (7 Days)	\$ 722.22
Compactor	\$ 669.56/pull
Per Ton Over 6 Tons	\$ 71.21/ton
Box Rental Beyond 7 Days Without Pull	\$ 11.04/day
Trip Charge (Dry Run, Relocation)	\$ 92.08/trip
Contamination Fee	\$ 58.31/instance

**Scout/Push Out Services Rates (Per Bin/Per Service)**

0 – 25 Feet	\$ 0.00
26 – 50 Feet	\$ 20.05
51 – 75 Feet	\$ 40.09
76 – 100 Feet	\$ 60.14
Greater than 100 Feet	\$ 0.20 Per Foot

**Monthly Split Bin Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
3-Yard Refuse & Recycling	\$ 171.75	\$ 218.24	\$ 438.48	\$ 584.57	\$ 686.87	\$ 789.15	N/A

ITEM 6.7 - Exhibit A

**MAXIMUM RATE SCHEDULE FOR YEAR 2 (January 1, 2023 – December 31, 2023)**

(Rates are subject to CPI adjustment per Section 24)

**Residential Services Rates**

Standard Rate (1Refuse & 1 Recycling)	\$ 15.73/month plus \$4.00/month if customer requests organics cart
Extra Pickup	\$ 6.51/pickup
Additional Refuse Cart	\$ 10.56/month
Additional Recycling Cart	\$ 2.28/month
Walk-Out Service Eligible Customers	No Charge
Walk-Out Service Other Customers	\$ 8.75/month
Contaminated Cart Fee	\$ 28.04/instance
Organics Pail (Purchase)	\$ 7.50/pail

**Monthly Residential Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 80.67	\$ 123.02	\$ 247.15	\$ 329.52	\$ 387.21	\$ 444.85	N/A
3-Yard Refuse	\$ 90.25	\$ 137.61	\$ 276.48	\$ 368.60	\$ 433.10	\$ 497.59	N/A
4-Yard Refuse	\$ 124.08	\$ 180.49	\$ 408.64	\$ 540.98	\$ 673.31	\$ 733.20	N/A
2-Yard Recycling	\$ 60.50	\$ 92.27	\$ 185.36	\$ 247.14	\$ 290.41	\$ 333.64	N/A
3-Yard Recycling	\$ 67.68	\$ 103.21	\$ 207.36	\$ 276.45	\$ 324.83	\$ 373.19	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 56.91	\$ 105.28	\$ 150.03	\$ 192.54	\$ 233.45	\$ 273.14	N/A
Cart - Recycling	\$ 42.68	\$ 78.96	\$ 112.52	\$ 144.40	\$ 175.09	\$ 204.85	N/A
2-Yard Organics	\$ 122.38	\$ 186.64	\$ 374.95	\$ 499.92	\$ 587.40	\$ 674.86	N/A
Cart Organics	\$ 44.87	\$ 68.42	\$ 137.48	\$ 183.30	\$ 215.37	\$ 247.45	N/A

**Residential Bin Rates**

Extra Refuse Pickup	\$67.68/pickup
Extra Recycling Pickup	\$50.76/pickup
Extra Bin Exchange	\$86.21/exchange
Contaminated Bin Fee	\$56.07/instance
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 105.43
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.30/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 79.07

**Monthly Commercial Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 121.06	\$ 184.62	\$ 370.91	\$ 494.53	\$ 581.10	\$ 667.61	N/A
3-Yard Refuse	\$ 135.44	\$ 206.51	\$ 414.93	\$ 553.17	\$ 649.98	\$ 746.76	N/A
4-Yard Refuse	\$ 186.22	\$ 270.87	\$ 613.27	\$ 811.87	\$ 1,010.47	\$ 1,100.35	N/A
2-Yard Recycling	\$ 90.80	\$ 138.47	\$ 278.18	\$ 370.89	\$ 435.83	\$ 500.71	N/A
3-Yard Recycling	\$ 101.58	\$ 154.89	\$ 311.19	\$ 414.88	\$ 487.48	\$ 560.07	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 85.41	\$ 158.00	\$ 225.16	\$ 288.95	\$ 350.35	\$ 409.91	N/A
Cart - Recycling	\$ 64.06	\$ 118.50	\$ 168.87	\$ 216.71	\$ 262.76	\$ 307.43	N/A
2-Yard Organics	\$ 122.38	\$ 186.64	\$ 374.95	\$ 499.92	\$ 587.40	\$ 674.86	N/A
Cart Organics	\$ 44.87	\$ 68.42	\$ 137.48	\$ 183.30	\$ 215.37	\$ 247.45	N/A

**Commercial Services Rates**

Extra Refuse Pickup	\$ 67.68/pickup
Extra Recycling Pickup	\$ 50.76/pickup
Extra Bin Exchange	\$ 86.21/exchange
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 105.43
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.30/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 79.07
Extra Organics Cart Pickup	\$ 33.65/pickup
Extra Organics Cart Exchange	\$ 29.46/exchange
Extra Organics Bin Exchange	\$ 85.79/exchange
Contaminated Bin Fee	\$ 56.07/instance
Contaminated Cart Fee	\$ 29.46/instance
Bulky Item Collection (up to four items)	\$ 57.00/collection
Additional Bulky Item (beyond four items)	\$ 25.00/item

**Monthly Commercial Green Waste Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
Green Waste Bin	\$ 120.03	\$ 183.05	\$ 367.74	\$ 490.30	\$ 576.11	\$ 661.88	N/A
Green Waste Cart	\$ 44.00	\$ 67.11	\$ 134.84	\$ 179.78	\$ 211.23	\$ 242.69	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A

**Commercial Green Waste Services Rates**

Extra Green Waste Pickup	\$ 90.02/pickup
Contaminated Cart Fee	\$ 29.46/instance
Contaminated Bin Fee	\$ 56.07/instance

**Roll-off Services Rates (Pull Rate Includes 6 Tons)**

Standard 40-Yard Rental (7 Days)	\$ 611.33
Low Boy Rental (7 Days)	\$ 758.33
Compactor	\$ 703.03/pull
Per Ton Over 6 Tons	\$ 71.21/ton
Box Rental Beyond 7 Days Without Pull	\$ 108.33/day
Trip Charge (Dry Run, Relocation)	\$ 222.22/trip
Contamination Fee	\$ 56.07/instance

**Scout/Push Out Services Rates (Per Bin/Per Service)**

0 – 25 Feet	\$ 0.00
26 – 50 Feet	\$ 20.05
51 – 75 Feet	\$ 40.09
76 – 100 Feet	\$ 60.14
Greater than 100 Feet	\$ 0.20/foot

**Monthly Split Bin Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
3-Yard Refuse & Recycling	\$ 171.75	\$ 218.24	\$ 438.48	\$ 584.57	\$ 686.87	\$ 789.15	N/A

ITEM 6.7 - Exhibit A

**MAXIMUM RATE SCHEDULE FOR YEAR 3 (January 1, 2024 – December 31, 2024)**

(Rates are subject to CPI adjustment per Section 24)

**Residential Services Rates**

Standard Rate (1Refuse & 1 Recycling)	\$ 17.73/month plus \$4.00/month if customer requests organics cart
Extra Pickup	\$ 6.51/pickup
Additional Refuse Cart	\$ 10.56/month
Additional Recycling Cart	\$ 2.28/month
Walk-Out Service Eligible Customers	No Charge
Walk-Out Service Other Customers	\$ 8.75/month
Contaminated Cart Fee	\$ 28.04/instance
Organics Pail (Purchase)	\$ 7.50 /pail

**Monthly Residential Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 116.97	\$ 178.38	\$ 358.37	\$ 477.80	\$ 561.45	\$ 645.03	N/A
3-Yard Refuse	\$ 130.86	\$ 199.53	\$ 400.89	\$ 534.47	\$ 628.00	\$ 721.51	N/A
4-Yard Refuse	\$ 179.92	\$ 261.71	\$ 592.53	\$ 784.42	\$ 976.30	\$ 1,063.14	N/A
2-Yard Recycling	\$ 87.73	\$ 133.79	\$ 268.78	\$ 358.35	\$ 421.09	\$ 483.77	N/A
3-Yard Recycling	\$ 98.14	\$ 149.65	\$ 300.67	\$ 400.85	\$ 471.00	\$ 541.13	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 82.52	\$ 152.66	\$ 217.54	\$ 279.18	\$ 338.50	\$ 396.05	N/A
Cart - Recycling	\$ 61.89	\$ 114.50	\$ 163.16	\$ 209.38	\$ 253.88	\$ 297.04	N/A
2-Yard Organics	\$ 177.45	\$ 270.63	\$ 543.67	\$ 724.88	\$ 851.73	\$ 978.54	N/A
Cart Organics	\$ 65.06	\$ 99.21	\$ 199.35	\$ 265.79	\$ 312.29	\$ 358.80	N/A

**Residential Bin Rates**

Extra Refuse Pickup	\$ 98.14/pickup
Extra Recycling Pickup	\$ 73.61/pickup
Extra Bin Exchange	\$ 125.00/exchange
Contaminated Bin Fee	\$ 56.07/instance
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 108.07
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.53/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 81.05

**Monthly Commercial Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 127.79	\$ 194.88	\$ 391.52	\$ 522.00	\$ 613.39	\$ 704.70	N/A
3-Yard Refuse	\$ 142.96	\$ 217.99	\$ 437.98	\$ 583.90	\$ 686.09	\$ 788.25	N/A
4-Yard Refuse	\$ 196.56	\$ 285.92	\$ 647.34	\$ 856.97	\$ 1,066.61	\$ 1,161.48	N/A
2-Yard Recycling	\$ 95.84	\$ 146.16	\$ 293.64	\$ 391.50	\$ 460.04	\$ 528.52	N/A
3-Yard Recycling	\$ 107.22	\$ 163.49	\$ 328.48	\$ 437.93	\$ 514.57	\$ 591.19	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 90.15	\$ 166.78	\$ 237.66	\$ 305.00	\$ 369.82	\$ 432.69	N/A
Cart - Recycling	\$ 67.61	\$ 125.09	\$ 178.25	\$ 228.75	\$ 277.36	\$ 324.51	N/A
2-Yard Organics	\$ 177.45	\$ 270.63	\$ 543.67	\$ 724.88	\$ 851.73	\$ 978.54	N/A
Cart Organics	\$ 65.06	\$ 99.21	\$ 199.35	\$ 265.79	\$ 312.29	\$ 358.80	N/A

**Commercial Services Rates**

Extra Refuse Pickup	\$ 98.14/pickup
Extra Recycling Pickup	\$ 73.61/pickup
Extra Bin Exchange	\$ 125.00/exchange
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 108.07
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.53/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 81.05
Extra Organics Cart Pickup	\$ 48.79/pickup
Extra Organics Cart Exchange	\$ 30.20/exchange
Extra Organics Bin Exchange	\$ 124.39
Contaminated Bin Fee	\$ 56.07/instance
Contaminated Cart Fee	\$ 30.20/instance
Bulky Item Collection (up to four items)	\$ 57.00/collection
Additional Bulky Item (beyond four items)	\$ 25.00/item

**Monthly Commercial Green Waste Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
Green Waste Bin	\$ 174.04	\$ 265.42	\$ 533.22	\$ 710.94	\$ 835.35	\$ 959.72	N/A
Green Waste Cart	\$ 63.80	\$ 97.30	\$ 195.52	\$ 260.67	\$ 306.29	\$ 351.90	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A

**Commercial Green Waste Services Rates**

Extra Green Waste Pickup	\$ 130.53/pickup
Contaminated Cart Fee	\$ 30.20/instance
Contaminated Bin Fee	\$ 56.07/instance

**Roll-off Services Rates (Pull Rate Includes 6 Tons)**

Standard 40-Yard Rental (7 Days)	\$ 641.90
Low Boy Rental (7 Days)	\$ 796.25
Compactor	\$ 738.19/pull
Per Ton Over 6 Tons	\$ 71.21/ton
Box Rental Beyond 7 Days Without Pull	\$ 113.75/day
Trip Charge (Dry Run, Relocation)	\$ 222.22/trip
Contamination Fee	\$ 56.07/instance

**Scout/Push Out Services Rates (Per Bin/Per Service)**

0 – 25 Feet	\$ 0.00
26 – 50 Feet	\$ 20.05
51 – 75 Feet	\$ 40.09
76 – 100 Feet	\$ 60.14
Greater than 100 Feet	\$ 0.20/foot

**Split Bin Services**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
3-Yard Refuse & Recycling	\$ 171.75	\$ 218.24	\$ 438.48	\$ 584.57	\$ 686.87	\$ 789.15	N/A

ITEM 6.7 - Exhibit A

**MAXIMUM RATE SCHEDULE BEGINNING JANUARY 1, 2025**

(Rates are subject to CPI adjustments per Section 24)

**Residential Services Rates**

Standard Rate (1Refuse & 1 Recycling)	\$ 18.23/month plus \$4.00/month if customer requests organics cart
Extra Pickup	\$ 6.51/pickup
Additional Refuse Cart	\$ 10.56/month
Additional Recycling Cart	\$ 2.28/month
Walk-Out Service Eligible Customers	No Charge
Walk-Out Service Other Customers	\$ 8.75/month
Contaminated Cart Fee	\$ 28.04/instance
Organics Pail (Purchase)	\$ 7.50 /pail

**Monthly Residential Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 134.51	\$ 205.14	\$ 412.12	\$ 549.47	\$ 645.67	\$ 741.79	N/A
3-Yard Refuse	\$ 150.49	\$ 229.46	\$ 461.03	\$ 614.64	\$ 722.20	\$ 829.74	N/A
4-Yard Refuse	\$ 206.91	\$ 300.97	\$ 681.41	\$ 902.08	\$ 1,122.75	\$ 1,222.61	N/A
2-Yard Recycling	\$ 100.88	\$ 153.85	\$ 309.09	\$ 412.10	\$ 484.25	\$ 556.34	N/A
3-Yard Recycling	\$ 112.86	\$ 172.10	\$ 345.77	\$ 460.98	\$ 541.65	\$ 622.30	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 94.90	\$ 175.56	\$ 250.17	\$ 321.06	\$ 389.28	\$ 455.46	N/A
Cart - Recycling	\$ 71.17	\$ 131.67	\$ 187.63	\$ 240.79	\$ 291.96	\$ 341.59	N/A
2-Yard Organics	\$ 204.07	\$ 311.22	\$ 625.22	\$ 833.61	\$ 979.49	\$ 1,125.32	N/A
Cart Organics	\$ 74.81	\$ 114.09	\$ 229.25	\$ 305.65	\$ 359.14	\$ 412.62	N/A

**Residential Bin Rates**

Extra Refuse Pickup	\$ 112.86/pickup
Extra Recycling Pickup	\$ 84.65/pickup
Extra Bin Exchange	\$ 143.75/exchange
Contaminated Bin Fee	\$ 56.07/instance
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 110.77
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.77/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 88.08

