



CITY OF LAGUNA HILLS CITY COUNCIL/PLANNING AGENCY

REGULAR MEETING AGENDA Tuesday, June 22, 2021 – 7:00 PM (Closed Session at 6:00 PM when scheduled)

Erica Pezold, Mayor

Don Sedgwick, Mayor Pro Tempore
Bill Hunt, Council Member

Janine Heft, Council Member
Dave Wheeler, Council Member

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, CA 92653

NOTICE REGARDING CORONAVIRUS (COVID-19): Please be advised that some, or all, of the City Council Members may attend this meeting via teleconference. This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29-20 dated March 17, 2020, regarding the COVID-19 pandemic. If you wish to attend the City Council meeting in person, the City Council Chamber is located at 24035 El Toro Road, Laguna Hills, CA 92653. The public shall have the right to observe and offer public comment at this location. If you plan on attending, please follow the California Department of Health Guidelines by wearing a mask, washing your hands often, refraining from handshakes and maintaining social distance of six feet between individuals. You may also view the live stream of the meeting online at <http://lagunahillsca.igm2.com/Citizens/Default.aspx>.

Submission of Public Comments: While you may attend this meeting in person, given the health risks associated with COVID-19, the City encourages those wishing to make public comments at the June 22, 2021, City Council meeting, to submit your comments by email to the City Clerk at publiccomments@lagunahillsCA.gov, by 5:00 p.m. on June 22, 2021. In the subject line of the email, please state your name and the item number you are commenting on. Any public comment received that does not specify a particular agenda item number will be announced during the general public comment portion of the agenda. If you wish to submit a public comment on more than one agenda item, please send a separate email for each item you are commenting on. All comments received by 5:00 p.m. on the date of the meeting will be provided to the City Council in advance to allow time for the Council Members to read them. Email comments will NOT be read by the City Clerk during the meeting, but will be announced and made part of the record. Electronic public comments may only be submitted via email and comments via text and social media (Facebook, Twitter, etc.) will not be accepted.

Announcement of Public Comments: During the applicable agenda item, the City Clerk will announce the name of the sender and subject matter of all email comments received by 5:00 p.m. on June 22, 2021. The email comments, including your name, will become part of the record of the City Council meeting and will be public information.

CLOSED SESSION - CONVENING AT 6:00 PM**CALL TO ORDER**

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

ROLL CALL OF CITY COUNCIL MEMBERS**ANNOUNCEMENT OF CLOSED SESSION ITEM(S)**

The City Council will convene into Closed Session, in the City Council Conference Room, City Hall, Laguna Hills Civic Center, to consider the following matter(s):

A. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Kenneth H. Rosenfield, Interim City Manager
Melissa Au-Yeung, Deputy City Manager
Janice Reyes, Finance Director

Employee Organization: Laguna Hills City Employee Association,
City Employee Organization

PUBLIC COMMENT ON CLOSED SESSION ITEM(S)**CONVENE INTO CLOSED SESSION**

The City Council will convene into Closed Session to consider the matter(s) listed above.

RECONVENE TO CITY COUNCIL CHAMBER**RECESS**



CITY OF LAGUNA HILLS CITY COUNCIL/PLANNING AGENCY

REGULAR MEETING AGENDA

Tuesday, June 22, 2021 – 7:00 PM

(Closed Session at 6:00 PM when scheduled)

Erica Pezold, Mayor

Don Sedgwick, Mayor Pro Tempore

Bill Hunt, Council Member

Janine Heft, Council Member

Dave Wheeler, Council Member

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, CA 92653

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Submission of Public Comments: While you may attend this meeting in person, given the health risks associated with COVID-19, the City encourages those wishing to make public comments at the June 22, 2021, City Council meeting, to submit your comments by email to the City Clerk at publiccomments@lagunahillsCA.gov, by 5:00 p.m. on June 22, 2021. In the subject line of the email, please state your name and the item number you are commenting on. Any public comment received that does not specify a particular agenda item number will be announced during the general public comment portion of the agenda. If you wish to submit a public comment on more than one agenda item, please send a separate email for each item you are commenting on. All comments received by 5:00 p.m. on the date of the meeting will be provided to the City Council in advance to allow time for the Council Members to read them. Email comments will NOT be read by the City Clerk during the meeting, but will be announced and made part of the record. Electronic public comments may only be submitted via email and comments via text and social media (Facebook, Twitter, etc.) will not be accepted.

Announcement of Public Comments: During the applicable agenda item, the City Clerk will announce the name of the sender and subject matter of all email comments received by 5:00 p.m. on June 22, 2021. The email comments, including your name, will become part of the record of the City Council meeting and will be public information.

GENERAL BUSINESS - CONVENING AT 7:00 PM**CALL TO ORDER**

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

INVOCATION: Pastor Ric Rodeheaver of Christ Community Church

PLEDGE OF ALLEGIANCE: Mayor Pro Tempore Sedgwick

ROLL CALL OF CITY COUNCIL MEMBERS**CLOSED SESSION REPORT****1. PRESENTATIONS AND PROCLAMATIONS****2. SCHEDULE OF FUTURE EVENTS****2.1 Schedule of Future Events**

Recommendation: That the Interim City Manager announce the upcoming City events for the months of June and July 2021.

3. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

4. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

4.1 Waive Reading in Full of all Ordinances and Resolutions on the Agenda

Recommendation: That the City Council waive reading in full of all ordinances and resolutions on the agenda and declare that said titles which appear on the

public agenda shall be determined to have been read by title and further reading waived.

4.2 Approval of Minutes for June 8, 2021, Special Meeting

Recommendation: That the City Council approve the Minutes for the June 8, 2021, Special Meeting.

4.3 Approval of Minutes for June 8, 2021, Regular Meeting

Recommendation: That the City Council approve the Minutes for the June 8, 2021, Regular Meeting.

4.4 Ratification of June 22, 2021, Warrant Register

Recommendation: That the City Council ratify the accompanying Warrant Register for the period from May 28, 2021, to June 15, 2021, in the amount of \$376,183.56.

4.5 City Council Review and Confirm the Necessity for Continuing the Local Emergency Related to the On-Going Threat of the Novel COVID-19 Virus and Confirmation of the Interim Director of Emergency Services/Interim City Manager's Executive Orders Related Thereto

Recommendation: That the City Council: 1) Review and confirm the necessity for continuing the local emergency declared in response to the Novel COVID-19 virus; and 2) Confirm the Interim Director of Emergency Services/Interim City Manager's Executive Orders related thereto.

4.6 Records Retention Management

Recommendation: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, authorizing and directing the City Clerk to dispose of certain City records in accordance with the City's Record Retention Schedule."

4.7 Progress Payment No. 3, Final, and Contract Change Order No. 1, for Community Center HVAC and Roof Replacement Project, CIP No. 513-B.

Recommendation: That the City Council approve Contract Change Order No. 1 and Progress Payment No. 3, Final, in the net amount of \$76,148.44, to West Gate Contractor, for Community Center HVAC and Roof Replacement Project, CIP

No. 513-B, authorize the filing of the Notice of Completion and subsequent release of retention in 35 days, if no liens have been filed.

4.8 Amendment No. 3 to the Professional Services Agreement with Kosmont & Associates, Inc.

Recommendation: That the City Council approve Amendment No. 3 to the Professional Services Agreement with Kosmont & Associates, Inc., and authorize the City Manager to execute said Amendment No. 3.

4.9 Award of Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement

Recommendation: That the City Council award the Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement to Jonset Corporation, dba Sunset Property Services, Inc., in the low annual base bid amount of \$202,241.00, reject all other bids, and authorize the Mayor to execute the Agreement.

4.10 Professional Services Agreement with Eide Bailly, LLP, Independent Auditor

Recommendation: That the City Council approve the proposed Professional Services Agreement with Eide Bailly, LLP and authorize the Mayor to execute the Agreement for Independent Financial Auditing and Accounting Consulting Services for the Fiscal Years ending June 30, 2021, to June 30, 2026.

4.11 Adoption of the Annual Appropriations Limit for Fiscal Year 2021-2022

Recommendation: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, determining and adopting an Appropriations Limit for the 2021-2022 Fiscal Year in accordance with Article XIII B of the Constitution of the State of California, and Section 7910 of the Government Code."

4.12 Renewed Measure M (M2) Compliance Reporting to the Orange County Transportation Authority (OCTA)

Recommendation: That the City Council: 1) Approve the Measure M (M2) Compliance Submittal to OCTA including, but not limited, to the Seven-Year Capital Improvement Program; and 2) Adopt the adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, concerning

the status and update of the Circulation Element and Mitigation Fee Program for the Measure M (M2) Program."

4.13 Resolution Adopting a List of Projects for Fiscal Year 2021-2022 Funded By SB 1: the Road Repair and Accountability Act of 2017

Recommendation: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting a list of street maintenance projects for Fiscal Year 2021-2022 funded by SB1: The Road Repair and Accountability Act of 2017."

ITEMS REMOVED FROM THE CONSENT CALENDAR

5. CITY COUNCIL PUBLIC HEARINGS

5.1 Adoption of the Biennial Budget for the 2021-2022 & 2022-2023 Fiscal Years, Including the Operating Budget, Debt Service, Six-Year Capital Improvement Plan, and Other Appropriations and Amending the 2020-2021 Fiscal Year Budget, Including the Operating Budget, Capital Improvement Program, and Other Appropriations

Recommendation: That the City Council: 1) Conduct a Public Hearing regarding the Biennial Budget for the 2021-2022 & 2022-2023 Fiscal Years; 2) Adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the 2021-2022 & 2022-2023 Fiscal Years"; and 3) Adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, amending Fund 101 and Fund 600 of the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the 2020-2021 Fiscal Year"

6. PLANNING AGENCY

6.1. ROLL CALL OF PLANNING AGENCY MEMBERS

6.2. PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

6.3. APPROVAL OF MINUTES**6.3.1 Approval of Minutes for June 8, 2021, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the June 8, 2021, Regular Meeting.

6.4. ADMINISTRATIVE REPORTS**6.4.1 Adoption of a Resolution Making Findings of General Plan Consistency for the Proposed 2021-2022 Fiscal Year Capital Improvement Program**

Recommendation: That the Planning Agency adopt a Resolution entitled: "A Resolution of the Planning Agency of the City of Laguna Hills, California, finding that the proposed 2021-2022 Fiscal Year Capital Improvement Program conforms with the General Plan of the City of Laguna Hills pursuant to California Government Code Section 65401."

6.5. PLANNING AGENCY PUBLIC HEARINGS**PLANNING AGENCY ADJOURNMENT****7. ADMINISTRATIVE REPORTS****7.1. Interim City Manager/Director of Public Services****7.1.1 Alternate Pest Control Pilot Program Final Report**

Recommendation: That the City Council receive and file the report.

7.2. Chief of Police Services**7.2.1 Laguna Hills Polices Services Public Safety Update Report – June 2021**

Recommendation: That the City Council receive and file the Laguna Hills Police Services Public Safety Update Report - June 2021.

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS**9. CITY COUNCIL MEMBER COMMITTEE REPORTS****10. CITY COUNCIL MEMBER COMMENTS**

ADJOURNMENT

The next Regular Meeting of the City Council/Planning Agency will be July 13, 2021, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

A Special Joint Meeting of the City Council/Planning Agency will be June 24, 2021, at 5:00 p.m., in the Laguna Hills Community Center Heritage Room, located at 25555 Alicia Parkway, Laguna Hills, California.

CERTIFICATION

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and the Courtyard at La Paz Center by June 18, 2021, at 5:00 pm.



City Clerk

June 17, 2021

Date

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City Council Members receive no additional compensation or stipend as a result of simultaneously convening meetings of the Laguna Hills Planning Agency.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Schedule of Future Events

RECOMMENDATION: That the Interim City Manager announce the upcoming City events for the months of June and July 2021.

SUMMARY:

The following is a list of upcoming events for the City of Laguna Hills in the months of June and July 2021:

Special Joint Planning Agency/City Council Meeting

Thursday, June 24th, 5:00 p.m., at the Laguna Hills Community Center Heritage Room for the continued **Public Hearing for The Village at Laguna Hills Project**

4th of July Celebration

Fields open at 6:30 p.m., Fireworks start at 9:00 p.m., Laguna Hills Sports Complex

Regular City Council Meeting

Tuesday, July 13, 7:00 p.m., at the Laguna Hills Civic Center Council Chamber

Business Outreach Workshop

Thursday, July 15, 5:30 p.m., Virtual

Traffic Commission Meeting

Wednesday, July 21, 7:00 p.m., at the Laguna Hills Civic Center Council Chamber



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Jennifer Lee
Assistant City Clerk
ISSUE: Approval of Minutes for June 8, 2021, Special Meeting

RECOMMENDATION: That the City Council approve the Minutes for the June 8, 2021, Special Meeting.

ATTACHMENTS:

- 210608 CC Special Minutes

**CITY OF LAGUNA HILLS
CITY COUNCIL**

**SPECIAL MEETING
MINUTES
Tuesday, June 8, 2021**

CALL TO ORDER

The meeting was called to order at 4:59 p.m. by Mayor Pezold.

PLEDGE OF ALLEGIANCE: Council Member Hunt

ROLL CALL OF CITY COUNCIL MEMBERS

Attendee Name	Title	Status	Arrived
Erica Pezold	Mayor	Present	
Don Sedgwick	Mayor Pro Tempore	Present	
Janine Heft	Council Member	Present	
Bill Hunt	Council Member	Present	
Dave Wheeler	Council Member	Present	

ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Public Employee Title: Interim City Manager

PUBLIC COMMENTS

There were no public comments on the special meeting closed session item.

ADJOURN TO CITY COUNCIL CONFERENCE ROOM

CONVENE INTO CLOSED SESSION

The City Council convened into Closed Session to consider the matter(s) listed above.

RECONVENE TO CITY COUNCIL CHAMBER

The City Council reconvened the City Council Meeting at 6:22 p.m. All Council Members were present.

CLOSED SESSION REPORT**A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Pursuant to Government Code Section 54957(b)(1)

Public Employee Title: Interim City Manager

City Attorney Simonian stated that the City Council convened into closed session this evening pursuant to the authorities listed on the Agenda with no reportable action taken.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Pezold declared the meeting adjourned at 6:23 p.m.

Melissa Au-Yeung, City Clerk

ATTEST:

Erica Pezold, Mayor

Approved at meeting of June 8, 2021



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Jennifer Lee
Assistant City Clerk
ISSUE: Approval of Minutes for June 8, 2021, Regular Meeting

RECOMMENDATION: That the City Council approve the Minutes for the June 8, 2021, Regular Meeting.

ATTACHMENTS:

- 210608 CC Minutes

**CITY OF LAGUNA HILLS
CITY COUNCIL/PLANNING AGENCY**

**REGULAR MEETING
MINUTES
Tuesday, June 8, 2021**

CLOSED SESSION - CONVENING AT 6:00 PM

CALL TO ORDER

The meeting was called to order at 6:24 p.m. by Mayor Pezold.

ROLL CALL OF CITY COUNCIL MEMBERS

Attendee Name	Title	Status	Arrived
Erica Pezold	Mayor	Present	
Don Sedgwick	Mayor Pro Tempore	Present	
Janine Heft	Council Member	Present	
Bill Hunt	Council Member	Present	
Dave Wheeler	Council Member	Present	

ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

A. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Kenneth H. Rosenfield, Interim City Manager
Melissa Au-Yeung, Deputy City Manager
Janice Reyes, Finance Director
Employee Organization: Laguna Hills City Employee Association,
City Employee Organization

PUBLIC COMMENT ON CLOSED SESSION ITEM(S)

There were no public comments on the closed session item.

CONVENE INTO CLOSED SESSION

The City Council convened into Closed Session to consider the matter(s) listed above.

RECONVENE TO CITY COUNCIL CHAMBER

RECESS

GENERAL BUSINESS - CONVENING AT 7:00 PM**CALL TO ORDER**

The meeting was called to order at 7:06 p.m. by Mayor Pezold.

INVOCATION: Pastor Leland Lantz of Lutheran Church of the Cross

PLEDGE OF ALLEGIANCE: Council Member Heft

ROLL CALL OF CITY COUNCIL MEMBERS

Attendee Name	Title	Status	Arrived
Erica Pezold	Mayor	Present	
Don Sedgwick	Mayor Pro Tempore	Present	
Janine Heft	Council Member	Present	
Bill Hunt	Council Member	Present	
Dave Wheeler	Council Member	Present	

CLOSED SESSION REPORT**A. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Kenneth H. Rosenfield, Interim City Manager
Melissa Au-Yeung, Deputy City Manager
Janice Reyes, Finance Director

Employee Organization: Laguna Hills City Employee Association,
City Employee Organization

City Attorney Simonian stated that the City Council convened into closed session this evening pursuant to the authorities listed on the Agenda with no reportable action taken.

1. PRESENTATIONS AND PROCLAMATIONS**1.1 Laguna Hills High School Student Liaison**

Recommendation: The City Council received an oral report from Laguna Hills High School Student Liaison Darya Ardehali.

1.2 Certificate of Recognition for Laguna Hills High School Student Liaison Darya Ardehali for the Spring 2021 Semester

Recommendation: Mayor Pezold presented a Certificate of Recognition to Darya Ardehali recognizing her service as the Laguna Hills High School Student Liaison.

2. SCHEDULE OF FUTURE EVENTS

2.1 Schedule of Future Events

Recommendation: Interim City Manager Rosenfield announced the upcoming City events for the month of June 2021.

3. PUBLIC COMMENTS

There were no public comments on non-agendized items.

4. CONSENT CALENDAR

Motion to approve the Consent Calendar with Council Member Heft removing Item No. 4.5 and Item No. 4.8.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Janine Heft, Council Member
SECONDER:	Bill Hunt, Council Member
AYES:	Erica Pezold, Mayor; Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Bill Hunt, Council Member; Dave Wheeler, Council Member

4.1 Waive Reading in Full of all Ordinances and Resolutions on the Agenda

Recommendation: That the City Council waive reading in full of all ordinances and resolutions on the agenda and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

4.2 Approval of Minutes for May 25, 2021, Regular Meeting

Recommendation: That the City Council approve the Minutes for the May 25, 2021, Regular Meeting.

4.3 Ratification of June 8, 2021, Warrant Register

Recommendation: That the City Council ratify the accompanying Warrant Register for the period from May 14, 2021, to May 27, 2021, in the amount of \$263,707.60.

4.4 City Council Review and Confirmation of the Necessity for Continuing the Local Emergency Related to the On-Going Threat of the Novel COVID-19 Virus

Recommendation: That the City Council review and confirm the necessity for continuing the local emergency declared in response to the Novel COVID-19 virus.

4.6 Award of Traffic Signal Maintenance Services Agreement

Recommendation: That the City Council award the Citywide Traffic Signal Maintenance Services Agreement to Crosstown Electrical & Data, Inc., reject all other Bids, and authorize the Mayor to execute the Agreement.

4.7 Rejection of Bid Proposals for Citywide Street Maintenance Services

Recommendation: That the City Council reject all Bid Proposals for Citywide Street Maintenance Services and direct Staff to reissue the Notice Inviting Bids and Specifications.

4.9 Community Outreach for the 2021-2029 Housing Element Update

Recommendation: That the City Council receive and file the report.

ITEMS REMOVED FROM THE CONSENT CALENDAR**4.5 Proposed Civic Center Lease for Suite 150 and Suite 160 with the County of Orange Clerk-Recorder for 24031 El Toro Road, Suites 150 & 160, Laguna Hills, California**

Council Member Heft removed Item No. 4.5 from the Consent Calendar to speak in favor of the Item.

Susan Evans, Chief Deputy Recorder, spoke on behalf of the Orange County Clerk Recorder in favor of the Item.

Recommendation: That the City Council approve an office lease with the County of Orange Clerk-Recorder for Suites 150 and 160 for 24031 El Toro Road, Suites 150 & 160, Laguna Hills, California, and authorize the City Manager to execute the Lease.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Janine Heft, Council Member
SECONDER:	Don Sedgwick, Mayor Pro Tempore
AYES:	Erica Pezold, Mayor; Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Bill Hunt, Council Member; Dave Wheeler, Council Member

4.8 Consulting Services Agreement with Mercy House Living Centers to Provide Homeless Outreach Services Within the City of Laguna Hills

Council Member Heft removed Item No. 4.8 from the Consent Calendar to request additional information.

Recommendation: That the City Council approve and authorize the Mayor to execute a Consulting Services Agreement with Mercy House Living Centers to provide homeless outreach services for Fiscal Year 2021-2022 in the not to exceed amount of \$26,130.

Motion to move Staff's recommendation and to direct Staff to request an oral report from Mercy House Living Centers on a quarterly basis regarding homeless outreach services and status updates on the homeless population in the City.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Janine Heft, Council Member
SECONDER:	Dave Wheeler, Council Member
AYES:	Erica Pezold, Mayor; Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Bill Hunt, Council Member; Dave Wheeler, Council Member

5. PLANNING AGENCY

Mayor Pezold recessed the City Council Meeting, and acting in capacity as Chair, called the Regular Meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:34 p.m.

5.1. ROLL CALL OF PLANNING AGENCY MEMBERS

Attendee Name	Title	Status	Arrived
Erica Pezold	Chair	Present	
Don Sedgwick	Vice Chair	Present	
Janine Heft	Agency Member	Present	
Bill Hunt	Agency Member	Present	
Dave Wheeler	Agency Member	Present	

5.2. PUBLIC COMMENTS

There were no Planning Agency public comments on non-agendized items.

5.3. APPROVAL OF MINUTES**5.3.1 Approval of Minutes for May 25, 2021, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the May 25, 2021, Regular Meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Hunt, Agency Member
SECONDER:	Janine Heft, Agency Member
AYES:	Erica Pezold, Chair; Don Sedgwick, Vice Chair; Janine Heft, Agency Member; Bill Hunt, Agency Member; Dave Wheeler, Agency Member

5.4. ADMINISTRATIVE REPORTS

There were no Planning Agency administrative reports.

5.5. PLANNING AGENCY PUBLIC HEARINGS

There were no Planning Agency public hearings.

PLANNING AGENCY ADJOURNMENT

Chair Pezold adjourned the Planning Agency Meeting at 7:34 p.m. All Council Members were present in chamber.

6. CITY COUNCIL PUBLIC HEARINGS

There were no City Council public hearings.

7. ADMINISTRATIVE REPORTS**7.1. City Manager****7.1.1 Legislative Update for the 2021-2022 Regular Session of the California State Legislature**

Interim City Manager Rosenfield reviewed the information provided in the staff report and additional information regarding proposed legislation designated as Senate Bill 6.

Recommendation: That the City Council receive and file the report and approve the City's Recommended Positions as noted in this written and oral report.

Motion to receive and file the report and approve the recommendations regarding positions on the Bills as described in the report and by the Interim City Manager, with the addition of an oppose position on Senate Bill 6.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Sedgwick, Mayor Pro Tempore
SECONDER:	Janine Heft, Council Member
AYES:	Erica Pezold, Mayor; Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Bill Hunt, Council Member; Dave Wheeler, Council Member

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS**8.1. Mayor Pezold****8.1.1 Discussion of Public Safety in the City**

Mayor Pezold provided information on this Item.

Chief of Police Services, Capt. Stiverson spoke regarding safety in the City and responded to Council requests for additional information.

The following individuals addressed the City Council on this item:

A resident of Laguna Hills spoke regarding crime concerns in the Via Lomas neighborhood.

Neel Patel, a resident of Laguna Hills, spoke regarding crime concerns in the City and provided a PowerPoint presentation handout to the Council.

Gail Croel, a resident of Laguna Hills, spoke regarding crime concerns in the City.

Recommendation: Mayor Pezold recommends that the City Council hold a discussion on issues pertaining to public safety throughout the City.

Motion to direct Staff to look into a 24/7 Security Patrol at the Community Center, as well as increased signage, additional cameras, and extra lighting was made by Mayor Pezold and no second was made. As a result, no action was taken on this motion.

Motion to direct Staff to research increasing public safety in the City and provide recommendations to the City Council at the June 22, 2021, meeting was made by Council Member Heft, seconded by Mayor Pro Tempore Sedgwick.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Janine Heft, Council Member
SECONDER:	Don Sedgwick, Mayor Pro Tempore
AYES:	Erica Pezold, Mayor; Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Bill Hunt, Council Member; Dave Wheeler, Council Member

8.1.2 Planning for an Opiates Use Awareness Event in the City

Mayor Pezold provided information on this Item.

Chief of Police Services, Capt. Stiverson responded to Council requests for additional information.

Recommendation: Mayor Pezold recommends that the City Council hold a discussion on opiate use and the potential establishment of an opiate use awareness event in the City.

Motion to direct Staff to work with Police Services to suggest ways to provide awareness and to deem Red Ribbon Week as Opiates Awareness Week was made by Mayor Pezold and no second was made. As a result, no action was taken on this motion.

8.2. Council Member Hunt

8.2.1 Formation of a Planning Commission

Council Member Hunt reviewed the information provided in the staff report.

Recommendation: Council Member Hunt recommends that the City Council consider the alternatives for the formation of a Planning Commission and determine the appropriate timing for forming a Planning Commission.

Motion to direct Staff to look into the options for formation of a Planning Commission and return to the Council with a report for further discussion was made by Council Member Hunt, seconded by Mayor Pezold. No vote was taken on this motion.

Substitute motion to table the item until a more feasible time to discuss was made by Council Member Heft, seconded by Council Member Wheeler.

RESULT:	TABLED [3 TO 2]
MOVER:	Janine Heft, Council Member
SECONDER:	Dave Wheeler, Council Member
AYES:	Don Sedgwick, Mayor Pro Tempore; Janine Heft, Council Member; Dave Wheeler, Council Member
NAYS:	Erica Pezold, Mayor; Bill Hunt, Council Member

9. CITY COUNCIL MEMBER COMMITTEE REPORTS**9.1. Mayor Pro Tempore Sedgwick****9.1.1 Orange County Fire Authority**

Recommendation: That the City Council receive and file the report.

Mayor Pro Tempore Sedgwick provided a video on Orange County Fire Authority's response to the COVID-19 pandemic.

10. CITY COUNCIL MEMBER COMMENTS**Council Member Hunt**

Council Member Hunt requested that a discussion regarding the Grand Jury report on the Transportation Corridor Agencies be agendaized for a future meeting and received a second from Mayor Pro Tempore Sedgwick.

Mayor Pezold

Mayor Pezold thanked everyone for being at the meeting and provided appreciation for the report provided by Laguna Hills resident, Neel Patel.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Pezold declared the meeting adjourned at 10:07 p.m.

Melissa Au-Yeung, City Clerk

ATTEST:

Erica Pezold, Mayor

Approved at meeting of June 22, 2021

Attachment: 210608 CC Minutes (2483 : Approval of Minutes for June 8, 2021, Regular Meeting)



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Janice Reyes
Finance Director
ISSUE: Ratification of June 22, 2021, Warrant Register

RECOMMENDATION: That the City Council ratify the accompanying Warrant Register for the period from May 28, 2021, to June 15, 2021, in the amount of \$376,183.56.

SUMMARY:

The City issues accounts payable disbursements on a regular basis and presents it to City Council for ratification at its next regularly scheduled City Council Meeting. The attached Warrant Register containing checks and electronic funds transfers for the period from May 28, 2021, to June 15, 2021, is being presented for ratification by the City Council. Payments have been reviewed and approved by the appropriate departmental staff. The Director of Finance certifies to the accuracy of the attached register and to the availability of monies for payment thereof.

ATTACHMENTS:

- Warrant Register - June 22, 2021
- Payables Detail Report - June 22, 2021



City of Laguna Hills, CA

Warrant Register - June 22, 2021

By Check Number

Date Range: 05/28/2021 - 06/15/2021

Check Number	Vendor Number	Vendor Name	Payment Date	Payment Amount
Payment Type: Regular				
8819322	A-0138	ALL CITY MANAGEMENT, INC.	06/03/2021	6,364.40
8819323	B-0304	BEE MAN, THE	06/03/2021	155.00
8819324	C-1139	COMPLETE OFFICE OF CALIFORNIA	06/03/2021	190.39
8819325	C-0023	COX COMMUNICATION	06/03/2021	443.91
8819326	D-0561	DOCU-TRUST	06/03/2021	75.00
8819327	E-0504	EL TORO WATER DISTRICT	06/03/2021	14,406.96
8819328	H-0934	HOME DEPOT	06/03/2021	374.92
8819329	J-1057	JAMEY CLARK, INC.	06/03/2021	944.21
8819330	G-0709	JOE A. GONSALVES & SON	06/03/2021	2,900.00
8819331	K-1196	KELLY ASSOCIATES MANAGEMENT GROUP, LLC	06/03/2021	2,138.75
8819332	N-1474	NIEVES LANDSCAPE, INC.	06/03/2021	84,508.00
8819333	Q-1704	QUICK CRETE PRODUCTS CORP.	06/03/2021	1,605.48
8819334	R-1977	RJ ELECTRIC	06/03/2021	307.15
8819335	R-1946	RK ENGINEERING GROUP, INC.	06/03/2021	990.00
8819336	S-2267	SINTA TAN DESIGN	06/03/2021	3,325.00
8819337	S-1949	SMART & FINAL	06/03/2021	315.63
8819338	S-1904	SOUTHERN CALIFORNIA EDISON	06/03/2021	4,327.83
8819339	U-2165	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	06/03/2021	162.84
8819340	W-2337	WEST COAST ARBORISTS, INC.	06/03/2021	34,801.20
8819341	Z-CD-0241	ABOVE IT ALL ROOFING INC	06/10/2021	720.00
8819342	A-0138	ALL CITY MANAGEMENT, INC.	06/10/2021	6,233.70
8819343	A-0379	ARBUES, SPENCER	06/10/2021	185.74
8819344	B-0437	BRINKS, INCORPORATED	06/10/2021	160.14
8819345	C-1139	COMPLETE OFFICE OF CALIFORNIA	06/10/2021	95.20
8819346	C-0023	COX COMMUNICATION	06/10/2021	195.86
8819347	D-0541	DIAMOND ENVIRONMENTAL SERVICES	06/10/2021	2,963.39
8819348	E-0554	ECONOMICS, INC.	06/10/2021	11,035.00
8819349	C-1190	FINGERPRINT ID (AFIS) LAW ENF. - COUNTY OF ORANGE	06/10/2021	1,388.00
8819350	H-0804	HINDERLITER, DE LLAMAS & ASSOC., INC.	06/10/2021	6,755.57
8819351	H-0960	HR GREEN PACIFIC, INC.	06/10/2021	27,882.24
8819352	Z-CD-0166	INTEGRITY REPIPE	06/10/2021	151.74
8819353	I-0960	IRV SEAVER MOTORCYCLES	06/10/2021	952.62
8819354	I-0942	IRVINE RANCH WATER DISTRICT	06/10/2021	166.91
8819355	Z-CD-0277	M&J STAR CONSTRUCTION INC	06/10/2021	150.30
8819356	Z-CD-0300	MCKAY, MIKE	06/10/2021	600.00
8819357	M-1302	MOULTON NIGUEL WATER DISTRICT	06/10/2021	19,033.44
8819358	N-1493	NEXUSTEK	06/10/2021	500.00
8819359	Z-CD-0301	NORLAND ROOFING	06/10/2021	900.00
8819360	O-1546	OFFICE SOLUTIONS	06/10/2021	481.93
8819361	O-1575	ORANGE COUNTY REGISTER-FREEDOM CA. NEWSPAPER PARTNERSHIP	06/10/2021	4,420.00
8819362	Z-CD-0302	PANLILIO, STEPHANY	06/10/2021	534.35
8819363	Z-CD-0303	PERMIT SERVICES	06/10/2021	360.70
8819364	Z-CD-0304	PIPE IT RIGHT PLUMBING	06/10/2021	151.74
8819365	P-1834	PLACEWORKS, INC.	06/10/2021	1,864.06
8819366	Z-CD-0292	PRIEBE, BILL	06/10/2021	690.00
8819367	Q-1715	QUESTYS SOLUTIONS	06/10/2021	5,113.93
8819368	Z-CD-0189	REHM, JEFF	06/10/2021	660.00
8819369	R-1982	RENEGADE ENTERPRISES LLC	06/10/2021	26,471.14
8819370	Z-CD-0081	REPIPE 1	06/10/2021	303.48
8819371	S-1902	SAN DIEGO GAS & ELECTRIC	06/10/2021	10,520.61
8819372	Z-CD-0305	SAPOUNAKIS, DIANE	06/10/2021	853.44
8819373	Z-CD-0175	SIMCIK, JASON	06/10/2021	100.00
8819374	S-2307	SPECTRUM TIMING SERVICES, INC.	06/10/2021	4,965.52

Attachment: Warrant Register - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

Warrant Register - June 22, 2021

Date Range: 05/28/2021 - 06/15/2021

Check Number	Vendor Number	Vendor Name	Payment Date	Payment Amount
8819375	Z-CD-0306	STOVESAND, ALAN	06/10/2021	570.00
8819376	S-2259	STRAIGHT 78	06/10/2021	550.00
8819377	Z-CD-0004	SUN POWER CORPORATION SYSTEMS	06/10/2021	59.58
8819378	Z-CD-0234	SUN RUN INSTALLATION SERVICES	06/10/2021	648.78
8819379	T-2698	TPX COMMUNICATIONS	06/10/2021	552.35
8819380	V-2249	US BANK VOYAGER FLEET SYSTEM	06/10/2021	577.51
8819381	V-2224	VERIZON WIRELESS	06/10/2021	1,179.48
8819382	W-2448	WEST GATE CONTRACTOR	06/15/2021	76,148.44
Total Regular:				376,183.56

Bank Code AP Bank Summary

	Payable	Payment		
Payment Type	Count	Count	Discount	Payment
Regular Checks	83	61	0.00	376,183.56
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	83	61	0.00	376,183.56

Attachment: Warrant Register - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	83	61	0.00	376,183.56
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	83	61	0.00	376,183.56

Fund Summary

Fund	Name	Period	Amount
998	POOL	6/2021	376,183.56
			376,183.56



City of Laguna Hills, CA

Payables Detail Report

By Fund

Payment Dates 05/28/2021 - 06/15/2021

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
Fund: 100 - GENERAL FUND					
06/03/2021	QUICK CRETE PRODUCTS CORP.	0115182-IN	Parks Contract Repair, Mar '21	100-355-720701	644.35
06/03/2021	QUICK CRETE PRODUCTS CORP.	0115514-IN	Parks Contract Repair, Apr '21	100-355-720701	232.74
06/03/2021	QUICK CRETE PRODUCTS CORP.	0115515-IN	Parks Contract Repair, Apr '21	100-355-720701	728.39
06/03/2021	DOCU-TRUST	043210	Offsite Data Storage, May '21	100-155-700030	75.00
06/03/2021	COX COMMUNICATION	051721	T-1 Line, May '21	100-195-630000	443.91
06/03/2021	SOUTHERN CALIFORNIA EDISON	052421 - Acct #70016247	Street Lights, Traffic Control, Mar '21	100-355-631900	4,327.83
06/03/2021	EL TORO WATER DISTRICT	060321	Water Usage, Public Services, May	100-355-635000	14,406.96
06/03/2021	BEE MAN, THE	114477	Bee Removal, Public Services, May	100-355-720701	155.00
06/03/2021	JOE A. GONSALVES & SON	159026	Legislative Services, Jun '21	100-155-700020	2,900.00
06/03/2021	HOME DEPOT	1615834	Operating Supplies, Apr '21	100-195-622000	14.67
06/03/2021	WEST COAST ARBORISTS, INC.	172779	Tree Trimming Services, Apr '21	100-355-720702	32,821.20
06/03/2021	WEST COAST ARBORISTS, INC.	172809	Tree Trimming Services, Apr '21	100-355-720702	1,980.00
06/03/2021	COMPLETE OFFICE OF CALIFORNIA	2565210-0	Computer Supplies, May '21	100-195-621000	190.39
06/03/2021	SMART & FINAL	3831400015403	Office & Operating Supplies, May '21	100-155-622000	88.90
06/03/2021	SMART & FINAL	3831400015403	Office & Operating Supplies, May '21	100-195-620000	101.92
06/03/2021	SMART & FINAL	3831400015403	Office & Operating Supplies, May '21	100-195-622000	28.96
06/03/2021	SMART & FINAL	3831400022202	Operating Supplies, Com Svcs, May	100-310-622005	16.99
06/03/2021	SMART & FINAL	3831400022202	Operating Supplies, Com Svcs, May	100-310-695500	78.86
06/03/2021	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	520210373	Street Maintenance, May '21	100-355-720400	105.70
06/03/2021	HOME DEPOT	5622624	Operating Supplies, Apr '21	100-195-622000	108.63
06/03/2021	RJ ELECTRIC	59688	Parks Contract Repair, Comm Ctr, May '21	100-355-720701	307.15
06/03/2021	HOME DEPOT	6614518	Operating Supplies, Apr '21	100-195-622000	135.51
06/03/2021	NIEVES LANDSCAPE, INC.	69619	Monthly and Misc Landscape, May	100-355-720700	84,508.00
06/03/2021	ALL CITY MANAGEMENT, INC.	70622	Crossing Guard Services, 5/2/21 - 5/15/21	100-420-720822	6,364.40
06/03/2021	JAMEY CLARK, INC.	72548	Park Repairs, Public Services, May '21	100-355-720701	112.50
06/03/2021	JAMEY CLARK, INC.	72564	Park Repairs, Public Services, May '21	100-355-720701	831.71
06/03/2021	HOME DEPOT	9270846	Rooted Campaign, Apr '21	100-310-695500	116.11
06/03/2021	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	dsb20202654	Street Maintenance, May '21	100-355-720400	57.14
06/03/2021	SINTA TAN DESIGN	lhbm_031021	1/2 Marathon Expense, Community Services, Mar '21	100-310-695507	2,362.50
06/03/2021	SINTA TAN DESIGN	lhbm_052621	1/2 Marathon Expense, Community Services, May '21	100-310-695507	962.50
06/10/2021	ORANGE COUNTY REGISTER-FREEDOM CA. NEWSPAPER	0000514129	Legal Advertising, May '21	100-155-624001	4,420.00
06/10/2021	COX COMMUNICATION	052921	WiFi, Community Center, May '21	100-195-630000	195.86
06/10/2021	IRVINE RANCH WATER DISTRICT	060221	Water Usage, Public Services, May	100-355-635000	166.91
06/10/2021	ARBUES, SPENCER	060721	Stalled Payroll Check - PW16 2019	100-000-201005	185.74
06/10/2021	STRAIGHT 78	061021	Deposit, 4th of July Event	100-000-140000	550.00
06/10/2021	MOULTON NIGUEL WATER DISTRICT	061021	Water Usage, Public Services, May	100-355-635000	19,033.44
06/10/2021	SAN DIEGO GAS & ELECTRIC	061021	Street Lights, Traffic Control, May '21	100-356-631400	10,520.61
06/10/2021	RENEGADE ENTERPRISES LLC	1002	Event Management Services, 1/2 Marathon	100-310-695507	26,471.14
06/10/2021	BRINKS, INCORPORATED	11586684	Courier Fee, Armored Transport, Jun '21	100-155-625000	160.14
06/10/2021	TPX COMMUNICATIONS	143263852-0	Communications Expense, Jun '21	100-195-630000	552.35
06/10/2021	HR GREEN PACIFIC, INC.	144007	Building Services, Community Development, May '21	100-225-700000	20,330.00
06/10/2021	HR GREEN PACIFIC, INC.	144008	Plan Check, Community Development, May '21	100-225-700000	7,552.24
06/10/2021	SPECTRUM TIMING SERVICES, INC.	2021-02	1/2 Marathon, May '21	100-310-695507	4,965.52

Attachment: Payables Detail Report - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

Payables Detail Report

Payment Dates: 05/28/2021 - 06/15/2021

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
06/10/2021	IRV SEAVER MOTORCYCLES	20211169	Motorcycle Maintenance, Police Svcs, May '21	100-420-646100	952.62
06/10/2021	NEXUSTEK	240395	Professional Services, Software Support, May '21	100-195-720050	500.00
06/10/2021	COMPLETE OFFICE OF CALIFORNIA	2567817-0	Computer Supplies, Jun '21	100-195-621000	95.20
06/10/2021	ALL CITY MANAGEMENT, INC.	70864	Crossing Guard Services, 5/16/21 - 5/29/21	100-420-720822	6,233.70
06/10/2021	PLACEWORKS, INC.	75384	Housing Element, May '21	100-225-700225	1,864.06
06/10/2021	US BANK VOYAGER FLEET SYSTEM	8693219192122 COMDE	Vehicle Fuel, May '21	100-225-613100	46.13
06/10/2021	US BANK VOYAGER FLEET SYSTEM	8693219272122 COMSV	Vehicle Fuel, May '21	100-310-613100	208.00
06/10/2021	US BANK VOYAGER FLEET SYSTEM	8693220402122 PUBWK	Vehicle Fuel, May '21	100-355-613100	317.38
06/10/2021	US BANK VOYAGER FLEET SYSTEM	8693220402122 PUBWK	Vehicle Fuel, May '21	100-355-646100	6.00
06/10/2021	VERIZON WIRELESS	9880597336	Communication Expense, May '21	100-195-630000	1,179.48
06/10/2021	ABOVE IT ALL ROOFING INC	CD-0687-BLDR-0792-202	Refund, C&D Deposit, REC-004811-2021	100-000-227001	720.00
06/10/2021	M&J STAR CONSTRUCTION INC	CD-0688-BLDR-0246-201	Refund, C&D Deposit, R #7786	100-000-227001	150.30
06/10/2021	MCKAY, MIKE	CD-0689-BLDR-0776-202	Refund, C&D Deposit, REC-004881-2021	100-000-227001	600.00
06/10/2021	NORLAND ROOFING	CD-0690-BLDR-0737-202	Refund, C&D Deposit, REC-004540-2021	100-000-227001	900.00
06/10/2021	PRIEBE, BILL	CD-0691-BLDR-0766-202	Refund, C&D Deposit, REC-004684-2021	100-000-227001	690.00
06/10/2021	REHM, JEFF	CD-0692-BLDR-0790-202	Refund, C&D Deposit, REC-004810-2021	100-000-227001	660.00
06/10/2021	SIMCIK, JASON	CD-0693-BLDR-0748-202	Refund, C&D Deposit, REC-004588-2021	100-000-227001	100.00
06/10/2021	STOVESAND, ALAN	CD-0694-BLDR-0643-202	Refund, C&D Deposit, R #8166	100-000-227001	570.00
06/10/2021	INTEGRITY REPIPE	CD-0695-PLMR-0434-202	Refund, Permit Fees, R #7674	100-000-221011	1.00
06/10/2021	INTEGRITY REPIPE	CD-0695-PLMR-0434-202	Refund, Permit Fees, R #7674	100-000-221012	4.00
06/10/2021	INTEGRITY REPIPE	CD-0695-PLMR-0434-202	Refund, Permit Fees, R #7674	100-000-442000	146.74
06/10/2021	PANLILIO, STEPHANY	CD-0696-BLDR-0445-202	Refund, Permit Fees, R #7155	100-000-442000	534.35
06/10/2021	PERMIT SERVICES	CD-0697-BLDR-0834-202	Refund, Permit Fees, REC-005080-2021	100-000-442000	353.89
06/10/2021	PERMIT SERVICES	CD-0698-PLMR-0636-202	Refund, Permit Fees, REC-005080-2021	100-000-442000	6.81
06/10/2021	PIPE IT RIGHT PLUMBING	CD-0699-PLMR-0572-202	Refund, Permit Fees, REC-005071-2021	100-000-442000	151.74
06/10/2021	REPIPE 1	CD-0700-PLMR-0626-202	Refund, Permit Fees, REC-004949-2021	100-000-221011	1.00
06/10/2021	REPIPE 1	CD-0700-PLMR-0626-202	Refund, Permit Fees, REC-004949-2021	100-000-221012	4.00
06/10/2021	REPIPE 1	CD-0700-PLMR-0626-202	Refund, Permit Fees, REC-004949-2021	100-000-442000	146.74
06/10/2021	REPIPE 1	CD-0701-PLMR-0557-202	Refund, Permit Fees, REC-004524-2021	100-000-221011	1.00
06/10/2021	REPIPE 1	CD-0701-PLMR-0557-202	Refund, Permit Fees, REC-004524-2021	100-000-221012	4.00
06/10/2021	REPIPE 1	CD-0701-PLMR-0557-202	Refund, Permit Fees, REC-004524-2021	100-000-442000	146.74
06/10/2021	SAPOUNAKIS, DIANE	CD-0702-RES-15860	Refund, Permit Fees, R #827	100-000-442000	650.30
06/10/2021	SAPOUNAKIS, DIANE	CD-0703-ME-16052	Refund, Permit Fees, R #827	100-000-442000	164.22
06/10/2021	SAPOUNAKIS, DIANE	CD-0704-PL-16053	Refund, Permit Fees, R #827	100-000-442000	38.92
06/10/2021	SUN RUN INSTALLATION SERVICES	CD-0705-ELER-0422-202	Refund, Permit Fees, R #7000, Memo: 109R-301SUSS	100-000-442000	186.62
06/10/2021	SUN RUN INSTALLATION SERVICES	CD-0706-ELER-0508-202	Refund, Permit Fees, R #7541, Memo: 109R-582BARN	100-000-442000	240.02
06/10/2021	SUN RUN INSTALLATION SERVICES	CD-0707-ELER-0577-202	Refund, Permit Fees, R #7884, Memo: 109R-692GUD	100-000-442000	222.14
06/10/2021	SUN POWER CORPORATION	CD-0708-ELER-0607-202	Refund, Permit Fees, R #6110	100-000-221011	1.00
06/10/2021	SUN POWER CORPORATION	CD-0708-ELER-0607-202	Refund, Permit Fees, R #6110	100-000-221012	4.00
06/10/2021	SUN POWER CORPORATION	CD-0708-ELER-0607-202	Refund, Permit Fees, R #6110	100-000-442000	54.58
06/10/2021	OFFICE SOLUTIONS	I-01876747	Office Supplies, May '21	100-195-620000	32.64
06/10/2021	OFFICE SOLUTIONS	I-01877948	Office/Operating Supplies, May '21	100-195-620000	370.96

Attachment: Payables Detail Report - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

Payables Detail Report

Payment Dates: 05/28/2021 - 06/15/2021

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
06/10/2021	OFFICE SOLUTIONS	I-01877948	Office/Operating Supplies, May '21	100-355-622000	78.33
06/10/2021	QUESTYS SOLUTIONS	QSIMN000080	Software Maintenance, FY 21/22	100-000-140000	5,113.93
06/10/2021	FINGERPRINT ID (AFIS) LAW ENF. - COUNTY OF ORANGE	SH 59181	Fingerprint ID System Charges, Jun	100-420-720835	1,388.00
06/10/2021	HINDERLITER, DE LLAMAS & ASSOC., INC.	SIN008946	Sales Tax 2ndtQtr, Audit Sales 4th	100-155-700052	6,755.57
06/15/2021	WEST GATE CONTRACTOR	#3	Community Ctr Renovation, CIP 513-B, Sep - Oct '20	100-000-201001	(4,007.81)
06/15/2021	WEST GATE CONTRACTOR	#3	Community Ctr Renovation, CIP 513-B, Sep - Oct '20	100-600-790600	80,156.25
Fund 100 - GENERAL FUND Total:					359,056.42
Fund: 101 - MGP DEVELOPMENT APPLICATION - VALH PROJECT					
06/03/2021	KELLY ASSOCIATES MANAGEMENT GROUP, LLC	060121	Professional Services, May '21	101-000-223000	2,138.75
06/03/2021	KELLY ASSOCIATES MANAGEMENT GROUP, LLC	060121	Professional Services, May '21	101-000-450000	(2,138.75)
06/03/2021	KELLY ASSOCIATES MANAGEMENT GROUP, LLC	060121	Professional Services, May '21	101-225-700040	2,138.75
06/03/2021	RK ENGINEERING GROUP, INC.	210501	Traffic Study, Village at Laguna Hills, May '21	101-000-223000	990.00
06/03/2021	RK ENGINEERING GROUP, INC.	210501	Traffic Study, Village at Laguna Hills, May '21	101-000-450000	(990.00)
06/03/2021	RK ENGINEERING GROUP, INC.	210501	Traffic Study, Village at Laguna Hills, May '21	101-225-700101	990.00
Fund 101 - MGP DEVELOPMENT APPLICATION - VALH PROJECT Total:					3,128.75
Fund: 307 - C & D FORFEITED DEPOSITS					
06/10/2021	ECONOMICS, INC.	2017-2018.47	Professional Services, Recycling Program, May '21	307-355-700000	11,035.00
Fund 307 - C & D FORFEITED DEPOSITS Total:					11,035.00
Fund: 430 - CARES Act Assistance - State					
06/10/2021	DIAMOND ENVIRONMENTAL	0003260877	Contract Serv - Sanitation, Comm Ctr, Jun '21	430-420-721505	1,041.13
06/10/2021	DIAMOND ENVIRONMENTAL	0003260878	Contract Serv - Sanitation, Cabot Park, Jun '21	430-420-721505	961.13
06/10/2021	DIAMOND ENVIRONMENTAL	0003260879	Contract Serv - Sanitation, Civic Ctr, Jun '21	430-420-721505	961.13
Fund 430 - CARES Act Assistance - State Total:					2,963.39
Fund: 600 - CAPITAL IMPROVEMENT PROJECT					
06/15/2021	WEST GATE CONTRACTOR	#3	Community Ctr Renovation, CIP 513-B, Sep - Oct '20	600-000-490100	(80,156.25)
06/15/2021	WEST GATE CONTRACTOR	#3	Community Ctr Renovation, CIP 513-B, Sep - Oct '20	600-255-950513	80,156.25
Fund 600 - CAPITAL IMPROVEMENT PROJECT Total:					-
Grand Total:					376,183.56

Attachment: Payables Detail Report - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

Report Summary

Fund Summary

Fund	Expense Amount	Payment Amount
100 - GENERAL FUND	359,056.42	359,056.42
101 - MGP DEVELOPMENT APPLICATION - VALH PROJECT	3,128.75	3,128.75
307 - C & D FORFEITED DEPOSITS	11,035.00	11,035.00
430 - CARES Act Assistance - State	2,963.39	2,963.39
600 - CAPITAL IMPROVEMENT PROJECT	-	-
Grand Total:	376,183.56	376,183.56

Account Summary

Account Number	Account Name	Expense Amount	Payment Amount
100-000-140000	Pre-paid Expenditures	5,663.93	5,663.93
100-000-201001	Accounts Payable - Retention	(4,007.81)	(4,007.81)
100-000-201005	Unclaimed Checks	185.74	185.74
100-000-221011	Building Standards Fee	4.00	4.00
100-000-221012	SB1186 ADA CASp Fees	16.00	16.00
100-000-227001	SecurityDeposit-WasteRecycling	4,390.30	4,390.30
100-000-442000	Building Related Permits	3,043.81	3,043.81
100-155-622000	Operating Supplies	88.90	88.90
100-155-624001	Advertising - Legal	4,420.00	4,420.00
100-155-625000	Postage & Delivery	160.14	160.14
100-155-700020	Professional Services - Legislative	2,900.00	2,900.00
100-155-700030	Professional Svcs- City Clerk	75.00	75.00
100-155-700052	Compliance Audit Services - Sales	6,755.57	6,755.57
100-195-620000	Office Supplies	505.52	505.52
100-195-621000	Computer Supplies	285.59	285.59
100-195-622000	Operating Supplies	287.77	287.77
100-195-630000	Telephone & Communication	2,371.60	2,371.60
100-195-720050	Contract Serv-Software Support	500.00	500.00
100-225-613100	Vehicle-Fuel	46.13	46.13
100-225-700000	Prof. Svcs - Building & Safety	27,882.24	27,882.24
100-225-700225	Housing Element	1,864.06	1,864.06
100-310-613100	Vehicle-Fuel	208.00	208.00
100-310-622005	Operating Supplies Comm Ctr	16.99	16.99
100-310-695500	Special Events-Program Service	194.97	194.97
100-310-695507	Marathon 5k	34,761.66	34,761.66
100-355-613100	Vehicle-Fuel	317.38	317.38
100-355-622000	Operating Supplies	78.33	78.33
100-355-631900	UtilitiesElectricOnBillFinancing	4,327.83	4,327.83
100-355-635000	Utilities - Water	33,607.31	33,607.31
100-355-646100	Maint & Repairs - Vehicles	6.00	6.00
100-355-720400	Street Maintenance	162.84	162.84
100-355-720700	Landscape Maintenance Contract	84,508.00	84,508.00
100-355-720701	Parks Contract Repair	3,011.84	3,011.84
100-355-720702	Tree Maintenance	34,801.20	34,801.20
100-356-631400	MOE Electricity-Streetlights &	10,520.61	10,520.61
100-420-646100	Maint & Repairs - Vehicles	952.62	952.62
100-420-720822	Crossing Guard Services	12,598.10	12,598.10
100-420-720835	Fingerprint Identification Svc	1,388.00	1,388.00
100-600-790600	Transfers Out - Capital Imprv	80,156.25	80,156.25
101-000-223000	Plan Application Deposit	3,128.75	3,128.75
101-000-450000	Planning Fees	(3,128.75)	(3,128.75)
101-225-700040	Consultant Services, Project	2,138.75	2,138.75
101-225-700101	Consultant Services, Traffic	990.00	990.00
307-355-700000	Professional Services	11,035.00	11,035.00
430-420-721505	Contract Services-	2,963.39	2,963.39
600-000-490100	Transfer In- General Fund	(80,156.25)	(80,156.25)

Attachment: Payables Detail Report - June 22, 2021 (2488 : Warrant Register, June 22, 2021)

Payables Detail Report

Payment Dates: 05/28/2021 - 06/15/2021

Account Summary

Account Number	Account Name	Expense Amount	Payment Amount
600-255-950513	Community Center Renovation	80,156.25	80,156.25
	Grand Total:	376,183.56	376,183.56

Project Account Summary

Project Account Key	Expense Amount	Payment Amount
None	376,183.56	376,183.56
Grand Total:	376,183.56	376,183.56

Attachment: Payables Detail Report - June 22, 2021 (2488 : Warrant Register, June 22, 2021)



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim Director of Emergency Services/Interim City Manager

ISSUE: City Council Review and Confirm the Necessity for Continuing the Local Emergency Related to the On-Going Threat of the Novel COVID-19 Virus and Confirmation of the Interim Director of Emergency Services/Interim City Manager's Executive Orders Related Thereto

RECOMMENDATION: That the City Council: 1) Review and confirm the necessity for continuing the local emergency declared in response to the Novel COVID-19 virus; and 2) Confirm the Interim Director of Emergency Services/Interim City Manager's Executive Orders related thereto.

SUMMARY:

On March 18, 2020, the City Manager, acting in his capacity as Director of Emergency Services, proclaimed the existence of a local emergency relating to COVID-19 (the "novel coronavirus"), at which time the City Council was not in session. On March 24, 2020, during a special meeting, the City Council ratified and confirmed the City Manager's proclamation declaring the existence of a local emergency. Since that time, the rate of infection and threat to public health and safety has been significant and growing. As of June 3, 2021, there were more than 172 million worldwide cases of COVID-19, and 3.69 million deaths; locally, there were approximately 272,000 confirmed cases and 5,068 deaths in Orange County. While COVID-19 cases have recently been on the decline and the public acceptance of vaccines has increased, allowing some Executive Orders to be relaxed, there is still a public health risk. Pursuant to Laguna Hills Municipal Code ("LHMC") Section 2-32.060, the City Council must review the necessity for continuing the local emergency no less frequently than at every subsequent regular meeting of the

Continuation of Local Emergency and Confirmation of Executive Orders

June 22, 2021

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City Council until the emergency is terminated. LHMC Section 2-32.150 further requires any rules and regulations, such as Executive Orders, issued by the Interim Director of Emergency Services/Interim City Manager that are reasonably related to the local emergency, such as for the protection of life and property as affected by the emergency, to be confirmed as soon as practicable by the City Council.

BACKGROUND:

On January 30, 2020, the World Health Organization ("WHO") declared the outbreak of COVID-19 a "public health emergency of international concern" and by March 11, 2020, the WHO elevated the public health emergency to the status of a pandemic. On January 31, 2020, United States Health and Human Services Secretary Alex M. Azar II declared a public health emergency for the United States to aid the nation's healthcare community in responding to COVID-19. On February 26, 2020, the County of Orange and County Health Officer Dr. Nichole Quick declared a local emergency and a local health emergency to prepare for COVID-19, and on March 4, 2020, the Governor declared a State of Emergency in California allowing state agencies to take any action necessary to address COVID-19.

On March 11, 2020, the Governor and the California Department of Health issued a statement entitled "California Public Health Experts: Mass Gatherings Should be Postponed or Canceled Statewide to Slow the Spread of COVID-19" determining that gatherings should be postponed or canceled across the state until at least the end of March. Non-essential gatherings must be limited to no more than 250 people, while smaller events can proceed only if the organizers can implement social distancing of six (6) feet per person. Gatherings of individuals who are at higher risk for severe illness from COVID-19 should be limited to no more than ten (10) people, while also following social distancing guidelines. Furthermore, essential gatherings should only be conducted if the essential activity could not be postponed or achieved without gathering, meaning that some other means of communication could not be used to conduct the essential function.

Within a short period of time thereafter, COVID-19 began to spread rapidly throughout California necessitating more stringent public health emergency orders. On March 12, 2020, the Governor issued Executive Order N-25-20, ordering that all residents are to heed the orders and guidance of state and local public health officials. Subsequently, on March 13, 2020, President Donald J. Trump declared a National Emergency to provide disaster funding, speed up the United States response to the crisis

Continuation of Local Emergency and Confirmation of Executive Orders

June 22, 2021

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created by COVID-19, and to offer maximum flexibility to attack the problem. By March 16, 2020, President Trump advised the public to avoid groups of more than ten (10) people to fight the COVID-19 outbreak. On March 17, 2020, the Orange County Health Officer issued a Public Health Order prohibiting all public and private gatherings of any number of people, including at places of work, occurring outside a single household or living unit, until March 31, 2020, except for the purposes of engaging in an Essential Activity, as defined. This Public Health Order was superseded by the State's Executive Order and continues in effect until further notice.

In light of these events, on March 18, 2020, the City Manager, acting as the Director of Emergency Services pursuant to LHMC Section 2-32.060(B), proclaimed the existence of a local emergency within the City of Laguna Hills by enacting Proclamation No. 2020-03-18-1, at which time the City Council was not in session. A copy of Proclamation No. 2020-03-18-1 is attached hereto. On March 24, 2020, the City Council unanimously ratified and confirmed the City Manager's proclamation declaring the existence of a local emergency during a special meeting, as required by LHMC Section 2-32.060(B).

In order to mitigate the impact of COVID-19 across the State, on March 19, 2020, the Governor issued Executive Order N-33-20, which directed and ordered all residents to: 1) immediately heed the current State public health directives; and 2) to stay at home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors. On March 22, 2020, President Donald J. Trump declared California a major disaster area, thereby making federal emergency aid available for the State to supplement state, tribal, and local recovery efforts in the areas affected by the COVID-19 pandemic beginning on January 1, 2020, and continuing.

Effective August 31, 2020, Governor Newsom implemented a "Blueprint for a Safer Economy," within the COVID-19 portion of the state's website at: <https://covid19.ca.gov/safer-economy/>, which allows the public to enter a County and a desired activity to verify if it is open. The system also labels each county's risk level using a four color-coded tier system for COVID-19 monitoring that will replace any former county-based monitoring systems.

On December 3, 2020, Governor Newsom announced a new Regional Stay Home Order that will prohibit gatherings of any size, close operations except for critical infrastructure and retail, and require 100% masking and physical distancing. Orange County is part of the Southern California Region that includes the counties of Imperial,

Continuation of Local Emergency and Confirmation of Executive Orders

June 22, 2021

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Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura. This Regional Stay Home Order will go into effect within 24 hours in regions with less than 15% ICU availability. The order will remain in effect for at least 3 weeks and, after that period, will be lifted when a region's projected ICU capacity meets or exceeds 15% based on a weekly assessment. On December 6, 2020, the Southern California Region was placed on a Regional Stay at Home Order that ended on January 25, 2021. County restrictions return to their assigned risk level tier. On March 14, 2021, the County of Orange was moved up from the risk factor of Widespread to be labeled with a risk factor of Substantial, was further moved up on March 31st to be labeled with a risk factor of Moderate and on May 19, 2021 the County moved up to be labeled with a risk factor of Minimal. On June 15, 2021, California reopened the economy and retired the Blueprint for a Safer Economy. All sectors are allowed to return to usual operations (with limited exceptions for Mega Events).

As of June 3, 2021, there were more than 172 million worldwide cases of COVID-19, and 3.69 million deaths; locally, there were approximately 272,000 confirmed cases and 5,068 deaths in Orange County. While COVID-19 cases have recently been on the decline and the public acceptance of vaccines has increased, allowing some Executive Orders to be relaxed, there is still a public health risk. The rate of infection, potential impact to health care systems, and the threat to public health and safety have not fully abated. The state of local emergency continues to exist.

It is recommended that the City Council: 1) Review the necessity for continuing the local emergency related to the COVID-19 pandemic; and 2) Confirm the Interim Director of Emergency Services/Interim City Manager's Executive Orders related thereto and as attached hereto.

Based on the recommendations of the Interim Director of Emergency Services/Interim City Manager and the Chief of Police Services, it has been determined that the need for the locally declared emergency, pursuant to Proclamation No. 2020-03-18-1, continues to exist and should not be terminated at this time.

ATTACHMENTS:

- Proclamation No. 2020-03-18-1, Declaration of Existence of a Local Emergency
- Executive Order, Interim Director of Emergency Services/Interim City Manager, June 15, 2021

PROCLAMATION NO. 2020-03-18-1

A PROCLAMATION OF THE DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DECLARING THE EXISTENCE OF A LOCAL EMERGENCY

WHEREAS, Laguna Hills Municipal Code Section 2-32.060 empowers the City Council (while in session), or the Director of Emergency Services (if the City Council is not in session), to declare the existence or threatened existence of a local emergency; and

WHEREAS, California Government Code Section 8550 *et seq.*, including Section 8558(c), authorizes the Director of Emergency Services to proclaim a local emergency when the City is threatened by conditions of disaster or extreme peril to the safety of persons and property within the City that are likely to be beyond the control of the services, personnel, equipment, and facilities of the City; and

WHEREAS, a novel coronavirus, COVID-19, causes infectious disease and was first detected in Wuhan City, Hubei Province, China in December 2019. Symptoms of COVID-19 include fever, cough, and shortness of breath; outcomes have ranged from mild to severe illness and in some cases death. The Center for Disease Control and Prevention (CDC) has indicated the virus is a significant public health threat; and

WHEREAS, Chinese health officials have reported tens of thousands of cases of COVID-19 in China, with the virus reportedly spreading from person-to-person. COVID-19 illnesses, most of them associated with travel from Wuhan, are also being reported in numerous countries, with thousands of cases, including the United States; and

WHEREAS, on January 30, 2020, the World Health Organization (WHO) declared the outbreak a "public health emergency of international concern" and on March 11, 2020, the WHO elevated the public health emergency to the status of a pandemic. On January 31, 2020, United States Health and Human Services Secretary Alex M. Azar II declared a public health emergency for the United States to aid the nation's healthcare community in responding to COVID-19. On February 26, 2020, the County of Orange declared a local emergency and a local health emergency. On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in California; and

WHEREAS, on February 2, 2020, the federal government initiated the suspension of entry of foreign nationals who were in China during the 14-day period preceding their entry or attempted entry into the United States; and

WHEREAS, as of March 10, 2020, the WHO reported that, to date, 125,048 confirmed cases of COVID-19, 4,613 of which resulted in death, across 117 countries; and

WHEREAS, the Governor and the California Department of Health on March 11, 2020, issued a statement entitled "California Public Health Experts: Mass Gatherings Should be Postponed or Canceled Statewide to Slow the Spread of COVID-19," determining that gatherings should be postponed or canceled across the state until at least the end of March. Non-essential gatherings must be limited to no more than 250 people, while smaller events can proceed only if the organizers can implement social distancing of 6 feet per person. Gatherings of individuals who are at higher risk for severe illness from COVID-19 should be limited to no more than 10 people, while also following social distancing guidelines. Furthermore, essential gatherings should only be conducted if the essential activity could not be postponed or achieved without gathering, meaning that some other means of communication could not be used to conduct the essential function; and

WHEREAS, the Governor on March 12, 2020, issued Executive Order N-25-20, ordering, inter alia, that all residents are to heed the orders and guidance of state and local public health officials; and

WHEREAS, President Donald J. Trump on March 13, 2020, declared a national emergency to provide disaster funding, speed up the United States response to the crisis created by COVID-19, and to offer maximum flexibility to attack the problem; and

WHEREAS, on March 15, 2020, Governor Newsome requested bars and nightclubs to close, restaurants to reduce capacity by half, and all Californians aged 65 and older to self-isolate; and

WHEREAS, on March 16, 2020, President Donald J. Trump advised the public to avoid groups of more than 10 people to fight the coronavirus outbreak; and

WHEREAS, the City of Laguna Hills has the authority to impose measures to promote social distancing including, but not limited to, limitations on public events; and

WHEREAS, the City of Laguna Hills is a significantly populated city within Orange County, which is the sixth largest county in the United States; and

WHEREAS, conditions of extreme peril to the safety of persons and property have arisen due to the potential introduction of COVID-19 to the City of Laguna Hills and Orange County; and

WHEREAS, such conditions are beyond the control of the services, personnel, equipment, and facilities of the City of Laguna Hills and require the combined forces of other political subdivisions to combat; and

WHEREAS, it is imperative to prepare for and respond to suspected or confirmed COVID-19 cases, to implement measures to mitigate the spread of COVID-19, and to prepare to respond to an increasing number of individuals requiring medical care and hospitalization; and

WHEREAS, if COVID-19 spreads in California at a rate comparable to the rate of spread in other countries, the number of persons requiring medical care may exceed locally available resources, and controlling outbreaks minimizes the risk to the public, maintains the health and safety of the community, and limits the spread of infection in the community and within the healthcare delivery system; and

WHEREAS, the mobilization of local resources, ability to coordinate interagency response, accelerate procurement of vital supplies, use mutual aid, and allow for future reimbursement by the state and federal governments will be critical to successfully responding to COVID-19; and

WHEREAS, the Director of Emergency Services has the authority to declare a local emergency as authorized by California Government Code Section 8630 and Laguna Hills Municipal Code Section 2-32.060.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED AND ORDERED BY DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF LAGUNA HILLS AS FOLLOWS:

Section 1. As contemplated in the Emergency Services Act contained in California Government Code Section 8550 *et seq.*, including Section 8558(c), and Chapter 2-32 of Title 2 of the Laguna Hills Municipal Code, a local emergency exists based on the existence of conditions of disaster or of extreme peril to the safety of persons and property caused by an epidemic, as detailed in the recitals set forth above.

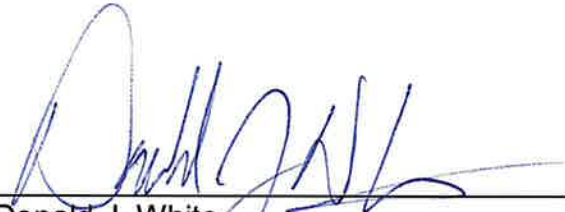
Section 2. The area of the City of Laguna Hills which is endangered/imperiled is the entire city.

Section 3. During the existence of this local emergency, the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law and by ordinances, resolutions, and orders of this City, including but not limited to the City's Emergency Operations Plan.

Section 4. The City Council shall review and ratify this proclamation of the City Manager within **seven (7) days** as required by state law, and if ratified, shall continue to exist until the City Council proclaims the termination of this local emergency. The City Council shall review the need for continuing the local emergency as required by state and local law until it terminates the local emergency, and shall terminate the local emergency at the earliest possible date that conditions warrant.

Section 5. A copy of this proclamation shall be forwarded to the Director of California Governor's Office of Emergency Services requesting that the Director find it acceptable in accordance with state law; that the Governor of California, pursuant to the Emergency Services Act, issue a proclamation declaring an emergency in the City of Laguna Hills; that the Governor waive regulations that may hinder response and recovery efforts; that recovery assistance be made available under the California Disaster Assistance Act; and that the State expedite access to State and Federal resources and any other appropriate federal disaster relief programs.

PROCLAIMED this 18th day of March 2020.


Donald J. White,
Director of Emergency Services/
City Manager

ATTEST:


Melissa Au-Yeung, City Clerk

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Proclamation No. 2020-03-18-1 adopted by the Director of Emergency Services of the City of Laguna Hills, California, on the 18th day of March 2020.

(SEAL)


MELISSA AU-YEUNG, CITY CLERK



CITY OF LAGUNA HILLS

City Manager

OFFICE OF THE CITY MANAGER/DIRECTOR OF EMERGENCY SERVICES

Executive Orders

**Pursuant to Proclamation No. 20-03-18-01
Declaring the Existence of a Local Emergency**

RE: NOVEL CORONAVIRUS, COVID-19

Issue Date: June 15, 2021

On March 18, 2020, in the City Manager's capacity as the Director of Emergency Services (LHMC 2-32.060), the City Manager issued Proclamation 20-03-18-01 Declaring the Existence of a Local Emergency in response to severe public health concerns and economic impacts relating to the COVID-19 pandemic. The novel coronavirus, COVID-19, causes infectious disease and was first detected in Wuhan, Hubei Province, China in December 2019. Symptoms of COVID-19 include fever, cough, and shortness of breath; outcomes have ranged from mild to severe illness, and, in multiple cases resulted in death. The Center for Disease Control and Prevention (CDC) has indicated the virus is a significant public health threat, and States of Emergency have been declared by the County of Orange, the State of California and the federal government of the United States. On March 19, 2020, California Governor Gavin Newsom issued Executive Order N-33-20, which bans gatherings, public and private, and orders residents to stay at home at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors, as defined, in order to mitigate the impact of COVID-19. Executive Order N-33-20 is enforceable pursuant to California law per Government Code Section 8665.

In order to comply with all applicable Public Health and Executive Orders and to protect public health in the City of Laguna Hills, the following Executive Orders are in effect until further notice:

37. City Hall is open to the public during normal business hours. Executive Order No. 2, dated March 19, 2020, is hereby rescinded.
38. Building Department services are available during normal business hours. Executive Order No. 8, dated March 24, 2020, is hereby rescinded.

39. Planning Department services are available during normal business hours. Executive Order No. 10, dated March 24, 2020, is hereby rescinded.
40. Citations for all violations of parking on public streets will recommence on June 15, 2021, including, but not limited to, street sweeping parking violations. Executive Order No. 12 and Executive Order No. 14, both dated March 30, 2020, are hereby rescinded.
41. Portable restrooms are no longer needed. Executive Order No. 13, dated March 30, 2020, is hereby rescinded.
42. Furlough for part-time employees is cancelled. Executive Order No. 21, dated May 18, 2020, is hereby rescinded.
43. The Laguna Hills Community Center is open to the public during normal business hours. Executive Order No. 28, dated September 9, 2020, is hereby rescinded.
44. Recreation programs, classes and activities will resume in accordance with normal operating procedures and the approved budget. Executive Order No. 29, dated September 9, 2020, is hereby rescinded.
45. Outdoor playground facilities are open to the public. Executive Order No. 30, dated October 8, 2020, is hereby rescinded.
46. City employees are returned to work during normal office hours Monday through Thursday and, in coordination with their respective Department Heads, employees will work remotely on Fridays. The use of paid administrative leave will be discontinued as of June 1, 2021. Executive Order No. 24, dated June 5, 2020, is hereby rescinded. Executive Order No. 36, dated March 11, 2021, is hereby rescinded.

Additional Executive Orders may be issued at any time relating to this public health emergency. Additional Executive Orders are cumulative, and do not negate or reverse these Executive Orders contained herein unless explicitly stated.



Kenneth H. Rosenfield
Interim Director of Emergency Services/
Interim City Manager

Cc:

Mayor and City Council
Greg Simonian, City Attorney
Melissa Au-Yeung, Deputy City Manager
David Reynolds, Deputy City Manager
David Chantarangsu, Community Services Director
Janice Reyes, Finance Director
Matthew Stiverson, Police Chief



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Melissa Au-Yeung
Deputy City Manager
ISSUE: Records Retention Management

RECOMMENDATION: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, authorizing and directing the City Clerk to dispose of certain City records in accordance with the City's Record Retention Schedule."

SUMMARY:

State law authorizes cities to destroy records when the records are no longer required, the records have been retained for the time periods required by law, the City Council adopts a Resolution authorizing the destruction, and the City Attorney provides written consent to the destruction (Government Code § 34090). On February 11, 2020, the City Council adopted Resolution No. 2020-02-11-1, which amended and restated the City's Record Retention Schedule. Records designated for disposal, as set forth in Exhibit "A" to the proposed Resolution attached hereto, *exclude* any of the following types of records, per Government Code Section 34090: (a) records affecting the title to real property or liens thereon; (b) court records; (c) records required to be kept by statute; (d) records less than two years old; and (e) the minutes, ordinances, or resolutions of the legislative body or of a city board or commission.

City staff has identified records for disposal that have been retained for the time periods set forth in the City's Record Retention Schedule and are no longer required for City business. The Department Heads, City Manager, City Attorney, and City Clerk have verified that these records have been retained for the time periods set forth in the City's

Destruction of Records

June 22, 2021

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Record Retention Schedule and meet the requirements for disposal. Authority to dispose of these records is required as provided for by Government Code Section 34090.

ATTACHMENTS:

- Proposed Resolution
- Exhibit A to Proposed Resolution

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAGUNA HILLS, CALIFORNIA, AUTHORIZING AND
DIRECTING THE CITY CLERK TO DISPOSE OF CERTAIN
CITY RECORDS IN ACCORDANCE WITH THE CITY'S
RECORD RETENTION SCHEDULE

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Section 34090 of the California Government Code provides for the disposal of certain City records and documents with the approval of the legislative body by Resolution and the written consent of the City Attorney; and

WHEREAS, the records and documents identified in Exhibit "A" attached hereto, have been retained for the time periods required by law and in accordance with the Records Retention Schedule adopted by City Council Resolution No. 2020-02-11-1; and

WHEREAS, the records designated for disposal, as set forth Exhibit "A" attached hereto, exclude any of the following types of records, pursuant to Government Code Section 34090: (a) records affecting the title to real property or liens thereon; (b) court records; (c) records required to be kept by statute; (d) records less than two years old; (e) the minutes, ordinances, or resolutions of the legislative body or of a city board or commission; and

WHEREAS, the Department Heads, City Manager, City Clerk and City Attorney have consented to the disposal of the records and documents identified in Exhibit "A".

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

SECTION 1. The records identified in Exhibit "A" attached hereto are no longer required for City business, and have been retained for the time periods required by law and in accordance with the Records Retention Schedule adopted by Resolution No. 2020-02-11-1.

SECTION 2. The City Clerk is hereby authorized and directed to cause the disposal of those records listed and identified in Exhibit "A" which is attached hereto and is incorporated herein by reference.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills, California, at
a Regular Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

Attachment: Proposed Resolution (2475 : Destruction of Records)

Records Retention Management

I hereby certify that: the records set forth on the attached list are more than two years old, do not affect the title to real property or liens thereon, are not court records, are not, to my knowledge, required to be kept further by a statute, are not the minutes, ordinances or resolutions of the legislative body of the City or of any City Board or Commission, and are no longer required by the City. I request authority to dispose of same pursuant to Section 34090 of the Government Code of California.

Department Head Approval: I have reviewed the records pursuant to the attached list, and I consent to their disposal.



Kenneth H. Rosenfield

Date

Interim City Manager/Director of Public Services

Department Head Approval: I have reviewed the records pursuant to the attached list, and I consent to their disposal.



Janice Reyes

Date

Finance Director

Department Head Approval: I have reviewed the records pursuant to the attached list, and I consent to their disposal.



David Chantarangsu

Date

Community Development Director

Department Head Approval: I have reviewed the records pursuant to the attached list, and I consent to their disposal.



David Reynolds

Date

Deputy City Manager

City Clerk Approval: I have reviewed the records pursuant to the attached list for historical value and for compliance with the established retention requirements, and I consent to their disposal.



Melissa Au-Yeung

Date

Deputy City Manager/City Clerk

City Attorney Approval: I consent to the disposal of the records pursuant to the attached list:



Gregory E. Simonian, City Attorney

Date

I hereby certify that the disposal of the records pursuant to the attached list was approved by the City Council of the City of Laguna Hills, California, by Resolution No. 2021-06-22- at a regular meeting of the City Council held in Laguna Hills, California, on June 22, 2021, and that by said Resolution, the department head or designee was authorized to dispose of the records.

City Clerk

Date

I hereby certify that, pursuant to the foregoing authority, the records pursuant to the attached list were disposed on _____, 2021.

City Clerk

Date

Attachment: Exhibit A to Proposed Resolution (2475 : Destruction of Records)

Laguna Hills City Clerk

Exhibit "A"
Page 2 of 10

Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
007674	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1993-1994	DESTROY
011327	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1994-1995	DESTROY
014560	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1995-1996	DESTROY
017271	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1996-1997	DESTROY
020162	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1997-1998	DESTROY
023506	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1998-1999	DESTROY
026967	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY1999-2000	DESTROY
032187	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2000-2001	DESTROY
033398	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2001-2002	DESTROY
900001330	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2003-2004 APR-MAY	DESTROY
900001329	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2003-2004 FEB-MAR	DESTROY
900001331	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2003-2004 JUNE	DESTROY
900001328	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2003-2004 OCT-JAN	DESTROY
900003463	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 JAN-FEB	DESTROY

4.6.b

Attachment: Exhibit A to Proposed Resolution (2475 : Destruction of Records)

Laguna Hills City Clerk

Exhibit "A"
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Destroy Date From 6/23/2021 To 6/23/2021

Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
900003458	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 JUL-AUG	DESTROY
900003464	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 MAR-APR	DESTROY
900003465	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 MAY-JUN	DESTROY
900003460	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 NOV-DEC	DESTROY
900003459	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2004-2005 SEPT-OCT	DESTROY
900005214	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 APR-MAY	DESTROY
900005213	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 JAN-MAR	DESTROY
900005210	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 JUL-AUG	DESTROY
900005216	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 JUN	DESTROY
900005212	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 NOV-DEC	DESTROY
900005211	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2005-2006 SEP-OCT	DESTROY
900007012	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 JAN-FEB	DESTROY
900007009	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 JUL-AUG	DESTROY
900007013	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 MAR-APR	DESTROY

Laguna Hills City Clerk

Exhibit "A"
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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
900007014	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 MAY-JUN	DESTROY
900007011	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 NOV-DEC	DESTROY
900007010	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2006-2007 SEP-OCT	DESTROY
900007475	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 JAN - FEB	DESTROY
900007472	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 JUL-AUG	DESTROY
900007476	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 MAR - APR	DESTROY
900007477	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 MAY - JUN	DESTROY
900007474	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 NOV - DEC	DESTROY
900007473	0300-65	6/23/2021	FINANCE	APPEND GENERAL LEDGER REPORTS	APPEND/JOURNAL POSTING	FY2007-2008 SEP-OCT	DESTROY
011961	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1992-1993	DESTROY
004576	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1993-1994 1ST & 2ND QTRS	DESTROY
004575	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1993-1994 3RD & 4TH QTRS	DESTROY
011321	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1994-1995 1ST & 2ND QTRS	DESTROY
011322	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1994-1995 3RD & 4TH QTRS	DESTROY

4.6.b

Attachment: Exhibit A to Proposed Resolution (2475 : Destruction of Records)

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Destroy Date From 6/23/2021 To 6/23/2021

Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
017275	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1996-1997 1ST & 2ND QTRS	DESTROY
017274	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1996-1997 3RD & 4TH QTRS	DESTROY
020171	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1997-1998 1ST & 2ND QTRS	DESTROY
020172	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1997-1998 3RD & 4TH QTRS	DESTROY
023482	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1998-1999 1ST & 2ND QUARTERS	DESTROY
023483	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1998-1999 3RD & 4TH QUARTERS	DESTROY
026961	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1999-2000 1ST & 2ND QUARTERS	DESTROY
026962	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY1999-2000 3RD & 4TH QUARTERS	DESTROY
032018	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY2000-2001 1ST & 2ND QUARTERS	DESTROY
032019	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY2000-2001 3RD & 4TH QUARTERS	DESTROY
033397	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	AUDIT TRAIL REPORT	FY2001-2002	DESTROY
011963	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1991-1992	DESTROY
010089	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1993-1994 1ST QTR	DESTROY
010090	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1993-1994 2ND QTR	DESTROY

Laguna Hills City Clerk

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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
010091	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1993-1994 3RD QTR	DESTROY
010092	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1993-1994 4TH QTR	DESTROY
011317	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1994-1995 1ST QTR	DESTROY
011318	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1994-1995 2ND QTR	DESTROY
011319	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1994-1995 3RD QTR	DESTROY
011320	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1994-1995 4TH QTR	DESTROY
014640	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1995-1996 1ST - 3RD QTRS	DESTROY
014641	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1995-1996 4TH QTR	DESTROY
016663	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1996-1997 1ST QTR	DESTROY
016664	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1996-1997 2ND QTR	DESTROY
016665	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1996-1997 3RD QTR	DESTROY
017050	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1996-1997 YEAR-END	DESTROY
01705001	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1996-1997 YEAR-END	DESTROY
020454	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1997-1998 1ST QTR	DESTROY

Laguna Hills City Clerk

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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
020455	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1997-1998 2ND QTR	DESTROY
020456	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1997-1998 3RD QTR	DESTROY
020457	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1997-1998 4TH QTR YEAR END	DESTROY
023484	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1998-1999 1ST & 2ND QUARTERS	DESTROY
023485	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1998-1999 3RD & 4TH QUARTERS	DESTROY
031180	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1999-2000 VOL II	DESTROY
031179	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY1999-2001 VOL I	DESTROY
032188	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY2000-2001 VOL I	DESTROY
032189	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	GL REPORTS	FY2000-2001 VOL II	DESTROY
007251	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1993-1994 1ST & 2ND QTRS	DESTROY
007252	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1993-1994 3RD & 4TH QTRS	DESTROY
011312	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1994-1995 1ST QTR	DESTROY
011313	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1994-1995 2ND QTR	DESTROY
011314	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1994-1995 3RD QTR	DESTROY

Laguna Hills City Clerk

Exhibit "A"
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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
011315	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1994-1995 4TH QTR	DESTROY
014642	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1995-1996 1ST - 3RD QTRS	DESTROY
014643	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1995-1996 4TH QTR	DESTROY
017045	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 1ST QTR	DESTROY
017046	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 2ND QTR	DESTROY
017047	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 3RD QTR	DESTROY
017048	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 4TH QTR APRIL & MAY	DESTROY
017049	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 YEAR-END	DESTROY
01704901	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1996-1997 YEAR-END	DESTROY
020318	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1997-1998 1ST AND 2ND QTRS	DESTROY
020319	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1997-1998 3RD AND 4TH QTRS	DESTROY
023480	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1998-1999 1ST AND 2ND QUARTERS	DESTROY
023481	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1998-1999 3RD & 4TH QUARTERS	DESTROY
026957	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1999-2000 1ST & 2ND QUARTERS	DESTROY

4.6.b

Attachment: Exhibit A to Proposed Resolution (2475 : Destruction of Records)

Laguna Hills City Clerk

Exhibit "A"
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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
026958	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY1999-2000 3RD & 4TH QUARTERS	DESTROY
032190	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY2000-2001 1ST & 2ND QUARTER	DESTROY
032191	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORT	FY2000-2001 3RD & 4TH QUARTER	DESTROY
035528	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	POSTED TRANSACTION REPORTS	FY1992-1993	DESTROY
035525	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1992-1993	DESTROY
007123	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1993-1994 1ST QTR	DESTROY
007124	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1993-1994 2ND QTR	DESTROY
007125	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1993-1994 3RD QTR	DESTROY
007126	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1993-1994 4TH QTR	DESTROY
011328	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1994-1995 1ST QTR	DESTROY
011329	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1994-1995 2ND QTR	DESTROY
011330	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1994-1995 3RD QTR	DESTROY
011331	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1994-1995 4TH QTR	DESTROY
014784	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1995-1996	DESTROY

Laguna Hills City Clerk

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Destroy Date From 6/23/2021 To 6/23/2021
Orig. Dept ALL

Barcode	File No.	Destroy Date	Orig. Dept	First Line	Second Line	Third Line	Current Location
017273	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1996-1997	DESTROY
020135	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1997-1998	DESTROY
023467	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1998-1999	DESTROY
027581	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY1999-2000	DESTROY
032192	0300-65	6/23/2021	ADMINISTRATION	APPEND GENERAL LEDGER REPORTS	TRIAL BALANCE	FY2000-2001	DESTROY

Record Count: 117



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Progress Payment No. 3, Final, and Contract Change Order No. 1, for Community Center HVAC and Roof Replacement Project, CIP No. 513-B.

RECOMMENDATION: That the City Council approve Contract Change Order No. 1 and Progress Payment No. 3, Final, in the net amount of \$76,148.44, to West Gate Contractor, for Community Center HVAC and Roof Replacement Project, CIP No. 513-B, authorize the filing of the Notice of Completion and subsequent release of retention in 35 days, if no liens have been filed.

SUMMARY:

Work on the Community Center HVAC and Roof Replacement Project, CIP No. 513-B, began on May 1, 2020, and was completed by West Gate Contractor. Work performed included installation of the new flat roof, vibration isolation curbs, HVAC units and appurtenances. Due to existing field conditions not matching the original construction plan set, a different roof connection procedure and reconstruction of HVAC equipment isolation curbs were required, resulting in the preparation of Contract Change Order No. 1. It is proposed to approve the third and final progress payment, Contract Change Order No. 1, the Notice of Completion, and authorize the release of retention 35 days post recordation of the Notice of Completion, if no liens have been filed.

BACKGROUND:

A routine monthly action for capital improvement projects is the submission, review, and approval of the contractor's invoice. Procedurally, field staff verifies the contractor's quantities and matches them with the submitted invoice. The unit prices and total costs

Progress Payment No. 3, Final, for Community Center HVAC and Roof Replacement, CIP NO. 513-B

June 22, 2021

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of the project are confirmed by the office staff and a progress payment is then processed. A five-percent (5%) retention is withheld from each payment to assure final performance of the work. The contractor for this project, West Gate Contractor, has submitted the third and final progress payment for the subject project as follows:

ITEM #	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	\$ AMOUNT
4	Furnish and Install Flat Roof, Complete and In Place.	0.05	LS	\$125,000.00	\$6,250.00
6	Install City Furnished HVAC Package Units and Appurtenances, Complete and In Place.	0.15	LS	\$75,500.00	\$11,325.00
C0#1	Contract Change Order No. 1	1	LS	\$62,581.25	\$62,581.25

TOTAL TO DATE	\$410,881.25	
LESS PRIOR BILLING	\$330,725.00	
TOTAL THIS PERIOD	\$80,156.25	\$80,156.25
LESS 5% RETENTION		\$(4,007.81)
DUE		\$76,148.44

CONTRACT CHANGE ORDER NO. 1

Contract Change Order No. 1, attached, has been prepared to address differing field conditions, which includes two change items. This change order changes the contract requirements and adds scope and cost to the contract. Evaluation and negotiations with the Contractor over the details of the value of the change order items took an extended period of time to complete. The total Contract Change Order No. 1 increase to the Contract by \$62,581.25 as further described below.

Contract Change Order No. 1 Item #1

The existing roof structure construction shown in the original project drawings and contract documents differs from the actual in-place roof structure. The in-place roof structure was not amenable to the mechanical attachment of the roofing membrane as bid and required an adhesive roofing attachment at additional cost. Item #1 of Change Order #1 changes the contract requirements. The cost increase is \$31,750.00.

Progress Payment No. 3, Final, for Community Center HVAC and Roof Replacement, CIP NO. 513-B
June 22, 2021
Page 3

Contract Change Order No. 1 Item #2

The existing HVAC equipment pad construction shown on the original project drawings and contract documents differs from the actual in-place HVAC equipment pad construction. The actual construction required removal and replacement and/or modifications to all HVAC equipment pads and isolation curbs. Item #2 of Contract Change Order No. 1 changes the contract requirements adding the extra scope to remove and replace and/or modify the existing HVAC equipment pads and isolation curbs. The cost increase is \$30,831.25.

FISCAL IMPACT:

The progress payment is within the Capital Improvement Program Budget for the Community Center HVAC and Roof Replacement Project, CIP No. 513-B.

ATTACHMENTS:

- Contract Change Order No. 1 CIP 513-B
- Notice of Completion CIP 513-B

CITY OF LAGUNA HILLS CONTRACT CHANGE ORDER

CONTRACT CHANGE ORDER NO. 001

SHEET 1 OF 2 SHEETS

PROJECT: LAGUNA HILLS COMMUNITY CENTER HVAC AND ROOF REPLACEMENT
PROJECT # CIP NO. 513B _____

CONTRACTOR: West Gate Contractor _____

In accordance with contract provisions, the following changes in the contract and/or contract work are hereby authorized and as compensation therefore, the following addition to or deductions from the contract price are hereby approved.

Note: This change order is not effective until approved by the City Engineer.

Description of work to be done, estimate of quantities, and prices to be paid. Segregate between additional work at contract price, agreed price and force account. Unless otherwise stated, rates for rental of equipment is actually used and no allowance will be made for idle time.

Change requested by Contractor:

1) Roof sub-structure change and attachment system change:

A portion of the existing roof substructure is not conducive to the contract specified mechanical attachment of the roof. Change in roofing attachment to adhesive.

Agreed Price \$ 31,750.00

2) Exiting HVAC unit mounting curb construction differs from the plans. Reconstruct curbs per engineer and reinstall roofing around equipment pads.

Agreed Price \$ 30,831.25

Change Order value:

Increase \$62,581.25

Decrease \$ _____

By reason of this order the time of completion will be adjusted as follows: Add 0
Working Days

CONTRACT CHANGE ORDER NO. 1

SHEET 2 OF 2 SHEETS

Attachment: Contract Change Order No. 1 CIP 513-B (2493 : Progress Payment No. 3, Final, for Community Center HVAC and Roof

The compensation (time and cost) set forth in this Change Order comprises the total compensation due the Contractor, all Subcontractors and all suppliers, for the work or change defined in this Change Order, including all impact on any unchanged work. By signing this Change Order, the Contractor acknowledges and agrees, on behalf of himself, all Subcontractors, and all suppliers, that the stipulated compensation includes payment for all work contained in this Change Order, plus all payment for the interruption of schedules.

Extended overhead costs, delay, and all impact, ripple effect or cumulative impact on all other work under this Contract. The signing of this Change Order shall indicate that the Change Order constitutes full mutual accord and satisfaction for the change, and that the time and/or cost under the Change Order constitutes the total equitable adjustment owed the Contractor, all Subcontractors, and all suppliers, as a result of the change. The Contractor, on behalf of himself, all Subcontractors, and all suppliers, agrees to waive all rights, without exception or reservation of any kind whatsoever, to file any further claim or request for equitable adjustment of any type, for any reasonably foreseeable cause that shall arise out of or as a result of this Change Order or the impact of this Change Order on the remainder of the work under this Contract.

SUMMARY OF CONTRACT TIME

Original Contract Date: NTP May 1, 2020
 Original Contract Time: 20
 Original Completion Date: 08/07/2020
 Time Extension this C.O.: None
 Total Contract Time Extension: 0
 Revised Contract Time: 20
 Revised Final Completion Due Date: 08/07/2020 Work substantially completed.
 Time Subject to Liquidated Damages: 0
 Actual Final Completion Date: 12/08/20

Original Contract Price	\$ 348,300.00
Prev. Authorized Changes	\$ 0.00
This Change (Add)	\$ \$62,581.25
Amended Contract Price	\$ 410,881.25

If the Contractor does not sign acceptance of this order, his attention to the requirements of the specifications as to proceeding with the order work and filing a written protest within the time therein specified.