**Monthly Commercial Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
2-Yard Refuse	\$ 134.51	\$ 205.14	\$ 412.12	\$ 549.47	\$ 645.67	\$ 741.79	N/A
3-Yard Refuse	\$ 150.49	\$ 229.46	\$ 461.03	\$ 614.64	\$ 722.20	\$ 829.74	N/A
4-Yard Refuse	\$ 206.91	\$ 300.97	\$ 681.41	\$ 902.08	\$ 1,122.75	\$ 1,222.61	N/A
2-Yard Recycling	\$ 100.88	\$ 153.85	\$ 309.09	\$ 412.10	\$ 484.25	\$ 556.34	N/A
3-Yard Recycling	\$ 112.86	\$ 172.10	\$ 345.77	\$ 460.98	\$ 541.65	\$ 622.30	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A
Cart - Refuse	\$ 94.90	\$ 175.56	\$ 250.17	\$ 321.06	\$ 389.28	\$ 455.46	N/A
Cart - Recycling	\$ 71.17	\$ 131.67	\$ 187.63	\$ 240.79	\$ 291.96	\$ 341.59	N/A
2-Yard Organics	\$ 204.07	\$ 311.22	\$ 625.22	\$ 833.61	\$ 979.49	\$ 1,125.32	N/A
Cart Organics	\$ 74.81	\$ 114.09	\$ 229.25	\$ 305.65	\$ 359.14	\$ 412.62	N/A

**Commercial Services Rates**

Extra Refuse Pickup	\$ 112.86/pickup
Extra Recycling Pickup	\$ 84.65/pickup
Extra Bin Exchange	\$ 143.75/exchange
Temporary 2-Yard Bin	N/A
Temporary 3-Yard Bin Rental (7 Days)	\$ 110.77
Temporary 4-Yard Bin	N/A
Temporary Bin Rental Beyond 7 Days	\$ 9.77/day
Relocation Fee (Temporary 3-Yard Bin)	\$ 88.08
Extra Organics Cart Pickup	\$ 56.11/pickup
Extra Organics Cart Exchange	\$ 30.95/exchange
Extra Organics Bin Exchange	\$ 143.05
Contaminated Bin Fee	\$ 56.07/instance
Contaminated Cart Fee	\$ 30.95/instance
Bulky Item Collection (up to four items)	\$ 57.00/collection
Additional Bulky Item (beyond four items)	\$ 25.00/item

**Monthly Commercial Green Waste Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
Green Waste Bin	\$ 200.15	\$ 305.23	\$ 613.20	\$ 817.58	\$ 960.66	\$ 1,103.68	N/A
Green Waste Cart	\$ 73.37	\$ 111.90	\$ 224.84	\$ 299.77	\$ 352.23	\$ 404.68	N/A
Locking Bin (addt.)	\$ 7.30	\$ 8.03	\$ 8.39	\$ 8.75	\$ 9.12	\$ 9.49	N/A

**Commercial Green Waste Services Rates**

Extra Green Waste Pickup	\$ 150.11/pickup
Contaminated Cart Fee	\$ 30.95/instance
Contaminated Bin Fee	\$ 56.07/instance

**Roll-off Services Rates (Pull Rate Includes 6 Tons)**

Standard 40-Yard Rental (7 Days)	\$ 674.00
Low Boy Rental (7 Days)	\$ 836.06
Compactor	\$ 775.09/pull
Per Ton Over 6 Tons	\$ 71.21/ton
Box Rental Beyond 7 Days Without Pull	\$ 119.44/day
Trip Charge (Dry Run, Relocation)	\$ 222.22/trip
Contamination Fee	\$ 56.07/instance

**Scout/Push Out Services Rates (Per Bin/Per Service)**

0 – 25 Feet	\$ 0.00
26 – 50 Feet	\$ 20.05
51 – 75 Feet	\$ 40.09
76 – 100 Feet	\$ 60.14
Greater than 100 Feet	\$ 0.20/foot

**Monthly Split Bin Services Rates**

Container Size/Type	1/week	2/week	3/week	4/week	5/week	6/week	7/week
3-Yard Refuse & Recycling	\$ 214.69	\$ 272.80	\$ 548.10	\$730.71	\$858.59	\$ 986.44	N/A

**6.8**  
**LAGUNA WOODS CIVIC SUPPORT FUND**  
***(NO REPORT)***

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**8.1**  
**ANNUAL COMPREHENSIVE FINANCIAL**  
**REPORT**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager  
Elizabeth Torres, Administrative Services Director/City Treasurer

**FOR:** December 15, 2021 Regular Meeting

**SUBJECT:** Annual Comprehensive Financial Report

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### **Recommendation**

Receive and file the following documents, each dated November 19, 2021:

1. Annual Comprehensive Financial Report with Report on Audit by Independent Auditors for the Year Ended June 30, 2021 (Fiscal Year 2020-21)

AND

2. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

AND

3. Independent Auditor's Statements on Auditing Standards 114 Letter: The Auditor's Communication with Those Charged with Governance

AND

4. Appropriations Limit Worksheet with Independent Accountant's Report on Applying Agreed-Upon Procedures for the Fiscal Year Ended June 30, 2021

**Background**

Brown Armstrong Accountancy Corporation has served as the City's independent auditor since May 1, 2018 (for Fiscal Year 2017-18). Beginning with Fiscal Year 2020-21, the audit partner responsible for leading Brown Armstrong Accountancy Corporation's work for the City changed. The existing agreement with Brown Armstrong Accountancy Corporation includes two additional audits – the fiscal year currently underway (Fiscal Year 2021-22) and Fiscal Year 2022-23 – after which a competitive request for proposals process is anticipated.

Brown Armstrong Accountancy Corporation provides or has provided audit services to the cities of Bakersfield, Baldwin Park, Fresno, Pasadena, Paso Robles, and St. Helena, as well as the counties of Merced, Riverside, Santa Barbara, and Santa Cruz. Additional information is available at <https://bacpas.com/>.

On May 5, 2021, the City Council appointed Mayor Pro Tem Moore and Councilmember Conners to an Ad Hoc Audit Committee to work with the City's independent auditors on matters related to the Fiscal Year 2020-21 audit.

**Discussion**

Today's meeting is an opportunity for City Council discussion, as well as public input, regarding the Annual Comprehensive Financial Report ("ACFR") with Report on Audit by Independent Auditors for the Year Ended June 30, 2021 (Fiscal Year 2020-21) (Attachment A) and related documents (attachments B, C, and D).

Fiscal Year 2020-21 is the seventh year for which an ACFR has been prepared with each of the sections prescribed by the Governmental Accounting Standards Board ("GASB"). Preparation of an ACFR includes a broader presentation of financial statements than required by law and is optional, but encouraged, by GASB.

Brown Armstrong Accountancy Corporation concluded, based on their audit, that there was a reasonable basis for rendering an unmodified opinion that the financial statements for Fiscal Year 2020-21 were fairly presented in conformity with Generally Accepted Accounting Principles. No material weaknesses or significant deficiencies were identified in the City's internal control structure. A representative from Brown Armstrong Accountancy Corporation will be available to answer questions and provide additional information at the meeting.

**Fiscal Impact**

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

- Attachments:
- A – Comprehensive Annual Financial Report with Report on Audit by Independent Auditors for the Year Ended June 30, 2021 (Fiscal Year 2020-21)
  - B – Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
  - C – Independent Auditor's Statements on Auditing Standards 114 Letter: The Auditor's Communication with Those Charged with Governance
  - D – Appropriations Limit Worksheet with Independent Accountant's Report on Applying Agreed-Upon Procedures for the Fiscal Year Ended June 30, 2021

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**Attachment A**

Annual Comprehensive Financial Report with Report on Audit by Independent Auditors for the Year Ended June 30, 2021 (Fiscal Year 2020-21)

TO VIEW THIS DOCUMENT ONLINE, PLEASE VISIT  
<https://www.cityoflagunawoods.org/city-council-agendas-minutes-2021/>

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**Attachment B**

Independent Auditor’s Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards

TO VIEW THIS DOCUMENT ONLINE, PLEASE VISIT  
<https://www.cityoflagunawoods.org/city-council-agendas-minutes-2021/>

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**Attachment C**

Independent Auditor’s Statements on Auditing Standards 114 Letter: The Auditor’s Communication with Those Charged with Governance

TO VIEW THIS DOCUMENT ONLINE, PLEASE VISIT  
<https://www.cityoflagunawoods.org/city-council-agendas-minutes-2021/>

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**Attachment D**

Appropriations Limit Worksheet with Independent Accountant's Report on  
Applying Agreed-Upon Procedures for the Fiscal Year Ended June 30, 2021

TO VIEW THIS DOCUMENT ONLINE, PLEASE VISIT  
<https://www.cityoflagunawoods.org/city-council-agendas-minutes-2021/>

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**8.2**  
**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:** December 15, 2021 Regular Meeting

**SUBJECT:** Residential Density Bonus Standards Regulations

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### **Recommendation**

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

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

### **Background**

California Government Code Section 65915 et seq., requires every city and county to adopt an ordinance providing density bonuses (the ability to construct more housing units in a particular area than would otherwise be permitted) and other incentives or concessions to persons wishing to develop housing for specified types of households. 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, or on any real property that is listed in the California Register of Historical Resources. 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").

On October 20, 2021, the City Council opened the public hearing, invited public testimony (no testimony was received), and continued the public hearing to the next regular meeting on November 19, 2021.

On November 17, 2021, a public hearing was held and the City Council introduced and approved the first reading of an ordinance (Attachment A) which, if adopted, would amend Section 13.26.040 of the Laguna Woods Municipal Code related to residential density bonus standards regulations.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on proposed amendments of the residential density bonus standards regulations set forth in Section 13.26.040 of the Laguna Woods Municipal Code (Attachment A). Staff recommends that the City Council adopt the proposed regulations in order to ensure that regulations are clear and consistent with state law, including the following changes in state law that were enacted after the existing regulations were approved by the City Council in September 2020:

- California Assembly Bill 2345 (2019-2020) (approved September 28, 2020)
- California Senate Bill 8 (2021-2022) (approved September 16, 2021)
- California Senate Bill 728 (2021-2022) (approved September 27, 2021)
- California Assembly Bill 571 (2021-2022) (approved September 28, 2021)
- California Assembly Bill 634 (2021-2022) (approved September 28, 2021)
- California Assembly Bill 1584 (2021-2022) (approved September 28, 2021)
- California Senate Bill 290 (2021-2022) (approved September 28, 2021)

The proposed regulations include processing-related changes that are intended to better align the review and approval process for requested density bonuses with the

mandatory and prescriptive nature of state law. Rather than requiring City Council approval of a conditional use permit, the proposed regulations require approval of a density bonus housing agreement, which would be acted upon by staff.

### **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.

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

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**ORDINANCE NO. 21-XX**

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

**WHEREAS**, California Government Code Section 65915 et seq., requires every city and county to adopt an ordinance providing density bonuses and other incentives or concessions to persons wishing to develop housing for specified types of households; and

**WHEREAS**, residential density bonus standards regulations are codified at Section 13.26.040 of the Laguna Woods Municipal Code to provide incentives for the production of housing for specified types of households in accordance with the State of California’s Density Bonus Law (California Government Code sections 65915 – 65918), facilitate the development of affordable housing, and implement the goals, policy objectives, and programs of the housing element of the City’s General Plan; and

**WHEREAS**, the City Council last amended the residential density bonus standards regulations on September 16, 2020 by Ordinance No. 20-02; and

**WHEREAS**, the California Legislature has amended California Government Code Section 65915 et seq. several times since the City enacted its existing residential density bonus standards regulations, including:

- California Assembly Bill 2345 (2019-2020) (approved September 28, 2020),
- California Senate Bill 8 (2021-2022) (approved September 16, 2021),
- California Senate Bill 728 (2021-2022) (approved September 27, 2021),
- California Assembly Bill 571 (2021-2022) (approved September 28, 2021),
- California Assembly Bill 634 (2021-2022) (approved September 28, 2021),
- California Assembly Bill 1584 (2021-2022) (approved September 28, 2021), and
- California Senate Bill 290 (2021-2022) (approved September 28, 2021); and

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

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

**WHEREAS**, on November 17, 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 this Ordinance has no possibility of having a significant effect on the environment. 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).) 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.

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

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

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

SECTION 6. The 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.

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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

**EXHIBIT A  
CODE AMENDMENTS**

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

**Sec. 13.26.040. - Residential density bonus standards.**

(a) *Purpose and intent.* This section is intended to provide incentives for the production of housing for specified types of households in accordance with the State of California’s “Density Bonus Law,” California Government Code §§ 65915 through 65918, as amended or superseded, and relevant portions of California Senate Bill 330, the “Housing Crisis Act of 2019,” as amended, superseded, or repealed. In enacting these provisions, it is the intent of the City to facilitate the development of affordable housing and to implement the goals, policy objectives, and ~~polities~~ programs of the housing element of the City’s General Plan.

(b) *Applicability.* This section shall apply to projects qualifying for density bonuses, incentives or concessions, waivers or reductions of development standards, and/or parking ratios ~~and/or incentives~~ provided for by California Government Code § 65915, as amended or superseded.

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

(05) *Affordable housing development* means any housing development that meets the criteria set forth in California Government Code § 65915(b) and (c), as amended or superseded. ~~housing subsidized by the federal or state government, or any housing development in which at least 20 percent of the housing units are affordable dwelling units.~~

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

~~(15) Affordable housing development plan means that plan prepared by an applicant for an affordable housing development under this ordinance that outlines and specifies the development's compliance with the applicable requirements of this ordinance.~~

(2010) *Affordable dwelling unit* means a dwelling unit within a residential development project that is ~~reserved for sale or rent and~~ offered for sale at an affordable housing cost, as defined in California Health and Safety Code § 50052.5 (as amended or superseded), or offered for rent at an affordable rent, as defined in California Health and Safety Code § ~~and~~ 50053 (as amended or superseded), to persons and families of extremely low, very low, lower, or ~~and~~ moderate income.

~~(2515) Child care facility shall have the same meaning as the term "childcare facility" is defined in California Government Code § 65915(h), as amended or superseded. means a child day care facility other than a family day care home, including, but not limited to, infant centers, preschools, extended day care facilities, and school age child-care centers.~~

~~(3020) Density bonus shall have the same meaning as the term is defined in California Government Code § 65915(f), as amended or superseded. means those additional residential units granted which exceed the maximum allowable gross residential density for the development site.~~

(25) *Density bonus housing agreement* means a written agreement between the City and an applicant for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio pursuant to this section that contains specific requirements that run with the land and are recorded against the property(ies) to ensure the continuing affordability of housing included in the housing development.

(30) *Development standard* shall have the same meaning as the term is defined in California Government Code § 65915(o)(1), as amended or superseded.

(35) Housing development shall have the same meaning as the term is defined in California Government Code § 65915(i), as amended or superseded.

(40) Incentive or concession shall have the same meaning as the terms are defined in California Government Code § 65915(k), as amended or superseded.

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

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

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

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

(d) *California Government Code § 65915 adopted by reference.* California Government Code § 65915 (and any future amendments thereto), a copy of which may be obtained from the City Clerk for use and examination by the public, is adopted and incorporated herein by reference as if fully set forth herein, ~~and shall constitute the affordable housing density bonus regulations of the City.~~

(e) *Processing of bonus request.*

(1) Permit-Density bonus housing agreement required. ~~Residential~~ Housing development projects that include a request for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~and/or incentive~~ pursuant to this

section shall require the approval of a ~~conditional use permit~~ density bonus housing agreement, which shall be approved by the ~~City Council~~ Director, provided, however, that in no event shall ~~City Council~~ Director withhold approval of a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio to which an affordable housing development is entitled to under state law.

(2) ~~*Initial review of density bonus request. Timelines for processing density bonus request.*~~

*Initial review for completeness.* The Director shall notify the applicant whether the application for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio is complete within 30 days of filing the application, in a manner consistent with California Government Code § 65943. An application for a density bonus shall be processed concurrently with other required entitlements (such as conditional use permits and subdivision maps), if applicable.

*Director's determination.* The Director shall notify the applicant within 90 days of the filing of the ~~conditional use permit~~ application whether the ~~residential housing~~ development project qualifies for the density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~and incentives described in this section.~~ This notification shall provide the applicant with a determination as to each of the matters listed in California Government Code § 65915(a)(3)(D)(i).

*Consistency with state law.* If the processing timelines in this section exceed any applicable processing timeline in state law (such as the “Permit Streamlining Act,” California Government Code § 65920 et seq., or the “Housing Accountability Act,” California Government Code § 65589.5), the timeline in state law shall prevail.

(3) *Criteria to be considered.* Criteria to be considered in analyzing a request for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio shall ~~include whether the applicant has agreed to construct affordable units that meet~~ not exceed the requirements of California Government Code §

~~65915(k), as amended or superseded. Criteria to be considered in analyzing a requested incentive shall include whether an incentive has a specific adverse impact upon health, safety or the physical environment, and whether there is no feasible method to eliminate or mitigate such specific adverse impact. Criteria that applies to all of these requests is generally set forth in California Government Code § 65915(b) and (c). Additional criteria for a density bonus are generally set forth in California Government Code § 65915(f) and (g). Additional criteria for incentives or concessions are generally set forth in California Government Code § 65915(d). Additional criteria for waivers or reductions of development standards are generally set forth in California Government Code § 65915(e). Additional criteria for parking ratios are generally set forth in California Government Code § 65915(p).~~

(4) The applicant shall enter into an density bonus housing agreement and any other agreements or covenants necessary ~~with the City or its designee~~ to maintain and enforce the affordable housing component of the housing development.

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

~~(65)~~ *Required documents.* All applications for a density bonus, incentive or concession, waiver or reduction of development standards, and/or parking ratio ~~developer incentive, or waiver or modification of development standards~~ must include the following information:

- a. A description of the housing development project, including the number of dwelling units, the number of affordable units and level of affordability, and the location of the affordable units;
- b. The specific ~~developer~~ incentive(s) and/or concession(s) sought, if any, and reasonable documentation confirming- ~~regarding the necessity of~~ the incentive and/or concession is

necessary in order to provide affordable dwelling units ~~housing costs or rents~~;

c. The specific waiver or reduction ~~modification~~ to development standard(s), if any, and reasonable documentation ~~confirming regarding the necessity of~~ the waiver and/or ~~modification~~ reduction is necessary in order to provide affordable dwelling units, including documentation demonstrating that the City’s development standards physically preclude the utilization of a density bonus;

d. For parking ratio ~~standard modification~~ requests, that the requirements of this section are met;

e. The proposed method of ensuring the continued affordability of all low, very low, or moderate units, or senior units, transitional foster youth, disabled veterans, homeless, or child care facilities, that qualified the applicant for the award of the density bonus for at least 55 years, as required by California Government Code § 65915(c)(1);

f. For the application for a density bonus ~~permit~~ for the donation of land, the application must show the location of the land in addition to including sufficient information to establish that each requirement of California Government Code § 65915(g)(2) has been met;

g. The application for a density bonus ~~permit~~ for a development that includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project (California Government Code § 65915(b)), shall show the location and square footage of the child care facility in addition to including sufficient information as how the applicant proposes to regulate attendance at the child care facility to conform to the requirements of California Government Code § 65915(h)(2)(B).

h. Other relevant information requested by City staff, a list of which shall remain on file in the office of the City Clerk for use and examination by the public.

i. An application for a density bonus ~~permit~~ shall be accompanied by the fee set by resolution of the City Council.

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

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

~~a. — The residential development project would not be a hazard or nuisance to the city at large or establish a use or development inconsistent with the goals and policies of the City's General Plan;~~

~~b. — The number of dwelling units can be accommodated by existing and planned infrastructure capacities;~~

~~c. — Adequate evidence exists to ensure that the development of the property would result in the provision of affordable housing in a manner consistent with the purpose and intent of this section;~~

~~d. — In the event that the City does not grant at least one incentive described in California Government Code § 65915(k), that additional concessions or incentives are not necessary to provide housing at an affordable housing cost, as defined in California Health and Safety Code §§ 50052.5 and 50053; and~~

ITEM 8.2 – Exhibit A to Attachment A

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

**8.3**  
**NATIONAL OPIOIDS SETTLEMENT**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager  
Alisha Patterson, City Attorney

**FOR:** December 15, 2021 Regular Meeting

**SUBJECT:** National Opioids Settlement

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### **Recommendation**

1. Authorize the City Manager to execute the settlement agreement with McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreement” includes the participation form for the settlement including a release of claims and a separate signature page for California’s Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

AND

2. Authorize the City Manager to execute the settlement agreement with Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. as part of the National Opioids Settlement, and elect for the City to receive direct payment of settlement funds. For the purpose of this recommendation, “settlement agreement” includes the participation form for the settlement including a release of claims and a separate signature page for California’s Proposed State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds, as well as any other documents or certifications that may be necessary to finalize or implement the settlement agreement.

## **Background**

Over the last several years, thousands of governmental entities (states, counties, cities, and tribal sovereigns) sued pharmaceutical distributors and manufacturers alleging they contributed to the current opioid crisis by grossly misrepresenting the risks of long-term use and failing to properly monitor suspicious orders. On or about December 12, 2017, a judicial panel consolidated the cases into one action known as a “multidistrict litigation” (or “MDL”) — *In re National Prescription Opiate Litigation*, No. 1:17-md-02804 (N.D. Ohio) (the “Opioids Litigation”). The Opioids Litigation has since been overseen by a single federal judge (Judge Dan Polster) in the Northern District of Ohio.

In July 2021, many of the governmental plaintiffs reached nationwide settlements to resolve the Opioids Litigation brought by states and local entities against certain (1) pharmaceutical distributors: McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (“Distributors”), and (2) manufacturers: Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (“Manufacturers”).

The City was not a party to the Opioids Litigation, but now has the opportunity to receive settlement funds by entering into settlement agreements. There are two separate settlements – one with the Distributors (Attachment A) and the other with the Manufacturers (Attachment B).

## **Discussion**

Today’s meeting is an opportunity for City Council action, as well as public input, on proposed settlement agreements related to the Opioids Litigation (attachments A and B).

### **The Settlements**

As noted above, to-date, the Opioids Litigation has resulted in two separate settlements – one with the Distributors and the other with the Manufacturers. Under the settlements, the Distributors will pay a maximum of \$21 billion over no more than 18 years, and the Manufacturers will pay a maximum of \$5 billion over no more than nine years, for a cumulative maximum total of \$26 billion.

Of the \$26 billion total maximum settlement amount, approximately \$22.8 billion

will be payable to state and local subdivisions. Those funds will be split between all 50 states. Each state's share of the distribution is based on the participation of states, cities, and counties. If there is insufficient participation on the part of states, cities, and counties, then the settlement cannot go forward. If there is sufficient participation for the settlement to go forward, then the amount of participation of states, cities, and counties also impacts the amount that will be distributed to each geographic area (i.e., higher participation results in a higher distribution).

In California, cities and counties are eligible to participate in the settlements if they have a population of at least 10,000 or more. Laguna Woods' population is more than 10,000, so the City is eligible to participate.

To participate in the settlements, the City must enter settlement agreements, which are included as attachments A and B to this agenda report. If the City enters one or both settlement agreements, it would receive a distribution of the settlement funds in exchange for waiving claims against the defendant entities (i.e., the Distributors and the Manufacturers). The City would not know the specific amount of its share of settlement funds until sometime after the January 2, 2022 deadline for cities and counties to enter settlement agreements has passed.

Staff recommends that the City Council "opt in" to both settlements and authorize the City Manager to execute both settlement agreements. Doing so would result in additional revenue for the City, support the ability of the settlements to go forward, and increase California's share of the distribution.

#### Estimated Share of Settlement Funds

As of November 22, 2021, California Department of Justice staff estimated that the City's share of the settlement funds would be a maximum of \$12,500. If the City "opts in" and the settlements move forward, funds may begin to be received as early as April 2022. Disbursement of funds from the Distributors' settlement (i.e., the \$21 billion settlement) would occur over an 18 year period. Disbursement of funds from the Manufacturers' settlement (i.e., the \$5 billion settlement) would occur over a nine year period. As a result, on average, the City might receive less than \$830 per year from the settlements.

#### Use of Settlement Funds

Settlement funds may only be used for specific opioid-abatement-related uses, which are enumerated in Exhibit E of the settlement agreements. In receiving

settlement funds, the City would be required to comply with various recordkeeping and reporting requirements.

While the City's share of settlement funds would be nominal, staff believes that it may be possible to use the funds to offset a portion of Orange County Sheriff's Department costs charged to the City for training or services related to opioids and opioid abuse. However nominal the amount, as a general rule, staff recommends that the City Council take every opportunity to potentially defray rising Orange County Sheriff's Department costs.

#### Receipt and Administration of Settlement Funds

The City may choose to either receive its share of settlement funds directly, or have its share of the settlement funds administered by the County of Orange. Staff expects that the City would have little to no meaningful role in determining the use of the funds if administered by the County of Orange.

Staff recommends that the City Council elect to receive the funds directly in order to ensure that their use directly benefits Laguna Woods.

#### **Fiscal Impact**

The City's budget contains sufficient funds to support preparation of this agenda report and potential subsequent administration of settlement funds.

Attachments: A – Proposed Settlement Agreement (McKesson et al.)  
B – Proposed Settlement Agreement (Johnson & Johnson et al.)

**Settlement Participation Form**

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“Governmental Entity”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 (“Distributor Settlement”), and acting through the undersigned authorized official, hereby elects to participate in the Distributor Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.
3. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Distributor Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Distributor Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Distributor Settlement.
7. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.



8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including but not limited to all provisions of Part XI, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Distributor Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Distributor Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Distributor Settlement.
10. In connection with the releases provided for in the Distributor Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Distributor Settlement.
11. Nothing herein is intended to modify in any way the terms of the Distributor Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Distributor Settlement in any respect, the Distributor Settlement controls.



I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Distributor Settlement**

**1. Introduction**

Pursuant to the Distributor Settlement Agreement, dated as of July 21, 2021, and any revision thereto (the “Distributor Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Distributor Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Distributor Settlement Agreement.<sup>1</sup> For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX or X of the Distributor Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Distributor Settlement Agreement, acceptance of this CA Distributor Allocation Agreement is a requirement to be an Initial Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Distributor Settlement Agreement.
- b) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- c) *Litigating Special District* means a school district, fire protection district, health authority, health plan, or other special district that has filed a lawsuit against an Opioid Defendant. Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, and LA Care Health Plan.
- d) *Plaintiff Subdivision* means a Subdivision located in California, other than a Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

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<sup>1</sup> A parallel but separate agreement (the “CA Janssen Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Janssen Settlement Agreement. An eligible Subdivision may elect to participate in either the Distributor Settlement or the Janssen Settlement, or in both.

- e) *Opioid Defendant* means any defendant (including but not limited to Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### **3. General Terms**

This agreement is subject to the requirements of the Distributor Settlement Agreement, as well as applicable law, and the Distributor Settlement Agreement governs over any inconsistent provision of this CA Distributor Allocation Agreement. Terms used in this CA Distributor Allocation Agreement have the same meaning as in the Distributor Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Distributor Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Distributor Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### **4. State Allocation**

The Settlement Fund payments to California,<sup>2</sup> pursuant to the Distributor Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Distributor Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

#### **A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

#### **B. CA Abatement Accounts Fund**

##### **i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be

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<sup>2</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.

allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the "Local Allocation"). For the avoidance of doubt, Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Distributor Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Distributor Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.
- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Distributor Settlement Agreement and this CA Distributor Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

**ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Distributor Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Distributor Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Distributor Settlement Agreement and this CA Distributor Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

**iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Distributor Settlement Agreement and this CA Distributor Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Distributor Settlement Agreement or this CA Distributor Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Distributor Settlement Agreement or this CA Distributor Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

**C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Distributor Settlement Agreement and this CA Distributor Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

#### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Distributor Settlement Agreement and, if applicable, the Janssen Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(R), of the Distributor Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Distributor Settlement, and if applicable, the Janssen Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Distributor Settlement Agreement and, if applicable, the Janssen Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney

General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Distributor Settlement Agreement and this CA Distributor Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Distributor Settlement Agreement and this CA Distributor Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Distributor Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and the Distributors.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

**6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Distributor Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Distributor Settlement Agreement, this CA Distributor Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Distributor Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Distributor Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

ITEM 8.3 - Attachment A

The undersigned, Laguna Woods city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Distributor Settlement is a requirement to be an Initial Participating Subdivision in the Distributor Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Distributor Settlement.