Approved by:

Accepted by:

 Kenneth H. Rosenfield, P.E. Date
 Director of Public Services

Christopher K. Chun

Digitally signed by Christopher K. Chun
 DN: cn=Christopher K. Chun, o=West Gate Contractor,
 ou=President, email=Chris.Chun.WestGate@gmail.com,
 c=US
 Date: 2021.06.03 09:15:51 -0700

 Christopher Chun, President
 West Gate Contractor

6/3/2021

 Date

Recording Requested by and
When Recorded Mail to:

Melissa Au-Yeung, City Clerk
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

No Fee Exempt per GC§27383

By: _____

NOTICE OF COMPLETION

Notice is hereby given that the following public improvements have been completed and accepted by the City Council of the City of Laguna Hills on June 22, 2021.

Description of Improvements

Community Center HVAC and Roof Replacement Project, CIP No. 513-B

General Location

25555 Alicia Parkway, Laguna Hills, CA 92653

Owner of Property Address

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Contractor

West Gate Contractor
3612 Green Avenue, Suite 4
Los Alamitos, CA 90720

This Notice of Completion is executed under authority of a directive from the City Council of the City of Laguna Hills.

I, Kenneth H. Rosenfield, P.E., declare under penalty of perjury that I am the Director of Public Services of the City of Laguna Hills, that I am familiar with the facts stated in the foregoing Notice of Completion executed for and on its behalf, and that I have read the foregoing Notice of Completion and know the contents thereof to be true.

Dated: June 22, 2021

Kenneth H. Rosenfield, P.E., Interim City Manager/Director of Public Services
City of Laguna Hills



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Amendment No. 3 to the Professional Services Agreement with Kosmont & Associates, Inc.

RECOMMENDATION: That the City Council approve Amendment No. 3 to the Professional Services Agreement with Kosmont & Associates, Inc., and authorize the City Manager to execute said Amendment No. 3.

SUMMARY:

On November 26, 2019, the City entered into a Professional Services Agreement with Kosmont & Associates, Inc., to prepare a net fiscal impact analysis and provide related economic development advisory services (including Development Agreement negotiations services) associated with the proposed Village at Laguna Hills Project (the Project) located at the former Laguna Hills Mall property. Due to continued processing of the Project, including continued public hearing preparations, as identified in the proposed Amendment No. 3, it is now necessary to increase the maximum contract value for Kosmont & Associates services to ensure that uninterrupted assistance to the City can be provided. Amendment No. 3 to the Professional Services Agreement increases the maximum contract amount by an additional \$50,000. This additional funding will address services to be provided at the continued public hearing and beyond, if necessary. The expenditure is only incurred as the work is performed and the amount of the amendment is a budget allocation. It should be noted that the entire cost of this contract is paid for by the Applicant's deposited funds as are all costs associated with processing the Project. The proposed Amendment No. 3 to the Professional Services Agreement, Attachment A, must be approved by the City Council in order to

Amendment No. 3 to PSA with Kosmont & Associates

June 22, 2021

Page 2

increase Kosmont & Associates, Inc., maximum contract amount. A copy of the current Professional Services Agreement, Amendment No. 1 and Amendment No. 2, between the City and Kosmont & Associates, Inc., are also provided for informational purposes as Attachment B.

BACKGROUND:

On November 26, 2019, the City entered into a Professional Services Agreement with Kosmont & Associates, Inc., to prepare a net fiscal impact analysis and provide related economic development advisory services (including Development Agreement negotiations services) related to the proposed Village at Laguna Hills Project, located at the former Laguna Hills Mall property, as submitted by the Applicant, Merlone Geier Partners (MGP). The Professional Services Agreement established an initial \$100,000 maximum contract amount and increases of \$50,000 each to this amount were approved by Amendment No. 1 by City Council action on September 22, 2020, and by Amendment No. 2 by City Council action on February 9, 2021.

The maximum compensation previously approved with Kosmont & Associates, Inc., provided sufficient funding to complete consulting services through the proposed Village at Laguna Hills development public hearing held on April 27, 2021, and some minor support work thereafter. The continuation of the public hearing, however, requires additional services by Kosmont to provide support to Staff, to prepare additional information, to attend additional project team meetings and to attend the continued public hearing in order to be responsive to the needs of the City Council/Planning Agency and Staff. Consequently, it is necessary to again increase the Kosmont maximum compensation value through the proposed and attached Amendment No. 3 to the Professional Services Agreement. This Amendment No. 3 will provide for continued, uninterrupted real estate, financial advisory, economic development, and development agreement negotiation services by Kosmont & Associates, Inc., for the Project. The proposed Amendment No. 3 to the Professional Services Agreement, Attachment A, must be approved by the City Council in order to increase Kosmont & Associates, Inc., maximum contract amount.

A copy of the current Professional Services Agreement, with previously approved Amendment No. 1 and Amendment No. 2, between the City and Kosmont & Associates, Inc., are also provided for informational purposes as Attachment B.

Amendment No. 3 to PSA with Kosmont & Associates

June 22, 2021

Page 3

FISCAL IMPACT:

The proposed Amendment No. 3 to the Professional Services Agreement with Kosmont & Associates, Inc., will change the maximum contract amount to \$250,000. Funding of this Agreement is fully provided by the Applicant's deposited funds.

ATTACHMENTS:

- Attachment A - Proposed Amendment No. 3 to Professional Services Agreement with Kosmont & Associates, Inc.
- Attachments B - Professionals Services Agreement, Amendment No. 1 and Amendment No. 2 between the City and Kosmont & Associates, Inc.

AMENDMENT NO. 3
TO
PROFESSIONAL SERVICES AGREEMENT
Kosmont & Associates, Inc.

(Real Estate, Financial Advisory, and Economic Development Services)

THIS THIRD AMENDMENT to the Professional Services Agreement with KOSMONT & ASSOCIATES, INC., (the "Amendment" or "Amendment No. 3") is made and entered into to be effective the 22nd day of June 2021, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as the "City"), and KOSMONT & ASSOCIATES, INC., a California corporation, (hereinafter referred to as "Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as "Parties."

RECITALS

A. City and Consultant previously entered into that certain professional services agreement for the provision of specialized real estate, financial advisory, and economic development services in order to provide the City with a Net Fiscal Impact Analysis and development agreement negotiation services in connection with the proposed new Merlone Geier Partners (MGP) redevelopment project located at the former Laguna Hills Mall, entitled "The Village at Laguna Hills," as well as to provide the City with other as-needed real estate, financial advisory, and economic development support services that may be required on an on-call basis (the "Project"), which agreement was made and entered into on November 26, 2019 (the "Agreement") and which may be duly amended, in writing, from time to time by the Parties. City does not have the personnel or technical expertise able to perform the professional services contracted for under the Agreement.

B. Sections 2.3 (Changes in Scope) and 10.3 (Amendment) of the Agreement provide that the Agreement may be amended in writing at any time by mutual consent of the Parties. More specifically, Sections 1.8 (Additional Services) and 2.3 (Changes in Scope) of the Agreement provide that the City shall have the right at any time during the term of the Agreement to order extra work or to make changes by adding to such Work and that at any time during the term of the Agreement the Parties may enter into a written amendment for the purpose of changing and/or providing for additional services to the Scope of Services set forth in Section 1.1 of the Agreement, including any additional consultant fees.

C. Due to unforeseen application processing delays and due to continued processing of the development application for the Project, including the need for additional public hearing presentations, there is now the need to modify the Consultant's Scope of Services. These processing delays and need for additional public hearing presentations have resulted in unanticipated additional time, work and expense and now creates the need for additional consulting services and to increase the maximum contract amount established in Section 2.1 of the Agreement in order to provide for continued, uninterrupted real estate, financial advisory, economic development, and development agreement negotiation services to be performed by Consultant for the Project.

D. Consult has submitted to City for consideration and approval a written proposal, entitled "Continued Advisory Services", dated June 7, 2021, to provide such additional consulting services as an extension of the Scope of Services set forth in Section 1.1 of the Agreement, which is attached hereto as Attachment "1".

E. The Parties now desire to enter into this Amendment No. 3 to the Agreement for the purpose of i) amending the Proposal/Scope of Work set forth in Section 1.1 of the Agreement in order to provide for additional consultant services, which additional work and services were not contemplated by the Parties or included in the original Proposal/Scope of Work set forth in Exhibit "A" to the Agreement, and (ii) amending the Maximum Contract Amount set forth in Section 2.1 of the Agreement in order to provide for the additional work and services authorized by this Amendment No. 3 under the same terms and conditions and at the same professional hourly rates and charges as set forth in the Agreement, which additional work and services creates the need to increase the Maximum Contract Amount by \$50,000, from \$200,000 to \$250,000.

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the Parties agree as follows:

AGREEMENT

1. Amendment to Section 1.1, entitled "Scope of Services," of the Agreement: Section 1.1 of the Agreement is hereby amended as follows to provide for additional consulting services:

The Scope of Services and Work set forth in Section 1.1 of the Agreement is hereby amended to also include the additional consulting services and work set forth in Consultant's proposal entitled, "Continued Advisory Services," dated June 7, 2021, a copy of which is attached hereto as Attachment "1" to this Amendment No. 3 and is incorporated herein by reference and is hereby made a part of Exhibit "A" to the Agreement.

2. Amendment to Section 2.1, entitled "Maximum Contract Amount," of the Agreement. Section 2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

"2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Consultant shall be compensated by City for the professional services performed, including authorized reimbursements, on a time and materials basis in accordance with the professional hourly rates and charges set forth in the Schedule of Compensation/Fees, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding the total maximum contract amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) (hereinafter referred to as the "Maximum Contract Amount"). Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The maximum amount of City's payment obligation under this Agreement is the amount specified in this section."

3. Full Force and Effect. This Amendment No. 3 is supplemental to the Agreement and is by reference made part of said Agreement. All of the terms, conditions, and provisions, thereof,

unless specifically modified herein, shall continue in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment and any provisions of the Agreement, the provisions of this Amendment shall in all respects govern and control.

4. Recitals. The above-referenced Recitals are hereby incorporated into this Amendment as though fully set forth herein and made part of the Agreement and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.
5. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Amendment is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Amendment on behalf of the Party for which he/she is signing, (iii) by so executing this Amendment, the Party for which he/she is signing is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which the Party for which he/she is signing is bound.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment No. 3 as of the date first written above.

“CITY”
City of Laguna Hills,
 a California municipal corporation

 KENNETH H. ROSENFELD,
 Interim City Manager

ATTEST:

 (SEAL)
 MELISSA AU-YEUNG,
 Deputy City Manager/ City Clerk

APPROVED AS TO FORM:

 GREGORY E. SIMONIAN,
 City Attorney

“CONSULTANT”
Kosmont & Associates, Inc., a California
 corporation

By: 

 KEN HIRA, President

Attachment: Attachment A - Proposed Amendment No. 3 to Professional Services Agreement with Kosmont & Associates, Inc. (2489 :

ATTACHMENT "1"

CONSULTANT'S PROPOSAL
FOR
CONTINUED ADVISORY SERVICES

DATED: JUNE 7, 2021

ADDITIONAL SCOPE OF WORK AND SERVICES



June 7, 2021

Mr. Kenneth H. Rosenfield, P.E.
Interim City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Continued Advisory Services

Dear Mr. Rosenfield:

Kosmont Companies ("Kosmont" or "Consultant"), Economic Development and Real Estate advisor to City of Laguna Hills ("City" or "Client"), was originally retained in November 2019 for the preparation of a Net Fiscal Impact Analysis ("Analysis") and variations thereof, and assistance with preliminary Development Agreement ("DA") negotiations in connection with the proposed redevelopment of the former Laguna Hills Mall now known as the proposed Village at Laguna Hills ("Project") by Merlone Geier Partners ("MGP" or "Developer"). Kosmont was further retained for Continued Advisory Services in September 2020 to finalize the Analysis and continue DA negotiations, and in January 2021 to assist with final DA negotiations, prepare a presentation to provide an overview of the Analysis / DA, and present at public hearings.

The proposed Project, which includes a blend of residential, office, retail, hotel and a village park, is complex, multi-faceted, and as proposed will be phased over several years as a function of market demand and economic conditions, should the Project be approved.

Kosmont has worked closely with City staff / Department Heads, planning consultants and Developer development agreement negotiations with MGP, prepared a Project Overview presentation, assisted with additional research / analysis to provide further market / economic context to inform the City's staff report, and presented to City Council at the Public Hearing on April 27, 2021. This Public Hearing was continued to June 24, 2021.

To that end, the City has requested Kosmont to answer questions from the City Council members regarding the fiscal impact, DA terms / milestones, and provide additional market context as needed. This includes project meetings and at least one (1) additional Public Hearing.

I. SCOPE OF SERVICES

Task 1: As-Needed Advisory Services

Kosmont will assist the City with additional market research / analysis, economic and market perspective, and review of fiscal impact and DA terms, as needed.

Task 2: Public Hearing(s)

Consultant is available to assist with the preparation of additional presentation materials, staff report updates and participate in joint City Council / Planning Agency Public Hearing on June 24 (and future Hearings, if necessary).

II. COMPENSATION

Compensation for Tasks 1 and 2 above is a not-to-exceed budget of \$20,000 for professional services based upon the existing hourly fee schedule to cover May and June. Additional compensation to cover future Hearings, if necessary, and related analysis is a not-to-exceed budget of \$30,000 for professional services (hourly) fees to cover July through September. Total not-to-exceed value is \$50,000 for services through September 2021. Budget may be increased by City request at any point in time.

Kosmont is appreciative of the opportunity to continue to work with the City on the Project. Thank you.

Sincerely,



Ken K. Hira
President

PROFESSIONAL SERVICES AGREEMENT

Kosmont & Associates, Inc.

(Real Estate, Financial Advisory, and Economic Development Services)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into, to be effective this 26th day of November 2019, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California, (hereinafter referred to as "City") and KOSMONT & ASSOCIATES, INC, a California corporation (hereinafter referred to as "Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as the "Parties."

RECITALS

A. City has determined that there is a need to retain the professional services of a qualified firm that specializes in providing real estate, financial advisory, and economic development services to cities, counties, and public agencies, in order to provide City with a Net Fiscal Impact Analysis and development agreement negotiation services in connection with the proposed new Merlone Geier Partners (MGP) Redevelopment Project located at the intersection of the I-5 Freeway and El Toro Road within the City, as well to provide the City with other as-needed, real estate, financial advisory, and economic development support services that may be required on an on-call basis (the "Project").

B. Consultant has submitted to City a proposal, dated November 6, 2019, to provide City with professional real estate, financial advisory, and economic development services in order to provide City with a Net Fiscal Impact Analysis and development agreement negotiation services in connection with the proposed new MGP Redevelopment Project, as well as a full range of other as-needed real estate, financial advisory, and economic development support services that may be required on an on-call basis for the Project pursuant to the terms of this Agreement.

C. Consultant represents and maintains that it is uniquely qualified by virtue of its experience, training, education, reputation, and expertise to provide these services to City for the Project and has agreed to provide such services as provided herein. City does not have the personnel, training, or specialized technical expertise able to perform the work or services contracted for herein.

D. City desires to retain Consultant to provide such professional services for the Project.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. SERVICES OF CONSULTANT

1.1 Scope of Services and Standard of Performance. In compliance with all terms and conditions of this Agreement, Consultant agrees to provide and perform the professional real estate, financial advisory, and economic development consulting services to City for the Project as set forth in the Proposal/Scope of Work, dated November 6, 2019, which is attached hereto as Exhibit "A" and is incorporated herein by reference (hereinafter referred to as the "Scope of Services," the "Services" or "Work"). As a material inducement to the City entering into this Agreement, Consultant acknowledges and understands that the Services and Work contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Consultant's Services and Work shall be performed in a skillful and competent manner and shall be held to a standard of quality and workmanship prevalent in the industry for such Services and Work and with the standards recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and warrants that it is skilled in the professional discipline necessary to perform the Services and Work and that it holds the necessary skills and abilities to satisfy the standard of work as set forth in this Agreement. Consultant represents and warrants that it and all of its employees, subconsultants and subcontractors providing any Work or Services under this Agreement shall have sufficient skill and experience to perform the Services and Work assigned to them. All Services and Work shall be completed to the reasonable satisfaction of the City.

1.2 Contract Documents. The Agreement between the Parties shall consist of the following: (1) this Agreement; and, (2) the Consultant's signed, original November 6, 2019 Proposal/Scope of Work submitted to the City ("Consultant's Proposal"), which shall each be referred to collectively hereinafter as the "Contract Documents." The Consultant's Proposal, attached hereto as Exhibit "A," is hereby incorporated by reference and is made a part of this Agreement. All provisions of the Contract Documents shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1st) the terms and conditions of this Agreement; and, (2nd) the provisions of the Consultant's Proposal (Exhibit "A").

1.3 Compliance with Law. Consultant shall comply at all times during the term of this Agreement with all applicable federal, state, and local laws, statutes, and ordinances and all lawful orders, rules, and regulations promulgated thereunder, including without limitation all applicable fair labor standards and Cal/OSHA requirements. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of the Work and Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with performing the Work and Services. If Consultant performs any Work or Services in violation of such laws, rules, and regulations, Consultant shall be solely responsible for all penalties and costs arising therefrom. Consultant

shall defend, indemnify, and hold City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.

1.4 Licenses, Permits, Fees, and Assessments. Prior to performing any Services or Work hereunder Consultant shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Work and Services required by this Agreement. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for Consultant to perform the Work and Services under this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the Work and Services required by this Agreement, and shall defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from and against any claim or liability arising out of any failure or alleged failure to obtain such license, permits, and approvals of whatever nature that are legally required to perform the Work or Services.

1.5 Familiarity with Work. By executing this Agreement, Consultant represents and warrants that it (a) has thoroughly investigated and considered the Scope of Work or Services to be performed, (b) has carefully considered how the Services should be performed and has carefully examined the location or locations at or with respect to where such Services or Work is to be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, Consultant represents and maintains that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services hereunder. Should the Consultant discover any latent or unknown conditions that will materially affect the performance of the Services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the City.

1.6 Care of Work. Consultant shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Work by the City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

1.8 Additional Services. City shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in the Consultant's Proposal/Scope of Work (Exhibit "A") or make changes by altering, adding to, or deducting from such Work. No such extra work may be undertaken unless a written order is

first given by the City to the Consultant, incorporating therein any adjustment in (i) the Maximum Contract Amount, as defined below, and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of the Consultant. It is expressly understood by Consultant that the provisions of this section shall not apply to the Work and Services specifically set forth in the Scope of Services or reasonably contemplated therein, regardless of whether the time or materials required to complete any Work or Service identified in the Scope of Services exceeds any time or material amounts or estimates provided therein.

1.9 Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other contractors, consultants, or vendors for services similar to the services that are the subject of this Agreement. Consultant further acknowledges that City may have its own employees perform services similar to the services that are the subject of this Agreement.

2. COMPENSATION

2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Consultant shall be compensated by City for the services performed, including authorized reimbursements, on a time and materials basis in accordance with the professional hourly rates and charges set forth in the Schedule of Compensation/Fees, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding the total maximum contract amount of One Hundred Thousand Dollars (\$100,000.00) (hereinafter referred to as the "Maximum Contract Amount"). Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The maximum amount of City's payment obligation under this Agreement is the amount specified in this section.

2.2. Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation/Fees (Exhibit "A"), in any month in which Consultant wishes to receive payment, no later than the tenth (10th) working day of such month, Consultant shall submit to the City, in a form approved by the City's Finance Director, an invoice for services rendered prior to the date of the invoice. Such requests shall be based upon the amount and value of the services performed by Consultant and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. City shall use reasonable efforts to make payments to Consultant within forty-five (45) days after receipt of the invoice or a soon thereafter as is reasonably practical.

2.3 Changes in Scope. In the event any change or changes in the Scope of Services is requested by the City, the Parties shall execute a written amendment to this Agreement, setting forth with particularity all terms of such amendment, including, but not limited to, any additional professional fees. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or (b) to provide for additional services not

included in this Agreement or not customarily furnished in accordance with generally accepted practice in Consultant's profession.

2.4 Appropriations. This Agreement is subject to and contingent upon funds being appropriated therefore by the Laguna Hills City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. SCHEDULE OF PERFORMANCE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the services to be performed by Consultant is an essential condition of this Agreement. Consultant shall prosecute regularly and diligently the Work of this Agreement according to the agreed upon Schedule of Performance.

3.2 Schedule of Performance. Consultant shall commence the Services pursuant to this Agreement upon receipt of a written notice to proceed, or on each task order, if applicable, and shall perform all Services within the time period(s) established in the Schedule of Performance, which is attached hereto as Exhibit "A" and is incorporated herein by reference. When requested by Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer; however, the City shall not be obligated to grant such an extension.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant (financial inability excepted), including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City, if Consultant, within ten (10) days of the commencement of such delay, notifies the City Manager in writing of the causes of the delay. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this section.

3.4 Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the effective date of this Agreement and shall continue in full force and effect until Project completion, unless extended by mutual written agreement of the Parties.

3.5 Task Orders. Consultant hereby agrees and acknowledges that any and all Services or Work performed pursuant to this Agreement shall be based upon the prior issuance of a written task order by the City. Furthermore, Consultant hereby agrees and acknowledges that execution of this Agreement by the City does not in any way guarantee that a task order will be

issued to Consultant. Moreover, execution of this Agreement by the City shall not entitle Consultant to any form of payment or compensation from the City without City first having issued a task order.

4. COORDINATION OF WORK

4.1 Representative of Consultant. The following principal of Consultant is hereby designated as being the principal and representative of Consultant authorized to act in its behalf with respect to the Services to be performed under this Agreement and to make all decisions in connection therewith: **Ken Hira, President.** It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the Work or Services performed hereunder. The foregoing principal may not be changed by Consultant without prior written approval of the Contract Officer.

4.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager of City, and is subject to change by the City Manager. It shall be the Consultant's responsibility to ensure that the Contract Officer is kept fully informed of the progress of the performance of the Services, and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Consultant, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written consent of City. Consultant shall not contract with any other entity to perform the Services required without prior written consent of City. If Consultant is permitted to subcontract any part of this Agreement by City, Consultant shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the Work will be considered employees of Consultant. City will deal directly with and will make all payments to Consultant. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Consultant or any surety of Consultant from any liability hereunder without the express written consent of City.

4.4 Independent Contractor.

A. The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Consultant a City employee. During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers or employees. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of Consultant or any of its officers, employees, or agents, except as set forth in this Agreement. Consultant, its officers, employees or agents, shall not maintain a permanent office or fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Consultant's officers, employees, representatives or agents or in fixing their number, compensation, or hours of service. Consultant shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Consultant in its business or otherwise a joint venturer or a member of any joint enterprise with Consultant.

B. Consultant shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

C. No City benefits shall be available to Consultant, its officers, employees, or agents, in connection with the performance of any Work or Services under this Agreement. Except for professional fees paid to Consultant as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for the performance of any Work or Services under this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, or agents, for injury or sickness arising out of performing any Work or Services hereunder. If for any reason any court or governmental agency determines that the City has financial obligations, other than pursuant to Section 2 and Subsection 1.8 herein, of any nature relating to salary, taxes, or benefits of Consultant's officers, employees, representatives, agents, or subconsultants or subcontractors, Consultant shall defend, indemnify, and hold harmless City from and against all such financial obligations.

4.5 PERS Eligibility Indemnification.

A. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing any Work or Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employee Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be

the responsibility of the City.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing any Work or Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

5. INSURANCE

5.1 Compliance with Insurance Requirements. Consultant shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to City, all insurance required under this section. Consultant shall not commence any Work or Services under this Agreement unless and until it has provided evidence satisfactory to City that it has secured all insurance required under this section. If Consultant's existing insurance policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

5.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement, and without limiting the indemnity provisions set forth in this Agreement, Consultant shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance:

A. **Commercial General Liability Insurance.** Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Commercial General Liability Insurance written on an occurrence basis with limits of at least one million dollars (\$1,000,000.00) per occurrence, two million dollars (\$2,000,000.00) in the general aggregate, and one million dollars (\$1,000,000.00) for products and completed operations. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

B. **Automobile Liability Insurance.** Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile Liability Insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) combined limit for each occurrence covering bodily injury and property damage. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles.

C. **Workers' Compensation Insurance.** Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Consultant agrees to waive

and obtain endorsements from its workers' compensation insurer waiving all subrogation rights under its workers' compensation insurance policy against the City, its officials, officers, employees, agents and volunteers, and to require each of its subconsultants and subcontractors, if any, to do likewise under their workers' compensation insurance policies. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Employer's Liability Insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) per accident for bodily injury or disease.

D. Professional Liability (Errors & Omissions) Insurance. Consultant shall obtain and maintain in full force and effect throughout the term of this Agreement, a policy of Professional Liability or Errors and Omissions Insurance appropriate to Consultant's profession with limits of at least two million dollars (\$2,000,000.00). Covered professional services shall specifically include all Work or Services to be performed under the Agreement and delete any exclusions that may potentially affect the Work or Services to be performed under this Agreement.

1. The policy shall be endorsed to provide the following: Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

2. If the policy of insurance is written on a "claims-made" basis, the City may require that the policy be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Work or Services provided hereunder. In the event of termination of the policy during this period, Consultant shall obtain continuing insurance coverage for the prior acts or omissions of Consultant during the course of performing the Work or Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier or other insurance arrangements providing for complete coverage, either of which shall be subject to the written approval by the City.

3. In the event the policy of insurance is written on an "occurrence" basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Work or Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall immediately be obtained to ensure coverage during the entire course of performing the Work or Services under the terms of this Agreement.

5.3 Acceptability of Insurers. Insurance required by this section shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Lines Insurers (LASLI), by the latest edition of A.M. Best's Key Rating Guide, except that the City will accept workers' compensation insurance from the State Compensation Fund. In the event the City determines that the Work or Services to be

performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City. Consultant shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein.

5.4 Insurance Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

A. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to provide the following:

1. Additional Insured: The City, its officials, officers, employees, agents and volunteers, shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement; and

2. Additional Insured Endorsements: Additional insured endorsements shall not (1) be restricted to "ongoing operations", (2) exclude "contractual liability", (3) restrict coverage to "sole" liability of Consultant, or (4) contain any other exclusions contrary to the Agreement; and, the coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

3. Notice: The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) days prior written notice by First Class U.S. Mail, postage-prepaid, has been provided to the City. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Consultant's failure to pay the insurance premium, the notice provided to City shall be by ten (10) days prior written notice.

B. For all policies of Commercial General Liability Insurance, Consultant shall provide endorsements for ongoing operations and completed operations to effectuate this requirement.

5.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City in advance and shall protect the City, its officials, officers, employees, agents and volunteers, in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

5.6 Primary and Non-Contributing Insurance. All policies of Commercial General Liability Insurance and Automobile Liability Insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees,

agents or volunteers, shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

5.7 Waiver of Subrogation. All policies of Commercial General Liability and Automobile Liability Insurance shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents and volunteers, or shall specifically allow Consultant or others providing insurance evidence in compliance with the requirements set forth in this section to waive their right to recovery prior to a loss. Consultant hereby agrees to waive its own right of recovery against the City, its officials, officers, employees, agents and volunteers, and Consultant hereby agrees to require similar written express waivers and insurance clauses from each of its subconsultants or subcontractors.

5.8 Evidence of Coverage. Concurrently with the execution of the Agreement, Consultant shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required by this section. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. Consultant shall promptly furnish, at City's request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents City requires to verify coverage.

5.9 *Intentionally omitted.*

5.10 Enforcement of Agreement (Non-Estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of any non-compliance with any of the insurance requirements set forth in this section imposes no additional obligation on the City nor does it waive any rights hereunder.

5.11 Insurance for Subconsultants. Consultant shall either: (1) include all subconsultants or subcontractors engaged in any Work or Services for Consultant relating to this Agreement as additional named insureds under the Consultant's insurance policies; or (2) Consultant shall be responsible for causing its subconsultants or subcontractors to procure and maintain the appropriate insurance in compliance with the terms of the insurance requirements set forth in this section, including adding the City, its officials, officers, employees, agents and volunteers, as additional insureds to their respective policies. All policies of Commercial General Liability Insurance provided by Consultant's subconsultants or subcontractors performing any Work or Services related to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers, as additional insureds. Consultant shall not allow any subconsultant or subcontractor to commence any Work or Services relating to this

Agreement unless and until it has provided evidence satisfactory to City that the subconsultant or subcontractor has secured all insurance required under this section.

5.12 Other Insurance Requirements. The following terms and conditions shall apply to the insurance policies required of Consultant pursuant to this Agreement:

A. Consultant shall provide immediate written notice to City if (1) any of the insurance policies required herein are terminated, cancelled or suspended, (2) the limits of any of the insurance coverages required herein are reduced, or (3) the deductible or self-insured retention is increased.

B. All insurance coverage and limits provided by Consultant and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations shall limit the application of such insurance coverage.

C. None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City and approved in writing.

D. Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Consultant's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

E. Consultant agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Project will be submitted to the City for review.

F. Consultant agrees to provide immediate written notice to City of any claim, demand or loss against Consultant arising out of the Work or Services performed under this Agreement and for any other claim, demand or loss which may reduce the insurance available to pay claims, demands or losses arising out of this Agreement.

6. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall defend (at Consultant's sole cost and expense with legal counsel reasonably acceptable to City), indemnify, protect, and hold harmless City, its elected and appointed officials, officers, directors, employees, agents, and

volunteers (collectively the “Indemnified Parties”), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and attorney fees (collectively “Claims”), including but not limited to Claims arising from injuries to or death of persons (Consultant’s employees included), for damage to property, including property owned by City, or from any violation of any federal, state, or local law or ordinance, which Claims arise out of, pertain to, or are related to the negligent acts or omissions, recklessness, or willful misconduct of Consultant, its agents, employees, or subcontractors. Notwithstanding the foregoing, such obligation to defend, hold harmless, and indemnify the City, its elected and appointed officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims arise out of, pertain to, or are related to the City’s sole negligence, active negligence, or willful misconduct.

7. REPORTS AND RECORDS

7.1 Accounting Records. Consultant shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Consultant shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of the Work and Services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the Work or Services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of such fact, circumstance, technique, or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, subconsultants, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Consultant may retain copies of such documents for its own use. Consultant shall have an unrestricted right to use the concepts embodied therein. Consultant shall ensure that all of its subconsultants and subcontractors shall provide for assignment to City of any documents or materials prepared by

them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

7.4 Release of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. All information gained by Consultant in the performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization.

7.5 Audit and Inspection of Records. After receipt of reasonable notice and during the regular business hours of City, Consultant shall provide City, or other agents of City, such access to Consultant's books, records, payroll documents, and facilities as City deems necessary to examine, copy, audit, and inspect all accounting books, records, work data, documents, and activities directly related to Consultant's performance under this Agreement. Consultant shall maintain such books, records, data, and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during the term of this Agreement and for a period of three (3) years from the date of final payment by City hereunder.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such County, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.

8.3 Termination. City may terminate this Agreement for any reason, with or without cause, upon giving Consultant thirty (30) days written notice. Upon such notice, City shall pay Consultant for Services performed through the date of termination. Upon receipt of such notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. Thereafter, Consultant shall have no further claims against the City under this Agreement. Upon termination of the Agreement pursuant to this section, Consultant shall submit to the City an invoice for work and services performed prior to the date of termination. In addition, Consultant reserves the right to terminate this Agreement at any time upon sixty (60)

days written notice to the City, except that where termination is due to material default by the City, the period of notice may be such shorter time as the Consultant may determine.

8.4 Default of Consultant.

A. Consultant's failure to comply with any provision of this Agreement shall constitute a default.

B. If the City Manager, or City Manager's designee, determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall notify Consultant in writing of such default. Consultant shall have ten (10) days, or such longer period as City may designate, to cure the default by rendering satisfactory performance. In the event Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Consultant shall be liable for any and all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.3.

C. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.4(B), take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Maximum Contract Amount (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated. The withholding or failure to withhold payments to Consultant shall not limit Consultant's liability for completion of the Services as provided herein.

8.5 Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

8.6 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8.7 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.8 Attorneys' Fees. In the event any dispute between the Parties with respect to this Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses, including but not limited to reasonable attorneys' fees, expert witness fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding.

9. CITY OFFICERS AND EMPLOYEES; NON-DISCRIMINATION

9.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his or her financial interest or the financial interest of any corporation, partnership, or association in which they are, directly or indirectly, interested in violation of any state statute or regulation. Consultant represents and warrants that it has not paid or given and will not pay or give any third party any money or other consideration in exchange for obtaining this Agreement.

9.3 Covenant Against Discrimination. In connection with its performance under this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Consultant shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10. MISCELLANEOUS PROVISIONS

10.1 Patent and Copyright Infringement.

A. To the fullest extent permitted by law, and in lieu of any other warranty by

City or Consultant against patent or copyright infringement, statutory or otherwise, it is agreed that Consultant shall defend at its expense any claim or suit against City on account of any allegation that any item furnished under this Agreement, or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright and Consultant shall pay all costs and damages finally awarded in any such suit or claim, provided that Consultant is promptly notified in writing of the suit or claim and given authority, information and assistance at Consultant's expense for the defense of same, and provided such suit or claim arises out of, pertains to, or is related to the alleged negligence, recklessness or willful misconduct of Consultant. However, Consultant will not indemnify City if the suit or claim results from: (1) City's alteration of a deliverable, such that City's alteration of such deliverable created the infringement upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by Consultant when it is such use in combination which infringes upon an existing U.S. letters patent or copyright.

B. Consultant shall have sole control of the defense of any such claim or suit and all negotiations for settlement thereof, Consultant shall not be obligated to indemnify City under any settlement made without Consultant's consent or in the event City fails to cooperate in the defense of any suit or claim, provided, however, that such defense shall be at Consultant's expense. If the use or sale of such item is enjoined as a result of the suit or claim, Consultant, at no expense to City, shall obtain for City the right to use and sell the item, or shall substitute an equivalent item acceptable to City and extend this patent and copyright indemnity thereto.

10.2 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) five (5) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Notices or other communications shall be addressed as follows:

To City: City of Laguna Hills
Attention: City Manager
24035 El Toro Road
Laguna Hills, California 92653
Telephone: (949) 707-2600
Facsimile: (949) 707-2633

To Consultant: Kosmont Companies
Attention: Ken Hira, President
1601 N. Sepulveda Boulevard, Suite 382
Manhattan Beach, California 90266
Telephone: (424) 297-1070
E-mail: khira@kosmont.com

10.3 Entire Agreement. This Agreement constitutes the entire agreement between the

Parties and supersedes all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

10.4 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

10.5 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

10.6 Third Party Beneficiary. Nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party hereto.

10.7 Recitals. The above-referenced Recitals are hereby incorporated into the Agreement as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.8. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Agreement is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he/she is signing, (iii) by so executing this Agreement, the Party for which he/she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he/she is signing is bound.

10.9 Labor Code Requirements.

A. **Prevailing Wages.** Consultant is aware of the requirements of California labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Work or Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Work or Services available to interested parties upon request, and shall post copies at the

Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify, and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.

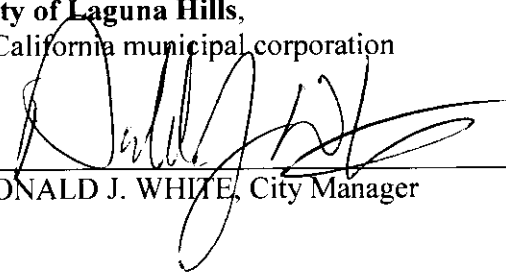
B. DIR Registration. If the Work or Services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

10.10 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the date first written above.

"CITY"
City of Laguna Hills,
 a California municipal corporation



 DONALD J. WHITE, City Manager

ATTEST:

 (SEAL)

 MELISSA AU-YEUNG,
 Assistant to the City Manager/ City Clerk

APPROVED AS TO FORM:



 GREGORY E. SIMONIAN,
 City Attorney

"CONSULTANT"
Kosmont & Associates, Inc. dba Kosmont
Companies, a California corporation

By: 

 KEN HIRA, President

EXHIBIT “A”**CONSULTANT’S PROPOSAL/ SCOPE OF WORK****DATED: NOVEMBER 6, 2019**

SCOPE OF SERVICES FOR PROJECT**INCLUDING,****SCHEDULE OF PERFORMANCE****AND****SCHEDULE OF COMPENSATION/ FEES**



EXHIBIT A

I. BACKGROUND AND OBJECTIVE

Kosmont & Associates, Inc. doing business as Kosmont Companies ("Consultant" or "Kosmont") is pleased to present this proposal for real estate advisory services to the City of Laguna Hills ("City" or "Client") for the preparation of a Net Fiscal Impact Analysis and development agreement negotiations in connection with the proposed Merlone Geier Partners former Laguna Hills Mall redevelopment project ("Project") located at the intersection of the I-5 Freeway and El Toro Road within the City ("Site").

The Site is currently undergoing redevelopment by development firm Merlone Geier Partners ("MGP" or "Developer") to create a lifestyle and urban town center that envisions an attractive dining, shopping, entertainment, living and working environment. To that end, the City has expressed interest to continue working with Kosmont to provide related real estate advisory services, including a net fiscal impact analysis ("Analysis") and initial development agreement negotiations, as it relates to the Project. Therefore, Kosmont proposes the following scope of services accordingly.

II. SCOPE OF SERVICES

Task 1: Net Fiscal Impact Analysis & Economic Benefit Analysis

Based on a revised project description including retail, residential, office and hotel, provided by the Client/Developer for the Project, Kosmont will provide the following:

Task 1a: Analysis of Primary Fiscal Revenues

Consultant will estimate the primary fiscal revenues to be generated by the Project upon full build-out and stabilization, including property tax (secured and unsecured), property tax in-lieu of vehicle license fees ("VLF"), sales and use tax, and/or other revenues, as deemed relevant and applicable by Consultant. Kosmont will also coordinate with the City on an initial analysis of the Development Impact Fees associated with the proposed Project.

Task 1b: Analysis of Primary Fiscal Expenditures

Consultant will estimate primary fiscal expenditures that may result from the Project upon full build-out and stabilization, including personnel, operations, and/or other costs related to public works, public safety, community services, community development, administration, and/or other municipal programs, as deemed relevant and applicable by Consultant. Consultant will evaluate fiscal revenues net of fiscal expenditures, known as the net fiscal impact.

Task 1c: Estimation of Construction-Related Economic Benefits

Based on the estimated construction budget for the Project (to be provided by Client/Developer), Consultant will apply an IMPLAN-based analysis to estimate the employment (job creation), labor income (wages), and economic output (value of goods and services produced) benefits to be derived from construction of the Project. Direct, indirect, and induced economic benefits will be evaluated.



Task 1d: Estimation of Economic Benefits from Ongoing Operation

Based on estimated current industry-standard per-square-foot employment densities (and/or Client estimates), Consultant will estimate the permanent on-site employment and related labor income and economic output benefits as estimated by IMPLAN to be generated from ongoing operation of the Project after build-out and stabilization. Direct, indirect, and induced economic benefits will be evaluated.

Task 1e: Preparation of Analysis Summary Report

At the conclusion of the Analysis, Consultant will prepare an Analysis Summary Report ("Summary Report") describing the data sources, assumptions and methodologies utilized and results obtained from the Analysis. Client will have an opportunity to review and provide one round of comments on the Summary Report, and Consultant will incorporate mutually agreed upon comments into a final version of the Summary Report.

Note: Kosmont is available to analyze net fiscal impact of alternative scenarios as needed for the proposed Project as directed by Client, scope and budget for which will be outlined at the appropriate time in a follow-on scope to be approved by Client in advance.

(Optional) Presentation and Meeting Assistance

Consultant is available to assist with preparation of additional presentation materials and participation in summary presentations of the Analysis, including at City Council meetings, public / community hearings, and/or other requested meetings to be billed at the professional services (hourly) fees as shown in Section IV.

Task 2: Preliminary Transaction/Development Agreement Negotiation Assistance

Kosmont will assist the City and its legal counsel with initial Development Agreement ("DA") negotiations and public-private transaction structuring including assistance with review and negotiation of business terms such as length of DA, milestones, Developer responsibilities (e.g. performance measures), City and community benefits, remedies, etc.

Note: Complete DA negotiations is difficult to predict but Kosmont will be available to assist in further DA negotiations and project shaping as directed by Client, time and budget for which will be outlined at the appropriate time in a follow-on scope to be approved by Client in advance.

Task 3: As Needed Real Estate Advisory Services

Kosmont will assist the City on as needed and as directed basis for real estate advisory services not identified in Tasks 1 and 2.

III. WORK SCHEDULE

Consultant is prepared to commence work upon receipt of executed Agreement.



IV. SCHEDULE OF FEES

Kosmont Companies 2019-2020 Public Agency Fee Schedule

Professional Services

Chairman & CEO	\$375.00/hour
President	\$345.00/hour
Senior Vice President/Senior Advisor	\$305.00/hour
Vice President	\$210.00/hour
Senior Project Analyst	\$195.00/hour
Project Analyst/Project Research	\$165.00/hour
Assistant Project Analyst/Assistant Project Manager	\$125.00/hour
GIS Mapping/Graphics Service	\$ 95.00/hour
Clerical Support	\$ 60.00/hour

• Additional Expenses

In addition to professional services (labor fees):

- 1) An **administrative fee** for in-house copy, fax, phone and postage costs will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Companies professional service fees incurred; **plus**
- 2) **Out-of-pocket expenditures**, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.
- 3) If Kosmont retains **Third Party Vendor(s)** for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1X (times) fees and costs.
- 4) Consultant's **attendance or participation at any public meeting** requested by Client will be billed at the professional services (hourly) fees as shown on this Attachment A.

• Charges for Court/Deposition/Expert Witness-Related Appearances

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

Rates shall remain in effect until December 31, 2020.

**AMENDMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT**

Kosmont & Associates, Inc.
(Real Estate, Financial Advisory, and Economic Development Services)

THIS FIRST AMENDMENT to the Professional Services Agreement with KOSMONT & ASSOCIATES, INC., (the "Amendment" or "Amendment No. 1") is made and entered into to be effective the 22nd day of September 2020, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as the "City"), and KOSMONT & ASSOCIATES, INC., a California corporation, (hereinafter referred to as "Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as "Parties."

RECITALS

A. City and Consultant previously entered into that certain professional services agreement for the provision of specialized real estate, financial advisory, and economic development services in order to provide the City with a Net Fiscal Impact Analysis and development agreement negotiation services in connection with the proposed new Merlone Geier Partners (MGP) redevelopment project located at the former Laguna Hills Mall, entitled "The Village at Laguna Hills," as well as to provide the City with other as-needed real estate, financial advisory, and economic development support services that may be required on an on-call basis (the "Project"), which agreement was made and entered into on November 26, 2019 (the "Agreement") and which may be duly amended, in writing, from time to time by the Parties. City does not have the personnel or technical expertise able to perform the professional services contracted for under the Agreement.

B. Sections 2.3 (Changes in Scope) and 10.3 (Amendment) of the Agreement provide that the Agreement may be amended in writing at any time by mutual consent of the Parties. More specifically, Sections 1.8 (Additional Services) and 2.3 (Changes in Scope) of the Agreement provide that the City shall have the right at any time during the term of the Agreement to order extra work or to make changes by adding to such Work and that at any time during the term of the Agreement the Parties may enter into a written amendment for the purpose of changing and/or providing for additional services to the Scope of Services set forth in Section 1.1 of the Agreement, including any additional consultant fees.

C. Due to unforeseen application processing delays, including but not limited to, delays attributable to an evolving project site plan consisting of multiple revised site plan proposals from the applicant, and the need to review the applicant's multiple submittals and resubmittals, the submission of an incomplete project description, the submission of incremental Project details from the applicant as well as incomplete Project details, the Project's overall complexity, the novel COVID-19 Pandemic and the State of Emergency declared by Federal, state, and local governments, including associated stay at home public health orders, as well as the closure of City Hall, the application has remained incomplete. These processing delays have resulted in unanticipated additional time, work and expense and now creates the need for additional consulting services and to increase the maximum contract

amount established in Section 2.1 of the Agreement in order to provide for continued, uninterrupted real estate, financial advisory, economic development, and development agreement negotiation services to be performed by Consultant for the Project.

D. Consult has submitted to City for consideration and approval a written proposal, entitled "Continued Advisory Services", dated September 17, 2020, to provide such additional consulting services as an extension of the Scope of Services set forth in Section 1.1 of the Agreement, which is attached hereto as Attachment "1".

E. The Parties now desire to enter into this Amendment No. 1 to the Agreement for the purpose of i) amending the Proposal/Scope of Work set forth in Section 1.1 of the Agreement in order to provide for additional consultant services, which additional work and services were not contemplated by the Parties or included in the original Proposal/Scope of Work set forth in Exhibit "A" to the Agreement, and (ii) amending the Maximum Contract Amount set forth in Section 2.1 of the Agreement in order to provide for the additional work and services authorized by this Amendment No. 1 under the same terms and conditions and at the same professional hourly rates and charges, which additional work and services creates the need to increase the Maximum Contract Amount by \$50,000, from \$100,000 to \$150,000.

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the Parties agree as follows:

AGREEMENT

1. Amendment to Section 1.1, entitled "Scope of Services," of the Agreement: Section 1.1 of the Agreement is hereby amended as follows to provide for additional consulting services:

The Scope of Services and Work set forth in Section 1.1 of the Agreement is hereby amended to also include the additional consulting services and work set forth in Consultant's proposal entitled, "Continued Advisory Services," dated September 17, 2020, a copy of which is attached hereto as Attachment "1" to this Amendment No. 1 and is incorporated herein by reference and is hereby made a part of Exhibit "A" to the Agreement.

2. Amendment to Section 2.1, entitled "Maximum Contract Amount," of the Agreement. Section 2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

"2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Consultant shall be compensated by City for the professional services performed, including authorized reimbursements, on a time and materials basis in accordance with the professional hourly rates and charges set forth in the Schedule of Compensation/Fees, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding the total maximum contract amount of One Hundred Fifty Thousand Dollars (\$150,000.00) (hereinafter referred to as the "Maximum Contract Amount"). Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The

maximum amount of City's payment obligation under this Agreement is the amount specified in this section."

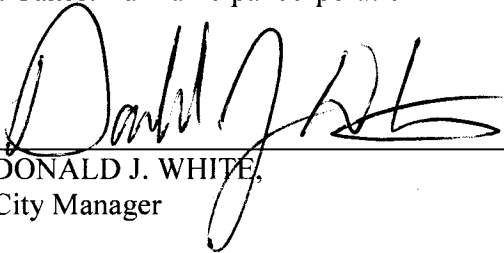
3. Full Force and Effect. This Amendment No. 1 is supplemental to the Agreement and is by reference made part of said Agreement. All of the terms, conditions, and provisions, thereof, unless specifically modified herein, shall continue in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment and any provisions of the Agreement, the provisions of this Amendment shall in all respects govern and control.
4. Recitals. The above-referenced Recitals are hereby incorporated into this Amendment as though fully set forth herein and made part of the Agreement and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.
5. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Amendment is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Amendment on behalf of the Party for which he/she is signing, (iii) by so executing this Amendment, the Party for which he/she is signing is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which the Party for which he/she is signing is bound.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

"CITY"

City of Laguna Hills,
a California municipal corporation

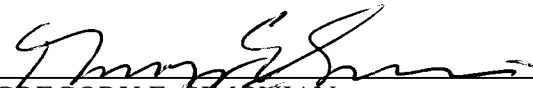

DONALD J. WHITE,
City Manager

ATTEST:


JENNIFER LEE,
Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:


GREGORY E. SIMONIAN,
City Attorney

"CONSULTANT"

Kosmont & Associates, Inc., a California
corporation

By: 
KEN HIRA, President

ATTACHMENT "1"

CONSULTANT'S PROPOSAL
FOR
CONTINUED ADVISORY SERVICES

DATED: SEPTEMBER 17, 2020

ADDITIONAL SCOPE OF WORK AND SERVICES



September 17, 2020

Mr. Donald J. White
City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Continued Advisory Services

Dear Mr. White:

Kosmont Companies ("Kosmont" or "Consultant"), Economic Development and Real Estate advisor to City of Laguna Hills ("City" or "Client"), was retained in November 2019 for the preparation of a single phase static Net Fiscal Impact Analysis ("Analysis") and assistance with preliminary Development Agreement ("DA") negotiations in connection with the proposed redevelopment of the former Laguna Hills Mall now known as Village at Laguna Hills ("Project") by Merlone Geier Partners ("MGP" or "Developer").

The proposed Project, which includes a blend of residential, office, retail, hotel and a village park, is complex and will be phased over several years as a function of market demand and economic conditions.

Kosmont has worked closely with City staff / Department Heads and Developer on a series of assumptions and phasing scenarios for the Analysis (beyond original scope) and diligently leading the preliminary DA negotiations. The Project was anticipated to receive entitlements in the 2nd quarter of 2020; however, the unexpected impacts of the COVID-19 pandemic has extended the timeframes. Additional analysis and negotiations were needed to evaluate potential changes to the blend of land uses and development phasing that Developer was considering, to address shifting economic conditions. Substantial progress has been made, with a nearly finalized Analysis and Development Agreement negotiations progressing toward an anticipated City Council hearing in the 4th quarter 2020 or possibly 1st quarter 2021.

To that end, the City needs to continue working with Kosmont to finalize the Analysis and DA negotiations. City needs Kosmont to attend several meetings including the City Council public entitlement hearing in order to convey key Project milestones and fiscal findings (beyond original scope).

I. SCOPE OF SERVICES

Task 1: Final Fiscal Impact Analysis

Based on the finalized Project description (including retail, residential, office and hotel) and other Project assumptions provided by the Client / Developer, as well as the original fiscal impact analysis conducted by Consultant, Kosmont will provide a final Analysis that includes: primary fiscal revenues, primary fiscal expenditures based on both variable and fixed ratios as a result of the Project, estimation of construction-related economic benefits,

estimation of economic benefits from ongoing operation, and preparation of Analysis summary report to be used at meetings.

Task 1 deliverable will be prepared in Summary Report document format.

Task 2: Final Development Agreement Negotiations

Kosmont will assist the City and its legal counsel with final DA negotiations and public-private transaction structuring including assistance with review and negotiation of business terms such as certain milestones, Developer responsibilities (e.g. performance measures), City and community benefits, remedies, etc. As part of DA negotiations, Kosmont will review MGP financial wherewithal on a confidential basis.

Task 3: Project / Fiscal Analysis / Development Agreement Overview

Kosmont will develop a Public Private Project Overview presentation that summarizes high level salient information about the Project, the Analysis completed in Task 1, and the DA milestones / terms finalized in Task 2.

Task 3 deliverable will be prepared in PowerPoint format.

Task 4: Public Hearing

Consultant is available to assist with the preparation of additional presentation materials and participate in summary presentations of the Public Private Project Overview and other key Project milestones and fiscal findings at one (1) City Council / public hearing. Kosmont can provide market perspective and post COVID context for the Project. Additional requested meetings beyond those outlined herein will be billed at Kosmont's professional services (hourly) fees.

II. SCHEDULE

September 2020 through February 2021.

III. COMPENSATION

Compensation for Tasks 1 through 4 is \$50,000 for professional services (hourly) fees. Budget may be increased by City request at any point in time.

Kosmont is appreciative of the opportunity to continue to work with the City on the exciting Project. Thank you.

Sincerely,



Ken K. Hira
President

AMENDMENT NO. 2
TO
PROFESSIONAL SERVICES AGREEMENT
Kosmont & Associates, Inc.

(Real Estate, Financial Advisory, and Economic Development Services)

THIS SECOND AMENDMENT to the Professional Services Agreement with KOSMONT & ASSOCIATES, INC., (the "Amendment" or "Amendment No. 2") is made and entered into to be effective the 9th day of February 2021, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as the "City"), and KOSMONT & ASSOCIATES, INC., a California corporation, (hereinafter referred to as "Consultant"). City and Consultant are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as "Parties."

RECITALS

A. City and Consultant previously entered into that certain professional services agreement for the provision of specialized real estate, financial advisory, and economic development services in order to provide the City with a Net Fiscal Impact Analysis and development agreement negotiation services in connection with the proposed new Merlone Geier Partners (MGP) redevelopment project located at the former Laguna Hills Mall, entitled "The Village at Laguna Hills," as well as to provide the City with other as-needed real estate, financial advisory, and economic development support services that may be required on an on-call basis (the "Project"), which agreement was made and entered into on November 26, 2020 (the "Agreement") and which may be duly amended, in writing, from time to time by the Parties. City does not have the personnel or technical expertise able to perform the professional services contracted for under the Agreement.

B. Sections 2.3 (Changes in Scope) and 10.3 (Amendment) of the Agreement provide that the Agreement may be amended in writing at any time by mutual consent of the Parties. More specifically, Sections 1.8 (Additional Services) and 2.3 (Changes in Scope) of the Agreement provide that the City shall have the right at any time during the term of the Agreement to order extra work or to make changes by adding to such Work and that at any time during the term of the Agreement the Parties may enter into a written amendment for the purpose of changing and/or providing for additional services to the Scope of Services set forth in Section 1.1 of the Agreement, including any additional consultant fees.

C. Due to unforeseen application processing delays, including but not limited to, delays attributable to an evolving project site plan consisting of multiple revised site plan proposals from the applicant, and the need to review the applicant's multiple submittals and resubmittals, the submission of an incomplete project description, the submission of incremental Project details from the applicant as well as incomplete Project details, the Project's overall complexity, the novel COVID-19 Pandemic and the State of Emergency declared by Federal, state, and local governments, including associated stay at home public health orders, as well as the closure of City Hall, the application has only recently been deemed complete. These processing delays have resulted in unanticipated additional time, work and expense and now creates the need for additional consulting services and to increase the maximum

contract amount established in Section 2.1 of the Agreement in order to provide for continued, uninterrupted real estate, financial advisory, economic development, and development agreement negotiation services to be performed by Consultant for the Project.

D. Consult has submitted to City for consideration and approval a written proposal, entitled "Continued Advisory Services", dated January 29, 2021, to provide such additional consulting services as an extension of the Scope of Services set forth in Section 1.1 of the Agreement, which is attached hereto as Attachment "1".

E. The Parties now desire to enter into this Amendment No. 2 to the Agreement for the purpose of i) amending the Proposal/Scope of Work set forth in Section 1.1 of the Agreement in order to provide for additional consultant services, which additional work and services were not contemplated by the Parties or included in the original Proposal/Scope of Work set forth in Exhibit "A" to the Agreement, and (ii) amending the Maximum Contract Amount set forth in Section 2.1 of the Agreement in order to provide for the additional work and services authorized by this Amendment No. 2 under the same terms and conditions and at the same professional hourly rates and charges, which additional work and services creates the need to increase the Maximum Contract Amount by \$50,000, from \$150,000 to \$200,000.

NOW THEREFORE, in consideration of the mutual promises and covenants herein, the Parties agree as follows:

AGREEMENT

1. Amendment to Section 1.1, entitled "Scope of Services," of the Agreement: Section 1.1 of the Agreement is hereby amended as follows to provide for additional consulting services:

The Scope of Services and Work set forth in Section 1.1 of the Agreement is hereby amended to also include the additional consulting services and work set forth in Consultant's proposal entitled, "Continued Advisory Services," dated January 29, 2021, a copy of which is attached hereto as Attachment "1" to this Amendment No. 2 and is incorporated herein by reference and is hereby made a part of Exhibit "A" to the Agreement.

2. Amendment to Section 2.1, entitled "Maximum Contract Amount," of the Agreement. Section 2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

"2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Consultant shall be compensated by City for the professional services performed, including authorized reimbursements, on a time and materials basis in accordance with the professional hourly rates and charges set forth in the Schedule of Compensation/Fees, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding the total maximum contract amount of Two Hundred Thousand Dollars (\$200,000.00) (hereinafter referred to as the "Maximum Contract Amount"). Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The

maximum amount of City's payment obligation under this Agreement is the amount specified in this section."

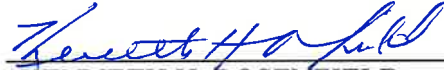
3. Full Force and Effect. This Amendment No. 2 is supplemental to the Agreement and is by reference made part of said Agreement. All of the terms, conditions, and provisions, thereof, unless specifically modified herein, shall continue in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment and any provisions of the Agreement, the provisions of this Amendment shall in all respects govern and control.
4. Recitals. The above-referenced Recitals are hereby incorporated into this Amendment as though fully set forth herein and made part of the Agreement and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.
5. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Amendment is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Amendment on behalf of the Party for which he/she is signing, (iii) by so executing this Amendment, the Party for which he/she is signing is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which the Party for which he/she is signing is bound.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

"CITY"

City of Laguna Hills,
a California municipal corporation


KENNETH H. ROSENFELD
Acting City Manager

ATTEST:

 (SEAL)
MELISSA AU-YEUNG,
Deputy City Manager/City Clerk

APPROVED AS TO FORM:


GREGORY E. SIMONIAN,
City Attorney

"CONSULTANT"

Kosmont & Associates, Inc., a California
corporation

By: 
KEN HIRA, President

ATTACHMENT "1"

CONSULTANT'S PROPOSAL
FOR
CONTINUED ADVISORY SERVICES

DATED: JANUARY 29, 2021

ADDITIONAL SCOPE OF WORK AND SERVICES



January 29, 2021

Mr. Kenneth H. Rosenfield, P.E.
Acting City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Continued Advisory Services

Dear Mr. Rosenfield:

Kosmont Companies ("Kosmont" or "Consultant"), Economic Development and Real Estate advisor to City of Laguna Hills ("City" or "Client"), was originally retained in November 2019 for the preparation of a single phase static Net Fiscal Impact Analysis ("Analysis") and assistance with preliminary Development Agreement ("DA") negotiations in connection with the proposed redevelopment of the former Laguna Hills Mall now known as the proposed Village at Laguna Hills ("Project") by Merlone Geier Partners ("MGP" or "Developer"). Kosmont was further retained for Continued Advisory Services in September 2020 to finalize the Analysis on a phased basis and continue DA negotiations.

The proposed Project, which includes a blend of residential, office, retail, hotel and a village park, is complex, multi-faceted, and as proposed will be phased over several years as a function of market demand and economic conditions, should the Project be approved.

Kosmont has worked closely with City staff/ Department Heads, planning consultants and Developer on a series of assumptions and phasing scenarios for the Analysis (beyond original scope), and negotiated with MGP on the draft DA. The requested Project entitlements were anticipated to be scheduled for a joint Public Hearing of the City Council/Planning Agency in the 4th quarter of 2020 or 1st quarter of 2021. However, precise timeframes are difficult to predict and achieve due to the ongoing COVID-19 pandemic and Project complexities. At this point, Project entitlements are anticipated to be scheduled for a Public Hearing in the 1st or 2nd quarter of 2021. Developer's Application was only recently deemed complete by City.

To that end, the City needs to continue working with Kosmont to finalize the DA, attend several final Project meetings including the scheduling of a joint City Council/Planning Agency Public Hearing in order to convey key Project milestones and fiscal findings.

I. SCOPE OF SERVICES

Task 1: Final Development Agreement Negotiations

Kosmont will assist the City, its planning consultants, and legal counsel with final DA negotiations and public-private transaction structuring including assistance with review

and negotiation of proposed business terms and deal points such as guaranteed fees, DA termination provisions, consistency of DA with Conditions of Approvals, etc.

Task 2: Project / Fiscal Analysis / Development Agreement Overview

Kosmont will develop and utilize a Public Private Project Overview presentation that summarizes high level salient information about the proposed Project, the Analysis completed in Task 1, and the DA milestones / terms finalized in Task 2, for a final staff-level overview and meet with the City's new Acting/Interim City Manager regarding same.

Task 3: Public Hearing

Consultant is available to assist with the preparation of additional presentation materials and participate in summary presentations of the Public Private Project Overview and other key Project milestones and fiscal findings at up to two (2) joint City Council / Planning Agency Public Hearings. Kosmont can provide market perspective and post COVID context for the proposed Project. Additional requested meetings beyond those outlined herein will be billed at Kosmont's professional services (hourly) fees, as set forth in the Professional Services Agreement.

II. SCHEDULE

Estimated February through June 2021.

III. COMPENSATION

Compensation for Tasks 1 through 3 is estimated at \$40,000 to \$50,000 for professional services (hourly) fees. Budget may be increased by City request at any point in time.

Kosmont is appreciative of the opportunity to continue to work with the City on the exciting Project. Thank you.

Sincerely,



Ken K. Hira
President



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Award of Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement

RECOMMENDATION: That the City Council award the Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement to Jonset Corporation, dba Sunset Property Services, Inc., in the low annual base bid amount of \$202,241.00, reject all other bids, and authorize the Mayor to execute the Agreement.

SUMMARY:

The City received Bid Proposals for Citywide Street Sweeping and Roadway Cleaning and Maintenance Services on May 18, 2021. Jonset Corporation, dba Sunset Property Services, Inc., (hereinafter "Sunset") has been determined to be the best qualified vendor and the Contractor providing the lowest annual Base Bid price. It is recommended the City Council award of the Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement to Sunset.

BACKGROUND:

On May 18, 2021, in accordance with the Laguna Hills Municipal Code (LHMC) Section 3-08.090, Bid Proposals were publicly opened and read aloud for Citywide Street Sweeping and Roadway Cleaning Maintenance Services with the following results:

Award of Citywide Street Sweeping and Roadway Cleaning Maintenance Services

June 22, 2021

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Bidder	Annual Bid Amount
Jonset Corporation dba Sunset Property Services, Inc.	\$202,241.00*
CleanStreet, Inc.	\$237,939.60
Contract Sweeping Services, Inc.	\$277,939.60
*Corrected for math error -\$45.22	

The Notice Inviting Bids and Specifications for the Citywide Street Sweeping and Roadway Cleaning and Maintenance Services established that the determination of lowest bid price would be based solely upon the comparison of the Base Bid, not including alternate services. In addition, the selection of the recommended Contractor for these services is to be awarded based upon the Best Qualified Vendor selection criteria as defined in the LHMC Section 3-08.100.

Sunset provided the lowest price annual Base Bid and has been determined by Staff to be the Best Qualified Vendor in accordance with the selection criteria established in Section 3-08.100 of the Laguna Hills Municipal Code. In making this determination, Staff considered the best qualified vendor criteria, and their full compliance with requirements set forth in the City Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services.

Staff has determined that Sunset has met or exceeded the City's best qualified vendor selection criteria including, but not limited to, the following requirements:

- The vendor's ability, capacity, and skill to perform the contract.
- The vendor's ability to provide the requested services promptly without delay or service interruption.
- The vendor's ability to demonstrate trustworthiness, quality, fitness, capacity and experience to satisfactorily perform.
- The vendor's character, integrity, reputation, judgement, references, experience and efficiency.
- The vendor's quality of the performance history and record on previous contracts with the City.
- The vendor's ability to demonstrate prior, current, and continued compliance during the contract term with all applicable federal, state and local laws.

Award of Citywide Street Sweeping and Roadway Cleaning Maintenance Services

June 22, 2021

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Staff has also determined that Sunset has met all of the requirements of the Bid Proposal as follows:

- A demonstrated capacity and work history providing the full services required by the Specifications
- A statement of acceptance of all terms in the Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement
- Experience, including the fact that Sunset has provided fully satisfactory street sweeping and roadway cleaning maintenance services to the City of Laguna Hills for the past six years under the current contract
- Qualifications of the company and their designated staffing
- Letters of recommendations
- Financial Statements
- Schedule of Performance
- Available Equipment
- Full completion of the Bid Proposal forms and additionally provided information
- Full compliance with the Labor Resources requirements
- Current Licensing and Certifications

Sunset maintains a personnel safety program, staff skills training and a current equipment inventory. As a part of their management of this contract, they have outfitted all vehicles with GPS tracking and established a “GPS fence line” to monitor the efficiency of their operations.

The evaluation of the Bid Proposal provided by Sunset results in the recommendation to award the Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement to Jonset Corporation, dba Sunset Property Services, Inc., in the annual Base Bid amount of \$202,241.00. The initial Term of the Agreement begins on July 1, 2021, for a period of five years. The Agreement with Attachment A, the Sunset Bid Proposal and Supplemental Rate Sheet, and Attachment B, the Notice Inviting Bids and Specifications, is attached.

FISCAL IMPACT:

The proposed 2021-2022 Fiscal Year Budget for Street Sweeping operations is \$215,000. This is a substantial increase over previous expenses for this service which, for this current fiscal year, is approximately \$150,000. However, Staff is fully aware that street sweeping rates have been rapidly climbing in the past few years, the current costs and bid results represents the market rate for this necessary service and a new five-year

Award of Citywide Street Sweeping and Roadway Cleaning Maintenance Services

June 22, 2021

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contract locks in our expenses which limits significant further cost increases during the term of the Agreement.

ATTACHMENTS:

- Proposed Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement

**CITYWIDE STREET SWEEPING AND ROADWAY CLEANING
MAINTENANCE SERVICES AGREEMENT
(Jonset Corporation dba Sunset Property Services)**

THIS CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into, to be effective this 1st day of July 2021, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California (hereinafter referred to as "City"), and JONSET CORPORATION dba SUNSET PROPERTY SERVICES, a California corporation (hereinafter referred to as "Contractor"). City and Contractor are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as the "Parties."

RECITALS

A. City has determined that there is a need to retain the services of a qualified street sweeping company to perform regularly scheduled, on-call special, and emergency street sweeping, cleaning, and maintenance services for the proper cleanliness and maintenance of the City's street and roadway system, as well as to perform other related cleaning and maintenance services on an as-needed on-call basis, in a manner acceptable to City (the "Project").

B. Contractor has submitted to City a bid proposal, dated May 18, 2021, in response to City's Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services, dated April 19, 2021, to provide citywide street sweeping, cleaning and maintenance services to City for the Project pursuant to the terms of this Agreement.

C. Contractor represents and maintains that it is uniquely qualified by virtue of its experience, training, education, reputation, labor and equipment, and expertise to provide the requested maintenance services and has agreed to provide such maintenance services to City for the Project as provided herein. The City does not have the personnel, specialized equipment, or technical expertise able to perform the work and services contracted for herein. The City does not possess the knowledge, expertise, or skill to control and direct the work necessary for the Project and requires the use of an independent contractor to do so.

D. City desires to retain Contractor to provide such citywide street sweeping, cleaning, and maintenance services for the Project.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. MAINTENANCE SERVICES

1.1 Scope of Services and Standard of Performance. In compliance with all terms and conditions of this Agreement, Contractor promises and agrees to provide, furnish, and perform the citywide street sweeping, cleaning, and maintenance services for the Project as set forth in Contractor's Bid Proposal/Scope of Work, dated May 18, 2021, (as modified by Contractor's

Supplemental Rate Sheet, dated June 9, 2021), and as set forth in City's Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services, dated April 19, 2021, which are each attached hereto as Exhibit "A" and Exhibit "B," respectively, and are incorporated herein by reference (hereinafter referred to as the "Services" or "Work"). As a material inducement to the City entering into this Agreement, Contractor acknowledges and understands that the Services and Work contracted for under this Agreement require specialized skills, equipment, personnel, labor, and abilities and that, consistent with this understanding, Contractor's Services and Work shall be performed in a skillful and competent manner and shall be held to a standard of quality and workmanship prevalent in the industry for such service and work and with the standards recognized as being employed by contractors in the same discipline in the State of California. Contractor represents and warrants that it is skilled in the discipline necessary to perform the Services and Work and that it holds the necessary skills and abilities to satisfy the standard of work as set forth in this Agreement. Contractor represents and warrants that it and all of its employees and subcontractors providing services under this Agreement shall have sufficient skill and experience to perform the Services and Work assigned to them. All Services and Work shall be completed to the reasonable satisfaction of the City.

1.2 Contract Documents. The Agreement between the Parties shall consist of the following: (1) this Agreement; (2) the City's Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services, dated April 19, 2021; and, (3) the Contractor's signed, original Bid Proposal/Scope of Work, dated May 18, 2021, including the Contractor's Schedule of Performance and Schedule of Compensation/Fees/Rates and Unit Prices, submitted to City in response to City's Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services for the Project, as modified by Contractor's Supplemental Rate Sheet, dated June 9, 2021 ("Contractor's Proposal"), which shall all be referred to collectively hereinafter as the "Contract Documents." The Contractor's Proposal and the City's Notice Inviting Bids, including the City's Street Sweeping Specifications, which are both attached hereto as Exhibit "A" and Exhibit "B," respectively, are hereby incorporated by reference and are made a part of this Agreement. All provisions of this Agreement, the Contractor's Proposal, and the City's Notice Inviting Bids, including the City's Street Sweeping Specifications, shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1st) the terms and conditions of this Agreement; (2nd) the terms, conditions, requirements, and provisions of the City's Notice Inviting Bids, including the City's Street Sweeping Specifications (Exhibit "B"); and (3rd) the provisions of the Contractor's Proposal (Exhibit "A").

1.3 Compliance with Law. Contractor shall comply at all times during the term of this Agreement with all applicable federal, state, and local laws, statutes, and ordinances and all lawful orders, rules, and regulations promulgated thereunder, including without limitation all applicable fair labor standards, Cal/OSHA, and South Coast Air Quality Management District ("SCAQMD") regulations and requirements, including SCAQMD Rule 1186. Contractor shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of the Work and Services, including all Cal/OSHA and SCAQMD regulations and requirements, and shall give all notices required by law. Contractor shall be liable for all violations of such laws and regulations in connection with performing the Work and Services. If Contractor performs any work or services in violation of such laws, rules, and regulations,

Contractor shall be solely responsible for all penalties and costs arising therefrom. Contractor shall defend, indemnify, and hold City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.

1.4 Licenses, Permits, Fees, and Assessments. Prior to performing any Services or Work hereunder, Contractor shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its trade and perform the Work and Services required by this Agreement. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for Contractor to perform the Work and Services under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the Work and Services required by this Agreement, and Contractor shall defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to obtain such licenses, permits, and approvals of whatever nature that are legally required to perform the Work or Services.

1.5 Familiarity with Work. By executing this Agreement, Contractor represents and warrants that it (a) has thoroughly investigated and considered the Scope of Work or Services to be performed, (b) has carefully considered how the Services should be performed and has carefully examined the location or locations at or with respect to where such Services or Work is to be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, Contractor represents and maintains that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services hereunder. Should the Contractor discover any latent or unknown conditions that will materially affect the performance of the Services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the City.

1.6 Care of Work. Contractor shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Work by the City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

1.8 Additional Services. City shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in Contractor's Proposal/Scope of Work (Exhibit "A") or to make changes by altering, adding to, or deducting from such Work. No such extra work may be undertaken unless a written order is first

given by the City to the Contractor, incorporating therein any adjustment in (i) the Annual Maximum Contract Amount, as defined below, and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of the Contractor. It is expressly understood by Contractor that the provisions of this section shall not apply to the Work and Services specifically set forth in the Contractor's Proposal/Scope of Work or reasonably contemplated therein, regardless of whether the time or materials required to complete any Work or Services identified in the Contractor's Proposal/Scope of Work exceeds any time or material amounts or estimates provided therein.

1.9 Prevailing Wages. The City has determined that the Work and Services under this Agreement requires work of labor categories which are subject to Prevailing Wage Laws identified in the State of California Labor Code. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Contractor agrees to fully comply with all applicable federal and state labor laws (including, without limitation, if applicable, the Prevailing Wage Laws). It is agreed by the Parties that, in connection with the Work or Services provided pursuant to this Agreement, Contractor shall bear all risks of payment or non-payment of prevailing wages under California law, and Contractor hereby agrees to defend, indemnify, and hold the City, its elected and appointed officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.

1.10 Water Quality Management and Compliance.

1.10.1 Storm Water Management. Storm, surface, nuisance, or other waters may be encountered at various times during performance of the Services or Work. Contractor hereby acknowledges that it has investigated the risk arising from such waters, has prepared its bid or proposal accordingly, and assumes any and all risks and liabilities associated with and arising therefrom.

1.10.2 Compliance with Water Quality Laws, Ordinances, and Regulations. Contractor shall keep itself and any subcontractors, staff, agents, and employees fully informed of and in compliance with all local, state and federal laws, rules and regulations that may impact, or be implicated by, the performance of the Services or Work, including, without limitation, all applicable provisions of: the City's ordinances regulating discharges of storm water; the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.); the California Porter-Cologne Water Quality Control Act (Cal. Water Code § 1300 et seq.); and any and all regulations, policies, or permits issued pursuant to any such authority. Contractor shall additionally comply with the lawful requirements of the City, and any other municipality, drainage district, or other local or state agency having jurisdiction over the location where the Services or Work are to be performed, conducted, or provided, regarding discharges of storm water to separate storm drain systems or other watercourses, including applicable requirements in municipal storm water management programs.

1.10.3 Compliance with DAMP and LIP. In addition to compliance with the laws, ordinances, and regulations listed in subsection 1.10.2, Contractor shall comply with all applicable

requirements of the Orange County Drainage Area Management Plan ("DAMP"), the City of Laguna Hills Local Implementation Plan ("LIP"), and the applicable Water Quality Management Plan ("WQMP"). Such documents contain the Model Maintenance Procedures with Best Management Practices ("BMPs"). These Model Maintenance Procedures contain pollution prevention and source control techniques to minimize the impact of those activities upon dry-weather urban runoff, storm water runoff, and receiving water quality. Contractor hereby acknowledges and agrees to be familiar with the DAMP, the LIP, and the WQMP, and agrees to comply with the requirements specified therein.

1.10.4 Standard of Care. Contractor represents and warrants that all employees and subcontractors performing any Services or Work hereunder shall have sufficient skill and experience to perform the work assigned to them without impacting water quality in violation of the laws, regulations, and policies described in Sections 1.10.2 and 1.10.3 of this Agreement. Contractor further represents and warrants that it, its employees and subcontractors will receive appropriate training regarding the requirements of the laws, regulations, and policies described in subsections 1.10.2 and 1.10.3 of this Agreement as they may relate to the Services.

1.10.5 Liability for Water Quality Non-Compliance.

(A) Indemnity: Failure to comply with laws, regulations, and ordinances listed in subsections 1.10.2 and 1.10.3 of this Agreement is a violation of federal and state law. Notwithstanding any other indemnity contained in this Agreement, Contractor agrees to indemnify and hold harmless the City, its elected and appointed officials, officers, agents, employees and authorized volunteers from and against any and all claims, demands, losses or liabilities of any kind or nature which the City, its elected and appointed officials, officers, agents, employees and authorized volunteers may sustain or incur for noncompliance with the laws, regulations, and ordinances listed in subsections 1.10.2 and 1.10.3 of this Agreement arising out of or in connection with the Services, except for liability resulting from the sole negligence, willful misconduct or active negligence of the City, its elected and appointed officials, officers, agents, employees or authorized volunteers.

(B) Defense: City reserves the right to defend any enforcement action or civil action brought against the City for Contractor's failure to comply with any applicable water quality law, regulation, or policy. Contractor hereby agrees to be bound by, and to reimburse the City for the costs associated with, any settlement reached between the City and the relevant enforcement entity.

(C) Damages: City may seek damages from Contractor for delay in completing the Services caused by Contractor's failure to comply with the laws, regulations, and policies described in subsections 1.10.2 and 1.10.3 of this Agreement, or any other relevant water quality law, regulation, or policy.

1.11 Unauthorized Aliens. Contractor hereby represents and warrants that it will comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Contractor so employ such unauthorized aliens for the performance of any Work and/or Services under this Agreement, and should any liability or sanctions be imposed against City

for such use of unauthorized aliens, Contractor hereby agrees to defend and indemnify City and reimburse City for any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, or penalties which arise out of or are related to such employment, together with any and all costs, including attorneys' fees, incurred by City.

1.12 Non-Exclusive Agreement. Contractor acknowledges that City may enter into agreements with other contractors, consultants, or vendors for services similar to the services that are the subject of this Agreement.

2. COMPENSATION

2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Contractor shall be compensated by City in accordance with the Schedule of Compensation/Fees/Rates/Unit Prices set forth in Contractor's Bid Proposal/Scope of Work (as modified by Contractor's Supplemental Rate Sheet, dated June 9, 2021, which is attached hereto as Exhibit "A" and incorporated herein by reference), but not exceeding the total annual maximum contract amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) (hereinafter referred to as the "Annual Maximum Contract Amount"), except as may be provided pursuant to Section 1.8 above and Section 2.4 below. Compensation shall be payable according to the fees and at the rates, charges and unit prices (as modified by Contractor's Supplemental Rate Sheet, dated June 9, 2021) set forth in Exhibit "A" attached hereto. The maximum amount of City's payment obligation under this Agreement is the amount specified in this section.

2.2. Method of Payment. Unless some other method of payment is specified in the Contractor's Proposal/Scope of Work (Exhibit "A"), in any month in which Contractor wishes to receive payment, no later than the 10th working day of such month, Contractor shall submit to the City, in a form approved by the City's Finance Director, an invoice for services rendered prior to the date of the invoice. Such requests shall be based upon the amount and value of the Work or Services performed by Contractor and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. City shall use reasonable efforts to make payments to Contractor within forty-five (45) days after receipt of the invoice or a soon thereafter as is reasonably practical.

2.3 CPI Adjustment of Compensation/Fees/Billing Rate Schedule. The fees, rates and/or unit prices set forth in Contractor's Bid Proposal/Scope of Work shall remain fixed and unchanged for the first year of the term of this Agreement (i.e., from July 1, 2021 through June 30, 2022). Thereafter, Contractor may submit a request to adjust its fees, rates and/or unit prices once per year during the remainder of the term of the Agreement as provided for herein. However, approval of any request to adjust fees, rates and/or unit prices shall be made at the sole discretion of the City Manager, in writing, and is subject to the City's approved budget. Such fee, rate, and/or unit price adjustment(s), if any, shall not exceed the value of the change of the Consumer Price Index for the Los Angeles/Orange County area for the preceding one year as published for the month of April of any given year. In no event shall any adjustment of any fee, rate or unit price exceed five percent (5%) per year regardless of CPI or any other cost factors.

2.4 Changes in Scope. In the event any change or changes in the Scope of Work or Services is requested by the City, the Parties shall execute a written amendment to this Agreement, setting forth with particularity all terms of such amendment, including, but not limited to, any additional fees for services. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or (b) to provide for additional work or services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Contractor's profession.

2.5 Appropriations. This Agreement is subject to and contingent upon funds being appropriated therefore by the Laguna Hills City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. SCHEDULE OF PERFORMANCE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the services to be performed by Contractor is an essential condition of this Agreement. Contractor shall prosecute regularly and diligently the Work of this Agreement according to the agreed upon Schedule of Performance set forth in Contractor's Proposal/Scope of Work (Exhibit "A").

3.2 Schedule of Performance. Contractor shall commence the Services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all Services or Work within the time period(s) established in the Schedule of Performance set forth in Contractor's Proposal (Exhibit "A"). When requested by Contractor, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer; however, the City shall not be obligated to grant such an extension.

3.3 Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the effective date of this Agreement and shall continue in full force and effect for a period of five (5) years, commencing on July 1, 2021 and ending on June 30, 2026 ("Initial Term"). The City shall have the unilateral option, at its sole discretion, to renew and extend the term of this Agreement for no more than one additional three (3) year term ("Renewal Option").

3.4 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor (financial inability excepted), including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, pandemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City, if Contractor, within ten (10) days of the commencement of such delay, notifies the City Manager in writing of the causes of the delay. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City

Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this section.

4. COORDINATION OF WORK

4.1 Representative of Contractor. The following principal of Contractor is hereby designated as being the principal and representative of Contractor authorized to act in its behalf with respect to the Services to be performed under this Agreement and to make all decisions in connection therewith: Christopher Valerian, President. It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the Work or Services performed hereunder. The foregoing principal may not be changed by Contractor without prior written approval of the Contract Officer.

4.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager of City, and is subject to change by the City Manager. It shall be the Contractor's responsibility to ensure that the Contract Officer is kept fully informed of the progress of the performance of the Services, and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Contractor, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written consent of City. Contractor shall not contract with any other entity to perform the Services required without prior written consent of City. If Contractor is permitted to subcontract any part of this Agreement by City, Contractor shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the Work will be considered employees of Contractor. City will deal directly with and will make all payments to Contractor. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Contractor or any surety of Contractor from any liability hereunder without the express written consent of City.

4.4 Independent Contractor.

4.4.1. The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Contractor a City employee. During the performance of this Agreement, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers or employees. Contractor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officials, officers, employees, agents and volunteers shall have control over the conduct of Contractor or any of its officers, employees, or agents, except as set forth in this Agreement. Contractor, its officers, employees, or agents shall not maintain a permanent office or fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Contractor's officers, employees, representatives or agents, or in fixing their number, compensation, or hours of service. Contractor shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Contractor in its business or otherwise a joint venturer or a member of any joint enterprise with Contractor.

4.4.2. Contractor shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

4.4.3. No City benefits shall be available to Contractor, its officers, employees, or agents in connection with the performance of any Work or Services under this Agreement. Except for fees paid to Contractor as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Contractor for the performance of any Work or Services under this Agreement. City shall not be liable for compensation or indemnification to Contractor, its officers, employees, or agents, for injury or sickness arising out of performing any services hereunder. If for any reason any court or governmental agency determines that the City has financial obligations, other than pursuant to Section 2 and Subsection 1.8 herein, of any nature relating to salary, taxes, or benefits of Contractor's officers, employees, representatives, subcontractors, or agents, Contractor shall defend, indemnify, and hold harmless City from and against all such financial obligations.

4.5 PERS Eligibility Indemnification.

4.5.1 In the event that Contractor or any employee, agent, or subcontractor of Contractor providing any Work or Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employee Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

4.5.2 Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors

providing any Work or Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

5. INSURANCE

5.1 Compliance with Insurance Requirements. Contractor shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to City, all insurance required under this section. Contractor shall not commence any Work or Services under this Agreement unless and until it has provided evidence satisfactory to City that it has secured all insurance required under this section. If Contractor's existing insurance policies do not meet the insurance requirements set forth herein, Contractor agrees to amend, supplement or endorse the policies to do so.

5.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement, and without limiting the indemnity provisions set forth in this Agreement, Contractor shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance:

5.2.1 Commercial General Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Commercial General Liability Insurance written on an occurrence basis with limits of at least two million dollars (\$2,000,000.00) per occurrence, five million dollars (\$5,000,000.00) in the general aggregate, and two million dollars (\$2,000,000.00) for products and completed operations. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

5.2.2 Automobile Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile Liability Insurance written on a per occurrence basis with limits of at least two million dollars (\$2,000,000.00) combined limit for each occurrence covering bodily injury and property damage. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles.

5.2.3 Workers' Compensation Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Contractor agrees to waive and obtain endorsements from its workers' compensation insurer waiving all subrogation rights under its workers' compensation insurance policy against the City, its officials, officers, employees, agents and volunteers, and to require each of its subconsultants and subcontractors, if any, to do likewise under their workers' compensation insurance policies. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Employer's Liability Insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) per accident for bodily injury or disease.

5.3 Acceptability of Insurers. Insurance required by this section shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A-: VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Lines Insurers (LASLI), by the latest edition of A.M. Best's Key Rating Guide, except that the City will accept workers' compensation insurance from the State Compensation Fund. In the event the City determines that the Work or Services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City. Contractor shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein.

5.4 Insurance Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. Required insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

5.4.1 The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to provide the following:

(A) Additional Insured: The City, its officials, officers, employees, agents and volunteers, shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement; and

(B) Additional Insured Endorsements: Additional insured endorsements shall not (1) be restricted to "ongoing operations", (2) exclude "contractual liability", (3) restrict coverage to "sole" liability of Contractor, or (4) contain any other exclusions contrary to the Agreement; and, the coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

(C) Notice: The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) days prior written notice by First Class U.S. Mail, postage-prepaid, has been provided to the City. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Consultant's failure to pay the insurance premium, the notice provided to City shall be by ten (10) days prior written notice.

5.4.2 For all policies of Commercial General Liability Insurance, Contractor shall provide endorsements for ongoing operations and completed operations to effectuate this requirement.

5.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City in advance and shall protect the City, its officials, officers,

employees, agents and volunteers, in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

5.6 Primary and Non-Contributing Insurance. All policies of Commercial General Liability Insurance and Automobile Liability Insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents or volunteers, shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

5.7 Waiver of Subrogation. All policies of Commercial General Liability and Automobile Liability Insurance shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents and volunteers, or shall specifically allow Contractor or others providing insurance evidence in compliance with the requirements set forth in this section to waive their right to recovery prior to a loss. Contractor hereby agrees to waive its own right of recovery against the City, its officials, officers, employees, agents and volunteers, and Contractor hereby agrees to require similar written express waivers and insurance clauses from each of its subconsultants or subcontractors.

5.8 Evidence of Coverage. Concurrently with the execution of the Agreement, Contractor shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required by this section. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. Contractor shall promptly furnish, at City's request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents City requires to verify coverage.

5.9 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing in this section shall be construed as limiting in any way the indemnification provision contained in this Agreement, or the extent to which Contractor may be held responsible for payments of damages to persons or property.

5.10 Enforcement of Agreement (Non-Estoppel). Contractor acknowledges and agrees that actual or alleged failure on the part of the City to inform Contractor of any non-compliance with any of the insurance requirements set forth in this section imposes no additional obligation on the City nor does it waive any rights hereunder.

5.11 Insurance for Subconsultants. Contractor shall include all subconsultants or subcontractors engaged in any Work or Services for Contractor relating to this Agreement as additional named insureds under the Contractor's insurance policies, or Contractor shall be

responsible for causing its subconsultants or subcontractors to procure and maintain the appropriate insurance in compliance with the terms of the insurance requirements set forth in this section, including adding the City, its officials, officers, employees, agents and volunteers, as additional insureds to their respective policies. All policies of Commercial General Liability Insurance provided by Contractor's subconsultants or subcontractors performing any Work or Services related to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers, as additional insureds. Contractor shall not allow any subconsultant or subcontractor to commence any Work or Services relating to this Agreement unless and until it has provided evidence satisfactory to City that the subconsultant or subcontractor has secured all insurance required under this section.

5.12 Other Insurance Requirements. The following terms and conditions shall apply to the insurance policies required of Contractor pursuant to this Agreement:

5.12.1 Contractor shall provide immediate written notice to City if (1) any of the insurance policies required herein are terminated, cancelled or suspended, (2) the limits of any of the insurance coverages required herein are reduced, or (3) the deductible or self-insured retention is increased.

5.12.2 All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations shall limit the application of such insurance coverage.

5.12.3 None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City and approved in writing.

5.12.4 Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Contractor's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

5.12.5 Contractor agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Contractor, provide the same minimum insurance coverage required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with subcontractors and others engaged in the Project will be submitted to the City for review.

5.12.6 Contractor agrees to provide immediate written notice to City of any claim, demand or loss against Contractor arising out of the Work or Services performed under this Agreement and for any other claim, demand or loss which may reduce the insurance available to pay claims, demands or losses arising out of this Agreement.

6. INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend (at Contractor's sole cost and expense with legal counsel reasonably acceptable to City), indemnify, protect, and hold harmless City, its officials, officers, employees, agents and volunteers (collectively the "Indemnified Parties"), from and against any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, penalties, and expenses including legal costs and attorney fees (collectively "Claims"), including but not limited to Claims arising from injuries to or death of persons (Contractor's employees included), for damage to property, including property owned by City, or from any violation of any federal, state, or local law or ordinance, which Claims arise out of, pertain to, or are related to Contractor's performance under this Agreement. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Contractor's indemnification obligation or other liability hereunder. Notwithstanding the foregoing, such obligation to defend, hold harmless and indemnify the City, its elected and appointed officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims arise out of, pertain to, or are related to the sole negligence or willful misconduct of the City.

7. REPORTS AND RECORDS

7.1 Accounting Records. Contractor shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Contractor shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of the Work and Services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the Work or Services contemplated herein or, if Contractor is providing design services, the cost of the project being designed, Contractor shall promptly notify the Contract Officer of such fact, circumstance, technique, or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Contractor, its employees, subconsultants, subcontractors, and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Contractor may retain copies of such

documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. Contractor shall ensure that all of its subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

7.4 Release of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Contractor in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. All information gained by Contractor in the performance of this Agreement shall be considered confidential and shall not be released by Contractor without City's prior written authorization.

7.5 Audit and Inspection of Records. After receipt of reasonable notice and during the regular business hours of City, Contractor shall provide City, or other agents of City, such access to Contractor's books, records, payroll documents, and facilities as City deems necessary to examine, copy, audit, and inspect all accounting books, records, work data, documents, and activities directly related to Contractor's performance under this Agreement. Contractor shall maintain such books, records, data, and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during the term of this Agreement and for a period of three (3) years from the date of final payment by City hereunder.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such County, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.

8.3 Termination. City may terminate this Agreement for any reason, with or without cause, upon giving Contractor thirty (30) days written notice. Upon such notice, City shall pay Contractor for Services performed through the date of termination. Upon receipt of such notice, Contractor shall immediately cease all work under this Agreement, unless the notice provides otherwise. Thereafter, Contractor shall have no further claims against the City under this Agreement. Upon termination of the Agreement pursuant to this section, Contractor shall submit to the City an invoice for work and services performed prior to the date of termination.

8.4 Default of Contractor.

8.4.1. Contractor's failure to comply with any provision of this Agreement shall constitute a default.

8.4.2. If the City Manager, or the City Manager's designee, determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, he/she shall notify Contractor in writing of such default. Contractor shall have ten (10) days, or such longer period as City may designate, to cure the default by rendering satisfactory performance. In the event Contractor fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Contractor shall be liable for any and all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.3.

8.4.3. If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.4.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Maximum Contract Amount (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated. The withholding or failure to withhold payments to Contractor shall not limit Contractor's liability for completion of the Services as provided herein.

8.5 Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

8.6 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8.7 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.8 Attorneys' Fees. In the event any dispute between the Parties with respect to this

Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses, including but not limited to reasonable attorneys' fees, expert witness fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding.

9. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Contractor, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his or her financial interest or the financial interest of any corporation, partnership, or association in which they are, directly or indirectly, interested in violation of any state statute or regulation. Contractor represents and warrants that it has not paid or given and will not pay or give any third party any money or other consideration in exchange for obtaining this Agreement.

9.3 Covenant Against Discrimination. In connection with its performance under this Agreement, Contractor represents and warrants that it will not discriminate against any employee or applicant for employment because of race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Contractor shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10. MISCELLANEOUS PROVISIONS

10.1 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) five (5) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Notices or other communications shall be addressed as follows:

To City:

City of Laguna Hills
Attention: City Manager

24035 El Toro Road
Laguna Hills, California 92653
Telephone: (949) 707-2600

To Contractor :

Jonset Corporation dba Sunset Property Services
Attention: Christopher Valerian, President
16251 Construction Circle West
Orange, California 92606-4412
Telephone: (949) 551-5151
Facsimile: (949) 551-4371

10.2 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

10.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

10.4 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

10.5 Third Party Beneficiary. Nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party hereto.

10.6 Recitals. The above-referenced Recitals are hereby incorporated into the Agreement as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.7. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Agreement is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he/she is signing, (iii) by so executing this Agreement, the Party for which he/she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he/she is signing is bound.

10.8 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

10.9 Street Sweeping Refuse Deposited at Local Transfer Station/ Rate Reduction.

The Parties understand and agree that the City Manager shall have the right, but not the obligation, to direct the Contractor to deposit all street sweeping refuse at a specific location at any time during the term of this Agreement. In the event that City is able to successfully negotiate with its solid waste franchise hauler to allow for the depositing of all street sweeping refuse at a local transfer station without charge pursuant to the City's solid waste franchise agreement, then Contractor agrees to immediately reduce its per curb mile rate in accordance with the Contractor's Supplemental Rate Sheet, dated June 9, 2021, which is attached hereto as Exhibit "A" and is incorporated herein by reference.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the date first written above.