I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX 1

**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Distributor Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

## APPENDIX 1

## ITEM 8.3 - Attachment A

			<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>
<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<i>Amador County</i>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<i>Butte County</i>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<i>Colusa County</i>	Colusa	0.059%		<b>0.0489221%</b>
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>

## APPENDIX 1

## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Lafayette	Contra Costa	0.006%		<b>0.0046030%</b>
City	Martinez	Contra Costa	0.012%		<b>0.0098593%</b>
City	Moraga	Contra Costa	0.004%		<b>0.0031007%</b>
City	Oakley	Contra Costa	0.010%		<b>0.0079416%</b>
City	Orinda	Contra Costa	0.005%		<b>0.0038157%</b>
City	Pinole	Contra Costa	0.013%		<b>0.0110909%</b>
City	Pittsburg	Contra Costa	0.053%		<b>0.0436369%</b>
City	Pleasant Hill	Contra Costa	0.013%		<b>0.0106309%</b>
City	Richmond	Contra Costa	0.146%		<b>0.1201444%</b>
City	San Pablo	Contra Costa	0.018%		<b>0.0148843%</b>
City	San Ramon	Contra Costa	0.021%		<b>0.0176459%</b>
City	Walnut Creek	Contra Costa	0.026%		<b>0.0212132%</b>
County	<b><i>Del Norte County</i></b>	Del Norte	0.114%	0.140%	<b>0.1189608%</b>
County	<b><i>El Dorado County</i></b>	El Dorado	0.768%	0.939%	<b>0.7980034%</b>
City	Placerville	El Dorado	0.015%		<b>0.0127642%</b>
City	South Lake Tahoe	El Dorado	0.081%		<b>0.0665456%</b>
County	<b><i>Fresno County</i></b>	Fresno	1.895%	2.318%	<b>1.9693410%</b>
City	Clovis	Fresno	0.065%		<b>0.0536211%</b>
City	Coalinga	Fresno	0.012%		<b>0.0098554%</b>
City	Fresno	Fresno	0.397%		<b>0.3270605%</b>
City	Kerman	Fresno	0.005%		<b>0.0042534%</b>
City	Kingsburg	Fresno	0.008%		<b>0.0066167%</b>
City	Mendota	Fresno	0.002%		<b>0.0019387%</b>
City	Orange Cove	Fresno	0.004%		<b>0.0035607%</b>
City	Parlier	Fresno	0.008%		<b>0.0069755%</b>
City	Reedley	Fresno	0.012%		<b>0.0098804%</b>
City	Sanger	Fresno	0.018%		<b>0.0146135%</b>
City	Selma	Fresno	0.015%		<b>0.0127537%</b>
County	<b><i>Glenn County</i></b>	Glenn	0.107%	0.131%	<b>0.1116978%</b>
County	<b><i>Humboldt County</i></b>	Humboldt	1.030%	1.260%	<b>1.0703185%</b>

## APPENDIX 1

## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>
City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>

## APPENDIX 1

## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%

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## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Hermosa Beach	Los Angeles	0.018%		<b>0.0145307%</b>
City	Huntington Park	Los Angeles	0.023%		<b>0.0190667%</b>
City	Inglewood	Los Angeles	0.059%		<b>0.0489195%</b>
City	La Cañada Flintridge	Los Angeles	0.003%		<b>0.0025565%</b>
City	Lakewood	Los Angeles	0.005%		<b>0.0039971%</b>
City	La Mirada	Los Angeles	0.010%		<b>0.0081572%</b>
City	Lancaster	Los Angeles	0.045%		<b>0.0369689%</b>
City	La Puente	Los Angeles	0.002%		<b>0.0012999%</b>
City	La Verne	Los Angeles	0.024%		<b>0.0194190%</b>
City	Lawndale	Los Angeles	0.002%		<b>0.0017731%</b>
City	Lomita	Los Angeles	0.004%		<b>0.0031940%</b>
City	Long Beach	Los Angeles	0.439%		<b>0.3614151%</b>
City	Los Angeles	Los Angeles	2.715%	3.321%	<b>2.8218811%</b>
City	Lynwood	Los Angeles	0.016%		<b>0.0134345%</b>
City	Malibu	Los Angeles	0.002%		<b>0.0019269%</b>
City	Manhattan Beach	Los Angeles	0.032%		<b>0.0260686%</b>
City	Maywood	Los Angeles	0.004%		<b>0.0035528%</b>
City	Monrovia	Los Angeles	0.031%		<b>0.0254455%</b>
City	Montebello	Los Angeles	0.030%		<b>0.0250670%</b>
City	Monterey Park	Los Angeles	0.031%		<b>0.0256677%</b>
City	Norwalk	Los Angeles	0.031%		<b>0.0258228%</b>
City	Palmdale	Los Angeles	0.046%		<b>0.0375827%</b>
City	Palos Verdes Estates	Los Angeles	0.006%		<b>0.0053102%</b>
City	Paramount	Los Angeles	0.011%		<b>0.0091483%</b>
City	Pasadena	Los Angeles	0.146%		<b>0.1200524%</b>
City	Pico Rivera	Los Angeles	0.022%		<b>0.0183333%</b>
City	Pomona	Los Angeles	0.111%		<b>0.0911933%</b>
City	Rancho Palos Verdes	Los Angeles	0.002%		<b>0.0012645%</b>
City	Redondo Beach	Los Angeles	0.062%		<b>0.0506992%</b>
City	Rosemead	Los Angeles	0.003%		<b>0.0028260%</b>

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## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	San Dimas	Los Angeles	0.003%		<b>0.0022016%</b>
City	San Fernando	Los Angeles	0.013%		<b>0.0104837%</b>
City	San Gabriel	Los Angeles	0.018%		<b>0.0147726%</b>
City	San Marino	Los Angeles	0.009%		<b>0.0073791%</b>
City	Santa Clarita	Los Angeles	0.022%		<b>0.0178167%</b>
City	Santa Fe Springs	Los Angeles	0.031%		<b>0.0257531%</b>
City	Santa Monica	Los Angeles	0.158%		<b>0.1298513%</b>
City	Sierra Madre	Los Angeles	0.006%		<b>0.0048646%</b>
City	Signal Hill	Los Angeles	0.010%		<b>0.0084884%</b>
City	South El Monte	Los Angeles	0.005%		<b>0.0039603%</b>
City	South Gate	Los Angeles	0.020%		<b>0.0166272%</b>
City	South Pasadena	Los Angeles	0.012%		<b>0.0095334%</b>
City	Temple City	Los Angeles	0.005%		<b>0.0039498%</b>
City	Torrance	Los Angeles	0.112%		<b>0.0919820%</b>
City	Walnut	Los Angeles	0.006%		<b>0.0047305%</b>
City	West Covina	Los Angeles	0.049%		<b>0.0404521%</b>
City	West Hollywood	Los Angeles	0.013%		<b>0.0108517%</b>
City	Whittier	Los Angeles	0.032%		<b>0.0260581%</b>
County	<b><i>Madera County</i></b>	Madera	0.349%	0.427%	<b>0.3630669%</b>
City	Chowchilla	Madera	0.012%		<b>0.0097332%</b>
City	Madera	Madera	0.039%		<b>0.0318441%</b>
County	<b><i>Marin County</i></b>	Marin	0.564%	0.690%	<b>0.5861325%</b>
City	Larkspur	Marin	0.015%		<b>0.0124697%</b>
City	Mill Valley	Marin	0.020%		<b>0.0168401%</b>
City	Novato	Marin	0.028%		<b>0.0229824%</b>
City	San Anselmo	Marin	0.009%		<b>0.0078062%</b>
City	San Rafael	Marin	0.089%		<b>0.0729823%</b>
County	<b><i>Mariposa County</i></b>	Mariposa	0.084%	0.103%	<b>0.0876131%</b>
County	<b><i>Mendocino County</i></b>	Mendocino	0.439%	0.536%	<b>0.4558394%</b>
City	Ukiah	Mendocino	0.039%		<b>0.0317153%</b>

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## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>

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## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Fountain Valley	Orange	0.055%		<b>0.0455980%</b>
City	Fullerton	Orange	0.137%	0.168%	<b>0.1425744%</b>
City	Garden Grove	Orange	0.213%		<b>0.1752482%</b>
City	Huntington Beach	Orange	0.247%	0.302%	<b>0.2568420%</b>
City	Irvine	Orange	0.139%	0.170%	<b>0.1442350%</b>
City	Laguna Beach	Orange	0.047%	0.058%	<b>0.0493043%</b>
City	Laguna Hills	Orange	0.014%		<b>0.0115457%</b>
City	Laguna Niguel	Orange	0.001%		<b>0.0007071%</b>
City	Laguna Woods	Orange	0.001%		<b>0.0006546%</b>
City	La Habra	Orange	0.060%	0.073%	<b>0.0621049%</b>
City	Lake Forest	Orange	0.012%		<b>0.0101249%</b>
City	La Palma	Orange	0.012%		<b>0.0095439%</b>
City	Los Alamitos	Orange	0.008%		<b>0.0069190%</b>
City	Mission Viejo	Orange	0.014%		<b>0.0117560%</b>
City	Newport Beach	Orange	0.179%		<b>0.1470134%</b>
City	Orange	Orange	0.150%		<b>0.1231320%</b>
City	Placentia	Orange	0.029%	0.035%	<b>0.0298912%</b>
City	Rancho Santa Margarita	Orange	0.001%		<b>0.0006296%</b>
City	San Clemente	Orange	0.008%	0.010%	<b>0.0086083%</b>
City	San Juan Capistrano	Orange	0.008%		<b>0.0065510%</b>
City	Santa Ana	Orange	0.502%	0.614%	<b>0.5213866%</b>
City	Seal Beach	Orange	0.020%		<b>0.0165891%</b>
City	Stanton	Orange	0.035%		<b>0.0291955%</b>
City	Tustin	Orange	0.073%		<b>0.0600341%</b>
City	Westminster	Orange	0.104%	0.127%	<b>0.1082721%</b>
City	Yorba Linda	Orange	0.044%		<b>0.0362223%</b>
County	<b>Placer County</b>	Placer	1.045%	1.278%	<b>1.0861002%</b>
City	Auburn	Placer	0.017%		<b>0.0141114%</b>
City	Lincoln	Placer	0.031%		<b>0.0255599%</b>
City	Rocklin	Placer	0.076%		<b>0.0625485%</b>

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## ITEM 8.3 - Attachment A

<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b><i>Plumas County</i></b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b><i>Riverside County</i></b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>
City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b><i>Sacramento County</i></b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>

## APPENDIX 1

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>
City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>
City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		<b>0.0353456%</b>
City	Grover Beach	San Luis Obispo	0.017%		<b>0.0137881%</b>
City	Morro Bay	San Luis Obispo	0.020%		<b>0.0160922%</b>
City	San Luis Obispo	San Luis Obispo	0.077%		<b>0.0637841%</b>
County	<b><i>San Mateo County</i></b>	San Mateo	1.074%	1.313%	<b>1.1159599%</b>
City	Belmont	San Mateo	0.021%		<b>0.0169860%</b>
City	Burlingame	San Mateo	0.019%		<b>0.0152537%</b>
City	Daly City	San Mateo	0.044%		<b>0.0363880%</b>
City	East Palo Alto	San Mateo	0.013%		<b>0.0103982%</b>
City	Foster City	San Mateo	0.020%		<b>0.0166101%</b>
City	Half Moon Bay	San Mateo	0.004%		<b>0.0031638%</b>
City	Hillsborough	San Mateo	0.013%		<b>0.0110029%</b>
City	Menlo Park	San Mateo	0.015%		<b>0.0126209%</b>
City	Millbrae	San Mateo	0.013%		<b>0.0105836%</b>
City	Pacifica	San Mateo	0.016%		<b>0.0130625%</b>
City	Redwood City	San Mateo	0.056%		<b>0.0463511%</b>
City	San Bruno	San Mateo	0.021%		<b>0.0172161%</b>
City	San Carlos	San Mateo	0.013%		<b>0.0108885%</b>
City	San Mateo	San Mateo	0.052%		<b>0.0425841%</b>
City	South San Francisco	San Mateo	0.043%		<b>0.0353943%</b>
County	<b><i>Santa Barbara County</i></b>	Santa Barbara	1.132%	1.385%	<b>1.1768968%</b>
City	Carpinteria	Santa Barbara	0.001%		<b>0.0008938%</b>
City	Goleta	Santa Barbara	0.004%		<b>0.0028969%</b>
City	Lompoc	Santa Barbara	0.047%		<b>0.0389379%</b>
City	Santa Barbara	Santa Barbara	0.122%		<b>0.1004559%</b>
City	Santa Maria	Santa Barbara	0.058%		<b>0.0479179%</b>
County	<b><i>Santa Clara County</i></b>	Santa Clara	2.404%	2.941%	<b>2.4987553%</b>
City	Campbell	Santa Clara	0.014%		<b>0.0112566%</b>
City	Cupertino	Santa Clara	0.008%		<b>0.0066824%</b>
City	Gilroy	Santa Clara	0.025%		<b>0.0202891%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Los Altos	Santa Clara	0.013%		<b>0.0103338%</b>
City	Los Gatos	Santa Clara	0.013%		<b>0.0103220%</b>
City	Milpitas	Santa Clara	0.036%		<b>0.0298120%</b>
City	Morgan Hill	Santa Clara	0.015%		<b>0.0124619%</b>
City	Mountain View	Santa Clara	0.041%		<b>0.0334608%</b>
City	Palo Alto	Santa Clara	0.039%		<b>0.0323080%</b>
City	San Jose	Santa Clara	0.294%	0.360%	<b>0.3054960%</b>
City	Santa Clara	Santa Clara	0.067%		<b>0.0549723%</b>
City	Saratoga	Santa Clara	0.004%		<b>0.0034161%</b>
City	Sunnyvale	Santa Clara	0.053%		<b>0.0434069%</b>
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	<b>0.8135396%</b>
City	Capitola	Santa Cruz	0.020%		<b>0.0168191%</b>
City	Santa Cruz	Santa Cruz	0.143%		<b>0.1180348%</b>
City	Scotts Valley	Santa Cruz	0.015%		<b>0.0126525%</b>
City	Watsonville	Santa Cruz	0.063%		<b>0.0520136%</b>
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	<b>1.1380191%</b>
City	Anderson	Shasta	0.024%		<b>0.0198896%</b>
City	Redding	Shasta	0.284%		<b>0.2334841%</b>
City	Shasta Lake	Shasta	0.004%		<b>0.0031993%</b>
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	<b>0.2373393%</b>
County	<b><i>Solano County</i></b>	Solano	0.760%		<b>0.6260795%</b>
City	Benicia	Solano	0.031%		<b>0.0253903%</b>
City	Dixon	Solano	0.016%		<b>0.0130849%</b>
City	Fairfield	Solano	0.109%		<b>0.0897317%</b>
City	Suisun City	Solano	0.021%		<b>0.0176183%</b>
City	Vacaville	Solano	0.119%		<b>0.0976497%</b>
City	Vallejo	Solano	0.167%		<b>0.1373644%</b>
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	<b>1.2661290%</b>
City	Healdsburg	Sonoma	0.032%		<b>0.0266929%</b>
City	Petaluma	Sonoma	0.081%		<b>0.0667507%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Rohnert Park	Sonoma	0.041%		<b>0.0340759%</b>
City	Santa Rosa	Sonoma	0.184%		<b>0.1519070%</b>
City	Sonoma	Sonoma	0.022%		<b>0.0183438%</b>
City	Windsor	Sonoma	0.016%		<b>0.0129298%</b>
County	<b><i>Stanislaus County</i></b>	Stanislaus	1.722%		<b>1.4182273%</b>
City	Ceres	Stanislaus	0.041%		<b>0.0340260%</b>
City	Modesto	Stanislaus	0.217%		<b>0.1788759%</b>
City	Newman	Stanislaus	0.006%		<b>0.0046964%</b>
City	Oakdale	Stanislaus	0.018%		<b>0.0145531%</b>
City	Patterson	Stanislaus	0.015%		<b>0.0126590%</b>
City	Riverbank	Stanislaus	0.010%		<b>0.0085699%</b>
City	Turlock	Stanislaus	0.065%		<b>0.0531966%</b>
County	<b><i>Sutter County</i></b>	Sutter	0.306%	0.374%	<b>0.3179548%</b>
City	Yuba City	Sutter	0.074%		<b>0.0606242%</b>
County	<b><i>Tehama County</i></b>	Tehama	0.213%	0.261%	<b>0.2216654%</b>
City	Red Bluff	Tehama	0.014%		<b>0.0117771%</b>
County	<b><i>Trinity County</i></b>	Trinity	0.082%	0.101%	<b>0.0855476%</b>
County	<b><i>Tulare County</i></b>	Tulare	0.809%	0.990%	<b>0.8410949%</b>
City	Dinuba	Tulare	0.014%		<b>0.0116929%</b>
City	Exeter	Tulare	0.004%		<b>0.0032479%</b>
City	Farmersville	Tulare	0.003%		<b>0.0027879%</b>
City	Lindsay	Tulare	0.007%		<b>0.0057111%</b>
City	Porterville	Tulare	0.021%		<b>0.0171845%</b>
City	Tulare	Tulare	0.037%		<b>0.0302273%</b>
City	Visalia	Tulare	0.066%		<b>0.0545872%</b>
County	<b><i>Tuolumne County</i></b>	Tuolumne	0.486%	0.594%	<b>0.5047621%</b>
County	<b><i>Ventura County</i></b>	Ventura	2.192%	2.681%	<b>2.2781201%</b>
City	Camarillo	Ventura	0.002%		<b>0.0012815%</b>
City	Fillmore	Ventura	0.002%		<b>0.0020294%</b>
City	Moorpark	Ventura	0.008%		<b>0.0067337%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>
City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>

## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were paid or incurred (i) prior to July 21, 2021 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting this CA Distributor Allocation Agreement. Costs does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the Distributor Settlement Agreement or Section XI and Exhibit R of the Janssen Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating a National Opioid Settlement with Distributors, Johnson & Johnson, and others.
- b) Claims Procedure.
  - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section X or Exhibit R of the Distributor Settlement Agreement or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for

Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.
- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master’s preparation of a report of Costs does not discharge a Plaintiff Subdivision’s reporting requirement under Section V.B.2 of the Distributor Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and the Distributors a

report of the fees and expenses incurred by the Special Master pursuant to Section V.B.2 of the Distributor Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Distributor Settlement Agreement and the Janssen Settlement Agreement be used to pay Costs.

d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.