"CITY"
CITY OF LAGUNA HILLS
a California municipal corporation

ERICA PEZOLD,
Mayor

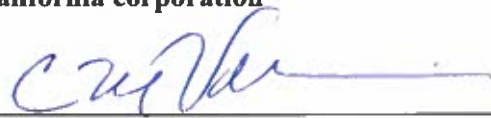
ATTEST:

MELISSA AU-YEUNG,
Deputy City Manager/City Clerk

APPROVED AS TO FORM:

GREGORY E. SIMONIAN,
City Attorney

"CONTRACTOR"
JONSET CORPORATION dba
SUNSET PROPERTY SERVICES, a
California corporation



CHRISTOPHER VALERIAN,
President and Chief Executive Officer



DANIEL NAUERT,
Secretary-Treasurer and Chief Financial
Officer

EXHIBIT "A"**CONTRACTOR'S PROPOSAL/ SCOPE OF WORK****DATED: MAY 18, 2021**

SCOPE OF SERVICES FOR PROJECT**INCLUDING,****SCHEDULE OF PERFORMANCE****AND****SCHEDULE OF COMPENSATION/ FEES/ RATES/ UNIT PRICES
(As Modified by Contractor's Supplemental Rate Sheet, Dated June 9, 2021)**



Sunset Property Services

City of Laguna Hills

Notice Inviting Bids

STREET SWEEPING SERVICES 2021



Setting the Standard
Since 1967

Respectfully submitted by

Jonset Corporation
dba Sunset Property Services
16251 Construction Circle West
Irvine, CA 92606
(949) 551-5151
AHowhannesian@SunsetPropertyServices.com

Due Date:
May 18th, 2021

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Setting the Standard
Since 1967

May 13, 2021

Kenneth H. Rosenfield
Assistant City Manager/Director of Public Services
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

**Subject: Notice Inviting Bids —Citywide Street Sweeping and Roadway
Cleaning Maintenance Services**

Mr. Rosenfield:

We are pleased to provide the City of Laguna Hills with our proposal for street sweeping services. Sunset Property Services is a local, family owned and operated MBE & DVBE business that has been proud to be a part of the Orange County community for over 43 years.

Sunset offers more than 54 years of experience and a substantial amount of comparable knowledge from our existing work on this contract and comparable municipality relationships. We are a proven provider of quality street sweeping services to many surrounding Orange County municipalities. We uphold our pledge of excellence to our clients through constant communication and reporting to ensure that we can proactively handle a variety of needs in a timely, cost effective manner. These reports have been submitted to your city to help identify landscaping, sloping, safety and service issues.

Our veteran team is eager to renew our partnership with your staff. Sunset goes unparalleled, not only in the proximity of our fleet and personnel headquarters in the County of Orange, but also in the variety and extent of services we can effectively and efficiently mobilize being so close to Laguna Hills. No other competitor can match us in the vast services that have been at your disposal. Our headquarters and fleet, with limited notice, can perform any service task to the highest quality with little to no limitation on fleet availability or distance/time constraints. This proximity also equates to a lower response cost for any emergency needs or services; this includes a quicker execution and greater public safety.

We are proud to offer the latest technology with our modern fleet. For this contract we would utilize our state-of-the-art TYMCO 600 regenerative air sweepers. As an added benefit, Sunset's sweepers are also equipped with broom assist head (BAH) for added efficiency. This allows for a better cleaning and more thorough removal of heavy debris through our investment in this option. Our sweepers are AQMD approved as well as PM10 certified for the cleanest level of removing debris that also mitigates airborne particulates. **Sunset was first**

Orange County
16251 Construction
Circle West
Irvine, CA 92606-4412
(949) 551-5151
(949) 551-4371 FAX

Attachment: Proposed Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement (2473 : Award of Citywide Street

in the nation to introduce the TYMCO Alternative Fuel 600 sweepers, in 1993, ten years before it was mandated.

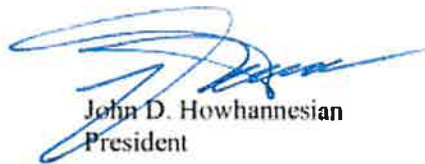
We are best qualified as Sunset provides the highest value and competitive pricing with the delivery of the highest quality service. Through our familiarity with this contract since 2008, we have proven our performance. Additionally, during the uncertainty and additional troubles in 2020 brought on by COVID-19 we demonstrated we could continue to provide services safely and without alterations or delay. Though there were many challenges from this over the past year, the city was not exposed to any of these difficulties in our contracted work and schedules. Additionally, our call logs are minimal to non-existent in relation to resident complaints from our nearly 13 year tenure.

Most substantial has been our cost savings to your city. For the initial term of our contract, we will have provided over \$40,000 savings in relation to the initial budget. In comparison to other bids pricing posted in 2020, we will have provided the city with a savings between \$53,364 and \$171,642 annually. We are proud to have been able to be of service to the city budgets and the residents. During this time, we continued to make adjustments to the city's posted needs and material changes at no additional cost. All of this was accomplished during a global pandemic that had a large impact on PPEs and labor while absorbing large changes to minimum wage and the extreme impact that SB-1383 had on tipping costs that were never passed on to the city.

Sunset acknowledges there were no addenda released regarding this bid including no posted Q&A. Additionally, we are attesting our interest in the Project and will be able to provide the full Scope of Services provided. We are able to comply with the Sample Draft.

We would like to thank you for your consideration of our proposal and look forward to the opportunity to continue working with your city.

Sincerely,



John D. Howhannesian
President

Qualification of the Company

Sunset Property Services is a family owned and operated business that has been proud to be headquartered in Irvine since 1978. For over 54 years Sunset has grown in California to become one of the premier providers for all service needs.

Project Onboarding

Our expert operations team works to keep you actively informed of your sites status while functioning to provide innovative and precautionary measures to ensure the utmost level of safety, health and service. Our management team places an emphasis on being in the field, not just behind a desk. We save our clients' money by being the first line of communication for facility issues and are unequalled in our response time to any emergency or special needs.

Not only do we rely on the sharpened ears and eyes of our crews, but we have placed an emphasis on our reporting and the data we establish for every client. Our experienced team provides routine quality checks of our services daily, through reporting and through consistent site visits. Our continuous safety, training and certification meetings are also strictly adhered to, so that the locations of service are being maintained at the optimum feasible level of efficiency. Due to our high standards, as well as the benefit of our headquarters being based less than thirteen miles away from the City of Laguna Hills, you can expect that all concerns can be addressed proactively and that they are being consistently monitored by our experienced and highly trained staff. In case of emergencies, our location allows quick and direct access to our expansive and diversified services.

We utilize electronic work order reporting to document all aspects of a service from customer calls to special concerns. This detailed history keeps a progressive synopsis of our projects readily available to any personnel involved from the top down. Our method of reporting provides an invaluable culmination of records on a per service level which can also be used to emphasize a larger picture of the areas of service. We are also able to provide complementary services instantaneously based on our wide range of services and centrally located fleet & crew.

Service Request

All service requests are channeled through our 24/7/365 office which is tracked on a proprietary system to ensure execution, efficiency and tracking. Additionally, a client log is simultaneously kept to keep record of hotspots and client needs. Due to our proximity and consummate knowledge, service requests are created as they come in through our Contracts Manager and can be scheduled in short notice (under 1 hour) if emergency services are needed.

In addition to our timely response, we have a wide range of in house services that can be readily used by the City.

Sunset provides a wide array of complementary services available with a locally centralized crew and complete scheduling flexibility. Our range is inclusive of but not limited to:

- | | |
|--------------------------------|---------------------------------|
| ❖ GRAFFITI REMOVAL | ❖ RD-2000 OIL ABSORBENT |
| ❖ SEALING | ❖ CUSTODIAL /DAYPORTER |
| ❖ AWNING CLEANING | ❖ PARKING LOT SWEEPING |
| ❖ HAULING | ❖ STREET SWEEPING |
| ❖ HYDROWASH/RECLAMATION | ❖ SPECIAL EVENTS |
| ❖ PRESSURE WASHING/RECLAMATION | ❖ CONSTRUCTION SITE CLEAN-UP |
| ❖ WINDOW WASHING | ❖ PARK BENCH/BUS BENCH CLEANING |

Equipment

We are proud to be able to provide the latest technology with our ever evolving and current fleet. For this contract we would utilize our state-of-the-art diverse fleet of TYMCO 210, TYMCO 435 and TYMCO 600 sweepers. This enables our team to handle all manner of roadways, narrow streets and parking lots to maximize efficiency and minimize asphalt damage as well as safety concerns. Our sweepers are PM10 certified for the cleanest level of removing debris that also mitigates airborne particulates and has proven effective for the alleys in the past.

GPS Utilization

For over 13 years we have provided the benefit and accountability of GPS tracking on our entire fleet of vehicles to our clients. We recently invested in new equipment to give second by second reporting in real-time on our entire fleet. Sunset pairs physical quality checks with technological advances and in depth on demand reporting capabilities. Through our GPS we enable our customers to have access to real-time data and assurance of vehicle location. Our system also includes features that monitor everything from the speed to equipment activity. With this advanced supervising enabled through any internet connection, we can assert that our vehicles maintain the appropriate speed for optimum cleaning and can provide hard reporting to substantiate our affirmation.

Through our GPS, site and city transitions are easily obtained and real-time monitoring can be affirmed so that the learning curve of new work is nearly non-existent. The other features of the GPS system provide a quick analysis to pinpoint inefficiencies on new accounts so that through our transition we can propose more effective ways to serve our clients.

Real-time second by second quick mapping lets us see our fleet at a glance and dispatch according. We also know at all times where these vehicles are, what speed and direction they are traveling, the route they have taken and much more. Historical routing of each vehicle and the location at a specific time can also be retrieved and used for analysis. When Sunset promises a vehicle at a certain time and location, we can guarantee our prompt response and completion, even at obscure hours.



Our GPS system allows business rules to be entered so that we can immediately receive notifications of violations even outside of normal business hours. These alerts can even be received by phone or tablet to maintain full around the clock accountability and makes our ability to react to situations instantaneous. Alerts can be defined on: vehicle idle time, hard braking, hard swerving, fuel & oil level, engine data, speeding against posted speed limit, maintenance and much more so that we can back our commitment to safety and performance with hard data.

Flexible reporting with a full suite of reports, ranging from very detailed to high level, are also processed quickly and automatically from the system. Run reports by vehicle, fleet, driver or team. All are generated in an easy-to-read format that can be printed, saved or set to send automatically to one or more recipients. Reporting is easy to use, but can be set up internally for our clients hassle free.



Work Plan

Sunset Property Services as a company has approximately 75-85 employees that work mostly full time with about 10 employees working part time. This combination allows us to easily cover absenteeism and needed vacation or time requested off for our employees. We have the ability to provide on-site leadership during both the day and night shifts. We have mobile supervisors that can respond to emergencies when necessary to support any special needs of the crews working at any of our locations. Our trained supervisors also provide quality control checks to ensure the highest level of service is provided to each and every client. Our Director of Operations and our Asst. Operations Manager interface directly with clients on a routine basis to obtain feedback on service while allowing the client direct contact with our management team.

Below are the guidelines and reporting highlights that have allowed us to be a seamless success when taking on large and expansive projects and have been utilized for your city:

- Maximize our labor potential by assigning key roles based on experience and skills
- Maintain daily reporting to guarantee all services are met
- Utilize our Quality Control program to locate areas with special needs or areas of concern
- Provide site walks by veteran management for better control
- Conserve energy through management of procedures and key personnel
- Report and analyze all aspects of the work performed and actively come up with new ways to better our services
- Constant communication with the client to follow up on needs and keep all needed personnel informed and minimizing learning curve while continuing to gather and address feedback
- Utilize technology for identifying all aspects of the project implementations to manage and assign tasks accordingly to design an efficient infrastructure

Qualifications of Management Staff

Quality Assurance/QC Program

We offer a customized set of processes for each scope of work, implemented seamlessly and reported consistently for quality assurance. Effective communication and fleet/vehicle monitoring and scheduling via GPS is an essential part of our success and the pervasive tool throughout our service integration and continuation. Utilizing technology, we adhere to a strict and thorough integration plan that has enabled us to become adaptive and successful when transitioning projects. The following actions are observed for new accounts:

- **Area/Site Analysis** – identify individual needs and highlight any potential areas that may require special attention
- **Pre-Service Team Brief/Assignment** – assess and communicate to teams directly assigned to the project any areas of special care and assign crew with strengths best suited for the needs of the project to guarantee accountability, stability and exceptional work
- **Establish History and Quality Control** – meet regularly to go over performance, initial feedback as well as review current methods and execution to ensure that each project is receiving specialized attention and that all crew members are fully aware of changes or modifications as necessary
- **Report** – as the eyes and ears of our clients, report back any potential problems or suspicious/irregular activity and recommend additional services as necessary according to the needs of the property
- **Familiarize and Nurture Growth** – reliability is key but continuing to analyze and discover fresh approaches or needs is the cornerstone to progress

Crews

Sunset takes pride in its accomplishments as a team and the dedication, as well as experience, of our crews. We value loyalty and consider all employees a part of the Sunset family. Sunset strives to maintain exceptional quality in our work as well as in our relationships with our crews and staff, evidenced by the average 10-year tenure of our employees. This is a direct result of our commitment to supporting our crews, implementing exceptional project strategy and our ability to pair quality with loyalty. Their training and experience is an essential part of how Sunset seamlessly transitions new contracts.

Our crew cross training and focus has been a proven benefit during the difficulties of COVID-19.

Employee Benefit Program

Another pivotal point to the success of our business has been to create an incentive program for our crews. Part of quality assurance means proactively giving our crew the tools and encouragements to excel. Our program gives greater accountability to translate into a more effective workforce with greater benefits and a happier working environment. This positively impacts employees' conduct and performance to give greater value, savings and quality for our clients.

Corrective Action Plan

Sunset's procedure for corrective action currently utilizes our electronic Q.A. reporting system which is documented and communicated through our encompassing proprietary electronic Work Order

system. Sunset's supervisors and Q.A. personnel are trained to fill out an inspection report which is then delivered back to our main office and input electronically. If the reported results does not meet our high level of standards or there is a unique issue, a work order is opened and immediate action is taken. This simultaneously archives the report and creates an action plan accompanied with completion dates and a new inspection date. We are able to report and monitor the historical data in order to identify potential trends.

This process is multipurpose and carefully documents areas that need special care and are notes them for future reference. This can also integrate with our scheduling system to assert better controls and easily identifiable service history. Our experience in other accounts allows for a cross check between new locations and veteran locations that already have an accumulation of data so we can distinguish areas to closely monitor before we even commence services. We can provide polls to residents to actively search for their feedback to confirm we are providing services to the best of our abilities and with resident high approval. Correspondence logs are also maintained and communicated to staff to keep a transparent log of any calls from residents. Our internal systems ensure that we comply with the contract time frames on all levels.

Accountability & Customer Service

At Sunset, we hold our work to the highest standards and we know that accountability is of the utmost importance. Our goal is to provide the highest quality service possible. In order to maintain accountability and quality we have a dedicated contract manager as well as a client services representative, that handles any requests or concerns that our clients may have. Additionally, we have an operations team that meets daily, headed by our director of operations, to discuss any issues, new requirements or concerns to ensure that everything is running smoothly. Service and direct contact to our team is available 24 hours a day, 7 days a week.

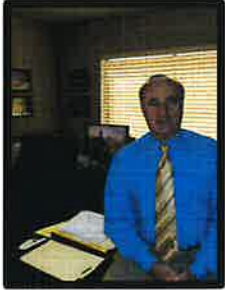
Our proprietary work order system designed in house, creates electronic work orders to ensure that any special notes as well as basic information can be kept for reference. Client information is meticulously maintained to ensure that all documentation for the client is kept up to date and ready at any time for any potential needs or verification. Our accounting provides a customized and exhaustive breakdown of the city and the billing for each invoice cycle for fully disclosed communication and 100% accuracy. We want to ensure that accurate accounts are kept and recorded and that past information can be accessed at a moment's notice.

If special services or requests are made, outside of the scope of work, Sunset crews are prepared to handle any needs at any time. We believe we offer the best of both worlds being an involved small local business; providing big company solutions with distinct personal touches.

Brief Biographies

Project Management

John D. Howhannesian, President/CEO



John D. Howhannesian is the founding member of Sunset Property Services, a family-owned and operated business. Since 1967, he has been developing and expanding the scope of Sunset's business and service expertise. Sunset's exceptional client relationships, widely diverse service skill set and innovative approaches can be attributed to his passion and high principle.

Mr. Howhannesian brings intimate knowledge of the industry and a proactive approach to solving challenges with ideas that continue to positively impact the property maintenance industry. He leads his company as a proponent in furthering enhancements in the safety of our environment. At a young age, he felt a strong sense of stewardship towards maintaining a clean environment and as an entrepreneurial pioneer he wanted to set the standard for taking all aspects of cleaning into account; streets, water sanitation and even air quality. Recognizing the value of sustainability, Mr. Howhannesian was the first to introduce the concept of alternative fuel the industry in conjunction with TYMCO. This technology was implemented as a standard at Sunset well ahead of its time before it became a state mandate. He continues to be a proponent in furthering the enhancements of safety and sustainability through his 'green' philosophy which he has imparted onto his company.

With more than 50 years general management experience, he understands how each multifaceted layer of an operation functions on an innate level. He understands that, above building profit, being environmentally active and benefiting the community must be Sunset's primary goal. Mr. Howhannesian has passionately built a responsive organization that consistently delivers results by aligning company initiatives with business goals pairing quality with outstanding service.

Andrea Howhannesian, Director of Operations

Andrea Howhannesian is directly responsible for the daily operations and function of Sunset's crews. She emphasizes a passion for technology, innovative advancements & consistently advancing systems to provide new solutions. Her first education has been gained from her emersion in the family business which she has been proud to be a part of for over 11 years. She has had the opportunity to work in many different aspects of the company to gain an encompassing knowledge of the business as a whole. She has worked closely with the municipalities serviced by Sunset to help in their advancement goals. Her involvement has allowed her to become preemptive with city needs and she has a passion for being fully immersed and understanding the distinctive mechanics of each. Her in-depth knowledge and the longevity of her experience enables her to provide a top to bottom account of a project for seamless transitions and planning to help project needs, communicate effectively and meet deadlines.





Rick DeAnda, Assistant Operations Manager

Rick DeAnda has been with Sunset for over 34 years, currently in his position as Assistant Operations Manager where, through his determination and tenacity beginning behind a sweeper helper, he earned and has grown into the operations area of expertise. His experience provides a keen eye for detail and also allows for us to present solutions to our clients and make suggestions of property needs. Rick brings a gamut of experience and perspective to the table for this contract. Having such a diverse and experienced background, Rick provides efficient and veteran

solutions to day-to-day issues including managing personnel and coordinating resources for the benefit of Sunset clients.

Michael Araujo, Supervisor

Michael and Ivan would pair up to cover the supervisory aspects of this contract. Michael has been directly involved with the scheduling and routing of this contract. Ivan has been well versed in all of our Class B services on a personal level, including being certified himself. Together they would oversee and input the daily reporting on equipment, service times and concerns to ensure accountability and vigilance. Additionally, Ivan would fill in during any unanticipated call off.



Cynthia Rendon, Customer Service

Cynthia Rendon is the day-to-day liaison with our clients, while working closely with the Operations team in planning daily services and special client requests. She assists in the creation of all property specifications by preparing detailed documentation and knowledge on sites and scheduling. She also oversees the input and completion of all work orders that are processed through our system. Cynthia has brought a level of responsiveness and personal connection to our relations with the city.



August 21, 2018

To whom it may concern:

RE: Sunset Property Services

I am pleased to provide this reference letter for Sunset Property Services.

The County of Orange approved contract MA-080-12011450 with Sunset Property Services for street sweeping services commencing on May 1, 2012 through April 30, 2017. Sunset Property Services was tasked to perform street sweeping on multiple unincorporated islands throughout Orange County which included Anaheim, Santiago Canyon, Orange, Santa Ana, Tustin, Yorba Linda, Dana Point, Hidden Ranch, Ladera Ranch, Las Flores, Wagon Wheel, and Rancho Mission Viejo. During this time, we found Sunset Property Services staff to be very knowledgeable, professional and co-operative throughout the term of this contract. The County of Orange has recently approved a new contract, MA-080-17011345, with Sunset Property Services for street sweeping services commencing on May 1, 2017 through April 30, 2020, with the option to renew for two additional years.

The County has received excellent customer service and is extremely pleased with the business relationship that has been established with Sunset Property Services.

We would recommend Sunset Property Services to you without hesitation.

Sincerely,

Kris Ruiz
SMIS, Annual Contracts
OC Public Works-Operations & Maintenance
714-955-0346- Direct
Kris.Ruiz@ocpw.ocgov.com



Turner Construction Company
1900 South State College, Suite 200
Anaheim, CA 92806
Phone: (714) 940-9000

August 21, 2018

To Whom it May Concern:

I am writing this letter as a reference for Sunset Property Services.

Sunset is well-organized, detailed and executes well in the services they have provided for us on a numerous projects.

Their site management and execution on final cleaning services that have included janitorial, street sweeping, window washing and pressure washing, have been detailed, well organized and have shown flexibility on the changes that are inherent to construction projects.

Throughout the projects completed, they established and maintained a consistent clear line of communication as well as a chain of command for better efficiency. They were honest, adhered to schedules and changes in professional manner.

With any of your project or site cleaning services, we would highly recommend Sunset Property Services.

Sincerely,

Turner Construction Company

A handwritten signature in blue ink, appearing to read "Brendan W. Murphy".

Brendan W. Murphy
Vice President and Operations Manager

Company Experience

Recent Experience

Sunset is pleased to provide street, lot and bike trail sweeping to many neighboring entities in and around Laguna Hills including Mission Viejo, Laguna Niguel and Laguna Woods. Most recently, the City of Fountain Valley and Newport Beach were successfully transitioned mid 2020 for city-wide street sweeping. Additionally, during our past term with Laguna Hills, we were awarded by SCMSDC through our longstanding relationship with Disneyland with a 2019 Supplier of the Year Award. We continue to show our city contracts and commercial partners our commitment to excellence, safety and reliability.

References

<u>Date Value</u>	<u>Name & Address</u>	<u>Contact</u>	<u>Description</u>
Current +\$400K	City of Mission Viejo 27204 E. La Paz Road Mission Viejo, CA 92692	Corey Gonyea cgonyea@cityofmissionviejo.org (949) 362-4341	City-wide street sweeping services including parking lots & bike trails.
Current +\$450K	County of Irvine 6427 Oak Canyon Irvine, CA 92618-5202	John Dupont JDupont@cityofirvine.org (949) 724-7617	City-wide street sweeping services including parking lots & bike trails.
Current +\$750K	City of Newport Beach 100 Civic Center Drive Newport Beach, CA 92660	Tom Miller TMiller@newportbeachca.gov (949) 718-3481	City-wide street sweeping services including parking lots & bike trails.
Current +\$120K	County of Rancho Santa Margarita 22112 El Paseo Rancho Santa Margarita, CA 92688-2824	Brendan Dugan BDugan@cityofrsm.org (949) 635-1805	City-wide street sweeping services including parking lots.
Current +\$700K	Disneyland Resort 700 W Ball Rd Anaheim, CA 92802	Karla Kingma Karla.Kingma@disney.com (714) 781-7752	Open parking lots and parking structures (6 th largest in the world)

All references listed above have been successfully transitioned and managed by the proposed team for the City of Laguna Hills.

Financial Condition

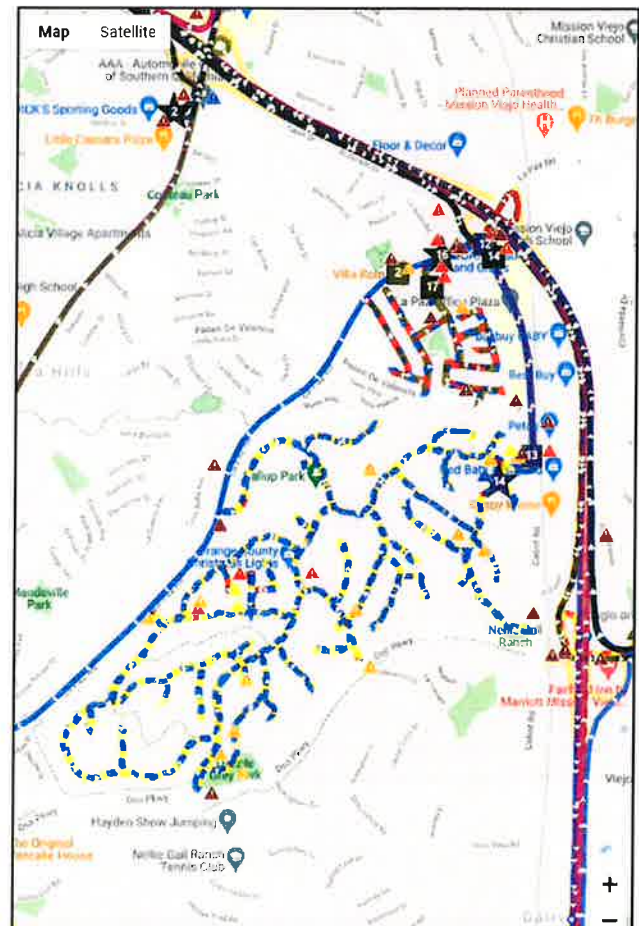
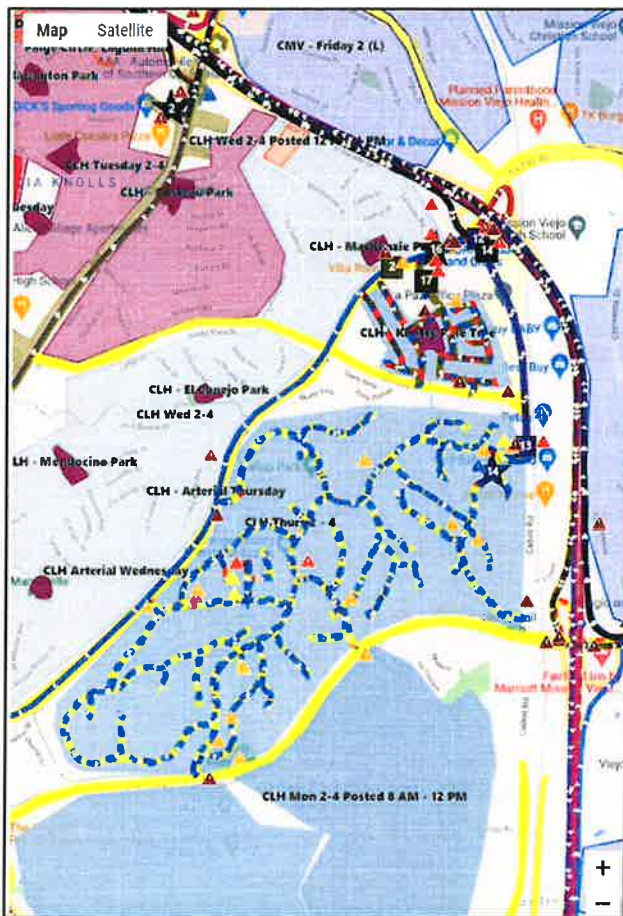
Sunset Property Services is in good standing. There have been no concerns in regards to bankruptcy, past or present. This financial stability has been in place for over 54 years and has translated over to our relationship and stability throughout our current term.

If requested, Sunset Property Services is willing to provide the requested proof of financial condition outside of public record.

Schedule of Performance

Through our historical routing, current use of knowledgeable sweeper operators and our management team that has been with the company for an average of over 25 years, we are well versed with you city and the routes. We will be able to rollout the changes being proposed while upholding our indoctrinated routing.

Our current GPS mapping confirms start points and properly divides scheduled days, including those requiring multiple sweepers outside of the primary. This is only achieved efficiently due to our expansive understanding being that we are based in Orange County and we have a presence here with our other contracts and through our teams that live in Orange County. Below includes a sampling of our current mapping including points of interest:



Equipment Inventory

Isuzu NPR XC	TYMCO 435	2020
Freightliner M2	TYMCO 600	2016
Freightliner M2	TYMCO 600	2016
Freightliner SNS	TYMCO 600	2018

Additional Information

In our tenure, experience and savings to the city, we have engrained knowledge that is unparalleled. This includes locations of hotspots throughout the city and routing that includes sensitive and posted areas not necessarily considered in this NIB.

Additionally, Sunset is willing to work with the city in conjunction with their waste franchise agreement to potentially cover tipping fees. If this is able to be achieved, the curb mile rate will be further discounted to the city.

BIDDER'S NAME: Sunset Property Services

CITY OF LAGUNA HILLS
BID PROPOSAL FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

TO CITY OF LAGUNA HILLS:

The undersigned CONTRACTOR hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated Project as set forth in the Notice Inviting Bids, Specifications, and Maintenance Services Agreement therefore, and to perform all work in the manner and time prescribed therein.

CONTRACTOR declares that this Bid Proposal is based upon careful examination of the work site, Notice Inviting Bids, Specifications, and Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement. If this Bid Proposal is accepted for award, CONTRACTOR agrees to enter into the attached Draft Maintenance Services Agreement with City at the unit and/or lump sum prices set forth in the following Proposal Bid Sheets.

CONTRACTOR understands that a bid is required for the entire work, that the estimated quantities set forth in the Proposal Bid Sheet are solely for the purpose of comparing proposal(s), and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts.

CONTRACTOR agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workman's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the CONTRACTOR will comply with such provisions of that code before commencing the performance of this Contract if awarded to it.

CONTRACTOR certifies that in all previous contracts or subcontracts, all reports which may have been due under the requirements of any agency, State or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

CONTRACTOR declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the City is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual firm, or corporation making a bid for the same work; and that this proposal is in all respects fair and without collusion or fraud.

CONTRACTOR acknowledges that it is the City's intention to award a Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement for a period commencing on July 1, 2021.

CONTRACTOR acknowledges that the scope and units of work on the Proposal Bid Sheets are approximate descriptions and estimates of work to be performed on an annual basis during the term of this Project, that the work shall only be performed on an as-needed, on-call individual Task Order basis only and no quantity of work or payment to Contractor is guaranteed to be authorized or granted by the City.

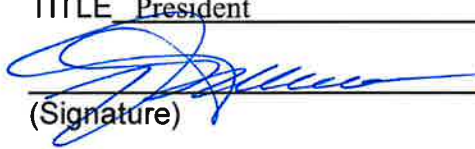
CONTRACTOR'S NAME: Sunset Property Services DATE 5-15- 2021

CONTRACTOR'S ADDRESS:

16251 Construction Circle West
Irvine, CA 92606

BY John D Howhannesian

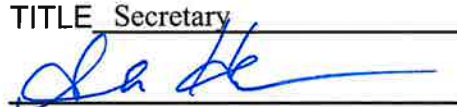
TITLE President


 (Signature)

PHONE (949) 551-5151

BY Andrea Howhannesian

TITLE Secretary


 (Signature)

Signatures to be Notarized,
 Attach ACKNOWLEDGMENT

/

/

Continued next page

ACKNOWLEDGMENT

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 Orange

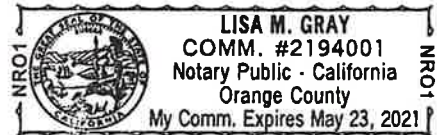
On May 15, 2021 before me, Lisa M Gray, Notary Public
(insert name and title of the officer)

personally appeared John D Howhamesian And Andrea Howhamesian
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)



CONTRACTOR'S INFORMATION

CONTRACTOR certifies that the following information is true and correct:

Contractor Name Jonset Corporation dba Sunset Property Services

Business Address 16251 Construction Circle West, Irvine, CA 92606

FAX No. (949) 551-4371 Telephone (949) 551-5151

E-Mail address: CustomerService@SunsetPropertyServices.com

State Contractor's License No. and Class N/A

Original Date Issued N/A Expiration Date N/A

Years this Company has been in the Maintenance Business 54 Years

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

John D Howhannesian, President - Mission Viejo, CA 92606 (949) 551-5151

Andrea Howhannesian, Secretary - Rancho Santa Margarita, CA 92688 (949) 551-5151

The dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal are as follows:

None

All current and prior DBA's, alias, and/or fictitious business names for any principal having an interest in this proposal are as follows:

Sunset Property Services

BY John D Howhannesian
(Print Name)


(Signature)

TITLE President

DATE May 14th, 2021

Continued next page

BIDDER'S NAME: Sunset Property Services

REFERENCES

The following are the names, addresses, and phone numbers for three public agencies for which CONTRACTOR has current contracts for maintenance services:

1. Agency: City of Newport Beach
 Address: 100 Civic Center Drive, Newport Beach, CA 92660
 Telephone: (949) 718-3481
 Primary Contact Person/Title: Tom Miller / Maintenance & Operations Supervisor
 Years of service with this Agency: 10 Type of Work: Street/Alleys/Lot Sweeping
 Term of Agreement: 10 Years Expiration Date: Current
2. Agency: City of Irvine
 Address: 6427 Oak Canyon, Irvine, CA 92618-5202
 Telephone: (949) 724-7617
 Primary Contact Person/Title: John Dupont / Street Maintenance Superintendent
 Years of service with this Agency: 6 Type of Work: Street/Lot Sweeping
 Term of Agreement: 5 Years Expiration Date: Current
3. Agency: City of Rancho Santa Margarita
 Address: 22112 El Paseo, Rancho Santa Margarita CA 92688
 Telephone: (949) 635-1805
 Primary Contact Person/Title: Brendan Dugan / Public Works Director/City Engineer
 Years of service with this Agency: 15 Type of Work: Street/Lot Sweeping & Janitorial
 Term of Agreement: 8 Years Expiration Date: Current

Continued next page

BIDDER'S NAME: Sunset Property Services

NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY CONTRACTOR AND
SUBMITTED WITH BID

STATE OF CALIFORNIA)
) SS
COUNTY OF)

John Howhannesian, being first duly sworn, deposes and says that he or she is President of the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, Contractor association, organization, or corporation; that such bid is genuine and not collusive or sham; that the Contractor has not directly or indirectly induced or solicited any other Contractor to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Contractor or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Contractor has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Contractor or any other Contractor, or to fix any overhead, profit, or cost element of the bid price, or of that of any other, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the Contractor has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agency thereof to effectuate a collusive or sham bid.

Signed



John D Howhannesian
Name (print)

President

Title

5-15-21

Date

Signatures to be Notarized,
Attach ACKNOWLEDGMENT

Continued next page

ACKNOWLEDGMENT

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 Orange

On May 15, 2021 before me, Lisa M Gray Notary Public
(insert name and title of the officer)

personally appeared John D Howhannesian
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)



BIDDER'S NAME Sunset Property Services

CITY OF LAGUNA HILLS
PROPOSAL BID SHEETS FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

BASE BID

ITEM NO.	ITEM	UNIT	QTY	UNIT PRICE	AMOUNT
1	Arterial Highway and Collector Street Weekly Street Sweeping per Year	Curb mile	4524 (87x52)	25.17	\$ 113,869.08
2	Residential Street Twice Monthly Street Sweeping per Year	Curb mile	3024 (126x24)	25.24	\$ 76,325.76
3	Monthly Bike Trail Street Sweeping per Year	Monthly	12	246.66	\$ 2,959.92
4	Monthly Sidewalk, Stairway, Fire Gate Cleaning per Year	Monthly	12	410.60	\$ 4,927.20
5	Monthly Community Center Parking Lot Street Sweeping per Year (3 lots)	Monthly	12	146.07	\$ 1,752.84
6	Monthly Cabot Park Parking Lot Street Seeping per Year (1 lot)	Monthly	12	110.71	\$ 1,328.52
7	Quarterly two-way left turn Street Sweeping	Quarterly	4	269.42	\$ 1,122.90

TOTAL BASE BID IN FIGURES:\$ 202,286.22**TOTAL BASE BID IN WORDS:** Two hundred and two thousand two hundred eighty-six DOLLARSAND twenty-two CENTS

Quantities shown above are estimated. Actual Quantities shall be verified by the City inspector and may be greater or less than the quantities indicated here. The determination of the lowest price bid shall be on the basis of comparison of the Total Base Bid value.

ADDITIONAL SERVICES BID AS NEEDED

ITEM NO.	ITEM	UNIT	UNIT PRICE
8	Hourly Rate for Special Street Sweeping	Hourly	\$155.00
9	Hourly Rate for Emergency Street Sweeping	Hourly	\$180.00
10	Bus Stop Cleaning (Select locations on a quarterly basis or as directed)	Each	\$ 95.00

Continued Next Page

BIDDER'S NAME: Sunset Property Services

CITY OF LAGUNA HILLS
PROPOSAL BID SHEETS FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

EQUIPMENT INVENTORY

Contractor shall provide, as a separate attachment, the model, make and year of the primary equipment proposed to be used on this Project. Do not list hand tools.

BID PROPOSAL SUBMISSION STATEMENT

IN WITNESS WHEREOF, Contractor executes and submits this proposal with the names, titles, hands, and seals of all forenamed principals this 15th day of NOV, 2021.

NOTE: CONTRACTOR MAY, AT THEIR SOLE DISCRETION, PROVIDE A LISTING AND DESCRIPTION OF ADDITIONAL SERVICES THEY OFFER, ADDITIONAL REFERENCES, AND ADDITIONAL COMPANY INFORMATION DESCRIBING THEIR UNIQUE QUALIFICATIONS TO AID THE CITY IN DETERMINING THE BEST QUALIFIED VENDOR BY ATTACHING UP TO 10 ADDITIONAL PAGES TO THIS BID PROPOSAL. CITY MAY UTILIZE THIS INFORMATION IN ITS EVALUATION OF THE "BEST QUALIFIED VENDOR" IN ACCORDANCE WITH LPMC 3-08.090 and 3-080.100.

CONTRACTOR NAME: Sunset Property Services

By John D Howhannesian

Print


Signature

President

Title

Signatures to be Notarized,
Attach ACKNOWLEDGMENT

ACKNOWLEDGMENT

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 Orange

On May 15, 2021 before me, Lisa M Gray, Notary Public
(insert name and title of the officer)

personally appeared John D Howhannesian
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)





Setting the Standard
Since 1967

Orange County
16251 Construction
Circle West
Irvine, CA 92606-4412
(949) 551-5151
(949) 551-4371 FAX

June 9, 2021

Mr. Kenneth Rosenfield
Interim City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Re: Supplemental Rate Sheet

Dear Kenneth,

Sunset's approach has always been to meet or exceed the highest quality service while being conscientious of cost savings to benefit the clients we serve. Although we were the lowest qualified bidder in the recent Street Sweeping Bid Proposal dated May 18, 2021, we are willing to offer an option, in consideration of the residents and you, our client.

We are providing an SRS in the event the City allows Sunset access to free tipping fees, estimated at about 200 tons annually, under the franchise hauling agreement. Sunset agrees to reduce the rate by \$1.10 per curb mile, subject to reasonable determination of the parties that the currently unknown transfer station location will be within a reasonable distance from the City.

The reduction would save the city an additional \$8,378.28 annually or \$25,134.84 over the initial three year term.

As always, we will continue to work with you and look for cost saving solutions should you need anything.

Sincerely,

John D Howhannesian

EXHIBIT “B”

**CITY OF LAGUNA HILLS
NOTICE INVITING BIDS AND SPECIFICATIONS
FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING
MAINTENANCE SERVICES**

DATED: APRIL 19, 2021



CITY OF LAGUNA HILLS
CALIFORNIA

NOTICE INVITING BIDS AND SPECIFICATIONS
FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING
MAINTENANCE SERVICES

Issued: April 19, 2021

Bid Opening: May 18, 2021 at 11:00 am

CITY OF LAGUNA HILLS
24035 EL TORO ROAD
LAGUNA HILLS, CA 92653

(949) 707-2651

CITY OF LAGUNA HILLS
CALIFORNIA

NOTICE INVITING BIDS AND SPECIFICATIONS
FOR

**CITYWIDE STREET SWEEPING AND ROADWAY CLEANING
MAINTENANCE SERVICES**

Prepared under the Supervision of and Approved by:



April 19, 2021

Kenneth H. Rosenfield, P.E.
Interim City Manager/Public Services Director
R.C.E. No. 33496
Expires 6/30/22

Date

CITY OF LAGUNA HILLS

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**CITY OF LAGUNA HILLS
NOTICE INVITING SEALED BIDS FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES**

NOTICE IS HEREBY GIVEN that sealed bids will be received by the City of Laguna Hills, as AGENCY, for furnishing all materials, equipment, tools, labor, and incidentals as required for the above stated Project in strict accordance with this Notice Inviting Bids, Specifications and Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement on file in the City Clerk's Department of the City of Laguna Hills.

Bids will be received by the City Clerk at the City of Laguna Hills until 11:00 am on the 18th day of May 2021, at which time and place the bids will be publicly opened and read aloud. Bids shall be submitted in sealed envelopes marked on the outside, **"CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES - DO NOT OPEN WITH REGULAR MAIL."**

The City seeks to retain the services of a qualified and experienced company/Contractor capable of performing the work of all-inclusive citywide street sweeping and roadway cleaning maintenance services, including, but not limited to, routine weekly street sweeping and cleaning of arterial highway and collector streets, twice monthly street sweeping and cleaning of residential streets, monthly street sweeping and cleaning of specified parking lots, sidewalks, stairs, fire gates, and bike trails, quarterly sweeping of specified two way left turn lines and as directed cleaning of specified bus stops (the "Project"), all in accordance with the Bid Proposal.

The Agency reserves the right, after opening bids, to reject any or all bids and will procure the services for Project consistent with the City's procurement regulations, procedures, and best qualified vendor selection criteria set forth in Sections 3-08.090 and 3-08.100 of the Laguna Hills Municipal Code (LHMC), respectively, as determined solely by the City; to waive any informality in the bidding; to accept any bid or portion thereof; and to take all bids under advisement for a period of ninety (90) days. Bids will be compared on the basis of the Engineer's estimate of the quantities of the several items of work as shown on the bid sheets. A full and complete copy of Sections 3-08.090 and 3-08.100 of the LHMC is provided within the Instructions for Bidders section of this document. To facilitate the City's determination of the Best Qualified Vendor, Bidder shall provide up to ten pages of additional information about their unique qualifications meeting the City's needs for this Project as a part of the submission of their Bid Proposal. The City may, at its discretion, after the opening of the Bids, schedule interviews of the lowest Bidders as a part of its determination of the Best Qualified Vendor. Bidders shall be notified of a schedule of interviews and shall participate upon an invitation issued by the City.

At the time of award of the proposed Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, the Contractor shall possess a State of California Contractor's License as appropriate for the performance of the work herein described. The City requires either the State Compensation Insurance Fund or a carrier rated B+ or above for Workers' Compensation Insurance.

The selected company/Contractor shall enter into the City's Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement which includes the following provision regarding Prevailing Wages: "Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Contractor agrees to fully comply with all applicable federal and state labor laws (including, without limitation, if applicable, the Prevailing Wage Laws). It is agreed by the Parties that, in connection with the Work or Services provided pursuant to this Agreement, Contractor shall bear all risks of payment or non-payment of prevailing wages under California law, and Contractor hereby agrees to defend, indemnify, and hold the City, its elected and appointed officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement."

Work or services that are considered to be cleaning, custodial, and janitorial in nature are not Public Works as defined in the State of California Labor Code, therefore such work or services shall not be subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR). However, as may be applicable, it is the Bidders' sole responsibility to incorporate the cost of complying with all prevailing wage and labor compliance requirements and all applicable laws for this Project.

Complete sets of Specifications may be obtained by request at no charge from the City of Laguna Hills, 24035 El Toro Road, Laguna Hills, California, 92653. Specifications can be mailed for an additional \$10.00 (ten dollars) per set, or call for express delivery rates. You may obtain information regarding the Bid and plan holder's list by accessing the City's website at "www.lagunahillsca.gov", clicking on "Doing Business, Bid Opportunities, CIP/RFP," then clicking on the specific job in which you are interested. You may also access the website after the bid date to obtain information regarding the award of bid.

Dated this 19th day of April 2021.

CITY OF LAGUNA HILLS, CALIFORNIA



 MELISSA AU-YEUNG, CITY CLERK
 24035 El Toro Road
 Laguna Hills, CA 92653

CITY OF LAGUNA HILLS
INSTRUCTIONS TO BIDDERS
FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

1. BID PROPOSAL FORMS

Bid Proposal(s) shall be submitted in writing on the Bid Proposal forms provided by the City. All information requested therein must be clearly and legibly set forth in the manner and form indicated. The City will not consider any submission not meeting these requirements.

2. NON-COLLUSION AFFIDAVIT

Contractor shall declare that the only persons or parties interested in the proposal as principals are those named therein; that no officer, agent, or employee of the City is personally interested, directly or indirectly, in the proposal; that the proposal is made without connection to any other individual, firm, or corporation making a bid for the same work; and that the Bid Proposal is in all respects fair and without collusion or fraud. The Non-Collusion Affidavit shall be executed and submitted with the proposal.

3. PROPOSAL BID SHEET

Contractors shall give unit prices for each and all of the items set forth. No aggregate proposal(s) will be considered. The Contractor shall set forth for each item of work, in clearly legible figures, a unit item price and a total for the item in the respective spaces provided for this purpose. The quantities listed in the Bid sheets are supplied to give an indication of the general scope of work, but the accuracy of figures is not guaranteed and may change over the duration of the Project. Contractor shall make its own estimates as to the extent of the work. In case of a variation between the unit price and the totals shown by the Contractor, the unit price will be considered to be the bid.

4. DELIVERY OF BID PROPOSAL

Bid Proposals may be mailed or delivered in person. Note that during the Covid-19 Pandemic, City Hall offices may be closed and unable to accept express or messenger services deliveries on a timely basis. However, it is the Contractor's sole responsibility to ensure delivery of the proposal to the hands of the City Clerk by the date and time required in the Notice Inviting Sealed Bids. In person drop off of Bids will be accepted beginning one hour prior to the Bid Opening date and time set forth in the Notice Inviting Bids. Call to arrange acceptance of Bids at other times at (949) 707-2651.

Sealed bids or proposals shall be submitted to the office of the City Clerk or requesting city department and shall be identified as formal competitive bids or proposals on the outside of the sealed envelope. The City Clerk or requesting city department head shall store all sealed bids in a secure location until opening. The City Clerk or requesting City department head shall open all bids or proposals in public at the time and place stated in the Notice Inviting Bids. A tabulation of all bids or proposals received shall be open for public review and inspection in the office of the City Clerk or requesting city department during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.

5. IRREGULAR BID PROPOSALS

Unauthorized conditions, limitations, or provisions attached to a Bid Proposal will render it irregular and may cause its rejection. The completed Bid Proposal forms shall be without interlineations, alterations, or erasures. Alternative proposals will not be considered unless specifically requested. No oral, telegraphic, or telephonic proposal, modification, or withdrawal will be considered.

6. TAXES

No mention shall be made in the proposal of Sales Tax, Use Tax, or any other tax, as all amounts bid will be deemed and held to include any such taxes which may be applicable.

7. DISQUALIFICATION OF CONTRACTORS

In the event that any Contractor acting as a prime Contractor has an interest in more than one proposal, all such proposals will be rejected, and the Contractor will be disqualified. This restriction does not apply to subcontractors or suppliers who may submit quotations to more than one. No Agreement will be executed unless the Contractor is licensed in accordance with the provisions of the State Business and Professions Code.

8. INTERPRETATION OF DOCUMENTS

If any person/company/corporation contemplates submission of a Bid Proposal for the proposed Project and is in doubt as to the true meaning of any part of the specifications or other proposed documents, or finds discrepancies in, or omissions from the specifications, they may submit to the City a written request for an interpretation or correction thereof. The person submitting the request will be responsible for its prompt delivery. Any interpretation or correction of the proposed documents shall be made only by addendum duly issued and copy of such addendum will be mailed or delivered to each person receiving a set of such documents. The City will not be responsible for any other explanation or interpretations of the proposed documents. Contractor shall field review the site of the Project and completely familiarize themselves with all of the work necessary to complete the Project as described in the Specifications.

9. ADDENDA OR BULLETINS

The effect of all addenda to the Documents shall be considered in the Bid Proposal, and said addenda shall be made a part of these documents and shall be returned with them. Before submitting its Bid Proposal, each Contractor shall inform themselves as to whether or not any addenda have been issued, and failure to cover in this bid any such addenda issued, may render its bid irregular and may result in its rejection by the City.

10. LEGAL RESPONSIBILITIES

All Bid Proposals must be submitted, filed, made, and executed in accordance with State and Federal laws relating to Bid Proposal(s) for contracts of this nature whether the same are expressly referred to herein or not.

Any Contractor submitting a Bid Proposal shall by such action thereby acknowledge they have visited the full limits and extent of the work site and agree to each and all of the terms, conditions, provisions, and requirements set forth, contemplated, and referred to in the Notice Inviting Bids, Specifications and Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final, and to full compliance therewith.

11. AWARD OF CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES AGREEMENT

Following a review of the Bid Proposal(s), the City shall determine whether to select a qualified Contractor for the Project based upon multiple criteria described herein. The determination of the lowest bid value shall be based upon a comparison of the Bid Proposals only. However, the City shall determine whether to award the proposed Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final, to the Best Qualified Vendor in accordance with all of the following provisions of the LHMC.

“3-08.090 Procurement of goods and supplies, equipment, materials, and nonprofessional services – Greater than fifty thousand dollars (\$50,000.00) – Formal

The procurement of goods and supplies, equipment, materials, and nonprofessional services with an estimated value of greater than fifty thousand dollars (\$50,000.00), inclusive of taxes, licenses, freight charges, installation charges, fees, and other considerations, shall be made by the formal procedures set forth in this section.

A. Notice Inviting Bids. Notices inviting formal bids or proposals from prospective vendors shall be publicly noticed no later than ten calendar days before the submission date for formal bids. The notices shall describe the requested goods or supplies, equipment, materials, or nonprofessional services in general terms,

how to obtain more detailed information concerning the procurement, and state the time, place, and deadline for submission of sealed bids or proposals.

B. Public Notice. The notice inviting formal bids or proposals shall be publicly noticed in any generally accepted manner, which includes on the city's official website. In addition, such notice may also include trade publications when practicable.

C. Bid Opening Procedure. Sealed bids or proposals shall be submitted to the office of the City Clerk or requesting city department and shall be identified as formal competitive bids or proposals on the outside of the sealed envelope. The City Clerk or requesting city department head shall store all sealed bids in a secure location until opening. The City Clerk or requesting city department head shall open all bids or proposals in public at the time and place stated in the notice inviting bids. A tabulation of all bids or proposals received shall be open for public review and inspection in the office of the City Clerk or requesting city department during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.

D. Rejection of Bids. The City Council or the Purchasing Officer shall have the discretion to reject any and all bids or proposals for any reason or for no reason, and may suspend, delay, or otherwise cancel the procurement, or may order the re-advertisement of the request for bids. If all formal bids or proposals are rejected and the City Council resolves by a recorded majority vote of the total membership of the City Council that the procurement can be performed more economically by force account, by informal procedures, or through open market purchases, then it may dispense with further formal competitive public bidding.

E. Tie Bids. If two or more formal bids or proposals received are the same and are the lowest, the City Council may accept the one it chooses.

F. Award of Contracts. Contracts or purchase orders shall be awarded by the City Council to the lowest Bidder or proposer consistent with the best qualified vendor selection criteria set forth in Section 3-08.100, except as otherwise provided herein. The decision of the City Council shall be final. The City Council may authorize that such purchase orders or contracts be executed by either the Mayor or the City Manager, or the City Council may otherwise delegate such signature authority.

G. No Bids Received. If no bids or proposals are received, the purchase may be let in the open market or by the informal procedures set forth in Section 3-08.080, subject to City Council approval.

H. Performance Bonds. The Purchasing Officer shall have authority to recommend that a performance bond or other form of security or guarantee be required before entering into a contract in such amount as may be reasonably

necessary to protect the best interests of the city. If a performance bond or other form of security or guarantee is required, the form and amount of the bond, security or guarantee shall be described in the notice inviting bids, and the performance bond, security or guarantee shall be in a form approved by the City Attorney.

I. Defects, Irregularities, and Informalities. The City Council may, in its sole discretion, waive any defect, irregularity, or informality in the formal bids or proposals or in the competitive procedures established in this section, and no such defect, irregularity, or informality shall void any contract entered into by the city.

3-08.100 Best qualified vendor.

In determining the best qualified vendor, consideration is to be given to price, quality, and performance of the goods and supplies, equipment, or materials to be purchased or nonprofessional services to be provided by the vendor. Criteria for determining the best qualified vendor shall include but not be limited to the following:

- A. The cost and quality of the goods and supplies, equipment, materials, or nonprofessional services;
- B. The ability, capacity, and skill of the vendor to perform the contract and to provide the goods and supplies, equipment, materials, or nonprofessional services requested;
- C. The ability of the vendor to provide the goods and supplies, equipment, materials, or nonprofessional services requested promptly or within the time specified, without delay, interference, or service interruption;
- D. The ability of the vendor to demonstrate the attributes of trustworthiness, quality, fitness, capacity, and experience to satisfactorily perform;
- E. The character, integrity, reputation, judgment, references, experience, and efficiency of the vendor;
- F. The quality of vendor's performance history and record on previous purchases or contracts with the city;
- G. The ability of the vendor to provide future maintenance, repair parts, and services for the use of the goods and supplies, equipment, or materials purchased; and
- H. The ability of the vendor to demonstrate its prior, current, and continued compliance during the contract term with all applicable federal, state, and local laws, statutes, ordinances and all lawful orders, rules, and regulations promulgated thereunder."

To facilitate the City's determination of the Best Qualified Vendor, Bidder shall provide additional information about their unique qualifications meeting the City's needs for this Project as a part of the submission of their Bid Proposal. The City may, at its discretion, after the opening of the Bids, schedule interviews of the lowest Bidders as a part of its determination of the Best Qualified Vendor. Bidders shall be notified of a schedule of interviews and shall participate upon an invitation issued by the City.

At the time of award of the proposed Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final, the selected Bidder shall hold a Contractor's License or a combination of licenses, as appropriate to perform the work, issued by the State of California. Additionally, the City reserves the right to accept any bid or portion thereof, to waive any irregularity, and to take the Bid Proposal(s) under advisement for the period of time of ninety (90) days all as may be required to provide for the best interests of the City. In no event will an award be made until all necessary investigations are made as to the responsibility and qualifications of the Contractor to whom the award is contemplated. No Contractor may withdraw its Bid Proposal for a period of ninety (90) days after the time set for opening thereof. Contractor shall be required to agree to the terms of the attached (see Appendix I) Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final.

12. WORKERS' COMPENSATION CERTIFICATE

Section 3700 of the State Labor Code requires that every employer shall secure the payment compensation by either being insured against liability to pay compensation with one or more insurers or by securing a certificate of consent to self-insure from the State Director of Industrial Relations. In accordance with this Section and with Section 1861 of the State Labor Code, the Contractor shall sign a Compensation Insurance Certificate which is included with the attached Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final, and submit same to City along with the other required contract documents, prior to performing any work. Reimbursement for this requirement shall be considered as included in the various items of work.

13. INITIATION OF THE SCOPE OF WORK

Bidders are notified that it is the City's intent, to the maximum extent practical, to award the Agreement for this Notice Inviting Bids and Specifications for Citywide Street Sweeping and Roadway Cleaning Maintenance Services such that the Contractor shall begin work at 12:01 AM on July 1, 2021, for the term as set forth in the Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement. Bidders unable to commit to this start date and time may be disqualified for consideration of the award of the Agreement.

CITY OF LAGUNA HILLS
GENERAL PROVISIONS
FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

1. AGREEMENT

The selected company/Contractor, by submitting their bid, is agreeing to enter into the proposed Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement (hereinafter "Agreement"), which is subject to change upon final. The Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement is attached (see Appendix I).

2. CONFLICTS

In case of any conflict between the Notice Inviting Bids, these Specifications and the Agreement, the Agreement shall take precedence.

3. BID PROPOSAL

The Bidder shall provide bid values for all sections of the Bid Proposal. Bids shall be compared on the basis of the fully completed Bid Proposal for the determination of the lowest responsive Bidder. The Agency shall have the authority to select a company/Contractor to enter into the Agreement to provide services on the basis of the Bid Proposal and in accordance with the "best qualified vendor selection criteria" as described herein.

The Bid Proposal shall provide unit prices for the monthly Street Sweeping and Roadway Cleaning maintenance services as shown on the Bid Schedule of all designated City streets and facilities as described herein in the Scope of Work and shown in Appendix II, to include routine weekly street sweeping and cleaning of arterial highway and collector streets, twice monthly street sweeping and cleaning of residential streets, monthly street sweeping and cleaning of specified parking lots, sidewalks, stairs, fire gates, and bike trails, quarterly sweeping of specified two way left turn lines and as directed cleaning of specified bus stops, special street sweeping hourly rates and emergency street sweeping hourly rates. Contractor shall furnish and have accessible all required tools, equipment, apparatus, facilities, skilled labor, services, and material, to perform all-inclusive citywide street sweeping and roadway cleaning maintenance services, including, but not limited to, routine weekly street sweeping and cleaning of arterial highway and collector streets, twice monthly street sweeping and cleaning of residential streets, monthly street sweeping and cleaning of specified parking lots, sidewalks, stairs, fire gates, and bike trails, quarterly sweeping of specified two way left turn lines and as directed cleaning of specified bus stops. Bidder is solely responsible for satisfying themselves as to the full scope of the street sweeping and roadway cleaning maintenance services.

In addition to the unit prices for routine monthly street sweeping and roadway cleaning maintenance services, Bidder shall provide unit prices for work as specified for use in determining compensation for as specified bus stop cleaning and hourly rates for Special Street Sweeping and for Emergency Street Sweeping, as each are defined in the Scope of Work.

4. AWARD OF CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES AGREEMENT – BEST QUALIFIED VENDOR SELECTION CRITERIA

Following a review of the Bid Proposal(s), the City shall determine whether to select a qualified Contractor for the Project based upon multiple criteria described herein. The determination of the lowest bid value shall be based upon a comparison of the Bid Proposal. However, the City shall determine whether to award the proposed Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, which is subject to change upon final, for the Bid Proposal to the best qualified vendor in accordance with all of the following provisions of the LHMC.

“3-08.090 Procurement of goods and supplies, equipment, materials, and nonprofessional services – Greater than fifty thousand dollars (\$50,000.00) – Formal

The procurement of goods and supplies, equipment, materials, and nonprofessional services with an estimated value of greater than fifty thousand dollars (\$50,000.00), inclusive of taxes, licenses, freight charges, installation charges, fees, and other considerations, shall be made by the formal procedures set forth in this section.

A. Notice Inviting Bids. Notices inviting formal bids or proposals from prospective vendors shall be publicly noticed no later than ten calendar days before the submission date for formal bids. The notices shall describe the requested goods or supplies, equipment, materials, or nonprofessional services in general terms, how to obtain more detailed information concerning the procurement, and state the time, place, and deadline for submission of sealed bids or proposals.

B. Public Notice. The notice inviting formal bids or proposals shall be publicly noticed in any generally accepted manner, which includes on the city’s official website. In addition, such notice may also include trade publications when practicable.

C. Bid Opening Procedure. Sealed bids or proposals shall be submitted to the office of the City Clerk or requesting city department and shall be identified as formal competitive bids or proposals on the outside of the sealed envelope. The City Clerk or requesting city department head shall store all sealed bids in a secure location until opening. The City Clerk or requesting City department head shall open all bids or proposals in public at the time and place stated in the notice inviting bids. A tabulation of all bids or proposals received shall be open for public review and inspection in the office of the City Clerk or requesting City department during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.

D. **Rejection of Bids.** The City Council or the Purchasing Officer shall have the discretion to reject any and all bids or proposals for any reason or for no reason, and may suspend, delay, or otherwise cancel the procurement, or may order the re-advertisement of the request for bids. If all formal bids or proposals are rejected and the City Council resolves by a recorded majority vote of the total membership of the City Council that the procurement can be performed more economically by force account, by informal procedures, or through open market purchases, then it may dispense with further formal competitive public bidding.

E. **Tie Bids.** If two or more formal bids or proposals received are the same and are the lowest, the City Council may accept the one it chooses.

F. **Award of Contracts.** Contracts or purchase orders shall be awarded by the City Council to the lowest Bidder or proposer consistent with the best qualified vendor selection criteria set forth in Section 3-08.100, except as otherwise provided herein. The decision of the City Council shall be final. The City Council may authorize that such purchase orders or contracts be executed by either the Mayor or the City Manager, or the City Council may otherwise delegate such signature authority.

G. **No Bids Received.** If no bids or proposals are received, the purchase may be let in the open market or by the informal procedures set forth in Section 3-08.080, subject to City Council approval.

H. **Performance Bonds.** The Purchasing Officer shall have authority to recommend that a performance bond or other form of security or guarantee be required before entering into a contract in such amount as may be reasonably necessary to protect the best interests of the city. If a performance bond or other form of security or guarantee is required, the form and amount of the bond, security or guarantee shall be described in the notice inviting bids, and the performance bond, security or guarantee shall be in a form approved by the City Attorney.

I. **Defects, Irregularities, and Informalities.** The City Council may, in its sole discretion, waive any defect, irregularity, or informality in the formal bids or proposals or in the competitive procedures established in this section, and no such defect, irregularity, or informality shall void any contract entered into by the city.

3-08.100 Best qualified vendor.

In determining the best qualified vendor, consideration is to be given to price, quality, and performance of the goods and supplies, equipment, or materials to be purchased or nonprofessional services to be provided by the vendor. Criteria for determining the best qualified vendor shall include but not be limited to the following:

A. The cost and quality of the goods and supplies, equipment, materials, or nonprofessional services;

- B. The ability, capacity, and skill of the vendor to perform the contract and to provide the goods and supplies, equipment, materials, or nonprofessional services requested;
- C. The ability of the vendor to provide the goods and supplies, equipment, materials, or nonprofessional services requested promptly or within the time specified, without delay, interference, or service interruption;
- D. The ability of the vendor to demonstrate the attributes of trustworthiness, quality, fitness, capacity, and experience to satisfactorily perform;
- E. The character, integrity, reputation, judgment, references, experience, and efficiency of the vendor;
- F. The quality of vendor's performance history and record on previous purchases or contracts with the city;
- G. The ability of the vendor to provide future maintenance, repair parts, and services for the use of the goods and supplies, equipment, or materials purchased; and
- H. The ability of the vendor to demonstrate its prior, current, and continued compliance during the contract term with all applicable federal, state, and local laws, statutes, ordinances and all lawful orders, rules, and regulations promulgated thereunder."

To facilitate the City's determination of the Best Qualified Vendor, Bidder shall provide additional information about their unique qualifications meeting the City's needs for this Project as a part of the submission of their Bid. The City may, at its discretion, after the opening of the Bids, schedule interviews of the lowest Bidders as a part of its determination of the Best Qualified Vendor. Bidders shall be notified of a schedule of interviews and shall participate upon an invitation issued by the City.

The City reserves the right to accept any bid or portion thereof, to waive any irregularity, and to take the Bid Proposal(s) under advisement for the period of time of ninety (90) days all as may be required to provide for the best interests of the City. In no event will an award be made until all necessary investigations are made as to the responsibility and qualifications of the Company/Contractor to whom the award is contemplated. No Bidder may withdraw its Bid Proposal for a period of ninety (90) days after the time set for opening thereof. Contractor shall be required to agree to the terms of the attached (see Appendix I) Draft Street Sweeping and Roadway Cleaning Maintenance Services Agreement.

5. TERM/EXTENSION

Unless earlier terminated as provided in the Agreement, the Agreement shall commence upon the effective date of the Agreement and shall continue in full force and effect for a period of five (5) years, with services commencing at 12:01 AM on July 1, 2021, and

ending on June 30, 2026 ("Initial Term"). The City shall have the unilateral option, at its sole discretion, to renew and extend the term of this Agreement for no more than one additional three (3) year term ("Renewal Option").

Any extension of the Term pursuant to the Renewal Option shall only be made on the basis of the terms, conditions, requirements and schedule of compensation as provided for in the five-year Initial Term of the Agreement.

6. METHOD OF PAYMENT

The Contractor shall present, for the previous month, a monthly invoice for the contracted monthly amount for monthly routine street sweeping and roadway cleaning maintenance for the price proposed and, separately, for any special street sweeping, emergency street sweeping and bus stop cleaning as preauthorized by City. The monthly invoice shall be accompanied with a narrative description of all work completed in the preceding month and all other reporting as specified herein as a prerequisite for processing the invoice for payment. Failure to invoice monthly, within 30 days of the last day of the preceding month, then said invoice shall not be due and payable. Payment will be made monthly only after verification of completion of the scheduled work and any authorized other work. Send monthly invoices to: Director of Public Services, City of Laguna Hills, 24035 El Toro Road, Laguna Hills, CA 92653

7. ROUTINE STREET SWEEPING AND ROADWAY MAINTENANCE

Routine Street Sweeping and Roadway Cleaning Maintenance Services shall consist of as identified for the street sweeping and roadway cleaning maintenance services locations (see Appendix II) and as further defined in the Scope of Work herein. Full compensation for performing all work specified by these specifications and the Agreement shall be considered as included in the unit price bid for routine monthly street sweeping and roadway cleaning maintenance and no additional compensation will be allowed therefore. The general work activities (for a complete list, consult the Special Provisions within these Specifications) included in the monthly routine work shall include, but not be limited to, the following:

Weekly street sweeping and cleaning of arterial highway and collector streets, twice monthly street sweeping and cleaning of residential streets, monthly street sweeping and cleaning of specified parking lots, sidewalks, stairs, fire gates, and bike trails, quarterly sweeping of specified two way left turn lines and as directed cleaning of specified bus stops.

8. SPECIAL STREET SWEEPING

Occasional sweeping required by Contractor shall include add-on scheduled and non-scheduled street sweeping of special events, spills, and unusual conditions or any other sweeping requested by the City not included in routine/scheduled sweeping. Special sweeping occurs during the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday.

Invoicing for special sweeping shall be based upon an hourly rate with travel time included to and from nearest sweeper's location in accordance with the approved fee schedule and no additional compensation will be allowed therefore. The street sweeper shall temporarily postpone scheduled sweeping and respond immediately to the location of Special Sweeping as designated. Contractor's response time shall not exceed two (2) hours once contact has been made to Contractor's office or field personnel by City staff. Scheduled sweeping will resume once Special Sweeping has been completed. Contractor will contact City personnel when Special Sweeping has been completed so location may be inspected and verified for cleanliness.. The following procedure will govern such extraordinary work.

1. Special Street Sweeping shall not be initiated without written authorization.
2. Work will be executed in a timely manner meeting the approval of the Public Services Director on a unit price basis, an agreed lump sum price basis or on a time and material cost basis as defined in the authorization.
3. Special Street Sweeping shall only include work not included in the routine monthly street sweeping and roadway cleaning maintenance work as defined herein.
4. Notwithstanding the above clauses, the City shall have no obligation to utilize the Contractor for special street sweeping and may use other forces as deemed appropriate by the City without any effect on the Agreement.

9. EMERGENCY STREET SWEEPING

Emergency work shall be work associated with a Contractor call out from either the City or the Orange County Sheriff's Department, which may occur during any 24 hours of each day, due to an emergency, exigency, disaster, traffic collision, or other similar circumstances creating a for street sweeping. Contractor shall respond to emergency work and be on site within two hours of notice of the emergency and initiate the street sweeping and roadway cleaning until it is satisfactorily completed. Emergency work shall be paid in accordance with the Bid Proposal on a time and materials basis including all labor, equipment and materials and no additional cost will be allowed therefore.

10. PREVAILING WAGES

The selected company/Contractor shall enter into the City's Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement which includes the following provision regarding Prevailing Wages: "Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. Contractor agrees to fully comply with all applicable federal and state labor laws (including, without limitation, if applicable, the

Prevailing Wage Laws). It is agreed by the Parties that, in connection with the Work or Services provided pursuant to this Agreement, Contractor shall bear all risks of payment or non-payment of prevailing wages under California law, and Contractor hereby agrees to defend, indemnify, and hold the City, its elected and appointed officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.”

Work or services that are considered to be cleaning, custodial, and janitorial in nature are not Public Works as defined in the State of California Labor Code, therefore such work or services shall not be subject to compliance monitoring and enforcement by the Department of Industrial Relations (DIR). However, as may be applicable, it is the Bidders’ sole responsibility to incorporate the cost of complying with all prevailing wage and labor compliance requirements and all applicable laws for this Project.

11. ANTI-KICKBACK AND WORK STANDARDS

The Contractor shall comply with the Copeland “Anti-Kickback” Act (18 U.S.C. 874) as supplemented in Department of Labor Regulations (29 CFR, Part 3). The Contractor shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C., 327-330) as supplemented by the Department of Labor Regulations (29 CFR, Part 5). Section 103 requires the Contractor to compute the wages of every mechanic and laborer on the basis of a standard workday of eight (8) hours and the standard workweek of forty (40) hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than one and one half (1-1/2) times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor.

12. EMERGENCY NUMBERS

The Company/Contractor shall furnish the City with toll-free emergency telephone numbers which can be called 24-hours a day during emergency conditions. The Contractor shall make available personnel to respond to calls to alleviate emergency situations should they arise. Personnel shall be at the site of the emergency and shall initiate remedial action within two (2) hours from time of notification of emergency situations. An answering service is not adequate for emergency calls.

13. LICENSES

The Contractor shall have and maintain a State of California Contractor’s License as appropriate for the work for the duration of these services. Additionally, Contractor shall

have and maintain additional licenses as required by any governmental regulation for any other regulated work. There is no City Business License requirement.

14. DRESS CODE AND APPEARANCE

The Company/Contractor shall be required to provide uniforms for personnel assigned to the Project, meeting the City's approval. Sufficient clothing changes shall be provided to personnel to always present a neat and clean appearance of the street sweeping and roadway cleaning maintenance personnel at all times. All employees working in or around right-of-way must wear reflective safety vests meeting ANSI/ISEA 107-2015 Class II Standards and, as appropriate, safety helmets, safety goggles, and other safety gear.

15. INTERACTION WITH PUBLIC

All of the personnel shall exhibit and practice courteous and ethical behavior during all times of the Agreement and during all interactions with the public to the City's satisfaction. All personnel shall be capable of basic communication skills in the English language. Any personnel deemed not meeting the City's standards shall be promptly removed from the Project.

16. THE CITY'S RIGHT TO DO WORK

The City reserves the right to do work as required within any area subject to street sweeping and roadway cleaning. If such alterations affect the provision of the Agreement, the Contractor shall submit a cost reduction to the Agreement resulting from the new work.

17. CITY LIAISON

The City representative and the Contractor's Supervisor will meet on a monthly basis, or more frequently if the City so desires. The purpose of this meeting will be to discuss general and specific status of street sweeping and roadway cleaning maintenance.

18. SPECIFICATIONS AND PLANS

The work performed shall be done in accordance with the Special Provisions in Appendix II. Unless otherwise specified, the Contractor shall furnish all labor, materials, tools, equipment, and incidentals and do all the work involved in executing the Agreement.

19. COMMUNICATIONS

In addition to emergency telephone access and regularly scheduled meetings, Contractor shall maintain standard office contact methods including telephone, facsimile machine, and U.S. mail. Contractor shall maintain and utilize an email account specific to the City of Laguna Hills. Email shall be the routine communication media for submission of documents, requests, task orders, reports, etc.

20. SCHEDULING OF OPERATIONS/HOLIDAYS

The Contractor shall perform its work at such time as to minimize disturbance or interference to resident convenience, pedestrian or vehicle circulation. The Contractor shall submit a Street Sweeping Schedule Chart describing maintenance operations and when work will be accomplished. The schedule shall be subject to approval and change by the City and shall be submitted prior to starting any maintenance operations.

21. REPORTS AND SCHEDULES

The Contractor, as part of the Agreement, shall submit reports and schedules on a monthly basis as a pre-requisite for the submission of the Contractor's monthly request for compensation. Such reports shall include, but are not limited to, the following:

1. The results of monthly street sweeping and roadway cleaning and any recommendations to resolve areas not able to be swept as scheduled.
2. Reports of work planned in the next 30-day period.
3. Any proposals in response to City issued requests.
4. Any emergency work response in the previous 30-day period.

22. SUPERVISION AND SPECIAL SKILLS

The Contractor shall assign a supervisor of street sweeping operators to assure performance of the specified routine monthly street sweeping and roadway cleaning maintenance services are completed in accordance with these specifications. All street sweeping operators shall be licensed to operate their vehicles and certified, as applicable, in their respective qualifications by an independent agency sufficient to competently perform their work.

23. PROTECTION OF EXISTING FACILITIES AND STRUCTURES

The Contractor shall exercise due care in protecting from damage all existing facilities, structures, and utilities both above ground and underground on the City's property. Any damage to City property deemed by City to be caused by the Contractor's neglect shall be corrected or paid for by the Contractor at no cost to the City.

24. CONTRACTOR NEGLIGENCE

Any damage to City or private property which has been determined by the City to be due to the Contractor's neglect or actions, shall be corrected by the Contractor at no additional cost to the City.

25. SAFETY

Contractor shall be solely responsible for providing a safe work place, and compliance with standards and regulations of the Federal Occupational Safety and Health Act (OSHA), California Division of Industrial Safety Orders (CDIS), and any other applicable governmental law.

26. CONSTRUCTION EQUIPMENT

The Contractor shall take all necessary precautions for safe operation of its equipment and the protection of the public from injury and damage from such equipment. All equipment deemed by City to be in disrepair or unsatisfactory, shall be repaired or replaced immediately.

27. TRAFFIC CONTROL

The Contractor shall cooperate with local authorities relative to handling traffic through the area and shall make its own arrangements relative to keeping the working area clear of vehicles. When entering or leaving roadways carrying public traffic, the Contractor's equipment, whether empty or loaded, shall in all cases yield to public traffic.

28. NOISE CONTROL REQUIREMENTS

The Contractor shall comply with all local sound control and noise level rules, regulations, and ordinances which apply to any work performed pursuant to the Contract. Operations and equipment producing noise are restricted to the hours of 7:00 a.m. to 4:00 p.m. It is the responsibility of the Contractor to become familiar with all local sound control and noise level rules, regulations, and ordinances. Each internal combustion engine, used for any purpose on the job or related to the job, shall be equipped with a muffler of a type recommended by the manufacturer of such equipment. No internal combustion engine shall be operated on the Project without said muffler.

29. WATER QUALITY AND CONSERVATION

Contractor shall be familiar with and comply with all provisions of the National Pollution Discharge Elimination System as implemented by City and via permits issued by the Santa Ana or San Diego Regional Water Quality Control Boards. Contractor shall comply with Stormwater Best Management Practices.

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CITY OF LAGUNA HILLS
BID PROPOSAL FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

PROPOSAL SUBMISSION REQUIREMENTS

Bidder shall submit the following documents as a part of the submission of the Bid Proposal:

1. A cover letter on Company stationery including the following:
 - a) An expressed statement of interest in providing services to City for the Project
 - b) A statement expressing that the Company will provide the full Scope of Services described in the Notice Inviting Bids and Specifications
 - c) A statement of the Company expressing its willingness and ability to sign and comply with the Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement
 - d) A brief statement of the Company's experience which makes them qualified for the Project.
2. Up to ten additional sheets of information identifying:
 - a) The qualifications of the Company
 - b) The qualifications of the management staff
 - c) Brief biographies/résumés of key personnel
 - d) Letters of Recommendation from current or former clients
 - e) Company experience with similar services provided to public agencies
3. A statement and documentation of the Company's financial condition.
4. A proposed Schedule of Performance.
5. An inventory of the Bidder's equipment (excluding hand tools).
6. Any additional information the Bidder would like considered for determination of the Best Qualified Vendor.
7. All the following Bid Proposal pages.

BIDDER'S NAME: _____

CITY OF LAGUNA HILLS
BID PROPOSAL FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

TO CITY OF LAGUNA HILLS:

The undersigned CONTRACTOR hereby proposes to furnish all materials, equipment, tools, labor, and incidentals required for the above stated Project as set forth in the Notice Inviting Bids, Specifications, and Maintenance Services Agreement therefore, and to perform all work in the manner and time prescribed therein.

CONTRACTOR declares that this Bid Proposal is based upon careful examination of the work site, Notice Inviting Bids, Specifications, and Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement. If this Bid Proposal is accepted for award, CONTRACTOR agrees to enter into the attached Draft Maintenance Services Agreement with City at the unit and/or lump sum prices set forth in the following Proposal Bid Sheets.

CONTRACTOR understands that a bid is required for the entire work, that the estimated quantities set forth in the Proposal Bid Sheet are solely for the purpose of comparing proposal(s), and that final compensation under the contract will be based upon the actual quantities of work satisfactorily completed. It is agreed that the unit and/or lump sum prices bid include all appurtenant expenses, taxes, royalties, and fees. In the case of discrepancies in the amounts bid, unit prices shall govern over extended amounts.

CONTRACTOR agrees and acknowledges that he is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for workman's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the CONTRACTOR will comply with such provisions of that code before commencing the performance of this Contract if awarded to it.

CONTRACTOR certifies that in all previous contracts or subcontracts, all reports which may have been due under the requirements of any agency, State or Federal equal employment opportunity orders have been satisfactorily filed, and that no such reports are currently outstanding.

CONTRACTOR declares that the only persons or parties interested in this proposal as principals are those named herein; that no officer, agent, or employee of the City is personally interested, directly or indirectly, in this proposal; that this proposal is made without connection to any other individual firm, or corporation making a bid for the same work; and that this proposal is in all respects fair and without collusion or fraud.

CONTRACTOR acknowledges that it is the City's intention to award a Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement for a period commencing on July 1, 2021.

CONTRACTOR acknowledges that the scope and units of work on the Proposal Bid Sheets are approximate descriptions and estimates of work to be performed on an annual basis during the term of this Project, that the work shall only be performed on an as-needed, on-call individual Task Order basis only and no quantity of work or payment to Contractor is guaranteed to be authorized or granted by the City.

CONTRACTOR'S NAME: _____ DATE _____ 2021

CONTRACTOR'S ADDRESS:

BY _____

TITLE _____

(Signature)

PHONE (____) _____

BY _____

TITLE _____

(Signature)

Signatures to be Notarized,
Attach ACKNOWLEDGMENT

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CONTRACTOR'S INFORMATION

CONTRACTOR certifies that the following information is true and correct:

Contractor Name _____

Business Address _____

FAX No. (____) _____ Telephone (____) _____

E-Mail address: _____

State Contractor's License No. and Class _____

Original Date Issued _____ Expiration Date _____

Years this Company has been in the Maintenance Business _____

The following are the names, titles, addresses, and phone numbers of all individuals, firm members, partners, joint ventures, and/or corporate officers having a principal interest in this proposal:

The dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this proposal are as follows:

All current and prior DBA's, alias, and/or fictitious business names for any principal having an interest in this proposal are as follows:

BY _____
(Print Name)

(Signature)

TITLE _____

DATE _____

Continued next page

BIDDER'S NAME: _____

REFERENCES

The following are the names, addresses, and phone numbers for three public agencies for which CONTRACTOR has current contracts for maintenance services:

1. Agency: _____
 Address: _____
 Telephone: _____
 Primary Contact Person/Title: _____
 Years of service with this Agency: _____ Type of Work: _____
 Term of Agreement: _____ Expiration Date: _____
2. Agency: _____
 Address: _____
 Telephone: _____
 Primary Contact Person/Title: _____
 Years of service with this Agency: _____ Type of Work: _____
 Term of Agreement: _____ Expiration Date: _____
3. Agency: _____
 Address: _____
 Telephone: _____
 Primary Contact Person/Title: _____
 Years of service with this Agency: _____ Type of Work: _____
 Term of Agreement: _____ Expiration Date: _____

Continued next page

BIDDER'S NAME: _____

NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY CONTRACTOR AND
SUBMITTED WITH BID

STATE OF CALIFORNIA)
) SS
COUNTY OF)

_____, being first duly sworn, deposes and says that he or she is _____ of the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, Contractor association, organization, or corporation; that such bid is genuine and not collusive or sham; that the Contractor has not directly or indirectly induced or solicited any other Contractor to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Contractor or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Contractor has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Contractor or any other Contractor, or to fix any overhead, profit, or cost element of the bid price, or of that of any other, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the Contractor has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agency thereof to effectuate a collusive or sham bid.

Signed

Name (print)

Title

Date

Signatures to be Notarized,
Attach ACKNOWLEDGMENT

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BIDDER'S NAME _____

CITY OF LAGUNA HILLS
PROPOSAL BID SHEETS FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

BASE BID

ITEM NO.	ITEM	UNIT	QTY	UNIT PRICE	AMOUNT
1	Arterial Highway and Collector Street Weekly Street Sweeping per Year	Curb mile	4524 (87x52)		
2	Residential Street Twice Monthly Street Sweeping per Year	Curb mile	3024 (126x24)		
3	Monthly Bike Trail Street Sweeping per Year	Monthly	12		
4	Monthly Sidewalk, Stairway, Fire Gate Cleaning per Year	Monthly	12		
5	Monthly Community Center Parking Lot Street Sweeping per Year (3 lots)	Monthly	12		
6	Monthly Cabot Park Parking Lot Street Seeping per Year (1 lot)	Monthly	12		
7	Quarterly two-way left turn Street Sweeping	Quarterly	4		

TOTAL BASE BID IN FIGURES: \$ _____

TOTAL BASE BID IN WORDS: _____ DOLLARS

AND _____ CENTS

Quantities shown above are estimated. Actual Quantities shall be verified by the City inspector and may be greater or less than the quantities indicated here. The determination of the lowest price bid shall be on the basis of comparison of the Total Base Bid value.

ADDITIONAL SERVICES BID AS NEEDED

ITEM NO.	ITEM	UNIT	UNIT PRICE
8	Hourly Rate for Special Street Sweeping	Hourly	
9	Hourly Rate for Emergency Street Sweeping	Hourly	
10	Bus Stop Cleaning (Select locations on a quarterly basis or as directed)	Each	

Continued Next Page

BIDDER'S NAME: _____

CITY OF LAGUNA HILLS
PROPOSAL BID SHEETS FOR
CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

EQUIPMENT INVENTORY

Contractor shall provide, as a separate attachment, the model, make and year of the primary equipment proposed to be used on this Project. Do not list hand tools.

BID PROPOSAL SUBMISSION STATEMENT

IN WITNESS WHEREOF, Contractor executes and submits this proposal with the names, titles, hands, and seals of all forenamed principals this _____ day of _____, 2021.

NOTE: CONTRACTOR MAY, AT THEIR SOLE DISCRETION, PROVIDE A LISTING AND DESCRIPTION OF ADDITIONAL SERVICES THEY OFFER, ADDITIONAL REFERENCES, AND ADDITIONAL COMPANY INFORMATION DESCRIBING THEIR UNIQUE QUALIFICATIONS TO AID THE CITY IN DETERMINING THE BEST QUALIFIED VENDOR BY ATTACHING UP TO 10 ADDITIONAL PAGES TO THIS BID PROPOSAL. CITY MAY UTILIZE THIS INFORMATION IN ITS EVALUATION OF THE "BEST QUALIFIED VENDOR" IN ACCORDANCE WITH LPMC 3-08.090 and 3-080.100.

CONTRACTOR NAME: _____

By _____
Print_____
Signature_____
Title

Signatures to be Notarized,
Attach ACKNOWLEDGMENT

CITY OF LAGUNA HILLS

SCOPE OF WORK

CITYWIDE STREET SWEEPING AND ROADWAY CLEANING MAINTENANCE SERVICES

SCOPE OF WORK**Section A - Objectives**

Primary objectives of the street sweeping and roadway cleaning maintenance program are to:

- Establish and adhere to a regular schedule of performance for the twice monthly sweeping of approximately 126 curb miles of residential streets, weekly sweeping of 87 curb miles of arterial highways and collector streets, including median curbs, monthly cleaning of specified sidewalks, stairway, bike paths, and parking lots and quarterly sweeping of specified two-way left turn lanes. The Contractor and the City will conduct mileage verification as needed and the Contractor will be compensated for the actual curb mileage swept. Contractor to provide City access to live and stored data of GIS tracking of sweep vehicles as further defined herein.
- Clean up to 10 Bus Stop locations on a quarterly or assigned basis to include up to 40 linear feet of sidewalk at each bus stop, up to two bus benches, up to two trash receptacles and shelter structures, if any. Service will consist of pressure washing the above described facilities and the immediate surrounding area to remove all stains, graffiti, debris, and litter. Service does not include emptying the trash receptacles. All water utilized in pressure washing shall be recaptured and disposed of properly. All services shall occur between 10:00 pm and 6:00 am and be completed by 6:00 AM on the day scheduled.
- Maintain gutter flow lines in streets free of debris for free flow of water.
- Maintain a state of cleanliness for road and pedestrian safety acceptable to the City.
- Meet California Air Resources Board Truck Compliance Requirements and those of the Air Quality Management District (AQMD) in effect as of the date of this procurement.
- Meet San Diego Regional Water Quality Control Board (SDRWQCB) and the Santa Ana Regional Water Quality Control Board (SARWQCB) MS4 Permit requirements to reduce pollutants. The City utilizes street sweeping as a method of preventing urban pollutants (i.e. sediment, trash, debris, leaves) from entering the City's Storm Drain System and the Contractor's performance is an integral part of meeting this requirement.
- Monthly reporting of debris type and quantity removals.

Section B - Definitions

1. Definition of Terms

a. Agreement/Contract

“Agreement” and “Contract” are used interchangeably and shall mean the Sample Draft Citywide Street Sweeping and Roadway Cleaning Maintenance Services Agreement, subject to change upon final, attached hereto and incorporated herein as Appendix I.

b. City

“City” or “Agency” shall mean the City of Laguna Hills, California, its officers, employees, or representatives. The Director of Public Services shall serve as the primary point of contact on behalf of the City.

c. Contractor

“Contractor” shall mean the bidder, person, company, corporation, vendor or partnership, its officers, employees or representatives performing Street Sweeping Maintenance Services under contract with the City.

d. Curb Mile

“Curb Mile” shall equal 5,280 feet, by length, and is the measurement used to determine compensation under this contract for street sweeping. Compensation Curb Mile value shall be rounded to the nearest whole mile.

e. Debris

“Debris” shall mean all litter, rubbish, leaves, sand, dirt, silt, garbage, obstructions, and all other foreign material to be removed from paved streets with a street sweeper.

f. May

“May” shall be permissive.

g. Shall

“Shall” shall be mandatory.

h. Streets

“Streets” shall mean all paved, dedicated public rights-of-way within the existing or future corporate limits of the City of Laguna Hills.

i. Street Sweeping

“Street Sweeping” shall mean the regularly scheduled removal, by combination vacuum/broom street sweepers, of all debris from all portions of listed City streets, including but not limited to street intersections, the areas adjacent to curbs and raised medians, left-turn pockets between painted center striped medians of arterial streets, bullnoses, dead spots and cross-gutters, sidewalks, fire gates, stairways, bike paths and park parking lots. Note that specified two-way left turn lanes shall be cleaned by street sweeper on a quarterly basis. Some locations may require curb-to-curb sweeping which shall be included in the same curb mile price for the parallel roadway curb length.

j. Sweepings

“Sweepings” shall mean all debris removed from streets, by street sweeping vehicles, equipment, and tools.

2. Term

The Initial Term of this Agreement shall be in effect from July 1, 2021, through June 30, 2026, as more particularly defined in the Agreement.

3. Services Requested

Services shall include furnishing all labor, equipment, tools, fuel, materials, insurance, supervision, disposal costs, reporting costs, and all other items incidental thereto and to perform all work necessary as specified for Street Sweeping and Roadway Cleaning Maintenance Services. Contractor shall provide his own yard for parking, maintenance, and storage of all equipment outside the City of Laguna Hills.

4. Water

Contractor shall furnish all water required for performance of the specifications by first making arrangements with the various governing water districts and shall pay all fees and comply with all requirements thereof. Contractor acknowledges that all sweepers are equipped with, and all drivers instructed in, the proper use of approved hydrant wrenches and anti-surge/eddy valves. In the event Contractor encounters an inoperable or “dead” fire hydrant, Contractor shall report hydrant’s conditions and location to the governing water district with twenty-four (24) hours.

5. Routine/Scheduled Sweeping and Cleaning

The regular, recurring sweeping of all arterial, collector, and residential streets on the current mileage inventory. Street sweeping of all streets shall be done in accordance with the Street Sweeping Schedule and Maps in Appendix II. Sweeping shall be performed weekly on arterial highways and specified collector streets (Monday through Friday) and bi-monthly on local streets as defined by City (Monday through Friday). Local street sweeping shall follow the waste (trash) pick-up schedule by one day, shall be on consistent scheduled days each month during the second and fourth week of every month, and shall not occur before 8:00 a.m. Arterial highway and specified collector sweeping may occur in the early morning hours except when noise

complaints require a later start time or as otherwise referenced in Appendix II. Contractor shall adjust start times of sweeping as directed without a change in compensation. No sweeping shall occur during peak traffic hours of 6:00 AM to 9:00 AM or 4:00 PM to 7:00 PM.

Streets designated by City as “no parking during sweeping hours” shall be swept by Contractor during routine/scheduled sweeping within the specified and posted No Parking four hour block of time. Sweeping of these streets shall be initiated by Contractor within two hours of the beginning of the specified and posted No Parking hours and shall be fully completed before the end of said hours.

Street Sweeping and Cleaning includes, but is not limited to, as designated sidewalk cleaning, stairway cleaning, fire gate cleaning, bike trail cleaning, dead spot cleaning, park parking lot cleaning and related cleaning of sites so designated in Appendix II. Light duty street sweepers shall be necessary for some of these locations to avoid pavement damages that can occur with street based street sweepers.

6. Special Sweeping

Occasional sweeping required by Contractor shall include add-on scheduled and non-scheduled street sweeping of special events, spills, and unusual conditions or any other sweeping requested by the City not included in routine/scheduled sweeping. Special sweeping occurs during the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Invoicing for special sweeping shall be based upon an hourly rate with travel time included to and from nearest sweeper’s location in accordance with the approved fee schedule and no additional compensation will be allowed therefore. The street sweeper shall temporarily postpone scheduled sweeping and respond immediately to the location of Special Sweeping as designated. Contractor’s response time shall not exceed two (2) hours once contact has been made to Contractor’s office or field personnel by City staff. Scheduled sweeping will resume once Special Sweeping has been completed. Contractor will contact City personnel when Special Sweeping has been completed so location may be inspected and verified for cleanliness.

7. Emergency Sweeping

Occasional sweeping required by Contractor to include non-hazardous spills, accident clean-ups, and unusual conditions which would require non-scheduled, after-hours, weekend, or holiday responses. Responses to City-requested field location emergency sweeping shall be within two (2) hours of notification by City. Contractor shall provide City with name and toll-free telephone number of contact persons for after-hours emergency sweeping. Emergency sweeping is between the hours of 5:00 p.m. and 8:00 a.m. weekdays or anytime on weekends/holidays. Invoicing for emergency sweeping is based on an hourly rate with travel time included to and from nearest sweeper’s location in accordance with the approved fee schedule and no additional compensation will be allowed therefore.

a. Response to Emergency Services

Contractor shall return a call, in response to contact, to City or Orange County Sheriff's Dispatch (whichever initiated contact for emergency response) within fifteen (15) minutes of notification in order to receive instructions.

b. Emergency Response Time

Contractor shall have manpower, equipment, and materials at designated location within two (2) hours from the time of work need notification. By submitting a Bid Proposal, the Contractor commits to being able to provide manpower and equipment on Saturdays, Sundays, holidays, and overtime, when requested.

8. Re-sweeping

Re-sweepings are those required of the Contractor when, after inspection by the City, the work effort is deemed to not have met the stated performance standards, or when a street or section has been missed during the routine/scheduled street sweeping. Re-sweepings are completed at the expense of the Contractor. Contractor shall notify City representative when re-sweepings are scheduled and upon completion. No additional compensation will be allowed for the cost of re-sweeping.

- a. Response to re-sweepings shall be within twenty-four (24) hours after being notified by City representative.
- b. High profile and safety-related residential re-sweepings, as solely determined by City, shall be completed prior to 4:30 p.m. the same day Contractor was notified by City representative.
- c. Arterial re-sweeps shall be completed prior to 7:00 a.m. the following day after contact by City representative. High profile and safety-related arterial re-sweeping, as solely determined by City, shall be completed prior to 4:30 p.m. the same day Contractor was notified by City representative. Evening sweeping may be permitted at the sole discretion of the City.

Section C – Standards of Performance

1. Sweeping Practices and Standards of Performance

a. Areas of Street

Areas of street to be cleaned by sweeping shall include curb lines along both sides of the roadway or to the edge of pavement where no curb exists, along all curbs on raised median islands, over all portions of painted median islands, painted left- and right-turn pockets, and all intersection cross-gutters. Noses or ends of curbed median islands, arterial intersection turn pockets, arterial intersection center areas and dead spots are to be maintained on the same frequency as the median island or intersection for which they are associated and included in the curb mile price for the parallel roadway section. Curb returns (radii) at intersections of arterial and residential streets will be swept along their entire length and be

free of debris on scheduled arterial sweeping days. Excluded from areas to be swept are those that would cause damage to the equipment used. While Contractor is normally responsible for the 8' strip (sweeper width), curb-to-curb sweeping, an additional width of street may need to be swept at some locations due to unforeseen circumstances and shall be included within the curb mile price.

b. Flow of Traffic

Sweeping shall be accomplished in the same direction as traffic flow at all times during sweeping.

c. Water

Water shall be used during all sweeping operations to minimize dust except when requested by City staff. Water costs shall be borne by the Contractor. Contractor shall demonstrate approval from the governing water district allowing access to the water supply.

d. Warning Devices

Vehicles shall be equipped with top-mounted warning lights (rotating or beacon) visible for 360° or comparable traffic safety lights when sweeping. A rear-mounted left/right arrow stick shall be required for all arterial and bike lane sweepers.

e. Sweeping Speed Performance

Sweeping speed shall be adjusted to street and debris condition with a maximum speed of eight miles per hour (8 mph). City streets swept while driver exceeds eight miles per (8 mph) will be re-swept in their entirety at Contractor's expense.

Contractor shall not allow any debris to enter storm drain inlets (catch basins) as a result of any of their operations. At the location of City catch basins that are equipped with debris shields, grates, or gates, the sweeping operation shall pause by reducing speed to one mile per hour (1 mph) to pick up all collected debris in front of and entwined within the debris shields, grates, or gates.

Contractor's drivers of street sweepers shall maintain good safety and driving records, use extreme caution during street sweeping and always yield to the public.

f. Extra Effort

Sweeping shall normally consist of a single pass over an area. However, the Contractor shall make additional passes or such extra effort as may be required to adequately clean the street. Heavy debris such as accumulations of silt, compacted dirt, leaves, and similar debris shall be removed unless the removal cannot be accomplished without damage to equipment or infliction of personal injury. Extra effort will be required when sweeping equipment leaves a dirt/silt smear in its swept pathway. Extra effort will be strictly enforced during and after windy conditions and stormy weather. Extra effort shall include the driver manually removing

the debris with shovel or other implement as may be necessary. The cost for any extra effort shall be included in the bid proposal cost per curb mile.

g. Obstructions

Non-swept or non-sweepable items such as tree limbs, palm fronds, or large quantities of rocks, silt, mud, trash, and debris shall be removed from the sweeping path by the sweeping operator rather than going around it. Larger obstructions such as impaired vertical and/or horizontal clearance by low hanging tree limbs, construction or landscape contractor debris, etc. shall be immediately reported to City when the location cannot be swept. Contractor may go around homeowner landscaping debris or construction debris only when all of the following conditions are met.

- 1) Source of debris is obvious and not natural accumulation. Debris should be bagged and/or disposed of by party responsible.
- 2) Contractor notifies City within twenty-four (24) hours. Contractor is not responsible for areas missed because of parked vehicles and other personal property.

h. Level of Cleanliness

Contractor shall remove all loose debris obstructions and material normally picked up and removable by a fully operational mechanical/vacuum street sweeper. This includes, but is not limited to: sand, gravel, glass, nails, bottles, cans, leaves, silt, mud, and litter. Debris swept onto residential and arterial driveway aprons, sidewalks, and access ramps by action of the sweeper will require additional passes by the sweeper operator. If debris cannot be re-swept, the driver/sweeping contractor will be responsible for manual clean-up. Clean-up will be completed at time of occurrence at Contractor's expense.

i. Notification of Non-Sweeping

Contractor shall provide City representative on a daily basis (when applicable) with a list of all streets not swept when the routine/scheduled sweeping schedule is interrupted for any reason and shall deduct said street from the sweeping billing for that day. Contractor shall provide a list of non-sweepable streets to the City by FAX to (949) 707-2633 or via email, as directed, at the end of the workday. The City shall notify the Contractor by phone of anticipated non-sweeping conditions due to inclement weather. The City's notification shall be made by 3:00 pm the day before the cancelled sweeping day and that non-sweep day will not be paid for by the City unless an alternative sweeping schedule is coordinated by the Contractor and is submitted to the City for approval.

j. Quality of Sweeping

Street sweeper shall leave designated areas of sweeping free of dirt, litter, debris, obstructions, smears, and visual dust in accordance to the City's standards of cleanliness.

Section D - Equipment

1. Equipment Requirements

The quality and quantity of the equipment used by Contractor for the sweeping of streets shall be sufficient to perform the work required herein within the hours of work specified herein, and an absolute minimum of two (2) primary sweepers and one (1) back-up sweeper shall be available. Primary sweepers shall be a combination vacuum/broom function within the same unit. The back-up sweeper shall be mobile or vacuum/broom equivalent and shall be made available in case of a breakdown of primary sweepers. A total of at least three (3) sweepers shall be available to perform street sweeping services. Equipment shall be identified in the Bid Proposal where indicated.

Combination vacuum/broom or vacuum type sweepers shall be used for the routine/scheduled sweeping of residential streets and arterial streets. All sweeping equipment used by Contractor for the City shall have the same curb mile cost. All equipment used by Contractor for the City shall meet City requirements and specifications. Contractor shall provide effective pollutant and/or debris removal (i.e. sediment, trash, leaves, debris, metals, oil, and grease). All equipment shall be kept in "like-new" condition. The primary sweeper shall be no more than three (3) years old at the beginning of the contract and all other sweeper equipment shall not be more than five (5) years old at the beginning of this contract. All equipment used shall be in compliance with requirements for Trucks as promulgated by the California Air Resources Board and the South Coast Air Quality Management District in addition to any other State and Federal Regulations in effect as of the date of this procurement.

Equipment used to clean specified sidewalks, bike paths, and parking lots shall be a combination of air blowers to clean areas not readily accessible by vehicles plus light duty sweepers meeting all regulations and specifications included herein and that will not unduly load the pavement surfaces causing distress and damage. Contractor shall bear all costs for the repair of damages to pavements and facilities resultant from their operations. Hand carried backpack air blowers shall be utilized to transport sidewalk and bike trail debris to the curb line ahead of and for pick up by the vacuum/broom sweeper equipment. Battery operated backpack air blowers are encouraged. Areas of parking lots not reachable by the sweeper equipment shall first be blown clean by use of the hand carried backpack air blowers, as needed. Backpack air blowers shall be muffled to reduce ambient noise to the maximum extent possible.

2. Recording of Debris/Recording of Operations

All debris collected by sweeping equipment shall be recorded on a daily basis. All sweeping equipment and vehicles shall be equipped with GPS tracking devices. The GPS tracking system must be capable of recording the date and time, speed, operational status of the vacuum, broom and sprayer at intervals of no more than every three minutes while operating within City limits. The contractor shall provide the City with instant access to live GPS tracking and stored data. The GPS data shall be stored for no less than ninety days and be available to City during that

time. On a monthly basis, Contractor shall provide documentation of each sweeper equipment operations including streets swept, curb miles swept, speed while sweeping, quantity of debris collected, operator name, gallons of water used, locations that sweeping did not occur, and receipts for diversion of the waste. Monthly payment to the Contractor will be withheld until submission of this data in a form satisfactory to City is received.

3. Equipment Identification

All vehicles shall have safety features, shall be painted a uniform color, shall bear the City of Laguna Hills seal as provided by the City, and shall bear legible letters stating the Contractor's name and the following wording on both cab doors:

“Contracted to serve the City of Laguna Hills”
“Information (949) 707-2650”

The City seal shall only be displayed when the sweeper is physically within the City boundaries of the City of Laguna Hills. The City will provide magnetic backed seals, two each per vehicle, for this purpose at no charge. However, any seals lost by Contractor for any reason will be replaced at a cost to the Contractor of \$100.00 per seal, deducted from monthly payments. City seals faded shall be replaced at no cost and all seals shall be returned at the termination of this Agreement.

4. Type and Capacity

Arterial and residential sweepers must be capable of sweeping a minimum eight-foot (8') width as measured from the outside edge of the gutter broom in a single pass along the curb. Street sweepers must have a minimum hopper capacity of three (3) cubic yards. At least one sweeper must be equipped with a left-gutter broom for median work; all others may be single or dual gutter broom machines. Contractor is required to utilize vacuum/regenerative air or combination vacuum/broom (BAH) type municipal sweepers for this Contract. Alternative street sweepers will be considered if capable of meeting City requirements and standards. The type used in specific areas will be at the discretion of the City providing performance standards are met. The City maintains final determination of equipment adequacy. Sweeper equipment operators shall wear protective clothing, equipment, and an orange safety vest at all times meeting the standards of ANSI/SEI 107-2015 Class II.

Equipment used to clean specified sidewalks, bike paths, and parking lots shall be a combination of air blowers to clean areas not readily accessible by vehicles plus light duty sweepers meeting all regulations included herein and that will not unduly load the pavement surfaces causing distress and damage. Contractor shall bear all costs for the repair of damages to pavements and facilities resultant from their operations.

5. Maintenance

Equipment shall be maintained both visually and operationally. Paint and body of street sweeper shall be maintained in good condition with no visible rust or body damage. Vehicle engines shall

be routinely maintained as to insure a high level of service during all sweeping operations and must comply with all State of California Department of Motor Vehicles, CAL-OSHA, and all other applicable codes of Federal, State, County and City.

Section E - Schedule

1. Scheduling Requirements

Contractor shall follow the sweeping schedule of residential and arterial streets as provided by City. See Appendix II. Subject to City approval, the Contractor shall arrange residential sweeping routes to sweep areas adjacent to elementary schools during times of least traffic and parked vehicles. Contractor shall conform to sweeping schedules as noted on maps and logs pre-approved by the City. No changes in sweeping schedules will be allowed without the approval of the City. Contractor shall complete all sweeping per schedule; mechanical failures or personnel shortage shall not be acceptable reasons for failure to comply. See Section B, paragraphs 5, 6, and 7 for additional requirements.

2. Hours and Days

All sweeping is to be done Monday through Friday except on City-observed holidays and holidays observed by the City's franchised waste hauler. Some Saturday sweeping shall be required by Contractor for areas not swept due to holidays observed by the City and/or the City's franchised waste hauler. Saturday street sweeping shall be billed at the regular curb mile cost for arterial and residential areas without additional compensation.

- a. Street sweeping of **residential** streets shall occur on a twice per month basis Monday through Friday, 7:30 a.m. to 5:30 p.m. in accordance with the City's street sweeping maps and logs. Regardless of these hours, streets (residential or arterial) with posted "No Parking during hours and days of Street Sweeping" shall be swept within the four-hour time block allowed on the signs.
- b. **Residential** street sweeping shall be performed one (1) day after trash collection day. If a City-recognized holiday falls within the Monday to Friday schedule, the regular schedule shall resume the day following the holiday with the fifth day of sweeping on the Saturday following the holiday. Streets posted with no parking signs for street sweeping shall be swept on the posted day unless it falls on a City-recognized holiday.
- c. Street sweeping for **arterial** streets shall occur on a weekly basis Monday through Friday, 8:00 p.m. to 6:00 a.m. in accordance with the City's street sweeping schedule maps and logs. If a City-recognized holiday falls within the Monday to Friday schedule, the regular schedule shall resume the day following the holiday with the fifth (5th) day of sweeping on the Saturday following the holiday at no additional cost.

- d. Contractor shall respond to after-hour emergencies within one (1) hour of contact by City personnel. Contractor will provide telephone number(s) of contact personnel for after-hour emergencies between 5:00 p.m. and 8:00 a.m. and maintain an emergency call-out list. All changes to the emergency call-out list shall be submitted to the City immediately.
- e. All extra non-scheduled residential and non-scheduled arterial street sweeping work shall be performed in accordance with Section A-6 "Special Street-sweeping" and Section A-7 "Emergency Sweeping".
- f. Streets with certain residential areas or adjacent to apartments, condominiums or other areas where all-night street parking is prevalent shall be swept after 9:00 a.m.
- g. Bike trail, sidewalk, stairway and fire gate shall be swept after 9:00 am.
- h. Sweeping of the Community Center Park parking lots shall be completed before 8:00 a.m.
- i. Sweepin of Cabot Park parking lot shall be swept between 7:00 a.m. and 9:00 a.m.
- j. Bus stops shall be cleaned after 7:00 p.m.

3. Inclement Weather/Holiday/Cancelled Sweeping

Routine/scheduled sweeping shall not be canceled for inclement weather by the Contractor without approval of the Director of Public Services or his designee. During inclement weather, a two-hour standby period between 7:00 a.m. and 9:00 a.m. will be observed before a scheduled residential sweep will be canceled. The City reserves the right to suspend street sweeping functions on a day-to-day basis. The City will communicate via phone or email the specific street locations throughout the day of locations where debris needs to be removed. This effort shall not affect the routine/scheduled sweeping.

During a holiday that interrupts the normal waste (trash) pick-up as established by the City's franchised waste hauler, Contractor shall coordinate with the waste hauler (currently CR&R, P.O. Box 1100, San Juan Capistrano, CA 92693, (949) 728-0446) to adjust the routine/scheduled sweeping schedule to a holiday schedule of one day after the waste pick-up day for the entire week affected, except, should the sweeping day then fall on a Sunday, the sweeping will be added to the immediately following Monday sweeping schedule.

In the case of cancelled or missed sweeping for any reason, including as directed by City due to construction projects or special events, Contractor shall credit City the pro-rata cost of that service not provided on the next monthly billing by reducing the monthly billing.

Section F - Disposal

1. Disposal of Debris

Contractor shall dispose of all material collected by his sweeping operations by hauling to the closest Material Recovery Facility (MRF)/Green Waste Diversion Facility. The cost of disposal shall be included in the bid proposal cost per curb mile. A report of all material collected shall be submitted monthly to the City. The report should include, but not be limited to, the following: hauler name, contact phone number, MRF name, material type (if more than one material type, list each material type on a separate line), tons collected per month, tons diverted, and tons disposed. A total breakdown (in tons) shall be provided to the City for each Fiscal Year (July 1 through June 30) for each of the following materials:

- Soil
- Leaves
- Trash/Debris
- Other

Section G - Inspections

1. Inspections and Handling of Deficiencies

Inspections will be performed by City on a regular basis as well as spot checks and in response to complaints. Contractor shall meet monthly, within the maintained areas, with an authorized representative of the City for a drive through inspection. Said meeting shall be at the convenience of the City and may include residents of the community. In addition, drive-through interim inspections may be required by the City. Any correction work required as a result of a monthly inspection or any interim inspection by the City shall be accomplished to the satisfaction of the City within 24 hours of the notification of the deficiencies.

2. Complaints

The City shall receive and process citizen service requests and complaints. City will notify Contractor of corrections and any re-sweeping required following complaints. Citizen complaints will be forwarded to the Contractor and the frequency of such complaints will be noted in any subsequent unsatisfactory reports which may be filed against the Contractor.

In the event that the results of a sweeping are considered unsatisfactory, City will notify Contractor of location and description of deficiency. The Contractor shall re-sweep the unsatisfactory area at its expense within the time limits specified in Section B, Paragraph 8.

3. Failure to Perform

The City reserves the right to withhold payment for missed, incomplete, or unsatisfactory sweeping performance. This clause may also be used to enforce transfer site clean-up/maintenance, slow Contractor response time, and delays in special and emergency sweeping response.

4. Public Convenience and Safety

Contractor shall conduct sweeping services to interfere as little as possible with public travel, whether vehicular or pedestrian, and shall obey all traffic regulations and the California Vehicle Code. Contractor operations shall always yield to public traffic. Whenever it is necessary to cross, obstruct, or close roads, driveways and walks, whether public or private, Contractor shall provide and maintain suitable and safe bridges, detours, or other temporary expedients for the accommodation of public and private travel, and shall give reasonable notice to owners of private drives before interfering with them.

5. Traffic Counters

The Contractor is cautioned that, at various times and locations, the City or other parties may install temporary portable traffic counting equipment of the type which is activated by rubber hoses placed across the roadway. Contractor shall not damage this equipment and shall bear the full cost of any replacement costs, if so damaged.

Section H - Changes

1. Changes

The City may at any time, by written order, direct that changes or extras be made in the scope, specifications or route schedule.

2. Additions/Deletions in Mileage

Additions and/or deletions to the mileage inventory or maps may be made as the City accepts new areas and/or relinquishes areas currently swept. Upon written notification to add/delete, Contractor shall be required to accurately measure the curb mileage/linear footage and submit a written detail of the addition/deletion for approval. Upon approval, a written change order will be issued stating the effective date of the change as more particularly defined in the Agreement.

3. Precedent

In case of conflict between this document, including but not limited to, Specifications, Requirements, Scope of Work, Agreement, the Agreement shall take precedence as more particularly defined therein.

Section I - Communications

1. Communications

Contractor shall maintain an office staff reachable by phone within the 949, or toll free area codes, from 7:00 a.m. to 5:00 p.m., Monday through Friday, except on legal holidays. Office staff shall have the capability of contacting sweepers and pickup equipment by two-way radio or equivalent. Contractor shall provide the City with contact personnel and telephone numbers, where designated staff can be reached during non-office hours within fifteen (15) minutes of call

origination (5:00 p.m. to 7:00 a.m.) to be used in emergency/after-hour call-outs as specified in Section B, 6. Special Sweeping and Section B, 7. Emergency Sweeping.

Section J - Compensation

1. Compensation

Payment will be made monthly on the basis of road curb miles swept times the amount proposed per curb line mile for each category of road swept plus the monthly cleaning services identified in the Bid Proposal as further and more particularly defined in the Agreement.

For all of the services which the Contractor is obligated to perform under the terms of the Agreement, the City shall pay to the Contractor once each month a sum equal to the amount specified in the Bid Proposal, or as amended by any subsequent adjustments thereto and provided hereinafter. The Contractor shall submit a detailed invoice. The detailed invoice shall consist of the dates of service and the type of service performed per the Bid Proposal. The contractor shall include a detailed schedule for the following month with the invoice. The City reserves the right to withhold payment until all of the above criteria are met. City, upon receipt and approval of an accepted invoice, will make payment within 30 days of receipt of invoice.

a. Method of Payment for Extra Work

The Contractor shall present to the City an itemized list of all extra work on a separate monthly invoice for extraordinary maintenance work performed during the previous month. The City shall compensate Contractor within thirty (30) days of receipt of an itemized monthly invoice. The City shall compensate Contractor for such maintenance beyond the scope of routine maintenance according to the hourly rate listed in the fee schedule.

b. Invoicing

Contractor shall submit an invoice for service performed. Scheduled sweeping and special sweeps shall be submitted on separate invoices, mailed or delivered to:

Director of Public Services
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653

Payment shall be made in accordance with the provisions of the Agreement.

APPENDIX I

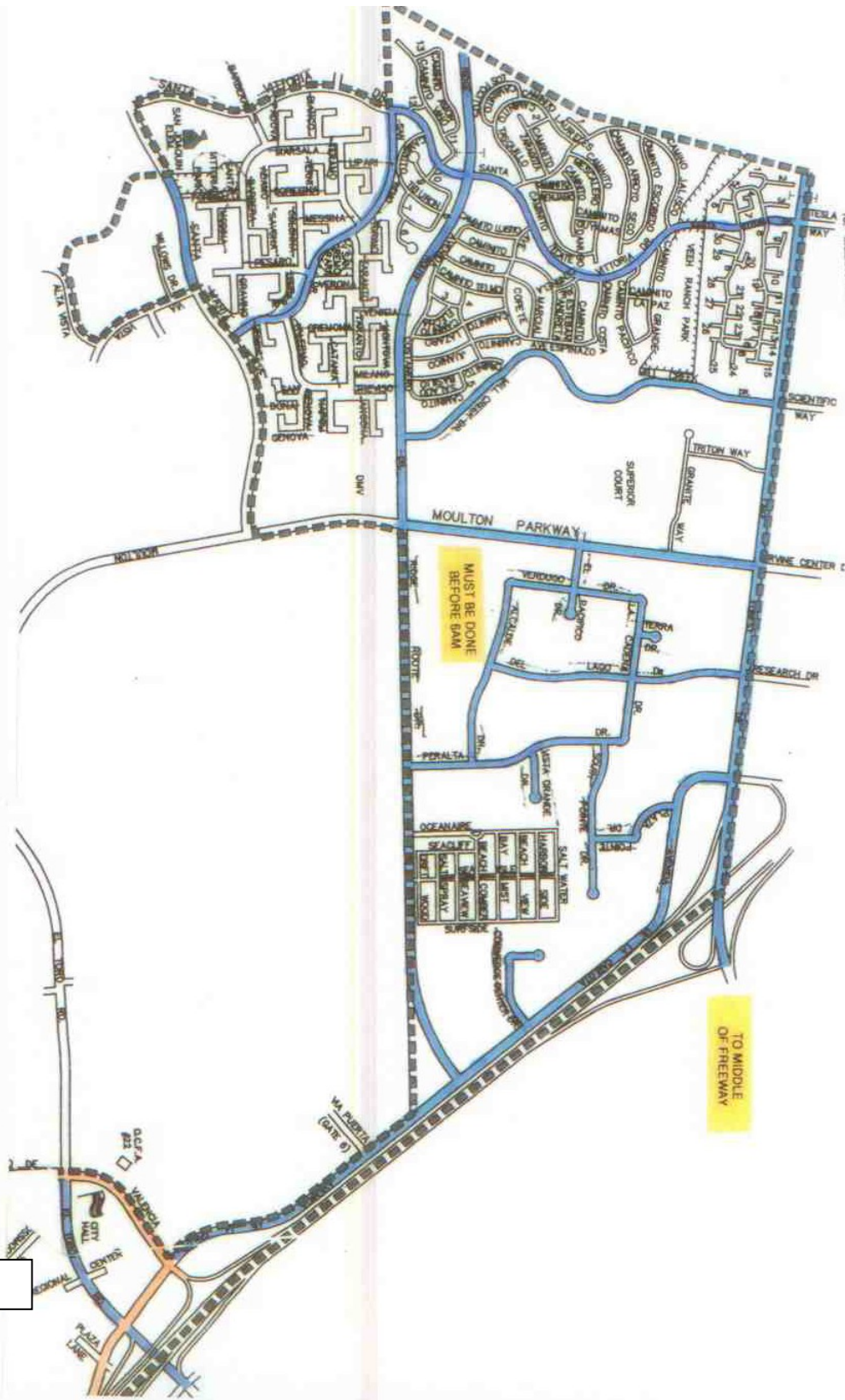
DRAFT CITYWIDE STREET SWEEPING AND ROADWAY CLEANING
MAINTENANCE SERVICES AGREEMENT

APPENDIX II

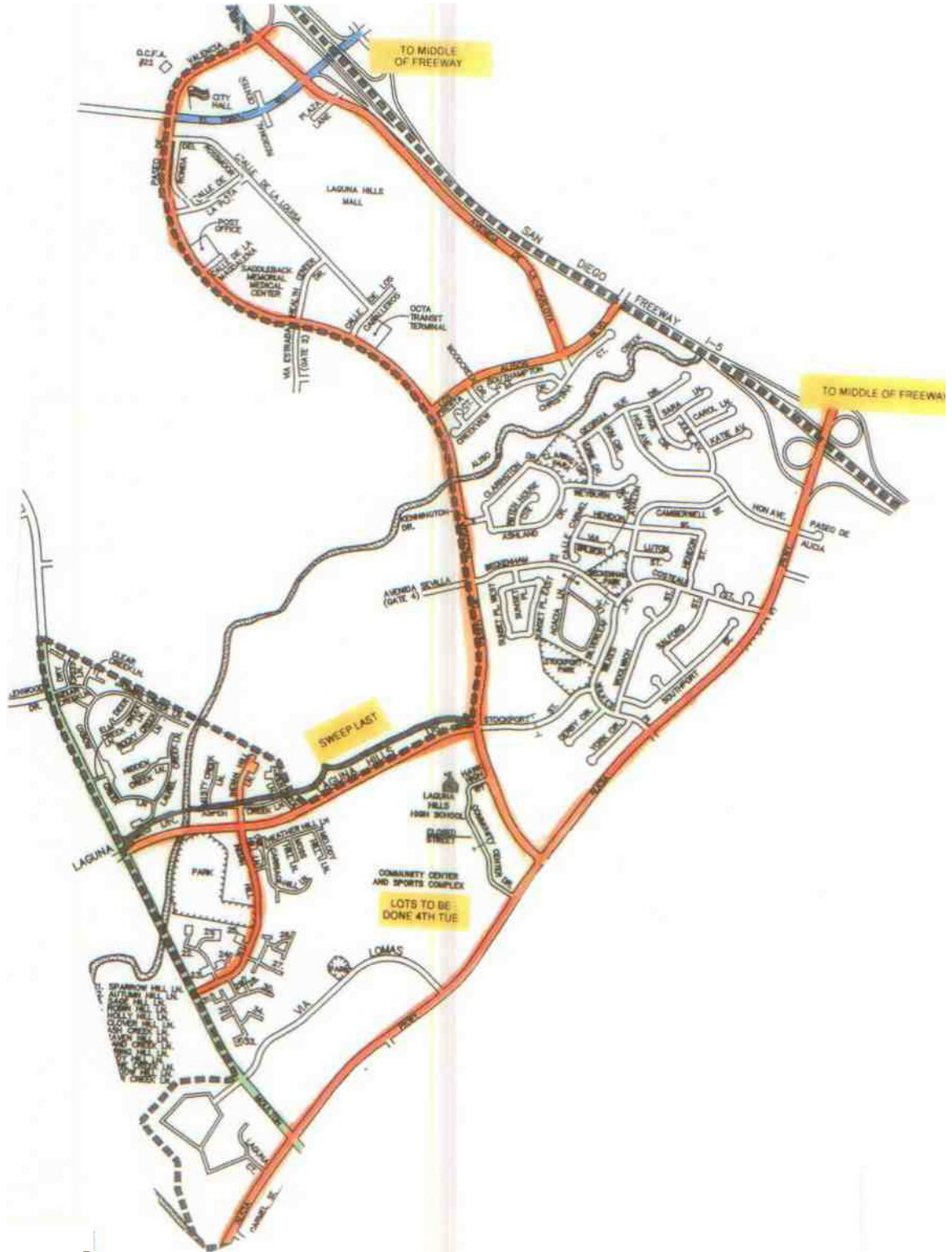
MAPS AND LOCATION LISTS

1. ARTERIAL MAPS / RESIDENTIAL MAPS
2. POSTED NO PARKING DURING STREET SWEEPING MAPS AND LIST
3. BIKE TRAIL LIST
4. SIDEWALK LIST
5. SWEEPING MILEAGES
6. BUS STOP LOCATIONS

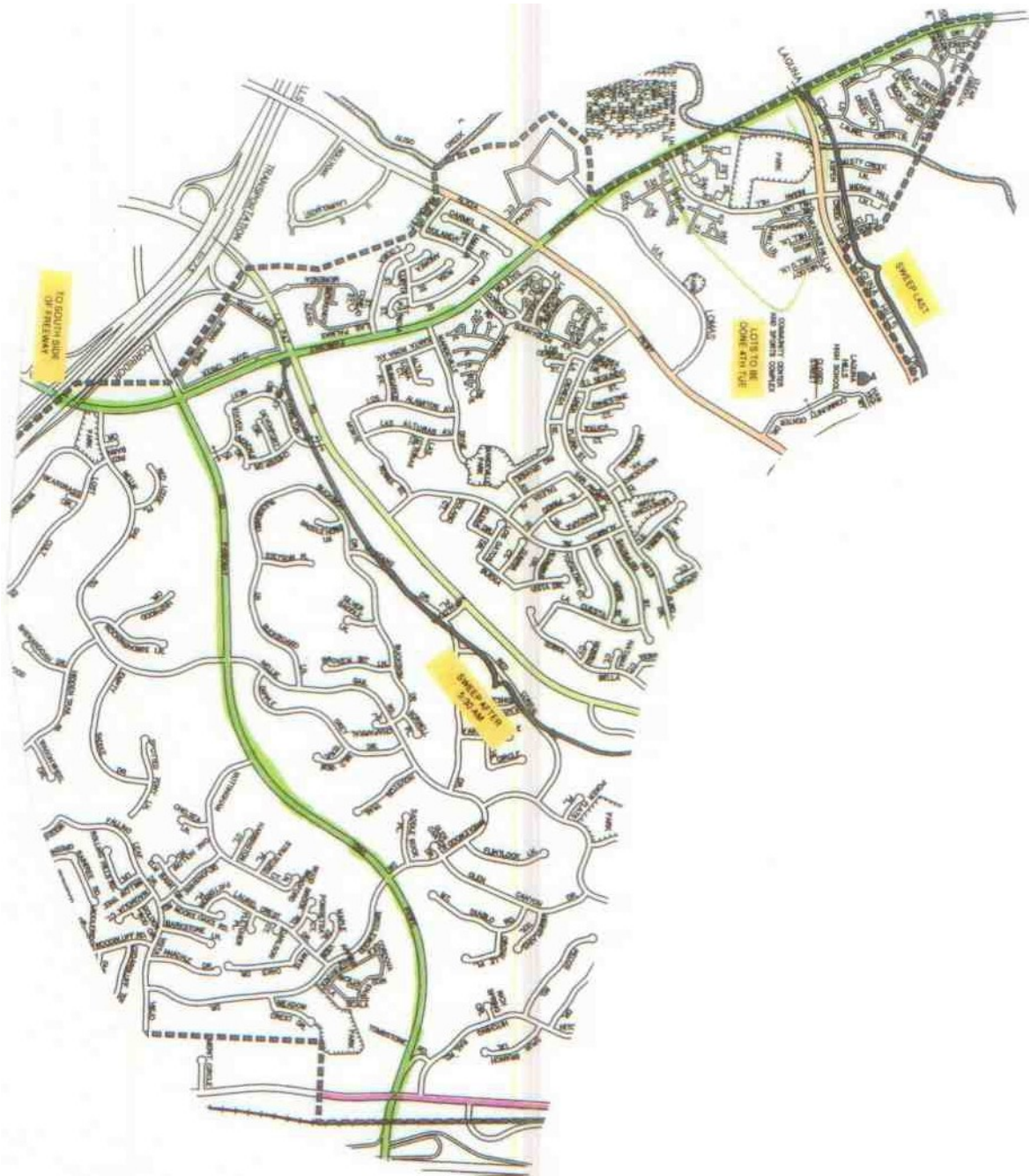
CITY OF LAGUNA HILLS
SAMPLE SCHEDULE BY MAP – ARTERIALS
MONDAY



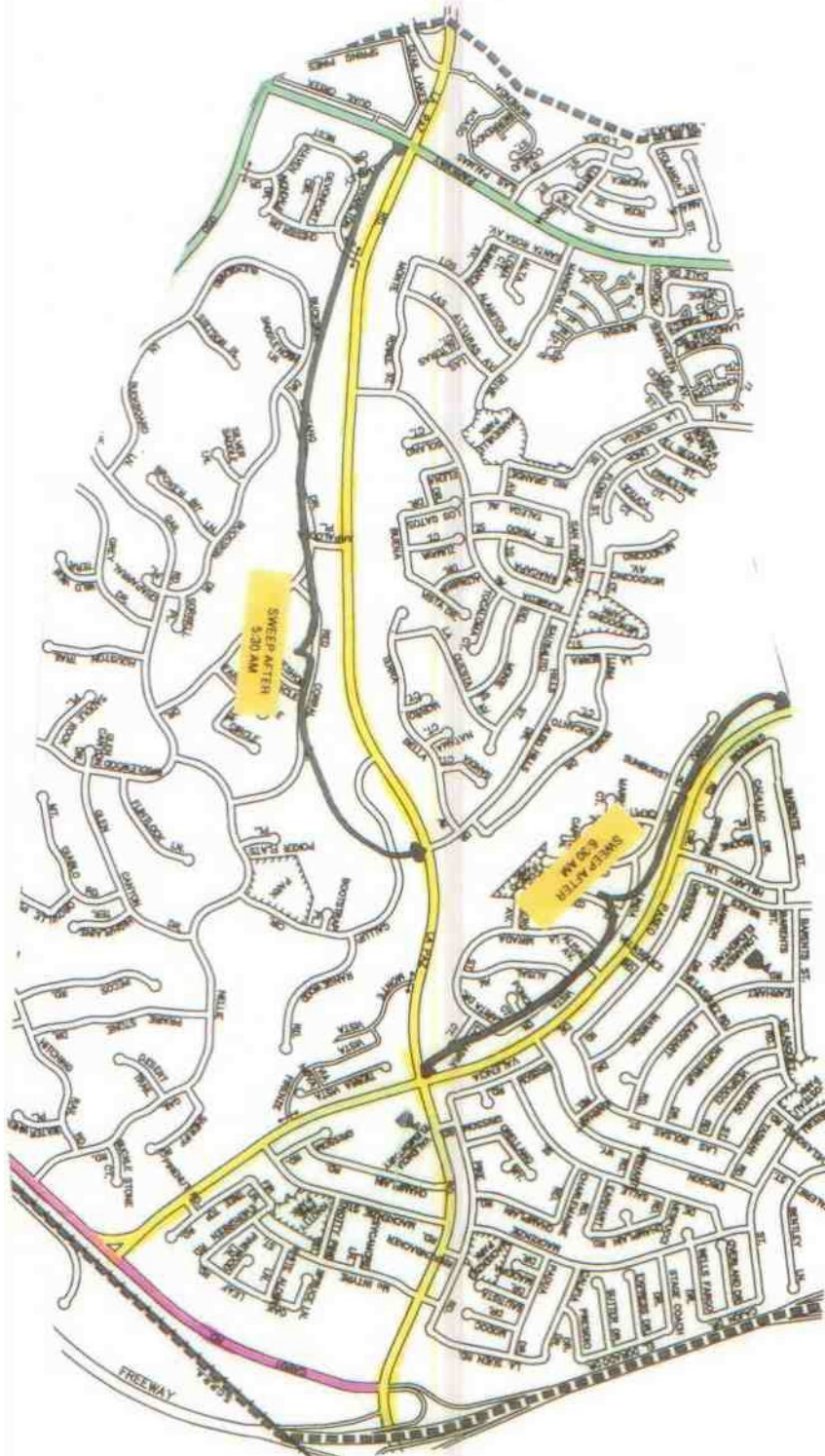
CITY OF LAGUNA HILLS
ARTERIALS CONTINUED
TUESDAY



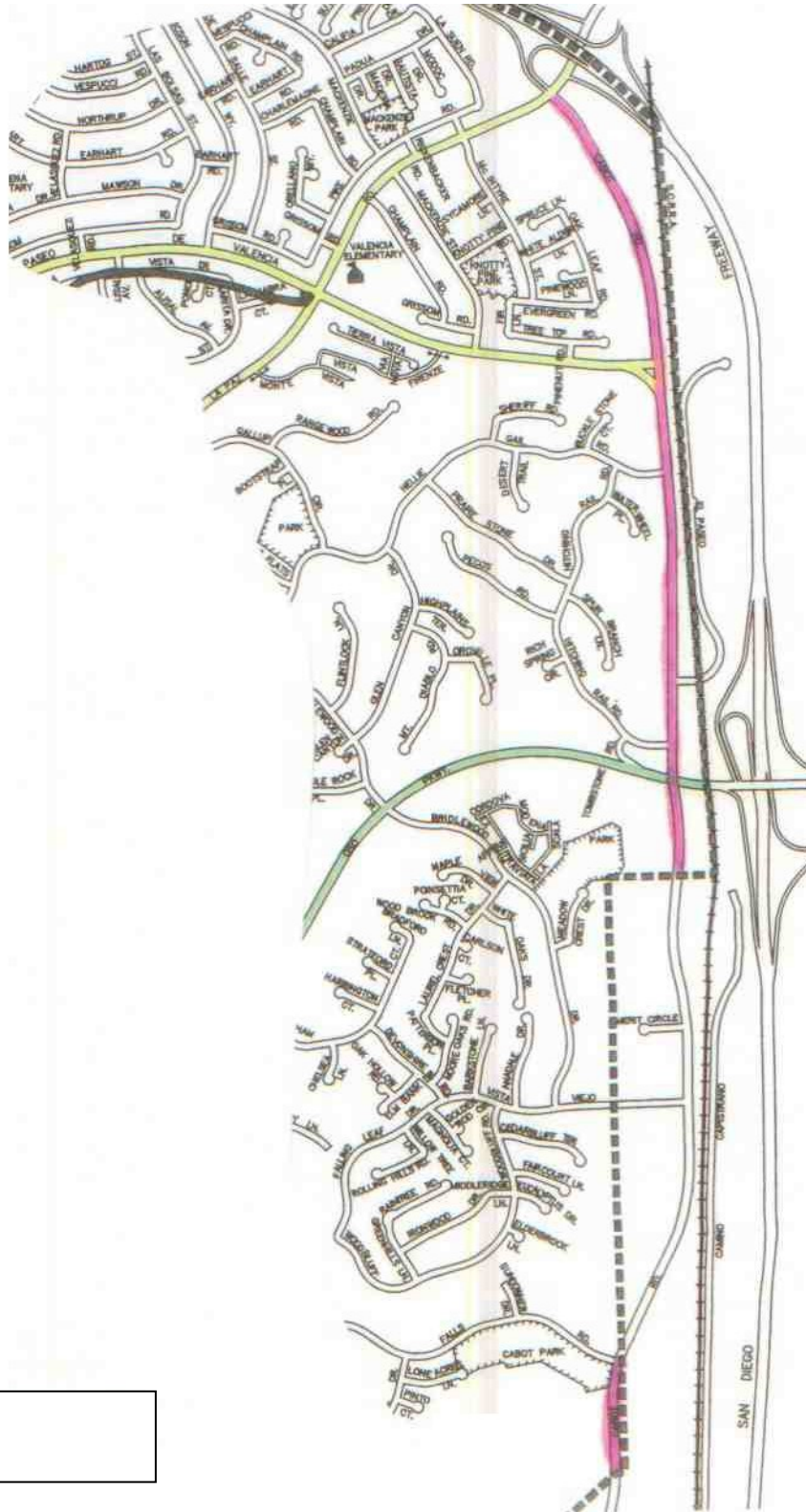
CITY OF LAGUNA HILLS
ARTERIALS CONTINUED
WEDNESDAY



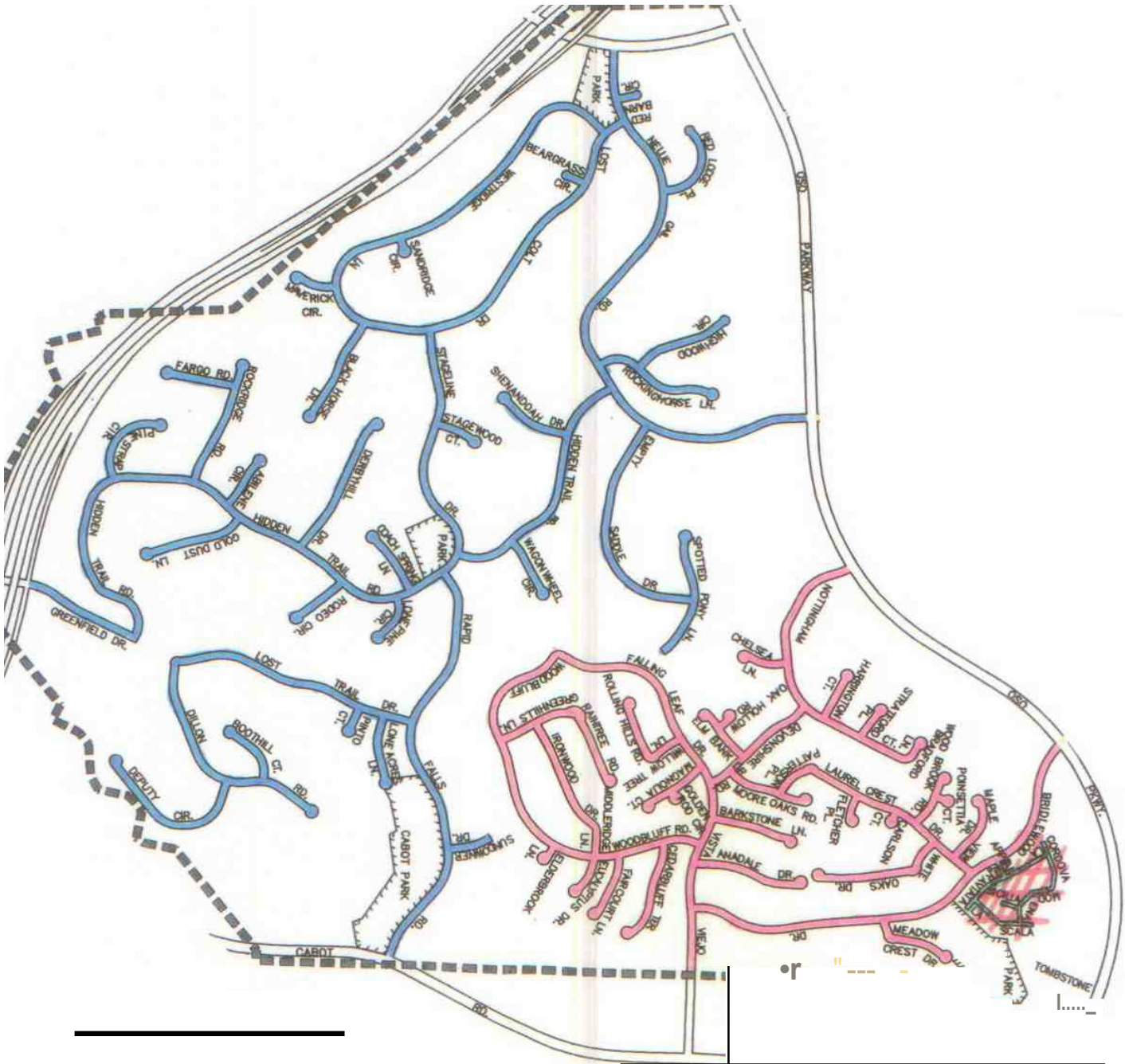
CITY OF LAGUNA HILLS
ARTERIALS CONTINUED
THURSDAY



CITY OF LAGUNA HILLS
ARTERIALS CONTINUED
FRIDAY



CITY OF LAGUNA HILLS RESIDENTIAL STREETS SAMPLE SCHEDULE/MAP

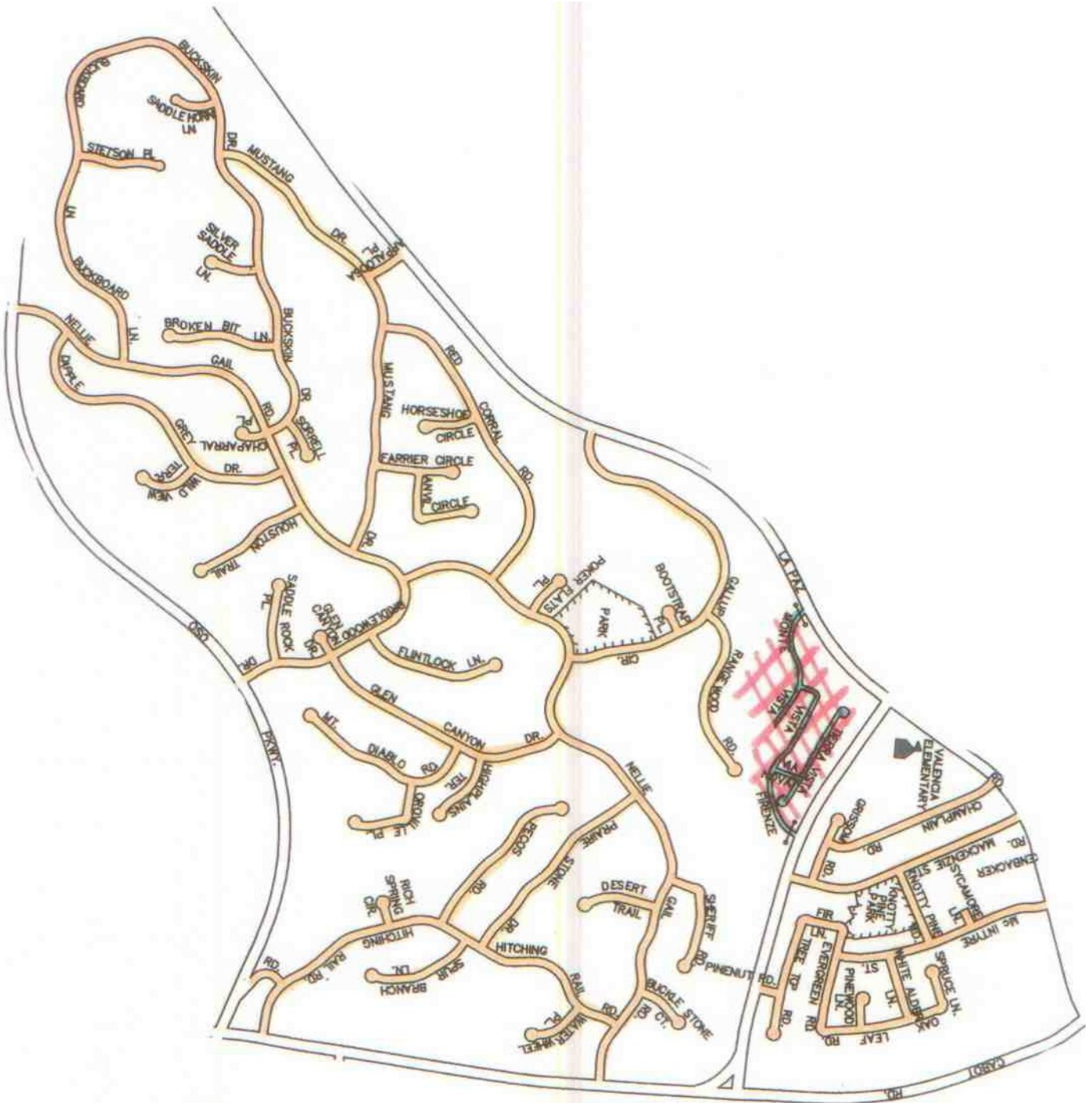


CITY OF LAGUNA HILLS
RESIDENTIAL CONTINUED

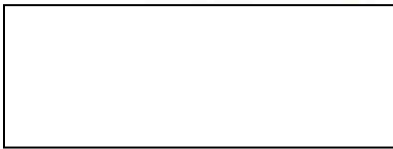
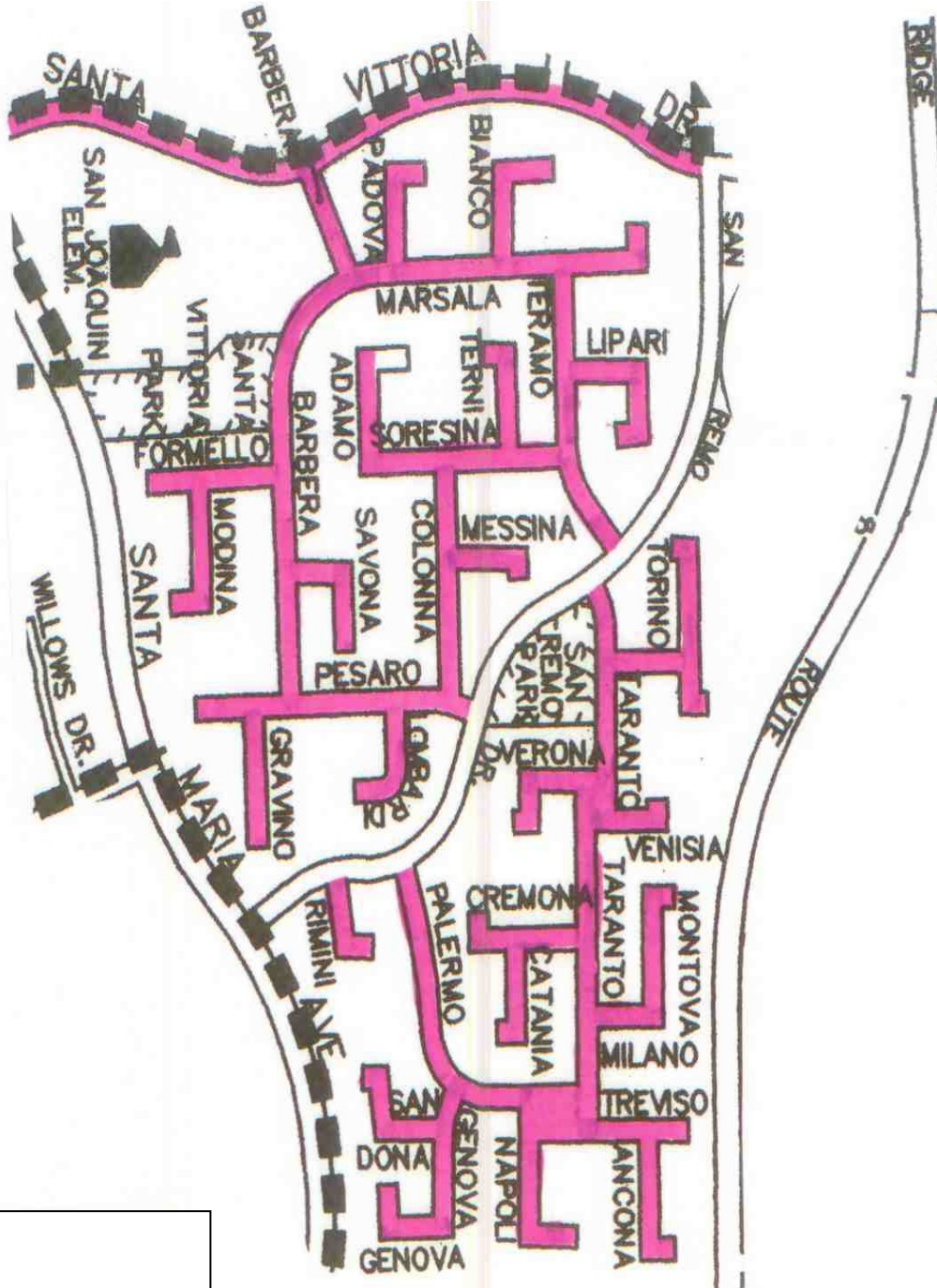




CITY OF LAGUNA HILLS
RESIDENTIAL CONTINUED



CITY OF LAGUNA HILLS
RESIDENTIAL CONTINUED



STREET SWEEPING POSTED **NO PARKING ZONES**

Subject to Change

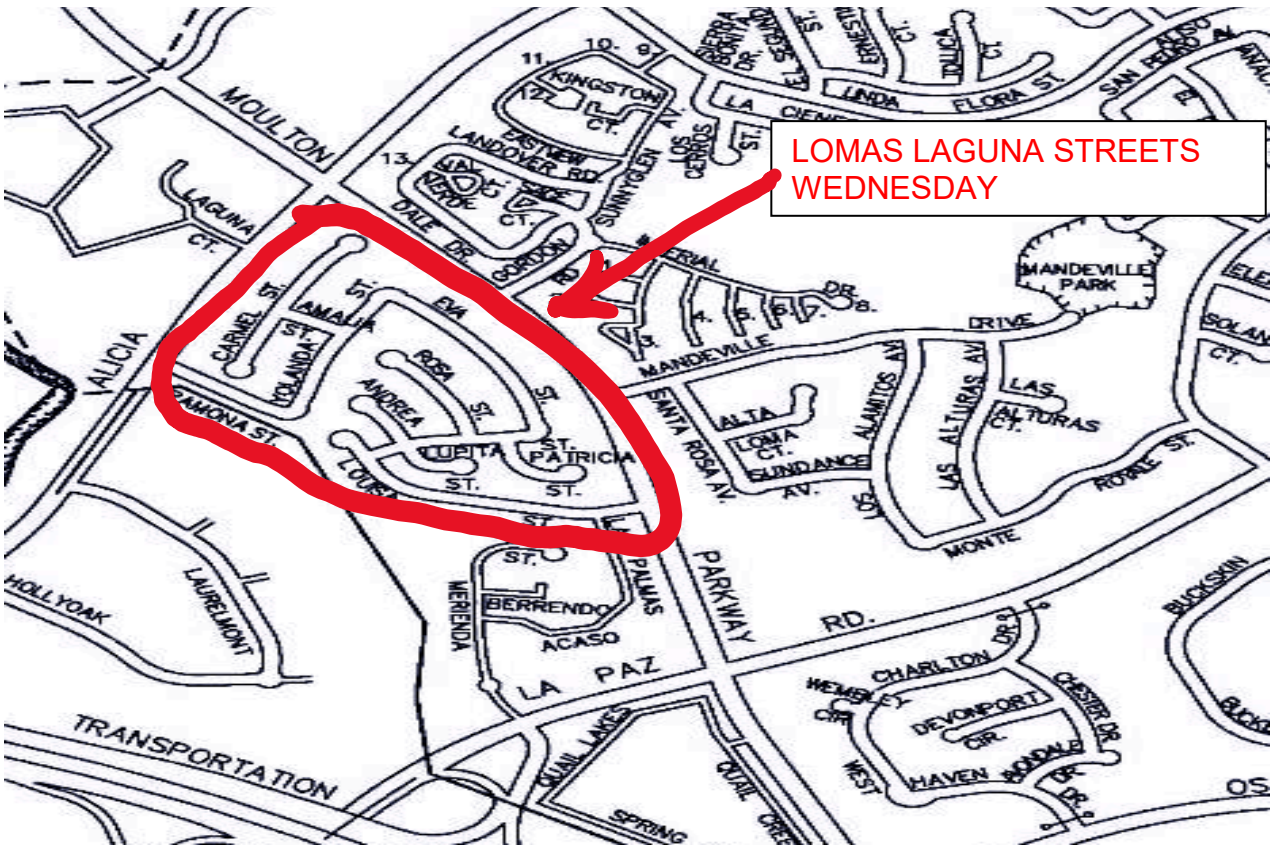
MONDAY: ALL MOULTON RANCH STREETS, START AT 8 AM

**TUESDAY: ALL LOMAS LAGUNA STREETS, START AT 9 AM
LOS ALISOS BLVD, START 8 AM**

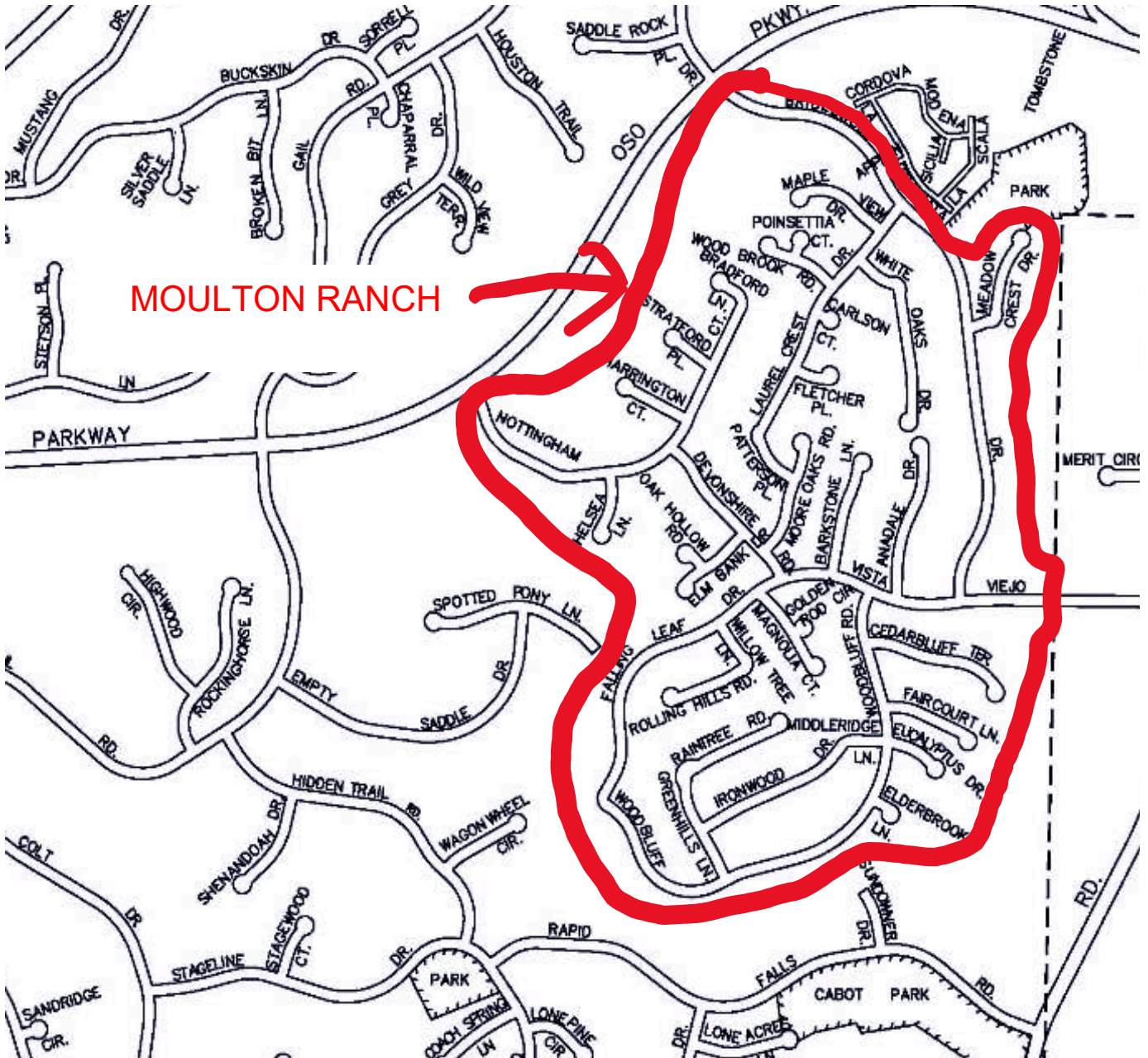
**WEDNESDAY: VIA LOMAS, START AT 8 AM
CAJON STREET, START AT 2 PM
OVERLAND STREET, START AT 2 PM**

FRIDAY: SANTA VITTORIA DRIVE, START 8 AM

SEE MAPS NEXT PAGES

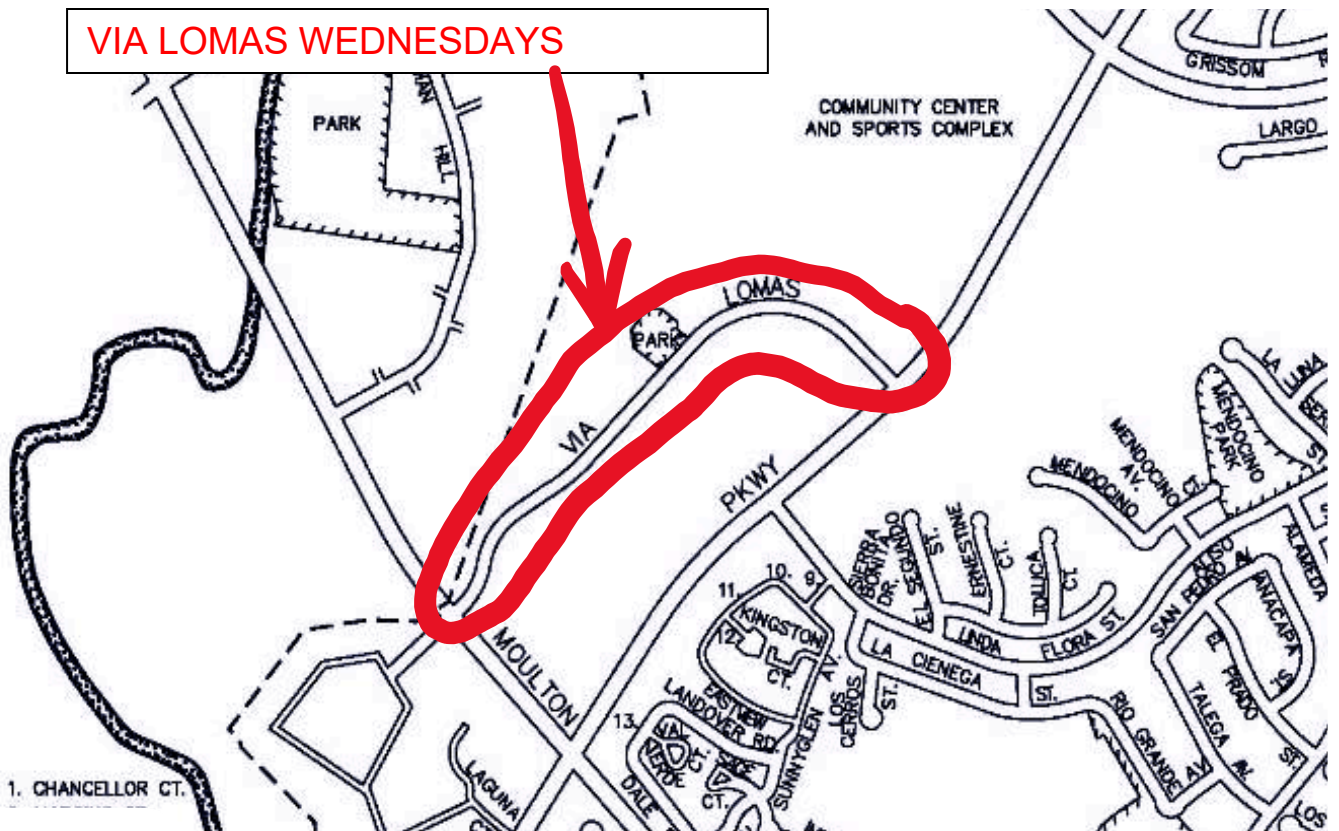


MONDAY 2nd AND 4th WEEK **8-12 PM**





VIA LOMAS WEDNESDAYS



OVERLAND
AND CAJON
WEDNESDAYS



BIKE TRAILS / PATH Monthly Cleaning

ALICIA PKWY

Community Center Dr. to Aliso Creek 5860 L.F.

ALISO CREEK TRAIL

Alicia Pkwy to Aliso Creek 1175 L.F.

ALISO CREEK TRAIL

Clarington to City limit 205 L.F.

ALISO CREEK TRAIL

Christine Ct. to City limit 70 L.F.

OSO PKWY

Tombstone to Moulton Pkwy 8225 L.F.

PASEO DE VALENCIA

Laguna Hills Dr. to Hawk Highway 415 L.F.

SIDEWALK CLEANING LOCATIONS

Contractor shall remove weeds, sweep/blow sidewalk and sweep gutter on a monthly basis at the following locations:

Alicia Pkwy

Between Paseo de Valencia and Costeau Park Southside (2878 l. f.)
Between Hon and Costeau Northside (623 l. f.)
Alicia Pkwy/Barents stairway and walk path (located East of Paseo de Valencia Southside (92 l. f.)

Avenida de la Carlota

150 feet South of Via Puerta (40 l. f.)
700 feet North of Paseo de Valencia (westside 60 l. f.)

Barbera

Between Marsala and Savona (820 l. f.)

Beckenham

At Wilkes - two fire gates (400 l. f.)

El Toro Rd

Under I-5 underpass to City Limit - Both sides only (100 l. f.)

La Paz Rd.

Between Aliso Hills Dr. and Alameda Northside (3984 l. f.)
Between Charlton Dr. and Appaloosa Southside (2430 l. f.)
Between Rickenbacker and Paseo de Valencia North side (1400 l. f.)
Between Paseo de Valencia to 750 feet East along school frontage (750 l. f.)

Los Alisos Blvd.

Between Paseo de Valencia to City limits Southside (1400 l. f.)

Marsala

Between Barbera and Teramo Eastside (610 l. f.)

Moulton Pkwy

Between I-73 and Oso Pkwy Eastside (1270 l. f.)
Between Ridge Route Dr. and Granite Way Eastside (2260 l. f.)

Paseo de Valencia

Between Cabot Rd. and Alicia Pkwy Eastside (7334 l. f.)
Between Ericson Way and La Paz Rd. Westside (768 l. f.)

Santa Vittoria

Between Santa Maria and Barbera Eastside (1019 l. f.)

Stockport St At fire gate (200 l. f.)

**CITY OF LAGUNA HILLS
STREET SWEEPING MILEAGE LIST
INCLUDING QUARTERLY TWO-WAY LEFT TURN LANES SWEEPING**

<u>ARETERIAL & COLLECTOR STREETS</u>	<u>4 PASSES</u>	<u>2 PASSES</u>	<u>SINGLE PASS QUARTERLY</u>	<u>WEEKLY SWEEPING MILES</u>	<u>SWEEPING MILES WITH TURN LANE</u>
Comercial Area	0.00	2.09	0.00	4.18	4.18
Alicia Pkwy	1.96	0.00	0.00	7.84	7.84
Ave de la Carlota	0.00	2.13	2.13	4.26	6.39
Bentley Ln	0.00	0.10	0.00	0.20	0.20
El Toro Rd	0.34	0.00	0.00	1.36	1.36
Cabot Rd	0.00	1.51	1.51	3.02	4.53
Hon Ave	0.00	0.17	0.17	0.34	0.51
Indian Hills Ln	0.00	0.37	0.37	0.74	1.11
La Paz Rd	0.91	1.50	1.50	6.64	8.14
Laguna Hills Dr	0.71	0.00	0.00	2.84	2.84
Lake Forest Dr	1.20	0.00	0.00	4.80	4.80
Los Alisos Blvd	0.42	0.00	0.00	1.68	1.68
McIntyre St	0.00	0.14	0.14	0.28	0.42
Mill Creek Dr	0.00	0.69	0.69	1.38	2.07
Moulton Pkwy	3.03	0.00	0.00	12.12	12.12
Oso Pkwy	1.83	0.00	0.00	7.32	7.32
Paseo de Alicia	0.00	0.04	0.04	0.08	0.12
Paseo De Valencia	1.75	1.50	1.50	10.00	11.50
Ridge Route Dr	0.00	1.51	1.51	3.02	4.53
San Remo Dr	0.00	0.50	0.50	1.00	1.50
Santa Maria Dr	0.17	0.00	0.00	0.68	0.68
Santa Vittoria Dr	0.24	1.02	1.02	3.00	4.02
ARTERIAL MILES TOTAL:	12.56	13.27	11.08	76.78	87.86
RESIDENTIAL STREET TOTAL:		62.90			125.80



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Janice Reyes
Finance Director
ISSUE: Professional Services Agreement with Eide Bailly, LLP, Independent Auditor

RECOMMENDATION: That the City Council approve the proposed Professional Services Agreement with Eide Bailly, LLP and authorize the Mayor to execute the Agreement for Independent Financial Auditing and Accounting Consulting Services for the Fiscal Years ending June 30, 2021, to June 30, 2026.

SUMMARY:

In accordance with City Council Policy No. 105, entitled Financial Policies, the City's annual financial report is audited each year by an independent external auditor and a new auditor is selected competitively at least every six years. The City's audit engagement with Clifton Larson Allen, LLP, expired with the conclusion of the financial audit for the fiscal year ended June 30, 2020. Accordingly, staff issued a Request for Proposals (RFPs) seeking new independent auditor services. Proposals received in response to the RFP were evaluated and the Audit Committee interviewed the four highest ranked audit firms. On the basis of the established selection criteria, the Audit Committee is recommending that the City Council authorize the Mayor to execute a six-year agreement with Eide Bailly LLP to perform the audit of the City's annual financial statements for fiscal years ending June 30, 2021, to June 30, 2026.

BACKGROUND:

It is common practice and prudent financial management to have the City's financial records audited on an annual basis. As the City's existing policy dictates that the City

Independent Auditor Selection

June 22, 2021

Page 2

conduct a competitive selection to change auditors at least every six years, the City issued an RFP which complies with the City's policy and process for hiring professional services. Eleven audit firms responded to the RFP and the following four top rated firms were selected by a Staff Management Committee for interviews:

- Eide Bailly LLP
- Davis Farr LLP
- Vasquez & Company LLP
- Moss, Levy & Hartzheim, LLP

The Audit Committee performed the interviews and concluded that Eide Bailly LLP was the best qualified firm. The engagement period specified in the RFP is for six fiscal years, namely the annual audit of the City's financial statements is for the 2020-2021 through 2025-2026 Fiscal Years.

The Audit Committee is recommending Eide Bailly LLP be selected for this work. A copy of the proposal submitted by Eide Bailly LLP is attached to the proposed Agreement as Exhibit A. The negotiated fees with Eide Bailly LLP are also presented in Exhibit A and were found to be competitive and consistent with the City's anticipated budget for these services.

FISCAL IMPACT:

The total cost proposal is in conformance with the current proposed City's Operating Budget for annual financial audit services in Fiscal Year 2021-2022 and 2022-2023.

ATTACHMENTS:

- Proposed Professional Services Agreement with Eide Bailly, LLP

PROFESSIONAL SERVICES AGREEMENT

Eide Bailly, LLP

Independent Financial Auditing and Accounting Consulting Services

(Fiscal Years Ending June 30, 2021 – June 30, 2026)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter “Agreement”) is made and entered into, to be effective this 1th day of July 2021, by and between the CITY OF LAGUNA HILLS, a municipal corporation organized and existing under the laws of the State of California, (hereinafter referred to as “City”) and EIDE BAILLY, a Limited Liability Partnership (hereinafter referred to as “Consultant”). City and Consultant are sometimes hereinafter individually referred to as “Party” and are hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has determined that there is a need to retain the professional services of a qualified independent certified public accounting firm that specializes in providing expert financial auditing and accounting services to municipalities and other public entities to perform an annual audit of the City's financial statements and investment activities beginning with the audit of the fiscal year ending June 30, 2021 and the subsequent years thereafter during the six-year contract period, including but not limited to performing qualified independent external audits of the City's financial statements and providing the City with other accounting services that may be required on an as-needed on-call basis (the "Project").

B. In response to City's Request for Proposals (RFP), dated March 3, 2021, Consultant has submitted a proposal to City, dated April 2, 2021, to provide professional independent financial auditing and accounting services to City for the Project pursuant to the terms of this Agreement

C. Consultant represents and maintains that it is uniquely qualified by virtue of its experience, training, education, reputation, and expertise to provide these professional services to City for the Project and has agreed to provide such services as provided herein. City does not have the personnel, specialized equipment, or technical expertise able to perform the work or services contracted for herein. The City does not possess the knowledge, expertise, or skill to control and direct the work necessary for the Project and requires the use of an independent contractor to do so.

D. City desires to retain Consultant to provide such professional services for the Project.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. SERVICES OF CONSULTANT

1.1 Scope of Services and Standard of Performance. In compliance with all terms and conditions of this Agreement, Consultant agrees to provide and perform the professional independent financial audit and accountant services to City for the Project as set forth in the Proposal/Scope of Work, dated April 2, 2021, which is attached hereto as Exhibit “A” and is incorporated herein by

reference (hereinafter referred to as the “Scope of Services,” the “Services,” or “Work”). As a material inducement to the City entering into this Agreement, Consultant acknowledges and understands that the Services and Work contracted for under this Agreement require specialized skills, equipment, labor and abilities and that, consistent with this understanding, Consultant’s Services and Work shall be performed in a skillful and competent manner and shall be held to a standard of quality and workmanship prevalent in the industry for such Services and Work and with the standards recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and warrants that it is skilled in the professional discipline necessary to perform the Services and Work and that it holds the necessary skills and abilities to satisfy the standard of work as set forth in this Agreement. Consultant represents and warrants that it and all of its employees, subconsultants and subcontractors providing any Work or Services under this Agreement shall have sufficient skill and experience to perform the Services and Work assigned to them. All Services and Work shall be completed to the reasonable satisfaction of the City.

1.2 Contract Documents. The Agreement between the Parties shall consist of the following: (1) this Agreement; and, (2) the Consultant’s signed, original Proposal/Scope of Work, dated April 2, 2021, submitted to the City (“Consultant’s Proposal”), which shall both be referred to collectively hereinafter as the “Contract Documents.” The Consultant’s Proposal/Scope of Work, attached hereto as Exhibit “A,” is hereby incorporated by reference and is made a part of this Agreement. All provisions of the Contract Documents shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1st) the terms and conditions of this Agreement; and, (2nd) the provisions of the Consultant’s Proposal.

1.3 Compliance with Law. Consultant shall comply at all times during the term of this Agreement with all applicable federal, state, and local laws, statutes, and ordinances and all lawful orders, rules, and regulations promulgated thereunder, including without limitation all applicable fair labor standards and Cal/OSHA regulations and requirements. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of the Work and Services, including all Cal/OSHA regulations and requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with performing the Work and Services. If Consultant performs any Work or Services in violation of such laws, rules, and regulations, Consultant shall be solely responsible for all penalties and costs arising therefrom. Consultant shall defend, indemnify, and hold City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.

1.4 Licenses, Permits, Fees, and Assessments. Prior to performing any Services or Work hereunder, Consultant shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Work and Services required by this Agreement. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for Consultant to perform the Work and Services under this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the Work and Services required by this Agreement, and shall defend, indemnify, and hold the City, its officials, officers, employees, agents

and volunteers, free and harmless from and against any claim or liability arising out of any failure or alleged failure to obtain such license, permits, and approvals of whatever nature that are legally required to perform the Work or Services.

1.5 Familiarity with Work. By executing this Agreement, Consultant represents and warrants that it (a) has thoroughly investigated and considered the Scope of Work or Services to be performed, (b) has carefully considered how the Services should be performed and has carefully examined the location or locations at or with respect to where such Services or Work is to be performed, and (c) fully understands the facilities, difficulties, and restrictions attending performance of the Services under this Agreement. If the Services involve work upon any site, Consultant represents and maintains that Consultant has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services hereunder. Should the Consultant discover any latent or unknown conditions that will materially affect the performance of the Services hereunder, Consultant shall immediately inform the City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the City.

1.6 Care of Work. Consultant shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Work by the City, except such losses or damages as may be caused by City's own negligence.

1.7 Further Responsibilities of Parties. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

1.8 Additional Services. City shall have the right at any time during the performance of the Services, without invalidating this Agreement, to order extra work beyond that specified in the Consultant's Proposal/Scope of Services (Exhibit "A") or make changes by altering, adding to, or deducting from such Work. No such extra work may be undertaken unless a written order is first given by the City to the Consultant, incorporating therein any adjustment in (i) the Maximum Contract Amount, as defined below, and/or (ii) the time to perform this Agreement, which adjustments are subject to the written approval of the Consultant. It is expressly understood by Consultant that the provisions of this section shall not apply to the Work and Services specifically set forth in the Scope of Services or reasonably contemplated therein, regardless of whether the time or materials required to complete any Work or Service identified in the Scope of Services exceeds any time or material amounts or estimates provided therein.

1.9 Unauthorized Aliens. Consultant hereby represents and warrants that it will comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§1101, *et seq.*, as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of any Work and/or Services under this Agreement, and should any liability or sanctions be imposed against City for such use of unauthorized aliens, Consultant hereby agrees to reimburse City for any and all liabilities, actions, suits, claims, demands, losses, costs, judgments, arbitration awards, settlements, damages, demands, orders, or penalties which arise out of or are related to such employment, together with any and all costs, including attorneys' fees, incurred by City.

1.10 Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other contractors, consultants, or vendors for services similar to the services that are the subject of this Agreement.

2. COMPENSATION

2.1 Maximum Contract Amount. For the Services and Work rendered pursuant to this Agreement, Consultant shall be compensated by City for the services performed, including authorized reimbursements, on a time and materials basis in accordance with the professional hourly rates and charges set forth in the Schedule of Compensation/Fees, dated April 2, 2021, which is attached hereto as Exhibit "A" and is incorporated herein by reference, but not exceeding a total contract amount of Two Hundred Fifty Thousand Dollars (\$250,000.00) (hereinafter referred to as the "Maximum Contract Amount"). The method of compensation shall be as set forth in Exhibit "A". Compensation for necessary expenditures for reproduction costs, telephone expenses, and transportation expenses must be approved in advance by the Contract Officer designated pursuant to Section 4.2 and will only be approved if such expenses are also specified in the Schedule of Compensation/Fees. The maximum amount of City's payment obligation under this Agreement is the amount specified in this section.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation/Fees (Exhibit "A"), in any month in which Consultant wishes to receive payment, no later than the tenth (10th) working day of such month, Consultant shall submit to the City, in a form approved by the City's Finance Director, an invoice for services rendered prior to the date of the invoice. Such requests shall be based upon the amount and value of the services performed by Consultant and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. City shall use reasonable efforts to make payments to Consultant within forty-five (45) days after receipt of the invoice or a soon thereafter as is reasonably practical.

2.3 Changes in Scope. In the event any change or changes in the Scope of Work or Services is requested by the City, the Parties shall execute a written amendment to this Agreement, setting forth with particularity all terms of such amendment, including, but not limited to, any additional professional fees for services. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or (b) to provide for additional work or services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Consultant's profession.

2.4 Appropriations. This Agreement is subject to and contingent upon funds being appropriated therefore by the Laguna Hills City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. SCHEDULE OF PERFORMANCE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the services to be performed by Consultant is an essential condition of this Agreement. Consultant shall prosecute regularly and diligently the Work of this Agreement according to the agreed upon Schedule of Performance set forth in Consultant's Proposal/Scope of

Work (Exhibit "A").

3.2 Schedule of Performance. Consultant shall commence the Services or Work pursuant to this Agreement upon receipt of a written notice to proceed, or on each task order, if applicable, and shall perform all Services within the time period(s) established in the Schedule of Performance, which is attached hereto as Exhibit "A" and is incorporated herein by reference. When requested by Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer; however, the City shall not be obligated to grant such an extension.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the Services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant (financial inability excepted), including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, pandemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City, if Consultant, within ten (10) days of the commencement of such delay, notifies the City Manager in writing of the causes of the delay. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Consultant's sole remedy being extension of the Agreement pursuant to this section.

3.4 Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the effective date of this Agreement and shall continue in full force and effect for a period of six (6) years, commencing on July 1, 2021 and ending on June 30, 2027, unless extended by mutual written agreement of the Parties.

3.5 Task Orders. Consultant hereby agrees and acknowledges that any and all Services or Work performed pursuant to this Agreement shall be based upon the prior issuance of a written project task order by the City. Furthermore, Consultant hereby agrees and acknowledges that execution of this Agreement by the City does not in any way guarantee that a task order will be issued to Consultant. Moreover, execution of this Agreement by the City shall not entitle Consultant to any form of payment or compensation from the City without City first having issued a project task order.

4. COORDINATION OF WORK

4.1 Representative of Consultant. The following principal of Consultant is hereby designated as being the principal and representative of Consultant authorized to act in its behalf with respect to the Services to be performed under this Agreement and to make all decisions in connection therewith: Jessica Andersen, CPA, Partner. It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the Work or Services performed hereunder. The foregoing principal may not be changed by Consultant without prior written approval of the Contract Officer.

4.2 Contract Officer. The Contract Officer shall be such person as may be designated by the City Manager of City, and is subject to change by the City Manager. It shall be the Consultant's responsibility to ensure that the Contract Officer is kept fully informed of the progress of the performance of the Services, and the Consultant shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

4.3 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Consultant, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written consent of City. Consultant shall not contract with any other entity to perform the Services required without prior written consent of City. If Consultant is permitted to subcontract any part of this Agreement by City, Consultant shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the Work will be considered employees of Consultant. City will deal directly with and will make all payments to Consultant. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Consultant or any surety of Consultant from any liability hereunder without the express written consent of City.

4.4 Independent Contractor.

A. The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make Consultant a City employee. During the performance of this Agreement, Consultant and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers or employees. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of Consultant or any of its officers, employees, or agents, except as set forth in this Agreement. Consultant, its officers, employees or agents, shall not maintain a permanent office or fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Consultant's officers, employees, representatives or agents or in fixing their number, compensation, or hours of service. Consultant shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Consultant in its business or otherwise a joint venturer or a

member of any joint enterprise with Consultant.

B. Consultant shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

C. No City benefits shall be available to Consultant, its officers, employees, or agents, in connection with the performance of any Work or Services under this Agreement. Except for professional fees paid to Consultant as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for the performance of any Work or Services under this Agreement. City shall not be liable for compensation or indemnification to Consultant, its officers, employees, or agents, for injury or sickness arising out of performing any Work or Services hereunder. If for any reason any court or governmental agency determines that the City has financial obligations, other than pursuant to Section 2 and Subsection 1.8 herein, of any nature relating to salary, taxes, or benefits of Consultant's officers, employees, representatives, agents, or subconsultants or subcontractors, Consultant shall defend, indemnify, and hold harmless City from and against all such financial obligations.

4.5 PERS Eligibility & Indemnification.

A. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing any Work or Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employee Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing any Work or Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

5. INSURANCE

5.1 Compliance with Insurance Requirements. Consultant shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to City, all insurance required under this section. Consultant shall not commence any Work or Services under this Agreement unless and until it has provided evidence satisfactory to City that it has secured all insurance required under this section. If Consultant's existing insurance policies do not meet the insurance requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

5.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement, and without limiting the indemnity provisions set forth in this Agreement, Consultant shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance:

A. Commercial General Liability Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Commercial General Liability Insurance written on an occurrence basis with limits of at least one million dollars (\$1,000,000.00) per occurrence, two million dollars (\$2,000,000.00) in the general aggregate, and one million dollars (\$1,000,000.00) for products and completed operations. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

B. Automobile Liability Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile Liability Insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) combined limit for each occurrence covering bodily injury and property damage. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles.

C. Workers' Compensation Insurance. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Consultant agrees to waive and obtain endorsements from its workers' compensation insurer waiving all subrogation rights under its workers' compensation insurance policy against the City, its officials, officers, employees, agents and volunteers, and to require each of its subconsultants and subcontractors, if any, to do likewise under their workers' compensation insurance policies. Consultant shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Employer's Liability Insurance written on a per occurrence basis with limits of at least one million dollars (\$1,000,000.00) per accident for bodily injury or disease.

D. Professional Liability (Errors & Omissions) Insurance. Consultant shall obtain and maintain in full force and effect throughout the term of this Agreement, a policy of Professional Liability or Errors and Omissions Insurance appropriate to Consultant's profession with limits of at least five million dollars (**\$5,000,000.00**). Covered professional services shall specifically include all Work or Services to be performed under the Agreement and delete any exclusions that may potentially affect the Work or Services to be performed under this Agreement.

1. The policy shall be endorsed to provide the following: Contractual Liability Exclusion Deleted: This insurance shall include contractual liability applicable to this Agreement. The policy must "pay on behalf of" the insured and include a provision establishing the insurer's duty to defend.

2. If the policy of insurance is written on a "claims-made" basis, the City may require that the policy be continued in full force and effect at all times during the term of this Agreement, and for a period of three (3) years from the date of the completion of the Work or Services provided hereunder. In the event of termination of the policy during this period, Consultant shall obtain continuing insurance coverage for the prior acts or omissions of Consultant during the course of performing the Work or Services under the terms of this Agreement. The coverage shall be evidenced by either a new policy evidencing no gap in coverage, or by obtaining separate extended "tail" coverage with the present or new carrier or other insurance arrangements providing for

complete coverage, either of which shall be subject to the written approval by the City.

3. In the event the policy of insurance is written on an “occurrence” basis, the policy shall be continued in full force and effect during the term of this Agreement, or until completion of the Work or Services provided for in this Agreement, whichever is later. In the event of termination of the policy during this period, new coverage shall immediately be obtained to ensure coverage during the entire course of performing the Work or Services under the terms of this Agreement.

5.3 Acceptability of Insurers. Insurance required by this section shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A-:VII or better (if an admitted carrier), or a current rating of A-:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Lines Insurers (LASLI), by the latest edition of A.M. Best’s Key Rating Guide, except that the City will accept workers’ compensation insurance from the State Compensation Fund. In the event the City determines that the Work or Services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Consultant agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City. Consultant shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein.

5.4 Insurance Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. Required insurance policies shall contain the following provisions, or Consultant shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

A. The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to provide the following:

1. Additional Insured: The City, its officials, officers, employees, agents and volunteers, shall be additional insureds with regard to liability and defense of suits or claims, other than professional liability, arising out of the performance of the Agreement; and

2. Additional Insured Endorsements: Additional insured endorsements shall not (1) be restricted to “ongoing operations”, (2) exclude “contractual liability”, (3) restrict coverage to “sole” liability of Consultant, or (4) contain any other exclusions contrary to the Agreement; and, the coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

3. Notice: The policy or policies of insurance required by this section for Commercial General Liability and Automobile Liability Insurance shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) days prior written notice by First Class U.S. Mail, postage-prepaid, has been provided to the City. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Consultant’s failure to pay the insurance premium, the notice provided to City shall be by ten (10) days prior written notice.

B. For all policies of Commercial General Liability Insurance, Consultant shall provide endorsements for ongoing operations and completed operations to effectuate this

requirement.

5.5 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City in advance and shall protect the City, its officials, officers, employees, agents and volunteers, in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

5.6 Primary and Non-Contributing Insurance. All policies of Commercial General Liability Insurance and Automobile Liability Insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents or volunteers, shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

5.7 Waiver of Subrogation. All policies of Commercial General Liability and Automobile Liability Insurance shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents and volunteers, or shall specifically allow Consultant or others providing insurance evidence in compliance with the requirements set forth in this section to waive their right to recovery prior to a loss. Consultant hereby agrees to waive its own right of recovery against the City, its officials, officers, employees, agents and volunteers, and Consultant hereby agrees to require similar written express waivers and insurance clauses from each of its subconsultants or subcontractors.

5.8 Evidence of Coverage. Concurrently with the execution of the Agreement, Consultant shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required by this section. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. Consultant shall promptly furnish, at City's request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents City requires to verify coverage.

5.9 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing in this section shall be construed as limiting in any way the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

5.10 Enforcement of Agreement (Non-Estoppel). Consultant acknowledges and agrees that actual or alleged failure on the part of the City to inform Consultant of any non-compliance with any of the insurance requirements set forth in this section imposes no additional obligation on the City nor does it waive any rights hereunder.

5.11 Insurance for Subconsultants. Consultant shall either: (1) include all subconsultants or subcontractors engaged in any Work or Services for Consultant relating to this Agreement as additional named insureds under the Consultant's insurance policies, or (2) Consultant shall be responsible for causing its subconsultants or subcontractors to procure and maintain the appropriate insurance in compliance with the terms of the insurance requirements set forth in this section, including adding the City, its officials, officers, employees, agents and volunteers, as additional insureds to their respective policies. All policies of Commercial General Liability Insurance provided by Consultant's subconsultants or subcontractors performing any Work or Services related to this Agreement shall be endorsed to name the City, its officials, officers, employees, agents and volunteers, as additional insureds. Consultant shall not allow any subconsultant or subcontractor to commence any Work or Services relating to this Agreement unless and until it has provided evidence satisfactory to City that the subconsultant or subcontractor has secured all insurance required under this section.

5.12 Other Insurance Requirements. The following terms and conditions shall apply to the insurance policies required of Consultant pursuant to this Agreement:

A. Consultant shall provide immediate written notice to City if (1) any of the insurance policies required herein are terminated, cancelled or suspended, (2) the limits of any of the insurance coverages required herein are reduced, or (3) the deductible or self-insured retention is increased.

B. All insurance coverage and limits provided by Consultant and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations shall limit the application of such insurance coverage.

C. None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City and approved in writing.

D. Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Consultant's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

E. Consultant agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the Project will be submitted to the City for review.

F. Consultant agrees to provide immediate written notice to City of any claim, demand or loss against Consultant arising out of the Work or Services performed under this

Agreement and for any other claim, demand or loss which may reduce the insurance available to pay claims, demands or losses arising out of this Agreement.

6. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall defend (at Consultant's sole cost and expense with legal counsel reasonably acceptable to City), indemnify and hold the City, its elected and appointed officials, officers, employees, agents and volunteers, free and harmless from any and all claims, demands, orders, causes of action, costs, expenses, liabilities, losses, penalties, judgments, arbitration awards, settlements, damages or injuries of any kind, in law or in equity, including but not limited to property or persons, including wrongful death, (collectively "Claims") in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officers, directors, employees, subcontractors, consultants or agents, in connection with Consultant's performance under this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent that the Work or Services performed by Consultant are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant. Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Consultant's indemnification obligation or other liability hereunder. Notwithstanding the foregoing, such obligation to defend, hold harmless and indemnify the City, its elected and appointed officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims arise out of, pertain to, or are related to the sole or active negligence or willful misconduct of the City.

7. REPORTS AND RECORDS

7.1 Accounting Records. Consultant shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Consultant shall keep such books and records as shall be necessary to properly perform the Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Services required by this Agreement as the Contract Officer shall require. Consultant hereby acknowledges that the City is greatly concerned about the cost of the Work and Services to be performed pursuant to this Agreement. For this reason, Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the Work or Services contemplated herein or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of such fact, circumstance, technique, or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its

employees, subconsultants, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Consultant may retain copies of such documents for its own use. Consultant shall have an unrestricted right to use the concepts embodied therein. Consultant shall ensure that all of its subconsultants and subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

7.4 Release of Documents. All drawings, specifications, reports, records, documents, and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer. All information gained by Consultant in the performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization.

7.5 Audit and Inspection of Records. After receipt of reasonable notice and during the regular business hours of City, Consultant shall provide City, or other agents of City, such access to Consultant's books, records, and payroll documents as City deems necessary to examine, copy, audit, and inspect all accounting books, records, work data, documents, and activities directly related to Consultant's performance under this Agreement. Consultant shall maintain such books, records, data, and documents in accordance with generally accepted accounting principles and shall clearly identify and make such items readily accessible to such parties during the term of this Agreement and for a period of three (3) years from the date of final payment by City hereunder.

8. ENFORCEMENT OF AGREEMENT

8.1 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such County, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Interpretation. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.

8.3 Termination. City may terminate this Agreement for any reason, with or without cause, upon giving Consultant thirty (30) days written notice. Upon such notice, City shall pay Consultant for Services performed through the date of termination. Upon receipt of such notice, Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. Thereafter, Consultant shall have no further claims against the City under this Agreement.

Upon termination of the Agreement pursuant to this section, Consultant shall submit to the City an invoice for work and services performed prior to the date of termination. In addition, Consultant reserves the right to terminate this Agreement at any time upon sixty (60) days written notice to the City, except that where termination is due to material default by the City, the period of notice may be such shorter time as the Consultant may determine.

8.4 Default of Consultant.

A. Consultant's failure to comply with any provision of this Agreement shall constitute a default.

B. If the City Manager, or City Manager's designee, determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall notify Consultant in writing of such default. Consultant shall have ten (10) days, or such longer period as City may designate, to cure the default by rendering performance in accordance with the terms of this Agreement. In the event Consultant fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Consultant shall be liable for any and all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.3.

C. If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.4(B), take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the Services required hereunder exceeds the Maximum Contract Amount (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated. The withholding or failure to withhold payments to Consultant shall not limit Consultant's liability for completion of the Services as provided herein.

8.5 Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.

8.6 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

8.7 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.8 Attorneys' Fees. In the event any dispute between the Parties with respect to this Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses, including but not limited to reasonable attorneys' fees, expert witness fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding.

9. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his or her financial interest or the financial interest of any corporation, partnership, or association in which they are, directly or indirectly, interested in violation of any state statute or regulation. Consultant represents and warrants that it has not paid or given and will not pay or give any third party any money or other consideration in exchange for obtaining this Agreement.