**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Distributors Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Expenses and Costs) of the Distributor Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Distributor Settlement Agreement and CA Distributor Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Distributor Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Distributors Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Distributor Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Distributor Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]	[SUBDIVISION SIGNATURE BLOCK]
[DATE]	[COUNSEL SIGNATURE BLOCK]
[DATE]	[ATTORNEY GENERAL SIGNATURE BLOCK]

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**Settlement Participation Form**

Governmental Entity: Laguna Woods city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“Governmental Entity”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 (“Janssen Settlement”), and acting through the undersigned authorized official, hereby elects to participate in the Janssen Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Janssen Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Janssen Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.
3. The Governmental Entity agrees to the terms of the Janssen Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Janssen Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Janssen Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Janssen Settlement.
7. The Governmental Entity has the right to enforce the Janssen Settlement as provided therein.



8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Janssen Settlement, including but not limited to all provisions of Section IV (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Janssen Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Janssen Settlement shall be a complete bar to any Released Claim.
9. In connection with the releases provided for in the Janssen Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Janssen Settlement.

10. Nothing herein is intended to modify in any way the terms of the Janssen Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Janssen Settlement in any respect, the Janssen Settlement controls.



I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Janssen Settlement**

**1. Introduction**

Pursuant to the Janssen Settlement Agreement, dated as of July 21, 2021, and any revision thereto (the “Janssen Settlement Agreement”), including Section VI and Exhibit O, the State of California proposes this agreement (the “CA Janssen Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections V and VI of the Janssen Settlement Agreement.<sup>1</sup> For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections X or XI of the Janssen Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Janssen Settlement Agreement, acceptance of this CA Janssen Allocation Agreement is a requirement to be an Initial Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Janssen Settlement Agreement.
- b) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- c) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, and LA Care Health Plan.
- d) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- e) *Opioid Defendant* means any defendant (including but not limited to Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc.,

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<sup>1</sup> A parallel but separate agreement (the “CA Distributor Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Distributor Settlement Agreement. An eligible Subdivision may elect to participate in either the Distributor Settlement or the Janssen Settlement, or in both.

AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### **3. General Terms**

This agreement is subject to the requirements of the Janssen Settlement Agreement, as well as applicable law, and the Janssen Settlement Agreement governs over any inconsistent provision of this CA Janssen Allocation Agreement. Terms used in this CA Janssen Allocation Agreement have the same meaning as in the Janssen Settlement Agreement unless otherwise defined herein.

Pursuant to Section VI(D)(1) of the Janssen Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VI(B)(2) of the Janssen Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### **4. State Allocation**

The Settlement Fund payments to California,<sup>2</sup> pursuant to the Janssen Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Janssen Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

#### **A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

#### **B. CA Abatement Accounts Fund**

##### **i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA

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<sup>2</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.

Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.

- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Janssen Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Janssen Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.
- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Janssen Settlement Agreement and this CA Janssen Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

**ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Janssen Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Janssen Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Janssen Settlement Agreement and this CA Janssen Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

**iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Janssen Settlement Agreement and this CA Janssen Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Janssen Settlement Agreement or this CA Janssen Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Janssen Settlement Agreement or this CA Janssen Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

**C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Janssen Settlement Agreement and this CA Janssen Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

#### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Janssen Settlement Agreement and, if applicable, the Distributor Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(R), of the Janssen Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Janssen Settlement, and if applicable, the Distributor Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Janssen Settlement Agreement and, if applicable, the Distributor Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney

General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Janssen Settlement Agreement and this CA Janssen Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Janssen Settlement Agreement and this CA Janssen Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VI(B)(2) of the Janssen Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Janssen.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

**6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Janssen Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Janssen Settlement Agreement, this CA Janssen Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Janssen Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Janssen Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.

The undersigned, Laguna Woods city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Janssen Settlement is a requirement to be an Initial Participating Subdivision in the Janssen Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds - Janssen Settlement.

I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX 1

**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Janssen Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.

## APPENDIX 1

## ITEM 8.3 - Attachment B

			<b>100.000%</b>	<b>100.000%</b>	<b>100.000%</b>
<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<i>Amador County</i>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<i>Butte County</i>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<i>Colusa County</i>	Colusa	0.059%		<b>0.0489221%</b>
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Lafayette	Contra Costa	0.006%		<b>0.0046030%</b>
City	Martinez	Contra Costa	0.012%		<b>0.0098593%</b>
City	Moraga	Contra Costa	0.004%		<b>0.0031007%</b>
City	Oakley	Contra Costa	0.010%		<b>0.0079416%</b>
City	Orinda	Contra Costa	0.005%		<b>0.0038157%</b>
City	Pinole	Contra Costa	0.013%		<b>0.0110909%</b>
City	Pittsburg	Contra Costa	0.053%		<b>0.0436369%</b>
City	Pleasant Hill	Contra Costa	0.013%		<b>0.0106309%</b>
City	Richmond	Contra Costa	0.146%		<b>0.1201444%</b>
City	San Pablo	Contra Costa	0.018%		<b>0.0148843%</b>
City	San Ramon	Contra Costa	0.021%		<b>0.0176459%</b>
City	Walnut Creek	Contra Costa	0.026%		<b>0.0212132%</b>
County	<b><i>Del Norte County</i></b>	Del Norte	0.114%	0.140%	<b>0.1189608%</b>
County	<b><i>El Dorado County</i></b>	El Dorado	0.768%	0.939%	<b>0.7980034%</b>
City	Placerville	El Dorado	0.015%		<b>0.0127642%</b>
City	South Lake Tahoe	El Dorado	0.081%		<b>0.0665456%</b>
County	<b><i>Fresno County</i></b>	Fresno	1.895%	2.318%	<b>1.9693410%</b>
City	Clovis	Fresno	0.065%		<b>0.0536211%</b>
City	Coalinga	Fresno	0.012%		<b>0.0098554%</b>
City	Fresno	Fresno	0.397%		<b>0.3270605%</b>
City	Kerman	Fresno	0.005%		<b>0.0042534%</b>
City	Kingsburg	Fresno	0.008%		<b>0.0066167%</b>
City	Mendota	Fresno	0.002%		<b>0.0019387%</b>
City	Orange Cove	Fresno	0.004%		<b>0.0035607%</b>
City	Parlier	Fresno	0.008%		<b>0.0069755%</b>
City	Reedley	Fresno	0.012%		<b>0.0098804%</b>
City	Sanger	Fresno	0.018%		<b>0.0146135%</b>
City	Selma	Fresno	0.015%		<b>0.0127537%</b>
County	<b><i>Glenn County</i></b>	Glenn	0.107%	0.131%	<b>0.1116978%</b>
County	<b><i>Humboldt County</i></b>	Humboldt	1.030%	1.260%	<b>1.0703185%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>
City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
City	Hermosa Beach	Los Angeles	0.018%		<b>0.0145307%</b>
City	Huntington Park	Los Angeles	0.023%		<b>0.0190667%</b>
City	Inglewood	Los Angeles	0.059%		<b>0.0489195%</b>
City	La Cañada Flintridge	Los Angeles	0.003%		<b>0.0025565%</b>
City	Lakewood	Los Angeles	0.005%		<b>0.0039971%</b>
City	La Mirada	Los Angeles	0.010%		<b>0.0081572%</b>
City	Lancaster	Los Angeles	0.045%		<b>0.0369689%</b>
City	La Puente	Los Angeles	0.002%		<b>0.0012999%</b>
City	La Verne	Los Angeles	0.024%		<b>0.0194190%</b>
City	Lawndale	Los Angeles	0.002%		<b>0.0017731%</b>
City	Lomita	Los Angeles	0.004%		<b>0.0031940%</b>
City	Long Beach	Los Angeles	0.439%		<b>0.3614151%</b>
City	Los Angeles	Los Angeles	2.715%	3.321%	<b>2.8218811%</b>
City	Lynwood	Los Angeles	0.016%		<b>0.0134345%</b>
City	Malibu	Los Angeles	0.002%		<b>0.0019269%</b>
City	Manhattan Beach	Los Angeles	0.032%		<b>0.0260686%</b>
City	Maywood	Los Angeles	0.004%		<b>0.0035528%</b>
City	Monrovia	Los Angeles	0.031%		<b>0.0254455%</b>
City	Montebello	Los Angeles	0.030%		<b>0.0250670%</b>
City	Monterey Park	Los Angeles	0.031%		<b>0.0256677%</b>
City	Norwalk	Los Angeles	0.031%		<b>0.0258228%</b>
City	Palmdale	Los Angeles	0.046%		<b>0.0375827%</b>
City	Palos Verdes Estates	Los Angeles	0.006%		<b>0.0053102%</b>
City	Paramount	Los Angeles	0.011%		<b>0.0091483%</b>
City	Pasadena	Los Angeles	0.146%		<b>0.1200524%</b>
City	Pico Rivera	Los Angeles	0.022%		<b>0.0183333%</b>
City	Pomona	Los Angeles	0.111%		<b>0.0911933%</b>
City	Rancho Palos Verdes	Los Angeles	0.002%		<b>0.0012645%</b>
City	Redondo Beach	Los Angeles	0.062%		<b>0.0506992%</b>
City	Rosemead	Los Angeles	0.003%		<b>0.0028260%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	San Dimas	Los Angeles	0.003%		<b>0.0022016%</b>
City	San Fernando	Los Angeles	0.013%		<b>0.0104837%</b>
City	San Gabriel	Los Angeles	0.018%		<b>0.0147726%</b>
City	San Marino	Los Angeles	0.009%		<b>0.0073791%</b>
City	Santa Clarita	Los Angeles	0.022%		<b>0.0178167%</b>
City	Santa Fe Springs	Los Angeles	0.031%		<b>0.0257531%</b>
City	Santa Monica	Los Angeles	0.158%		<b>0.1298513%</b>
City	Sierra Madre	Los Angeles	0.006%		<b>0.0048646%</b>
City	Signal Hill	Los Angeles	0.010%		<b>0.0084884%</b>
City	South El Monte	Los Angeles	0.005%		<b>0.0039603%</b>
City	South Gate	Los Angeles	0.020%		<b>0.0166272%</b>
City	South Pasadena	Los Angeles	0.012%		<b>0.0095334%</b>
City	Temple City	Los Angeles	0.005%		<b>0.0039498%</b>
City	Torrance	Los Angeles	0.112%		<b>0.0919820%</b>
City	Walnut	Los Angeles	0.006%		<b>0.0047305%</b>
City	West Covina	Los Angeles	0.049%		<b>0.0404521%</b>
City	West Hollywood	Los Angeles	0.013%		<b>0.0108517%</b>
City	Whittier	Los Angeles	0.032%		<b>0.0260581%</b>
County	<b><i>Madera County</i></b>	Madera	0.349%	0.427%	<b>0.3630669%</b>
City	Chowchilla	Madera	0.012%		<b>0.0097332%</b>
City	Madera	Madera	0.039%		<b>0.0318441%</b>
County	<b><i>Marin County</i></b>	Marin	0.564%	0.690%	<b>0.5861325%</b>
City	Larkspur	Marin	0.015%		<b>0.0124697%</b>
City	Mill Valley	Marin	0.020%		<b>0.0168401%</b>
City	Novato	Marin	0.028%		<b>0.0229824%</b>
City	San Anselmo	Marin	0.009%		<b>0.0078062%</b>
City	San Rafael	Marin	0.089%		<b>0.0729823%</b>
County	<b><i>Mariposa County</i></b>	Mariposa	0.084%	0.103%	<b>0.0876131%</b>
County	<b><i>Mendocino County</i></b>	Mendocino	0.439%	0.536%	<b>0.4558394%</b>
City	Ukiah	Mendocino	0.039%		<b>0.0317153%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allcation Percentage</b>
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>

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City	Fountain Valley	Orange	0.055%		<b>0.0455980%</b>
City	Fullerton	Orange	0.137%	0.168%	<b>0.1425744%</b>
City	Garden Grove	Orange	0.213%		<b>0.1752482%</b>
City	Huntington Beach	Orange	0.247%	0.302%	<b>0.2568420%</b>
City	Irvine	Orange	0.139%	0.170%	<b>0.1442350%</b>
City	Laguna Beach	Orange	0.047%	0.058%	<b>0.0493043%</b>
City	Laguna Hills	Orange	0.014%		<b>0.0115457%</b>
City	Laguna Niguel	Orange	0.001%		<b>0.0007071%</b>
City	Laguna Woods	Orange	0.001%		<b>0.0006546%</b>
City	La Habra	Orange	0.060%	0.073%	<b>0.0621049%</b>
City	Lake Forest	Orange	0.012%		<b>0.0101249%</b>
City	La Palma	Orange	0.012%		<b>0.0095439%</b>
City	Los Alamitos	Orange	0.008%		<b>0.0069190%</b>
City	Mission Viejo	Orange	0.014%		<b>0.0117560%</b>
City	Newport Beach	Orange	0.179%		<b>0.1470134%</b>
City	Orange	Orange	0.150%		<b>0.1231320%</b>
City	Placentia	Orange	0.029%	0.035%	<b>0.0298912%</b>
City	Rancho Santa Margarita	Orange	0.001%		<b>0.0006296%</b>
City	San Clemente	Orange	0.008%	0.010%	<b>0.0086083%</b>
City	San Juan Capistrano	Orange	0.008%		<b>0.0065510%</b>
City	Santa Ana	Orange	0.502%	0.614%	<b>0.5213866%</b>
City	Seal Beach	Orange	0.020%		<b>0.0165891%</b>
City	Stanton	Orange	0.035%		<b>0.0291955%</b>
City	Tustin	Orange	0.073%		<b>0.0600341%</b>
City	Westminster	Orange	0.104%	0.127%	<b>0.1082721%</b>
City	Yorba Linda	Orange	0.044%		<b>0.0362223%</b>
County	<b>Placer County</b>	Placer	1.045%	1.278%	<b>1.0861002%</b>
City	Auburn	Placer	0.017%		<b>0.0141114%</b>
City	Lincoln	Placer	0.031%		<b>0.0255599%</b>
City	Rocklin	Placer	0.076%		<b>0.0625485%</b>

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City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b><i>Plumas County</i></b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b><i>Riverside County</i></b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>
City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b><i>Sacramento County</i></b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>

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City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>
City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>

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City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>
City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>

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City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		<b>0.0353456%</b>
City	Grover Beach	San Luis Obispo	0.017%		<b>0.0137881%</b>
City	Morro Bay	San Luis Obispo	0.020%		<b>0.0160922%</b>
City	San Luis Obispo	San Luis Obispo	0.077%		<b>0.0637841%</b>
County	<b><i>San Mateo County</i></b>	San Mateo	1.074%	1.313%	<b>1.1159599%</b>
City	Belmont	San Mateo	0.021%		<b>0.0169860%</b>
City	Burlingame	San Mateo	0.019%		<b>0.0152537%</b>
City	Daly City	San Mateo	0.044%		<b>0.0363880%</b>
City	East Palo Alto	San Mateo	0.013%		<b>0.0103982%</b>
City	Foster City	San Mateo	0.020%		<b>0.0166101%</b>
City	Half Moon Bay	San Mateo	0.004%		<b>0.0031638%</b>
City	Hillsborough	San Mateo	0.013%		<b>0.0110029%</b>
City	Menlo Park	San Mateo	0.015%		<b>0.0126209%</b>
City	Millbrae	San Mateo	0.013%		<b>0.0105836%</b>
City	Pacifica	San Mateo	0.016%		<b>0.0130625%</b>
City	Redwood City	San Mateo	0.056%		<b>0.0463511%</b>
City	San Bruno	San Mateo	0.021%		<b>0.0172161%</b>
City	San Carlos	San Mateo	0.013%		<b>0.0108885%</b>
City	San Mateo	San Mateo	0.052%		<b>0.0425841%</b>
City	South San Francisco	San Mateo	0.043%		<b>0.0353943%</b>
County	<b><i>Santa Barbara County</i></b>	Santa Barbara	1.132%	1.385%	<b>1.1768968%</b>
City	Carpinteria	Santa Barbara	0.001%		<b>0.0008938%</b>
City	Goleta	Santa Barbara	0.004%		<b>0.0028969%</b>
City	Lompoc	Santa Barbara	0.047%		<b>0.0389379%</b>
City	Santa Barbara	Santa Barbara	0.122%		<b>0.1004559%</b>
City	Santa Maria	Santa Barbara	0.058%		<b>0.0479179%</b>
County	<b><i>Santa Clara County</i></b>	Santa Clara	2.404%	2.941%	<b>2.4987553%</b>
City	Campbell	Santa Clara	0.014%		<b>0.0112566%</b>
City	Cupertino	Santa Clara	0.008%		<b>0.0066824%</b>
City	Gilroy	Santa Clara	0.025%		<b>0.0202891%</b>

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City	Los Altos	Santa Clara	0.013%		<b>0.0103338%</b>
City	Los Gatos	Santa Clara	0.013%		<b>0.0103220%</b>
City	Milpitas	Santa Clara	0.036%		<b>0.0298120%</b>
City	Morgan Hill	Santa Clara	0.015%		<b>0.0124619%</b>
City	Mountain View	Santa Clara	0.041%		<b>0.0334608%</b>
City	Palo Alto	Santa Clara	0.039%		<b>0.0323080%</b>
City	San Jose	Santa Clara	0.294%	0.360%	<b>0.3054960%</b>
City	Santa Clara	Santa Clara	0.067%		<b>0.0549723%</b>
City	Saratoga	Santa Clara	0.004%		<b>0.0034161%</b>
City	Sunnyvale	Santa Clara	0.053%		<b>0.0434069%</b>
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	<b>0.8135396%</b>
City	Capitola	Santa Cruz	0.020%		<b>0.0168191%</b>
City	Santa Cruz	Santa Cruz	0.143%		<b>0.1180348%</b>
City	Scotts Valley	Santa Cruz	0.015%		<b>0.0126525%</b>
City	Watsonville	Santa Cruz	0.063%		<b>0.0520136%</b>
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	<b>1.1380191%</b>
City	Anderson	Shasta	0.024%		<b>0.0198896%</b>
City	Redding	Shasta	0.284%		<b>0.2334841%</b>
City	Shasta Lake	Shasta	0.004%		<b>0.0031993%</b>
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	<b>0.2373393%</b>
County	<b><i>Solano County</i></b>	Solano	0.760%		<b>0.6260795%</b>
City	Benicia	Solano	0.031%		<b>0.0253903%</b>
City	Dixon	Solano	0.016%		<b>0.0130849%</b>
City	Fairfield	Solano	0.109%		<b>0.0897317%</b>
City	Suisun City	Solano	0.021%		<b>0.0176183%</b>
City	Vacaville	Solano	0.119%		<b>0.0976497%</b>
City	Vallejo	Solano	0.167%		<b>0.1373644%</b>
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	<b>1.2661290%</b>
City	Healdsburg	Sonoma	0.032%		<b>0.0266929%</b>
City	Petaluma	Sonoma	0.081%		<b>0.0667507%</b>

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City	Rohnert Park	Sonoma	0.041%		<b>0.0340759%</b>
City	Santa Rosa	Sonoma	0.184%		<b>0.1519070%</b>
City	Sonoma	Sonoma	0.022%		<b>0.0183438%</b>
City	Windsor	Sonoma	0.016%		<b>0.0129298%</b>
County	<b><i>Stanislaus County</i></b>	Stanislaus	1.722%		<b>1.4182273%</b>
City	Ceres	Stanislaus	0.041%		<b>0.0340260%</b>
City	Modesto	Stanislaus	0.217%		<b>0.1788759%</b>
City	Newman	Stanislaus	0.006%		<b>0.0046964%</b>
City	Oakdale	Stanislaus	0.018%		<b>0.0145531%</b>
City	Patterson	Stanislaus	0.015%		<b>0.0126590%</b>
City	Riverbank	Stanislaus	0.010%		<b>0.0085699%</b>
City	Turlock	Stanislaus	0.065%		<b>0.0531966%</b>
County	<b><i>Sutter County</i></b>	Sutter	0.306%	0.374%	<b>0.3179548%</b>
City	Yuba City	Sutter	0.074%		<b>0.0606242%</b>
County	<b><i>Tehama County</i></b>	Tehama	0.213%	0.261%	<b>0.2216654%</b>
City	Red Bluff	Tehama	0.014%		<b>0.0117771%</b>
County	<b><i>Trinity County</i></b>	Trinity	0.082%	0.101%	<b>0.0855476%</b>
County	<b><i>Tulare County</i></b>	Tulare	0.809%	0.990%	<b>0.8410949%</b>
City	Dinuba	Tulare	0.014%		<b>0.0116929%</b>
City	Exeter	Tulare	0.004%		<b>0.0032479%</b>
City	Farmersville	Tulare	0.003%		<b>0.0027879%</b>
City	Lindsay	Tulare	0.007%		<b>0.0057111%</b>
City	Porterville	Tulare	0.021%		<b>0.0171845%</b>
City	Tulare	Tulare	0.037%		<b>0.0302273%</b>
City	Visalia	Tulare	0.066%		<b>0.0545872%</b>
County	<b><i>Tuolumne County</i></b>	Tuolumne	0.486%	0.594%	<b>0.5047621%</b>
County	<b><i>Ventura County</i></b>	Ventura	2.192%	2.681%	<b>2.2781201%</b>
City	Camarillo	Ventura	0.002%		<b>0.0012815%</b>
City	Fillmore	Ventura	0.002%		<b>0.0020294%</b>
City	Moorpark	Ventura	0.008%		<b>0.0067337%</b>

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<b>Participating Subdivision Classification</b>	<b>Participating Subdivision</b>	<b>County</b>	<b>Abatement Percentage</b>	<b>Plaintiff Subdivision Percentage</b>	<b>Weighted Allocation Percentage</b>
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>
City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>

## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were paid or incurred (i) prior to July 21, 2021 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting this CA Janssen Allocation Agreement. Costs does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the Distributor Settlement Agreement or Section XI and Exhibit R of the Janssen Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating a National Opioid Settlement with Distributors, Johnson & Johnson, and others.
- b) Claims Procedure.
  - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section X or Exhibit R of the Distributor Settlement Agreement or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for

Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.
- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master’s preparation of a report of Costs does not discharge a Plaintiff Subdivision’s reporting requirement under Section VI.B.2 of the Janssen Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Janssen a report

of the fees and expenses incurred by the Special Master pursuant to Section VI.B.2 of the Janssen Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Distributor Settlement Agreement and the Janssen Settlement Agreement be used to pay Costs.

d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.

**APPENDIX 3**

**CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT**

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Janssen Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys’ Fees, Costs, and Expenses) of the Janssen Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Janssen Settlement Agreement and CA Janssen Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Janssen Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Distributors Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Janssen Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of “State Back-Stop Agreement” in Exhibit R of the Janssen Settlement Agreement requires such agreements to be between “a Settling State” and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]

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**8.4**

**ADMINISTRATIVE ENCROACHMENT PERMIT  
FOR 24202 MOULTON PARKWAY, LAGUNA  
WOODS, CA 92637**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** December 15, 2021 Regular Meeting

**SUBJECT:** Administrative Encroachment Permit for 24202 Moulton Parkway, Laguna Woods, CA 92637

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### **Recommendation**

Approve an Agreement Containing Covenants Affecting Real Property (Administrative Encroachment Permit) for 24202 Moulton Parkway, Laguna Woods, CA 92637 and authorize the Mayor to execute the administrative encroachment permit, subject to approval as to form by the City Attorney.

### **Background**

Staff recently became aware that signage, landscaping, and various other facilities owned by the Moulton Auto Spa located at 24202 Moulton Parkway, Laguna Woods, CA 92637 are located within a City-owned public right-of-way easement. After a thorough review of records maintained by the property owner, City, and County of Orange, staff has determined that while there was an attempt by prior City staff to enter into an agreement with the property owner to formalize their use of the public right-of-way easement in 2005, no such agreement was ever executed.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on a proposed administrative encroachment permit for 24202 Moulton Parkway, Laguna Woods, CA 92637 (Attachment A). Staff recommends that the City Council approve the administrative encroachment permit in order to formalize the property owner's use of a City-owned public right-of-way easement, which

benefits the City by reducing maintenance obligations for an easement that is not now, but may in the future be, necessary for the construction of public right-of-way facilities (e.g., vehicle travel lanes, sidewalks, traffic signals, and catch basins).

Please refer to exhibits “B” and “C” in the proposed administrative encroachment permit for visual depictions of the City’s public right-of-way easement area and a description of the property owner’s facilities within the easement.

The proposed administrative encroachment permit contains a variety of provisions including, but not limited to, the following:

- Ability for the property owner to maintain their signage, landscaping, and various other facilities within the public right-of-way easement. Expansion, enlargement, or alteration would require the City Manager’s approval and amendment of the administrative encroachment permit.
- Various waivers and requirements for the property owner to indemnify and insure the City regarding their use of the public right-of-way easement.
- Requirement for the property owner to maintain their signage, landscaping, and various other facilities within the public right-of-way easement in good condition and repair, as well in healthy condition (landscaping).
- Right for the City to terminate the administrative encroachment permit, with or without cause, with 60 days written notice. Absent termination, the term of the administrative encroachment permit is indefinite. Prior to the effective date of termination, the property owner would be required to remove their facilities, repair any damage, and restore the area as nearly as practicable to the condition existing prior to the installation of the facilities. If the parties agree in writing, landscaping, irrigation facilities, and/or driveways may remain in place with the City assuming ownership upon termination.
- Requirement for the property owner to pay a one-time \$7,000 license fee to the City to cover the City’s cost and expense to prepare and execute the administrative encroachment permit.

### **Environmental Review**

It can be seen with certainty that the proposed administrative encroachment permit 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 it necessitate any construction or other modification of the environment with the potential for

significant environmental effects. Though construction and other modifications of the environment are possible under the proposed administrative encroachment permit, in the absence of pending construction or other modifications of the environment, any specific environmental effects would be speculative. To the extent that such construction or other modifications of the environment are undertaken by the property owner, the proposed administrative encroachment permit explicitly requires the property owner to construct, install, and maintain improvements “in strict conformity with all applicable federal, state, and local laws, regulations, and official policies,” which includes additional environmental review when required by the California Environmental Quality Act (“CEQA”). Therefore, the proposed administrative encroachment permit is not a project subject to the CEQA pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations.

### **Fiscal Impact**

The City’s cost and expense to prepare and execute the proposed administrative encroachment permit would be covered by the required \$7,000 license fee. The property owner would be required to pay the license fee within 30 days of the effective date of the proposed administrative encroachment permit.

Attachment: A – Proposed Administrative Encroachment Permit

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**RECORDING REQUESTED BY:**

See below

**WHEN RECORDED RETURN TO:**

City of Laguna Woods  
24264 El Toro Road  
Laguna Woods, CA 92637  
Attn: City Clerk

[THE AREA ABOVE IS RESERVED FOR  
RECORDER'S USE]

[EXEMPT FROM RECORDER'S FEE PURSUANT  
TO GOVERNMENT CODE 27383]

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**AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY  
(ADMINISTRATIVE ENCROACHMENT PERMIT)**

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This AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY (ADMINISTRATIVE ENCROACHMENT PERMIT) (the "Agreement") is dated for reference purposes only as of the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Effective Date"), and is entered into by and between LW SHELL INC., a California corporation ("Owner"), and the CITY OF LAGUNA WOODS, a municipal corporation ("City"). Owner and City are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

RECITALS

- A. Owner is the owner in fee of that certain real property located at 24202 Moulton Parkway in the City of Laguna Woods, County of Orange, State of California, and more particularly described in Exhibit "A" attached hereto ("Owner's Property").
- B. City is the owner of a public right-of-way easement on, over, under, and across a portion of the Owner's Property described in Exhibit "B" attached hereto (the "City Property").
- C. Owner has applied to City for an administrative encroachment permit to allow certain signage and landscaping to be constructed, installed and/or maintained within the City Property, as depicted or described in Exhibit "C" to this Agreement (the "Owner's Improvements").
- D. On \_\_\_\_\_, 20\_\_, City approved said administrative encroachment permit for the Owner's Improvements subject to the condition or requirement that Owner and City execute and record this Agreement against the Owner's Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Owner's Right to Construct, Install, Maintain and Use Owner's Improvements on City Property.