9.3 Covenant Against Discrimination. In connection with its performance under this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Consultant shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

10. MISCELLANEOUS PROVISIONS

10.1 Patent and Copyright Infringement.

A. To the fullest extent permitted by law, and in lieu of any other warranty by City or Consultant against patent or copyright infringement, statutory or otherwise, it is agreed that Consultant shall defend at its expense any claim or suit against City on account of any allegation that

any item furnished under this Agreement, or the normal use or sale thereof arising out of the performance of this Agreement, infringes upon any presently existing U.S. letters patent or copyright and Consultant shall pay all costs and damages finally awarded in any such suit or claim, provided that Consultant is promptly notified in writing of the suit or claim and given authority, information and assistance at Consultant's expense for the defense of same, and provided such suit or claim arises out of, pertains to, or is related to the alleged negligence, recklessness or willful misconduct of Consultant. However, Consultant will not indemnify City if the suit or claim results from: (1) City's alteration of a deliverable, such that City's alteration of such deliverable created the infringement upon any presently existing U.S. letters patent or copyright; or (2) the use of a deliverable in combination with other material not provided by Consultant when it is such use in combination which infringes upon an existing U.S. letters patent or copyright.

B. Consultant shall have sole control of the defense of any such claim or suit and all negotiations for settlement thereof, Consultant shall not be obligated to indemnify City under any settlement made without Consultant's consent or in the event City fails to cooperate in the defense of any suit or claim, provided, however, that such defense shall be at Consultant's expense. If the use or sale of such item is enjoined as a result of the suit or claim, Consultant, at no expense to City, shall obtain for City the right to use and sell the item, or shall substitute an equivalent item acceptable to City and extend this patent and copyright indemnity thereto.

10.2 Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered, sent by registered or certified mail, postage prepaid, return receipt requested, or delivered or sent by facsimile with attached evidence of completed transmission, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; (ii) five (5) business days after the date of posting by the United States Post Office if by mail; or (iii) when sent if given by facsimile. Notices or other communications shall be addressed as follows:

To City:	City of Laguna Hills Attention: City Manager 24035 El Toro Road Laguna Hills, California 92653 Telephone: (949) 707-2600 Facsimile: (949) 707-2614
To Consultant:	Eide Bailly, LLP Attention: Jessica Andersen, CPA, Partner 25231 Paseo De Alicia, Suite 100 Laguna Hills, California 92653-4615 Telephone: (949) 420-5107 E-mail: jandersen@eidebailly.com

10.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

10.4 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

10.5 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties' successors and assignees.

10.6 Third Party Beneficiary. Nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party hereto.

10.7 Recitals. The above-referenced Recitals are hereby incorporated into the Agreement as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.8. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Agreement is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he/she is signing, (iii) by so executing this Agreement, the Party for which he/she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he/she is signing is bound.

10.9 Labor Code Requirements.

A. **Prevailing Wages.** Consultant is aware of the requirements of California labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. If the Work or Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Work or Services available to interested parties upon request, and shall post copies at the Consultant's principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify, and hold the City, its officials, officers, employees, agents, and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.

B. **DIR Registration.** If the Work or Services are being performed as part of an applicable "public works" or "maintenance" project, in addition to the foregoing, then pursuant to

Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations ("DIR"). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

10.10 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

10.11 Business Entity Registration. Limited liability partnerships must register with the California Secretary of State and designate an in-state agent for service of process. Prior to commencing any Work of Services pursuant to this Agreement, Consultant shall provide the City's Finance Director with evidence that Consultant is registered with the California Secretary of State and is authorized to do business in the State of California.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the date first written above.

“CITY”

City of Laguna Hills, a California
municipal corporation

ERICA PEZOLD,
Mayor

ATTEST:

(SEAL)

MELISSA AU-YEUNG,
City Clerk

APPROVED AS TO FORM:

GREGORY E. SIMONIAN,
City Attorney

“CONSULTANT”

Eide Bailly, LLP, a Limited Liability
Partnership

By:



JESSICA ANDERSEN, CPA, Partner

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

EXHIBIT “A”

CONSULTANT’S PROPOSAL/ SCOPE OF WORK

FOR

PROFESSIONAL AUDIT SERVICES

DATED: APRIL 2, 2021

SCOPE OF SERVICES FOR PROJECT

INCLUDING,

SCHEDULE OF PERFORMANCE

AND

SCHEDULE OF COMPENSATION/ FEES & PROFESSIONAL HOURLY RATES



INSPIRED TO REACH NEW HEIGHTS



April 2, 2021

Proposal for Professional Audit Services **CITY OF LAGUNA HILLS**

ORIGINAL

Submitted By:

Eide Bailly LLP
25231 Paseo De Alicia, Ste. 100
Laguna Hills, CA 92653-4615

Jessica Andersen, CPA
Partner

COVID-19: Organizational and Individual Impacts. As the COVID-19 situation continues to evolve, so too does our response at Eide Bailly. The effects on all organizations, as well as individual financial planning and resources, can't be overstated. To help our clients and communities make sense of this unprecedented time, we've compiled resources on the impact of COVID-19 and what you need to know moving forward. www.eidebailly.com/covid19

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

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What inspires you, inspires us.
eidebailly.com

A. Cover Letter

WE WANT TO WORK WITH YOU

Thank you for giving Eide Bailly the opportunity to propose on audit services for the City of Laguna Hills ("the City"). We have served the government industry for more than 70 years and work with more than 1,200 government clients throughout the nation. We're confident the City will benefit from the experience we provide and believe we're the best candidate for this engagement for the following reasons:

Extensive Government Industry Experience. Operations are about more than numbers, and we pride ourselves on being active in the industries we serve. We stay abreast of current issues impacting the government industry and grow our knowledge by attending workshops and trainings. During your engagement, we'll work closely with your management team to identify issues and provide responsive solutions that are tailored to your organization.

Depth of Resources. Our size enables us to be responsive to our clients' needs and unique entity challenges while also providing the necessary breadth and depth of services required in today's complex and ever-changing business environment. We're excited about the benefits we offer:

- **Unmatched Client Service** – You'll be served by professionals with extensive knowledge in the government industry. The City will have access to national resources, including 2,500 professionals with diverse skill sets and experiences across the firm.
- **Proactive Communication** – You can expect that your Eide Bailly service team will keep you informed of changes that may affect the City. We'll build communication protocols into our service delivery to ensure timely communication resulting in prompt wrap up of work.
- **Timeliness** – We understand and will comply with the timing requirements and scope of services of your request. We'll accomplish this by utilizing an open, collaborative process with you. Your proposed engagement team's experience allows us to address the reporting requirements in a timely fashion.

Authorized Representative

Jessica Andersen, as a Partner with Eide Bailly, is authorized to make representations for the firm, present this proposal and to contractually bind the firm.

Eide Bailly LLP
25231 Paseo De Alicia, Ste. 100
Laguna Hills, CA 92653-4615

Jessica Andersen, CPA
Partner
949.420.5107 | jandersen@eidebailly.com

We Want to Work with You

The following pages highlight our firm's strengths and demonstrate why Eide Bailly merits serious consideration. This proposal will be valid 180 day from the due date and may be extended with written authorization. Know that you will be a highly valued client. Our people would be proud to work with City of Laguna Hills and build a trusting relationship with your team. Please contact me if you would like to discuss any aspect of this proposal.

Sincerely,



Jessica Andersen, CPA – Partner

CITY OF LAGUNA HILLS



B. Company Data

WHAT INSPIRES YOU, INSPIRES US

Your experience will be different than working with other CPA firms because we offer knowledge and skills backed by more than 100 years of service. Our professionals deliver industry and subject matter expertise resourcefully, ensuring we're providing guidance that directly reflects your needs. Our clients benefit from local, personal service and, at the same time, enjoy access to more than 2,500 professionals with diverse skill sets and experiences.

OFFICIAL NAME AND ADDRESS.

Eide Bailly LLP
25231 Paseo De Alicia, Ste. 100
Laguna Hills, CA 92653-4615

CONTACT INFORMATION FOR PRIMARY POINT OF CONTACT.

Jessica Andersen, CPA
Partner
949.420.5017 | jandersen@eidebailly.com
Limited liability partnership

TYPE OF ENTITY

FEDERAL EMPLOYER I.D. NUMBER

45-0250958

ADDRESS, TELEPHONE NUMBERS AND AUTHORIZED EMAIL ADDRESSES OF EACH OF YOUR FIRM'S LOCATIONS

Eide Bailly has over 40 offices west of the Mississippi. You can find a listing of each of our offices and contact information at www.eidebailly.com/locations.

OWNERSHIP

Eide Bailly is a limited liability partnership with 342 partners/principals. Eide Bailly isn't totally or partially owned by another business or organization.

PROPERLY LICENSED

Eide Bailly and each of the professional staff assigned to the City are properly registered and licensed to practice in California.

AT A GLANCE



top 25 CPA firm in the nation



offices in 14 states



330+ partners



2,500+ staff



one Eide Bailly

FIRM INFORMATION

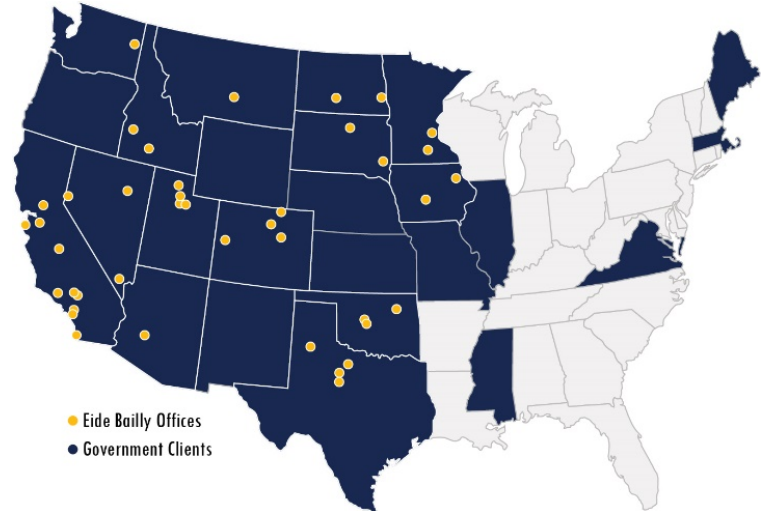
WE UNDERSTAND GOVERNMENTS

Government Industry Experience

The firm has over 2,500 team members, in more than 40 offices, including 10 offices in California. There are 275 full-time professionals who participate in our Government Industry Group. These professionals share information, learn from others and stay up to date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the firm.

The government industry represents one of Eide Bailly's largest niche areas—with more than 1,200 government clients firmwide. We provide audit services for a variety of cities, counties, colleges and universities, fire relief agencies, housing authorities, school districts, state agencies and tribal entities.

Through serving these clients, our professionals have gained focused expertise in the government industry and will provide you with insightful advice that aids in managing the finances of the City.



These services include, but are not limited to, evaluating internal control structure, assessing control risk and performing tests of controls, as well as testing compliance with applicable laws and regulations in accordance with *Government Auditing Standards*.

Local Office

The service team for the City will be from our Laguna Hills office, with additional assistance from the Southern California offices as needed. Our proposed time schedule allows us to assign a team to the City with experience in working with similar clients, including similar government clients, leading to numerous audit efficiencies.

Number of Employees in Southern California Offices

Staff Level	Laguna Hills	Other Southern CA offices	TOTAL	FIRMWIDE TOTAL
Partners	4	21	25	343
Managers	6	37	43	782
Senior Associates	3	45	48	612
Associates	10	60	70	869
Interns	1	2	3	179
TOTAL	24	165	189	2,785

CITY OF LAGUNA HILLS

YEARS IN BUSINESS

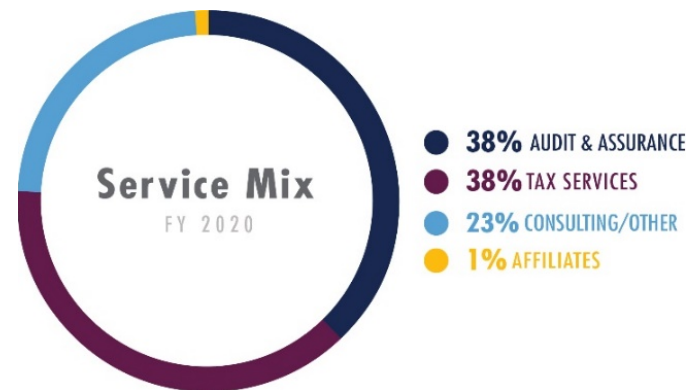
Eide Bailly LLP was founded in 1917 in Fargo, North Dakota as Bishop Brissman & Co. Eventually, it transformed into Eide Helmeke and in 1998, the firm joined with Charles Bailly & Co. to form Eide Bailly LLP. On July 22, 2019, Eide Bailly entered into the California market by merging with Vavrinek, Trine, Day & Co., LLP (VTD), a California-based regional firm that specialized in the governmental industry as well as the typical suite of services provided by accounting firms. VTD had been around for approximately 75 years until that time and was headquartered in Rancho Cucamonga, California.

By embracing change and focusing on innovative ideas, Eide Bailly has grown with our clients to become one of the top 25 accounting firms in the nation.

EXPERIENCE

Audit and Assurance Experience

Since 1917, we have provided audit services to clients across all industries. These services account for approximately 38 percent of our work, and include audits, compilations, reviews and financial statement forecasts and projections, as well as assistance in understanding financial statements, conducting internal audits and evaluation and testing of internal controls. Our clients experience regular contact with senior-level staff, as well as work with a consistent team from year to year, with appropriate rotation.



Usually an audit is required for industry compliance, or at the request from a lender, inactive or absent owner, vendor or other party in need of verifying your financial statements. At Eide Bailly, however, we view an audit as a valuable management tool—the opportunity to help you improve profitability and strengthen your business and administrative practices. Our clients appreciate this viewpoint and the opportunity to work with auditors who share their vast knowledge throughout the process, as well as throughout the year.

Single Audit Experience

Eide Bailly has experience providing single audits related to federal expenditures which ensure our clients remain compliant. Our single audits include an audit of both the financial statements and the federal awards. We also assist in the preparation of the data collection form and prepare the reporting package for submission to the federal audit clearinghouse.

Eide Bailly audits more than \$28.6 billion in federal expenditures, which provides us with extensive experience in single audits. Not only are we on the forefront of new regulations, but because of our vast experience with government entities, we have familiarity with a wide variety of federal programs. As the City looks to expand its current federal programs, we can pull from our expansive database of federal programs that we have audited and provide consultation on what has worked effectively for other entities. This will help the City establish strong controls and processes over new federal programs rather than trying to rework controls and processes after the programs are established. Paired with our many years of experience, we're qualified to effectively work with your organization to ensure that federal requirements are met.

\$28.6 billion
in audited
federal
expenditures

CITY OF LAGUNA HILLS

GFOA Certificate of Achievement for Excellence in Financial Reporting

Because we know how important achieving the GFOA Certificate of Achievement for Excellence in Financial Reporting is to clients, we work with them to achieve this certification. Several of our partners serve on the GFOA Comprehensive Annual Financial Report Special Review Committee. We're also active members of the California Society of Municipal Finance Officers (CSMFO). Below is a summary list of some of our California government audit clients who we serve or have served and have been awarded and currently maintain the GFOA's Certificate of Achievement for Excellence in Financial Reporting:

CITIES

City of Alameda, CA	City of Laguna Beach, CA	City of San Leandro, CA
City of Brea, CA	City of Laguna Niguel, CA	City of San Ramon, CA
City of Camarillo, CA	City of Lake Tahoe, CA	City of Santa Clarita, CA
City of Campbell, CA	City of Palmdale, CA	City of Santa Cruz, CA
City of Chico, CA	City of Paramount, CA	City of South Lake Tahoe, CA
City of Concord, CA	City of Pleasanton, CA	City of Suisun City, CA
City of Dana Point, CA	City of Rancho Cordova, CA	City of Temecula, CA
City of Davis, CA	City of Rancho Mirage, CA	City of Temple City, CA
City of Fairfield, CA	City of Rancho Palos Verdes, CA	City of Walnut, CA
City of Glendale, CA	City of Redlands, CA	City of Walnut Creek, CA
City of Indian Wells, CA	City of Roseville, CA	City of Whittier, CA
City of La Palma, CA	City of Sacramento, CA	

Counties

County of Orange, CA	County of Santa Barbara, CA	County of San Bernardino, CA
County of Placer, CA	County of San Benito, CA	County of Ventura, CA

Other Agencies

Alameda County Trans. Commission	North County Trans. District	Santa Margarita Water District
Alameda Municipal Power	Omnitrans	Solano Trans. Authority
Chino Valley Fire District	Peninsula Corridor Joint Powers Board	Southern CA Association of Govts.
First 5 Los Angeles	Port of Stockton	Southern CA Regional Rail Assoc.
First 5 Orange County	Sacramento Metropolitan AQMD	State Water Resources Dev. System
First 5 Riverside	Sacramento Area Council of Governments	Ventura County AQMD
Golden Gate Bridge, Hwy & Trans. District	San Mateo County Transit District	Ventura County Trans. Commission
Helix Water District	San Mateo County Trans. Authority	Western Riverside Council of Govts.
Monterey-Salinas Transit	Santa Clara Valley Trans. Authority	
Moulton Niguel Water District	Santa Clara Valley Water District	

Government Industry Involvement

Eide Bailly prioritizes staying current with changes to the government industry. We help clients adapt to changes within the existing standards and implement any new standards. Our team members are engaged in the government industry and are well positioned in organizations associated with government entities. We are leaders in the Governmental Accounting Standards Advisory Council (GASAC), the American Institute of Certified Public Accountants' (AICPA) Governmental Audit Quality Center (GAQC), AICPA State and Local Government Expert Panel and Private Companies Practice Section (PCPS) Technical Committee, local and national boards of the Association of Government Accountants (AGA), including the Financial Management Standards Board, and the review committee for the Government Finance Officers Association's (GFOA) Certificate of Excellence for Achievement in Financial Reporting. Due to our leadership positions, the City will have access to information not available from other accounting firms.

CITY OF LAGUNA HILLS

INDEPENDENCE

Eide Bailly is independent of City of Laguna Hills as defined by the generally accepted auditing standards and the U.S. Government Accountability Office's *Government Auditing Standards* and as defined by the rules of the AICPA. No member of our firm has a direct or indirect interest in the City.

The other general standard for auditing requires the audit organization and the auditors be free from personal and external impairments to independence. As defined by these standards, Eide Bailly is independent in fact and in appearance, and no relationships, either personal or professional, exist that would cause our firm to not be impartial in dealing with the City.

Should Eide Bailly enter into any professional relationships deemed relevant during the course of this engagement, we will notify you in writing of such relationship.

SIMILAR CLIENTS**Local California Government Experience**

We have served local governments in California for over 70 years performing numerous audits of governmental entities. A summary of California government clients served is provided below:

CITIES

City of Alameda
City of Brawley
City of Brentwood
City of Campbell
City of Chico
City of Concord
City of Dana Point
City of Davis
City of Fairfield
City of Folsom
City of Foster City
City of Glendale
City of Gonzales
City of Grand Terrace
City of Greenfield
City of Huntington Park
City of Indian Wells
City of Laguna Beach
City of Laguna Niguel
City of Lemon Grove
City of Los Altos
City of Monte Sereno
City of Napa
City of Oceanside
City of Palmdale
City of Paramount
City of Pleasanton
City of Rancho Cordova
City of Rancho Mirage
City of Rancho Palos Verdes
City of Rohnert Park

City of Santa Clarita
City of Santa Cruz
City of Saratoga
City of South Lake Tahoe
City of Suisun City
City of Temecula
City of Temple City
City of Walnut
City of Walnut Creek
City of Whittier

COUNTY GOVERNMENTS

County of Imperial
County of Orange
County of Placer
County of Riverside
County of Sacramento
County of San Bernardino
County of San Diego
County of San Joaquin
County of Shasta
County of Solano
County of Sonoma
County of Ventura
County of Yolo

TRANSIT AGENCIES

Capital Southeast Connector JPA
High Desert Connector JPA
Imperial County Transportation Commission
Omnitrans
Orange County Transportation Authority

WATER AGENCIES

Beaumont Cherry Valley Water District
Elsinore Valley Municipal Water District
Helix Water District
Montara Water and Sanitary District
Monterey Regional Water Pollution Control Agency
Moulton Niguel Water District
Municipal Water District of Orange County
Reclamation District #2035
Sacramento County Water Agency
Sacramento Groundwater Authority
Santa Clara Water District
Santa Margarita Water District
Suisun-Solano Water Authority
Yolo-Davis Clean Water JPA
Yucaipa Valley Water District

SEWER, SANITATION & FLOOD AGENCIES

Alameda County Waste Management Authority
Bayshore Sanitary District
Central Contra Costa Sanitary District
Central Marin Sanitation Agency
Cupertino Sanitary District
Delta Diablo Sanitation District
East Bay Discharge Authority
Fairfield-Suisun Sanitary District
Knights Landing Community Services District
Madison Community Services District
Orange County Waste & Recycling
Oro Loma Sanitary District
Riverside County Waste Management
Ross Valley Sanitation District

CITY OF LAGUNA HILLS

City of Roseville
City of Sacramento
City of San Jacinto

Sacramento Area Council of Governments
San Joaquin Regional Rail Commission
Santa Clara Valley Transportation Authority

Sacramento Area Sewer District
Sacramento Regional County Sanitation District
Union Sanitary District

Significant Engagements

As a top 25 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service. The clients below have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

Similar Clients

City of Santa Clarita	Contact	Brittany Houston , Finance Manager 661.255.4996 bhouston@santa-clarita.com
	Scope of Work	Annual Comprehensive Financial Report – GFOA Award* , Single Audit, Agreed Upon Procedures (AUP) over GANN Limit, Successor Agency, Air Quality Improvement Fund, Transit Fund, Santa Clarita Public Television Authority Audit, Open Space Preservation District Audit, Santa Clarita Watershed Authority.
	Total Annual Hours	1000
	Date	More than five years, most recent audit for fiscal year end (FYE) June 30, 2020
	Partner / Manager	Jessica Andersen / Phil White
City of Indian Wells	Contact	Kevin McCarthy , Finance Director 760.346.2489 kmccarthy@indianwells.com
	Scope of Work	Annual Comprehensive Financial Report – GFOA Award* , Golf Resort and Housing Agreed Upon Procedures (AUP), AUP over GANN Limit, Transient Occupancy Tax (TOT) AUPs, Tennis Garden Admissions Tax AUP, Investment Policy AUP
	Total Annual Hours	600
	Date	More than five years, most recent audit for FYE June 30, 2020
	Partner / Manager	Roger Alfaro / Lauryn Stapleton
City of Jurupa Valley	Contact	Connie Cardenas , Administrative Services Director 951.332.6464 ccardenas@jurupavalley.org
	Scope of Work	Annual Comprehensive Financial Report* Single Audit, AUP over GANN Limit; AQMD Compliance Audit
	Total Annual Hours	300
	Date	More than four years, most recent audit for FYE June 30, 2020
	Partner / Manager	Jessica Andersen / Jesse Pattison
City of Walnut	Contact	Karen Ogawa , Administrative Services Director 909.348.0702 kogawa@cityofwalnut.org
	Scope of Work	Annual Comprehensive Financial Report – GFOA Award* , Single Audit, AUP over GANN Limit
	Total Annual Hours	250
	Date	More than four years, most recent audit for FYE June 30, 2020
	Partner / Manager	Roger Alfaro / Lauryn Stapleton
City of Temecula	Contact	Rudy Graciano , Fiscal Services Manager 951.693.3937 rudy.graciano@temeculaca.gov
	Scope of Work	Annual Comprehensive Financial Report – GFOA Award* , AUP over GANN Limit, Single Audit
	Total Annual Hours	500
	Date	More than three years, most recent audit for FYE June 30, 2020
	Partner / Manager	David Showalter / David Preciado

*Eide Bailly drafts the financial statements.

CITY OF LAGUNA HILLS

CONTRACT EXECUTION

Eide Bailly and the engagement team assigned to the City has not failed to complete a contract.

FIRM OWNERSHIP

Eide Bailly has 342 partners/principals but no one owns more than three percent of the firm.

FINANCIAL INTERESTS IN OTHER LINES OF BUSINESS.**Range of Activities**

Eide Bailly is a full-service CPA firm performing traditional CPA firm services of attest (audits, reviews, compilations) and tax. We also have management advisory services including forensics, cybersecurity, IT including Value Added Reseller of accounting software, internal audit and many other non-traditional services. Our core services offered include the following:

Audit & Assurance	Tax	Consulting
• Audits • Single Audits • Internal Audits • Reviews • Compilations • Employee Benefit & Retirement Plan Audits • International Financial Reporting Standards • Agreed-Upon Procedures • SEC Services • Service Organization Control (SOC 1, 2 &3)	• Cost Segregation Studies & Fixed Asset Services • Wealth Transition • International Tax • Low Income Housing Credits • R&D Tax Incentives • State & Local Tax • National Tax Office • Tax Authority Audit & Correspondence • Tax Planning & Preparation • Tax Research • Nonprofit and unrelated business income tax	• COVID-19 Consulting • Consulting • Technology Consulting • Enterprise Risk Management • Financial Services • Fraud & Forensic Advisory • HR Consulting • Business Valuation • Transaction Advisory • Wealth Management • Cybersecurity Consulting • Data Analytics • Internal Control Examination

We invite you to view our website and learn more about the many services we offer at www.eidebailly.com.

LITIGATION/ ADVERSE JUDGEMENT HISTORY

The firm and its partners, as well as our clients, may periodically be the subject of investigations, formal or informal inquiries, or requests for information from a variety of regulatory agencies. It's the policy of the firm not to discuss these matters, or any client-related matters, outside of the firm. It's the firm's opinion that none of these activities have a material impact to the firm. No member of the engagement team assigned to the City has been the subject of investigation or action by any law enforcement or regulatory agency in the past five years.

TERMINATION OF CONTRACT

We have not lost any clients over the last five years due to a disagreement over any accounting issues. We strive to work with management in all areas of the audit to achieve the proper results.



C. Resumes and Qualifications of Personnel

AN EXPERIENCED SERVICE TEAM

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the government industry.

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the government industry.

Jessica Andersen will lead the engagement team and serve as the Audit Engagement Partner and **Roger Alfaro** will serve as the Technical Review Partner. **Lauryn Stapleton** will serve as the Engagement Senior Manager, while **Jesse Pattison** will serve as the Audit Manager, leading the team on a day to day basis. These professionals are licensed to practice public accounting in California and bring strong credentials and a desire to work with the City. If awarded these engagements, these individuals will serve as your primary contacts. Additional resources will support the project team as necessary.

Senior and Staff Associates

All of our seniors have more than two years of experience in public accounting, with several who specialize in the government industry. We require Yellow Book compliance for all members of our assurance staff. This means no fewer than 24 hours of specific Government Education courses each two-years. Most members of our audit staff significantly exceed that amount.

Once an agreeable timeline has been determined, we'll assign a few of our talented seniors and staff to your engagement.

Staff Availability

Once engaged, we'll meet with the City to discuss timing needs and structure our commitment of resources accordingly. We have reviewed our workload and are confident that through the size of our firm and the resources we have – not only in Laguna Hills, but also across the firm – we have the capacity to serve the City now and in the future. Although we're committed to other projects, we're adept at managing workflow and projects, and are able to be flexible in allocating staff time. We're confident that we have the resources to meet your needs.

CITY OF LAGUNA HILLS

Team Overview

We know the importance of a strong business relationship, so we keep staffing changes to a minimum year-to-year. Eide Bailly has a high retention rate, allowing us to provide stability. You'll find profiles for each team member in **Appendix A**, including relevant continuing professional education (CPE).

As previously shown in our **Similar Clients** table, Eide Bailly's California offices provides services to many governmental clients, specifically municipalities. Below we have listed a few clients for each engagement team member that we performed relevant work similar to those requested by the City. The following information will provide an overview of your service team:

Team Member	Qualifications and Experience
Jessica Andersen, CPA Partner	Jessica will serve as the primary contact for the City and will be responsible for the quality review of the engagement. She has more than 16 years in public accounting, including over 10 years at Eide Bailly, with a practice focus the governmental industry. Her experience includes counties, cities, financing authorities, public utilities, transit authorities and single audits. She has been a partner for over four years and previously held positions of Manager/Supervisor within the firm. She began her career as an associate/senior associate at a Big 4 firm prior to her experience here. Jessica is located in our Laguna Hills office.
Clients Served: City of Anaheim, City of Dana Point, City of Jurupa Valley*, City of Laguna Beach*, City of Long Beach, City of Santa Clarita*, City of Whittier*, County of Orange*.	
Roger Alfaro, CPA Partner	Roger will serve as technical review partner and will be an additional resource to the audit team on technical matters. He has been with the firm for more than 19 years with his practice focus being primarily in the governmental industry. He's provided audit and accounting services to a variety of governmental agencies with assets exceeding \$1 billion. He has been Partner for over a decade. Roger is located in our Riverside office.
Clients Served: City of Burbank, City of Camarillo, City of Foster City, City of Glendale, City of Gonzales, City of Indian Wells*, City of Laguna Beach*, City of Laguna Niguel, City of Modesto, City of Napa, City of Paramount*, City of Pleasanton, City of Rancho Mirage*, City of Rancho Palos Verdes, City of Sacramento, City of Santa Clara, City of Santa Cruz, City of Temecula*, City of Temple City*, City of Walnut Creek, City of Whittier*, County of Orange*, County of Placer, County of Riverside, County of Sacramento, County of San Bernardino*, County of San Diego, County of Sonoma*, County of Ventura*, County of Yolo,.	
Lauryn Stapleton, CPA Senior Manager	Lauryn has worked with various governmental entities leading assurance teams through the planning, performing and completion of the engagement. She helps assist our clients through the implementation of new accounting standards and ongoing accounting and compliance issues. Lauryn has nearly 10 years of experience at Eide Bailly providing services to governmental agencies including cities, counties, transportation agencies, special districts, single audits, agreed upon procedures and TDA compliance audits. She has been a senior manager for nearly two years and previously held the position of Manager, Senior Associate and Associate in the firm. Lauryn is located in the Rancho Cucamonga office.
Clients Served: City of Dana Point, City of Glendale, City of Indian Wells*, City of Laguna Beach*, City of La Palma, City of La Quinta*, City of Paramount*, City of Rancho Mirage*, City of Temecula*, City of Walnut*, County of Imperial*, County of Orange*, County of Sonoma*, County of Ventura*.	

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Team Member	Qualifications and Experience
Jesse Pattison, CPA Manager	Jesse provides accounting, audit and advisory services to governmental and nonprofit entities throughout California. His experience is primarily in governmental entities including cities, counties, special districts, state agencies and single audits. Jesse joined Eide Bailly in 2020 as a manager in the Laguna Hills office.
Clients Served: City of Alhambra, City of Bellflower, City of Beverly Hills, City of Burbank, City of Fillmore, City of Gilroy, City of Hawaiian Gardens, City of Highland, City of Jurupa Valley*, City of La Palma, City of Laguna Hills, City of Newport Beach, City of San Buenaventura, City of Santa Ana, City of Temple City, City of Torrance	

*current clients

Equal Opportunity Employer

Eide Bailly desires to create an inclusive and diverse environment where we build a workforce reflective of the communities in which we serve. Different people and different perspectives help us to provide innovative solutions for our clients, opportunities for our people and successes for the firm.

At Eide Bailly, we're committed to the principles of equal employment opportunity and affirmative action. The success of our vision depends on the full and effective utilization of qualified persons, regardless of race, color, creed, religion, national origin, sex (including gender identity or pregnancy), age, handicap, marital status, Vietnam Era military service and any other legally protected class. All staff recruiting, hiring, training, compensation, benefits, tuition aid, transfers, promotions, social or recreational programs, and on-the-job treatment are to be administered in accordance with this commitment.

Staff Continuity

To help ensure a strong business relationship and to minimize disruptions, we keep staffing changes to a minimum. Compared to the national average, Eide Bailly experiences a higher retention rate, which translates to providing our clients with consistent service teams. We'll strive for continuity of staff for your engagement. With this continuity comes quality as team members' knowledge of your organization grows from year to year.

Should the need arise to change any of the key engagement personnel, we'll notify you in writing and provide the qualifications of the proposed replacement. Upon your approval, new engagement personnel will join your service team.

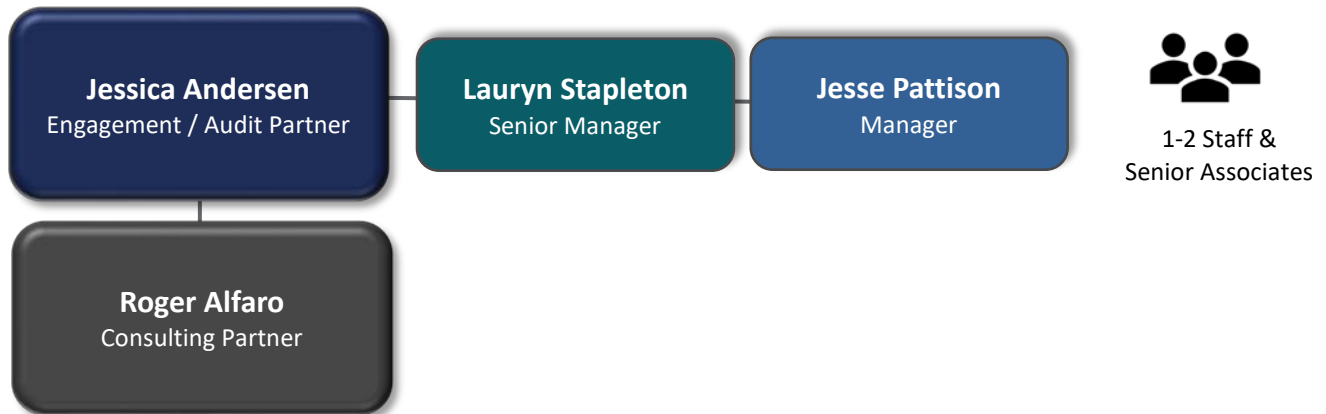


Continuing Education

Because we're committed to the government industry, we provide our professionals with specific, ongoing training related to these industry issues. This investment ensures our people stay current on the unique challenges and opportunities within their industries so they are in the best position to help clients address these issues. We accomplish our regulatory and accounting standard training through attendance at various AICPA sessions.

Firmwide, our CPE program requires all professional staff obtain education that exceeds the requirements of the AICPA and where applicable, *Government Auditing Standards*. The firm places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. This past year we provided our client service professionals with an average of 43 hours of professional education, compared with the 40-hour accounting industry requirement. In addition, we regularly share information among the audit teams in different offices to ensure we are providing clients with the latest thinking and best possible solutions.

D. Organizational Chart



E. References

As a top 25 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service. The clients listed in the **Similar Clients** table have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

F. Understanding of Services

Scope of Work

We understand that the City desires:

- An Annual Comprehensive Financial Report (ACFR – recently changed from Comprehensive Annual Financial Report [CAFR]) for the City of Laguna Hills, ensuring it is fully compliant with all Governmental Accounting Standards Board (GASB) pronouncements for the fiscal year ended June 30, 2021 and the subsequent years thereafter during the six-year contract period.
- A single audit of all federal grants received by the City, when expenditures exceed \$750,000/year.
- Agreed upon procedures on the calculation of the City's Appropriations Limit (GANN).
- Preparation of various financial reports and schedules of the City's ACFR.
- Verify the implementation for recommended improvement from previous year.
- Submit the City's Annual Street Report and Cities Financial Report to the California State Controllers' office.
- Participate in two audit committee meetings per year.
- Provide guidance.

The audits will be conducted in accordance with generally accepted auditing standards issued by the AICPA, *Government Auditing Standards* set forth in the U.S. Government Accountability Office, provisions of the Federal Single Audit Act and the requirements described in the U.S. Office of Management and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

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We understand and will comply with the timing requirements and scope of services of your request. We'll accomplish this by utilizing an open, collaborative process with you. Your proposed engagement team's experience allows us to address the reporting requirements in a timely fashion and commit to perform the work within the defined time period it is needed.

Audit Work Plan

Our engagement approach for the City audit has well-detailed goals by which the engagement partner and manager can measure progress. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for each of the financial and single audits and the steps involved along the way to meet these deadlines. Our audit plan includes frequent contact between the partners and the engagement team to assure that objectives are attained according to the audit schedules and problems are communicated and dealt with on a timely basis. Our engagement approach benefits from our vast experience working with similar governmental entities; we understand the key areas of risk over the financial and accounting process. More importantly, the approach provides for a complete reassessment of the management and control environment in each year's audit and thus is capable of responding to changes and will ensure that deadlines are met in issuing the annual financial statements. The key characteristics of our engagement approach are:

- **Knowledge of the City of Laguna Hills and similar entities.** We have extensive experience auditing governmental entities similar to the City. This experience enables us to perform a more efficient audit and identify key audit risks.
- **Cost-effectiveness.** Our experienced auditors' low percentage of turnover, along with our use of the technology to conduct the audit, reduces your cost.
- **Timeliness.** We take deadlines, both yours and ours, seriously.
- **Partner-manager involvement.** Deciding on audit strategies requires seasoned judgment. Our partners and managers have been heavily and continuously involved in governmental audits for decades. Furthermore, you'll be able to consult with senior team members whenever needed throughout the year. We're available during the year for any additional consultation that may arise and specified in the request for proposal.

We believe in clear, up-front and open communication with no surprises.

Project Management – Overall Audit

Our audit plan for the scope for each of the fiscal years involves six stages for each audit.



These stages will be applied to the City's financial statement audit as well as the other audits and services. The audit approach will be tailored to the risk of each individual entity and the scale will also be adjusted as necessary to ensure that each entity's financial statements are fairly stated.

Stage 1, Planning

Eide Bailly will meet with key staff to plan the audit services for the year. These meetings will discuss all audit issues and the proposed interim work plan. During this phase, we'll accomplish:

- Identifying the key personnel and contacts in the Finance Department and other departments.
- Identify the City's significant classes of transactions and business processes.
- Obtain an understanding of audit risk areas.
- Developing an understanding of unusual transactions or events that have occurred during the fiscal year.
- Formalizing logistics.
- Discuss and finalize the engagement timeline, audit approach and process, tailored to the requirements of the City.

Stage 2, Risk Assessment

Based upon the information obtained in the planning meetings, Eide Bailly will perform a risk assessment as required by Statements on Auditing Standards (SAS) to be used in the preparation of the overall audit plan. As part of this risk assessment we'll perform the following:

- Obtain an understanding of the entity and its environment and its risks and material compliance requirements. Eide Bailly will refer to the City's prior year Comprehensive Annual Financial Report, budget documents, municipal code and other relevant documentation to assist with our understanding of the City's business environment and risks. Eide Bailly will also conduct inquiry with key individuals within the City who are responsible for executing the City's strategic plan.
- Obtain an understanding of the entity's internal controls. Eide Bailly will refer to the City's organizational charts, budget, written policies and procedures, financial accounting systems to assist with our understanding of internal controls. Eide Bailly will also perform inquiry, observation, inspection, and walk-throughs of key internal controls to ensure these key controls are properly designed and implemented. Key internal control cycles may include:
 - Revenue Collection/Recognition/Billing
 - Procurement/Cash Disbursements
 - Human Resources/ Payroll/Pensions/OPEB
 - Investment Management
 - Debt Management
 - Financial Reporting
 - Year-end Closing
 - Budgeting
 - Risk Management
 - IT Controls, Related to All Aspects of the Audit
 - User Access
 - Security
 - Backup and Recovery
 - Systems Interfaces
 - Fraud Prevention Programs
 - Grants Management
- Preliminary analytical review, determination of preliminary materiality levels.
- Discussions with management and accounting staff, including the City Council, if requested, to address any risks or concerns that they may have.
- Analysis of known misstatements, if any.
- Consideration of risk of material misstatement at the individual account balance, class of transactions and disclosure level.
- Assessing the risks of material misstatement at both the financial statement and relevant assertion levels.

- Assess the risk of material noncompliance with laws and regulations that have a direct and material effect on the financial statements.
- Evaluation of the City's information technology and general information technology controls.
- Review of interim financial information and reports to identify significant risks and changes early.
- Review of significant estimate areas and consideration of underlying assumptions early in process.
- Consideration of fraud, risk of noncompliance, illegal acts, abuse, etc.
- Assessment of audit risk and identification of potential audit issues.

Stage 3, Preparation of the Overall Audit Plan

Once the planning and risk assessment process are complete an overall audit plan will be prepared. The plan will specify each audit task, staffing assignments, timelines and due dates. The plan will also break down the work assignments between interim and final audit timelines. The audit plan will include the transaction cycles which have been selected for internal control testing and those for which only the detailed walk through will be performed.

We'll also prepare the preliminary materiality guidelines, the audit programs, including consideration of:

- Identification of areas where special audit considerations are necessary.
- Design of further audit procedures to reduce risk if considered necessary.
- The development of expectations for analytical procedures, timelines and assignment of all audit responsibilities.
- Assessment of materiality and testing scopes to the extent possible and presentation of audit plan.
- Preparation and communication of audit request lists and work papers.
- Development expectations regarding timing and audit progress.
- Gain understanding of single audit programs and perform an analysis of potential major federal programs.

Stage 4, Interim Audit

Our interim fieldwork dates will normally occur during July each year, with the specific timing determined during the planning meeting and preparation of the audit plan process.

We'll obtain an understanding of the design and implementation of the financial reporting system to understand the flow of information, which may include:

- Discussions with management to determine internal controls, perform walk-throughs and discuss any potential audit issues.
- Each class of transactions that is significant to the financial statements. The procedures within both automated and manual systems, by which those transactions are initiated, authorized, recorded, processed and reported in the financial statements. The related accounting records, whether in electronic or manual supporting information, and specific accounts in the financial statements involved in initiating, authorizing, recording, processing and reporting transactions.
- How the information systems capture events and conditions other than classes of transactions that are significant to the financial statements. Eide Bailly Risk Advisory Service professionals will coordinate with City's Information Technology Team, if deemed appropriate for the audit.

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- The financial reporting process used to prepare the City's financial statements, including significant accounting estimates and disclosures.
- Determine audit procedures by area, based on results of audit planning and risk assessment.
- Determine confirmation needs.
- Prepare listing of audit information requested from the City.
- Review minutes, resolutions and ordinances.
- Perform tests of legal compliance, including consideration of the City's investment policies.
- Weekly updates to City staff.
- Exit conference with management to discuss preliminary observations.

Stage 5, Final Audit

We'll commence our final fieldwork as soon as the City has sufficiently closed their accounting records and provided a final trial balance with all closing adjusting entries. We expect final fieldwork to take place during September with final issuance around October/November.

During this phase, we'll perform substantive audit procedures on the year-end fund financial statements and statement of net position, revenue and expenditure accounts. We'll use a variety of audit procedures which may include outside confirmations, statistical sampling and detailed testing of schedules, analytical review, inquiry and observation.

During this stage, we'll perform the following:

- Prepare drafts of financial reports prior to beginning of fieldwork, if closed trial balances are available.
- Audit areas based on our risk assessment, including substantive and analytic procedures.
- Obtain and prepare schedules and analyses supporting the financial information.
- Discuss findings with management, if any.
- Discuss proposed journal entries with management, if any.
- Finalize single audit testing.
- Weekly updates to the City's staff as audit progresses.
- Exit conference with management.

Stage 6, Reporting Phase

The Reporting Phase will entail the following:

- Review of the financial statements by the partner over the engagement.
- Review of financial statements by a partner not otherwise associated with the audit to obtain a "second opinion" on the completeness and adequacy of financial statement disclosures and audit procedures.
- Completion of management letters and review with management.
- Preparation of other communications to management, the Audit Committee and Council.
- Assistance with preparation of the Data Collection Form and the preparation of the reporting package for submission to the Federal Audit Clearinghouse.
- Discuss improvements for subsequent years' audit plan.

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- Communicate with those charged with governance at the Audit Committee or Council meetings.
- We'll prepare the following reports for management's review prior to the agreed upon issuance date:
 - Independent auditor's report on the fair presentation of the City's financial statements.
 - Report on the City's internal control over financial reporting and tests of compliance with laws, regulations, contracts and grant agreements and any other matters deemed necessary and material in accordance with *Government Auditing Standards*.
 - A report on the fair presentation of the schedule of expenditures of federal awards "in-relation" to the City's basic financial statements.
 - A report on compliance and internal control applicable to each major program in accordance with the Single Audit Act and applicable laws and regulations.
 - Results of agreed upon procedures on the annual calculation of the City's GANN Limit.
- Significant deficiencies and material weaknesses (if any) identified during the course of the audit. AU-C 265 requires written communication to management and those charged with governance, of significant deficiencies or material weaknesses, identified during the audit.
- Other matters that we believe to be of potential benefit to the management of the City, such as recommendations for operational or administrative efficiency, or for improving existing internal controls.

Single Audit

Our approach to performing the single audit is broken into three different phases:



Phase I — Risk Assessment and Planning

This phase encompasses the planning and risk assessment of your federal programs. The planning phase will set the tone of the single audit as well as set the stage for an efficient and effective single audit. We'll work closely with management to properly identify federal programs and clusters to determine the major programs to be tested.

The steps associated with risk assessment and planning include:

- Determine grant awards and funding increments.
- Determine the Type A and Type B thresholds.
- For any programs above the threshold (Type A) perform a review of the past two single audits and document the program risk to determine if the program is high risk or low risk.
- Make final determination of major programs to be tested based on the above steps.
- Review the applicable Uniform Guidance *Compliance Supplement* for any unusual items for each of the major programs, as well as determine which compliance areas are direct and material for each major program.

Phase II — Major Program Testing

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After making the major program determination as noted above, we'll test the major programs. Our steps for each major program are as follows:

Obtain the audit steps from the *Compliance Supplement* which provides the audit steps for each major program.

Based on the direct and material compliance areas identified during the planning phase, obtain from management the process and controls relating to those direct and material compliance areas. The controls for each compliance area need to address the five components of Committee of Sponsoring Organizations of the Treadway Commission (COSO) as required by Uniform Guidance.

- Select samples for control and compliance testing.
- Perform control testing for effectiveness and compliance testing of selected transactions.
- Report any material weaknesses or material noncompliance to the City's management.
- Provide periodic meetings to discuss the status of the single audit testing. If any potential findings are identified, they'll be discussed with management while our auditors are in the field and will be concluded during fieldwork.

Phase III — Assessment and Reporting

The above steps are based on the preliminary Schedule of Expenditures of Federal Awards (SEFA). Once the SEFA has been finalized, we'll determine if any additional major programs are to be tested. We'll perform the following steps:

- If additional major programs have been identified, perform the steps as noted in the major program testing for the new programs.
- Review the prior findings, if any, and perform steps to determine if the findings were cleared by management and don't need to be reported during the current year.
- Prepare the Schedule of Findings and Questioned Costs.
- Have an exit conference with management and key grant personnel and provide a draft report of the single audit as well as any Yellow Book findings required to be reported. These findings are reviewed by the manager and engagement partner prior to the exit conference. This is done so there are no surprises after we conclude our fieldwork.

Internal Control Structure

A significant aspect of the planning process involves understanding each reporting units' internal control environment, including information technology (IT) controls and, where relevant, testing of internal controls.

The following is a summary of the process Eide Bailly uses regarding internal controls over financial reporting and compliance:

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Internal Controls over Financial Reporting

Our approach will start with any documentation related to internal controls already developed. We review that documentation to obtain an overview of the internal control system and then conduct interviews with the City's staff to complete the documentation of our understanding related to internal controls and significant changes each year.

After conducting the interviews, we'll evaluate the internal control system design and expected operating effectiveness for significant areas depending on the reporting unit. We expect that by completing control testing in these areas, we can reduce substantive testing and conduct an efficient audit. Our approach toward control testing will be focused on key process controls or overall system controls, rather than detailed control process testing. We'll also focus on key IT related controls in process areas such as revenue, payroll and claims, as they tend to allow more efficiency for an audit perspective relative to the control process.

Eide Bailly utilizes a risk-based approach incorporating both control testing and substantive tests of balances, where appropriate. In certain areas that we do not consider as significant, we'll plan to conduct the audit using a primarily substantive approach. It has been our experience that it is often more efficient and effective to substantively audit a balance rather than complete an extensive control test.

Internal Controls over Compliance

Our approach for internal controls over compliance associated with federal programs is similar to the approach regarding internal controls over financial reporting related to accumulation, documentation and evaluation of the control environment.

Test of controls over compliance are required for major federal programs. Our approach is identifying key controls applicable to direct and material compliance requirements for testing, as well as incorporating results from tests of internal controls over financial reporting and IT.

The approach we'll take to gain an understanding of your internal controls includes:

- Interview the City personnel.
- Review organizational charts, accounting and procedure manuals and programs.
- Complete internal control questionnaires.
- Write-up system narratives.
- Evaluate items selected for testing.
- Review controls over financial information systems.

The timely completion of this work will assist us in performing our work efficiently and communicating any potential recommendations as soon as possible.

In addition, our engagement approach is based on the following:

- Observations we believe will help the City achieve its objectives will be shared. We'll also be pleased to respond to inquiries you may have about financial or other business matters.
- The assistance to be provided by your personnel, including the preparation of schedules and analyses of accounts, will be discussed with the finance department. The timely completion of this work will assist us in performing our work efficiently.

Assistance from City Staff

Your service team will meet with the City's management for initial planning and pre-audit conference to discuss audit schedules and review prior year audit problems (if any). We'll then provide the City personnel a Prepared by Client Guide (PBC) which highlights the workpapers and information needed for the audit process, incorporating key items we need for the audit and **leveraging from schedules and documents the City already prepares as part of its closing activities**. We spend time during the planning phase developing the PBC listing, to ensure we only request what we need. We'll hold meetings with the accounting personnel throughout the audit process determining the list of open items and the plan to finalize those items.

During the audit, our use of the City personnel will include answering questions, updating schedules, addressing issues identified, and obtaining support documentation. Our audit processes focus on performing the audit efficiently which includes constant communication amongst the team members, so we are not asking redundant questions or requesting the same document several times. We also hold regular meetings with management to determine the status of the audit as well as outstanding items that need to be addressed. This will keep the amount of hours needed by City personnel to a minimum.

We ask our clients to have the requested schedules, documentation, confirmations and financial statements prepared by the requested dates. Having these items prepared before we arrive for final field work will ensure the success of meeting the mutually agreed upon deadlines.

Ability to Meet Deadlines and Shorten the Time in the Field

We understand the frustrations of an audit firm not meeting your stated deadlines. We commit that we can, **and will**, meet your deadlines as well as shorten the amount of time needed in the field. Our experience with other government audits has enabled us to fine-tune our audit process. This translates to a smooth and more efficient audit for you while meeting your deadlines and keeping our fees at a reasonable rate.

Multi-Year Approach

We attempt to retain the majority of the audit team in order to develop a historical perspective of the operating and control environment of the City. This historical perspective allows us a deeper understanding of the risks surrounding the City and the opportunity to perform a thorough audit without a learning curve. The result of our preliminary review is a planned calendar of audit events, timing and expectations based on the budgets and related materials, organizational charts, manuals and programs, and financial and other management information systems.

We also have the resources within our offices to change your current engagement team while retaining the historical perspective that we gain over the years, if you think you would benefit from auditor rotation. The individuals in Eide Bailly's government group have extensive experience in the industry and benefit from the firm's focus on continuing education. We'll be available to the City throughout the year as a resource to answer questions, have discussions and confirm the appropriate accounting treatment for unique or infrequent transactions.

Additional Services

Implementation of New Standards

In an industry where standards continually evolve and change, Eide Bailly makes it a priority to stay current and assist our clients with necessary changes. In addition to helping clients implement new standards, we also help them adapt to changes within the existing standards. Additionally, several Eide Bailly professionals serve on committees that have input into how new standards are written. This enables us to be involved from the beginning and influence the final outcome. Our clients benefit from our strong understanding of the standards

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and how they may affect their organization. We'll work with the City to create a plan to address new standards one to two years prior to implementation. Upon starting our contract, we'll jump right in to get up to speed on the City's Fiduciary Activities and Leases implementations.

Access to Specialists

Your engagement team has extensive experience assisting California municipalities in implementing GASB standards. Our senior professionals work closely together so you receive valuable service from people who understand your needs and know your business. We have developed several industry groups, one of which is dedicated to the government industry. Through this industry group, we're able to connect our clients with specialists throughout the firm. We have included a couple of our government industry leaders below and are available to the City as needed.

David Sundstrom, CPA — Senior Manager | Technical Consultant

David understands government, having served as Orange County's Auditor-Controller for 13 years and as Sonoma County's Auditor-Controller, Treasurer Tax Collector for four years. While serving as Auditor-Controller, Treasurer Tax Collector he served as trustee of a retirement association where he was a member of the investment committee and chaired the audit committee. He also served for ten years as a member of the GASB where he helped to develop 38 standards including seven standards related to leases, fiduciary activities, pensions, pension plans and OPEB.

Eric Berman, CPA — Partner | GASB Consultant

Eric brings more than 29 years of public accounting experience and is unique in the fact he not only possesses nationally recognized audit experience, but also preparer, educator and authorship experience. His experience includes acting as the Deputy Comptroller for the Commonwealth of Massachusetts, where he ran the State's audit for 11 years. He was also the Chief Financial Officer of the Massachusetts Water Pollution Abatement Trust and served as Vice Chairman on the Government Accounting Standards Advisory Council to GASB. Eric is a nationally recognized expert on public employee retirement systems, OPEB, derivatives, the single audit, governance and other important topics. He is also the author of the entire government library of reference information and audit programs for CCH Wolters Kluwer. His experience with states includes leadership positions with the National Association of State Auditors, Comptrollers and Treasurers. He has provided consulting expertise nationwide on a number of complex topics facing states, cities, counties and special districts.

Thought Leadership

A number of partners at Eide Bailly are nationally recognized state and local government thought leaders who present at dozens of national venues throughout the year.

Online Publications – The City will also have access to resources on our Eide Bailly Government Industry website. We publish articles related to hot issues within the government accounting arena. Below is a list of some of the recent articles posted to our website, as well as sent as an email to all of our clients:

- [New Paycheck Protection Program Legislation Set to Take Effect.](#)
- [What You Need to Know About GASB Financial Reporting Guidance.](#)

Webinars – We host frequent webinars dedicated to helping you and your organization navigate complex issues. Each webinar covers a different topic to help evaluate the steps necessary to achieve success.

➡➡➡ **RESOURCES ON RELIEF, FORGIVENESS AND CHANGING LEGISLATION** [Recorded Webinar](#)

➡➡➡ **SPECIAL GASB UPDATE – NOTE DISCLOSURE FRAMEWORK** [Recorded Webinar](#)

Control Costs and Timely Reporting

Capacity to Manage Workload

Once selected for the engagement, we'll meet with the City to discuss timing needs and structure our commitment of resources accordingly. We have reviewed our workload and are confident that through the size of our firm and the resources we have – not only in California, but also across the firm – we have the capacity to serve the City now and in the future. Although we're committed to other projects, we're adept at managing workflow and projects, and are able to be flexible in allocating staff time. We work with several other similar clients and are confident that we have the resources to meet your needs.

We Will Meet Your Deadlines

Our professionals are trained to anticipate, identify and respond to your needs in a timely manner. The proposed engagement team have the experience needed to prioritize, facilitate and implement the required services to meet the City's needs. We'll work closely with your management team to customize our services to your needs. We believe in clear, up-front and open communication with no surprises. Our goal is to get you on track to realizing results and making things operate more efficiently. We understand and will comply with the schedules and scope for the audit, as outlined in your request, and will perform all work within the timeframes outlined.

We focus on providing value beyond traditional assurance services. Clients tell us they appreciate our timeliness, attention to detail, industry expertise and peer-to-peer approach. We pride ourselves on our accessibility and client contact with frequent phone calls, emails and meetings to discuss what is going on in your organization.

Quality Control/Quality Assurance

Supervisory Review and Quality Control Procedures

All of our documents have levels of review. The various levels are determined by our risk assessment during the planning stages of the audit. Typically, an engagement will include the following:

- **Managers** will review work performed by seniors as well as review key significant areas that were prepared by staff and reviewed by the senior. Some of these areas include cash, accounts receivable, investments, capital assets, long term debt, other liabilities, net position classification and single audits.
- **Partners** will review areas that are deemed significant from a risk perspective as well as the single audit.
- **Technical Reviewer** will review the report for proper and technical aspects making sure everything is reported properly. As a firm, we require all single audits and first year engagements to be reviewed by another partner with specific, relevant experience.

Quality Control Processes

Eide Bailly has registered with the Public Company Accounting Oversight Board. This Board oversees the public company audit practices for accounting firms in the United States and will be responsible for the inspection of that portion of a firm's audit practice. Our firm is a member of both the Center for Public Company Audit Firms and the Private Companies Practice Section of the AICPA.

These memberships require strict adherence to established technical and behavioral standards. Compliance is regulated through member participation in an extensive peer review program. The objective of the Independence, Integrity and Objectivity element of a system of quality control is to provide the firm with reasonable assurance that personnel maintain independence in fact and in appearance in all required

circumstances, perform all professional responsibilities with integrity and maintain objectivity in discharging professional responsibilities. The implementation of the elements of quality for our audit and accounting practice, in accordance with AICPA's *Statements on Quality Control Standards*, is adhered to by all Eide Bailly personnel and is described in the Eide Bailly *Quality Control Document*. This internal document guides the system of quality control, which is a process to provide the firm with reasonable assurance that personnel comply with applicable professional standards, including independence, integrity and objectivity.

A copy of our firm's most recent peer review is included in **Appendix B** of this technical proposal. The quality review included several governmental engagements. There were no material issues raised in the most recent quality control review or by government or professional authorities. The review was given a rating of 'Pass'.

Confidentiality of your information is of utmost importance to us. This includes the guidance of quality control as it pertains to confidentiality and the relevant care and use of client information and documents. We use a file check out system and computer passwords to help ensure confidentiality.

As part of our quality control system, on an annual basis, each professional is required to complete an independence questionnaire to determine any potential conflicts with any of our clients. Biannually each professional must attend a four-hour training session on the profession's independence standards. We also require that all professionals provide statements of their independence, or potential conflicts of interests, with clients. We're pleased to report we are aware of no conflict of interest or other situations that would impair our independence with the City. Should Eide Bailly enter into any professional relationships deemed relevant during the course of this engagement, we'll notify you in writing of such relationship.

G. Schedule

Audit Methodology

At Eide Bailly, we promise you a better overall experience. While we recognize that multiple firms are capable of accomplishing the objectives of an audit, Eide Bailly appreciates that every situation and every organization is different, and we tailor our approach based on the needs of each client. Prior to beginning the engagement, we'll discuss with management:

- The engagement timeline.
- The audit approach and process.
- Additional considerations that may affect scope, schedules and work papers to be prepared by your personnel.

Upon appointment as your auditor, we'll discuss the audit schedules and work with you to ensure the timeline meets your needs and makes the most effective use of your staff members' time.

Audit Schedule

We understand your requested timeline and are committed to meeting your deadlines. Eide Bailly commits to you that if your team is prepared for the audit when our team is in the field, we will meet your deadlines. We'll work closely with your team through the planning stages to clearly define expectations and the items required from your team in order to facilitate an efficient audit to enable us to meet your deadline. The following table identifies the structure of our audit for the City reports and the timing of each section:

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Engagement Timeline

Activity	Timing
Planning	Upon engagement
Interim Fieldwork	July
Final/Single Audit Fieldwork	September
Exit Conference	At the end of fieldwork
Reporting/Presentations	Completion
Ongoing Communication	Throughout the year

We will meet your deadlines. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for each of the financial and single audits and the steps involved along the way to meet these deadlines. An audit project plan will be developed between our team and the City and then followed closely, and we'll work with the City's management team to customize our auditing services and specific timelines to your needs.

Level of Staffing and Number of Hours

Below is our proposed level of staffing and estimated hours for each segment of the audit.

	Partner	Manager	Senior	Staff	Other	Total
Planning	4	10	20	20	1	55
Interim	9	21	45	50	2	127
Final/Single Audit Fieldwork	10	27	55	60	2	154
Reporting	2	3	6	2	1	14
Total	25	61	126	132	6	350

Use of Technology

Our staff utilizes progressive and effective software to streamline the audit process and make it as efficient as possible. The City will be able to securely send us information through **My Eide Bailly**.



My Eide Bailly is an online client site that gives clients the ability to transfer files securely and connect digitally with Eide Bailly. Email is not a secure way to exchange documents, and *My Eide Bailly* can handle large file uploads in a safe, secure manner. In addition, *My Eide Bailly* offers clients visibility into their projects with us, control over who can access and see files related to those projects (including third parties), and an easy way to browse invoices, articles and upcoming webinars and other events. ***My Eide Bailly* has an Apple and Android app as well.** *My Eide Bailly* makes it easy to share and stay connected with Eide Bailly, creating efficiencies for both our clients and our staff during engagements. We will continue to add additional features to *My Eide Bailly* as we build our digital strategy to empower our clients to work with us digitally, if they choose. Other tools we use include:

CITY OF LAGUNA HILLS

Data Extraction Software	TeamMate Analytics	Maximizes efficiency while conducting a very effective audit. Through TeamMate, we can extract information from related databases and create databases that check for duplicate payments, summarize payments, extract journal entries from specific accounts, develop expectations for analytical procedures and recalculate system calculations among a host of other procedures that are developed by our audit team.
Workpaper Database and Workflow	CCH ProSystem fx Engagement by Wolters Kluwer	This software is used to perform the audit, retains the electronic work papers and supporting documentation, performs project tracking and facilitates quality engagement review.
Artificial Intelligence	Kira, MindBridge, Inflow, Ebrevia, Autoflow, and UI Path	Machine learning and pattern recognition, robotic process automation and 'bots'.
Client management platforms	Salesforce and Eide Bailly developed "Hive"	Communications, references and time management

COVID-19: Adapting to Change

Many of our clients are wondering about the impact of COVID-19 on their audits. Eide Bailly performs all engagements in a paperless environment. As a technology-driven firm, we've seen no issues in performing audit procedures off-site from our clients during this unprecedented event. We've taken advantage of technology during these times, such as using our client site My Eide Bailly for exchanging documents securely and safely. We also use Skype and Microsoft Teams, which allow us to communicate with our clients face to face, while sharing screens, to make the process as seamless as possible. We're utilizing Zoom to host webinars and town hall meetings to educate and assist our clients on the rapidly changing circumstances and on how to successfully navigate those changes. As a result, we have no concerns completing this audit remotely in the future should the need arise.

Smooth Transition

We realize the transition from one professional services firm to another can be the cause of some inconvenience to the City's management and staff. We understand this concern and realize the decision to change service providers is not one to be taken lightly. Our goal is to make the transition as smooth as possible. We'll manage the transition to minimize time demands on your employees and ensure a timely first year audit in accordance with professional standards.

We're experienced in transitioning many clients from predecessor professional service providers. In each case, we worked closely with client personnel and accomplished the transition with minimal disruption of client activities. The following are some of the critical activities we perform to make the transitions successful.

- Spend more time in the planning stages of the audit to understand the City's accounting and operational processes, as well as status of current GASB implementations.
- Identify any issues during the planning stage and have them resolved before starting the audit.
- Provide an extensive and detailed prepare by client list of schedules, documents and confirmations needed for the audit.

CITY OF LAGUNA HILLS

- Review current auditor's workpapers to help us understand what the City provided regarding schedules and other documentation. We'll modify our requests to match what the City has seen in the past.
- Partners and managers spend more time in the field so when issues are identified they're resolved in the field and not at the end of the audit.
- Meet your deadlines.
- Continue ongoing communications with management during the audit process and throughout the year.



H. Communication Plan

Communication Philosophy

Communication before, during and after the audit is a hallmark of Eide Bailly's process. Our communication style is one of collaboration, where we'll work together to find the best solution for the City. This approach has proven beneficial in that it assures the proper communication channels exist while also avoiding last minute surprises that can be frustrating. We view all parties as an important part of the overall process of providing audit services.

As part of our collaborative approach, we'll meet with management during audit planning to gain a thorough understanding of the City's expectations and any changes to the organization. During the audit process, we'll communicate progress through oral and written status updates and discuss significant audit issues as they arise. At the conclusion of the audit, we'll jointly evaluate the effectiveness of the audit and any recommendations for changes in the future.

As noted above, our service model does not view the audit process as an annual "event." Instead, we communicate with management on an ongoing basis and keep you apprised of accounting pronouncements, changes in regulations and other changes that may impact the City.

CITY OF LAGUNA HILLS

Under this communication approach, we'll discuss specific preferences you have in communicating with us including frequency and style. As we get to know your organization, our process becomes increasingly customized to the City yet still follows the framework we've put together as guidelines that our staff embrace as part of our service culture.

We'll discuss with management about any potential findings during our fieldwork so that management will have time to respond while we're in the field. We'll discuss in detail any outstanding findings and those that have been finalized during the exit conference. Our goal is to have no additional surprise findings after leaving the field.

Eide Bailly also sends out a client satisfaction survey on a weekly basis to a random sampling of clients. We use these responses to gauge how we're doing as a firm and address any specific concerns raised in survey responses.

I. Compensation/Payment Schedule

Please see our separate Fee proposal document as requested in the RFP.

J. Certificate of Insurance

City of Laguna Hills
RFP PROFESSIONAL AUDIT SERVICES

ATTACHMENT 2

CONSULTANT'S ACKNOWLEDGEMENT OF COMPLIANCE WITH INSURANCE REQUIREMENTS FOR AGREEMENT FOR PROFESSIONAL SERVICES

Consultant agrees, acknowledges, understands and is fully aware of the insurance requirements as specified in Section 5, Insurance Requirements of the attached Sample Agreement for Professional Services (Attachment 4) and hereby accepts all conditions and requirements as contained therein.

Consultant: Eide Bailly LLP

By:  Jessica Andersen, Partner

Date: March 29, 2021

This executed form must be submitted with proposal.

K. Certification of Proposal

City of Laguna Hills RFP PROFESSIONAL AUDIT SERVICES

ATTACHMENT 3

CERTIFICATION OF PROPOSAL TO THE CITY OF LAGUNA HILLS

The undersigned hereby submits its proposal and agrees to be bound by the terms and conditions of this Request for Proposal (RFP). By signing the Certification of Proposal (Attachment 3) and submitting a proposal to the City in response to this Request for Proposals, the Proposer hereby represents and certifies that:

- A) No elected or appointed official, officer, or employee of the City has been or shall be compensated, directly or indirectly, in connection with this proposal or for any work connected with this proposal; should any agreement be approved in connection with this Request for Proposals ("Agreement") no elected or appointed official, officer, or employee of the City, during the term of his/her service with the City, shall have any direct or indirect financial interest in the Agreement, or obtain any present, anticipated, or future financial interest or other material benefit arising therefrom;
- B) No elected or appointed official, officer, or employee of the City shall have any financial interest, direct or indirect, in the Agreement nor shall any such official, officer, or employee participate in any decision relating to the Agreement which effects his/her personal financial interest or the financial interest of any corporation, partnership, or association in which they are, directly or indirectly, interested in violation of state law;
- C) The Proposer and its principals do not have now, nor shall it acquire any financial or business interest that would conflict with the performance of services under the Agreement;
- D) Proposer does not and will not discriminate against any employee or applicant for employment because of race, religion, gender, color, national origin, sexual orientation, ancestry, marital status, physical condition, pregnancy or pregnancy related conditions, political affiliation or opinion, age or medical condition;
- E) By submitting the response to this request, Proposer agrees, if selected, to furnish services to the City in accordance with this RFP;
- F) Proposer has carefully reviewed its proposal and understands and agrees that the City is not responsible for any errors or omissions on the part of the Proposer and that the Proposer is responsible for them;
- G) It is understood and agreed that the City reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the City;

CITY OF LAGUNA HILLS

City of Laguna Hills
RFP PROFESSIONAL AUDIT SERVICES

H) The proposal response includes all of the commentary, figures and data required by this Request for Proposal.

I) The proposal shall be valid for 180 days from April 2, 2021.

I declare under penalty of perjury pursuant to the laws of the State of California and the United States that the foregoing facts are true and correct.

Executed this 29th day of March, 2021, at Laguna Hills, California.

Name of Proposer: Eide Bailly LLP

By: 

Type Name: Jessica Andersen

Title: Partner

Date: March 29, 2021

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

CITY OF LAGUNA HILLS

L. Peer Review

Peer Review

A copy of our firm's most recent peer review is included in **Appendix B** of this proposal. The quality review included several similar government engagements. There were no material issues raised in the most recent quality control review or by government or professional authorities. The review was given a rating of 'Pass'.

Desk Reviews

Pursuant to state-specific code, desk reviews are performed on certain audited financial statements and field reviews of audited financial statements and supporting working papers on a regular basis. In addition, Uniform Guidance and federal grant agreements and contracts may also require the review of financial statements and/or working papers by a federal or state agency. As these reviews are conducted, Eide Bailly cooperates fully with the agency requiring such reviews.

We are not aware of any outstanding items as a result of the desk reviews during the past three years.

Disciplinary Actions

The firm and its partners, as well as our clients, may periodically be the subject of investigations, formal or informal inquiries, or requests for information from a variety of regulatory agencies. It's the policy of the firm not to discuss these matters, or any client-related matters, outside of the firm. It's the firm's opinion that none of these activities have a material impact to the firm.

No member of the engagement team assigned to the City has been the subject of investigation or action by any law enforcement or regulatory agency in the past three years.

Appendix A — Team Profiles

TEAM PROFILES

JESSICA ANDERSEN, CPA

Partner

INSPIRATION: I enjoy working through challenges with our clients, as well as addressing change such as new financial reporting requirements, or industry challenges. My goal is to offer proactive solutions and resources to our clients.

949.420.5107 | jandersen@eidebailly.com

Jessica provides audit, accounting and advisory services to governmental and nonprofit entities throughout California. Her governmental focus is on cities, counties and special districts, including transit and public utility agencies. Previously, Jessica began her professional career with a Big 4 International firm working with large commercial, healthcare, nonprofit, higher education and governmental agencies.

When you work with Jessica, you can expect her to get to know you and your organization, and ask questions. She is a planner, and takes a proactive, not reactive, approach to solving problems and reaching your goals.

When she isn't working, Jessica is involved in her family's hobbies and school activities. To slow down, she likes walking the dog, cooking in the kitchen and watching movies with her family.

Client Work

Works with governmental entities, such as cities, counties, transportation and water agencies, advising clients with disclosure, financial reporting and compliance requirements pursuant to the Government Finance Officers Association (GFOA) Certificate Program.

Performs financial and compliance audits of federal awards in accordance with Uniform Guidance including audits of programs from the Department of Transportation, Department of Housing and Urban Development, Department of Health and Human Services and a variety of other agencies.

Provided individualized training and assisted numerous clients with the implementation of new accounting standards and the Uniform Guidance.



Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Government Finance Officers Association (GFOA) Certificate Program Special Review Committee

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science, Accountancy
– California State University, Northridge

Bachelor of Science, Business Administration, Finance – California State University, Northridge

Local Governments Currently Served

City of Anaheim
City of Dana Point
City of Jurupa Valley
City of Laguna Beach
City of Long Beach
City of Santa Clarita
City of Whittier
County of Orange

CITY OF LAGUNA HILLS

 Relevant CPE Courses for Jessica Andersen

Course Title	Sponsor	Date	Total Credits
2021			
GASB Webinar Series	Eide Bailly LLP	01/27/2021	2.0
Single Audit Webcast: 2020 Compliance Supplement Addendum	Eide Bailly LLP	01/05/2021	1.0
2020			
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	11/18/2020	2.0
Assurance Partner - Internal Inspection and NAO Update	Eide Bailly LLP	10/23/2020	2.0
Single Audit Update: 2020 Uniform Guidance Changes	Eide Bailly LLP	10/21/2020	1.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	09/16/2020	2.0
Government & NPO Conference 2020	Eide Bailly LLP	07/17/2020	11.5
Single Audit Requirements Overview	Eide Bailly LLP	06/26/2020	1.0
Single Audit (June 24th)	Eide Bailly LLP	06/24/2020	3.0
Single Audit (June 18th)	Eide Bailly LLP	06/18/2020	2.0
A&A Update 2020	Eide Bailly LLP	05/26/2020	8.0
Budgeting and Cash Flow Modeling in a Crisis for States and Local Governments Webinar	Eide Bailly LLP	05/13/2020	1.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	04/16/2020	1.5
Internal Staff Training for GASB-87	Eide Bailly LLP	04/09/2020	1.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	03/10/2020	1.0
Government Methodology Update (SoCal)	Eide Bailly LLP	01/22/2020	13.5
2019			
Next Gen 2019: New Partner Leadership, Session 1	Eide Bailly LLP	11/07/2019	22.5
GASB Update: Just the Facts	Eide Bailly LLP	09/27/2019	2.0
California Regulatory Review	Becker Professional Ed.	09/14/2019	2.0
Governmental Accounting and Auditing Update Conference 2019	AICPA	08/13/2019	17.0
General Government Training	VTD	07/25/2019	5.0
GASB/GAO Update/Single Audit Training	VTD	07/24/2019	8.5
General Government Interim Training (SoCal) - Day 2	VTD	04/16/2019	8.0
General Government Interim Training (SoCal) - Day 1	VTD	04/15/2019	8.5
2018			
General Government Final Training - Day 3	VTD	07/19/2018	1.0
General Government Training (SoCal) - Day 2	VTD	07/18/2018	6.0
General Government Training (SoCal) - Day 1	VTD	07/17/2018	7.5
Single Audit Training - Southern CA	VTD	07/16/2018	8.0
General Government Interim Training - Day 2	VTD	04/19/2018	4.0
General Government Interim Training - Day 1	VTD	04/18/2018	8.0
General Government In-Charge Expectations	VTD	03/05/2018	6.5
2018 CSMFO Annual Conference	CSMFO	02/22/2018	5.5
Governmental and Not-For-Profit Annual Update	VTD	02/01/2018	6.5

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

CITY OF LAGUNA HILLS

ROGER ALFARO, CPA, CITP

Partner

909.755.2829 | ralfaro@eidebailly.com

Roger provides accounting, audit and advisory services to commercial and governmental entities throughout California. His experience includes manufacturing, healthcare, nonprofit and governmental entities including cities, counties, special districts and state agencies.

Roger began his professional career with a Big 4 International firm working with large commercial and governmental entities. His expertise includes the complex accounting and regulatory requirements for single audit compliance, and he is recognized as a leader in Uniform Guidance audit requirements. He has conducted financial statement audits for commercial and public companies and single audits for governmental agencies with assets exceeding \$1 billion.

As a speaker and trainer, Roger has provided individualized workshops focusing on reporting requirements, new accounting pronouncements and AICPA professional standards. His expertise in this area is recognized by his clients, his peers and staff.

Local Governments Currently Served

City of Burbank	City of Santa Cruz
City of Camarillo	City of Temecula
City of Foster City	City of Temple City
City of Glendale	City of Walnut Creek
City of Gonzales	City of Whittier
City of Indian Wells	County of Orange
City of Laguna Beach	County of Placer
City of Laguna Niguel	County of Riverside
City of Modesto	County of Sacramento
City of Napa	County of San Bernardino
City of Paramount	County of San Diego
City of Pleasanton	County of Sonoma
City of Rancho Mirage	County of Ventura
City of Rancho Palos Verdes	County of Yolo
City of Sacramento	County of Orange
City of Santa Clara	



Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Government finance Officers Association (GFOA) Certificate Program Special Review Committee

Designation/Licensures

Certified Public Accountant

Certified Information Technology Professional

Education

Bachelor of Science, Business Administration – California State University, San Bernardino

CITY OF LAGUNA HILLS

 Relevant CPE Courses for Roger Alfaro

Course Title	Sponsor	Date	Total Credits
2021			
GASB Webinar Series	Eide Bailly LLP	01/27/2021	2.0
Single Audit Webcast: 2020 Compliance Supplement Addendum	Eide Bailly LLP	01/05/2021	1.0
2020			
Assurance Partner - Internal Inspection and NAO Update	Eide Bailly LLP	10/23/2020	2.0
Single Audit Update: 2020 Uniform Guidance Changes	Eide Bailly LLP	10/21/2020	1.0
Single Audit Update: 2020 Compliance Supplement and COVID-19 Impact	Eide Bailly LLP	09/21/2020	1.0
Internal Audit Summit 2020	Eide Bailly LLP	08/13/2020	3.0
Government & NPO Conference 2020 - Governmental Track	Eide Bailly LLP	07/17/2020	4.5
Government & NPO Conference 2020 - Single Audit Track	Eide Bailly LLP	07/16/2020	4.0
Government & NPO Conference 2020 - NPO Audit Track	Eide Bailly LLP	07/15/2020	3.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	07/09/2020	2.0
Single Audit	Eide Bailly LLP	06/18/2020	7.0
A&A Update 2020	Eide Bailly LLP	05/26/2020	8.0
Budgeting and Cash Flow Modeling in a Crisis for States and Local Governments Webinar	Eide Bailly LLP	05/13/2020	1.0
COVID-19 & Relief Funding: Single Audit Compliance Considerations 2020	Eide Bailly LLP	04/30/2020	1.0
Government Methodology Update - Day 2	Eide Bailly LLP	01/23/2020	8.0
Government Methodology Update - Day 1	Eide Bailly LLP	01/20/2020	5.5
2019			
GASB/GAO Update/Single Audit Training	VTD	07/24/2019	8.5
Fraud Training	VTD	07/23/2019	4.0
Partner Meeting 2019	Eide Bailly LLP	06/20/2019	6.0
General Government Interim Training (SoCal) - Day 2	VTD	04/16/2019	8.0
General Government Interim Training (SoCal) - Day 1	VTD	04/15/2019	8.5
Accountancy Laws, Ethics, Taxes and Financial Reporting Review	CalCPA	02/20/2019	4.0
Not-For-Profit Training	Galasso Learning Solutions	02/06/2019	8.0
California Regulatory Review	Becker Prof. Education	01/16/2019	2.0
2018			
State Controller's Conference with County Auditors	State Association of County Auditors	11/26/2018	3.0
2018 Governmental Accounting and Auditing Update Conference	AICPA	08/14/2018	17.5
General Government Final Training - Day 3	VTD	07/19/2018	4.0
General Government Training (SoCal) - Day 2	VTD	07/18/2018	6.0
General Government Training (SoCal) - Day 1	VTD	07/17/2018	8.0
Single Audit Training - Southern CA	VTD	07/16/2018	8.0
General Government Interim Training - Day 1	VTD	04/18/2018	8.0
Governmental and Not-For-Profit Annual Update	VTD	02/01/2018	8.0

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

CITY OF LAGUNA HILLS

LAURYN STAPLETON, CPA

Senior Manager

909.755.2768 | lstapleton@eidebailly.com

Lauryn has worked with various governmental entities leading assurance teams through the planning, performing and completion of the engagement. She helps assist our clients through the implementation of new accounting standards and ongoing accounting and compliance issues.

When you work with Lauryn, you can expect her to take the time to understand your entity's operations. Lauryn understands the importance of meeting client deadlines and makes it a priority to deliver timely work.

Outside of work, Lauryn enjoys spending time with her husband and two daughters.

Client Work

Performs audits of governmental agencies including cities, counties, transportation agencies, special districts, single audits, agreed-upon procedures and TDA compliance audits.

Successfully managed audits for a variety of clients ranging from larger entities that hold financial statement line items worth billions of dollars to small special districts.

Provides insight on best practices with respect to entities internal controls structure and related activities.

Serves as a resource to provide expertise on accounting issues on an on-going basis.

**Memberships**

American Institute of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Accountancy –
California State University, Long Beach

Local Governments Currently Served

City of Dana Point
City of Glendale
City of Indian Wells
City of Laguna Beach
City of La Palma
City of La Quinta
City of Paramount
City of Rancho Mirage
City of Temecula
City of Walnut
County of Orange
County of Sonoma
County of Ventura

CITY OF LAGUNA HILLS

 Relevant CPE Courses for Lauryn Stapleton

Course Title	Sponsor	Date	Total Credits
2021			
GASB Webinar Series 2021	Eide Bailly LLP	01/27/2021	2.0
The Paycheck Protection Program – Legislative Update	Eide Bailly LLP	01/25/2021	1
Single Audit Webcast: 2020 Compliance Supplement Add.	Eide Bailly LLP	01/15/2021	1.5
2020			
Single Audit Update – 2020 Compliance Supplement and COVID-19 Impact	Eide Bailly LLP	09/21/2020	1.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	08/04/2020	2.0
Government & NPO Conference 2020	Eide Bailly LLP	07/17/2020	11.5
Single Audit	Eide Bailly LLP	06/18/2020	5.5
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	05/27/2020	1.5
A&A Update 2020	Eide Bailly LLP	05/26/2020	8.0
Budgeting and Cash Flow Modeling in a Crisis for States and Local Governments Webinar	Eide Bailly LLP	05/13/2020	1.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	04/16/2020	1.5
Governmental and Not-for-Profit Annual Update: Federal Government Activities (Yellow Book Compliant)	AICPA	03/31/2020	1.5
ASU 2016-14, Nonprofit Financial Statements	Checkpoint Learning	03/31/2020	3.0
Governmental Update 2020 (GASB Webinar Series)	Eide Bailly LLP	03/03/2020	1.5
Government Methodology Update (SoCal)	Eide Bailly LLP	01/23/2020	13.5
2019			
Next Gen 2019: Expanding Horizons	Eide Bailly LLP	11/07/2019	23.5
AICPA Independence	AICPA	10/07/2019	4.5
GASB Update: Just the Facts	Eide Bailly LLP	09/27/2019	2.0
GASB/GAO Update/Single Audit Training	VTD	07/24/2019	8.5
Fraud Training	VTD	07/23/2019	4.0
General Government Interim Training (SoCal)	VTD	04/16/2019	16.5
Not-For-Profit Training	Galasso Learning Sol.	02/06/2019	8.0
2018			
General Government Training (SoCal)	VTD	07/18/2018	11.5
Single Audit Training - Southern CA	VTD	07/16/2018	8.0
How to Properly Review Audit Documentation and Workpapers	Becker Professional Education	07/13/2018	4.0
General Government Interim Training	VTD	04/19/2018	11.0
General Government - Staff Interim Fieldwork Training	VTD	03/09/2018	5.0
General Government In-Charge Expectations	VTD	03/05/2018	6.5

Attachment: Proposed Professional Services Agreement with Eide Bailly, LLP (2468 : Independent Auditor Selection)

CITY OF LAGUNA HILLS

JESSE PATTISON, CPA

Manager

949.420.5130 | jpattison@eidebailly.com

Jesse provides accounting, audit and advisory services to governmental, commercial and nonprofit entities throughout California. His experience is primarily in governmental entities including cities, counties, special districts, state agencies and single audits.

When you work with Jesse, you can expect him to consider ways to improve the audit process and provide value by getting to know you and your organization, through asking questions. He takes a proactive approach to solving problems and assisting clients in reaching their goals.

When he isn't working, Jesse enjoys spending time with his wife and three pets (a dachshund, a corgi and a cat), and watching sports.

Client Work

More than nine years of experience working with governmental entities, such as cities, counties and special purpose government agencies, advising clients with disclosure, financial reporting and compliance requirements pursuant to the Government Finance Officers Association (GFOA) Certificate Program.

Performs financial and compliance audits of federal awards in accordance with Uniform Guidance, including audits of programs from the Department of Transportation, Department of Housing and Urban Development, Department of Health and Human Services and a variety of other agencies.

Provided individualized training and assisted numerous clients with the implementation of new accounting standards and the Uniform Guidance.



Memberships

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science in Business Administration – University of Arizona

Master of Accounting – University of Arizona

Local Governments Served

City of Alhambra
City of Bellflower
City of Beverly Hills
City of Burbank
City of Fillmore
City of Gilroy
City of Hawaiian Gardens
City of Highland
City of Jurupa Valley
City of La Palma
City of Laguna Hills
City of Newport Beach
City of San Buenaventura
City of Santa Ana
City of Temple City
City of Torrance
County of Orange

CITY OF LAGUNA HILLS

 Relevant CPE Courses for Jesse Pattison*

Course Title	Sponsor	Date	Total Credits
2021			
GASB Webinar Series	Eide Bailly LLP	02/18/2021	1.0
GASB Webinar Series	Eide Bailly LLP	01/27/2021	2.0
Live Training Session: ASN	Eide Bailly LLP	01/15/2021	1.5
Single Audit Webcast: 2020 Compliance Supplement Addendum	Eide Bailly LLP	01/05/2021	1.0
AICPA Independence	AICPA	01/05/2021	4.0
2020			
Fundamentals of Governmental Accounting and Reporting: Fund Accounting and the Financial Reporting Model; Fiduciary Funds; Fund Financial Statements	AICPA	12/31/2020	2.0
Annual Accounting and Auditing Workshop: The Current Environment and Implications for Audit Planning	AICPA	12/29/2020	1.5
Annual Accounting and Auditing Workshop: Preparation, Compilation, and Review Engagement Update	AICPA	12/29/2020	1.0
2019 GAAP update	AICPA	12/11/2020	4.5
Single Audit Update – 2020 Compliance Supplement and COVID-19 Impact	Eide Bailly LLP	09/21/2020	1.0
It's the Housing Supply, Stupid!	CSMFO	02/12/2020	2.0
Are you Ready for the New Fiduciary Activities Rules?	CSMFO	02/12/2020	1.5
GASB Update - The Implementation Guides are Here	CSMFO	02/12/2020	1.5
Real All About It: The Blue Book Has Been Updated	CSMFO	02/12/2020	1.5
GASB Update = Projects Under Construction	CSMFO	02/12/2020	1.5
2019			
Common Fraud in Governmental Entities	CCH	12/29/2019	5.0
2019 GAAP Update	White Nelson Diehl Evans LLP (WNDE)	12/06/2019	4.0
Governmental Auditing	WNDE	07/11/2019	4.0
Final Fieldwork for Government Audits	WNDE	06/21/2019	3.5
CAFR Preparation	WNDE	06/14/2019	3.5
Government Interim Training	WNDE	05/15/2019	3.0
2018			
Government Accounting and Auditing Update	WNDE	07/17/2018	6.0
Government Audit Training	WNDE	05/16/2018	1.5
Government Audit Training	WNDE	05/15/2018	8.0

Appendix B — Peer Review

PEER REVIEW



Report on the Firm's System of Quality Control

January 20, 2021

To the Partners of Eide Bailly LLP and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eide Bailly LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, an audit of a broker dealer, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Eide Bailly LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Eide Bailly LLP has received a peer review rating of *pass*.

Cherry Bekaert LLP

Appendix C — Non-Collusion Affidavit

NON-COLLUSION AFFIDAVIT

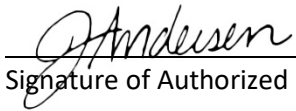
City of Laguna Hills
RFP PROFESSIONAL AUDIT SERVICES

ATTACHMENT 1
NON-COLLUSION AFFIDAVIT

The undersigned represents and certifies that:

1. This Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization or corporation.
2. This Proposal is genuine and not collusive or sham.
3. The Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any other Proposer or anyone else to put in sham proposal or to refrain from submitting to this RFP.
4. The Proposer has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price or to fix any overhead, profit or cost element of the proposal price or to secure any advantage against the City of Laguna Hills or of anyone interested in the proposed contract.
5. Proposer affirms that all statements contained in the Proposal and related documents are true and correct.
6. Proposer has not directly or indirectly submitted the proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay any fee to any person, corporation, partnership, company, association, organization, RFP depository, or to any member or agent thereof to effectuate a collusive or sham proposal.
7. Proposer has not entered into any arrangement or agreement with any City of Laguna Hills public officer in connection with this proposal.
8. Proposer understands that collusive bidding is a violation of State and Federal law and can result in fines, prison sentences, and civil damage awards.

I declare under penalty of perjury pursuant to the laws of the State of California and the United States that the foregoing facts are true and correct. Executed this 29th day of March, 2021, at Laguna Hills, California.



Signature of Authorized Representative

Jessica Andersen
Name of Authorized Representative

Partner
Title of Authorized Representative



Cost Proposal for Professional Audit Services **CITY OF LAGUNA HILLS**

April 2, 2021

Submitted By:

Eide Bailly LLP

CITY OF LAGUNA HILLS

Fee Proposal

ESTIMATED HOURS AND FEES

This pricing proposal is submitted as part of a proposal response to the RFP issued to provide professional audit services for City of Laguna Hills ("the City").

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we'll obtain your agreement on fees before commencing work, so there are no surprises or hidden fees.

1. Total All-Inclusive Maximum Contract Amount

The **Fee Proposal** should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum contract amount to be bid is to contain all direct and indirect costs including all out-of-pocket expenses, which should be submitted in the following form:

Engagement Services and Fees

Services	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Financial Auditing and CAFR Preparation Services	\$24,500	\$24,500	\$24,500	\$25,235	\$25,990	\$26,770
Appropriations Limit (GANN) AUP	\$500	\$500	\$500	\$515	\$530	\$545
Financial Transaction Report and Annual Street Report	\$4,500	\$4,500	\$4,500	\$4,635	\$4,775	\$4,915
Single Audit & Related Reports *	\$3,250	\$3,250	\$3,250	\$3,350	\$3,450	\$3,550
Total (not to exceed)	\$32,750	\$32,750	\$32,750	\$33,735	\$34,745	\$35,780

* Assumes up to one major program – additional programs \$2,000/each.

Out-of-Pocket Fees

The professional fees listed above are inclusive of all out-of-pocket expenses and you will not be billed for expenses such as travel time, mileage and meals.

CITY OF LAGUNA HILLS

2. Rates for Additional Professional Services

The City, during the term of this agreement, may request that the auditor provide additional services in accordance with the provisions of this agreement, to either supplement the services or to perform additional work. Any such additional work shall be performed only if set forth in an addendum to the contract between the City and the auditor. If the auditor agrees to perform the special services, the auditor's hourly fees to perform these services for the term of the agreement are as follows (unless a lesser fee is agreed to in a separate agreement between the City and Consultant):

Engagement Services and Fees

AUDITOR'S STANDARD BILLING RATES						
Services	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27
Partner	\$240	\$240	\$240	\$247	\$255	\$262
Senior Manager	\$185	\$185	\$185	\$191	\$196	\$202
Manager	\$185	\$185	\$185	\$191	\$196	\$202
Senior Associate	\$155	\$155	\$155	\$160	\$164	\$169
Associate	\$110	\$110	\$110	\$113	\$117	\$120
Clerical	\$65	\$65	\$65	\$67	\$69	\$71

Billing Policy Regarding Telephone Inquiries

We know clients appreciate access to all their service team members. We embrace this opportunity for constant communication and will ensure our team members are available when you have questions and issues. This service is included in the scope of the engagement. If a particular issue surfaces that falls outside the scope of this engagement, we'll bring it to your attention and obtain approval before proceeding.

Manner of Payment

Invoices are presented as the work progresses, with an initial invoice at the completion of the interim fieldwork, a second invoice at the completion of fieldwork and a final invoice following issuance of the audit report. We understand the City will make progress payments on the basis of hours work completed in accordance with this Fee Proposal. Interim billing will cover a period of not less than a calendar month.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Janice Reyes
Finance Director
ISSUE: Adoption of the Annual Appropriations Limit for Fiscal Year 2021-2022

RECOMMENDATION: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, determining and adopting an Appropriations Limit for the 2021-2022 Fiscal Year in accordance with Article XIII B of the Constitution of the State of California, and Section 7910 of the Government Code."

SUMMARY:

In accordance with Article XIII B of the California Constitution, which placed limits on the amount of revenue that can be spent by public entities from proceeds of taxes, the City is required to establish new appropriation limits each year. By applying the allowable population and per capita income growth factors, the appropriations limit for the City of Laguna Hills for the 2021-2022 Fiscal Year is calculated to be \$44,700,789. Staff has determined that the City will be under this limit by \$31,683,552 for the 2021-2022 Fiscal Year. A Resolution establishing the appropriation limit for the 2021-2022 Fiscal Year is attached to this report.

BACKGROUND:

As required by law, the voters approved an appropriations limit of \$9,102,336 for the 1993-1994 Fiscal Year. This limit serves as the "base year" and is adjusted annually based on population and inflation factors. In the 1996-1997 Fiscal Year, the limit was adjusted by \$2,032,217 to account for the anticipated increase in revenues due to the annexation of North Laguna Hills. This amount was based on the information available from and provided by the County of Orange. Subsequently, actual revenues exceeded

Appropriations Limit for FY 2021-2022

June 22, 2021

Page 2

the initial forecast, thus an additional revenue amendment of \$1,858,438 was factored into the 1999-2000 Fiscal Year limit calculation. In the 2001-2002 Fiscal Year, the limit was amended in order to use the City's actual population change to reflect the increase in the City's population as a result of the Westside annexation.

Applying the allowable population and per capita income growth factors, the appropriation limit for the City of Laguna Hills for the 2021-2022 Fiscal Year is calculated to be \$44,700,789. This calculation must be made available to the public for 15 days prior to adoption. This requirement has been satisfied.

Pursuant to State law, the City may not appropriate any proceeds of taxes it receives in excess of \$44,700,789 for the 2021-2022 Fiscal Year. The anticipated proceeds of taxes, less qualified exclusions for the 2021-2022 Fiscal Year, resulted in an amount of \$13,017,237 subject to the limit, which is well below the legal limit by \$31,683,552. The following calculation shows the amount under the limit for the 2021-2022 Fiscal Year:

2021-2022 Fiscal Year Appropriations Limit	\$44,700,789
Less: Total Subject to Appropriations Limit	<u>\$13,017,237</u>
Amount Under the Appropriations Limit	\$31,683,552

State law also requires that the annual calculation of the limit be reviewed as part of an annual financial audit. This annual review evaluates the accuracy of the computations and the adequacy of documentation. In compliance with the requirements of Section 1.5 of Article XIII B of the California Constitution, an agreed upon procedures engagement is performed by the City's auditors as part of the annual financial audit each fiscal year.

ATTACHMENTS:

- Proposed Resolution - Appropriations Limit for Fiscal Year 2021-2022
- Proposed Resolution Exhibit A - Appropriations Limit Calculation FY 2021-2022
- Appropriations Limit FY 2021-2022 Calculation Worksheets

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DETERMINING AND ADOPTING AN APPROPRIATIONS LIMIT FOR THE 2021-2022 FISCAL YEAR IN ACCORDANCE WITH ARTICLE XIII B OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Article XIII B requires public entities in the State of California to set an annual Appropriations Limit; and

WHEREAS, the League of California Cities issued in March 1991 uniform guidelines for the implementation of the provision of Article XIII B of the California Constitution; and

WHEREAS, Government Code Section 7910 calls for the adoption of the annual Limit prior to the beginning of the 2021-2022 Fiscal Year; and

WHEREAS, Article XIII B requires the City Council to select the population and inflation factors for the year's Appropriations Limit calculation; and

WHEREAS, the Appropriations Limit must be adhered to in adopting the City's Biennial Budget.

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

SECTION 1. That in accordance with Article XIII B of the Constitution of the State of California and Section 7910 of the Government Code and as set forth in detail in the attached Exhibit "A", the Appropriations Limit beginning July 1, 2021, is established at \$44,700,789.

SECTION 2. That the inflation factor being utilized to calculate the 2021-2022 Fiscal Year Appropriations Limit is based on the percentage change in California's per capita income.

SECTION 3. That the population factor being utilized to calculate the 2021-2022 Fiscal Year Appropriations Limit is the population growth for the County of Orange.

SECTION 4. That the Appropriations Limit shall not be exceeded in the adopted budget nor by any proposed amendment to the Budget.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of
Resolution No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills,
California, at a Regular Meeting thereof held on the 22nd day of June 2021, by the
following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

Exhibit A

CITY OF LAGUNA HILLS

Appropriations Limit Summary

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative.” The Proposition created Article XIII B of the State Constitution placing limits on the amount of revenue, which can be spent by all entities of government from the “proceeds of taxes.” Proposition 4 became effective for the 1980-81 fiscal year, but the formula for calculating the limit was based on the 1978-79 “base year” revenues.

Section 7910 of the California Government Code, added in 1980 by the State Legislature, provides that “each year, the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year...”

In order to address the increasing number of complaints by agencies about the restrictions of Proposition 4, and to provide guidelines for local governments in adopting their limits, the voters approved Proposition 111 in June 1990. Among other things, Proposition 111 provided new adjustment formulas, which make the Appropriations Limit more responsive to local growth issues. Proposition 111 also established a requirement for an annual review of Limit calculations.

Comparing the FY 2021/22 Appropriations Limit of \$44,700,789 and the Appropriations Subject to the Limit of \$13,017,237 indicates that the City will be well below its Appropriations Limit. The City’s budgeted revenues for FY 2021/22 subject to limitation will be below its legal limit by \$31,683,552.

2020/21 Appropriations Limit

2020/21 factor - change in per capita personal income	3.73%
2020/21 factor - change in County population	0.04%
\$41,086,806 x 1.0373 x 1.0004	\$ 42,636,391

2021/22 Appropriations Limit

2021/22 factor - change in per capita personal income	5.73%
2021/22 factor - change in County population	-0.84%
\$42,636,391 x 1.0573 x 0.9916	\$ 44,700,789

CITY OF LAGUNA HILLS ANNUAL APPROPRIATIONS LIMIT

Fiscal Year Appropriation Limit	Inflation Adjustment ^{(a) (e)} Factor	Population Adjustment ^{(a) (f)} Factor	Total Growth Factor	Appropriations Limit	Adjustment for Annexation	Adjusted Appropriations Limit
1993-94	1.0272	1.0215	1.04928	\$9,102,336 ^b		
1994-95	1.0071	1.0164	1.02362	\$9,317,301		
1995-96	1.0472	1.0172	1.06521	\$9,924,899		
1996-97	1.0467	1.0105	1.05772	\$10,497,813	\$2,032,217 ^c	\$12,530,030
1997-98	1.0467	1.0107	1.05791	\$13,255,633		\$13,255,633
1998-99	1.0415	1.0169	1.05915	\$14,039,638		\$14,039,638
1999-00	1.0453	1.0177	1.06380	\$14,935,393	\$1,858,438 ^d	\$16,793,831
2000-01	1.0491	1.0156	1.06547	\$17,893,255		\$17,893,255
2001-02	1.0782	1.0817	1.16629	\$20,868,705		\$20,868,705
2002-03	0.9873	1.0113	0.99846	\$20,836,494		\$20,836,494
2003-04	1.0231	1.0165	1.03998	\$21,669,561		\$21,669,561
2004-05	1.0328	1.0142	1.04747	\$22,698,123		\$22,698,123
2005-06	1.0526	1.0113	1.06449	\$24,162,025		\$24,162,025
2006-07	1.0396	1.0083	1.04823	\$25,327,327		\$25,327,327
2007-08	1.0442	1.0084	1.05297	\$26,668,948		\$26,668,948
2008-09	1.0429	1.0102	1.05354	\$28,096,739		\$28,096,739
2009-10	1.0062	1.0102	1.01646	\$28,559,303		\$28,559,303
2010-11	0.9746	1.0101	0.98444	\$28,115,019		\$28,115,019
2011-12	1.0251	1.0070	1.03228	\$29,022,451		\$29,022,451
2012-13	1.0377	1.0089	1.04694	\$30,384,635		\$30,384,635
2013-14	1.0512	1.0078	1.05940	\$32,189,463		\$32,189,463
2014-15	0.9977	1.0093	1.00698	\$32,414,101		\$32,414,101
2015-16	1.0382	1.0108	1.04941	\$34,015,765		\$34,015,765
2016-17	1.0537	1.0099	1.06413	\$36,197,251		\$36,197,251
2017-18	1.0369	1.0069	1.04405	\$37,791,907		\$37,791,907
2018-19	1.0367	1.0069	1.04385	\$39,449,204		\$39,449,204
2019-20	1.0385	1.0029	1.04151	\$41,086,806		\$41,086,806
2020-21	1.0373	1.0004	1.03771	\$42,636,391		\$42,636,391
2021-22	1.0573	0.9916	1.0484	\$44,700,789		\$44,700,789

^(a) Source: California Department of Finance

^(b) Permanent Limit of \$9,102,336 was adopted following the first fiscal year of operations. The Limit was approved by voters on November 8, 1994 and adopted by Resolution 94-06-28-3.

^(c) The Appropriations Limit was increased by the transfer of revenues from the County following the annexation effective July 1, 1996.

^(d) The Appropriations Limit was adjusted by amending the revenues attributable to annexation, based on actual receipts for FY96/97 & FY97/98.

^(e) Subdivision (e) of Section 8 of Article XIII B of the California Constitution defines "change in the cost of living" as either (1) the percentage change in California per capital personal income from the preceding year or (2) the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local nonresidential new construction.

^(f) Either the City's own population growth or the population growth of the entire County may be used.

Attachment: Appropriations Limit FY 2021-2022 Calculation Worksheets (2492 : Appropriations Limit for FY 2021-2022)

CITY OF LAGUNA HILLS
ANNUAL APPROPRIATIONS LIMIT
FISCAL YEAR 2021/22

PROPRIATIONS LIMIT

Fiscal Year 2020/21 Appropriations Limit \$ 42,636,391

Adjustment Factors

A. Inflation adjustment factor	1.0573
B. Population adjustment factor	0.9916
Total Adjustment Factor (A x B)	1.0484

Annual Adjustment 2,064,398

Fiscal Year 2021/22 Appropriations Limit \$ 44,700,789

PROPRIATIONS SUBJECT TO LIMITATION

**Fiscal Year 2021/22
Budget**

Proceeds of Taxes	
Property Tax	\$ 12,042,115
Sales Tax	5,807,432
Transient Occupancy Tax	800,000
Motor Vehicle In Lieu	25,625
Interest Earned from Net Invested Taxes	37,499
Total Proceeds of Taxes	\$ 18,712,671

Less: Exclusions

Federal Mandates	\$ 3,607,552
Qualified Capital Outlays	290,000
Qualified Debt Service	1,797,881
Total Exclusions	\$ 5,695,433

Total Appropriations Subject to Limitation \$ 13,017,237

(Over)/Under Appropriations Limit 31,683,552



May 2021

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit

California Revenue and Taxation Code section 2227 requires the Department of Finance (Finance) to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2021, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2021-22. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2021-22 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts

Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: <http://leginfo.ca.gov/faces/codes.xhtml>.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification

The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2021.**

Please Note: The prior year's city population estimates may be revised. The per capita personal income change is based on historical data. Given the stay-at-home orders due to COVID-19, growth in the coming years may be substantially lower than recent trends.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

Erika Li

Chief Deputy Director

Attachment

May 2021

Attachment A

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2021-22 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2021-22	5.73

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2021-22 appropriation limit.

2021-22:

Per Capita Cost of Living Change = 5.73 percent
Population Change = -0.46 percent

Per Capita Cost of Living converted to a ratio: $\frac{5.73 + 100}{100} = 1.0573$

Population converted to a ratio: $\frac{-0.46 + 100}{100} = 0.9954$

Calculation of factor for FY 2021-22: $1.0573 \times 0.9954 = 1.0524$

Fiscal Year 2021-22

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2020 to January 1, 2021 and Total Population, January 1, 2021

County City	<u>Percent Change</u>	<u>--- Population Minus Exclusions ---</u>		<u>Total Population</u>
	2020-2021	1-1-20	1-1-21	1-1-2021
Orange				
Aliso Viejo	-1.07	50,351	49,813	49,813
Anaheim	-1.01	357,042	353,451	353,468
Brea	-0.79	45,498	45,137	45,137
Buena Park	-0.86	82,336	81,626	81,626
Costa Mesa	-0.78	113,661	112,780	112,780
Cypress	-1.07	49,055	48,531	48,531
Dana Point	-0.83	33,466	33,189	33,189
Fountain Valley	-0.84	55,419	54,953	54,953
Fullerton	-1.86	142,070	139,431	139,431
Garden Grove	-0.57	173,457	172,476	172,476
Huntington Beach	-0.93	198,725	196,874	196,874
Irvine	-2.31	277,988	271,564	271,564
Laguna Beach	-0.86	22,690	22,495	22,495
Laguna Hills	-1.03	31,397	31,073	31,073
Laguna Niguel	0.94	64,559	65,168	65,168
Laguna Woods	-1.07	16,209	16,036	16,036
La Habra	-1.04	63,471	62,808	62,808
Lake Forest	-0.02	84,556	84,538	84,538
La Palma	-1.06	15,607	15,442	15,442
Los Alamitos	-0.55	11,602	11,538	11,538
Mission Viejo	-1.06	95,130	94,119	94,119
Newport Beach	-0.64	86,415	85,865	85,865
Orange	-1.53	139,504	137,366	137,366
Placentia	-0.77	51,569	51,173	51,173
Rancho Santa Margarita	-1.08	48,708	48,183	48,183
San Clemente	-0.73	64,538	64,065	64,065
San Juan Capistrano	-0.78	36,081	35,801	35,801
Santa Ana	0.02	331,304	331,369	331,369
Seal Beach	-1.09	24,683	24,414	24,443
Stanton	1.08	39,150	39,573	39,573
Tustin	-0.62	80,511	80,009	80,009
Villa Park	-1.07	5,821	5,759	5,759
Westminster	-0.51	91,931	91,466	91,466
Yorba Linda	-0.85	68,426	67,846	67,846
Unincorporated	0.22	127,510	127,787	127,787
County Total	-0.84	3,180,440	3,153,718	3,153,764

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Attachment: Appropriations Limit FY 2021-2022 Calculation Worksheets (2492 : Appropriations Limit for FY 2021-2022)



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Renewed Measure M (M2) Compliance Reporting to the Orange County Transportation Authority (OCTA)

RECOMMENDATION: That the City Council: 1) Approve the Measure M (M2) Compliance Submittal to OCTA including, but not limited, to the Seven-Year Capital Improvement Program; and 2) Adopt the adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, concerning the status and update of the Circulation Element and Mitigation Fee Program for the Measure M (M2) Program."

SUMMARY:

On November 7, 2006, Orange County voters approved Ordinance No. 3, the Renewed Measure M (M2), for the extension of the one-half cent sales tax for transportation infrastructure. As a part of the M2 program, Orange County local agencies must meet eligibility requirements in order to receive or remain eligible to apply for M2 funds. The eligibility compliance documents are due to Orange County Transportation Authority (OCTA) by June 30th of each calendar year. The City remains in compliance with all requirements of M2 and the City Council is requested to approve the compliance submittal documents contained herein, including the Seven-Year Capital Improvement Program based upon the City's Draft 2021-2022 to 2026-2027 Fiscal Years Budget and adopt the required Resolution.

Measure M (M2) Compliance Reporting

June 22, 2021

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BACKGROUND:

Annually, OCTA determines if local jurisdictions are eligible to receive Measure M2 turnback funds and competitive funds. Under M2 local jurisdictions must satisfy several requirements, as outlined in the Renewed Measure M Eligibility Guidelines, in order to remain eligible for these funds. The Measure M2 package for the 2021-2022 Fiscal Year requires the following:

- Provide an adopted Seven-Year Capital Improvement Program.
- Adopt a Resolution attesting to the consistency of the City's General Plan Circulation Element with the County Master Plan of Arterial Highways (MPAH) and that no unilateral reduction in lanes has been made on any arterials identified in the MPAH.
- Adopt a Resolution certifying the City has an existing transportation mitigation fee program that assesses traffic impacts of new development and requires new development to pay a fair share of necessary transportation improvements attributable to the new development.
- Demonstrate continued funding of street maintenance at the Maintenance of Effort level assigned to the City.
- Submit a letter outlining land use planning strategies/policies that accommodate transit and non-motorized transportation.
- Complete the Measure M Eligibility Checklist.

Submitted for City Council approval and adoption, as attachments to this report, are the following documents: 1) Seven-Year Capital Improvement Program based upon the City's Draft 2021-2022 to 2026-2027 Fiscal Years Budget; 2) General Plan Circulation Element; 3) OCTA Arterial Highway Mileage Change Report; 4) OCTA Congestion Management Plan Checklist; 5) OCTA Maintenance of Effort Reporting Form; 6) Mitigation Fee Program; 7) Land Use Planning Strategies Letter; and 8) OCTA Measure M2 Eligibility Checklist.

Measure M (M2) Compliance Reporting

June 22, 2021

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FISCAL IMPACT:

It is projected the City will annually receive over \$600,000 of turnback funds under the Measure M2 Local Fair Share Program. Failure to remain eligible for Measure M2 funds would put these funds in jeopardy and limit the City's ability to seek future Measure M2 competitive grant funds.

ATTACHMENTS:

- Proposed Resolution
- Seven-Year Capital Improvement Program
- General Plan Circulation Element
- OCTA Arterial Highway Mileage Change Report
- OCTA Congestion Management Plan Checklist
- OCTA Maintenance of Effort Reporting Form
- Mitigation Fee Program & Study
- Land Use Planning Strategies Letter
- OCTA Measure M2 Eligibility Checklist

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CONCERNING THE STATUS AND UPDATE OF THE CIRCULATION ELEMENT, AND MITIGATION FEE PROGRAM FOR THE MEASURE M (M2) PROGRAM

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City of Laguna Hills desires to maintain and improve the streets within its jurisdiction, including those arterials contained in the Master Plan of Arterial Highways (MPAH); and

WHEREAS, the City of Laguna Hills has endorsed a definition of and process for, determining consistency of the City's Traffic Circulation Plan with the MPAH, and

WHEREAS, the City has adopted a General Plan Circulation Element which does not preclude implementation of the MPAH within its jurisdiction, and

WHEREAS, the City is required to adopt a resolution biennially informing the Orange County Transportation Authority (OCTA) that the City's Circulation Element is in conformance with the MPAH and whether any changes to any arterial highways of said Circulation Element have been adopted by the City during the 2019-2020 and 2020-2021 Fiscal Years; and

WHEREAS, the City is required to send biennially to the OCTA all recommended changes to the City Circulation Element and the MPAH for the purposes of re-qualifying for participation in the Comprehensive Transportation Funding Programs; and

WHEREAS, the City is required to adopt a resolution biennially certifying that the City has an existing Mitigation Fee Program that assesses traffic impacts of new development and requires new development to pay a fair share of necessary transportation improvements attributable to the new development.

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

SECTION 1. The City does hereby inform OCTA that:

- A. The arterial highway portion of the City Circulation Element of the City is in conformance with the MPAH.

- B. The City attests that no unilateral reduction in through lanes has been made on any MPAH arterials during the 2019-2020 and 2020-2021 Fiscal Years.
- C. The City affirms that it will bring forward requests to amend the MPAH, when necessary, in order to ensure that the MPAH and the General Plan Circulation Element remain consistent.
- D. The City reaffirms that City Council concurs with the existing Mitigation Fee Program.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

Attachment: Proposed Resolution (2481 : Measure M (M2) Compliance Reporting)

Orange County Transportation Authority
FY 2021/22 - FY 2027/28 Capital Improvement Program

TIP ID		CP-11728		IMPLEMENTING AGENCY					Laguna Hills, City of	
Local Project Number:		Project Title								
Additional Project IDs: 170		Access Ramp Construction								
Type of Work: Pedestrian		Project Description								
Type of Work Description: Pedestrian - Installation of ADA access ramps		Access ramp construction pursuant to Transition Plan								
Limits		FISCAL YEAR	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED	
Citywide		2024	General Fund	\$100,000	\$0	\$0	\$0	\$100,000	\$100,000	
Project Notes		2028	Unfunded/Unknown	\$0	\$0	\$4,500,000	\$0	\$4,500,000	\$5,572,155	
				Totals:	\$100,000	\$0	\$4,500,000	\$0	\$4,600,000	\$5,672,155
Last Revised: 21-00 - In Progress										
Total Programmed: \$4,600,000										

TIP ID CP-10371			IMPLEMENTING AGENCY Laguna Hills, City of					
Local Project Number:			Project Title					
Additional Project IDs:			Annual Street Maintenance FY 21-22					
Type of Work: Road Maintenance			Project Description					
Type of Work Description: Road Maintenance - Rehabilitation of roadway			Bi-annual roadway maintenance program					
Limits			<u>FISCAL YEAR</u> <u>FUND TYPE</u> <u>ENG</u> <u>ROW</u> <u>CON/IMP</u> <u>O&M</u> <u>TOTAL</u> <u>TOTAL ESCALATED</u>					
Citywide street maintenance pursuant to the Pavement Management Plan			2022 Gas Tax \$100,000 \$0 \$2,800,000 \$0 \$2,900,000 \$2,986,800					
Project Notes								
			<u>Totals:</u> \$100,000 \$0 \$2,800,000 \$0 \$2,900,000 \$2,986,800					
Last Revised: 21-00 - In Progress			Total Programmed: \$2,900,000					

TIP ID		CP-10372		IMPLEMENTING AGENCY					Laguna Hills, City of									
Local Project Number:		Project Title																
Additional Project IDs:		Annual Street Maintenance FY 23-24																
Type of Work:		Road Maintenance		Project Description														
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Bi-annual roadway maintenance program														
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED		
Citywide street maintenance pursuant to the Pavement Management Plan		2024		Gas Tax		\$100,000		\$0		\$2,500,000		\$0		\$2,600,000		\$2,839,782		
Project Notes																		
				Totals:		\$100,000		\$0		\$2,500,000		\$0		\$2,600,000		\$2,839,782		
Last Revised: 21-00 - In Progress																	Total Programmed: \$2,600,000	

TIP ID		CP-10374							IMPLEMENTING AGENCY		Laguna Hills, City of						
Local Project Number:		Project Title															
Additional Project IDs:		Annual Street Maintenance FY 25-26															
Type of Work:		Road Maintenance		Project Description													
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Bi-annual roadway maintenance program													
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide street maintenance pursuant to the Pavement Management Plan		2026		Gas Tax		\$100,000		\$0		\$2,800,000		\$0		\$2,900,000		\$3,361,755	
Project Notes																	
				Totals:		\$100,000		\$0		\$2,800,000		\$0		\$2,900,000		\$3,361,755	
Last Revised: 21-00 - In Progress										Total Programmed: \$2,900,000							

TIP ID		CP-11711		IMPLEMENTING AGENCY					Laguna Hills, City of								
Local Project Number:		Project Title															
Additional Project IDs:		Annual Street Maintenance FY 27-28															
Type of Work:		Road Maintenance		Project Description													
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Bi-annual roadway maintenance program													
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide street maintenance pursuant to the Pavement Management Plan		2028		Gas Tax		\$100,000		\$0		\$2,800,000		\$0		\$2,900,000		\$3,567,119	
Project Notes						Totals: \$100,000		\$0		\$2,800,000		\$0		\$2,900,000		\$3,567,119	
Last Revised: 21-00 - In Progress														Total Programmed: \$2,900,000			

TIP ID		CP-10375		IMPLEMENTING AGENCY							Laguna Hills, City of	
Local Project Number:		Project Title										
Additional Project IDs:		Avenida de la Carlota Pavement Rehabilitation										
Type of Work:		Road Maintenance		Project Description								
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Pavement Rehabilitation								
Limits												
Avenida de la Carlota from El Toro Road to Los Alisos Blvd												
Project Notes												
</												

TIP ID		IMPLEMENTING AGENCY							Laguna Hills, City of	
CP-10376										
Local Project Number:		Project Title								
Additional Project IDs:		Cabot Road Widening Project								
Type of Work: Road Widening		Project Description								
Type of Work Description: Road Widening - Widen width of existing traffic lanes		Construction of an augmented secondary arterial with a raised median island, construct driveway and bike lanes.								
Limits										
La Paz Road to Paseo De Valencia										
Project Notes										
		<u>FISCAL YEAR</u>	<u>FUND TYPE</u>	<u>ENG</u>	<u>ROW</u>	<u>CON/IMP</u>	<u>O&M</u>	<u>TOTAL</u>	<u>TOTAL ESCALATED</u>	
		2028	Unfunded/Unknown	\$260,000	\$1,000,000	\$2,240,000	\$0	\$3,500,000	\$4,271,952	
		<u>Totals:</u> \$260,000 \$1,000,000 \$2,240,000 \$0 \$3,500,000 \$4,271,952								
Last Revised: 21-00 - In Progress		Total Programmed: \$3,500,000								

TIP ID		CP-11712		IMPLEMENTING AGENCY							Laguna Hills, City of	
Local Project Number:		Project Title										
Additional Project IDs:		General Street Maintenance FY 21-22										
Type of Work:		Road Maintenance		Project Description								
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program								
Limits	FISCAL	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL				
Citywide	YEAR							ESCALATED				
Project Notes	2022	Measure M2 Local Fairshare	\$0	\$0	\$600,000	\$0	\$600,000	\$618,600				
			Totals:	\$0	\$0	\$600,000	\$0	\$600,000	\$618,600			
Last Revised: 21-00 - In Progress												
Total Programmed: \$600,000												

TIP ID		CP-11713		IMPLEMENTING AGENCY						Laguna Hills, City of								
Local Project Number:		Project Title																
Additional Project IDs:		General Street Maintenance FY 22-23																
Type of Work:		Road Maintenance		Project Description														
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program														
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED		
Citywide																		
Project Notes		2023		Measure M2 Local Fairshare		\$0		\$0		\$600,000		\$0		\$600,000		\$637,777		
						Totals:		\$0		\$0		\$600,000		\$0		\$600,000 \$637,777		
Last Revised: 21-00 - In Progress																	Total Programmed: \$600,000	

TIP ID		CP-11714		IMPLEMENTING AGENCY					Laguna Hills, City of						
Local Project Number:		Project Title													
Additional Project IDs:		General Street Maintenance FY 23-24													
Type of Work:		Road Maintenance		Project Description											
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program											
Limits		FISCAL YEAR		FUND TYPE		ENG ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide															
Project Notes		2024		Measure M2 Local Fairshare		\$0 \$0		\$615,000		\$0		\$615,000		\$673,986	
						Totals:		\$0 \$0		\$615,000		\$0		\$615,000 \$673,986	
Last Revised: 21-00 - In Progress														Total Programmed: \$615,000	

TIP ID		CP-11715		IMPLEMENTING AGENCY					Laguna Hills, City of				
Local Project Number:		Project Title											
Additional Project IDs:		General Street Maintenance FY 24-25											
Type of Work:		Road Maintenance		Project Description									
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program									
Limits		FISCAL YEAR		FUND TYPE		ENG ROW		CON/IMP		O&M TOTAL		TOTAL ESCALATED	
Citywide													
Project Notes		2025		Measure M2 Local Fairshare		\$0 \$0		\$630,000 \$0		\$630,000		\$711,828	
						Totals:		\$0 \$0		\$630,000 \$0		\$630,000 \$711,828	
Last Revised: 21-00 - In Progress												Total Programmed: \$630,000	

TIP ID		CP-11716		IMPLEMENTING AGENCY					Laguna Hills, City of	
Local Project Number:		Project Title								
Additional Project IDs:		General Street Maintenance FY 25-26								
Type of Work:		Road Maintenance		Project Description						
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program						
Limits		FISCAL YEAR	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED	
Citywide										
Project Notes		2026	Measure M2 Local Fairshare	\$0	\$0	\$645,000	\$0	\$645,000	\$751,369	
				Totals:	\$0	\$0	\$645,000	\$0	\$645,000	\$751,369
Last Revised: 21-00 - In Progress									Total Programmed: \$645,000	

TIP ID		CP-11717		IMPLEMENTING AGENCY							Laguna Hills, City of							
Local Project Number:		Project Title																
Additional Project IDs:		General Street Maintenance FY 26-27																
Type of Work:		Road Maintenance		Project Description														
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Annual street maintenance program														
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED		
Citywide																		
Project Notes		2027		Measure M2 Local Fairshare		\$0		\$0		\$660,000		\$0		\$660,000		\$792,676		
						Totals:		\$0		\$0		\$660,000		\$0		\$660,000 \$792,676		
Last Revised: 21-00 - In Progress																	Total Programmed: \$660,000	

TIP ID CP-11718			IMPLEMENTING AGENCY						Laguna Hills, City of
Local Project Number:			Project Title						
Additional Project IDs:			General Street Maintenance FY 27-28						
Type of Work: Road Maintenance			Project Description						
Type of Work Description: Road Maintenance - Rehabilitation of roadway			Annual street maintenance program						
Limits	FISCAL YEAR	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED	
Citywide									
Project Notes	2028	Measure M2 Local Fairshare	\$0	\$0	\$675,000	\$0	\$675,000	\$835,823	
			Totals:	\$0	\$0	\$675,000	\$0	\$675,000 \$835,823	
Last Revised: 21-00 - In Progress								Total Programmed: \$675,000	

TIP ID		CP-10377		IMPLEMENTING AGENCY					Laguna Hills, City of		
Local Project Number:		Project Title									
Additional Project IDs:		La Paz Road Widening									
Type of Work:		Road Widening		Project Description							
Type of Work Description:		Road Widening - Add 1 lane to existing roadway in project limits		Widening of eastbound La Paz Road from McIntyre Street to Cabot Road to add a third through lane.							
Limits		FISCAL YEAR		FUND TYPE		ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED
La Paz Road from McIntyre Street to Cabot Road		2028		Unfunded/Unknown		\$0	\$500,000	\$1,500,000	\$0	\$2,000,000	\$2,476,513
Project Notes											
ROW programmed in FY 20-21 was reprogrammed to FY 22-23.											
				Totals:		\$0	\$500,000	\$1,500,000	\$0	\$2,000,000	\$2,476,513
Last Revised: 21-00 - In Progress										Total Programmed: \$2,000,000	

TIP ID		CP-11388		IMPLEMENTING AGENCY					Laguna Hills, City of									
Local Project Number:		Project Title																
Additional Project IDs:		Laguna Hills Debris Gates, Phase IX																
Type of Work:		Environmental Cleanup		Project Description														
Type of Work Description:		Environmental Cleanup - Automatic Retractable Screen and other debris screens or inserts		This is a storm water pollution mitigation project. It includes the installation of debris grates/screens throughout the City in accordance with the Environmental Cleanup Program (ECP).														
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED		
City Wide																		
Project Notes		2022		Environmental Cleanup Program (ECP) - Tier 1		\$0		\$0		\$200,000		\$0		\$200,000		\$206,200		
This project completed in FY 20-21 but carried over to FY 21-22 awaiting final payment.		2022		General Fund		\$0		\$0		\$50,000		\$0		\$50,000		\$51,550		
						Totals:		\$0		\$0		\$250,000		\$0		\$250,000 \$257,750		
Last Revised: 21-00 - In Progress																	Total Programmed: \$250,000	

TIP ID		CP-11730		IMPLEMENTING AGENCY					Laguna Hills, City of						
Local Project Number:		Project Title													
Additional Project IDs:		Laguna Hills Debris Gates, Phase X													
Type of Work:		Environmental Cleanup		Project Description											
Type of Work Description:		Environmental Cleanup - Automatic Retractable Screen and other debris screens or inserts		This is a storm water pollution mitigation project. It includes the installation of debris gates/screens throughout the City in accordance with the Environmental Cleanup Program (ECP).											
Limits		FISCAL YEAR		FUND TYPE		ENG ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide		2022		General Fund		\$0 \$0		\$50,000		\$0		\$50,000		\$51,550	
Project Notes		2022		Unfunded/Unknown		\$0 \$0		\$200,000		\$0		\$200,000		\$206,200	
						Totals:		\$0 \$0		\$250,000		\$0		\$250,000 \$257,750	
Last Revised: 21-00 - In Progress														Total Programmed: \$250,000	

TIP ID		CP-11731	IMPLEMENTING AGENCY						Laguna Hills, City of	
Local Project Number:			Project Title							
Additional Project IDs:			Laguna Hills Debris Gates, Phase XI							
Type of Work: Environmental Cleanup			Project Description							
Type of Work Description: Environmental Cleanup - Automatic Retractable Screen and other debris screens or inserts			This is a storm water pollution mitigation project. It includes the installation of debris gates/screens throughout the City in accordance with the Environmental Cleanup Program (ECP).							
Limits			FISCAL YEAR	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED
Citywide			2024	General Fund	\$0	\$0	\$50,000	\$0	\$50,000	\$54,796
Project Notes			2024	Unfunded/Unknown	\$0	\$0	\$200,000	\$0	\$200,000	\$219,183
					Totals:	\$0	\$0	\$250,000	\$0	\$250,000 \$273,979
Last Revised: 21-00 - In Progress										
Total Programmed: \$250,000										

TIP ID		CP-11732		IMPLEMENTING AGENCY					Laguna Hills, City of						
Local Project Number:		Project Title													
Additional Project IDs:		Laguna Hills Debris Gates, Phase XII													
Type of Work:		Environmental Cleanup		Project Description											
Type of Work Description:		Environmental Cleanup - Automatic Retractable Screen and other debris screens or inserts		This is a storm water pollution mitigation project. It includes the installation of debris gates/screens throughout the City in accordance with the Environmental Cleanup Program (ECP).											
Limits		FISCAL YEAR		FUND TYPE		ENG ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide		2026		Unfunded/Unknown		\$0 \$0		\$200,000		\$0		\$200,000		\$232,983	
Project Notes		2026		General Fund		\$0 \$0		\$50,000		\$0		\$50,000		\$58,246	
						Totals:		\$0 \$0		\$250,000		\$0		\$250,000 \$291,229	
Last Revised: 21-00 - In Progress															
Total Programmed: \$250,000															

TIP ID		CP-11733							IMPLEMENTING AGENCY				Laguna Hills, City of				
Local Project Number:		Project Title															
Additional Project IDs:		Laguna Hills Debris Gates, Phase XIII															
Type of Work:		Environmental Cleanup		Project Description													
Type of Work Description:		Environmental Cleanup - Automatic Retractable Screen and other debris screens or inserts		This is a storm water pollution mitigation project. It includes the installation of debris gates/screens throughout the City in accordance with the Environmental Cleanup Program (ECP).													
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Citywide		2028		Unfunded/Unknown		\$0		\$0		\$250,000		\$0		\$250,000		\$309,564	
Project Notes																	
						Totals:		\$0		\$0		\$250,000		\$0		\$250,000 \$309,564	
Last Revised: 21-00 - In Progress																Total Programmed: \$250,000	

TIP ID		CP-10379		IMPLEMENTING AGENCY							Laguna Hills, City of						
Local Project Number:		Project Title															
Additional Project IDs:		Lake Forest Drive Pavement Rehabilitation															
Type of Work:		Road Maintenance		Project Description													
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Pavement Rehab, CIP 182													
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED	
Lake Forest Drive from east city limits to west city limits		2028		Unfunded/Unknown		\$100,000		\$0		\$1,900,000		\$0		\$2,000,000		\$2,452,688	
Project Notes																	
						Totals:		\$100,000		\$0		\$1,900,000		\$0		\$2,000,000 \$2,452,688	
Last Revised: 21-00 - In Progress		Total Programmed: \$2,000,000															

TIP ID		CP-10381		IMPLEMENTING AGENCY							Laguna Hills, City of								
Local Project Number:		Project Title																	
Additional Project IDs:		Oso Parkway Pavement Rehabilitation																	
Type of Work:		Road Maintenance		Project Description															
Type of Work Description:		Road Maintenance - Rehabilitation of roadway		Pavement Rehab, CIP 181															
Limits		FISCAL YEAR		FUND TYPE		ENG		ROW		CON/IMP		O&M		TOTAL		TOTAL ESCALATED			
Oso Parkway from Cabot Road to West City limits		2028		Unfunded/Unknown		\$100,000		\$0		\$1,900,000		\$0		\$2,000,000		\$2,452,688			
Project Notes																			
						Totals:		\$100,000		\$0		\$1,900,000		\$0		\$2,000,000		\$2,452,688	
Last Revised: 21-00 - In Progress																	Total Programmed: \$2,000,000		

TIP ID CP-10382		IMPLEMENTING AGENCY Laguna Hills, City of							
Local Project Number:		Project Title							
Additional Project IDs:		Paseo De Valencia Widening							
Type of Work: Road Widening		Project Description							
Type of Work Description: Road Widening - Add 1 lane to existing roadway in project limits		This project includes widening of Paseo De Valencia from Kennington Dr. to Laguna Hills Dr. Scope includes lane addition, curb & gutter, irrigation/landscaping, traffic signal & striping.							
Limits									
Paseo De Valencia from El Toro Road to Laguna Hills Drive									
Project Notes									

TIP ID		CP-11729		IMPLEMENTING AGENCY						Laguna Hills, City of	
Local Project Number:		Project Title									
Additional Project IDs: 185		Replacement of ISNS & Cameras at all Traffic Signal Locations									
Type of Work: Traffic Signals		Project Description									
Type of Work Description: Traffic Signals - Replace and upgrade traffic signals and equipment		Replacement of ISNS & Cameras									
Limits		FISCAL YEAR	FUND TYPE	ENG	ROW	CON/IMP	O&M	TOTAL	TOTAL ESCALATED		
Citywide		2024	General Fund	\$0	\$0	\$125,000	\$0	\$125,000	\$136,989		
Project Notes		2026	General Fund	\$0	\$0	\$125,000	\$0	\$125,000	\$145,614		
		2028	Unfunded/Unknown	\$0	\$0	\$125,000	\$0	\$125,000	\$154,782		
				Totals:	\$0	\$0	\$375,000	\$0	\$375,000	\$437,385	
Last Revised: 21-00 - In Progress											
Total Programmed: \$375,000											

TIP ID CP-10384

IMPLEMENTING AGENCY Laguna Hills, City of

Local Project Number:	Project Title
Additional Project IDs:	Ridge Route Drive Pavement Rehabilitation West segment
Type of Work: Road Maintenance	Project Description
Type of Work Description: Road Maintenance - Rehabilitation of roadway	Pavement rehab of Ridge Route Drive to include pavement removals/rehabilitation, curb and gutter repairs, access ramp construction, asphalt concrete overlay, striping and traffic loops.
Limits	FISCAL YEAR FUND TYPE ENG ROW CON/IMP O&M TOTAL TOTAL ESCALATED
Ridge Route Drive from Santa Vittoria to Moulton Parkway	2022 Gas Tax \$75,000 \$0 \$575,000 \$0 \$650,000 \$667,825
Project Notes	Totals: \$75,000 \$0 \$575,000 \$0 \$650,000 \$667,825

Last Revised: 21-00 - In Progress

Total Programmed: \$650,000

TIP ID CP-10387

IMPLEMENTING AGENCY Laguna Hills, City of

Local Project Number:	Project Title
Additional Project IDs:	South Moulton Pavement Rehabilitation
Type of Work: Road Maintenance	Project Description
Type of Work Description: Road Maintenance - Rehabilitation of roadway	Pavement Rehab, CIP 178
Limits	FISCAL YEAR FUND TYPE ENG ROW CON/IMP O&M TOTAL TOTAL ESCALATED
Moulton Parkway from Via Lomas to South City limits (SR-73)	2028 Unfunded/Unknown \$100,000 \$0 \$1,900,000 \$0 \$2,000,000 \$2,452,688
Project Notes	Totals: \$100,000 \$0 \$1,900,000 \$0 \$2,000,000 \$2,452,688

Last Revised: 21-00 - In Progress

Total Programmed: \$2,000,000

TIP ID CP-10388

IMPLEMENTING AGENCY Laguna Hills, City of

Local Project Number:	Project Title
Additional Project IDs:	Traffic Signal Improvements/Coordination Projects
Type of Work: Traffic Signals	Project Description
Type of Work Description: Traffic Signals - Coordinate signals within project limits	Interconnection of traffic signals
Limits	FISCAL YEAR FUND TYPE ENG ROW CON/IMP O&M TOTAL TOTAL ESCALATED
Citywide traffic signal improvements	2022 General Fund \$0 \$0 \$100,000 \$0 \$100,000 \$103,100
Project Notes	2024 General Fund \$0 \$0 \$75,000 \$0 \$75,000 \$82,193
	2026 General Fund \$0 \$0 \$75,000 \$0 \$75,000 \$87,368
	2028 Unfunded/Unknown \$0 \$0 \$75,000 \$0 \$75,000 \$92,869
	Totals: \$0 \$0 \$325,000 \$0 \$325,000 \$365,530

Last Revised: 21-00 - In Progress

Total Programmed: \$325,000



- Major
- Primary
- Secondary
- Smart Arterial
- Augmented Primary
- Augmented Secondary

- Major Streets
- Freeway/ Toll Road
- Local Streets
- City Boundary

- Proposed Deletion by MPAH

Source: Austin-Foust Assoc., Inc., 2008.

Figure M- 1
Street Network



Arterial Highway Mileage Change Report

☒ Check here if there are no changes to report

[illegible]

Congestion Management Program (CMP)

City of Laguna Hills

CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: - There are no CMP intersections in your jurisdiction. - Factoring out statutorily-exempt activities¹, all CMP intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better.	☒	☐	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections that are not operating at the CMP LOS standards. _____ _____ _____		☐	
3.	Will deficient intersections, if any, be improved by mitigation measures to be implemented in the next 18 months or improvements programmed in the first year of any recent funding program (i.e. local jurisdiction CIP, Measure M CIP)?	☐	☐	☐
	a. If not, has a deficiency plan been developed for each intersection that will be operating below the CMP LOS standards?	☐	☐	☐
Additional Comments:				

¹The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.

**APPENDIX C****Congestion Management Program (CMP)**

CMP Monitoring Checklist: Deficiency Plans				
CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: - There are no CMP intersections in your jurisdiction. - Factoring out statutorily-exempt activities², all CMP Highway System (CMPHS) intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better.	☒	☐	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections found that are not operating at the CMP LOS standards. _____ _____ _____			☐
3.	Are there improvements to bring these intersections to the CMP LOS standard scheduled for completion during the next 18 months or programmed in the first year of the CIP?	☐	☐	☐
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 3 NEED TO ANSWER THE REMAINING QUESTIONS.				
4.	Has a deficiency plan or a schedule for preparing a deficiency plan been submitted to OCTA?	☐	☐	☐
5.	Does the deficiency plan fulfill the following statutory requirements? :			
	a. Include an analysis of the causes of the deficiency?	☐	☐	☐
	b. Include a list of improvements necessary to maintain minimum LOS standards on the CMPHS and the estimated costs of the improvements?	☐	☐	☐
	c. Include a list of improvements, programs, or actions, and estimates of their costs, which will improve LOS on the CMPHS and improve air quality?	☐	☐	☐
	i. Do the improvements, programs, or actions meet the criteria established by South Coast Air Quality Management District (SCAQMD) (see the CMP Preparation Manual)?	☐	☐	☐

²The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.



APPENDIX C
Congestion Management Program (CMP)

CMP Monitoring Checklist: Deficiency Plans (cont.)				
CMP Checklist		YES	NO	N/A
6.	Are the capital improvements identified in the deficiency plan programmed in your seven-year CIP?	☐	☐	☐
7.	Does the deficiency plan include a monitoring program that will ensure its implementation?	☐	☐	☐
8.	Does the deficiency plan include a process to allow some level of development to proceed pending correction of the deficiency?	☐	☐	☐
9.	Has necessary inter-jurisdictional coordination occurred?	☐	☐	☐
10.	Please describe any innovative programs, if any, included in the deficiency plan:			☐
Additional Comments:				

Attachment: OCTA Congestion Management Plan Checklist (2481 : Measure M (M2) Compliance Reporting)

Congestion Management Program (CMP)

CMP Monitoring Checklist: Land Use Coordination				
CMP Checklist		YES	NO	N/A
1.	Have you maintained the CMP traffic impact analysis (TIA) process you selected for the previous CMP?	☒	☐	
	a. If not, have you submitted the revised TIA approach and methodology to OCTA for review and approval?	☐	☐	☒
2.	Did any development projects require a CMP TIA during this CMP cycle? ³	☐	☒	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "YES" FOR QUESTION 2 NEED TO ANSWER THE REMAINING QUESTIONS.				
3.	If so, how many?	_____		
4.	Please list any CMPHS links & intersections that were projected to not meet the CMP LOS standards (indicate whether any are outside of your jurisdiction). _____ _____ _____	☐		
	a. Were mitigation measures and costs identified for each and included in your seven-year CIP?	☐	☐	☐
	b. If any impacted links & intersections were outside your jurisdiction, did your agency coordinate with other jurisdictions to develop a mitigation strategy?	☐	☐	☐
5.	If a local traffic model was/will be used, did you follow the data and modeling consistency requirements as described in the CMP Preparation Manual (available online at http://www.octa.net/pdf/cmpprepmanual.pdf)?	☐	☐	☐
Additional Comments:				

³Exemptions include: any development generating less than 2,400 daily trips, any development generating less than 1,600 daily trips (if it directly accesses a CMP highway), final tract and parcel maps, issuance of building permits, issuance of certificate of use and occupancy, and minor modifications to approved developments where the location and intensity of project uses have been approved through previous and separate local government actions prior to January 1, 1992.

Congestion Management Program (CMP)

CMP Monitoring Checklist: Capital Improvement Program (CIP)				
CMP Checklist		YES	NO	N/A
1.	Did you submit a seven-year CIP to OCTA by June 30?	☒	☐	☐
2.	Does the CIP include projects to maintain or improve the performance of the CMPHS (including capacity expansion, safety, maintenance, and rehabilitation)?	☒	☐	☐
3.	Is it consistent with air quality mitigation measures for transportation- related vehicle emissions?	☒	☐	☐
4.	Was the OC Fundtracker CIP provided by the OCTA used to prepare the CIP?	☒	☐	☐
Additional Comments:				

Congestion Management Program (CMP)

Attachment: OCTA Congestion Management Plan Checklist (2481 : Measure M (M2) Compliance Reporting)



APPENDIX I

Maintenance of Effort (MOE) Certification Form

Jurisdiction: Laguna Hills

Type of GENERAL FUND Transportation Expenditures:

Please complete and attach supporting budget documentation for each line item listed below.

MAINTENANCE	Total Expenditure
Street Sweeping	\$ 215,000
Signal Maintenance Contract	\$ 175,000
Utilities	\$ 450,000
Personnel	\$ 149,127
Public Works Maintenance and Operations	\$ 540,000
Subtotal Maintenance	\$ 1,529,127

CONSTRUCTION	Total Expenditure
Streets, Signals and Lighting	\$ 3,000,000
Streetscape	\$ -
Flood Control and Water Quality	\$ 500,000
Subtotal Construction	\$ 3,500,000

INDIRECT/OTHER	Total Expenditure
Operating Expenditures	\$ 6,750
Miscellaneous Contract and Other Maintenance	\$ 307,500
Subtotal Indirect/Other	\$ 314,250

Total General Fund Transportation Expenditures \$ 5,343,377

(Less Total MOE Exclusions¹) \$ 3,790,000

MOE Expenditures \$ 1,553,377

MOE Benchmark Requirement² \$ 331,579

(Shortfall)/Surplus \$ 1,221,798

Certification:

I hereby certify that:

☒ The City/County of Laguna Hills 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 Measure M2 Eligibility purposes and;

☒ The City/County of Laguna Hills's MOE Certification Form is in compliance with direction provided in the State Controller's "Guidelines Relating to Gas Tax Expenditures for Cities and Counties" and;

Choose one of the following:

☒ The City/County of Laguna Hills certifies that the budgeted MOE expenditures meet the fiscal year (FY) FY 2021-22 MOE benchmark requirement through one of the options below: *Option A*

A) The budgeted MOE expenditures meet the MOE benchmark dollar value consistent with column A of Exhibit 2 in the M2 Eligibility Guidelines.

B) The budgeted MOE expenditures meet an MOE % of general fund revenues of the City's FY 2021-22 budget, consistent with column C of Exhibit 2 in the M2 Eligibility Guidelines.

Janice Mateo Reyes
Finance Director Signature

Janice Mateo Reyes
Finance Director (Print Name)

6/22/2021

Date

¹ Funding sources include Measure M, federal, state, redevelopment, and bond financing.

² Please refer to Exhibit 2 in the M2 Eligibility Guidelines for the City's MOE benchmark requirement. The MOE benchmark requirement is anticipated to be modified due to financial impacts of the COVID-19 pandemic, contingent on OCTA Board approval of an M2 Ordinance amendment.

MAINTENANCE OF EFFORT REPORTING FORM

Attachment - Construction Schedule

Fiscal Year 2021-22

CONSTRUCTION

Streets, Signals and Lighting

101 Annual Street Maintenance	\$ 2,900,000	\$ -	\$ -	\$ 2,900,000
168 Traffic Signal Improvement/Coordination Projects	\$ 100,000	\$ -	\$ -	\$ 100,000
	3,000,000	-	-	3,000,000

Flood Control

403 Storm Drain/Slope Repairs	\$ 50,000	\$ -	\$ -	\$ 50,000
410 NPDES / Water Quality Program	\$ 200,000	\$ 200,000	\$ -	\$ -
412 Water Quality (2) Improvements	250,000	\$ 50,000	200,000	-
	500,000	250,000	200,000	50,000

Totals

\$ 3,500,000	\$ 250,000	\$ 200,000	\$ 3,050,000
		<i>MOE Exclusion</i>	<i>MOE Exclusion</i>

Maintenance

Street Sweeping	215,000	215,000		
Signal Maintenance Contract	175,000	175,000		
Utilities	450,000	450,000		
Personnel	150,927	150,927		
Miscellaneous Contract and other Maintenance	307,500	307,500		
Public Works Maintenance and Operation	540,000	-	540,000	-
	1,838,427	1,298,427	540,000	-
			<i>MOE Exclusion</i>	<i>MOE Exclusion</i>

Administrative/Other

Operating Expenditures	6,750	6,750		
	6,750	6,750	-	-

Total General Fund Transportation Expenditures

5,345,177	1,555,177	740,000	3,050,000
------------------	------------------	----------------	------------------

MOE Exclusions

\$ 3,790,000

Attachment: OCTA Maintenance of Effort Reporting Form (2481 : Measure M (M2) Compliance Reporting)

Chapter 9-102**URBAN VILLAGE TRAFFIC
IMPACT/MITIGATION FEE PROGRAM****Sections:**

- 9-102.010 Purpose.**
9-102.020 Findings.
**9-102.030 Urban Village Traffic
Impact/Mitigation Fee Program.**
**9-102.040 California Environmental Quality
Act.**

9-102.010 Purpose.

The purpose of this chapter is to establish a Traffic Impact/Mitigation Fee Program for the Urban Village Specific Plan ("Plan") area that will assist in mitigating the cost of roadway improvements that are partly required as a result of new development within the plan area. (Ord. 2006-1 § 1 (part))

9-102.020 Findings.

- A. The Laguna Hills Urban Village Traffic Impact/Mitigation Fee Study, dated June 1, 2005, (the "Study"), complies with California Government Code Section 66001 by establishing the basis for the imposition of fees on new development. In particular, the study:
1. Identifies the purpose of the fee;
 2. Identifies the use to which the fee will be put;
 3. Shows a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;
 4. Shows a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed; and
 5. Shows a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributed to the development on which the fee is imposed.
- B. The fees collected pursuant to this chapter shall be used to assist in financing the cost of the public facilities described or identified in the study (the "Improvements").
- C. After considering the descriptions of the improvements and cost estimates identified in the study, the City Council approves such project descriptions and cost estimates, and finds them reasonable as the basis for calculating and imposing the traffic impact/mitigation fee.

- D. The improvements and fee methodology identified in the study are consistent with the City's general plan. (Ord. 2006-1 § 1 (part))

9-102.030 Urban Village Traffic Impact/Mitigation Fee Program.

- A. The Laguna Hills Urban Village Traffic Impact/Mitigation Fee Study, dated June 1, 2005, which is attached hereto and is incorporated herein by reference, is approved and adopted as the basis for establishing the Urban Village Traffic Impact/Mitigation Fee Program. The study is on file with the City Clerk.
- B. Definitions:

"Development permit" means any permit or approval from the city of Laguna Hills including, but not limited to, a general plan amendment, zoning or rezoning of property, a conditional use permit, subdivision map, revised final planned development, building permit, or other permit for construction or reconstruction.

"New development" means a development project requiring a development permit under the Laguna Hills Municipal Code ("LHMC").

"Traffic impact/mitigation fee" means three thousand nine hundred fourteen dollars (\$3,914.00) per each new PM peak hour trip as determined by the City Engineer based upon a traffic study.

"Urban Village Specific Plan area" means the two hundred forty (240) acres comprising the geographic area of the Urban Village Specific Plan.

- C. Imposition of Fee and Payment. The traffic impact/mitigation fee shall be imposed as a condition of issuance of any development permit in the Urban Village Specific Plan area and, except as otherwise provided by state law, shall be paid prior to the issuance of a grading permit, if any, or the first building permit for the project.
- D. Exemptions. The following new development is exempt from paying a traffic impact/mitigation fee:
1. Projects where a traffic study, or other reliable data, indicates no new PM peak hour trips will be generated, as confirmed by the City Engineer;
 2. On single-family unit on a lot legally existing as of the effective date of the ordinance codified in this chapter which is consistent with the general plan and zoning designations of the Laguna Hills Municipal Code;
 3. Second dwelling units on residential single-family lots;
 4. Additions of accessory structures to single-family homes;

5. Addition of habitable living space to an existing single-family home.
- E. Use of Fee. The traffic impact/mitigation fee shall be solely used: (1) for the purposes described in the study; (2) for reimbursing the city for new development's fair share of the improvements identified in the study already constructed by the city; (3) for reimbursing developers who have constructed the improvements described in the study where those facilities were beyond that needed to mitigate the impacts of the developer's project or projects.
- F. Fee Review. Annually, as part of the budget process, the City Engineer shall review the estimated cost of the improvements, the continued need for those improvements, and the reasonable relationship between such need and the impacts of the various types of development pending or anticipated and for which this fee is charged. The City Engineer shall report his or her findings to the City Council at a noticed public hearing and recommend any adjustment to the traffic impact/mitigation fee or other action as may be needed.

(Ord. 2006-1 § 1 (part))

9-102.040 California Environmental Quality Act.

The City Council determines that the approval of the Laguna Hills Urban Village Traffic Impact/Mitigation Fee Study, dated June 1, 2005, and the adoption of this Traffic Impact/Mitigation Fee Ordinance codified in this chapter is statutorily exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 21080(b)(8) of the Public Resources Code because the fees collected from the ordinance codified in this chapter will be used for transportation infrastructure necessary to maintain an acceptable level of service on existing roadways and intersections within the city. (Ord. 2006-1 § 2)

.....

Laguna Hills Urban Village Traffic Impact Mitigation Fee Study

for the



City of Laguna Hills

June 1, 2005

.....

William E. Stracker, PE, TE
410 Monte Vista
Irvine, CA 92602
(714) 338-9592



**BUREAU
VERITAS**

Berryman & Henige

Attachment: Mitigation Fee Program & Study (2481 : Measure M (M2) Compliance Reporting)

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INTRODUCTION AND PURPOSE OF THE IMPACT FEE STUDY

On November 26, 2002, the City of Laguna Hills City Council adopted the Urban Village Specific Plan (Specific Plan) and approved a Mitigated Negative Declaration (MND) pursuant to the California Environmental Quality Act (CEQA). The Specific Plan area or "Urban Village" consists of approximately 240 acres and contains a mixture of existing land uses, including the City Hall, Laguna Hills Mall, Saddleback Hospital, medical and professional offices, financial institutions, a post office, restaurants, residential, and other retail uses.

The Specific Plan envisions a village-like downtown core with a distinct village identity that will serve as a regional and community destination. The Specific Plan contemplates new retail, hotel, residential, and office uses within the Specific Plan area. Future development intensity within the Urban Village is subject to vehicle "trip budget" limits established in the City's General Plan. The Specific Plan allows for flexibility in development options within the Urban Village, so long as the trips budgeted for the area is not exceeded.

The City contracted with the firm of Linscott, Law & Greenspan (LL&G) to prepare an updated traffic study to validate the traffic projections in the General Plan Master EIR. They were also to assess the remaining trip budget available for new development within the Urban Village. LL&G concluded that the traffic projections were still valid, but the total trip budget had been reduced due to new development projects within the area. The trip budget threshold volumes were found to be 1,035 AM peak hour trips and 1,134 PM peak hour trips. Those are the maximum threshold volumes available for new development within the Urban Village.

The additional traffic from the expansion of an existing use, construction of new development or an intensification of existing facilities must be within the established trip budget. This is determined through the preparation of a comprehensive traffic study for each proposed development. Applicants are permitted to develop their property to the maximum intensity consistent with the Specific Plan upon verification that the traffic impacts are within those trip budget limits.

New development within the Urban Village will add traffic to the adjacent arterial street system, which consists of El Toro Road, Paseo de Valencia, and Avenida de la Carlota. These additional trips will decrease the Level of Service (LOS) on these roadways to unacceptable levels. To achieve an acceptable LOS on these roadways, the City has determined that certain improvements to these roadways such as additional lanes, turning lanes and street widening will be required to increase their capacity. Because new development within the Urban Village will add traffic to these roadways, the City has determined that future project applicants should be required to pay their "fair share" for these improvements. The City has prepared this Fee Study to (1) document the "nexus" between future development within the Specific Plan area and the benefit upon the development from the arterial improvements adjacent to the Village, and (2) describe the "fair share" methodology by which the improvements may be funded based upon a "fair-share" allocation.

The Fee Study is intended to satisfy the requirements of the Mitigation Fee Act (MFA) (California Government Code, Chapter 5, 66000-66008 (also known as AB 1600). The MFA generally requires that a reasonable relationship be demonstrated between (1) the use of the fee and the type of project on which the fee is imposed; (2) the need for a facility and the type of development on which the fee for the facility is imposed; and (3) the amount of the fee and facility cost attributable to the project on which the fee is imposed. The MFA prohibits the City from imposing and using the fee to correct existing problems or to make the improvements for existing development.

The Fee Study establishes the reasonable relationship or "nexus" required by the MFA. As documented below, the fee will be used to mitigate the Urban Village's contribution of traffic to the adjacent arterials and intersections that will be improved. The fee is based on the number of trips that future development projects generate and represents the proportional "fair share" of the improvement cost attributable to new development. The fee will be imposed on all new development within the Urban Village.

The information included in the Fee Study is based upon the following documents, which are available for public review at the City's Community Development Department:

1. City of Laguna Hills Urban Village Specific Plan, adopted by the City Council on November 26, 2002.
2. City of Laguna Hills, Urban Village Specific Plan Final Mitigated Negative Declaration, approved by the City Council on November 26, 2002 (MND)
3. Linscott, Law and Greenspan (LL&G) Laguna Hills Urban Village Specific Plan Traffic and Parking Study dated March 7, 2002.
4. Existing traffic volume counts and projections were obtained from recent counts completed by the City of Laguna Hills and from the LL&G study.

FUTURE GROWTH WITHIN THE URBAN VILLAGE

According to the Specific Plan and the MND, the following new development, or combination thereof is anticipated to occur within the Urban Village:

Retail:	183,000 square feet
Hotel:	250 Rooms
Residential:	200 Dwelling Units
Medical Office: (No general office)	138,000 square feet
General Office: (No medical office)	380,000 square feet

Specific Plan Traffic Area Zones (TAZ)

The Urban Village Specific Plan area is partitioned into nine "Traffic Area Zones" (TAZ's), TAZ 613 through TAZ 621, as shown on Figure II-1 in the City's General Plan. The area partitioned is bordered by Interstate 5 on the east, Los Alisos Boulevard on the south, Paseo de Valencia on the west, and a point north of Paseo de Valencia/Avenida de la Carlota intersection. Each TAZ is an incremental land use area that is assigned a specific number of maximum vehicle trips based upon the General Plan land use proposals. Those trips will impact the adjacent arterial highway network of, primarily, El Toro Road, Paseo de Valencia, and Avenida de la Carlota. Each TAZ is subject to the trip budget limitations noted above. Tables 1 through 4 in the LL&G report shows the methodology and analysis used to develop the past and current trip budget estimates and limitation. Table I summarizes the number of trips remaining in the approved trip budget or exceeding the budget for each TAZ. It shows this information as the amount of daily, 11,739 trips remaining; morning peak hour (AM), 1,035 trips remaining; and afternoon peak hour (PM), 1,134 trips remaining. Those remaining trips are based upon the total new trips that are assignable to the Urban Village project and subtracting the trips that have previously been assigned to the project. This methodology should be carried through to determine the available trips as budgeted in the City's General Plan. The PM peak hour volume of 1,134 trips is the threshold volume used for the new development within the Urban Village.

Proportioning the Trip Budget

The trip budget figure of 1,134 PM trips is the threshold volume used for new development within the Urban Village based upon the current and proposed land uses. Those trips are the total traffic that will be distributed to the adjacent arterial highway system from the Specific Plan area. A developer is permitted to develop his property within the Urban Village to the maximum extent permissible consistent with the Specific Plan. This being the case, the location in the Village and intensity of development will determine the significance of the impact on the adjacent individual street capacity. Thus more intense development in the TAZs impacting El Toro Road will have a proportionally greater impact on El Toro Road than the other streets, more intense development in the TAZs impacting Paseo de Valencia will have a proportionally greater impact on Paseo de Valencia than the other streets, etc. This development intensity must be consistent with the threshold volume of 1,134 PM trips and not be greater than the maximum trips allowed from each individual TAZ shown on Table I. Therefore the following development scenarios are addressed in this study:

- A. **Proportional Development:** This scenario evenly proportions the threshold volume across the TAZs that have trips remaining (616 through 621) on Table I.
- B. **El Toro Road Development:** This scenario proportions the threshold trips based upon the maximum development intensity impacting El Toro Road.
- C. **Paseo de Valencia Development:** This scenario proportions the threshold trips based upon the maximum development intensity impacting Paseo de Valencia.
- D. **Avenida de la Carlota Development:** This scenario proportions the threshold trips based upon the maximum development intensity impacting Avenida de la Carlota.

Tables II-A through II-D shows the trips allocated to each of the arterial streets from the Urban Village as a result of the above development scenarios. This summarizes the Table I information for each TAZ showing the amount of new PM peak hour trips impacting each adjacent arterial street. Those trips are assigned and distributed onto the selected streets to determine the additional capacity that will be required due to the increase in total PM traffic volume. The PM peak traffic is used because it is a higher volume when compared to the AM peak hour traffic and therefore will be used for analysis of the traffic impact on the local street system.

NEED FOR URBAN VILLAGE IMPACT FEE (UVIF)

This section documents the existing and future congestion levels that demonstrate the need for future improvements to the arterial system adjacent to the Urban Village. As discussed below, new development within the Urban Village will add a significant amount of traffic trips to the adjacent arterial system that create the need for the proposed improvements. The UVIF is necessary to ensure that new development within the Urban Village pays its fair share for these improvements.

Level-of-Service (LOS) qualitatively measures the operating conditions within a transportation system. LOS ranges from LOS A (free-flowing traffic) to LOS F (overload conditions). For the purposes of this study and traffic conditions, LOS D is the minimum satisfactory service level for the arterials adjacent to the Urban Village.

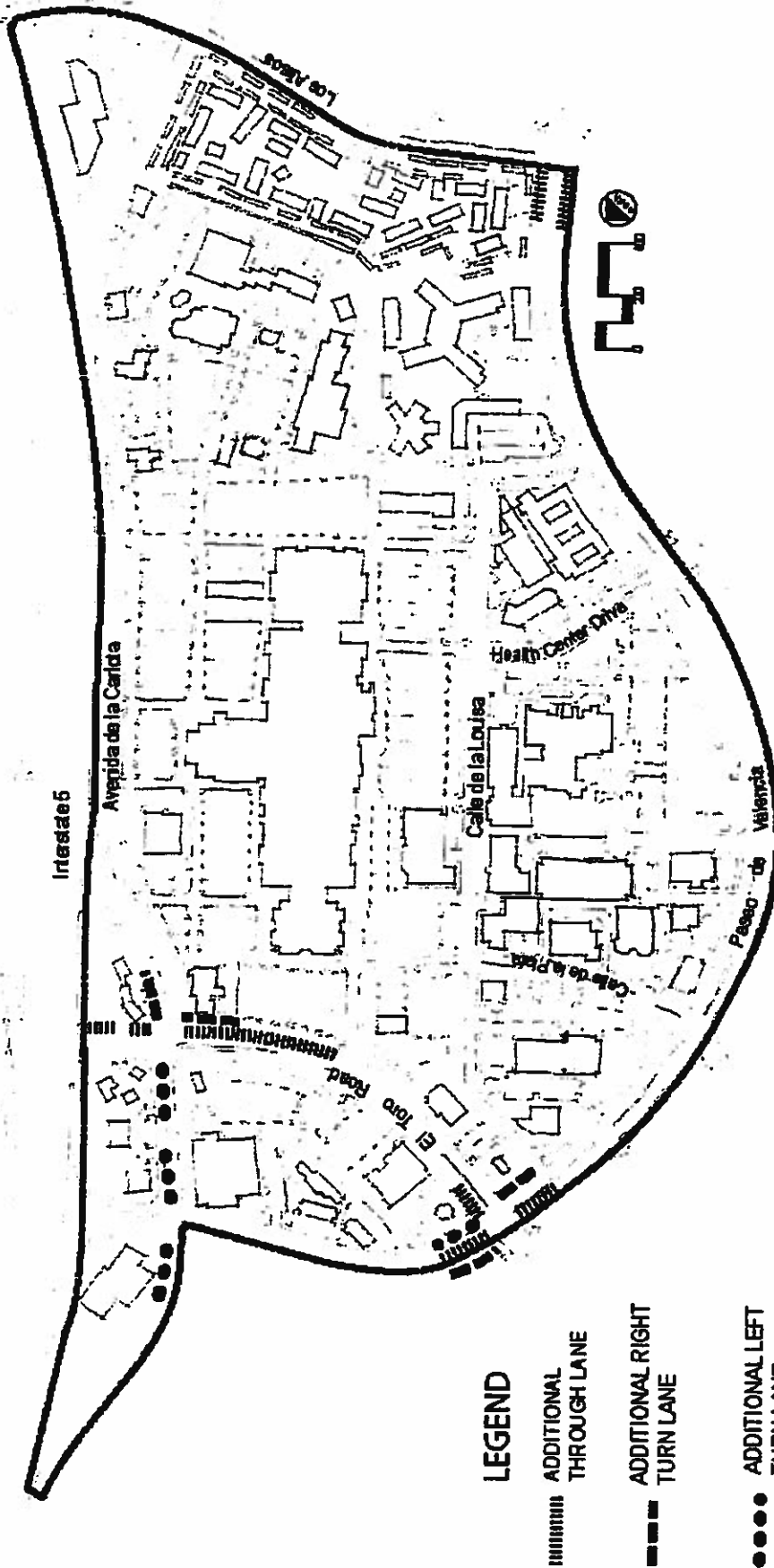
Level-of-Service	Volume/Capacity Ratio
A	0.00 - 0.60
B	0.61 - 0.70
C	0.71 - 0.80
D	0.81 - 0.90
E	0.91 - 1.00
F	Over 1.00

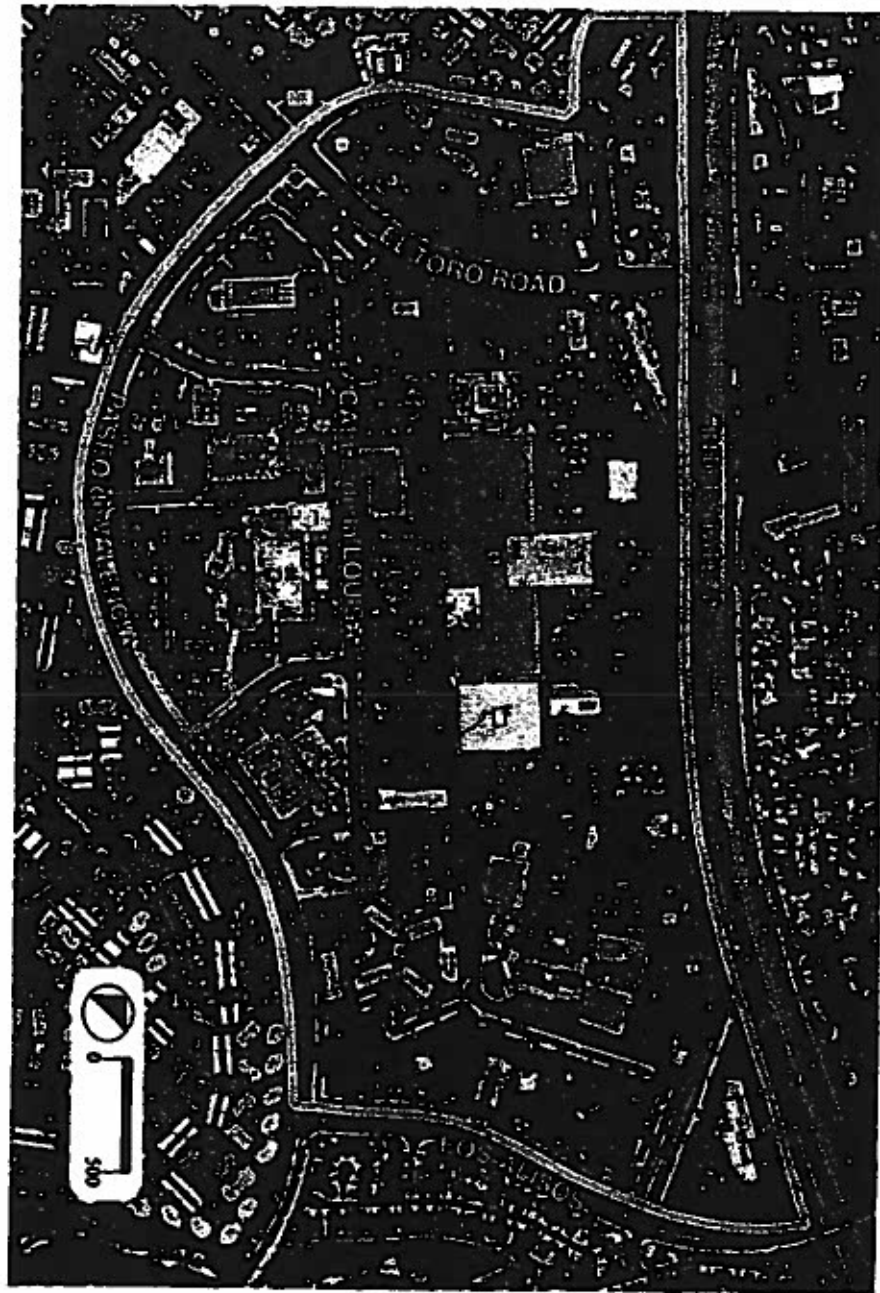
To determine the roadway level-of-service, the PM peak hour traffic summarized for each TAZ on Tables II-A through II-D was distributed onto each of the adjacent roadways. The traffic was distributed onto the arterial streets by a directional percentage of traffic determined by an analysis of generators and attractors within the area and a sight reconnaissance of the traffic flow. Generators and attractors include the residential areas to the north and south of the Village and locations that would be accessible by the I-5 Freeway and other streets within the area. The resultant traffic volumes on each street segment were then totaled to determine a total peak hour volume that was then used for the LOS values. The capacity and volume information shown on Table A-3 in the LL&G Report was used as a basis and updated to reflect current available volume and LOS information.

fig. 32
date: July, 2002

Road Improvements

Laguna Hills Urban Village





LAGUNA HILLS URBAN VILLAGE AREA

CITY OF LAGUNA HILLS

GENERAL PLAN

Figure II-1
Urban Village - Traffic Area Zones

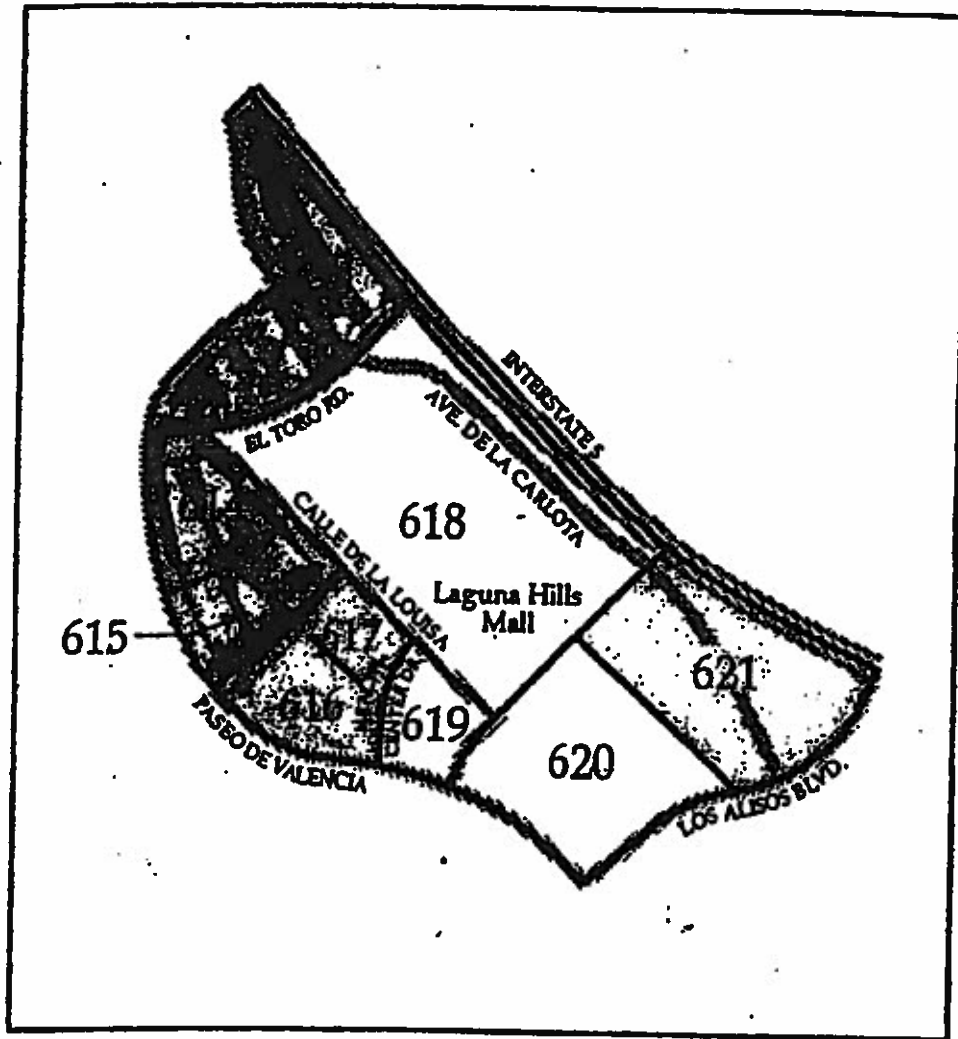


TABLE I
LAGUNA HILLS URBAN VILLAGE
SPECIFIC PLAN
TRAFFIC AREA ZONES

Amount of new trips available as approved in the General Plan
 Trips Remaining (+) or Exceeding Budget (-)

<u>Description</u>	<u>Daily</u>	<u>AM Peak</u>	<u>PM Peak</u>	<u>Pro-rated</u>
TAZ 613 North of El Toro Road	-3,338	-66	-306	N/A
TAZ 614 East of PDV South of El Toro Rd, N/o La Plata West of La Louisa	-2,588	-69	-219	N/A
TAZ 615 South of La Plata to Magdalena between PDV And La Louisa	-7,659	-87	-614	N/A
TAZ 616 & 617 South of Magdalena to Health Center Drive Between PDV & La Louisa	+1,655	+158	+171	85
TAZ 618 Laguna Hills Mall-El Toro Road to Caballeros between I-5 and La Louisa	+20,566	+884	+1,810	903
TAZ 619 Health Center Drive to Caballeros between La Louisa and PDV	+492	+48	+51	26
TAZ 620 N/o Los Alisos Cnr of PDV	+1,139	+79	+108	54
TAZ 621 E/o 620 to I-5	+1,472	+88	+133	66
TAZ 613 through TAZ 621	+11,739	+1,035	+1,134	1,134
SUMMARY:	Existing Trips – 1,139		New Trips – 2,273	
TRIP BUDGET	1,134 PM TRIPS			

TABLE II - A

LAGUNA HILLS URBAN VILLAGE

NEW TRIPS BUDGET
(PM Peak Hour)

PROPORTIONAL DEVELOPMENT			Paseo de Valencia (PDV)			El Toro (ET)			Avenida de la Carlota (AdIC)		
Traffic Area Zone (TAZ)	Total New Trips *	(%)	% TAZ	Volume	% Total	% TAZ	Volume	% Total	% TAZ	Volume	% Total
613	N/A										
614	N/A										
615	N/A										
616/617	85	7.50	70.18	60	15.19	29.82	25	9.40		0	
618	903	79.63	30.00	270	68.35	20.00	181	68.04	50.00	452	95.56
619	26	2.29	60.78	16	4.05	39.22	10	3.76	0	0	
620	54	4.76	79.63	43	10.89	0	0	0	20.37	11	2.33
621	66	5.82	9.77	6	1.52	75.19	50	18.80	15.04	10	2.11
TOTAL	1,134	100.00	34.83	395	100.00	23.46	266	100.00	41.71	473	100.00

* Based upon Table 4 LL&G Traffic Study and Table I This Report

TABLE II - B

LAGUNA HILLS URBAN VILLAGE

NEW TRIPS BUDGET
(PM Peak Hour)

EL TORO ROAD DEVELOPMENT INTENSITY			Paseo de Valencia (PDV)			El Toro (ET)			Avenida de la Carlota (AdiC)		
Traffic Area Zone (TAZ)	Total New Trips *	(%)	% TAZ	Volume	% Total	% TAZ	Volume	% Total	% TAZ	Volume	% Total
613	N/A										
614	N/A										
615	N/A										
616/617	92	8.11	45.65	42	15.19	54.35	50	9.40	0	0	0
618	862	76.01	21.69	187	68.35	42.11	363	68.04	36.20	312	95.56
619	31	2.73	35.48	11	4.05	64.52	20	3.76	0	0	0
620	38	3.35	78.95	30	10.89	0	0	0	21.05	8	2.33
621	111	9.79	3.60	4	1.52	90.09	100	18.80	6.31	7	2.11
TOTAL	1,134	100.00	34.83	274	100.00	23.46	533	100.00	41.71	327	100.00

* Based upon Table 4 LL&G Traffic Study and Table I This Report

TABLE II - C

LAGUNA HILLS URBAN VILLAGE

NEW TRIPS BUDGET
(PM Peak Hour)

PASEO DE VALENCIA DEVELOPMENT INTENSITY			Paseo de Valencia (PDV)			El Toro (ET)			Avenida de la Carlota (AdIC)		
Traffic Area Zone (TAZ)	Total New Trips *	(%)	% TAZ	Volume	% Total	% TAZ	Volume	% Total	% TAZ	Volume	% Total
613	N/A										
614	N/A										
615	N/A										
616/617	132	11.64	91.67	121	15.19	8.33	11	9.40	0	0	0
618	834	73.55	64.99	542	68.35	10.07	84	68.04	24.94	208	95.56
619	37	3.26	86.49	32	4.05	13.51	5	3.76	0	0	0
620	91	8.02	94.51	86	10.89	0	0	0	5.49	5	2.33
621	40	3.53	30.00	12	1.52	57.50	23	18.80	12.50	5	2.11
TOTAL	1,134	100.00	69.93	793	100.00	10.85	123	100.00-	19.22	218	100.00

* Based upon Table 4 LL&G Traffic Study and Table I This Report

TABLE II - D

LAGUNA HILLS URBAN VILLAGE

NEW TRIPS BUDGET
(PM Peak Hour)

AVENIDA DE LA CARLOTA DEVELOPMENT INTENSITY			Paseo de Valencia (PDV)			El Toro (ET)			Avenida de la Carlota (AdIC)		
Traffic Area Zone (TAZ)	Total New Trips *	(%)	% TAZ	Volume	% Total	% TAZ	Volume	% Total	% TAZ	Volume	% Total
613	N/A										
614	N/A										
615	N/A										
616/617	24	2.12	70.83	17	15.19	29.17	7	9.40	0	0	0
618	1,032	91.00	7.37	76	68.35	4.94	51	68.04	87.69	905	95.56
619	8	0.71	62.50	5	4.05	37.50	3	3.76	0	0	0
620	34	3.00	35.29	12	10.89	0	0	0	64.71	22	2.33
621	36	3.17	5.55	2	1.52	38.89	14	18.80	55.56	20	2.11
TOTAL	1,134	100.00	9.88	112	100.00	6.61	75	100.00	83.51	947	100.00

* Based upon Table 4 LL&G Traffic Study and Table I This Report

TABLE III - A

**ROADWAY SEGMENT LEVELS OF SERVICE
PM PEAK HOUR CONDITIONS/IMPACT**
Proportional Trip Budget

ROADWAY SEGMENT	Existing Lanes	Existing Capacity (LOS D) (a)	MPAH Future Lanes	Future Capacity (LOS D) (a)	Existing (Actual Counts)			Distributed New Trips				MPAH Ultimate				
					PM Peak Hour Trips	V/C	LOS	PM Peak Hour Segment	Total PM Trips	Existing V/C	LOS	Ultimate V/C	LOS	Available Capacity LOS D	Capacity Required LOS D	% Impact LOS D
Avenida De La Carlota																
Paseo de Valencia to Mall Driveway	4	3,150	4	3,150	2,139	0.679	B	402	2,541	0.807/D	0.841/D	1,011	402	39.8%		
El Toro Road																
Paseo De Valencia - I-5	6	4,725	7	5,513	4,688	0.982	E	667	5,355	1.13/F	0.971/E	825	1,262	100%		
Paseo De Valencia																
El Toro - Health Center	5	3,938	6	4,725	2,933	0.745	C	316	3,249	0.825/D	0.688/B	1,792	316	17.6%		
Health Center - Los Aliso	5	3,938	6	4,725	4,143	1.05/F	F	159	4,302	1.09/F	0.910/E	582	637	100%		

Reference: Laguna Hills Urban Village Specific Plan Traffic and Parking Study, Dated March 7, 2002, by Linscott Law, & Greenspan
(a) Table A-3 LL&G Report - Conversion from LOS E to LOS D

TABLE III - B

**ROADWAY SEGMENT LEVELS OF SERVICE
PM PEAK HOUR CONDITIONS/IMPACT**
El Toro Development Intensity

ROADWAY SEGMENT	Existing Lanes	Existing Capacity (LOS D) (a)	MPAH Future Lanes	Future Capacity (LOS D) (e)	Existing (Actual Counts)			Distributed New Trips				MPAH Ultimate			
					PM Peak Hour Trips	V/C	LOS	PM Peak Hour Segment	Total PM Trips	Existing V/C LOS	Ultimate V/C LOS	Available Capacity LOS D	Capacity Required LOS D	% Impact LOS D	
Avenida De La Carlota															
Paseo de Valencia to Mall Driveway	4	3,150	4	3,150	2,139	0.679	B	278	2,417	0.767/C	0.767/C	1,011	278	27.5%	
El Toro Road															
Paseo De Valencia - I-5	6	4,725	7	5,513	4,688	0.992	E	741	5,429	1.15/F	0.985/E	825	1,344	100%	
Paseo De Valencia															
El Toro - Health Center	5	3,938	6	4,725	2,933	0.745	C	244	3,177	0.792/C	0.672/B	1,792	244	13.6%	
Health Center - Los Alisos	5	3,938	6	4,725	4,143	1.05/F	F	134	4,277	1.08/F	0.905/E	582	609	100%	

Reference: Laguna Hills Urban Village Specific Plan Traffic and Parking Study, Dated March 7, 2002, by Linscott Law, & Greenspan
(a) Table A-3 LL&G Report - Conversion from LOS E to LOS D

TABLE III - C
ROADWAY SEGMENT LEVELS OF SERVICE
PM PEAK HOUR CONDITIONS/IMPACT
 Paseo de Valencia Development Intensity

ROADWAY SEGMENT	Existing Lanes	Existing Capacity (LOS D) (a)	MPAH Future Lanes	Future Capacity (LOS D) (a)	Existing (Actual Counts)			Distributed New Trips					MPAH Ultimate		
					PM Peak Hour Trips	V/C	LOS	PM Peak Hour Segment	Total PM Trips	Existing V/C LOS	Ultimate V/C LOS	Available Capacity LOS D	Capacity Required LOS D	% Impact LOS D	
Avenida De La Carlota															
Paseo de Valencia to Mall Driveway	4	3,150	4	3,150	2,139	0.679	B	185	2,324	0.738/C	0.738/C	1,011	185	18.3%	
El Toro Road															
Paseo De Valencia - I-5	6	4,725	7	5,513	4,688	0.992	E	542	5,230	1.11/F	0.949/E	825	1,123	100%	
Paseo De Valencia															
El Toro - Health Center Health Center - Los Alisos	5 5	3,938 3,938	6 6	4,725 4,725	2,933 4,143	0.745 1.05/F	C F	574 257	3,507 4,400	0.891/D 1.12/F	0.742/C 0.931/E	1,792 582	574 746	32.0% 100%	

Reference: Laguna Hills Urban Village Specific Plan Traffic and Parking Study, Dated March 7, 2002, by Linscott Law, & Greenspan
 (a) Table A-3 LL&G Report - Conversion from LOS E to LOS D

TABLE III - D
ROADWAY SEGMENT LEVELS OF SERVICE
PM PEAK HOUR CONDITIONS/IMPACT
 Avenida de la Carlota Development Intensity

ROADWAY SEGMENT	Existing Lanes	Existing Capacity (LOS D) (a)	MPAH Future Lanes	Future Capacity (LOS D) (a)	Existing (Actual Counts)			Distributed New Trips				MPAH Ultimate			
					PM Peak Hour Trips	V/C	LOS	PM Peak Hour Segment	Total PM Trips	Existing V/C LOS	Ultimate V/C LOS	Available Capacity LOS D	Capacity Required LOS D	% Impact LOS D	
Avenida De La Carlota															
Paseo de Valencia to Mall Driveway	4	3,150	4	3,150	2,139	0.679	B	805	2,944	0.935/E	0.935/E	1,011	1,132	100%	
El Toro Road															
Paseo De Valencia - I-5	6	4,725	7	5,513	4,688	0.992	E	708	5,396	1.14/F	0.979/E	825	1,308	100%	
Paseo De Valencia															
El Toro - Health Center	5	3,938	6	4,725	2,933	0.745	C	126	3,059	0.777/C	0.647/B	1,792	126	7.0%	
Health Center - Los Alisos	5	3,938	6	4,725	4,143	1.05/F	F	82	4,225	1.07/F	0.894/D	582	82	14.1%	

Reference: Laguna Hills Urban Village Specific Plan Traffic and Parking Study, Dated March 7, 2002, by Linscott Law, & Greenspan
 (a) Table A-3 LL&G Report - Conversion from LOS E to LOS D

The four scenarios discussed in the previous section are carried through on **Tables III-A through Tables III-D, "Roadway Segment Levels-of-Service/PM Peak Hour Conditions/Impact"**. Those tables provide a synopsis of the data used to analyze and complete the LOS conditions on each street. The information incorporated on those tables for each street and each scenario is shown calculated on sheets in the Appendix entitled **"Benefit/Cost Calculation"**. LL&G Table A-3 provided the existing capacity information using LOS E as a basis. This information was converted from LOS E to LOS D to reflect the additional capacity needed under LOS D conditions. LOS D is the standard developed by the OCTA for acceptable traffic conditions around the County and is the standard used by the City of Laguna Hills. This standard is therefore used for the congestion mitigation requirement on the arterial network adjacent to the Village. Once the existing traffic plus the new traffic from the Urban Village trip budget proposals was distributed onto the arterials, it was necessary to determine the amount of additional capacity that is required due to this future traffic total. The ratio of the capacity used to the additional capacity available is the percentage impact of the additional traffic volume as a result of the Urban Village development. This impact is shown for each roadway segment on **Tables IIIA through III-D** for each development scenario. When the impact shown on the table is less than 100% then the additional trips distributed to the street is greater than LOS D but less than LOS E. When the impact shown on the table is greater than 100% then the additional trips distributed to the street is greater than the LOS E. This value determines the amount of benefit the development realizes from the street improvement and accordingly translates into a cost for that improvement.

TRANSPORTATION SYSTEM IMPROVEMENTS

The improvements proposed for the key arterials: El Toro Road, Paseo de Valencia, and Avenida de la Carlota; are to bring the streets into conformance with the Master Plan of Arterial Highways, the City's General Plan, and to relieve congestion at key locations on the transportation system. **Exhibit A** shows the proposed capital projects that will bring the transportation system into conformance. The total cost of those improvements is \$7,520,000. The cost breakdown for each arterial is as follows:

El Toro Road	\$2,115,000
Paseo de Valencia	\$3,195,000
Avenida de la Carlota	<u>\$2,210,000</u>
TOTAL	\$7,520,000

URBAN VILLAGE TRAFFIC IMPACT FEE

Methodology to Determine Fair Share Calculation

This section discusses the methodology used to justify the Urban Village Traffic Impact Fee (UVTIF). The UVTIF is generally based upon the proportional contribution of new traffic trips generated from new development within the Urban Village on the adjacent arterial system at LOS D conditions. The benefit assigned to the new development within the Urban Village is based upon the four development intensity scenarios previously discussed. The Fee Study recognizes that the Urban Village is not solely responsible for funding the

entire cost of the arterial improvements identified in Exhibit A. As shown in Exhibit B, the Urban Village is responsible for a portion of the total costs of future improvements to El Toro Road, Paseo de Valencia, and Avenida de la Carlota and according to the development intensity.

Exhibit B "Benefit/Cost Calculations" shows the precise methodology and calculations that were performed to determine this benefit/cost for each of the key arterial streets impacted by the Urban Village traffic. The data and information used for this calculation and analysis is based upon LL&G Table A-3 and updated on Tables III-A through III-D.

Fair Share Calculation

The traffic impact mitigation fee is calculated by dividing the cost of the arterial improvements that benefit the development by the total of the new PM peak hour trips assigned to the development. Tables IV-A through IV-D include the cost of the improvement benefiting the development scenario and the traffic mitigation fee for each scenario. The cost benefiting the Urban Village will be the average of the total of the cost benefiting the development scenarios. This total benefit is as follows:

Proportional Development	\$4,512,500
El Toro Road Development	\$4,159,450
Paseo de Valencia Development	\$4,330,000
Avenida de la Carlota Development	<u>\$4,630,900</u>
TOTAL	\$17,632,850

$$\text{Average Benefit } \$17,632,850/4 = \$4,408,212.50$$

The total benefit cost of the improvements to the three arterials is equal to the same amount as the average benefit shown above. That breakdown is shown on Table V. The addition of the administrative costs of approximately \$30,000 gives a total benefit cost of \$4,438,212.50. Therefore the total benefit/cost as shown in Table V "Laguna Hills Urban Village Traffic Impact/Mitigation Fee" of \$4,438,212.50 divided by the 1,134 total new PM trips shown on Table II will equal the Impact Fee, or \$3,913.77 per PM Trip.

The Traffic Impact/Mitigation Fee is \$3,914 per each new PM peak hour trip.