a. Subject to all of the other terms and conditions set forth in this Agreement, City hereby grants to Owner a revocable, non-exclusive license to enter onto the City Property to construct, install, and maintain the Owner's Improvements. Owner shall at all times construct, install, and maintain the Owner's Improvements in strict conformity with all applicable federal, state, and local laws, regulations, and official policies (including but not limited to the City's Municipal Code), and with the terms of this Agreement, including without limitation Exhibit "C" hereto. Owner shall not allow any of the Owner's Improvements or any persons constructing, installing, maintaining, repairing, replacing, or removing the Owner's Improvements on Owner's behalf to obstruct or impair in any way vehicular or pedestrian travel or visibility on and along streets and sidewalks and Owner shall comply with and cause all of its employees, independent contractors, and agents to comply with all safety rules and regulations as may be prescribed by the City's City Manager or his/her/their designee. Owner shall not in any way damage any City improvements on or adjacent to the City Property and, if any such damage occurs as a result of any acts or omissions of Owner or any employee, independent contractor, or agent of Owner, Owner shall promptly repair said damage to the satisfaction of the City Manager or his/her/their designee and restore said City improvements as nearly as practicable to the condition existing immediately prior to such damage. Owner shall have no right to expand, enlarge, or otherwise alter the Owner's Improvements in a manner inconsistent with or beyond the scope of City's initial approval of same. If Owner desires to expand, enlarge, or otherwise alter the Owner's Improvements in such manner, Owner shall first be required to obtain the written approval of City's City Manager or his/her/their designee, which approval may be withheld in City's sole and absolute discretion. In the event City's approval for an expansion, enlargement, or alteration to the Owner's Improvements is obtained, the Parties agree to execute an appropriate amendment to this Agreement to depict or describe the change and to record said amendment against the Owner's Property, and at such time all references in this Agreement to the "Owner's Improvements" shall be deemed to refer to the Owner's Improvements as so expanded, enlarged, or altered.

b. Owner shall at all times maintain the Owner's Improvements in good condition and repair (including without limitation repainting of any painted surfaces and removal of graffiti, if applicable) and Owner shall maintain the immediate area in a neat, tidy, and clean condition, free of any refuse and debris. In the event that any of the Owner's Improvements consist of landscaping, Owner shall maintain said landscaping in strict conformance with City-approved plans, Owner shall maintain said landscaping in a healthy condition, Owner shall promptly remove or replace any diseased or dead landscaping, and Owner shall prune or trim said landscaping in order to avoid or eliminate any potential hazards on adjacent roadways and sidewalks. Not by way of limitation of the foregoing, if any roots from any landscaping installed or maintained by Owner cause any damage to any City street, curb, gutter, sidewalk, storm drain facility, pipeline, or other improvement, Owner shall promptly repair such damage and replace any damaged City improvement promptly upon City's written demand. In addition, Owner at all times shall maintain

any portion of the Owner's Improvements consisting of irrigation lines, valves, and other equipment so as to conserve the use of water, prevent erosion, and contain runoff within the Owner's Property including but not limited to in strict conformance with National Pollutant Discharge Elimination System (NPDES) requirements and the City's Municipal Code.

c. Owner shall pay, at its sole expense all costs of constructing, maintaining, operating, repairing, replacing or removing Owner's Improvements. After the installation of Owner's Improvements, or after any subsequent maintenance or repair/work thereon has been completed, the City Property and all surrounding grounds, to the extent such surrounding grounds shall have been disturbed, shall be restored by Owner to their original condition to the satisfaction of City.

2. City Right to Expand, Enlarge, or Alter City Improvements. Notwithstanding the rights granted to Owner hereunder, City reserves the right to construct, install, expand, enlarge, alter, maintain, repair, replace, and relocate any City-owned improvement on, over, under, or across the City Property and any adjacent City easement or right-of-way at any time, without any obligation or liability to Owner to repair or restore any damage that may be caused to any of the Owner's Improvements. To the extent the exercise of the City's right under this paragraph prevents the repair or replacement of any of the Owner's Improvements on the City Property, this Agreement shall terminate as to those portions of the City Property and the terms of Section 5 of this Agreement shall apply, including but not limited to Owner's obligation to, within sixty (60) days of City's notice of its intent to exercise its rights under this paragraph, remove Owner's Improvements from that portion of the City Property, repair any damage caused to the City Property by Owner's Improvements and/or the removal of same, and restore that portion of the City Property as nearly as practicable to the condition existing prior to the installation of Owner's Improvements.

3. No Property Interest. This Agreement is not intended to and do not convey to Owner or create any interest in the City Property. This Agreement is intended as a non-exclusive and revocable license only.

4. License Fee. Owner's rights set forth in this Agreement are conditional and contingent upon Owner having paid to City all of City's cost and expense to prepare and execute this Agreement, including but not limited to attorney's and consultants' fees and the time expended by the City staff. The Parties stipulate that Seven Thousand Dollars and no/100 (\$7,000.00) shall be paid by Owner to City within thirty (30) days of the Effective Date of this Agreement in full compensation for its costs and expenses incurred in preparing this Agreement and Owner agrees that no further documentation shall be required from City to substantiate such costs and expenses.

5. Term; Termination and Revocation of Agreement.

a. This Agreement shall be of indefinite duration and shall be effective from the date this Agreement is fully executed and recorded against the Owner's Property until the date this Agreement is terminated by either Party or revoked by the City.

b. Either Party shall have the right to terminate this Agreement, with or without cause, by delivery of written notice to the other Party. Prior to any termination by Owner

becoming effective, Owner shall remove any Owner's Improvements from the City Property, repair any damage caused by the Owner's Improvements or removal of same to the City Property, and restore the City Property as nearly as practicable to the condition existing prior to the installation of Owner's Improvements.

c. Subject to the next paragraph hereinbelow, if City delivers written notice to Owner of City's decision to terminate this Agreement, said termination shall be effective within sixty (60) days after the date of said notice. Within said sixty (60) day period, Owner shall remove all of Owner's Improvements from the City Property, repair any damage caused to the City Property by Owner's Improvements and/or the removal of same, and restore the City Property as nearly as practicable to the condition existing prior to the installation of Owner's Improvements.

d. In addition to the foregoing, in the event Owner violates any of the terms or conditions set forth in this Agreement, City shall have the right upon delivery of written notice to Owner to revoke this Agreement on shorter notice than sixty (60) days or no notice at all. In such event, Owner shall immediately remove all of Owner's Improvements from the City Property, repair any damage caused to the City Property by Owner's Improvements and/or the removal of same, and restore the City Property as nearly as practicable to the condition existing prior to the installation of Owner's Improvements.

e. Upon termination or revocation of this Agreement, neither Party shall have any further rights or obligations under this Agreement, subject to the following exceptions: (i) Owner's obligation to remove the Owner's Improvements and repair and restore the City Property, as set forth hereinabove, shall survive the effective date of any such termination or revocation; (ii) in the event Owner fails to timely remove any of the Owner's Improvements and/or repair and restore the City Property, City reserves its legal remedies as set forth in Section 6 hereinbelow, including the right to recover from Owner City's actual out-of-pocket costs, plus administrative charges and interest, to effectuate said work; and (iii) Owner's release of liability and the rights of City and the City Indemnitees as set forth in Sections 7 and 9 hereinbelow shall survive any such termination or revocation.

f. Upon termination or revocation of this Agreement, City shall have no liability to Owner for the cost of removing any fixtures, appurtenances, and other structures in compliance with City's demand to terminate the Agreement. Under no circumstances will City be liable to Owner for compensation resulting from the removal and/or destruction of the Owner's Improvements due to the termination or revocation of this Agreement. Owner acknowledges that any relocation of signage upon termination or revocation of this Agreement shall be subject to discretionary approvals, as required by applicable local laws, regulations, and official policies (including but not limited to the City's Municipal Code).

g. Notwithstanding the foregoing, if the Parties agree in writing, Owner may leave the landscaping, irrigation facilities, water service facilities, and/or driveways in the City Property in place upon termination of this Agreement, whereon City shall assume ownership of such facilities.

6. City Remedies.

a. If City determines that Owner is not maintaining any of the Owner's Improvements or surrounding grounds in accordance with this Agreement or if City determines that Owner has not timely removed any unauthorized Owner's Improvements or repaired any damage to the City Property and restored the City Property in accordance with this Agreement, City shall have the right to deliver written notice to Owner stating in reasonable detail what maintenance, repair, removal or restoration work is required. If Owner thereafter fails to perform such work within a reasonable period, not to exceed thirty (30) days from the date of City's notice, City reserves the right, in addition to any other rights and remedies it may have hereunder or pursuant to applicable law, to enter onto the City Property, perform said maintenance, repair, improvement, or removal work itself, in which event Owner shall be responsible for reimbursing City for all of City's actual out-of-pocket costs (including payroll costs for work performed by City employees) plus an administrative charge of fifteen percent (15%). In addition, if Owner fails to pay any City invoice for said work within thirty (30) days after written notice from City, Owner shall additionally be liable to pay City interest on the delinquent payment at the rate of ten percent (10%) per annum or the maximum interest rate permitted by law, whichever is less.

b. City's rights set forth in this Section 6 shall survive a termination or revocation of this Agreement.

7. As-Is Condition; No City Representations and Warranties Regarding Condition of City Property; Release and Indemnity.

a. Owner acknowledges and agrees that City is making no representations or warranties to Owner regarding the physical condition of the City Property, the existence of any patent or latent defects in the City Property or the location, condition, or other characteristics of any improvements situated on, over, or under the City Property, or the suitability of the City Property for Owner's intended use or any of the Owner's Improvements to be located thereon, and Owner assumes the full risk with respect thereto. Owner hereby releases City from any and all claims, liabilities, and losses that may be incurred by Owner with respect to any matters that are the subject of this Agreement, including but not limited to the construction, installation, maintenance, repair, improvement, use, replacement, and removal of the Owner's Improvements, including any personal injury or death, property damage, or economic loss arising therefrom, and City shall have no liability therefor. Owner hereby releases City from any and all claims, liabilities, and losses that may be incurred by Owner with respect to the removal of Owner's Improvements upon termination of this Agreement pursuant to Section 5, including but not limited to economic loss arising therefrom. Under no circumstances will the City be liable to Owner for compensation or loss of business goodwill resulting from the removal and/or destruction of the Owner's Improvements due to the termination or revocation of this Agreement.

b. In addition to the foregoing, Owner agrees to indemnify, defend, and hold harmless City and City's elected and appointed officials, employees, and agents (collectively, the "City Indemnitees") from and against any and all claims, liabilities, and losses arising out of Owner's activities which are related in any way to the matters that are the subject to this Agreement, including but not limited to the construction, installation, maintenance, repair, improvement, use, replacement, and removal of any of the Owner's Improvements and use of the City Property, including without limitation claims for personal injury or death, property damage, and economic loss, and including without limitation fines and penalties and attorney's fees and

costs. In the event that any claim is made by any third party against any of the City Indemnitees, City agrees to promptly tender said claim to Owner and thereafter Owner shall defend said claim with counsel reasonably acceptable to City. City agrees to cooperate reasonably in the defense of any said claim, provided that Owner shall promptly reimburse City for any City out-of-pocket costs incurred with respect thereto, including without limitation payroll costs at the applicable City rates for any time reasonably expended by City employees in assisting with said defense.

c. Owner hereby acknowledges that City is the owner of a public right-of-way easement on, over, under, and across the City Property, and Owner hereby covenants and promises never to assail, contest or resist City's interest in the City Property.

d. City's rights set forth in this Section 7 shall survive a termination or revocation of this Agreement.

8. Insurance.

a. Insurance Requirement. During the entire term of this Agreement, Owner shall procure and maintain public liability and property damage insurance, at its sole expense, in an amount not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit, insuring against all liability of Owner and its authorized representatives arising out of and in connection with Owner's Improvements or Owner's use of the City Property. Such public liability and property damage insurance shall also provide for and protect City against incurring any legal cost in defending claims for alleged loss.

b. Primary Policy; Additional Insured. All such insurance as required by this Section 8 shall be primary insurance and shall name City as additional insured.

c. Insurance Increase. Not more frequently than one (1) time every three (3) years, if, in the opinion of the City Manager or the City's insurance broker, the amount of public liability and property damage insurance coverage at that time is not adequate, the City Manager may require modifications to this coverage.

d. Insurance Company. All insurance required under this Section 8 shall be issued by an insurance company authorized to do business in the State California, with a financial rating of at least A-3A status as rated in the most recent edition of Best's Insurance Reports or such comparable report should Best's Insurance Reports no longer be available.

e. Modification or Cancellation of Policy. All insurance required pursuant to this Section 8 shall contain an endorsement requiring thirty (30) days written notice from the insurance company to both parties before cancellation or change in the coverage, scope, or amount of any policy. Each policy, or a certificate of the policy, together with evidence of the payment of premiums, shall be deposited by Owner with City at the commencement of the term, and on a renewal policy not less than twenty (20) days before expiration of the term of the policy.

9. Hazardous Materials Use.

a. Owner covenants that it will not handle or transport Hazardous Materials on Owner's Improvements or the City Property except in accordance with all applicable federal,

state, and local laws, rules, regulations, orders, decisions and ordinances (hereinafter referred to as “Hazardous Materials Standards”) concerning Hazardous Materials. As used in this Agreement, the term “Hazardous Materials” means: (a) any substance, products, waste, or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), 42 United States Code Section 9601 et seq.; the Resources Conservation and Recovery Act, 42 United States Code Section 6901 et seq.; the Hazardous Materials Transportation Conservation and Recovery Act, 42 United States Code Section 1801 et seq.; the Clean Water Act, 33 United States Code Section 1251 et seq.; the Toxic Substances Control Act, 15 United States Code Section 2601 et seq.; the California Hazardous Waste Control Act, Health and Safety Code Section 25100 et seq.; the Hazardous Substance Account Act, Health and Safety Code Section 25330 et seq.; the California Safe Drinking Water and Toxic Enforcement Act, Health and Safety Code Section 25249.5 et seq.; California Health and Safety Code Section 25280 et seq. (Underground Storage of Hazardous Substances); the California Hazardous Waste Management Act, Health and Safety Code Section 25170.1 et seq.; California Health and Safety Code Section 25501 et seq. (Hazardous Materials Release Response Plans and Inventory); or the California Porter-Cologne Water Quality Control Act, Water Code Section 13000 et seq., all as amended (the above cited California state statutes are hereinafter collectively referred to as “the State Toxic Substances Law”); or any other federal, state, or local statute, law, ordinance, resolution, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, now or at any time hereinafter in effect; (b) any substance, product, waste or other material of any nature whatsoever which may give rise to liability under any of the above statutes or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products which are contained within regularly operated motor vehicles; and (d) asbestos.

b. In the event Owner’s Improvements are now or in the future used in the handling or transporting of Hazardous Materials, Owner agrees fully to comply with all applicable Hazardous Materials Standards concerning Hazardous Materials. Owner further agrees that at City’s request it will furnish City with proof, satisfactory to City, that Owner is in such compliance.

c. Notwithstanding anything else contained in this Agreement and to the extent permitted by law, in case of a breach of the obligations contained in this Section, Owner agrees to assume liability for and to save and hold harmless City and City Indemnites from and against any and all injuries to any person, including wrongful death, and damage to property, including without limitation, property of City and Owner, and all related expenses, including without limitation reasonable attorneys’ fees, investigators’ fees, litigation expenses, and mitigation costs resulting in whole or in part from Owner’s failure to comply with any Hazardous Materials Standards issued by any governmental authority concerning Hazardous Materials. Owner, at its cost, shall assume the defense of all claims, in accordance with Section 7 hereof. Owner agrees to reimburse City for all reasonable costs of any kind incurred as a result of the Owner’s failure to comply with this Section, including, but not limited to, judicial or administrative fines, penalties, clean-up and disposal costs, and reasonable legal costs incurred as a result of Owner’s handling, transporting, or disposing of Hazardous Materials on, over, or across Owner’s Improvements and the City Property.

d. City's rights set forth in this Section 9 shall survive a termination or revocation of this Agreement.