TABLE IV - A
LAGUNA HILLS URBAN VILLAGE
BENEFITS/COSTS/FEE SUMMARY
 Proportional Trip Budget

STREET	EL TORO	PASEO DE VALENCIA	AVENIDA DE LA CARLOTA
TOTAL CONSTRUCTION	\$2,115,000	\$3,195,000	\$2,210,000
LHUV TRIP BUDGET (Total Budget = 1,134 Trips)	266	395	473
SEGMENT	Paseo de Valencia to I-5 Freeway	El Toro to Health Center	Health Center to Los Alisos Boulevard
CONSTRUCTION	\$2,115,000	\$2,035,000	\$1,160,000
% IMPACT @ LOS D	100%	17.6%	100%
BENEFIT COST	\$2,115,000.00	\$358,000	\$1,160,000
TOTAL SEGMENT BENEFIT	\$2,115,000	\$1,518,000	\$879,500
TOTAL LHUV BENEFIT		\$4,512,500	
TRAFFIC IMPACT FEE		\$3,979.28	

TABLE IV - B
LAGUNA HILLS URBAN VILLAGE
BENEFITS/COSTS/FEE SUMMARY
El Toro Road Development Intensity

STREET	EL TORO	PASEO DE VALENCIA	AVENIDA DE LA CARLOTA
TOTAL CONSTRUCTION	\$2,115,000	\$3,195,000	\$2,210,000
LHUV TRIP BUDGET (Total Budget = 1,134 Trips)	533	274	327
SEGMENT	Paseo de Valencia to I-5 Freeway	El Toro to Health Center	Health Center to Los Alisos Boulevard
CONSTRUCTION	\$2,115,000	\$2,035,000	\$1,180,000
% IMPACT @ LOS D	100%	13.6%	100%
BENEFIT COST	\$2,115,000.00	\$276,750	\$1,180,000
TOTAL SEGMENT BENEFIT	\$2,115,000	\$1,436,750	\$607,700
TOTAL LHUV BENEFIT		\$4,159,450	
TRAFFIC IMPACT FEE		\$3,667.95	

TABLE IV - C
LAGUNA HILLS URBAN VILLAGE
BENEFITS/COSTS/FEE SUMMARY
Paseo de Valencia Development Intensity

STREET	EL TORO	PASEO DE VALENCIA	AVENIDA DE LA CARLOTA
TOTAL CONSTRUCTION	\$2,115,000	\$3,195,000	\$2,210,000
LHUV TRIP BUDGET (Total Budget = 1,134 Trips)	123	793	218
SEGMENT	Paseo de Valencia to I-5 Freeway	El Toro to Health Center	Health Center to Los Alisos Boulevard
CONSTRUCTION	\$2,115,000	\$2,035,000	\$1,160,000
% IMPACT @ LOS D	100%	32.0%	100%
BENEFIT COST	\$2,115,000.00	\$651,000	\$1,160,000
TOTAL SEGMENT BENEFIT	\$2,115,000	\$1,811,000	\$404,400
TOTAL LHUV BENEFIT		\$4,330,000	
TRAFFIC IMPACT FEE		\$3,818.34	

TABLE IV - D
LAGUNA HILLS URBAN VILLAGE
BENEFITS/COSTS/FEE SUMMARY
Avenida de la Carlota Development Intensity

STREET	EL TORO	PASEO DE VALENCIA	AVENIDA DE LA CARLOTA
TOTAL CONSTRUCTION	\$2,115,000	\$3,195,000	\$2,210,000
LHUV TRIP BUDGET (Total Budget = 1,134 Trips)	75	112	947
SEGMENT	Paseo de Valencia to I-5 Freeway	El Toro to Health Center	Health Center to Los Alisos Boulevard
CONSTRUCTION	\$2,115,000	\$2,035,000	\$1,160,000
% IMPACT @ LOS D	100%	7.0%	14.1%
BENEFIT COST	\$2,115,000.00	\$142,400	\$163,500
TOTAL SEGMENT BENEFIT	\$2,115,000	\$305,900	\$2,210,000
TOTAL LHUV BENEFIT		\$4,630,900	
TRAFFIC IMPACT FEE		\$4,083.69	

TABLE V**LAGUNA HILLS URBAN VILLAGE
Traffic Mitigation Fee****Total Benefit: From Tables IV-A through IV-D (Average)**

El Toro Road -	\$2,115,000.00
Paseo De Valencia -	\$1,267,912.50
Ave De La Carlota -	<u>\$1,025,400.00</u>
Average Total Benefit	\$4,408,312.50

Administrative Costs	<u>\$30,000.00</u>
(Engineering, Legal, etc.)	

Total Benefit -	\$4,438,212.50
-----------------	----------------

Total New Trips: 1,134Trips**Impact Fee: \$3,914 per new trip**

APPENDIX

EXHIBIT A – CAPITAL PROJECTS

EXHIBIT B – BENEFIT/COST CALCULATIONS

EXHIBIT A Laguna Hills Urban Village

Capital Projects

Street Improvements

El Toro Road – 270 feet West of Regional Center Drive to I-5 Freeway
Construct right-turn lane at Regional Center Drive and widen roadway by 12 feet

Engineering -	\$ 100,000
Right-of-Way Acquisition -	\$ 735,000
Construction cost -	<u>\$ 700,000</u>
Total	\$1,535,000

El Toro Road - Paseo de Valencia Intersection
Widen El Toro Road

Engineering -	\$ 50,000
Construction cost -	<u>\$ 250,000</u>
Total	\$ 300,000

Paseo de Valencia – El Toro Road Intersection
Widen Paseo de Valencia

Engineering -	\$ 50,000
Right-of-Way Acquisition	\$ 245,000
Construction cost	<u>\$ 250,000</u>
Total	\$ 545,000

Avenida de la Carlota – El Toro road to 200' north of Paseo de Valencia

Engineering -	\$ 150,000
Right-of-Way Acquisition -	\$1,000,000
Construction Cost -	<u>\$1,000,000</u>
Total	\$2,150,000

Paseo de Valencia – Los Alisos Boulevard to El Toro Road

Engineering	\$ 260,000
Right-of-Way & Construction	<u>\$2,390,000</u>
Total	\$2,650,000

Developed from Laguna Hills Drive to El Toro Road Alternate C
Alignment Study by Berryman & Henigar

2/23/05

Attachment: Mitigation Fee Program & Study (2481 : Measure M (M2) Compliance Reporting)

SUMMARY STREET IMPROVEMENTS

El Toro Road	\$1,835,000
Ave de la Carlota	\$2,150,000
Paseo de Valencia	\$3,195,000

Total Street Improvements \$7,180,000

Traffic Signal Upgrades

Due to required widening and increased Urban Village traffic

Paseo de Valencia/Avenida de la Carlota	\$30,000	
Regional Center Drive/El Toro Road	\$250,000	Upgrade signal
Los Alisos/ Avenida de la Carlota	\$30,000	
El Toro Road/ Avenida de la Carlota	\$30,000	
Laguna Hills Mall/ Avenida de la Carlota	\$30,000	

Total Traffic Signal Upgrades \$370,000

Total Street Improvements and Traffic Signal Upgrades \$7,550,000

CALL 7,550,000

2/23/05

EXHIBIT B
BENEFIT/COST CALCULATIONS

El Toro Road
(Paseo de Valencia to I-5 Freeway)

Paseo de Valencia
(El Toro Road to Health Center)

Paseo de Valencia
(Health Center to Los Alisos Boulevard)

Avenida de la Carlota
(Paseo de Valencia to Mall Entrance)

FOR

Proportional Development

El Toro Road Development

Paseo de Valencia Development

Avenida de la Carlota Development

**BENEFIT/COST CALCULATION
AVENIDA DE LA CARLOTA
(Paseo de Valencia to Mall Entrance)
Proportional Budget**

Avenida de la Carlota Construction - Street Improvements \$2,150,000
Signal Improvements \$ 60,000

TOTAL \$2,210,000

PM Peak Hour Count	2,139	V/C(E) = 2,139/3,500 = 0.611 > LOS B
New Distributed Trips	<u>402</u>	
Total Trips	2,541	V/C(E) = 2,541/3,500 = 0.726 > LOS C

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) > 0.90 = $V/3,500 > V = 3,150$
LOS D (Future Capacity) > 0.90 = $V/3,500 > V = 3,150$ (Future MPAH Lanes)

Total Trips:	2,139	LOS Existing	$2,139/3,150 = 0.679 > \text{LOS B}$
	2,541	LOS Existing + New Trips	$2,541/3,150 = 0.807 > \text{LOS D}$
	2,541	LOS with improvements	$2,541/3,150 = 0.807 > \text{LOS D}$

Traffic capacity @ LOS D is available. How much capacity is used for new PM Trips?

Capacity available @ LOS D for ultimate improvements; $3,150 - 2,139 = 1,011$ Trips
Capacity Required for LOS D for ultimate improvements; $2,541 - 2,139 = 402$ Trips

% Impact = $402 \text{ Trips} / 1,011 \text{ Trips} = 0.398 > 39.8\%$

% IMPACT @ LOS D > 39.8%

New PM Trips generated to Avenida de la Carlota = 473 Trips

\$ / Trip > $\$2,210,000 / 473 \text{ New Trips} = \$4,672.30 / \text{Trip}$

Effective Fee @ LOS D = $\$4,672.30 \times .398 \text{ Impact} = \$1,859.58 / \text{Trip}$

Cost of Benefit = $\$1,859.58 \times 473 \text{ Trips} = \$879,581.34$

CALL \$879,500

AVENIDA DE LA CARLOTA BENEFIT = \$879,500 (PROPORTIONAL)

**BENEFIT/COST CALCULATION
EL TORO ROAD
(Paseo de Valencia to I-5 Freeway)
Proportional Trip Budget**

El Toro Road Construction - Street Improvements \$1,835,000
Signal Improvements \$ 280,000
TOTAL \$2,115,000 (Exhibit A)

PM Peak Hour Count	4,688 (Table III)	$V/C(E) = 4,688/5,250 = 0.893 > \text{LOS D}$
New Distributed Trips	<u>667</u> (Table III)	
Total Trips	5,355 (Table III)	$V/C(E) = 5,355/5,250 = 1.02 > \text{LOS F}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/5,250 > V = 4,725$
LOS D (Future Capacity) $> 0.90 = V/6,125 > V = 5,513$ (Future MPAH Lanes)

Total Trips:	4,688	LOS Existing	$4,688/4,725 = 0.992 > \text{LOS E}$
	5,355	LOS Existing + New Trips	$5,355/4,725 = 1.133 > \text{LOS F}$
	4,688	LOS Existg + Improvements	$4,688/5,513 = 0.850 > \text{LOS D}$
	5,355	LOS with improvements	$5,355/5,513 = 0.971 > \text{LOS E}$

Additional Capacity @ LOS D w/ ultimate improvements $5,355/0.90 = 5,950$ Trips
Capacity available @ LOS D for ultimate improvements; $5,513 - 4,688 = 825$ Trips
Capacity required @ LOS D for ultimate improvements $5,950 - 4,688 = 1,262$ Trips

$\% \text{ Impact} = 1,262 \text{ Trips} / 825 \text{ Trips} > 100\%$

$\% \text{ IMPACT @ LOS D} > 100\%$

New PM Trips Generated to El Toro Road – 266 Trips

$\$/\text{Trip} > \$2,115,000 / 266 \text{ New Trips} = \$7,951.13 \text{ per Trip}$

Effective Fee at LOS D $> \$7,951.13 \times 1.00 = \$7,951.13 / \text{Trip}$

Cost of Benefit = $\$7,951.13 \times 266 \text{ Trips} = \$2,115,000$

EL TORO ROAD TOTAL BENEFIT = \$2,115,000 (PROPORTIONAL)
(Paseo de Valencia to I-5 Freeway)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(El Toro Road to Health Center)
Proportional Trip Budget**

Paseo de Valencia Construction -	Street Improvements	\$1,490,000
	West/o El Toro	<u>\$ 545,000</u>
TOTAL		\$2,035,000

PM Peak Hour Count	2,933
New Distributed Trips	<u>316</u>
Total Trips	3,249

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/4,375 > V = 3,938$
 LOS D (Future Capacity) $> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	2,933	LOS Existing	$2,933/3,938 = 0.745 > \text{LOS C}$
	3,249	LOS Existing + New Trips	$3,249/3,938 = 0.825 > \text{LOS D}$
	3,249	LOS with improvements	$3,249/4,725 = 0.688 > \text{LOS B}$

Traffic capacity is available @ LOS D. How much capacity is used for new PM trips?

Capacity available @ LOS D for ultimate improvements = $4,725 - 2,933 = 1,792$ Trips
 Capacity required for LOS D for ultimate improvements = $3,249 - 2,933 = 316$ Trips

% IMPACT @ LOS D $> 316 / 1,792 = 0.176$ or 17.6%

New PM Trips Generated to Paseo de Valencia – 395 Trips

\$ / Trip $> \$2,035,000 / 395 \text{ New Trips} = \$5,151.90$ per Trip

Effective Fee @ LOS D = $\$5,151.90 \times 0.176 = \906.73 / Trip

Cost of Benefit = $\$906.73 \times 395 \text{ Trips} = \$358,158.35 > \text{CALL } \$358,000$

PASEO DE VALENCIA PARTIAL BENEFIT = \$358,000 (PROPORTIONAL)
(El Toro Road to Health Center Drive)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(Health Center to Los Alisos Boulevard)
Proportional Trip Budget**

Paseo de Valencia Construction - Street Improvements \$1,160,000

TOTAL \$1,160,000

PM Peak Hour Count	4,143	$V/C(E) = 4,143/4,375 = 0.947 > \text{LOS E}$
New Distributed Trips	<u>159</u>	
Total Trips	4,302	$V/C(E) = 4,302/4,375 = 0.983 > \text{LOS E}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/4,375 > V = 3,938$
 LOS D (Future Capacity) $> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	4,143	LOS Existing	$4,143/3,938 = 1.052 > \text{LOS F}$
	4,381	LOS Existing + New Trips	$4,302/3,938 = 1.092 > \text{LOS F}$
	4,143	LOS Existg + Improvements	$4,143/4,725 = 0.877 > \text{LOS D}$
	4,381	LOS with improvements	$4,302/4,725 = 0.910 > \text{LOS E}$

Additional capacity for LOS D w/ ultimate improvements; $4,302/0.9 = 4,780$ Trips
 Capacity available @ LOS D for ultimate improvements; $4,725 - 4,143 = 582$ Trips
 Capacity required for LOS D for ultimate improvements; $4,780 - 4,143 = 637$ Trips

$\% \text{ Impact} = 637 \text{ Trips} / 582 \text{ Trips} > 100\%$

$\% \text{ IMPACT @ LOS D} > 100 \%$

New PM Trips Generated to Paseo de Valencia – 395 Trips

$\$/\text{Trip} > \$1,160,000 / 395 \text{ New Trips} = \$2,936.71 \text{ per Trip}$

Effective Fee at LOS D $> \$2,936.71 \times 1.00 = \$2,936.71 / \text{Trip}$

Cost of Benefit = $\$2,936.71 \times 395 \text{ Trips} = \$1,160,000 > \text{CALL } \$1,160,000$

PASEO DE VALENCIA PARTIAL BENEFIT = \$1,160,000
(Health Center Drive to Los Alisos Boulevard)

PASEO DE VALENCIA TOTAL BENEFIT = \$1,518,000 (PROPORTIONAL)
(El Toro Road to Los Alisos Boulevard)

**BENEFIT/COST CALCULATION
AVENIDA DE LA CARLOTA
(Paseo de Valencia to Mall Entrance)
El Toro Development Intensity**

Avenida de la Carlota Construction - Street Improvements \$2,150,000
Signal Improvements \$ 60,000

TOTAL \$2,210,000

PM Peak Hour Count	2,139	V/C(E) = 2,139/3,500 = 0.611 > LOS B
New Distributed Trips	<u>278</u>	
Total Trips	2,417	V/C(E) = 2,417/3,500 = 0.691 > LOS B

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) > 0.90 = $V/3,500 > V = 3,150$
LOS D (Future Capacity) > 0.90 = $V/3,500 > V = 3,150$ (Future MPAH Lanes)

Total Trips:	2,139	LOS Existing	$2,139/3,150 = 0.679 > LOS B$
	2,417	LOS Existing + New Trips	$2,417/3,150 = 0.767 > LOS C$
	2,417	LOS with improvements	$2,417/3,150 = 0.767 > LOS C$

Traffic capacity is available @ LOS D. How much capacity is used for new PM Trips?

Capacity available @ LOS D for ultimate improvements; $3,150 - 2,139 = 1,011$ Trips
Capacity Required for LOS D for ultimate improvements; $2,417 - 2,139 = 278$ Trips

% Impact = $278 \text{ Trips} / 1,011 \text{ Trips} = 0.275 > 27.5\%$

% IMPACT @ LOS D > 27.5%

New PM Trips generated to Avenida de la Carlota = 327 Trips

\$ / Trip > $\$2,210,000 / 327 = \$6,758.10$ per Trip

Effective Fee @ LOS D = $\$6,758.10 \times 0.275 \text{ Impact} = \$1,858.48 / \text{Trip}$

Cost of Benefit = $\$1,858.48 \times 327 \text{ Trips} = \$607,722.96$

CALL \$607,700

AVENIDA DE LA CARLOTA BENEFIT= \$607,700 (EL TORO DEVELOPMENT)

**BENEFIT/COST CALCULATION
EL TORO ROAD
(Paseo de Valencia to I-5 Freeway)
El Toro Development Intensity**

El Toro Road Construction - Street Improvements \$1,835,000
Signal Improvements \$ 280,000
TOTAL \$2,115,000 (Exhibit A)

PM Peak Hour Count	4,688 (Table III)	$V/C(E)=4,688/5,250=0.893 > \text{LOS D}$
New Distributed Trips	741 (Table III)	
Total Trips	5,429 (Table III)	$V/C(E)=5,429/5,250 = 1.034 > \text{LOS F}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/5,250 > V = 4,725$
LOS D (Future Capacity) $> 0.90 = V/6,125 > V = 5,513$ (Future MPAH Lanes)

Total Trips:	4,688	LOS Existing	$4,688/4,725 = 0.992 > \text{LOS E}$
	5,429	LOS Existing + New Trips	$5,429/4,725 = 1.15 > \text{LOS F}$
	4,688	LOS Existg + Improvements	$4,688/5,513 = 0.850 > \text{LOS D}$
	5,429	LOS with improvements	$5,429/5,513 = 0.985 > \text{LOS E}$

Additional Capacity @ LOS D w/ ultimate improvements $5,429/0.90 = 6,032$ Trips
Capacity available @ LOS D for ultimate improvements; $5,513 - 4,688 = 825$ Trips
Capacity required @ LOS D for ultimate improvements $6,032 - 4,688 = 1,344$ Trips

$\% \text{ Impact} = 1,344 \text{ Trips} / 825 \text{ Trips} > 100\%$

$\% \text{ IMPACT @ LOS D} > 100\%$

New PM Trips Generated to El Toro Road – 533 Trips

$\$/ \text{ Trip} > \$2,115,000 / 533 \text{ New Trips} = \$3,968.11 \text{ per Trip}$

Effective Fee at LOS D $> \$3,968.11 \times 1.00 = \$3,968.11 / \text{Trip}$

Cost of Benefit $= \$3,968.11 \times 533 \text{ Trips} = \$2,115,000$

EL TORO ROAD TOTAL BENEFIT = \$2,115,000 (EL TORO DEVELOPMENT)
(Paseo de Valencia to I-5 Freeway)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(El Toro Road to Health Center)
El Toro Development Intensity**

Paseo de Valencia Construction -	Street Improvements	\$1,490,000
	West/o El Toro	<u>\$ 545,000</u>
TOTAL		\$2,035,000

PM Peak Hour Count	2,933	$V/C(E) = 2,933/4,375 = 0.670 > \text{LOS B}$
New Distributed Trips	<u>244</u>	
Total Trips	3,177	$V/C(E) + 3,177/4,375 = 0.726 > \text{LOS C}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity)	$> 0.90 = V/4,375 > V = 3,938$
LOS D (Future Capacity)	$> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	2,933	LOS Existing	$2,933/3,938 = 0.745 > \text{LOS C}$
	3,177	LOS Existing + New Trips	$3,177/3,938 = 0.792 > \text{LOS C}$
	3,177	LOS with improvements	$3,177/4,725 = 0.672 > \text{LOS B}$

Traffic capacity is available @ LOS D. How much capacity is used for new PM Trips?

Capacity available @ LOS D for ultimate improvements = $4,725 - 2,933 = 1,792$ Trips
Capacity required for LOS D for ultimate improvements = $3,177 - 2,933 = 244$ Trips

% IMPACT @ LOS D $> 244 \text{ Trips} / 1,792 \text{ Trips} = 0.136$ or 13.6%

New PM Trips Generated to Paseo de Valencia – 274 Trips

\$ / Trip $> \$2,035,000 / 274 = \$7,427.01$ per Trip

Effective Fee @ LOS D = $\$7,427.01 \times 0.136 = \$1,010.07$ / Trip

Cost of Benefit = $\$1,010.07 \times 274 \text{ Trips} = \$276,759.18 > \text{CALL } \$276,750$

PASEO DE VALENCIA BENEFIT = \$276,750 (EL TORO DEVELOPMENT)
(El Toro Road to Health Center Drive)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(Health Center to Los Alisos Boulevard)
El Toro Trip Budget**

Paseo de Valencia Construction -	Street Improvements	\$1,160,000
TOTAL		\$1,160,000

PM Peak Hour Count	4,143	$V/C(E) = 4,143/4,375 = 0.947 > \text{LOS E}$
New Distributed Trips	<u>134</u>	
Total Trips	4,277	$V/C(E) = 4,277/4,375 = 0.978 > \text{LOS E}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/4,375 > V = 3,938$
 LOS D (Future Capacity) $> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	4,143	LOS Existing	$4,143/3,938 = 1.052 > \text{LOS F}$
	4,277	LOS Existing + New Trips	$4,277/3,938 = 1.086 > \text{LOS F}$
	4,143	LOS Existg + Improvements	$4,143/4,725 = 0.877 > \text{LOS D}$
	4,277	LOS with improvements	$4,277/4,725 = 0.905 > \text{LOS E}$

Additional capacity for LOS D w/ ultimate improvements $4,277/0.9 = 4,752$ Trips
 Capacity available @ LOS D for ultimate improvements; $4,725 - 4,143 = 582$ Trips
 Capacity required for LOS D for ultimate improvements; $4,752 - 4,143 = 609$ Trips

$\% \text{ Impact} = 609 \text{ Trips} / 582 \text{ Trips} > 100\%$
% IMPACT @ LOS D > 100 %

New PM Trips Generated to Paseo de Valencia – 274 Trips

$\$/\text{Trip} > \$1,160,000 / 274 \text{ New Trips} = \$4,233.58 \text{ per Trip}$

Effective Fee at LOS D $> \$4,233.58 \times 1.00 = \$4,233.58 / \text{Trip}$

Cost of Benefit = $\$4,233.58 \times 274 \text{ Trips} = \$1,160,000 > \text{CALL } \$1,160,000$

PASEO DE VALENCIA PARTIAL BENEFIT = \$1,160,000 (EL TORO DEVELOPMENT)

(Health Center Drive to Los Alisos Boulevard)

PASEO DE VALENCIA TOTAL BENEFIT = \$1,436,750 (EL TORO DEVELOPMENT)

(El Toro Road to Los Alisos Boulevard)

**BENEFIT/COST CALCULATION
AVENIDA DE LA CARLOTA
(Paseo de Valencia to Mall Entrance)
Paseo de Valencia Development Intensity**

Avenida de la Carlota Construction - Street Improvements	\$2,150,000
Signal Improvements	<u>\$ 60,000</u>
TOTAL	\$2,210,000

PM Peak Hour Count	2,139	$V/C(E) = 2,139/3,500 = 0.611 > \text{LOS B}$
New Distributed Trips	<u>185</u>	
Total Trips	2,324	$V/C(E) = 2,324/3,500 = 0.664 > \text{LOS B}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/3,500 > V = 3,150$
 LOS D (Future Capacity) $> 0.90 = V/3,500 > V = 3,150$ (Future MPAH Lanes)

Total Trips:	2,139	LOS Existing	$2,139/3,150 = 0.679 > \text{LOS B}$
	2,324	LOS Existing + New Trips	$2,324/3,150 = 0.738 > \text{LOS C}$
	2,324	LOS with improvements	$2,324/3,150 = 0.738 > \text{LOS C}$

Traffic capacity is available @ LOS D. How much capacity is used for new PM Trips?

Capacity available @ LOS D for ultimate improvements; $3,150 - 2,139 = 1,011$ Trips
 Capacity required for LOS D for ultimate improvements; $2,324 - 2,139 = 185$ Trips

% IMPACT @ LOS D $> 185 \text{ Trips} / 1,011 \text{ Trips} = 0.183$ or 18.3%

New PM Trips generated to Avenida de la Carlota = 218 Trips

\$ / Trip $> \$2,210,000 / 218 = \$10,137.61$ per Trip

Effective Fee @ LOS D $= \$10,137.61 \times 0.183 \text{ Impact} = \$1,855.18 / \text{Trip}$

Cost of Benefit $= \$1,855.18 \times 218 \text{ Trips} = \$404,429.24$

CALL \$404,400.00

AVENIDA DE LA CARLOTA BENEFIT = \$404,400 (PDV DEVELOPMENT)

**BENEFIT/COST CALCULATION
EL TORO ROAD
(Paseo de Valencia to I-5 Freeway)
Paseo de Valencia Development Intensity**

El Toro Road Construction - Street Improvements \$1,835,000
Signal Improvements \$ 280,000
TOTAL \$2,115,000 (Exhibit A)

PM Peak Hour Count	4,688 (Table III)	$V/C(E) = 4,688/5,250 = 0.893 > \text{LOS D}$
New Distributed Trips	542 (Table III)	
Total Trips	5,230 (Table III)	$V/C(E) = 5,230/5,250 = 0.996 > \text{LOS F}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/5,250 > V = 4,725$
LOS D (Future Capacity) $> 0.90 = V/6,125 > V = 5,513$ (Future MPAH Lanes)

Total Trips:	4,688	LOS Existing	$4,688/4,725 = 0.992 > \text{LOS E}$
	5,230	LOS Existing + New Trips	$5,230/4,725 = 1.11 > \text{LOS F}$
	4,688	LOS Existg + Improvements	$4,688/5,513 = 0.850 > \text{LOS D}$
	5,230	LOS with improvements	$5,230/5,513 = 0.949 > \text{LOS E}$

Additional Capacity @ LOS D w/ ultimate improvements $5,230/0.90 = 5,811$ Trips
Capacity available @ LOS D for ultimate improvements; $5,513 - 4,688 = 825$ Trips
Capacity required @ LOS D for ultimate improvements $5,811 - 4,688 = 1,123$ Trips

$\% \text{ Impact} = 1,123 \text{ Trips} / 825 \text{ Trips} > 100\%$

$\% \text{ IMPACT @ LOS D} > 100\%$

New PM Trips Generated to El Toro Road – 123 Trips

$\$/\text{Trip} > \$2,115,000 / 123 \text{ New Trips} = \$17,195.12 \text{ per Trip}$

Effective Fee at LOS D $> \$17,195.12 \times 1.00 = \$17,195.12 / \text{Trip}$

Cost of Benefit = $\$17,195.12 \times 266 \text{ Trips} = \$2,115,000$

EL TORO ROAD TOTAL BENEFIT = \$2,115,000 (PDV DEVELOPMENT)
(Paseo de Valencia to I-5 Freeway)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(El Toro Road to Health Center)
Paseo de Valencia Development Intensity**

Paseo de Valencia Construction -	Street Improvements	\$1,490,000
	West/o El Toro	<u>\$ 545,000</u>
TOTAL		\$2,035,000

PM Peak Hour Count	2,933	$V/C(E) = 2,933/4,375 = 0.67 > \text{LOS B}$
New Distributed Trips	<u>574</u>	
Total Trips	3,507	$V/C(E) = 3,488/4,375 = 0.797 > \text{LOS C}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity)	$> 0.90 = V/4,375 > V = 3,938$
LOS D (Future Capacity)	$> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	2,933	LOS Existing	$2,933/3,938 = 0.745 > \text{LOS C}$
	3,507	LOS Existing + New Trips	$3,507/3,938 = 0.891 > \text{LOS D}$
	3,507	LOS with improvements	$3,507/4,725 = 0.742 > \text{LOS C}$

Traffic capacity is available @ LOS D. How much capacity is used for new PM Trips?

Capacity available @ LOS D for ultimate improvements = $4,725 - 2,933 = 1,792$ Trips
Capacity required for LOS D for ultimate improvements = $3,507 - 2,933 = 574$ Trips

% IMPACT @ LOS D $> 574 \text{ Trips} / 1,792 \text{ Trips} = 0.320$ or 32.0 %

New PM Trips Generated to Paseo de Valencia – 793 Trips

\$ / Trip $> \$2,035,000 / 793 \text{ Trips} = \$2,566.20$ per trip

Effective Fee @ LOS D = $\$2,566.20 \times 0.32 = \821.18 / trip

Cost of Benefit = $\$821.18 \times 793 \text{ Trips} = \$651,195.74 > \text{CALL } \$651,000$

PASEO DE VALENCIA PARTIAL BENEFIT = \$651,000 (PDV DEVELOPMENT)
(El Toro Road to Health Center Drive)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(Health Center to Los Alisos Boulevard)
Paseo de Valencia Development Intensity**

Paseo de Valencia Construction - Street Improvements \$1,160,000

TOTAL \$1,160,000

PM Peak Hour Count	4,143	$V/C(E) = 4,143/4,375 = 0.947 > \text{LOS E}$
New Distributed Trips	<u>257</u>	
Total Trips	4,400	$V/C(E) = 4,400/4,375 = 1.010 > \text{LOS F}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/4,375 > V = 3,938$
 LOS D (Future Capacity) $> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	4,143	LOS Existing	$4,143/3,938 = 1.052 > \text{LOS F}$
	4,400	LOS Existing + New Trips	$4,400/3,998 = 1.117 > \text{LOS F}$
	4,143	LOS Existg + Improvements	$4,143/4,725 = 0.877 > \text{LOS D}$
	4,400	LOS with Improvements	$4,400/4,725 = 0.931 > \text{LOS E}$

Additional capacity for LOS D w/ ultimate improvements $4,400 / 0.9 = 4,889$ Trips
 Capacity available @ LOS D for ultimate improvements; $4,725 - 4,143 = 582$ Trips
 Capacity required for LOS D for ultimate improvements; $4,889 - 4,143 = 746$ Trips

$\% \text{ Impact} = 746 \text{ Trips} / 582 \text{ Trips} > 100\%$

$\% \text{ IMPACT @ LOS D} > 100\%$

New PM Trips Generated to Paseo de Valencia – 793 Trips

$\$ / \text{ Trip} > \$1,160,000 / 793 \text{ New Trips} = \$1,462.80 \text{ per Trip}$

Effective Fee at LOS D $> \$1,462.80 \times 1.00 = \$1,462.80 / \text{ Trip}$

Cost of Benefit = $\$1,462.80 \times 793 \text{ Trips} = \$1,160,000$

PASEO DE VALENCIA PARTIAL BENEFIT = \$1,160,000
 (Health Center Drive to Los Alisos Boulevard)

PASEO DE VALENCIA TOTAL BENEFIT = \$1,811,000 (PDV DEVELOPMENT)
 (El Toro Road to Los Alisos Boulevard)

**BENEFIT/COST CALCULATION
AVENIDA DE LA CARLOTA
(Paseo de Valencia to Mall Entrance)
Avenida de la Carlota Development Intensity**

Avenida de la Carlota Construction - Street Improvements \$2,150,000
Signal Improvements \$ 60,000

TOTAL \$2,210,000

PM Peak Hour Count	2,139	$V/C(E) = 2,139/3,500 = 0.611 > \text{LOS B}$
New Distributed Trips	<u>805</u>	
Total Trips	2,944	$V/C(E) = 2,944/3,500 = 0.841 > \text{LOS D}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/3,500 > V = 3,150$
LOS D (Future Capacity) $> 0.90 = V/3,500 > V = 3,150$ (Future MPAH Lanes)

Total Trips:	2,139	LOS Existing	$2,139/3,150 = 0.679 > \text{LOS B}$
	2,944	LOS Existing + New Trips	$2,944/3,150 = 0.935 > \text{LOS E}$
	2,944	LOS with improvements	$2,944/3,150 = 0.935 > \text{LOS E}$

Additional capacity @ LOS D w/ ultimate improvements $2,944/0.9 = 3,271$ Trips
Capacity available @ LOS D for ultimate improvements; $3,150 - 2,139 = 1,011$
Capacity Required for LOS D for ultimate improvements; $3,271 - 2,139 = 1,132$

$\% \text{ Impact} = 1,132 \text{ Trips} / 1,011 \text{ Trips} > 100\%$

% IMPACT @ LOS D > 100%

New PM Trips generated to Avenida de la Carlota = 947 Trips

$\$/\text{Trip} > \$2,210,000 / 947 = \$2,333.69 \text{ per Trip}$

Effective Fee @ LOS D = $\$2,333.69 \times 1.00 \text{ Impact} = \$2,333.69 / \text{Trip}$

Cost of Benefit = $\$2,333.69 \times 947 \text{ Trips} = \$2,210,000$

CALL \$2,210,000

AVENIDA DE LA CARLOTA BENEFIT = \$2,210,000 (ADLC DEVELOPMENT)

**BENEFIT/COST CALCULATION
EL TORO ROAD
(Paseo de Valencia to I-5 Freeway)
Avenida de la Carlota Development Intensity**

El Toro Road Construction - Street Improvements \$1,835,000
Signal Improvements \$ 280,000
TOTAL \$2,115,000 (Exhibit A)

PM Peak Hour Count	4,688 (Table III)	$V/C(E) = 4,688/5,250 = 0.893 > \text{LOS D}$
New Distributed Trips	708 (Table III)	
Total Trips	5,396 (Table III)	$V/C(E) = 5,396/5,250 = 1.028 > \text{LOS F}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) $> 0.90 = V/5,250 > V = 4,725$
LOS D (Future Capacity) $> 0.90 = V/6,125 > V = 5,513$ (Future MPAH Lanes)

Total Trips:	4,688	LOS Existing	$4,688/4,725 = 0.992 > \text{LOS E}$
	5,396	LOS Existing + New Trips	$5,396/4,725 = 1.14 > \text{LOS F}$
	4,688	LOS Existg + Improvements	$4,688/5,513 = 0.850 > \text{LOS D}$
	5,396	LOS with improvements	$5,396/5,513 = 0.979 > \text{LOS E}$

Additional Capacity @ LOS D w/ ultimate improvements $5,396/0.90 = 5,996$ Trips
Capacity available @ LOS D for ultimate improvements; $5,513 - 4,688 = 825$ Trips
Capacity required @ LOS D for ultimate improvements $5,996 - 4,688 = 1,308$ Trips

% Impact = $1,308 \text{ Trips} / 825 \text{ Trips} > 100\%$

% IMPACT @ LOS D $> 100\%$

New PM Trips Generated to El Toro Road – 75 Trips

\$ / Trip $> \$2,115,000 / 75 \text{ New Trips} = \$28,200$ per Trip

Effective Fee at LOS D $> \$28,200 \times 1.00 = \$28,200$ / Trip

Cost of Benefit = $\$28,200 \times 75 \text{ Trips} = \$2,115,000$

EL TORO ROAD TOTAL BENEFIT = \$2,115,000 (ADLC DEVELOPMENT)
(Paseo de Valencia to I-5 Freeway)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(El Toro Road to Health Center)
Avenida de la Carlota Development Intensity**

Paseo de Valencia Construction -	Street Improvements	\$1,490,000
	West/o El Toro	\$ <u>545,000</u>
TOTAL		\$2,035,000

PM Peak Hour Count	2,933	$V/C(E) = 2,933/4,375 = 0.670 > \text{LOS B}$
New Distributed Trips	<u>126</u>	
Total Trips	3,059	$V/C(E) = 3,059/4,375 = 0.699 > \text{LOS B}$

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity)	$> 0.90 = V/4,375 > V = 3,938$
LOS D (Future Capacity)	$> 0.90 = V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	2,933	LOS Existing	$2,933/3,938 = 0.745 > \text{LOS C}$
	3,059	LOS Existing + New Trips	$3,059/3,938 = 0.777 > \text{LOS C}$
	3,059	LOS with improvements	$3,059/4,725 = 0.647 > \text{LOS B}$

Traffic capacity is available. How much capacity is used for new PM trips?

Capacity available @ LOS D for ultimate improvements = $4,725 - 2,933 = 1,792$ Trips
Capacity required for LOS D for ultimate improvements = $3,059 - 2,933 = 126$ Trips

% IMPACT @ LOS D $> 126 / 1,792 = 0.070$ or 7.0%

New PM Trips Generated to Paseo de Valencia - 112 Trips

\$ / Trip $> \$2,035,000 / 112 = \$18,169.64$ per Trip

Effective Fee @ LOS D = $\$18,169.64 \times 0.07 = \$1,271.87$ / Trip

Cost of Benefit = $\$1,271.87 \times 112 \text{ Trips} = \$142,449.44 > \text{CALL } \$142,400$

PASEO DE VALENCIA PARTIAL BENEFIT = \$142,400 (ADLC DEVELOPMENT)
(El Toro Road to Health Center Drive)

**BENEFIT/COST CALCULATION
PASEO DE VALENCIA
(Health Center to Los Alisos Boulevard)
Avenida de la Carlota Development Intensity**

Paseo de Valencia Construction -	Street Improvements	\$1,160,000
TOTAL		\$1,160,000

PM Peak Hour Count	4,143	V/C(E) = 4,143/4,375 = 0.947 > LOS E
New Distributed Trips	82	
Total Trips	4,225	V/C(E) = 4,225/4,375 = 0.966 > LOS E

Consider Percentage Impact at LOS D for necessary improvements:

LOS D (Existing Capacity) > 0.90 = $V/4,375 > V = 3,938$
 LOS D (Future Capacity) > 0.90 = $V/5,250 > V = 4,725$ (Future MPAH Lanes)

Total Trips:	4,143	LOS Existing	4,143/3,938 = 1.052 > LOS F
	4,225	LOS Existing + New Trips	4,225/3,938 = 1.073 > LOS F
	4,143	LOS Existg + Improvements	4,143/4,725 = 0.877 > LOS D
	4,225	LOS with improvements	4,225/4,725 = 0.894 > LOS D

Traffic capacity is available @ LOS D. How much capacity is used for new PM trips?

Capacity available @ LOS D for ultimate improvements; $4,725 - 4,143 = 582$ Trips
 Capacity required for LOS D for ultimate improvements; $4,225 - 4,143 = 82$ Trips

% Impact = $82 \text{ Trips} / 582 \text{ Trips} = 0.141 > 14.1\%$

% IMPACT @ LOS D > 14.1 %

New PM Trips Generated to Paseo de Valencia – 112 Trips

\$ / Trip > $\$1,160,000 / 112 \text{ New Trips} = \$10,357.14$ per Trip

Effective Fee at LOS D > $\$10,357.14 \times 0.141 = \$1,460.36$ / Trip

Cost of Benefit = $\$1,460.36 \times 112 \text{ Trips} = \$163,560.32 > \text{CALL } \$163,500$

PASEO DE VALENCIA PARTIAL BENEFIT = \$163,500
 (Health Center Drive to Los Alisos Boulevard)

PASEO DE VALENCIA TOTAL BENEFIT = \$305,900 (ALDC DEVELOPMENT)
 (El Toro Road to Los Alisos Boulevard)



June 22, 2021

Mr. Joesph Alcock
 Section Manager, Measure M Local Programs
 Orange County Transportation Authority
 550 South Main Street
 P.O. Box 14184
 Orange, CA 92863-1584

SUBJECT: CITY OF LAGUNA HILLS MEASURE M (M2) ELIGIBILITY FY 2021/2022

Dear Mr. Alcock:

In order to remain eligible for the renewed Measure M (M2), Cities have to provide OCTA with its strategies to accommodate transit and non-motorized transportation. Some of the policies and goals of the City, as listed in the Land Use and Mobility Element of the City's General Plan, that accommodate transit and non-motorized transportation are listed below:

- Provide an efficient street network within the community.
- Utilize traffic calming and other techniques to improve safety for motorists, pedestrians, and cyclists;
- Increase cycling and walking in the community through expanded networks and amenities;
- Enhance the character and identity of Laguna Hills;
- Encourage alternatives to driving by promoting transit use and other innovative mobility strategies; and
- Provide appropriate parking and use creative parking solutions to manage parking.

The relevant sections of the Land Use and Mobility Element of the City's General Plan have been attached to this letter.

You may contact me with any questions at (949) 707-2657.

Sincerely,

Amber M. Shah, P.E.
 Associate Civil Engineer

Attachments: City of Laguna Hills' General Plan relevant sections

Use Element. Table LU-3 summarizes the land use distribution, and the resultant residential and nonresidential levels of development that can be expected from full implementation of land use policies established by this General Plan. Given the largely built-out character of Laguna Hills and the good condition of most buildings, significant redevelopment activities may not occur over the life of this General Plan. However, within opportunity areas described in this Element, future land use changes are anticipated.

Goals and Policies

The goals and policies section sets both broad and specific direction for the future of the City based on identified issues, as captured in the Guiding Themes and expressed by the community, City staff, and decision makers.

Five major issue areas are addressed in the goals and policies of the Land Use Element. These major issues are:

- Creating more active centers within the community through better physical and social connections;
- Protecting and enhancing established neighborhoods;
- Providing sustainable development opportunities in specific areas;
- Beautifying and enhancing the character of the community; and
- Promoting responsible economic development.

ACTIVITY CENTERS AND COMMUNITY CONNECTIONS

The residents of the City value the existing character of Laguna Hills and seek to enhance the City's attributes by encouraging pedestrian-friendly design that promotes physical connections between places and neighborhoods, and social connections between residents. Laguna Hills values well-landscaped, secure, clean, and human-scaled neighborhoods and business districts that accommodate walking. It is important to provide linkages that connect neighborhoods to schools, community centers, parks, and commercial services. Areas identified for mixed use development are defined by pedestrian-oriented streetscapes, and frequented as local gathering places (i.e., cafes, restaurants, plazas). These areas support surrounding neighborhoods and contribute to a more compact and consistent pattern of development.

Goal LU-1: Create diverse and vibrant activity centers and events that bring people together as a community.

Policy LU-1.1: Encourage new mixed use developments in the Urban Village, and other strategic locations, that complement and enhance Laguna Hills' existing community character.

Policy LU-1.2: Encourage the compatible integration of residential and service retail uses in proximity to job centers.

Policy LU-1.3: Promote intensified and revitalized land uses in the Urban Village within traffic, parking, and transit capabilities.

Policy LU-1.4: Promote walkability throughout the community through enhanced pedestrian amenities, attractive streetscapes, plazas, and civic gathering areas.

Policy LU-1.5: Bring commercial buildings close to the street, in appropriate areas, to create a livelier pedestrian realm that encourages window shopping and increased interaction.

Policy LU-1.6: Increase opportunities for pedestrian and bicycle connections to activity centers by well-designed and shaded pathways.

Policy LU-1.7: Promote and advertise community events in creative ways that ensure all segments of the community are encouraged to participate.

Policy LU-1.8: Support events and activities that cross area and neighborhood boundaries to bring together all segments of the community.

RESPECT FOR EXISTING NEIGHBORHOODS

Laguna Hills values the character of its existing neighborhoods, as they contribute to the extraordinary quality of life in the City. The goals and policies in this section identify how the City will continue to pursue proactive land use planning while protecting, maintaining, and enhancing existing neighborhoods. These policies ensure that new development complements and reinforces the unique characteristics of existing neighborhoods through sensitive infill and transitions in scale from adjacent centers and corridors.

Goal LU-2: Ensure development is compatible and interdependent with neighboring uses.

Policy LU-2.1: Preserve the distinctive character of residential neighborhoods by applying adopted design standards to new renovation projects.

Policy LU-2.2: Improve connections with surrounding uses by enhancing landscaping, providing pedestrian connections, incorporating green areas, and planting street trees.

Policy LU-2.3: Pursue code enforcement actions to ensure proper maintenance of homes, buildings, yards, and neighborhoods in all areas of the City.

Policy LU-2.4: Protect existing neighborhoods from the encroachment of incompatible activities and land uses.

Policy LU-2.5: Require the use of buffers and transitional areas, such as increased setbacks and extensive landscaping, between new activities and existing land uses.

Policy LU-2.6: Discourage high traffic-generating uses such as drive-throughs adjacent to sensitive uses such as schools, medical and assisted care facilities, and residential neighborhoods.

Policy LU-2.7: Expand the use of transitional and buffer areas to buffer sensitive uses from freeways, arterials, point sources of water pollution, hazardous materials, and noise.

Policy LU-2.8: Minimize impacts to surrounding neighborhoods and land uses through context-sensitive site design and architecture.

SUSTAINABLE AND CREATIVE INFILL DEVELOPMENT

Strategic growth and change in Laguna Hills will preserve existing viable neighborhoods while targeting new development to aging and underutilized commercial areas. The form of new development will be compact, mixed use and pedestrian oriented that will enhance the quality of life through improved connectivity with other parts of the City, greater access to amenities, enhanced safety, and greater housing and employment choices. New development will contain energy- and resource-efficient buildings and landscapes, access to effective public transit, and attractive pedestrian-friendly streets.

Goal LU-3: Encourage infill development that involves the revitalization of property in an economically and environmentally sustainable manner.

Policy LU-3.1: Encourage smart growth and sustainability principles as part of new development and redevelopment activities.

Policy LU-3.2: Encourage new development that uses land efficiently and offers flexibility to changing resident and shopping needs, contributing to the long-term vitality of the community.

Policy LU-3.3: Ensure safe, efficient pedestrian connections are made between adjacent neighborhoods, sidewalks, parking areas, and entrances to stores.

Policy LU-3.4: Incorporate open spaces, plazas, and outdoor dining areas into new development and redevelopment to provide visual relief and community gathering spaces.

Policy LU-3.5: Encourage public art and interactive landscape and design features to create interest and a sense of community.

Policy LU-3.6: Promote the design and placement of buildings to provide opportunities for solar and wind energy and passive cooling.

Policy LU-3.7: Support the upgrade of existing buildings and landscapes for energy efficiency, water conservation, and runoff reduction.

Policy LU-3.8: Encourage energy-efficient design features, including appropriate site orientation, use of light-colored or green roofing and building materials to reduce energy consumption related to heating and cooling.

Policy LU-3.9: Promote the use of green building and landscaping techniques consistent with Leadership in Energy and Environmental Design (LEED) and other relevant sustainability principles in both public and private development and redevelopment projects.

Policy LU-3.10: Create safe, inviting, and functional pedestrian and cyclist environments in new public and private development.

Policy LU-3.11: Provide incentives for development that enhance the environment, offer excellent urban design, and provide public amenities.

Policy LU-3.12: Incorporate Crime Prevention through Environmental Design (CPTED) measures and “visible spaces” into new developments as a means of promoting safe environments.

Policy LU-3.13: Use landscaping and urban design techniques to break up large parking areas and long monotonous walls in new development and redevelopment projects.

ENHANCING THE COMMUNITY'S IDENTITY

Bolstering the unique attributes of Laguna Hills is an important goal for the City. The unique character helps retain residents and workers and attracts visitors to the community. Policies in this section strive to enhance the beauty, image, connectivity and character of Laguna Hills and provide more distinction to the City.



Landscaping, trees, sidewalks, and bike lanes also help serve as traffic calming techniques. Numerous traffic calming measures are available to slow traffic and enhance safety. The selection of appropriate traffic calming techniques for a given area will require a comprehensive site specific study by the City and/or appropriate local, regional, or state agencies.

Traffic calming measures can result in varying degrees of liability exposure to the City. Therefore, such measures must incorporate engineering design features and practices that do not result in unacceptable exposure for the City.

WALKING AND CYCLING, AND BEAUTIFUL STREETS

Walking

Walkability, access, and connections are essential components of a mobility system that easily and specifically accommodates pedestrians. Walkability is fostered by wide sidewalks, safe street crossings, features that encourage cautious driving, a pleasant and safe environment, and destinations to walk to. Walkways, safe crossings, paths, trails, and pedestrian short-cuts allow people to get from one destination point to another with ease. These features are important for providing connections to schools, parks, shopping, jobs, and between neighborhoods. Children, in particular, should be able to walk safely to school. Increased numbers of people walking along streets create a safer environment and thereby encourage others to also walk. High levels of pedestrian activity support active and vibrant urban communities.

In Laguna Hills, walkable environments will be created and enhanced by providing a pedestrian network that connects activity areas. Pedestrian improvements such as timed crosswalks, pedestrian grade separations from traffic, and enhanced lighting in areas with homes, jobs, shops, and schools can promote walkability and can help increase walking as a means of transportation and recreation. This reduces automobile travel and contributes to the overall health, vitality, and sense of community. The City will also strive to beautify certain streets within the community to add aesthetic appeal to various areas and enhance the City's overall identity.

Bikeways

Bicycling for recreation and transportation is a practical option for many in Laguna Hills. Increasing cycling opportunities in the City is an important Citywide goal. To achieve this goal, the City will provide



a convenient network of bike paths and lanes that connect residences, jobs, shopping, services, transit, recreation, civic uses, and schools. Convenient and secure bicycle parking, showers at places of employment, and an educated driving public can make biking more attractive. The City has an existing system of bikeways that provide internal community links as well as bicycle access to many of the surrounding communities. Laguna Hills utilizes the standards developed by Caltrans to classify bikeways within the City. Table M-2 describes the bike standards as well as general locations within the City.

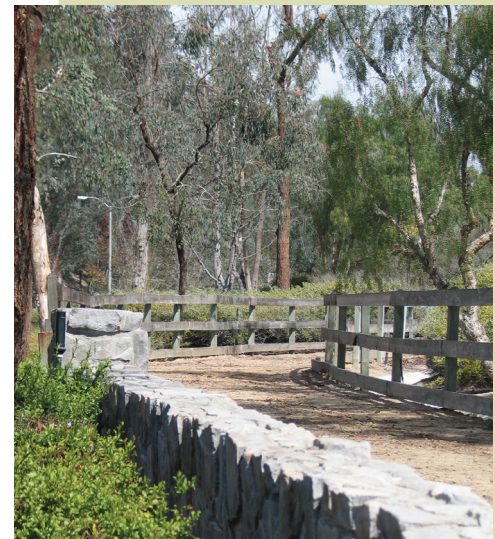
Table M-2
Bikeway Classification Description

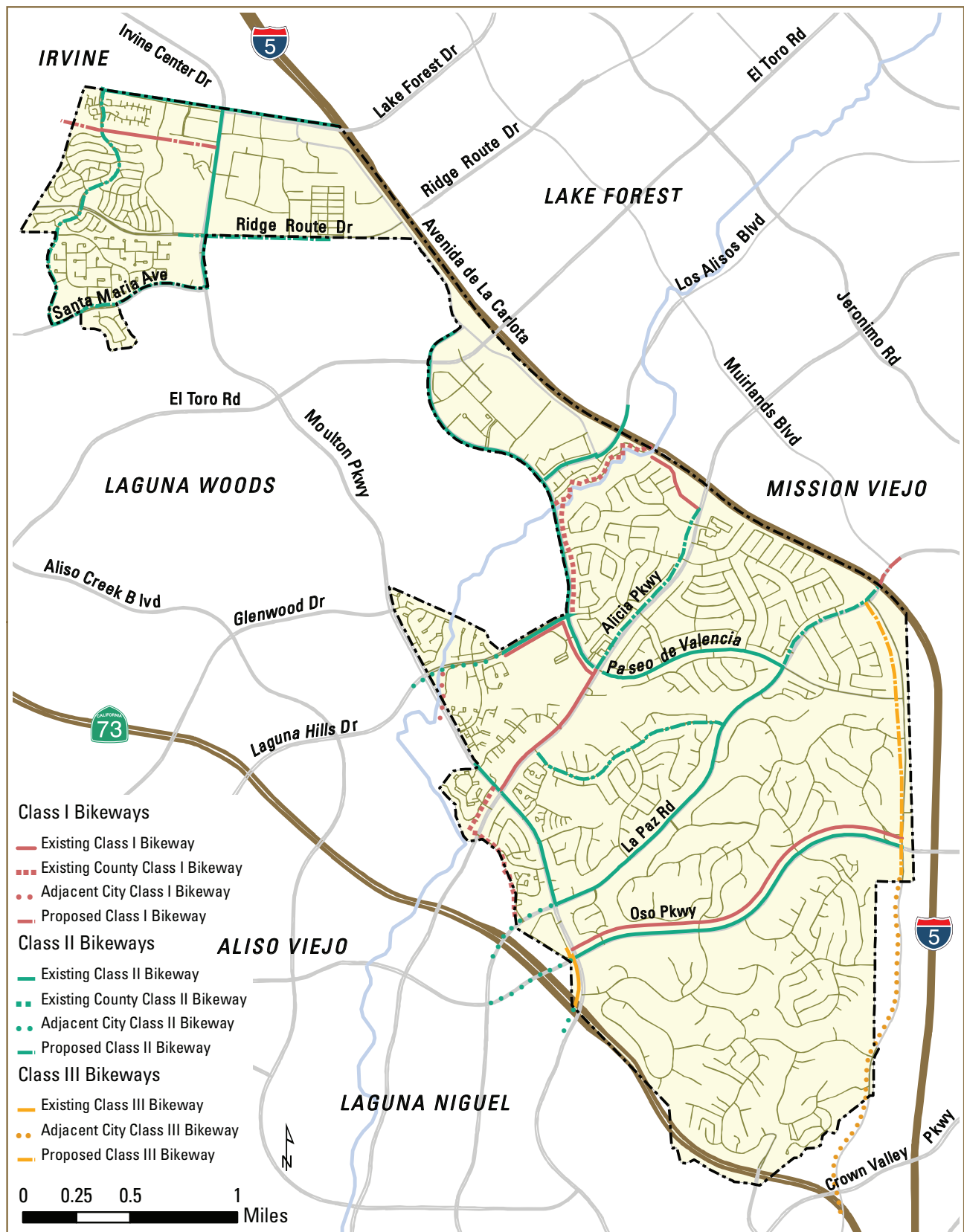
Type	Description	Location
Class 1 – Bike Path	Provides a completely separated right-of-way for the exclusive use of bicycles and pedestrians with cross flow minimized	Portions of Aliso Creek, the San Diego Freeway, Oso and Alicia parkways, Paseo de Valencia, and through Veeh Ranch Park.
Class 2 – Bike Lane	Provides a striped lane for one-way bike travel on a street or highway.	Portions of Moulton, Alicia, and Oso parkways, Paseo de Valencia, Ridge Route, Lake Forest and Laguna Hills Drives, Los Alisos Boulevard, and La Paz Road.
Class 3 – Bike Route	Provides for shared use with pedestrian or motor vehicle traffic.	Portions of Cabot Road, Moulton Parkway, and Avenida de La Carlota.

In addition to the bikeways listed in Table M-2 and illustrated in Figure M-3, several arterials in the City have sufficient right-of-way to accommodate additional bikeways and could fill in missing links in the City's bike network. The City will continue to explore opportunities to upgrade and expand the bike network. A comprehensive bike network will provide an alternative to driving and will connect neighborhoods to shopping, jobs, services, schools, other activity centers, as well as the regional transportation systems.

Recreational Trails

Laguna Hills contains a network of pedestrian and equestrian trails that traverse portions of the City and connect to trails outside of the City, including nearby wilderness areas. Trails enhance community mobility and provide opportunities for recreation and exercise. A well-defined, interconnected trail system can also reduce dependence on the automobile for short local trips. The Conservation and Open Space Element describes the trail system.





Source: City of Laguna Hills, 2001.

Figure M- 3
Bicycle Network

TRANSIT AND TRANSPORTATION DEMAND MANAGEMENT

An effective and efficient transit network is an important component of the Mobility Element. Connecting neighborhoods, shopping, services, and recreation areas to transit will reduce reliance on vehicles and achieve environmental benefits. As opportunity areas redevelop and provide additional housing, appropriate and effective transit should be in place.

Public bus service in Laguna Hills is provided by the Orange County Transportation Authority (OCTA). OCTA transit routes provide access to residences, jobs, recreation areas, civic uses, shopping, and services throughout Laguna Hills, and connect to numerous other destinations in Orange County. Some of the routes also connect to Metrolink and Amtrak rail services just south of the City in Laguna Niguel and north of the City in Irvine, at the Irvine Transportation Center. OCTA routinely updates its long-range service plans to respond to necessary changes to service levels and route configurations. Currently, 10 fixed routes provide bus service to portions of Laguna Hills. Table M-3 and Figure M-4 detail OCTA bus routes that provide service to Laguna Hills as of 2008. All routes, except bus route 70, serve the Laguna Hills Transportation Center, which is located near the Laguna Hills Mall. A park and ride facility is also located at the Laguna Hills Transportation Center and in the Laguna Hills Mall parking lot.

Table M-3 OCTA Bus Routes Serving Laguna Hills, 2008	
Route	Origin and Destination
70	Sunset Beach – Dana Point
83	Anaheim – Laguna Hills
87	Rancho Santa Margarita – Laguna Niguel
89	Mission Viejo – Laguna Beach
91	Laguna Hills – San Clemente
177	Foothill ranch – Laguna Hills
187	Laguna Hills – Dana Point
188	Laguna Hills – Irvine
212	Irvine – San Juan Capistrano Express
216	San Juan Capistrano – Costa Mesa Express

Source: Orange County Transportation Authority, 2008.

Expanding transit and paratransit options, including promoting increased use of transit among City residents and employees is an important City objective. The City will coordinate with OCTA to expand and improve bus service within the City, especially as opportunity areas redevelop and additional housing, shopping, and services are added. Where appropriate as justified by ridership, the City will also encourage the provision of attractive, well designed, and appropriate transit amenities such as shaded bus stop or shelters. No advertisements shall be allowed on bus stops/shelters/benches within the City.

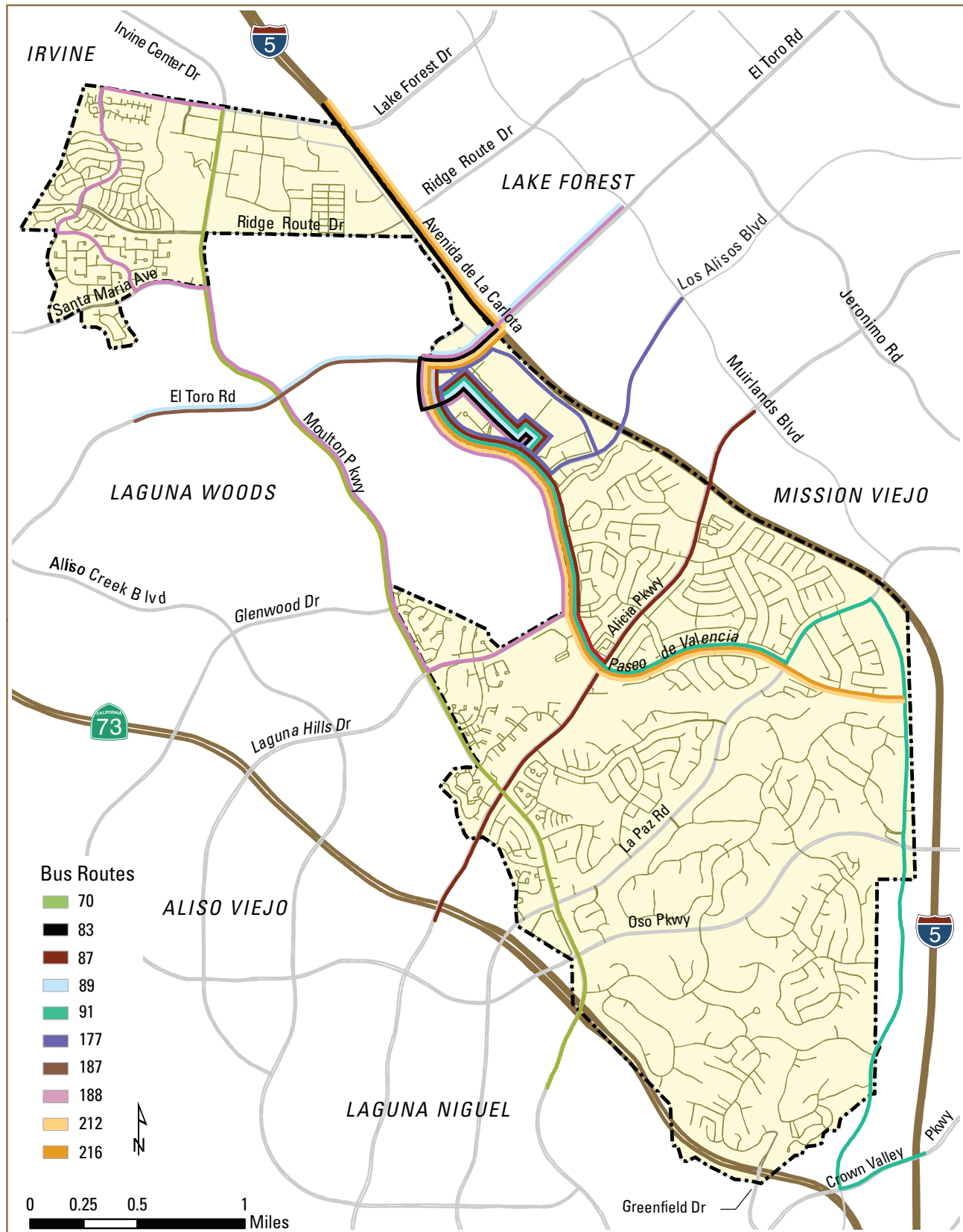


Figure M - 4
Orange County Transportation Authority
Bus Routes, 2008



Paratransit

The Americans with Disabilities Act (ADA) requires all public transit operations to provide paratransit (door-to-door) service to persons whose disabilities prevent them from using accessible fixed-route public transit. Paratransit services are transportation services such as carpooling, vanpooling, taxi service, and dial-a-ride programs. In Laguna Hills, OCTA provides shared-ride paratransit services via the ACCESS program for people who are unable to use the regular, fixed-route bus service because of functional limitations caused by a disability.

Rail Service

Rail service is an important mobility option for residents of Laguna Hills to reach destinations outside of the City. Although the City of Laguna Hills is not directly served by rail, the Laguna Niguel/Mission Viejo rail station is located approximately ½ mile south of Laguna Hills, within the City of Laguna Niguel. The Irvine station is located approximately 3 miles north of the City on Barranca Parkway. Both Metrolink and Amtrak trains serve these stations. Metrolink provides daily service to these stations, including weekends, via the Orange County Line, and the Inland Empire - Orange County Line.

The OCTA Board of Directors approved the Metrolink Service Expansion Program (MSEP) in 2005 with the goal of improving the frequency of rail service between the Fullerton and Laguna Niguel/Mission Viejo stations. Service could be expanded to provide trains every 30 minutes between these stations. Included in the program are station enhancements at the two stations nearest Laguna Hills: Irvine and Laguna Niguel/Mission Viejo. Improvements to the Irvine Station, including a 1,500-space parking structure, have been completed. Future improvements have been identified for the Laguna Niguel/ Mission Viejo station.

PARKING

Parking availability is important for the overall quality of life in Laguna Hills and the vitality of shopping and service areas. A lack of parking frustrates residents, businesses, and visitors, while too much parking wastes valuable land and impedes the City's economic, aesthetic, and environmental objectives. Greater management of parking spaces in the City can help achieve mobility, environmental, and community development goals. As portions of the City redevelop, additional parking may be necessary to accommodate greater intensity of development. It is important that parking demand generated by future development does not negatively impact adjacent uses and neighborhoods. The City will utilize a broad range of parking management tools and strategies to avoid excessive parking requirements and to prevent parking spillover effects.

Goals and Policies

The goals and policies section sets both broad and specific direction for the future of the City based on identified issues, as captured in the Guiding Themes and expressed by the community, City staff, and decision makers.

Six major issue areas are addressed in the goals and policies of the Mobility Element. These major issues are:

- Providing an efficient street network within the community;
- Utilizing traffic calming and other techniques to improve safety for motorists, pedestrians and cyclists;
- Increasing cycling and walking in the community through expanded networks and amenities;
- Enhancing the character and identity of Laguna Hills;
- Encouraging alternatives to driving by promoting transit use and other innovative mobility strategies; and
- Providing appropriate parking and using creative parking solutions to manage parking.

EFFICIENT LOCAL AND REGIONAL SYSTEM

Safe and convenient access to jobs, housing, and other activities in the community can be provided by a well-designed local street system that connects to a well-developed regional circulation system. Planning for the needs of Laguna Hills necessarily involves coordinating the related transportation needs and planning efforts of surrounding cities, Orange County, regional agencies, and the State and federal government.

Goal M-1: Provide a safe and efficient local transportation system consistent with the general County standards and the regional system.

Policy M-1.1: Consider and address regional traffic generation and impacts from development in surrounding communities when planning improvements to the local circulation system.

Policy M-1.2: Coordinate intersection signalization to encourage improved traffic flow on arterial streets.

Policy M-1.3: Require new development and redevelopment to minimize traffic impacts and to incorporate mitigation or payment of “fair share” of improvements.

Policy M-1.4: Work with neighboring cities to address impacts of new development that cross jurisdictional boundaries.

TRAFFIC CALMING AND SAFETY

Policies in this section seek to enhance vehicular, pedestrian, and bike safety in Laguna Hills by providing better traffic management, traffic calming techniques, and enforcement of traffic laws. In particular, traffic calming techniques in appropriate locations can reduce vehicle speeds, discourage shortcutting traffic, and improve the pedestrian environment.

Goal M-2: Implement improvements that foster improved traffic safety on the circulation system for all drivers, pedestrians, and cyclists.

Policy M-2.1: Enhance traffic safety in the community using traffic engineering evaluations and site specific traffic calming measures determined appropriate for the selected location and street.

Policy M-2.2: Increase enforcement of traffic laws in high accident rate areas.

Policy M-2.3: Reduce congestion in areas surrounding schools, parks, and other activity centers by applying effective traffic management solutions.

Policy M-2.4: Protect residential neighborhoods from cut-through traffic and other traffic-related issues by continuing to implement appropriate traffic engineering measures.

WALKING AND CYCLING

Walking and bicycling, for both recreation and commuting, play increasingly significant roles as alternatives to the automobile. A safe, accessible pedestrian and biking network will connect key activity centers within the community to promote walking and biking in Laguna Hills. A variety of techniques, such as street trees, bike racks, enhanced crosswalks, street furniture, and way finding signs, will contribute to an increased walking- and bike-friendly community.

Goal M-3: Create a community where walking and cycling are practical, safe, and fun options for travel.

Policy M-3.1: Continue to extend and maintain pedestrian paths, bikeways, and equestrian trails that connect to local and regional activity centers.

Policy M-3.2: Increase walkability by making sidewalk improvements, increasing shade trees, providing street furniture (such as benches and water fountains), and improving access ramps.

Policy M-3.3: Enhance lighting and crosswalks for safety, if needed, at the busiest locations and activity centers in Laguna Hills.

Policy M-3.4: Fill in gaps in the bikeway system and enhance the current system with more shade from trees, improved signage, and striping.

Policy M-3.5: Discourage frequent driveway curb cuts along Mobility Element roadways and encourage reciprocal access between properties to minimize the number of conflict points between autos, pedestrians, and cyclists.

Policy M-3.6: Make improvements that support safe routes to schools, parks, and neighborhood activity centers.

Policy M-3.7: Encourage the provision of bicycle facilities in activity centers, places of employment, and public transit systems.

BEAUTIFUL STREETS

Beautifying the streets of Laguna Hills, through landscaping and other features, will contribute to a greater sense of place and bolster the City's identity. Enhanced streetscapes are also more pleasant for pedestrians and contribute to the overall walkability of the community.

Goal M-4: Enhance the City's streetscapes and beautify the overall driving experience in Laguna Hills.

Policy M-4.1: Enhance major entryways, arterials, and the median islands adjacent to activity centers through the use of gateway features, signs, wayfinding markers, lighting, and landscaping.

Policy M-4.2: Create streetscapes that are interesting, attractive, and improve water quality.

Policy M-4.3: Preserve designated scenic vistas and views of natural and man-made landmarks as viewed from the City's arterials.

TRANSIT AND TRANSPORTATION DEMAND MANAGEMENT

An efficient and successful transit system in Laguna Hills will contribute to reduced traffic congestion, reduce the need for costly roadway improvement projects, and improve air quality. Transit also provides mobility options to those residents who cannot drive or choose not to drive, such as youth and seniors.

Transportation demand management strategies will help to address a

variety of traffic problems and provide secondary economic, social, and environmental benefits. Transportation demand management strategies are some of the most cost-effective ways to improve mobility in the community.

Goal M-5: Promote a variety of alternative modes of travel and creative solutions to reduce single occupancy vehicle travel.

Policy M-5.1: Promote express bus routes and paratransit service to regional activity centers, such as college campuses, Metrolink, and John Wayne Airport.

Policy M-5.2: Encourage ridesharing and transit use through public education programs.

Policy M-5.3: Work with private developers to implement creative transportation demand management solutions, such as ride-sharing, carpooling, and flexible work schedules.

Policy M-5.4: Educate residents of all ages about local mobility choices.

Policy M-5.5: Work with local schools to improve and advertise nonautomotive options for youths and teens to get to school and after-school activities.

Policy M-5.6: Evaluate the transportation needs of seniors, including paratransit service for seniors and disabled persons.

Policy M-5.7: Where appropriate based on ridership, provide non-advertising transit shelters and benches that are appropriately located, well designed, comfortable, and attractive.

PARKING

Vehicular parking is a necessary component of any land use. New development and redevelopment projects will provide sufficient parking to meet the generated demand. At the same time, the City will employ innovative parking management solutions to avoid excessive parking requirements that detract from the economic, environmental, and aesthetic objectives of projects. Reduced parking requirements may be provided in areas that are highly walkable and well served by transit.

Goal M-6: Ensure adequate parking is provided for all uses in the community without unnecessarily impeding new development and redevelopment.

Policy M-6.1: Reduce the amount of land devoted to parking, if feasible, by integrating multiple use and creative parking solutions that still provide adequate parking for all uses.

Policy M-6.2: Provide options for convenient and accessible parking that foster economic growth and protect the quality of life of the residential neighborhoods.

Policy M-6.3: Develop flexible and creative solutions for parking in the Urban Village that respect its proximity to transit and park and ride, and its mix of uses.

Policy M-6.4: Encourage parking in shared surface lots or parking structures to make the most efficient use of land.

Policy M-6.5: Identify solutions to neighborhood- and activity-specific parking issues through implementation of a broad range of parking management tools and strategies.

Summary of Approach

The goals, policies, and programs in the Mobility Element will help the City to improve streets for safer automobile travel and for pedestrians, bikes, and transit users. The Mobility Element encourages safer travel and the use of alternative transportation options with particular emphasis on improvements to community connectivity through enhanced pedestrian and bicycle routes and greater transit use. Table M-6 identifies the six major issue areas guiding the Mobility Element. These major issues represent the direction the City will take in its mobility goals, policies, and programs to implement the vision of Laguna Hills as captured in the Guiding Themes and expressed in the Mobility Plan.

Table M-4
Description of Actions to Address Mobility Issues

Issues	Element	Section	Policy	Programs	Figure	Table
Efficient Local and Regional System	Mobility	Efficient Local and Regional System	M-1.1 through M-1.4	M-1 through M-4, M-8	Figure M-1 (Street Network)	Table M-1 (Level of Service Description)
Traffic Calming and Safety	Mobility	Traffic Calming and Safety	M-2.1 through M-2.4	M-6, M-10	Figure M-2 (Traffic Calming Techniques)	
Walking and Cycling	Mobility	Walking and Cycling	M-3.1 through M-3.7	M-4 through M-7	Figure M-3 (Bicycle Network)	Table M-2 (Bikeway Classification Description)
	Conservation and Open Space	Parks and Play	COS-1.17, 2.1, 2.3, 2.8	COS-6	COS-3 (Trails Plan)	COS-5 (Existing Pedestrian/ Equestrian Trails and Multi-use Corridors within Laguna Hills)
Beautiful Streets	Mobility	Beautiful Streets	M-4.1 through M-4.3	M-11, M-12		
Transit and Transportation Demand Management	Mobility	Transit and Transportation Demand Management	M-5.1 through M-5.7	M-4, M-8	Figure M-4 (OCTA Bus Routes, 2008)	Table M-3 (OCTA Bus Routes Serving Laguna Hills)
Parking	Mobility	Parking	M-6.1 through M-6.5			



APPENDIX D

Eligibility Checklist

Jurisdiction: City of Laguna Hills

Capital Improvement Program (CIP)		YES	NO
1.	Did you submit your draft or adopted Measure M2 (M2) seven-year CIP to OCTA by June 30?	☒	☐
	a. Did you utilize the required OCTA CIP database?	☒	☐
	b. Have you included projects required to demonstrate compliance with signal synchronization, pavement maintenance, the Congestion Management Program, and environmental clean-up commitments?	☒	☐
	c. Are there any non-transportation related projects included in your M2 CIP?	☐	☒
	d. Did you include all projects that are partially, fully, or potentially funded by M2 Net Revenues?	☒	☐
	e. The City Council/Board of Supervisors approval date* to adopt the final 7-Year CIP is: 6/22/2021 *Must be prior to July 31		
Maintenance of Effort (MOE)		YES	NO
2.	Did you submit the MOE certification form (Appendix I) to OCTA by June 30?	☒	☐
	a. Did you provide supporting budget documentation?	☒	☐
	b. Has the MOE Reporting form been signed by the Finance Director or appropriate designee?	☒	☐
Pavement Management Plan (PMP)		YES	NO
3.	Are you required to submit a PMP update to OCTA for this eligibility cycle? Refer to Exhibit 3 for PMP submittal schedule.	☐	☒
	a. If yes, did you use the current PMP Submittal Template (Appendix F)?	☐	☐
	b. If yes, is the adopted PMP consistent with the OCTA Countywide Pavement Management Plan?	☐	☐
4.	If you answered "No" to question 3, did you submit a PMP Update to OCTA through the previous eligibility cycle by June 30?	☒	☐
Resolution of Master Plan of Arterial Highways (MPAH) Consistency		YES	NO
5.	Did you submit a resolution indicating conformance with the MPAH?	☒	☐
	a. Have you enclosed an exhibit showing roadway designations that represent your most current circulation element?	☒	☐
6.	If the requirement is not due as part of the current cycle, has there been an update to the circulation element since the last report period? If yes, include a copy of the latest circulation element.	N/A	N/A
Local Signal Synchronization Plan (LSSP)		YES	NO
7.	Did you submit an update to the LSSP as part of the current cycle?	N/A	N/A
	a. Is your LSSP consistent with the Regional Traffic Signal Synchronization Master Plan?	N/A	N/A

Attachment: OCTA Measure M2 Eligibility Checklist (2481 : Measure M (M2) Compliance Reporting)



APPENDIX D

Eligibility Checklist

Time Limits for Use of Net Revenues		YES	NO
8.	Has your jurisdiction complied with the three-year time limit for the use of Net Revenues over the last year per the requirements outlined in the Ordinance?	☒	☐
	a. If no, has a time extension been requested through the semi-annual review process for funds subject to expiration?	☐	☒
Supplanting of Developer Commitments		YES	NO
9.	Has your jurisdiction ensured they have not supplanted developer commitments for transportation projects and funding with M2 funds?	☒	☐
Mitigation Fee Program (MFP)		YES	NO
10.	Does your jurisdiction currently have a defined development impact MFP in place?	☒	☐
11.	Has your jurisdiction submitted a City Council/Board of Supervisors approved resolution (Appendix E)?	☒	☐
12.	Has your jurisdiction submitted one or more of the supporting documents outlined in chapter 2.7 of the Eligibility Guidelines?	☐	☒
Planning Strategies		YES	NO
13.	Does your jurisdiction consider as part of its General Plan, land use planning strategies that accommodate transit and non-motorized transportation?	☒	☐
14.	Have you provided a letter identifying land use planning strategies that accommodate transit and non-motorized transportation consideration in the General Plan?	☒	☐
Traffic Forums		YES	NO
15.	Did representatives of your jurisdiction participate in the regional traffic forum(s)?	☒	☐
	a. If you answered yes, provide date(s) of attendance: 9/30/2020, 4/22/2021, Select date		
Congestion Management Program (CMP)		YES	NO
16.	Has your jurisdiction completed the required CMP checklist? (Appendix C)	☒	☐

Kenneth H. Rosenfield

Name (Print)

Signature

6/22/2021

Date



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services
ISSUE: Resolution Adopting a List of Projects for Fiscal Year 2021-2022 Funded
By SB 1: the Road Repair and Accountability Act of 2017

RECOMMENDATION: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting a list of street maintenance projects for Fiscal Year 2021-2022 funded by SB1: The Road Repair and Accountability Act of 2017."

SUMMARY:

In April 2017, the Road Repair and Accountability Act was enacted into law establishing a new funding source intended to address deferred maintenance and infrastructure investment on the state highway system and the local street and road system. In order to utilize this funding, the California Transportation Commission (CTC) established guidelines requiring an annual submittal of project lists and other reporting requirements. The City's adopted Capital Improvement Program Budget does identify eligible projects for the expenditure of these street maintenance funds, the biennial Citywide Street Maintenance Project, CIP No. 101. In keeping with the City's approach to maximize the value of this funding, two fiscal years' worth of funding are combined for fiscal benefit and administrative efficiency. Hence, the funding for the next fiscal year will be combined with the current fiscal year's funding for one larger project in Fiscal Year 2021-2022. Adoption of the attached Resolution will meet the reporting requirements established by the CTC and maintain the City's eligibility to receive the Road Repair and Accountability Act funding.

Resolution Adopting SB1 List of Projects for Fiscal Year 2021-2022

June 22, 2021

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BACKGROUND:

The Road Repair and Accountability Act of 2017 (SB 1) was passed by the California Legislature on April 6, 2017, and signed into law by Governor Brown on April 28, 2017. The Act raises over \$5 billion per year for transportation infrastructure improvements and establishes the Road Maintenance and Rehabilitation Account (RMRA). The funding distribution formula is population based from the following taxes enacted by the Road Repair and Accountability Act of 2017: 12 cent per gallon gasoline excise tax, 20 cent per gallon diesel fuel excise tax, miscellaneous state transportation improvement fees, and transportation loan repayments. The funding began in November 2017 and the City has received annual funding which is being applied to each of the planned biennial Street Maintenance Projects, the currently proposed project is CIP No. 101-L.

In accordance with guidelines issued by the CTC for an agency to maintain eligibility to receive RMRA funding, the City must comply with all requirements, including submitting annual project reporting to the CTC. This reporting includes developing and submitting a list of projects to the CTC by July 1st, as well as reporting project expenditures to the CTC following the end of each fiscal year. Staff will submit the required documents to the CTC prior to the July 1st deadline. In addition, in order to receive RMRA funds, cities and counties must meet a "maintenance of effort" (MOE) requirement to ensure that these new road funds do not supplant existing levels of general revenue spending on streets and roads.

In keeping with the City's approach to maximize the value of this funding, two fiscal years' worth of funding will be combined for fiscal benefit and administrative efficiency. Hence, the funding for the next fiscal year will be reserved and combined with the current fiscal year's funding for one larger project in Fiscal Year 2021-2022. The next project will be known as CIP No. 101-L and will maintain and preserve selected residential streets in Zones B and F of the Pavement Management Plan as further described on Exhibit A to the attached Resolution.

FISCAL IMPACT:

The ability of the City to gain access to the Road Rehabilitation and Accountability Act of 2017 (SB1) funding requires the adoption of an annual Resolution which conforms to the guidelines promulgated by the CTC. The Fiscal Year 2020-2021 RMRA funding is being combined with the Fiscal Year 2021-2022 RMRA funding for a single project known as CIP No. 101-L. The RMRA funding, for the two years of allocation, will provide the City with an additional \$1+ million for streets and roads maintenance and

Resolution Adopting SB1 List of Projects for Fiscal Year 2021-2022

June 22, 2021

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improvement. These funds, combined with other forms of Highway User Tax Account funds, will provide an overall project funding projected to be approximately \$2,900,000.

ATTACHMENTS:

- Proposed Resolution SB1 FY 2021-2022

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAGUNA HILLS, CALIFORNIA, ADOPTING A LIST OF
STREET MAINTENANCE PROJECTS FOR FISCAL YEAR
2021-2022 FUNDED BY SB 1: THE ROAD REPAIR AND
ACCOUNTABILITY ACT OF 2017

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017), was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of the City of Laguna Hills (City) are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of all projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City, will receive an estimated \$605,278 in RMRA funding in Fiscal Year 2021-2022 from SB 1; and

WHEREAS, this is the fifth year in which the City is receiving SB1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City utilized its Pavement Management Plan (PMP) to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB 1 will help the City maintain and rehabilitate the approximate 102 centerline mile segments of city streets and in the future assist in the rehabilitation of bridges and the addition of active transportation infrastructure throughout the City; and

WHEREAS, the City's 2018 Pavement Management Plan determined the City's streets and roads are in a good condition and this revenue will help maintain the overall quality of our road system and over the next decade and maintain the City streets and roads in a good condition; and

WHEREAS, the SB 1 project list and overall investment in our local streets and roads infrastructure with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide; and

WHEREAS, for fiscal benefit and administrative efficiency, the City schedules its street maintenance capital improvement projects on a biennial basis.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Fiscal Year 2021-2022 Capital Improvement Program project for street maintenance shall be combined with the Fiscal Year 2020-2021 funding covering selected streets within "Zone B" and "Zone F" of the Pavement Management Plan, providing two-years of funding for fiscal benefit and administrative efficiency.

SECTION 3. The following previously proposed and adopted project shall utilize the Fiscal Year 2021-2022 Road Maintenance and Rehabilitation Account revenues in their delivery. With the relisting of this project in the adopted fiscal year resolution, the City is reaffirming to the public and the State our intent to fund this project with Road Maintenance and Rehabilitation account revenues:

- Project Title: Citywide Pavement Rehabilitation, CIP No. 101-L, LSR-C9-FY20/21-5468-01.
- Project Description: Citywide Pavement Rehabilitation of Streets in Zone B and Zone F as shown on the attached "Exhibit A".
- Project Location: Streets within Zone B and Zone F with locations as described on "Exhibit A".
- Estimated Project Schedule: Start September 2021 – Completion February 2022.
- Estimated Project Useful Life: 10 years.

The list of the Combined Project streets planned to be funded with Road Maintenance and Rehabilitation Account revenues include all streets shown on Exhibit A, attached hereto and incorporated herein.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

EXHIBIT A
SB1 PROJECT LIST
FOR

FY 2020-2021 & FY 2021-2022 COMBINED PROJECT LIST
CIP NO. 101-L, LSR-C9-FY2020-2021-5468-01
(Inclusive of asphalt concrete repairs, crack sealing, resurfacing with slurry seal,
traffic control and restriping work)

STREET NAME	FROM	TO	ZONE
ANVIL	FARRIER	END	B
APPALOOSA	LA PAZ	MUSTANG	B
BOOTSTRAP	GALLUP	END	B
BUSKSKIN	NELLIE GAIL	BUCKBOARD	B
BUCKBOARD	BUCKSKIN	NELLIE GAIL	B
BUCKLESTONE	NELLIE GAIL	END	B
BROKEN BIT	BUCKSKIN	END	B
BRIDLEWOOD	NELLIE GAIL	OSO	B
CHAPARRAL	NELLIE GAIL	END	B
DAPPLE GRAY	NELLIE GAIL SOUTH	NELLIE GAIL NORTH	B
DESERT TRAIL	NELLIE GAIL	END	B
FARRIER	MUSTANG	END	B
FLINTLOCK	BRIDLEWOOD	END	B
GALLUP	NELLIE GAIL	LA PAZ	B
GLEN CANYON	NELLIE GAIL	END	B
HIGHPLAINS	GLEN CANYON	END	B
HITCHING RAIL	CABOT ROAD	NELLIE GAIL	B
HORESHOE	RED CORRAL	END	B
HOUSTON TRAIL	NELLIE GAIL	END	B
MT. DIABLO	GLEN CANYON	END	B
MUSTANG	APPALOOSA	NELLIE GAIL	B
NELLIE GAIL	CABOT	OSO	B
OROVILLE	MT. DIABLO	END	B
PRAIRIESTONE	HITCHING RAIL	NELLIE GAIL	B
POKER FLATS	NELLIE GAIL	END	B
PECOS	HITCHING RAIL	END	B
RED CORRAL	MUSTANG	NELLIE GAIL	B
RANGEWOOD	GALLUP CIR	END	B
RICH SPRING	HITCHING RAIL	END	B
SADDLE ROCK	BRIDLEWOOD	END	B
SADDLE HORN	BUCKSKIN	END	B

SHERIFF	NELLIE GAIL	END	B
SPUR BRANCH	HITCHING RAID	END	B
STETSON	BUCKBOARD	END	B
SORRELL	BUCKSKIN	END	B
SILVER SADDLE	BUCKSKIN	END	B
TOMBSTONE	OSO	HITCHING RAIL	B
WATERWHEEL	HITCHING RAIL	END	B
WILDVIEW	DAPPLE GRAY	END	B

ALCALDE	VERDUGO	PERALTA	F
ADAMO	SORESINA	END	F
ANCONA	TREVISO	END	F
BARBERA	SANTA VITTORIA	PESARO	F
BIANCO	MARSALA	END	F
COMMERCE CTR	AVE DE LA CARLOTA	END	F
COLONNA	SORESINA	PESARO	F
CREMONA	TARANTO	END	F
CATANIA	CREMONA	END	F
DEL LAGO	LAKE FOREST	ALCALDE	F
EL PACIFICO	MOULTON	END	F
FORMELLO	BARBERA	END	F
GENOVA	PALERMO	END	F
GRAVINO	PESARO	END	F
LA CADENA	PERALTA	VERDUGO	F
LOMBARDI	PESARO	END	F
LIPARI	TERAMO	END	F
MODINA	FORMELLO	END	F
MESSINA	COLONNA	END	F
MARSALA	BARBERA	END	F
MILANO	TERANTO	MONTOVA	F
MONTOVA	MILANO	END	F
MILL CREEK	LAKE FOREST	RIDGE ROUTE	F
NAPOLI	PALERMO	END	F
PLAZA POINTE	SOUTH POINTE	AVE DE LA CARLOTA	F
PERALTA	RIDGE ROUTE	LA CADENA	F
PESARO	SAN REMO	END	F
PADOVA	MARSALA	END	F
PALERMO	SAN REMO	TARANTO	F
RIMINI	SAN REMO	END	F
RIDGE ROUTE	MOULTON	SANTA VITTORIA	F
SAVANO	BARBERA	END	F
SORESINA	ADAMO	TERAMO	F

SAN DONA	GENOVA	END	F
SANTA VITTORIA	LAKE FOREST	SANTA MARIA	F
SAN REMO	SANTA VITTORIA	SANTA MARIA	F
SOUTH POINTE	PERALTA	END	F
TERRA	LA CADENA	END	F
TERNI	SORESINA	END	F
TERAMO	SAN REMO	MARSALA	F
TREVISO	NAPOLI	END	F
TARANTO	TREVISO	VERONA	F
TARANTO	VENICIA	SAN REMO	F
TORINO	TARANTO	END	F
VISTA GRANDE	PERALTA	END	F
VERDUGO	ALCALDE	LA CADENA	F
VERONA	TARANTO	END	F
VENISIA	TARANTO	END	F



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Adoption of the Biennial Budget for the 2021-2022 & 2022-2023 Fiscal Years, Including the Operating Budget, Debt Service, Six-Year Capital Improvement Plan, and Other Appropriations and Amending the 2020-2021 Fiscal Year Budget, Including the Operating Budget, Capital Improvement Program, and Other Appropriations

RECOMMENDATION: That the City Council: 1) Conduct a Public Hearing regarding the Biennial Budget for the 2021-2022 & 2022-2023 Fiscal Years; 2) Adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the 2021-2022 & 2022-2023 Fiscal Years"; and 3) Adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, amending Fund 101 and Fund 600 of the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the 2020-2021 Fiscal Year"

SUMMARY:

Every two years the City sets aside approximately six months to focus on the budget preparation process. Attached to this staff report is the proposed Biennial Budget for the 2021-2022 & 2022-2023 Fiscal Years. The proposed biennial budget consists of total expenditures in the amount of \$53,620,627 for the two-year period. Due to the significant unforeseen loss of recurring revenues as a result of the economic impact of the COVID-19 pandemic, the City Manager recommends, per the City's Financial Policies, the City Council authorize a one-time use of non-recurring revenues to eliminate deficit spending within this Budget. A more detailed budget analysis can be found in the City

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Manager's Budget Message included in the proposed budget. Additionally, Staff recommends the City Council approve the attached Resolution to amend the 2020-2021 Fiscal Year Budget for Fund 101 for the estimated revenues and expenditures from the processing of the proposed Village at Laguna Hills project and amend the 2020-2021 Fiscal Year Capital Improvement Program (Fund 600) Budget as proposed in Exhibit A of the proposed Resolution.

BACKGROUND:

In preparation for the Public Hearing on the 2021-2023 Fiscal Years Biennial Operating Budget and Six-Year Capital Improvement Program (CIP), the City Council has conducted the following public review and discussion of the Biennial Budget:

- April 20, 2021 City Council Workshop
- May 11, 2021 Presentation of City Manager's Proposed Biennial Budget

A City Council Workshop was held on April 20, 2021, for the purpose of obtaining policy direction from City Council. At the May 11 2021, Budget Study Session, the City Manager's Proposed 2021-2023 Biennial Budget and Six-Year Capital Plan was presented for review and input from the City Council. Attached to this report is a list of changes to the City Manager's Proposed Operating Budget and Capital Improvement Plan from the draft presented to City Council at the May 11, 2021, City Council Meeting.

2021-2023 PROPOSED BIENNIAL BUDGET

- **Operating Budget**

The table below shows the proposed operating expenditures and revenues for the next two-year budget cycle.

	FY 2021/22 Proposed Budget	FY 2022/23 Proposed Budget
Personnel	5,148,039	5,650,862
Maintenance & Operations	2,679,878	2,836,940
Contracts & Professional Services	14,194,331	14,853,914
Capital Outlay	103,700	63,200
Total Operating Expenditures	22,125,948	23,404,916
Debt Service	1,799,921	391,421
 Total Operating Revenue	 23,925,869	 23,848,975
 Operating Surplus/(Deficit)	 -	 52,638
 Operating Ratio	 1.00	 1.00

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- Capital Improvement Plan**

The 2021-2023 Biennial Budget includes a Six-Year CIP. For the upcoming Biennial Budget cycle, the budget appropriates \$5,065,000 towards thirteen (13) capital projects. These projects will be funded over the course of the two-year budget cycle with Special Revenues and Reserve Funds in the amount of \$4,000,000, or 79% of the required funding. The balance of \$1,065,000, or 21%, will be supported by the City's General Fund.

<u>Project No.</u>	<u>Project Name</u>	<u>2021-22</u>	<u>2022-23</u>
Streets, Signals and Lighting -			
101	Annual Street Maintenance	\$ 2,900,000	\$ -
168	Traffic Signal Improvements/Coordination	100,000	-
184	La Paz Road Widening (McIntyre to Cabot)	-	100,000
Flood Control & Water Quality -			
403	Storm Drain/Slope Repairs	50,000	-
410	NPDES/Water Quality Program	200,000	200,000
412	Water Quality (2) Improvements	250,000	-
Parks -			
237	Park Refurbishments	240,000	-
238	Community Center & Sports Complex Renovations	50,000	225,000
241	General Park Renovations	-	300,000
Public Facilities -			
505	Civic Center Renovations	50,000	-
513	Community Center Renovations	-	100,000
514	Sports Complex Renovations	-	100,000
Trails and Open Space -			
New	Luna Bonita Slope Renovation	200,000	-
Total Capital Project Budget		\$ 4,040,000	\$ 1,025,000

The biennial budget proposals, as presented to the City Council, identified the potential for deficit spending due to the significant unforeseen loss of recurring City revenues. This loss of revenues is directly tied to the economic downturn from the effects of the COVID-19 pandemic. The City has been operating under Proclamation No. 20-03-18-01 declaring the existence of a local emergency for over the past sixteen months to address the impacts of the pandemic. The City's Financial Policy No. 105 allows the City Council to authorize the use of non-recurring revenues to balance the budget as a result of unforeseen economic impacts. Due to the significant unforeseen loss of recurring revenues as a result of the economic impact of the COVID-19 pandemic, the City

Biennial Budget FY 2021-22 - 2022-23 Adoption

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Manager recommends, per the City's Financial Policies, the City Council authorize a one-time use of non-recurring revenues to eliminate deficit spending of this Budget. Said authorization is incorporated into the attached Resolution approving the Budget.

2020-2021 FISCAL YEAR BUDGET – PROPOSED AMENDMENT

There are two accounts of the current budget that are proposed for amendment by adoption of a Resolution. The first relates to the accounting of the revenue and expense associated with the processing of the Village at Laguna Hills Project. The Deposit/Reimbursement Agreement with Merlone-Geier Partners (MGP) ensures that there is no impact to the General Fund with respect to evaluating the proposed Village at Laguna Hills project and processing the necessary entitlements. Staff has prepared the following estimate for processing the project plans in the 2020-2021 Fiscal Year, all of which are recovered from MGP:

	Amount
FISCAL YEAR 2020/21	
REVENUES	
Planning Fees - MGP Development Application	1,500,000
	-
EXPENDITURES	-
City Staff Time - MGP Development Application	375,000
Legal Services - MGP Development Application	725,000
Consultant Services - MGP Development Application	400,000

These estimated revenues and expenditures have not been included in the budget for the current fiscal year. Therefore, staff recommends the City Council approve the attached proposed Resolution to amend Fund 101 of the 2020-2021 Fiscal Year Budget for the estimated revenues and expenditures.