10. Miscellaneous.

a. Notices. Any notices required to be delivered by one Party to the other Party pursuant to the terms of this Agreement shall be in writing. Notices shall be deemed effective if personally served in the manner authorized in the California Code of Civil Procedure for the service of lawsuits or by mail delivered by United States mail, first class, postage prepaid, to the following addresses: (i) for Owner, the address of Owner's Property; and (ii) for City, the City Hall address (with notices directed to the attention of the City Manager and the City Attorney).

b. Entire Agreement. This Agreement between the parties contain the entire agreement between the Parties hereto with respect to the matters set forth herein, and supersedes all prior or contemporaneous agreements (whether oral or written) between the parties with respect to the matters set forth herein. All exhibits attached hereto are incorporated herein by this reference.

c. No Third-Party Beneficiaries. Notwithstanding any other provision set forth in this Agreement to the contrary, nothing herein is intended to create any third-party beneficiaries to this Agreement (with the exception of the rights set forth in Section 7 hereof benefiting the City Indemnitees other than City), and no person or entity other than Owner, City, and the City Indemnitees, and the successors and assignees of any of them, shall be authorized to enforce the provisions set forth in this Agreement.

d. Successors and Assigns; Covenants to Run with the Land. This Agreement shall be binding upon the successors and assigns of the Parties hereto. This Agreement and the obligations hereunder shall run with Owner's Property and shall be binding upon, and inure to the benefit of, the successors and assigns of Owner as the owner of Owner's Property.

e. Amendment. This Agreement may be modified only in a writing signed by the Parties in interest at the time of the modification.

f. Severability. The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision hereof.

g. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

h. Headings. Any titles of the sections or subsections of this Agreement are inserted for convenience of reference only and are to be disregarded in interpreting any part of the Agreement's provisions.

i. No Presumption Against Drafting Party. This Agreement and the provisions contained herein shall not be construed or interpreted for or against any Party hereto because said Party drafted or caused the Party's legal representative to draft any of its provisions. This Agreement shall be construed without reference to the identity of the Party or Parties preparing the same, it being expressly understood and agreed that the Parties hereto participated

equally or had equal opportunity to participate in the drafting hereof. The Parties hereto acknowledge that each has read this Agreement; that they each fully understand their respective rights, privileges and duties under said Agreement; and that each enters into said Agreement freely and voluntarily.

j. Warranty of Authority: Each officer of City and Owner affixing his or her signature to this Agreement warrants and represents by such signature that he or she has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this Agreement, that his or her respective party has the full legal right, power, capacity and authority to enter into this Agreement and perform all of its provisions and obligations, and that no other approvals or consents are necessary in connection therewith.

k. Further Assurances: Each of the parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties hereto.

[SIGNATURES ON FOLLOWING PAGE]

ITEM 8.4 – Attachment A

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date set forth in the applicable notary acknowledgement attached hereto.

**“OWNER”**

LW SHELL INC., a California corporation

\_\_\_\_\_  
By: Polina Olshansky  
Its: Chief Executive Officer

\_\_\_\_\_  
By: Irene Freydina  
Its: Secretary

**“CITY”**

CITY OF LAGUNA WOODS, a public body,  
corporate and politic

By: \_\_\_\_\_  
XX, Mayor

ATTEST:

\_\_\_\_\_  
Yolie Trippy, CMC, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Alisha Patterson, City Attorney

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

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

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

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

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

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

EXHIBIT “A”

LEGAL DESCRIPTION OF OWNER’S PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LAGUNA WOODS, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 2 AS SHOWN ON EXHIBIT "B" ATTACHED TO LOT LINE ADJUSTMENT LL 94-029 RECORDED SEPTEMBER 15, 1994 AS INSTRUMENT NO. 94-560223 OFFICIAL RECORDS, IN THE CITY OF LAGUNA WOODS, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDS OF ORANGE COUNTY.

EXCEPT ONE-HALF OF ALL GAS, OIL, HYDROCARBONS, MINERALS AND OTHER SUBSTANCES LYING BELOW A DEPTH OF 500 FEET, BUT WITHOUT THE RIGHT TO ENTER UPON THE SURFACE OR SUBSURFACE OF THE PROPERTY ABOVE 500 FEET FOR ANY PURPOSES WHATSOEVER, AS RESERVED BY FIRST WESTERN BANK AND TRUST COMPANY IN DEED RECORDED DECEMBER 4, 1961 IN BOOK 5931 PAGE 586 OFFICIAL RECORDS AND RE RECORDED DECEMBER 11, 1961 IN BOOK 5939 PAGE 534 OFFICIAL RECORDS.

APN: 616-021-27

EXHIBIT “B”

LEGAL DESCRIPTION AND MAP EXHIBIT OF THE CITY PROPERTY

THAT PORTION OF PARCEL 2 IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AND SHOWN IN LOT LINE ADJUSTMENT NO. LL94-029 RECORDED SEPTEMBER 15, 1994 AS INSTRUMENT NO. 94-0560223 OF OFFICIAL RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY LYING SOUTHEASTERLY, SOUTHERLY AND SOUTHWESTERLY OF THE FOLLOWING DESCRIBED LINE:

**COMMENCING** AT THE EASTERLY CORNER OF SAID PARCEL 2, SAID CORNER BEING ON THE NORTHWESTERLY LINE OF EL TORO ROAD, OF VARIABLE WIDTH, AS DESCRIBED IN PARCEL 131 OF THE EASEMENT DEED TO THE COUNTY OF ORANGE RECORDED DECEMBER 11, 1963 IN BOOK 6839, PAGE 480 OF OFFICIAL RECORDS IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 38°03'17" WEST 7.54 FEET ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 2 TO THE **TRUE POINT OF BEGINNING**, SAID POINT BEING ON A LINE PARALLEL WITH AND NORTHWESTERLY 62.00 FEET FROM THE CONSTRUCTION CENTERLINE OF SAID EL TORO ROAD AS SHOWN ON THE MAP ATTACHED TO SAID EASEMENT DEED; THENCE SOUTH 55°25'01 WEST 136.21 FEET ALONG SAID PARALLEL LINE; THENCE NORTH 82°51'59" WEST 34.98 FEET TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 1174.00 FEET, SAID CURVE BEING CONCENTRIC WITH AND NORTHEASTERLY 74.00 FEET FROM THE CENTERLINE OF MOULTON PARKWAY, 100.00 FEET IN WIDTH, AS DESCRIBED IN PARCEL 131.2 OF SAID EASEMENT DEED, A RADIAL LINE TO SAID POINT BEARS NORTH 51°28'49" EAST; THENCE NORTHWESTERLY 125.72 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 6°08'09" TO THE NORTHWESTERLY LINE OF SAID PARCEL 2.

CONTAINING AN AREA OF 4021 SQUARE FEET, MORE OR LESS

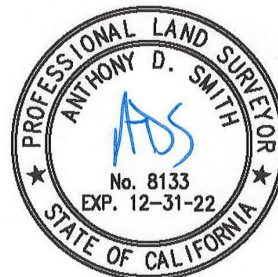
**ON POINT LAND SURVEYING, INC.**

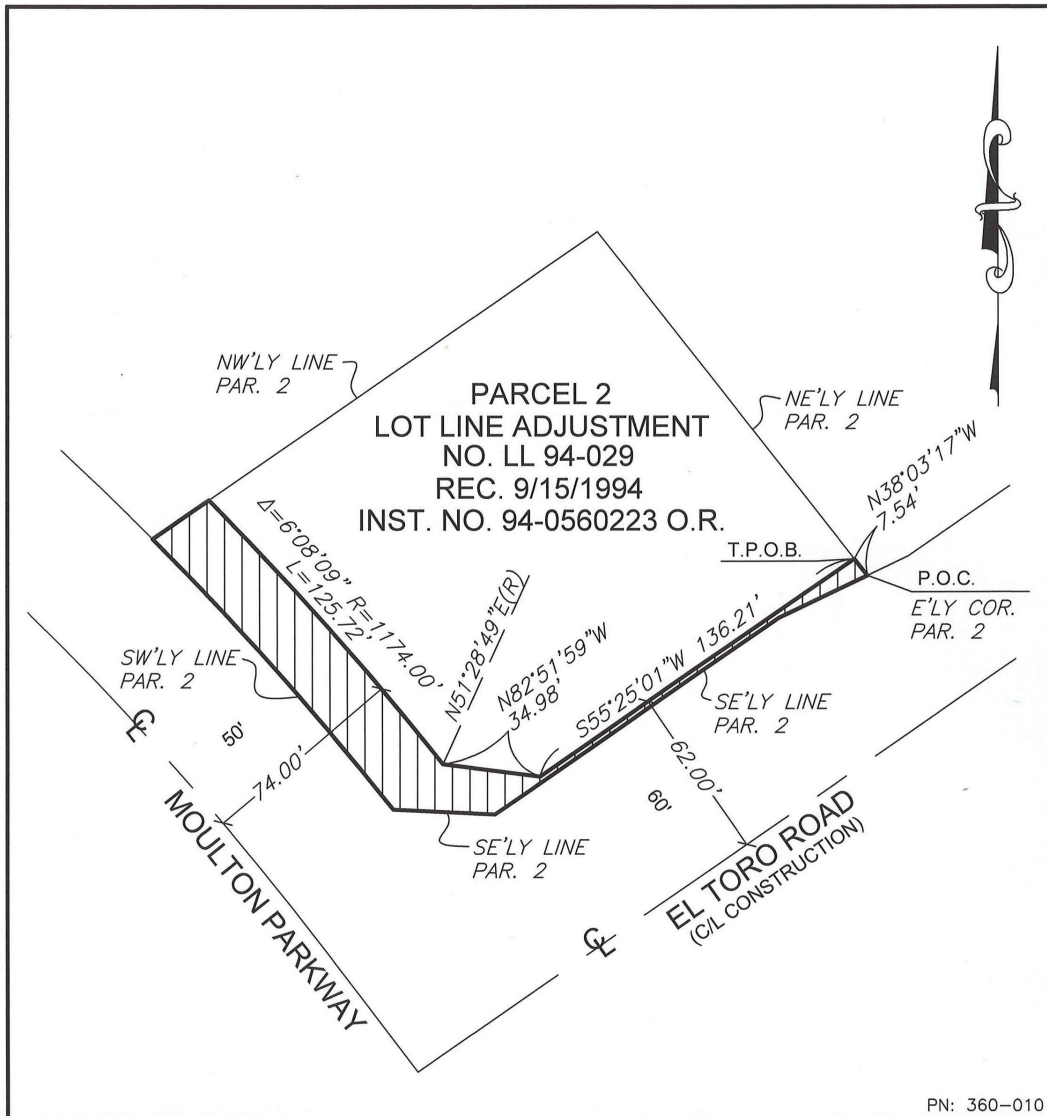
PREPARED BY:

*Anthony D. Smith*

ANTHONY D. SMITH, PLS 8133

DATE: 11/22/2021





PN: 360-010

	<b>STREET &amp; HIGHWAY EASEMENT</b>	
	PREPARED AT THE REQUEST OF THE CITY OF LAGUNA WOODS	
	THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.	PREPARED BY: ON POINT LAND SURVEYING, INC.
	PREPARED BY: <i>Anthony D. Smith</i>	SCALE: 1"=50'
	DATE: <i>11/22/2021</i>	DATE: NOVEMBER 2021 SHEET <u>1</u> OF <u>1</u>

EXHIBIT “C”

DESCRIPTION/DEPICTION OF OWNER’S IMPROVEMENTS



Owner’s Improvements include:

- All landscaping including, but not limited to, trees, bushes, turf, and other plantings;
- All irrigation facilities (except to the extent to which irrigation lines, valves, or other equipment is owned by the El Toro Water District or other parties);
- Water service facilities (except to the extent to which water service lines, valves, or other equipment is owned by the El Toro Water District or other parties);
- Driveways connecting the Owner’s Property to El Toro Road and Moulton Parkway across the City Property; and
- One (1) monument sign.

Owner’s Improvements expressly exclude the four concrete-pad-mounted cabinets/boxes located at the intersection of El Toro Road and Moulton Parkway, and the public sidewalks and pedestrian curb ramps located immediately adjacent to El Toro Road and Moulton Parkway.

The above photograph is an approximation. Exhibits “A” and “B” are controlling as to area.

EXHIBIT “C”

**8.5**  
**CITY COUNCIL ORGANIZATION –**  
**OFFICE OF THE MAYOR**  
***(NO REPORT)***

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**8.6**  
**CITY COUNCIL ORGANIZATION –**  
**OFFICE OF THE MAYOR PRO TEM**  
***(NO REPORT)***

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**8.7**  
**CITY COUNCIL MEETING SCHEDULE**

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# City of Laguna Woods

## Agenda Report

**TO:** Honorable Mayor and City Councilmembers

**FROM:** Christopher Macon, City Manager

**FOR:** December 15, 2021 Regular Meeting

**SUBJECT:** City Council Meeting Schedule

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### **Recommendation**

Approve a City Council meeting schedule for Fiscal Year 2022-23.

### **Discussion**

Today's meeting is an opportunity for City Council action, as well as public input, on the City Council meeting schedule. Staff recommends that the City Council approve a meeting schedule for Fiscal Year 2022-23 (Attachment A). The proposed meeting schedule would continue regular meetings on the third Wednesday of each month and add adjourned regular meetings on May 31, 2023 and June 28, 2023, in anticipation of the next budget and work plan development process.

### **Fiscal Impact**

The City's budget contains sufficient funds to support the proposed City Council meeting schedule for Fiscal Year 2022-23.

Attachment: A – Proposed City Council Meeting Schedule for Fiscal Year 2022-23

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**CITY OF LAGUNA WOODS  
CITY COUNCIL MEETING SCHEDULE  
FISCAL YEAR 2022-23**

*All meetings occur at Laguna Woods City Hall, 24264 El Toro Road,  
Laguna Woods, CA 92637, unless otherwise noticed.*

Wednesday, July 20, 2022 at 2 p.m. Regular Meeting
Wednesday, August 17, 2022 at 2 p.m. Regular Meeting
Wednesday, September 21, 2022 at 2 p.m. Regular Meeting
Wednesday, October 19, 2022 at 2 p.m. Regular Meeting
Wednesday, November 16, 2022 at 2 p.m. Regular Meeting
Wednesday, December 21, 2022 at 2 p.m. Regular Meeting
Wednesday, January 18, 2023 at 2 p.m. Regular Meeting
Wednesday, February 15, 2023 at 2 p.m. Regular Meeting
Wednesday, March 15, 2023 at 2 p.m. Regular Meeting
Wednesday, April 19, 2023 at 2 p.m. Regular Meeting
Wednesday, May 17, 2023 at 2 p.m. Regular Meeting
Wednesday, May 31, 2023 at 2 p.m. Adjourned Regular Meeting
Wednesday, June 21, 2023 at 2 p.m. Regular Meeting
Wednesday, June 28, 2023 at 2 p.m. Adjourned Regular Meeting