The second account area that requires adjustment, which is typical in most years, is to adjust funding for the final costs/scheduling of capital improvements. Staff thoroughly reviewed the Capital Improvement Program and presented a comprehensive review of the updated 8-Year Plan at the May 11, 2021, City Council workshop, with recommended changes to the current Capital Improvement Program. Consequently, staff is recommending budgetary amendments to the following projects within the Capital Improvement Program (Fund 600):

Proposed Budget Amendments – Capital Improvement Program FY 2020-21

CIP 112: Traffic Signal

CIP 168: Traffic Signal Coordination

CIP 184: La Paz Widening (McIntyre to Cabot)

CIP 237: Parks Refurbishment Project

CIP 238: Community Ctr & Sports Complex Field Renovations

CIP 410: NPDES/Water Quality

CIP 412: Water Quality Improvements

CIP 505: Civic Center Renovations

CIP 513: Community Center Renovations

CIP 514: Sports Complex Renovations

CIP 518: Automated License Plate Readers

FISCAL IMPACT:

The attached Resolution authorizes the following funding uses for the 2021-2023 Biennial Budget cycle:

Total Funding Uses – FYs 2021-2023

	<u>FY 21-22</u>	<u>FY 22-23</u>
Operating Expenditures	\$ 22,125,948	\$ 23,404,916
Capital Expenditures	4,040,000	1,025,000
Other Funding Uses	376,130	357,291
Use of Reserve Funds	50,000	50,000
Debt Service	1,799,921	391,421
Total Funding Uses	\$ 28,391,999	\$ 25,228,628

A Consolidated Reporting of both Funding Sources and Uses can be found in the “Budget Summary” section of the Biennial Budget.

It should be noted that expenditures relating to the enterprise activity of the Laguna Hills Civic Center are approved by the City Council under a separate budget and on a single fiscal-year basis

Biennial Budget FY 2021-22 - 2022-23 Adoption

June 22, 2021

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ATTACHMENTS:

- Resolution Adopting the 2021-2023 Fiscal Years Biennial Budget
- List of Changes to the City Manager's Proposed Operating Budget and Capital Improvement Plan
- Resolution Amending Fund 101 and Fund 600 of the 2020-2021 Fiscal Year Budget
- City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING THE OPERATING BUDGET, CAPITAL IMPROVEMENT PROGRAM AND OTHER APPROPRIATIONS FOR THE CITY OF LAGUNA HILLS FOR THE 2021-2022 & 2022-2023 FISCAL YEARS

WHEREAS, the City Manager of the City of Laguna Hills has submitted to the City Council a proposed budget for the 2021-2022 & 2022-2023 Fiscal Years; and

WHEREAS, the COVID-19 Pandemic has resulted in a significant unforeseen reduction in annual City revenues causing a budget imbalance potentially necessitating deficit spending; and

WHEREAS, the City's Financial Policies allow the City Council to authorize the use of reserves and/or non-recurring revenues to balance the budget when unforeseen events occur that reduce the City's recurring revenues; and

WHEREAS, the proposed 2021-2022 & 2022-2023 Fiscal Years Budget includes the City Manager's recommendation to apply a one-time use of non-recurring revenues to balance the budget; and

WHEREAS, the City Council did consider said proposed budget and set June 22, 2021, as the date of public hearing; and

WHEREAS, after duly giving notice, the City Council did hold such public hearing, and all comments presented to the City Council were considered and evaluated.

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

SECTION 1. The City Manager's proposed general fund operating budget shall be adopted in the amount of \$22,125,948, for the 2021-2022 Fiscal Year and \$23,404,916 for the 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted on June 22, 2021, hereinafter, the Budget.

SECTION 2. The City Manager's proposed Capital Improvement Plan shall be adopted in the amount of \$4,040,000 for the 2021-2022 Fiscal Year and \$1,025,000 for the 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted on June 22, 2021.

SECTION 3. The City Manager's proposed debt service appropriation shall be adopted in the amount of \$1,799,921 for the 2021-2022 Fiscal Year and \$391,421 for the 2022-2023 Fiscal Year.

SECTION 4. The City Manager's following proposed appropriations for other funding uses shall be adopted in the amount listed in the following table for the 2021-2022 Fiscal Year and 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted June 22, 2021.

<u>Other funding uses</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>
AB 2766	\$ 50,000	\$ 50,000
CASp	5,000	5,000
Beverage Recycling	19,900	9,061
CR&R Recycling Fee	117,000	109,000
C&D Forfeited Deposits	130,000	130,000
Senior Mobility	54,230	54,230
Use of Reserve	50,000	50,000

SECTION 5. The City Manager is authorized to use reserves and/or non-recurring revenues to balance the operating budget for the 2021-2022 & 2022-2023 Fiscal Years Budget.

SECTION 6. The City Manager is hereby authorized to make such transfers within the Budget as deemed desirable and necessary during each Fiscal Year in order to meet the City's needs and in compliance with the City's Financial Policies.

SECTION 7. That all budgeted capital improvement projects automatically re-appropriate each Fiscal Year until the project is completed.

SECTION 8. That all other unexpended appropriations ordered pursuant to Sections 1, 3 and 4 will be automatically carried over from the first Fiscal Year to the second Fiscal Year of the two-year Budget period.

SECTION 9. The 2021-2022 & 2022-2023 Fiscal Years Budget, which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and adopted by the City Council, including any changes made and approved as a result of the City's public hearing conducted June 22, 2021.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

CITY OF LAGUNA HILLS

List of Proposed Changes to the Proposed Operating Budget and Capital Improvement Program

		<u>FY 21-22</u>	<u>FY 22-23</u>
<u>PERSONNEL</u>			
	Net Change in Total Personnel cost	\$ 11,662	\$ 175,852
	sub-total	\$ 11,662	\$ 175,852
<u>TRAINING & TRAVEL</u>			
100-155-612000	Travel, Conferences & Meetings - General Govt	\$ (3,000)	
100-155-612001	Travel - League of CA Cities	(3,000)	
100-155-612002	Travel - ACC-OC	(2,000)	
100-155-611000	Training and Education - General Govt	(2,000)	
100-195-611000	Training and Education - Non-departmental	(2,000)	
100-355-611000	Training and Education - Public Services	(2,000)	\$ (1,000)
100-225-611000	Training and Education - Community Development	(750)	
100-420-611000	Training and Education - Public Safety	(750)	
	sub-total	\$ (15,500)	\$ (1,000)
<u>GENERAL GOVT</u>			
100-105-620000	Office Supplies	\$ (3,000)	
100-105-624001	Legal Advertising	(2,500)	
100-105-695000	Community Events/Public Relations	(9,500)	
100-155-700000	Professional Services	(11,000)	
100-155-700030	City Clerk Functional Support	(7,000)	
	sub-total	\$ (33,000)	\$ -
<u>NON-DEPARTMENTAL</u>			
100-195-620000	Office Supplies	\$ (2,000)	\$ -
100-195-622000	Operating Supplies	(1,000)	
100-195-625000	Postage & Delivery	(4,000)	
100-195-646000	Maintenance - Equipment & Machinery	(1,000)	
100-195-930000	Furniture	(5,000)	
100-195-940000	Hardware & Software Support		(5,000)
	sub-total	\$ (13,000)	\$ (5,000)
<u>PUBLIC SERVICES</u>			
100-355-613100	Vehicle Fuel	\$ -	\$ (1,000)
100-355-622000	Operating Supplies	(2,000)	(1,000)
100-355-631400	Electric Usage - Street Lights/Signal		(25,000)
100-355-646100	Vehicle Maintenance	(1,000)	(700)
100-355-700250	On-call Engineer	(2,500)	(2,500)
100-355-720400	Street Maintenance	-	(20,000)
100-355-720410	Streetsweeping	65,000	60,000
100-355-720700	Landscape Maintenance Contract	(25,000)	(25,000)
100-355-720701	Parks Contract Repair	(10,000)	(15,000)
100-355-720702	Tree Maintenance	(8,000)	(10,000)
	sub-total	\$ 16,500	\$ (40,200)
<u>COMMUNITY SERVICES</u>			
100-310-622500	Supplies - Program Services	\$ (4,000)	\$ (2,000)
100-310-622501	Supplies - Youth Leagues	(2,000)	(1,000)
100-310-695502	Disability Services	(2,053)	(2,276)
100-310-720302	Mercy House Contract	10,566	10,566
100-310-93500	Furniture		(3,000)
	sub-total	\$ 2,513	\$ 2,290
<u>CAPITAL IMPROVEMENT PROGRAM</u>			
600-255-950510	Public Art Program	\$ -	\$ (350,000)
	sub-total	\$ -	\$ (350,000)
	Net Change	\$ (30,825)	\$ (218,058)

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING FUND 101 AND FUND 600 OF THE OPERATING BUDGET, CAPITAL IMPROVEMENT PROGRAM AND OTHER APPROPRIATIONS FOR THE CITY OF LAGUNA HILLS FOR THE 2020-2021 FISCAL YEAR

WHEREAS, the City Council of the City of Laguna Hills adopted Resolution No. 2019-06-25-1 on June 25, 2019, adopting the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the 2019-2020 & 2020-2021 Fiscal Years Biennial Budget; and

WHEREAS, the City has established various funds, including various special revenue, capital project and agency funds, to account for revenues and deposits that are restricted to certain activities; and

WHEREAS, pursuant to City Council Policy No. 105, the City Manager of the City of Laguna Hills will notify the City Council whenever changing operations or economic developments require corrective budgetary modifications; and

WHEREAS, at the May 11, 2021, City Council Workshop, the Interim City Manager of the City of Laguna Hills presented to the City Council a comprehensive review of an updated 8-Year Plan with proposed corrective budgetary modifications; and

WHEREAS, the City Council of the City of Laguna Hills did consider said proposed budgetary modifications of the City Manager of the City of Laguna Hills.

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

SECTION 1. Adoption of Recitals. The foregoing recitals set forth above are true and correct and are incorporated by reference herein.

SECTION 2. Approval of Budget Amendment for Fund 101. The City Council hereby approves and adopts the proposed amendments to the 2020-2021 Fiscal Year Budget for Fund 101 for the accounting of the Village at Laguna Hills Project, as set forth in the following table:

	Current Budget	Proposed Amendment	Amended Budget
FISCAL YEAR 2020/21			
REVENUES			
Planning Fees - MGP Development Application	-	1,500,000	1,500,000
			-
EXPENDITURES			-
City Staff Time - - MGP Development Application		375,000	375,000
Legal Services - MGP Development Application	-	725,000	725,000
Consultant Services - MGP Development Application	-	400,000	400,000

SECTION 3. Approval of Budget Amendments for Fund 600. The City Council hereby approves and adopts the proposed budgetary amendments to the 2020-2021 Fiscal Year Budget for Fund 600 Capital Improvement Program, as set forth in the attached Exhibit "A".

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2021-06-22-X adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

EXHIBIT A

Proposed Budgetary Amendments
to the
Capital Improvement Program
for
2020-2021 Fiscal Year

**CITY OF LAGUNA HILLS
PROPOSED BUDGET AMENDMENT
CAPITAL IMPROVEMENT PROGRAM - FISCAL YEAR 2020-21**

CAPITAL IMPROVEMENT PROJECT	FY 2020-21 Original Budget		FY 2020-21 Proposed Amendment		FY 2020-21 Amended Budget	
	Expenditure	Funding Source	Expenditure	Funding Source	Expenditure	Funding Source
<u>STREETS, SIGNALS & LIGHTING</u>						
CIP 112 Traffic Signal			85,000	85,000 GF	85,000	85,000 GF
CIP 168 Traffic Signal Coordination			30,000	30,000 Gas Tax	30,000	30,000 Gas Tax
CIP 184 La Paz Widening (McIntyre to Cabot)	100,000	100,000 CARITS	(100,000)	(100,000) CARITS		CARITS
TOTAL STREETS, SIGNALS & LIGHTING	100,000	100,000	15,000	15,000	115,000	115,000
<u>PARK CAPITAL IMPROVEMENTS</u>						
CIP 237 Parks Refurbishment Project	240,000	40,000 GF 200,000 Prop 68	(240,000)	(40,000) GF (200,000) Prop 68		GF Prop 68
CIP 238 Community Ctr & Sports Complex Field Renovations	200,000	200,000 GF	(200,000)	(200,000) GF		GF
TOTAL PARK CAPITAL IMPROVEMENTS	440,000	440,000	(440,000)	(440,000)	-	-
<u>FLOOD CONTROL</u>						
CIP 410 NPDES / Water Quality	200,000	200,000 GF Measure M Comp	(50,000)	(50,000) GF Measure M Comp	150,000	150,000 GF Measure M Comp
CIP 412 Water Quality (2) Improvements		GF Measure M Comp	250,000	50,000 GF 200,000 Measure M Comp	250,000	50,000 GF 200,000 Measure M Comp
TOTAL FLOOD CONTROL	200,000	200,000	200,000	200,000	400,000	400,000
<u>PUBLIC FACILITIES</u>						
CIP 505 Civic Center Renovations		AB 2766	60,000	60,000 AB 2766	60,000	60,000 AB 2766
CIP 513 Community Center Renovations	60,000	60,000 Capital Reserve	335,000	- Capital Reserve 335,000 GF	395,000	60,000 Capital Reserve 335,000 GF
CIP 514 Sports Complex Renovations	25,000	25,000 Capital Reserve	(25,000)	(25,000) Capital Reserve		Capital Reserve
CIP 518 Automated License Plate Readers			77,500	77,500 GF	77,500	77,500 GF
TOTAL PUBLIC FACILITIES	85,000	85,000	447,500	447,500	532,500	532,500
GRAND TOTAL	825,000	825,000	222,500	222,500	1,047,500	1,047,500
	Summary of Funding Sources 440,000 General Fund 85,000 Capital Reserve Fund - Meas M Comp - AB 2766 100,000 CARITS 200,000 Prop 68 825,000 Total		Summary of Funding Sources 457,500 General Fund 30,000 Gas Tax (25,000) Capital Reserve Fund 200,000 Meas M Comp 60,000 AB 2766 (100,000) CARITS (200,000) Prop 68 422,500 Total		Summary of Funding Sources 697,500 General Fund 30,000 Gas Tax 60,000 Capital Reserve Fu 200,000 Meas M Comp 60,000 AB 2766 - CARITS - Prop 68 1,047,500 Total	

Attachment: Resolution Amending Fund 101 and Fund 600 of the 2020-2021 Fiscal Year Budget (2498 :

CITY OF LAGUNA HILLS
California

BIENNIAL BUDGET
Fiscal Year 2021/22–2022/23





CITY OF LAGUNA HILLS

CALIFORNIA

BIENNIAL BUDGET FISCAL YEARS 2021 / 22 - 2022 / 23

MAYOR

Erica Pezold

MAYOR PRO-TEM

Don Sedgwick

COUNCIL MEMBERS

Janine Heft

Bill Hunt

Dave Wheeler

INTERIM CITY MANAGER

Kenneth H. Rosenfield

PREPARED BY

Melissa Au-Yeung, Deputy City Manager
Janice Mateo Reyes, Finance Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Laguna Hills
California**

For the Biennium Beginning

July 1, 2019

Christopher P. Morill

Executive Director

CITY OF LAGUNA HILLS

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5.1.d

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Introduction



CITY OF LAGUNA HILLS

Budget Message

Biennial Budget

FY 2021/22 – 2022/23

Honorable Mayor and Council Members:

We are pleased to present to you the City of Laguna Hills' 2021-2023 Biennial Budget. This lengthy and informative document is comprised of a 2-year operating plan, a 6-year capital improvement program, and an appropriation for debt service and other uses. Moreover, it is a reflection of your leadership in shaping the service priorities and goals of the Laguna Hills community while maintaining fiscal prudence and oversight.

This budget message will provide you with an overview of the City's financial program for the next two years and the major priorities and issues that helped shape the budget. The information in this budget document is organized into the following five sections:

1. Introduction: This section introduces the reader to the budget and includes this budget message, a list of the City Council Members and appointed officials, and the City's functional organizational chart.
2. Budget Summaries: This section includes the 8-Year Resource Allocation Plan, Consolidated Report of all Funding Sources and Uses, and the Total Budget for all funds.
3. Department Plans and Budgets: The City plans and budgets are organized by departments: General Government, Non-Departmental, Community Development, Public Services, Community Services, and

Public Safety. For each department, information provided includes its mission, functional areas, unique work programs, budgeted staffing allocations, and a historical trend graph of expenditures.

4. Capital Improvement Plan: This section includes summary pages listing the capital projects which are intended to be carried out in the next six years and their related funding sources. The individual capital projects are presented in a two-page side-by-side format which provides detailed information on each project.
5. Appendices: This section contains the following supporting documentation: Financial Policies, City Council Member Budget Proposals (and their associated collective ranking by the City Council), Budgetary Basis and Accounting Principles, Budget Calendar, Appropriations Limit Calculation, Resolution Adopting the Budget, Personnel Allocation Schedule, Debt Information, Glossary, and Demographics.

Budget Highlights, Assumptions & Priorities

In early 2020, the novel coronavirus, also referred to as COVID-19 or SARS-CoV-2, spread throughout the globe and created a pandemic that halted the world economy. On January 30, 2020, the World Health Organization (“WHO”) declared the outbreak of COVID-19 a public health emergency of international concern, and by March 11, 2020, the WHO elevated the public health emergency to the status of a pandemic. Later in March, the Governor of California and the President of the United States declared a local and national state of emergency, respectively. Subsequently, California Governor Gavin Newsom issued Executive Order N-33-20, which directed and ordered all residents to stay at home unless they were engaging in an essential activity as determined by the State. At the end of the fiscal year on June 30, 2020, the Governor’s stay-at-home order remained in effect.

The coronavirus pandemic, along with measures to mitigate its spread, significantly impacted the City’s revenue streams in the 2019/20 fiscal year. As a result of the unprecedented shortfall in general fund revenues, the City implemented numerous cost-savings measures to offset the negative impact from the coronavirus pandemic, including a reduction in recreation programs and services, a furlough of part-time City employees, a decrease in operating expenditures in all City departments, and the deferral of certain capital improvement projects. Although unfortunate, these reductions were necessary to keep the City’s budget structurally balanced.

The landscape of the State and region has transformed substantially since that time, and while government revenues at the local and regional level were particularly affected, the City has consistently maintained and continues to maintain a healthy financial condition. Utilizing revenue projections for this biennial budget cycle, it is anticipated that General Fund revenues will modestly increase over the next two years.

The City remains committed to its conservative financial policies, as they played a critical role in allowing the City to respond quickly to the coronavirus pandemic and will help the City weather slower economic conditions that may arise in the future. Consequently, these conservative financial policies have greatly influenced the development of this 2021-2023 Biennial Budget.

During the last biennial budget cycle, a concerted effort was made to limit the growth of budgeted ongoing expenditures. This was once again the case, and these cost-savings measures will continue during the 2021-2023 Biennial Budget.

This biennial budget was developed utilizing the following assumptions over the next eight years for the following categories:

	Year 1 2020-21	Year 2 2021-22	Year 3 2022-23	Year 4 2023-24	Year 5 2024-25	Year 6 2025-26	Year 7 2026-27	Year 8 2028-29	Average
General Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.5
Taxable Sales	9.29%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	3.3
Property Tax	2.80%	2.59%	3.11%	3.18%	3.20%	2.93%	2.93%	2.93%	2.9
Sheriff's Contract	8.29%	4.00%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.9

Overall, the assumptions are generally conservative and assume a continued low general inflationary environment. Sales tax and property tax estimates for the next two years have been provided by a third-party consultant.

The proposed 2021-2023 Biennial Budget and 8-Year Resource Allocation Plan were also based on the following assumptions:

- The plan reflects an overall objective to manage the City's finances in a manner that will ensure the City maintains a strong financial position without assuming any major new consistent funding sources become available.
- The plan assumes a budget sufficient to fund ongoing City service obligations over the planning horizon with no new major projects or programs beyond the few exceptions described herein.
- The 2021-2023 Biennial Budget includes funding for an anticipated reclassification of up to three employment positions and their requisite ongoing costs, as well as the addition of a Crime Prevention Specialist (in the first year of the budget)
- Projected revenues and expenditures are based on conservative assumptions. General inflation is assumed to remain relatively flat over the planning horizon at 2.5% annually
- The plan does not rely on any new revenues from the Village at Laguna Hills project.

- Revenue estimates have been updated based on the most current data.
- Pursuant to the current Memorandum of Understanding between the City and the Laguna Hills City Employee Association, a comprehensive compensation study is currently underway and is not expected to be fully completed until July. In lieu of a completed study, the plan assumes, in addition to the above-mentioned position reclassifications, maintaining current staffing levels with a cost-of-living adjustment effective July 1, 2021.
- The estimates for the law enforcement contract with the Orange County Sheriff's Department projects annual increases of 8.29% for Year 1, 4% for Year 2 & 3, and 3% annually thereafter. The addition of a Crime Prevention Specialist for Year 1 and one sworn officer position related to a full complement of the Special Enforcement Team (SET) is a consideration for Year 2 of the Biennial Budget.
- Annual debt service on the City's outstanding Certificate of Participation will drop from \$1,797,881 in FY 2021/22 to \$389,381 in FY 2022/23. In Year 5 of the Plan, the City is debt free. With this funding and expected stabilization of City revenues in Fiscal Year 2022/23, it should be possible in future Biennial Budgets to review overall Police Services staffing levels and to identify additional General Fund expenditures for Capital Improvements.
- Funding from the American Rescue Plan Act is shown in the 8-Year Plan as received in two equal annual payments by July of 2021 and July 2022 in the approximate amount of \$3.7 million each. The first payment will be fully utilized to backfill the loss of City revenues over a 16-month period (March 2020–June 2021) as well as for projected continuing losses into the 2021/22 Fiscal Year. The backfill of lost City revenues allows the Budget to return to normal operating conditions, fulfill the City's commitment to community services, and provide for quality infrastructure, including addressing deferred maintenance issues. The utilization of the second annual payment of these funds is subject to further analysis of allowed uses and identified needs to be determined over the course of the first budget year.

The following provides the major highlights of the 2021-2023 Biennial Budget:

1. The table below shows the Operating Budget's forecasted revenues and expenditures that will enable the City to continue providing high quality services.

2021-2023 Operating Budget	Budget FY 2021/2022	Budget FY 2022/2023
Operating Expenditures	\$ 22,125,948	\$ 23,404,916
General Fund Revenues	\$ 22,236,737	\$ 23,005,385

2. Operating revenues for FY 2021/22 are anticipated to increase by 5.3% from the FY 2020/21 year-end estimate. Much of the year-over-year growth, however, is due to the precipitous decline in TOT and sales tax revenues in FY 2020/21 due to the pandemic. Revenues for the following year are projected to increase by 3.5%.
3. The 6-Year Capital Improvement Plan (CIP) includes \$16,865,000 in funded projects. These capital projects have been distributed over the next six years in a manner that is consistent with the City's financial policies. CIP expenditures for the next biennial period is estimated at \$5,065,000. Of this amount, \$1,665,000 is funded from the General Fund and Capital Reserve Funds; \$3,000,000 from Gas Taxes (HUTA & RMRA); \$200,000 from Measure M; and \$200,000 from Proposition 68 funds.

2021-2023 Capital Projects	Budget FY 2021/2022	Budget FY 2022/2023
Capital Expenditures	\$ 4,040,000	\$ 1,025,000
Funding Sources:		
Special Revenue	\$ 3,500,000	\$ 500,000
General Fund	\$ 540,000	\$ 525,000

Personnel Costs

Personnel costs, particularly pensions, medical, and retiree medical coverage, have been the focus of public attention and concern for some time now. In governmental agencies, personnel costs can often comprise the largest expense in municipal budgets. In Laguna Hills, the City directly employs 25 full-time employees and 2.75 full-time equivalent part-time employees, as well as 8.5 full-time equivalent seasonal part-time employees. However, consistent with a contract city model, a large portion of the workforce is provided by other governmental agencies or private sector employers who contract with the City.

The following table shows the projected personnel costs over the life of the City's 8-year plan as a percentage of the total operating budget.

Fiscal Year	General Fund Budget	Personnel Costs	% of Total General Fund Budget
FY 21/22	\$22,125,948	\$ 5,148,039	23.27%
FY 22/23	\$23,404,916	\$ 5,650,862	24.14%
FY 23/24	\$23,991,798	\$ 5,792,134	24.14%
FY 24/25	\$24,641,622	\$ 5,936,937	24.09%
FY 25/26	\$25,309,208	\$ 6,085,360	24.04%
FY 26/27	\$25,995,046	\$ 6,237,494	23.99%
FY 27/28	\$26,669,637	\$ 6,393,432	23.95%
FY 28/29	\$27,423,500	\$ 6,553,267	23.90%

As shown in the table above, personnel costs as a percentage of the budget are anticipated to range between 23.27% to 24.14% through FY 28/29.

It should be noted that the City of Laguna Hills does not have any financial obligation to provide health insurance for its retirees. Contractual commitments for retiree health insurance and Other Post-Employment Benefits (OPEB) are rapidly becoming a significant budgetary problem for cities across California, but not for Laguna Hills.

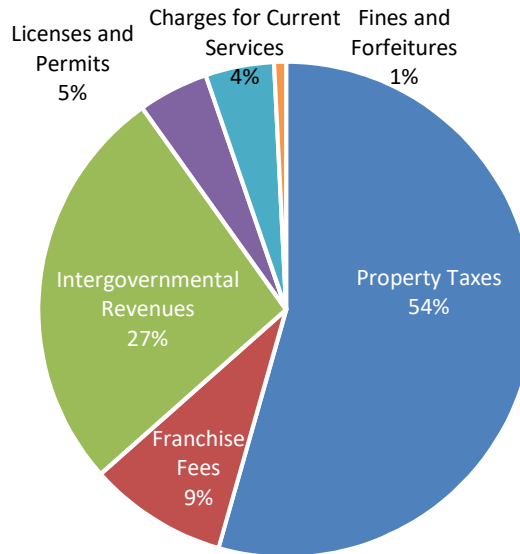
Funding Sources

The proposed budget focuses on three major categories of funding sources for the City's financial activities, namely Operating Revenues, Special Revenues, and Other Funding Sources.

OPERATING REVENUES

The principal sources of the City's Operating revenues are property taxes, franchise fees, transient occupancy taxes, sales and use tax allocation, fees from licenses and permits, service charge fees, fines and forfeitures, vehicle in-lieu fees, and interest income. Each of these revenue sources is discussed in further detail on page II-25. The major sources of Operating Revenue, and their respective percentages of the total Operating Revenues, are exhibited in Figure 1.

Figure 1
% of Total Operating Revenue - FYs 2021/22 and 2022/23



For the first year of the Biennial Budget, Operating Revenues are anticipated to increase by 5.3% from the FY 2020/21 year-end estimate to \$22,236,737. Much of the year-over-year growth, however, is due to the precipitous decline in TOT and sales tax revenues in FY 2020/21 due to the pandemic. Operating Revenues in the following year are projected to increase by 3.5% from FY 2021/22 to \$23,005,385.

The following table depicts the projected percentage change for the two primary revenue sources for the new budget cycle.

Operating Revenue Sources	Year-End Estimate 2020/2021	Budget FY 21/22	Budget FY 22/23
1) Sales Tax	\$ 5,313,829	\$ 5,807,432	\$ 5,952,618
% Change from prior year		9.29%	2.50%
2) Property Tax	\$ 11,713,568	\$ 12,042,115	\$ 12,353,855
% Change from prior year		2.80%	2.59%

**SPECIAL
REVENUES
& OTHER
FUNDING
SOURCES**

Special Revenue and Other Funding Sources for FY 2021/22 is budgeted at approximately \$6.8 million and approximately \$6.2 million in FY 2022-23.

The City's special revenues consist of annual allocations, as well as development impacts fees and special grants tied in with specific capital projects. Annual allocations are comprised mainly of the State's subvention for gasoline tax, local Measure M2 Fair Share revenues, and Air Quality Management District AB 2766 program revenues. Development impact fees consist of Quimby Act Park In-lieu Fees, Public Art Fees, and Traffic Impact Fees. The City also receives special grants, which are one-time allocations awarded on a competitive basis, such as Coastal Area Road Improvement and Traffic Signals (CARITS) funding and Measure "M" Competitive funding. The special revenue funds are discussed in more depth in the "Major Sources of Special Revenue Funds" on page II-30.

Other funding sources may include proceeds from debt financing, interest on trust funds, as well as the distributions from the leasing operation of the Laguna Hills Civic Center office building.

Funding Uses

The City's appropriation of its total financial resources is classified into three major categories: General Fund Expenditures, Capital Improvement Plan, and Other Funding Uses.

**GENERAL FUND
OPERATING
EXPENDITURES**

General Fund Expenditures are the costs directly associated with the general governmental functions of the City which are listed in the table below broken out by department. In FY 2021/22, General Fund operating expenditures are projected to be \$22,125,948, an increase of \$2,181,774, or 11%, from the FY 2020/21 year-end estimate. For FY 2022/23, the General Fund operating expenditures are projected to increase by 5.8% to \$23,404,916. Figure 2 below shows each Department's spending level as a percentage of total operating expenditures for both Biennial Budget fiscal years.

Figure 2
Department Percentage of Total Operating Expenditures - FYs 2021/22 and 2022/23

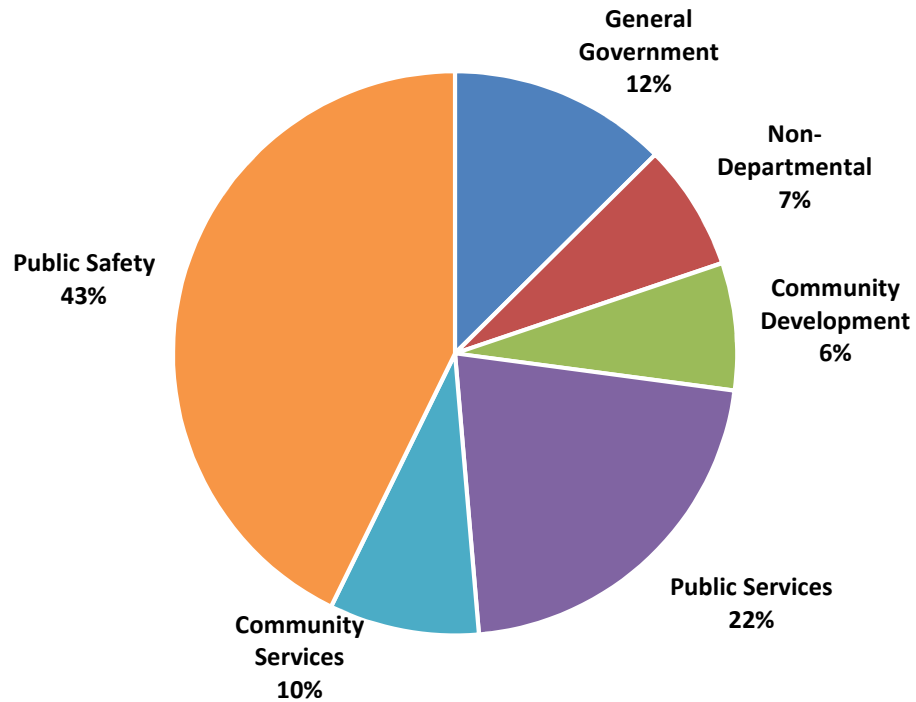
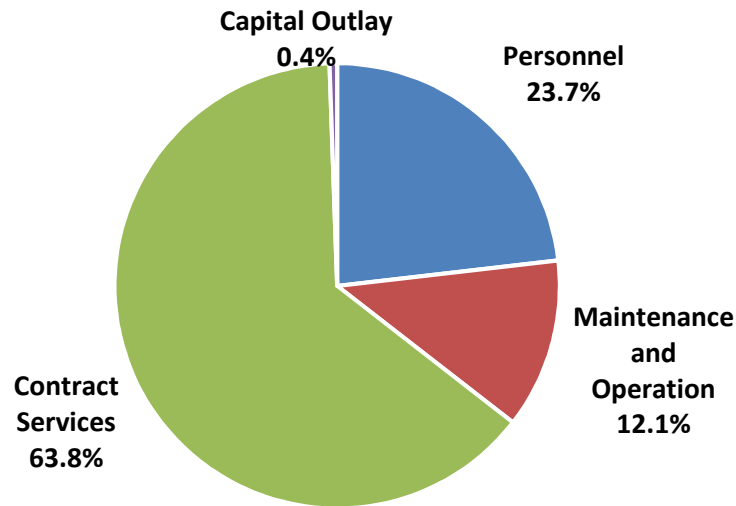


Figure 3 on the following page illustrates the City's expenditure classifications as a percentage of total Operating Expenditures in both years of the Biennial Budget.

Figure 3
Expenditure Classifications Percentage of Total Operating Expenditures
FYs 2021/22 and 2022/23



As a contract city, the Contract Services classification has historically represented the largest share of the total operating expenditures. That remains the case for this Biennial Budget.

**CAPITAL
IMPROVEMENT
PROJECTS**

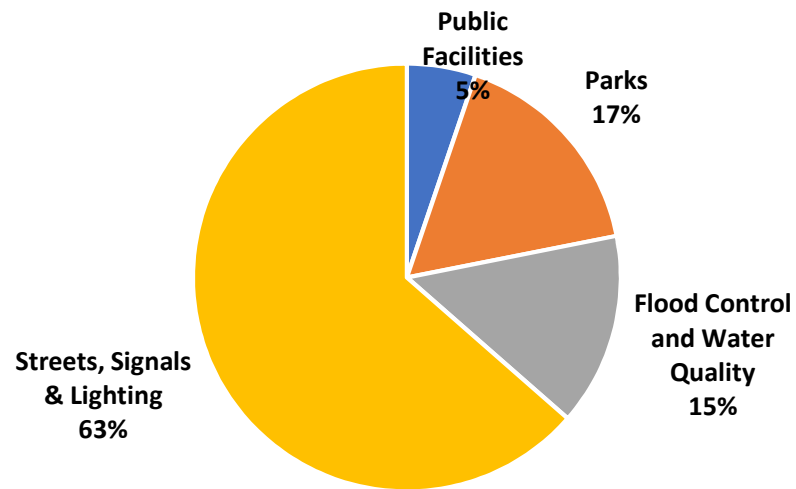
For the upcoming biennial budget cycle, \$5,065,000 is budgeted towards 13 capital projects. These projects will be funded over the course of the 2-year budget with Special Revenue funds in the amount of \$4,000,000, or 79% of the funding. The balance of \$1,065,000, or 21% of the funding, will be supported by the City's General Fund.

The following list highlights the major capital expenditures among the 13 capital projects scheduled during the 2021-2023 Biennial Budget:

- | | |
|--|--------------|
| ▪ Annual Street Maintenance | \$ 2,900,000 |
| ▪ NPDES and Water Quality Improvements | \$ 400,000 |
| ▪ Community Center Field Renovations | \$ 275,000 |
| ▪ General Park Renovations | \$ 300,000 |

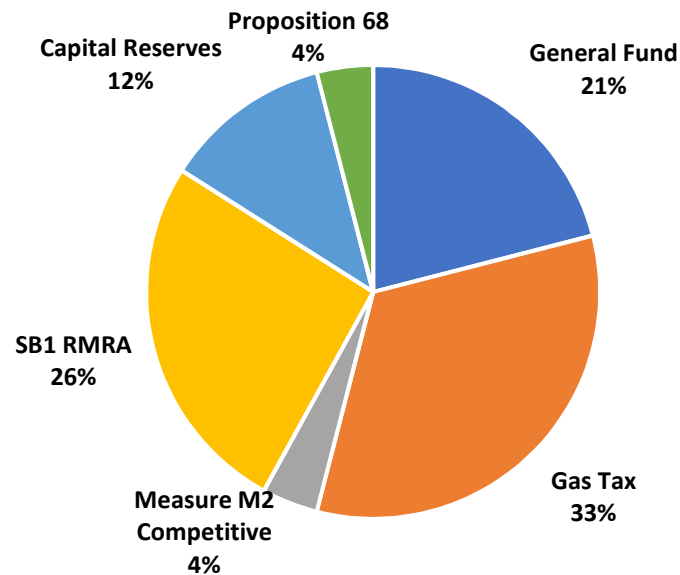
Figure 4 shows the capital project expenditures by CIP category for the Biennial Budget cycle. The City has allocated a total of \$4,040,000 in FY 2021/22, and \$1,025,000 in FY 2022/23 toward the City's capital improvements.

Figure 4
Percentage of Capital Expenditures by CIP Category



On the following page, Figure 5 presents the various capital funding sources for the Biennial Budget cycle. The “Capital Improvement Program” section of the budget provides a detailed listing and description of all the capital projects contained in the CIP.

Figure 5
Percentage of Capital Expenditures by Funding Source



**OTHER FUNDING
USES**

The 2021-2023 Biennial Budget also includes other funding uses for budget activity accounted for separately from the CIP and Operating Budget. The total for other funding uses in FY 21/22 is \$376,130 and \$357,291 in FY 22/23. Other funding uses includes the following activity:

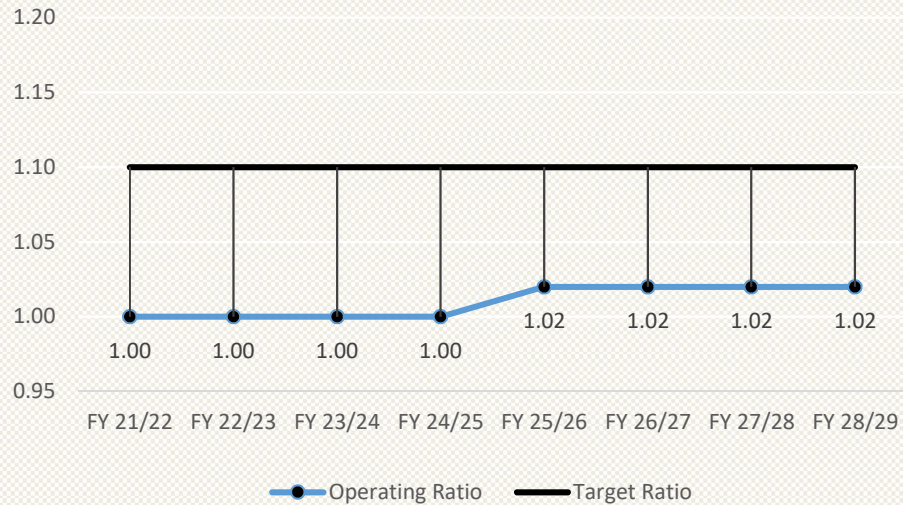
- Recycling special revenue funds for expenditures related to the implementation of recycling programs, public information, and the payment of recycling consultant services.
- Senior Mobility Program (SMP) Funds for expenses related to assisting with transportation services for senior citizens. These funds are currently utilized to support a Dial-A-Taxi program for seniors.

8-Year Resource Allocation Plan

The City's Financial Policies document is contained in Appendix 1 of this budget document. The emphasis contained within these policies is that the long-term implications of current financial decisions must be fully understood and taken into account in the Biennial Budget decision-making process. To assist the City Council in this effort, staff has created a customized eight-year financial model for Laguna Hills. This 8-Year Resource Allocation Plan is included in the Budget Summaries Section, on page II - 1.

The 8-Year Resource Allocation Plan is specifically designed to project the City's operating and reserve policy ratios over the course of the next eight years. While continually striving to maintain the operating ratio minimum of 1.10, the operating ratios for Years 1 & 2 are projected at 1.00 and 1.00, respectively. The operating ratio is not anticipated to exceed the operating ratio minimum throughout the duration of the 8-Year Resource Allocation Plan. As included within the City's financial policies, a reserve policy minimum of 35% for the Unrestricted Fund Balance and 25% for the Unassigned Fund Balance has been incorporated within this budget. As mentioned previously, the City has taken a number of cost savings measures over the last four Biennial Budget cycles as a direct result of the structural correction that has taken place.

**FIGURE 6
OPERATING RATIO**



The Unrestricted General Fund Balance ratio is anticipated to remain above the policy target ratio of 35% for the first four years of the 8-Year Resource Allocation Plan. The Unrestricted Fund Balance is projected to be 47% at the end of FY 21/22, and 44% at the end of FY 22/23. The Unassigned Fund Balance ratio is anticipated to be at 44% and 39% for Years 1 & 2, respectively, of the budget cycle. The Unassigned Fund Balance ratio will decline from 44% in FY 21/22 to 8% in Year 8 (FY 28/29). Figure 7 plots the Unrestricted Fund Balance ratio and Figure 8 plots the Unassigned Fund Balance ratio over the span of the 8-Year Resource Allocation Plan.

**FIGURE 7
UNRESTRICTED GENERAL FUND BALANCE RATIO**

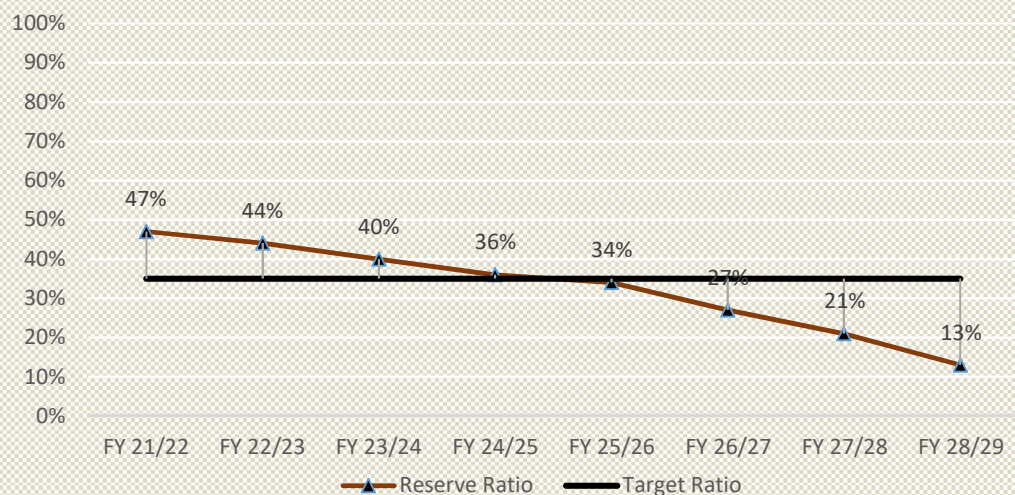
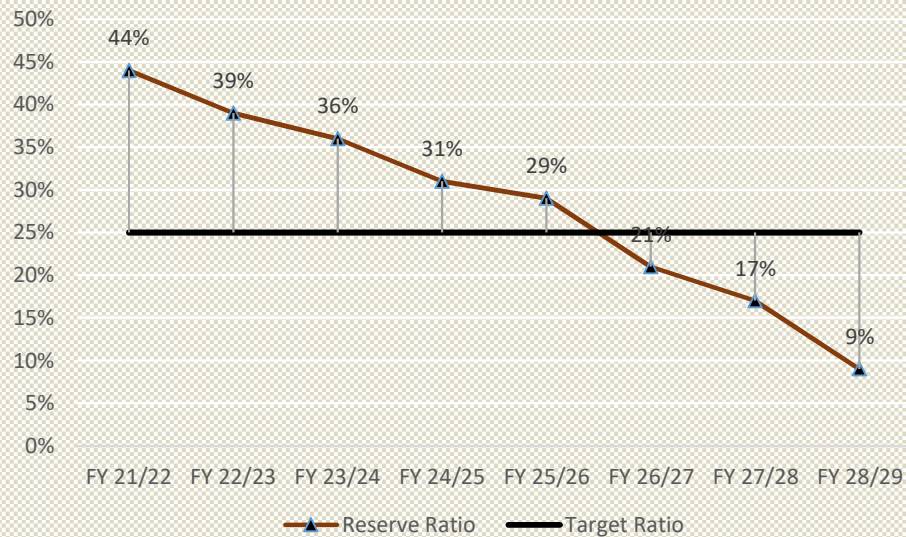


FIGURE 8
UNASSIGNED GENERAL FUND BALANCE RATIO



It is projected that the City will have an Unrestricted General Fund Balance of approximately \$10.3 million and an Unassigned General Fund Balance of \$9.6 million at the end of this Biennial Budget cycle.

Conclusion

This budget is a product of the City Council's sound leadership, prudent fiscal stewardship, and consistent policy direction. Moreover, it represents the City's continued commitment to provide a high level of municipal services to its constituents without compromising the City's historically sound financial policies.

Accordingly, we believe that this 2021-2023 Biennial Budget is a well-crafted, two-year financial plan that effectively manages costs while simultaneously positioning the City for future growth. The City Council's conservative fiscal policies have paid off and the commitment to manage costs will see the City through the next two years. Still, this 2021-2023 Budget provides for the necessary investment in our capital infrastructure, maintains our high level of services, and we look forward to the next two years and to the implementation of this budget plan.

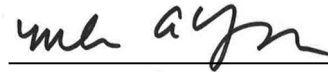
Respectfully submitted,



Kenneth Rosenfield
Interim City Manager



Janice Reyes
Finance Director



Melissa Au-Yeung
Deputy City Manager

ELECTED OFFICIALS As of June 30, 2021



Erica Pezold
Mayor



Don Sedgwick
Mayor Pro Tem



Janine Heft
Council Member



Bill Hunt
Council Member



Dave Wheeler
Council Member

MANAGEMENT STAFF
As of June 30, 2021



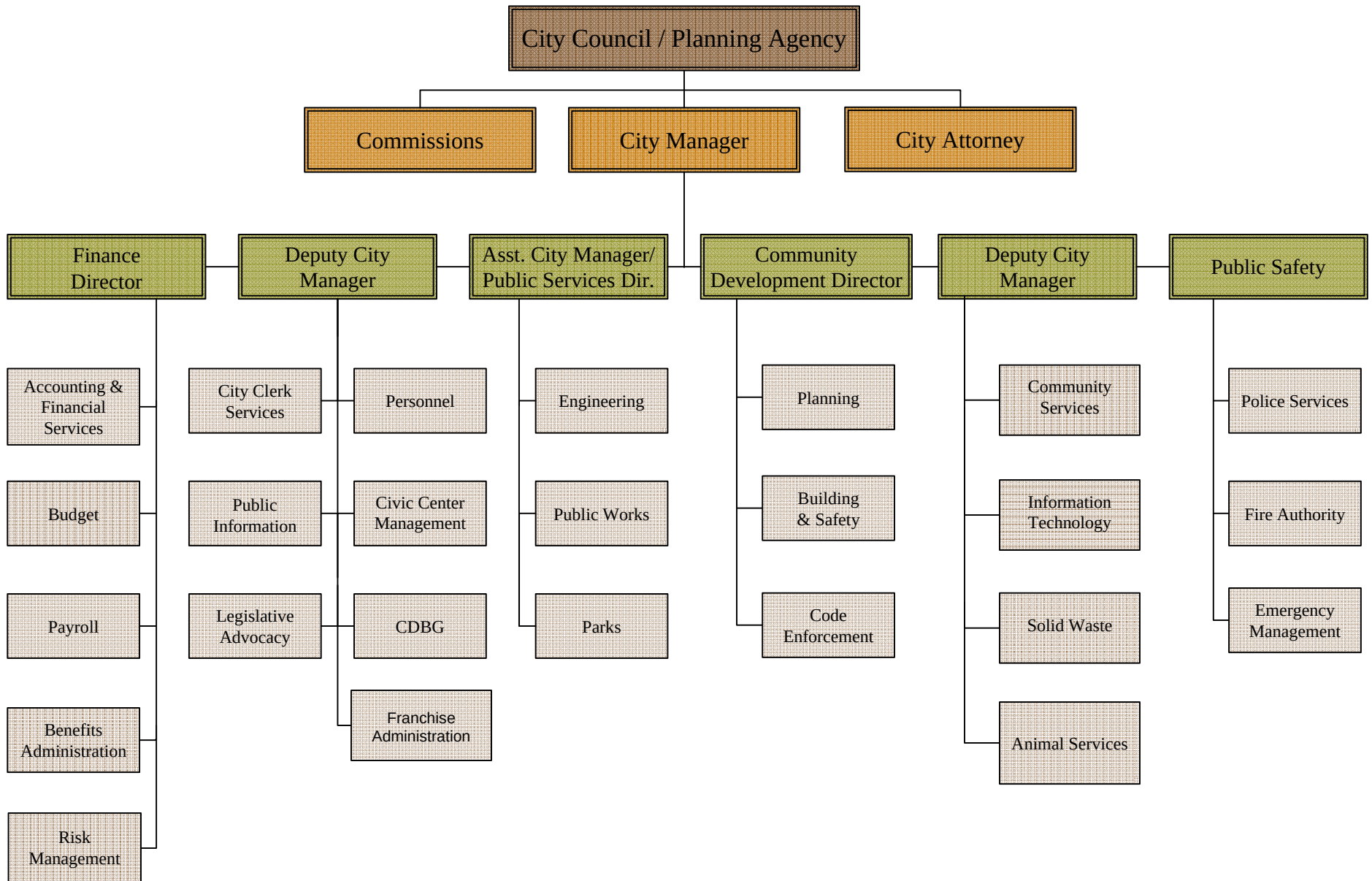
Kenneth H. Rosenfield
Interim City Manager

♦ Gregory E. Simonian	City Attorney
♦ David Chantarangsu	Community Development Director
♦ Melissa Au-Yeung	Deputy City Manager
♦ David T. Reynolds	Deputy City Manager
♦ Janice Reyes	Finance Director
♦ Lt. Matthew Stiverson	Police Chief (O.C. Sheriff Department)
♦ Mike Contreras	Division Chief (OC. Fire Department)

CITY OF LAGUNA HILLS

ORGANIZATIONAL CHART

June 30, 2021



Budget Summary



BUDGET SUMMARIES

TOTAL BUDGET

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23

5.1.d

	Biennial Budget		FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	FY 28/29
	FY 21/22	FY 22/23						
Beginning Balance	13,118,079	13,892,564	17,953,143	15,515,705	15,795,762	13,961,737	13,940,043	11,213,799
General Fund Revenues	22,236,737	23,005,385	23,600,671	24,272,186	24,967,728	25,646,503	26,344,234	27,061,712
Special Revenues	5,240,615	5,440,232	2,071,712	1,906,737	1,798,579	2,048,412	1,880,577	1,712,000
Other Funding Sources	1,689,132	843,590	862,689	878,826	901,968	921,527	941,673	961,712
Total Funding Sources	29,166,484	29,289,207	26,535,072	27,057,749	27,668,275	28,616,443	29,166,484	29,735,423
Operating Expenditures	22,125,948	23,404,916	23,991,798	24,641,622	25,309,208	25,995,046	26,699,637	27,421,712
Capital Expenditures	4,040,000	1,025,000	4,500,000	1,650,000	4,100,000	1,550,000	4,100,000	1,600,000
Other Funding Uses	376,130	357,291	43,091	43,091	43,091	43,091	43,091	43,091
Elimination of Pension Unfunded Liability						1,000,000	1,000,000	1,000,000
Use of Reserve Funds	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Debt Service	1,799,921	391,421	387,621	392,979				
Total Funding Uses	28,391,999	25,228,628	28,972,510	26,777,692	29,502,299	28,638,137	31,892,728	30,115,813
Change in Fund Balance	774,485	4,060,579	(2,437,438)	280,057	(1,834,025)	(21,694)	(2,726,244)	(378,090)
Ending Balance	13,892,564	17,953,143	15,515,705	15,795,762	13,961,737	13,940,043	11,213,799	10,835,709
Less the following fund balances:								
Reservation for Debt Service	391,421	387,621	392,979					
Non-Major Governmental Funds	3,015,318	7,269,933	5,603,895	6,851,091	5,431,579	7,036,901	5,699,387	7,361,000
Unrestricted General Fund Balance	10,485,826	10,295,589	9,518,831	8,944,671	8,530,158	6,903,142	5,514,413	3,474,709
Less the following designations:								
Total Capital Replacement Funds	655,659	850,659	775,659	1,050,659	980,299	1,255,299	856,587	856,587
Insurance Reserve Funds	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Unassigned General Fund Balance	9,630,166	9,244,930	8,543,172	7,694,011	7,349,859	5,447,843	4,457,825	2,418,122

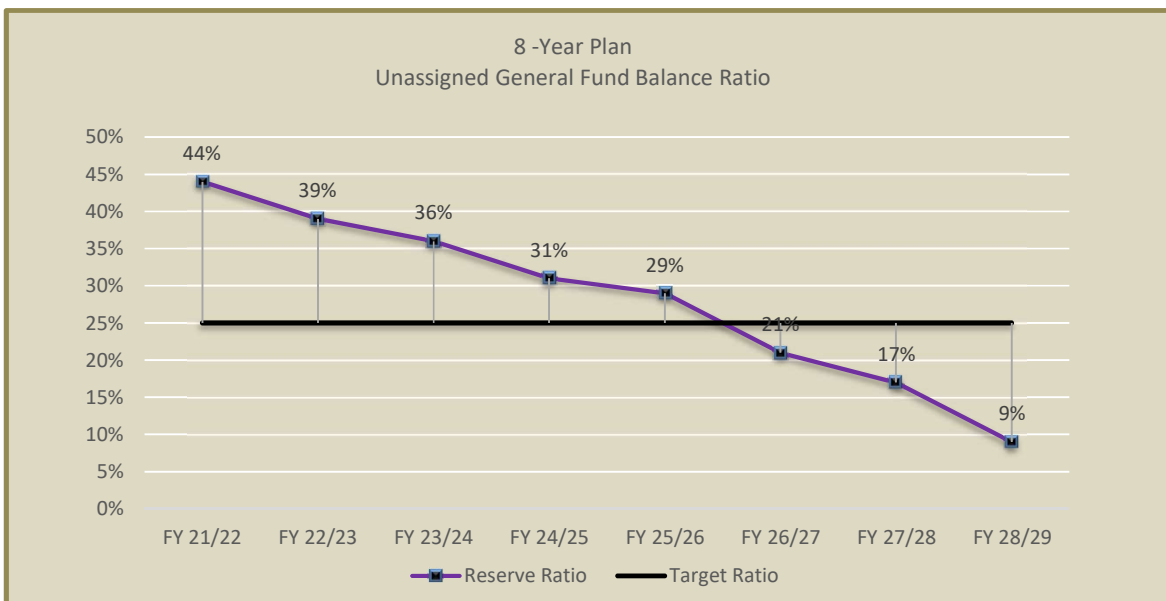
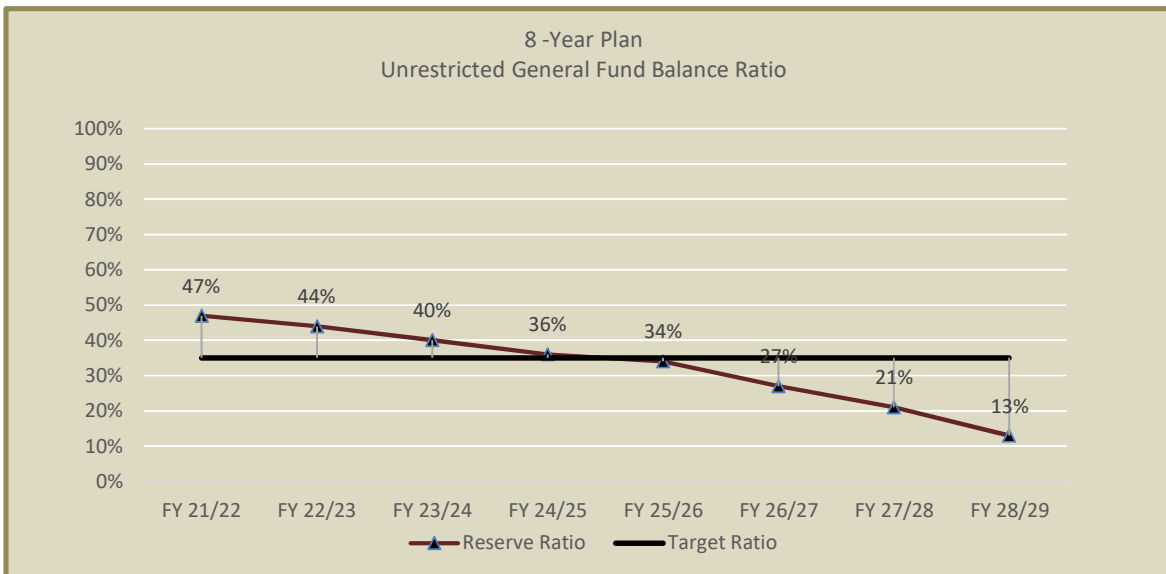
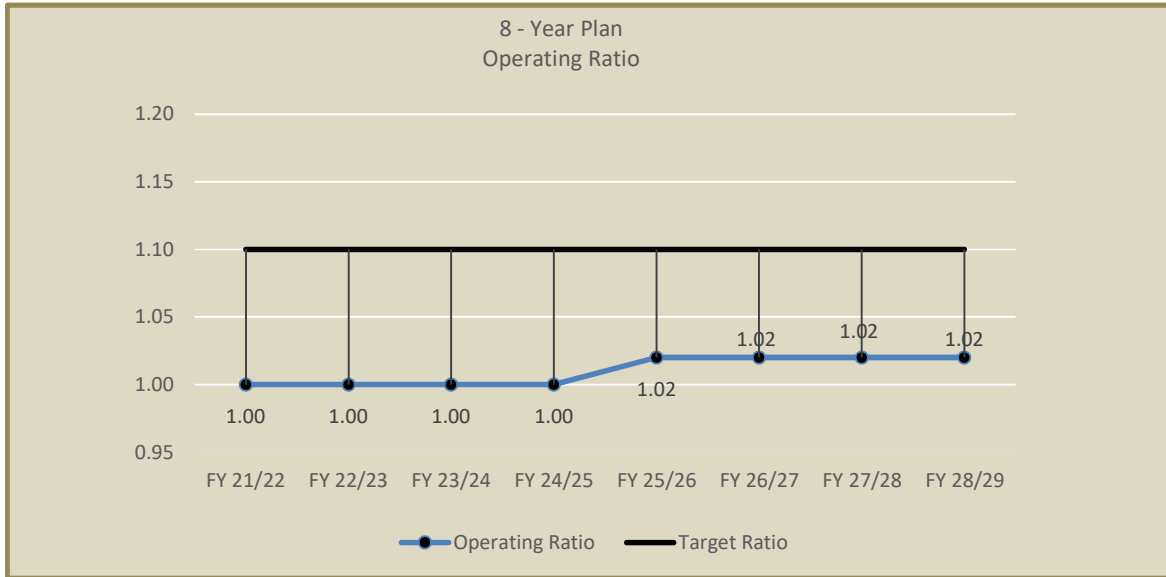
Ratio Analysis								
Operating Ratio (>1.1)	1.00	1.00	1.00	1.00	1.02	1.02	1.02	1.00
Debt Service Ratio (<12%)	8%	2%	2%	2%				
Unrestricted General Fund Balance Ratio (>35%)	47%	44%	40%	36%	34%	27%	21%	13%
Unassigned General Fund Balance Ratio (>25%)	44%	39%	36%	31%	29%	21%	17%	9%

Reserve Policy Analysis								
Minimum Unrestricted General Fund Reserve (35%)	7,744,082	8,191,721	8,397,129	8,624,568	8,858,223	9,098,266	9,344,873	9,591,412
Unrestricted Amount - (Under)/Over	2,741,744	2,103,868	1,121,702	320,103	(328,065)	(2,195,123)	(3,830,460)	(6,133,000)
Minimum Unassigned Fund Balance Reserve (25%)	5,531,487	5,851,229	5,997,949	6,160,406	6,327,302	6,498,761	6,674,909	6,851,412
Unassigned Amount - (Under)/Over	4,098,679	3,393,701	2,545,223	1,533,606	1,022,557	(1,050,918)	(2,217,084)	(4,443,290)

Assumptions:								
General Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Taxable Sales (base growth)	9.29%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Secured Assessed Valuation Growth Rate	2.89%	2.66%	3.19%	3.25%	3.28%	3.00%	3.00%	3.00%
Sheriff's Contract Increase	8.29%	4.00%	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

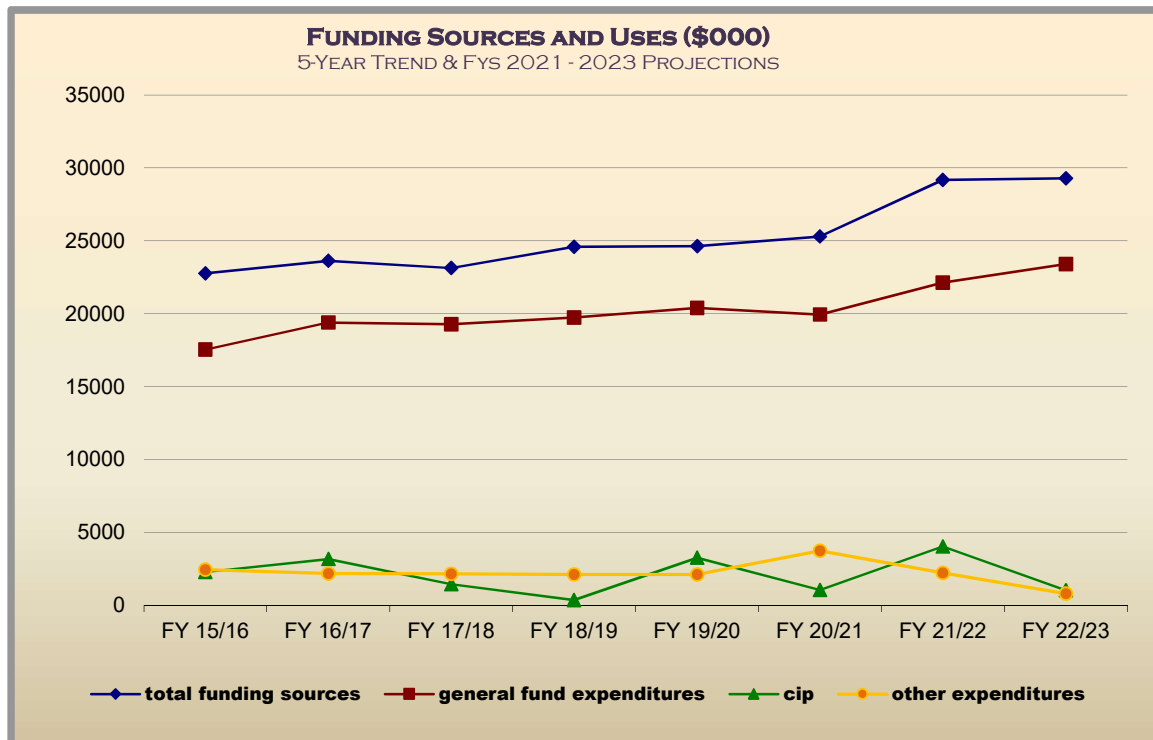
CITY OF LAGUNA HILLS BIENNIAL BUDGET 8-YEAR PLAN RATIO ANALYSIS



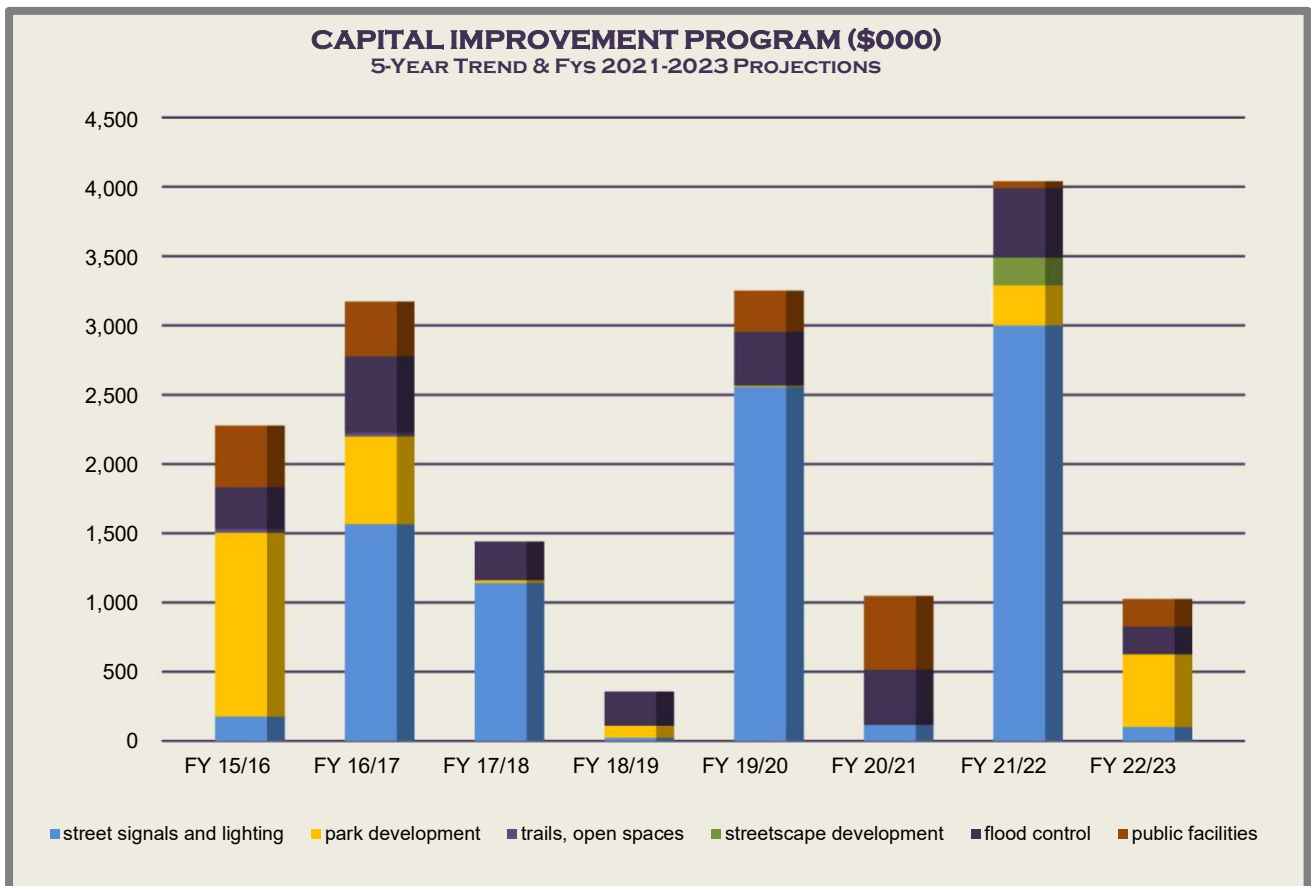
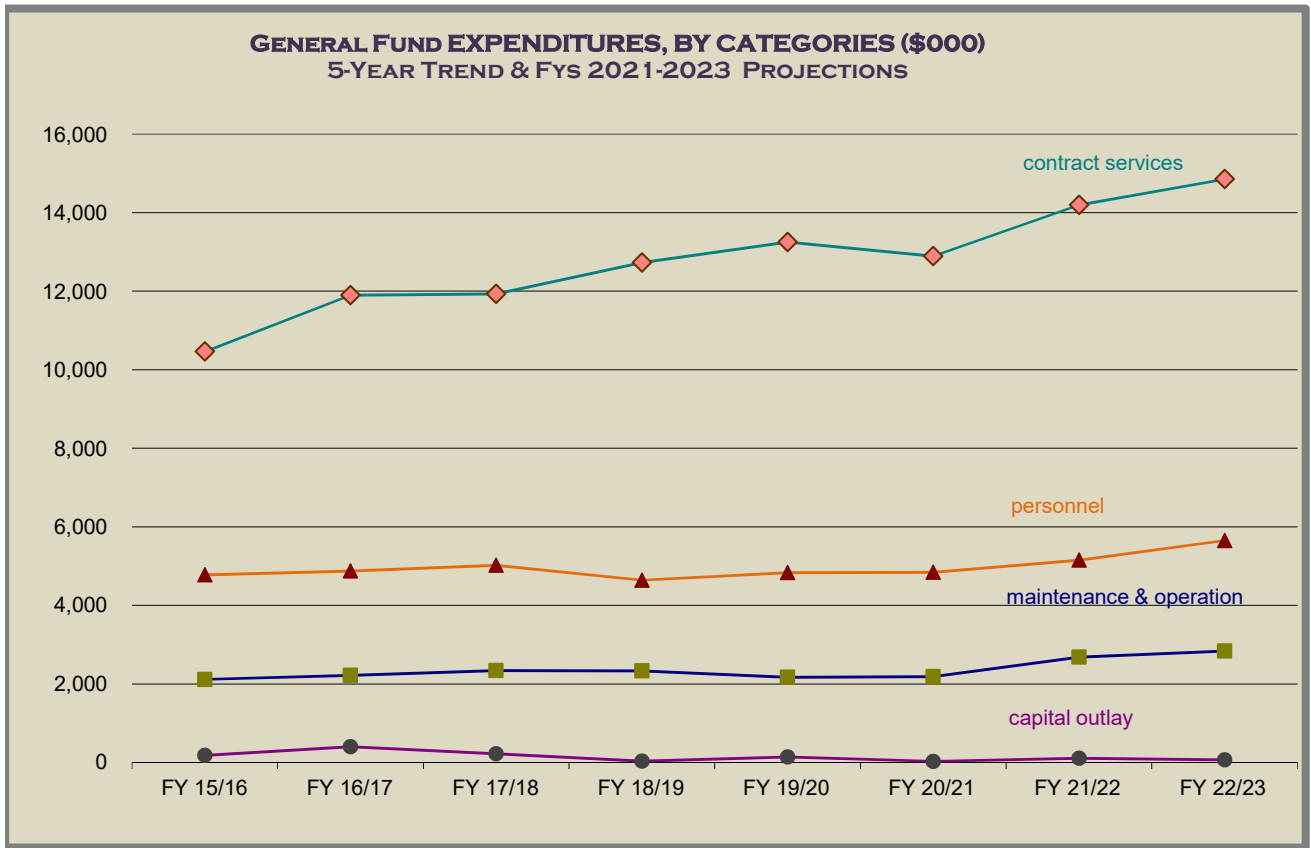
CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23

CONSOLIDATED REPORT OF FUNDING SOURCES AND USES

	PRIOR YEAR'S ACTUAL FY 19/20	FY 20/21		FY 21/22	FY 22/23
		AMENDED BUDGET	YEAR-END ESTIMATE		
FUNDING SOURCES					
General Fund Revenues	\$ 21,743,180	\$ 23,255,713	\$ 21,111,367	\$ 22,236,737	\$ 23,005,385
Special Revenues	2,649,281	4,165,039	4,115,994	6,829,747	6,183,822
Investment Income	230,663	161,486	75,485	100,000	100,000
Total Funding Sources	24,623,124	27,582,238	25,302,846	29,166,484	29,289,207
FUNDING USES					
General Fund Expenditures	20,397,220	21,539,317	19,944,174	22,125,948	23,404,916
Capital Improvement Program (CIP)	3,251,173	825,000	1,047,500	4,040,000	1,025,000
Special Revenue Fund Expenditures	308,095	1,848,947	1,906,770	376,130	357,291
Debt Service	1,804,922	1,788,921	1,788,921	1,799,921	391,421
Use of Reserves	6,403	50,000	50,000	50,000	50,000
Total Funding Uses	25,767,812	26,052,185	24,737,365	28,391,999	25,228,628
NET CHANGE IN FUND BALANCE					
	(1,144,688)	1,530,053	565,481	774,485	4,060,579
FUND BALANCE					
Beginning Balance	13,697,286	12,552,598	12,552,598	13,118,079	13,892,564
Ending Balance	\$ 12,552,598	\$ 14,082,651	\$ 13,118,079	\$ 13,892,564	\$ 17,953,143



CITY OF LAGUNA HILLS



CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
TOTAL BUDGET

FUNDING SOURCES

General Fund Revenues

Property Taxes

Secured, Unsecured, Public Utility, Supplementals, Homeowners' Exemption	\$ 7,820,843	\$ 8,180,559	\$ 8,130,094	\$ 8,365,054	\$ 8,587,564
Prior Year	55,877	50,580	50,580	50,580	50,580
Miscellaneous, Interest & Penalties	33,365	22,000	22,000	22,000	22,000
Property Transfer Taxes	264,540	200,000	250,000	250,000	250,000
Property Tax In-Lieu of VLF	3,139,419	3,251,276	3,260,894	3,354,482	3,443,711
Total Property Taxes	11,314,044	11,704,415	11,713,568	12,042,115	12,353,855

Franchise & Transient Occupancy Taxes

Utility Franchise Fees					
Cable TV	442,644	508,503	442,000	442,000	453,050
San Diego Gas & Electric	178,535	204,373	179,000	179,000	183,475
Southern California Edison	176,623	190,585	177,000	177,000	181,425
Southern California Gas Co.	67,291	63,596	67,000	67,000	68,675
<i>Sub-total Utility Franchise Fees</i>	<i>865,092</i>	<i>967,057</i>	<i>865,000</i>	<i>865,000</i>	<i>886,625</i>
Waste Disposal/Recycling Fees					
Waste Haulers	313,175	325,865	313,000	320,825	328,846
Admin Fee - Waste Recycling	19,740	-	20,000	20,500	21,013
<i>Sub-total Waste/Recycling</i>	<i>332,915</i>	<i>325,865</i>	<i>333,000</i>	<i>341,325</i>	<i>349,858</i>
Transient Occupancy Taxes	1,025,046	1,365,813	600,000	800,000	1,000,000
Total Franchise & Transient Occupancy Tax	2,223,053	2,658,735	1,798,000	2,006,325	2,236,483

Intergovernmental Revenues

Sales & Use Tax	5,372,149	5,990,338	5,313,829	5,807,432	5,952,618
Motor Vehicle in Lieu	24,988	15,000	25,000	25,625	26,266
State Mandated Reimbursement	10,613			-	-
County Landfill Agreement	68,826	45,000	69,000	70,725	72,493
Total Intergovernmental Revenues	5,476,576	6,050,338	5,407,829	5,903,782	6,051,377

Licenses and Permits

Building Related Licenses/Permits					
Building Permits	692,002	675,000	699,895	600,000	600,000
Plan Check Fees	224,805	175,000	150,811	200,000	200,000
Imaging Plans and Documents Fee	44,303	31,000	46,164	40,000	40,000
<i>Sub-total Building Permits</i>	<i>961,109</i>	<i>881,000</i>	<i>896,870</i>	<i>840,000</i>	<i>840,000</i>

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
TOTAL BUDGET

	PRIOR YEAR'S	FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20	AMENDED BUDGET	YEAR-END ESTIMATE		
Engineering Fees					
Transportation Permit	1,704	1,500	1,000	1,500	1,500
Encroachment Permit	149,036	145,000	150,000	175,000	175,000
Traffic Permit & License Fees	2,325	3,500	2,400	2,000	2,000
<i>Sub-total Engineering Permits</i>	<u>153,065</u>	<u>150,000</u>	<u>153,400</u>	<u>178,500</u>	<u>178,500</u>
Total Licenses and Permits	<u>1,114,174</u>	<u>1,031,000</u>	<u>1,050,270</u>	<u>1,018,500</u>	<u>1,018,500</u>
Charges for Current Services					
Recreation Fees					
Recreation Programs	147,553	367,275	51,000	220,365	293,820
Facility Reservations	139,068	226,500	8,000	135,900	192,525
Outdoor Facility Reservations	46,213	74,650	25,000	63,450	74,650
Special Events - 4th of July	4,057	5,000	-	-	5,000
Memorial Day Race - Registration Fees	(9,051)	184,800	52,500	174,800	178,300
Memorial Day Race - Sponsorships	2,500	29,000	17,500	29,000	29,000
<i>Sub-total Recreation Fees</i>	<u>330,340</u>	<u>887,225</u>	<u>154,000</u>	<u>623,515</u>	<u>773,295</u>
Development Services					
Planning and Zoning Fees	631,291	130,000	95,000	75,000	50,000
Planning Fees - MGP Development Applic.		375,000	375,000		
Improvement Inspect	25,895	35,000	35,000	35,000	35,000
<i>Sub-total Development Fees</i>	<u>657,185</u>	<u>540,000</u>	<u>505,000</u>	<u>110,000</u>	<u>85,000</u>
Leases and Rental Fees					
Cell Tower Lease	115,403	82,000	115,500	115,500	115,500
Library Lease	42,000	42,000	42,000	42,000	42,000
<i>Sub-total Leases/Rentals</i>	<u>157,403</u>	<u>124,000</u>	<u>157,500</u>	<u>157,500</u>	<u>157,500</u>
Other Service Charges					
Sale of Publications/Maps	724	1,000	200	-	-
<i>Sub-total Other Service Charges</i>	<u>724</u>	<u>1,000</u>	<u>200</u>	<u>-</u>	<u>-</u>
Miscellaneous Operating Revenues	294,020	69,000	150,000	200,000	150,000
Total Charges for Services	<u>1,439,672</u>	<u>1,621,225</u>	<u>966,700</u>	<u>1,091,015</u>	<u>1,165,795</u>
Fines and Forfeitures					
Code Fines	97,911	75,000	100,000	100,000	102,500
Parking Fines	77,750	115,000	75,000	75,000	76,875
Total Fines and Fortfeitures	<u>175,662</u>	<u>190,000</u>	<u>175,000</u>	<u>175,000</u>	<u>179,375</u>
Total General Fund Revenues	\$ 21,743,180	\$ 23,255,713	\$ 21,111,367	\$ 22,236,737	\$ 23,005,385

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
TOTAL BUDGET

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
Special Revenues & Other Funding Sources						
Gas Tax	\$ 740,158	\$	700,000	\$ 684,976	\$ 766,768	\$ 779,803
SB1 RMRA	546,823		550,000	540,082	605,278	622,831
Measure M2 Competitive	200,000		-	200,000	200,000	
AB 2766	39,894		40,000	40,000	40,000	40,000
Proposition 68			200,000		200,000	
Grants & Contributions	206,675					
Public Art						
Measure M2 Local Fair Share	610,262		628,798	525,459	576,042	593,590
Housing Element Update Grants					275,000	
Hazard Mitigation Plan FEMA Grant					30,000	
Law Enforcement	156,006		140,000	150,000	150,000	150,000
Beverage Recycling			8,500			9,000
CR&R Recycling Fee	2,000		2,000	2,000	110,000	110,000
C&D Forfeited Deposits	103,069		35,000	117,833	100,000	100,000
Senior Mobility Program	38,435		38,091	38,091	38,970	40,909
CASp	5,958		5,000	5,000	5,000	5,000
CARES Act			692,650	687,553		
American Rescue Plan Act					3,732,689	3,732,689
VALH - MGP Development Application			1,125,000	1,125,000		
Total Special Revenues & Other Funding	\$ 2,649,281	\$	4,165,039	\$ 4,115,994	\$ 6,829,747	\$ 6,183,822
Investment Income	230,663		161,486	75,485	100,000	100,000
TOTAL FUNDING SOURCES	\$ 24,623,124	\$	27,582,238	\$ 25,302,846	\$ 29,166,484	\$ 29,289,207

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
TOTAL BUDGET

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
FUNDING USES						
General Fund						
General Government						
Personnel	\$ 1,755,099	\$	1,810,113	\$ 1,856,382	\$ 1,945,753	\$ 2,020,063
Maintenance and Operation	193,215		251,890	136,129	203,065	212,140
Contract Services	654,510		659,470	641,320	566,470	649,470
Total General Government	2,602,825		2,721,473	2,633,831	2,715,288	2,881,673
Non-departmental						
Personnel	413,926		471,597	457,722	529,890	580,695
Maintenance and Operation	551,876		605,778	623,394	761,543	779,576
Contract Services	149,267		152,961	144,961	249,117	199,963
Capital Outlay	77,349		31,700	24,200	52,200	31,700
Total Non-departmental	1,192,417		1,262,036	1,250,277	1,592,750	1,591,934
Community Development						
Personnel	813,604		897,477	853,632	866,342	919,263
Maintenance and Operation	11,700		18,500	12,250	12,350	11,850
Contract Services	830,145		724,000	596,770	645,000	520,000
Total Community Development	1,655,449		1,639,977	1,462,652	1,523,692	1,451,113
Public Services						
Personnel	835,497		903,114	868,320	703,966	871,084
Maintenance and Operation	968,507		1,054,900	1,001,600	1,048,250	1,078,550
Contract Services	2,932,523		2,834,500	2,782,000	3,034,500	3,082,500
Capital Outlay	47,606		-	-	-	20,000
Total Public Services	4,784,133		4,792,514	4,651,920	4,786,716	5,052,134
Community Services						
Personnel	1,018,456		1,196,521	805,083	1,102,088	1,259,757
Maintenance and Operation	403,458		658,500	370,696	600,770	692,924
Contract Services	274,739		350,334	158,234	332,730	357,730
Capital Outlay	9,218		7,500	800	1,500	4,500
Total Community Services	1,705,871		2,212,855	1,334,813	2,037,088	2,314,911
Public Safety						
Maintenance and Operation	43,497		37,690	38,427	53,900	61,900
Contract Services	8,408,415		8,870,772	8,570,254	9,366,514	10,044,251
Capital Outlay	4,613		2,000	2,000	50,000	7,000
Total Public Safety	8,456,524		8,910,462	8,610,681	9,470,414	10,113,151
Total General Fund Expenditures	\$ 20,397,220	\$	21,539,317	\$ 19,944,174	\$ 22,125,948	\$ 23,404,916

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
TOTAL BUDGET

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
Capital Improvement Program (CIP)						
Streets, Signals & Lighting	\$ 2,557,261	\$	100,000	\$ 115,000	\$ 3,000,000	\$ 100,000
Flood Control and Water Quality	389,389		200,000	400,000	500,000	200,000
Parks	7,781		440,000	-	290,000	525,000
Public Facilities	296,741		85,000	532,500	50,000	200,000
Trails and Open Spaces	-		-	-	200,000	-
Total CIP	\$ 3,251,173	\$	825,000	\$ 1,047,500	\$ 4,040,000	\$ 1,025,000
Special Revenue & Other Expenditures						
AB 2766	\$ 3,110	\$	35,000	\$	50,000	\$ 50,000
CASp			5,000	5,000	5,000	5,000
Public Art	2,302					
Beverage Recycling	2,550		8,500	-	19,900	9,061
CR&R Recycling Fee			2,879	-	117,000	109,000
C&D Forfeited Deposits	88,855		68,000	115,470	130,000	130,000
Senior Mobility	45,942		64,904	11,300	54,230	54,230
CARES Act	165,337		539,664	523,081		
American Rescue Plan Act				126,919		
VALH - MGP Development Application			1,125,000	1,125,000		
Total Special Revenue & Other Expenditures	\$ 308,095	\$	1,848,947	\$ 1,906,770	\$ 376,130	\$ 357,291
Debt Service						
Interest	\$ 282,881	\$	206,881	\$ 206,881	\$ 127,881	\$ 44,381
Principle	1,520,000		1,580,000	1,580,000	1,670,000	345,000
Trustee Administration Fee	2,041		2,040	2,040	2,040	2,040
Total Debt Service Expenditures	\$ 1,804,922	\$	1,788,921	\$ 1,788,921	\$ 1,799,921	\$ 391,421
Use of Reserves	6,403		50,000	50,000	50,000	50,000
TOTAL FUNDING USES	\$ 25,767,812	\$	26,052,185	\$ 24,737,365	\$ 28,391,999	\$ 25,228,628
NET CHANGE IN FUND BALANCE	(1,144,688)		1,530,053	565,481	774,485	4,060,579
FUND BALANCE						
Beginning Balance	13,697,286		12,552,598	12,552,598	13,118,079	13,892,564
Ending Balance	\$ 12,552,598	\$	14,082,651	\$ 13,118,079	\$ 13,892,564	\$ 17,953,143

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -



BUDGET SUMMARIES

BUDGET BY FUND

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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2017/18 - 2018/19
ALL FUNDS - SUMMARY

FY 2021/22

	Beginning Balance	Revenues	Expenditures	Excess (Deficiency) of Revenues over Expenditures	Transfers In	Transfers Out	Ending Balance
General Fund ^(a)	\$ 7,704,006	\$ 22,336,737	\$ 22,175,948	\$ 160,789	\$ 8,471,797	\$ 5,850,767	\$ 10,485
Gas Tax Fund (HUTA & RMRA)	1,495,505	1,372,046		1,372,046		3,000,000	(132)
Measure M Fund	-	776,042		776,042		776,042	
AB 2766 Fund	249,223	40,000	50,000	(10,000)			239
Senior Mobility Program Fund	110,435	38,970	54,230	(15,260)	10,846		106
CARITS Fund	1,272,384	-		-			1,272
Beverage Recycling Fund	19,961	-	19,900	(19,900)			
CR&R Recycling Fund	7,041	110,000	117,000	(7,000)			
C&D Forfeited Deposits Fund	68,795	100,000	130,000	(30,000)			38
CASp	15,187	5,000	5,000	-			15
Water Conservation Fund	342,437	-		-			342
Quimby Act Fund	-	-		-			
ARPA	(126,919)	3,732,689		3,732,689		2,632,255	973
Public Art Fund	71,948			-			71
Grants & Contributions Fund	88,155	505,000		505,000		505,000	88
Law Enforcement COPS/Brulte	-	150,000		150,000		150,000	
Debt Service Fund	1,799,921		1,799,921	(1,799,921)	1,799,921	1,408,500	391
Capital Improvement Program Fund	-		4,040,000	(4,040,000)	4,040,000		
Total - All Funds	\$ 13,118,079	\$ 29,166,484	\$ 28,391,999	\$ 774,485	\$ 14,322,564	\$ 14,322,564	\$ 13,892

FY 2022/23

	Beginning Balance	Revenues	Expenditures	Excess (Deficiency) of Revenues over Expenditures	Transfers In	Transfers Out	Ending Balance
General Fund ^(a)	\$ 10,485,825	\$ 23,105,385	\$ 23,454,916	\$ (349,531)	\$ 1,582,761	\$ 1,423,467	\$ 10,295
Gas Tax Fund (HUTA & RMRA)	(132,449)	1,402,634		1,402,634			1,270
Measure M Fund	-	593,590		593,590		593,590	
AB 2766 Fund	239,223	40,000	50,000	(10,000)			229
Senior Mobility Program Fund	106,021	40,909	54,230	(13,321)	10,846		103
CARITS Fund	1,272,384			-			1,272
Beverage Recycling Fund	61	9,000	9,061	(61)			
CR&R Recycling Fund	41	110,000	109,000	1,000			1
C&D Forfeited Deposits Fund	38,795	100,000	130,000	(30,000)			8
CASp	15,187	5,000	5,000	-			15
Water Conservation Fund	342,437			-			342
Quimby Act Fund	-			-			
ARPA	973,515	3,732,689		3,732,689		839,171	3,867
Public Art Fund	71,948			-			71
Grants & Contributions Fund	88,155			-			88
Law Enforcement COPS/Brulte	-	150,000		150,000		150,000	
Debt Service Fund	391,421		391,421	(391,421)	387,621		387
Capital Improvement Program Fund	-		1,025,000	(1,025,000)	1,025,000		
Total - All Funds	\$ 13,892,564	\$ 29,289,207	\$ 25,228,628	\$ 4,060,579	\$ 3,006,228	\$ 3,006,228	\$ 17,953

^(a) Includes Reserves

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

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BUDGET SUMMARIES

OPERATING BUDGET

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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
OPERATING BUDGET - SUMMARY

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
OPERATING REVENUES						
Property Taxes	\$ 11,314,044	\$	11,704,415	\$ 11,713,568	\$ 12,042,115	\$ 12,353,855
Franchise & Transient Occupancy Tax	2,223,053		2,658,735	1,798,000	2,006,325	2,236,483
Intergovernmental Revenues	5,476,576		6,050,338	5,407,829	5,903,782	6,051,377
Licenses and Permits	1,114,174		1,031,000	1,050,270	1,018,500	1,018,500
Charges for Current Services	1,439,672		1,621,225	966,700	1,091,015	1,165,795
Fines and Forfeitures	175,662		190,000	175,000	175,000	179,375
Measure M2 Local Fair Share	610,262		628,798	525,459	576,042	593,590
Other Operating Revenues	266,944		301,486	225,485	1,113,090	250,000
TOTAL OPERATING REVENUES	22,620,387		24,185,997	21,862,311	23,925,869	23,848,975
OPERATING EXPENDITURES						
General Government	2,602,825		2,721,473	2,633,831	2,715,288	2,881,673
Non-departmental	1,192,417		1,262,036	1,250,277	1,592,750	1,591,934
Community Development	1,655,449		1,639,977	1,462,652	1,523,692	1,451,113
Public Services	4,784,133		4,792,514	4,651,920	4,786,716	5,052,134
Community Services	1,705,871		2,212,855	1,334,813	2,037,088	2,314,911
Public Safety	8,456,524		8,910,462	8,610,681	9,470,414	10,113,151
Debt Service	1,804,922		1,788,921	1,788,921	1,799,921	391,421
TOTAL OPERATING EXPENDITURES	22,202,141		23,328,238	21,733,095	23,925,869	23,796,337
REVENUES OVER EXPENDITURES	\$ 418,246	\$	857,759	\$ 129,216	\$ 0	\$ 52,638

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
OPERATING REVENUES

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
GENERAL FUND REVENUES						
Property Taxes	\$ 11,314,044	\$	11,704,415	\$ 11,713,568	\$ 12,042,115	\$ 12,353,855
Franchise & Transient Occupancy Taxes						
Utility Franchise Fees	865,092		967,057	865,000	865,000	886,625
Waste Disposal & Recycling Fees	332,915		325,865	333,000	341,325	349,858
Transient Occupancy Taxes	1,025,046		1,365,813	600,000	800,000	1,000,000
Total Franchise Taxes	<u>2,223,053</u>		<u>2,658,735</u>	<u>1,798,000</u>	<u>2,006,325</u>	<u>2,236,483</u>
Intergovernmental Revenues						
Sales & Use Tax	5,372,149		5,990,338	5,313,829	5,807,432	5,952,618
Motor Vehicle in Lieu	24,988		15,000	25,000	25,625	26,266
State Mandated Reimbursement	10,613		-	-	-	-
County Landfill Agreement	68,826.21		45,000	69,000	70,725	72,493
Total Intergovernmental Revenues	<u>5,476,576</u>		<u>6,050,338</u>	<u>5,407,829</u>	<u>5,903,782</u>	<u>6,051,377</u>
Licenses and Permits						
Building Related Licenses/Permits	961,109		881,000	896,870	840,000	840,000
Engineering Permits	153,065		150,000	153,400	178,500	178,500
Total Licenses and Permits	<u>1,114,174</u>		<u>1,031,000</u>	<u>1,050,270</u>	<u>1,018,500</u>	<u>1,018,500</u>
Charges for Current Services						
Recreation Fees	330,340		887,225	154,000	623,515	773,295
Development Services Fees	657,185		540,000	505,000	110,000	85,000
Rental/Lease Fees	157,403		124,000	157,500	157,500	157,500
Miscellaneous & Other Service Charges	294,743		70,000	150,200	200,000	150,000
Total Service Charges	<u>1,439,672</u>		<u>1,621,225</u>	<u>966,700</u>	<u>1,091,015</u>	<u>1,165,795</u>
Fines and Forfeitures	175,662		190,000	175,000	175,000	179,375
SUBTOTAL - GENERAL FUND REVENUES	\$ 21,743,180	\$	23,255,713	\$ 21,111,367	\$ 22,236,737	\$ 23,005,385
Measure M2 Local Fair Share	610,262		628,798	525,459	576,042	593,590
Other Operating Revenues	266,944		301,486	225,485	1,113,090	250,000
TOTAL OPERATING REVENUES	\$ 22,620,387	\$	24,185,997	\$ 21,862,311	\$ 23,925,869	\$ 23,848,975

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
OPERATING EXPENDITURES

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20	AMENDED BUDGET	YEAR-END ESTIMATE			
GENERAL FUND EXPENDITURES						
General Government						
Personnel	\$ 1,755,099	\$ 1,810,113	\$ 1,856,382	\$ 1,945,753	\$ 2,020,063	
Maintenance and Operation	193,215	251,890	136,129	203,065	212,140	
Contract Services	654,510	659,470	641,320	566,470	649,470	
Capital Outlay	-	-	-	-	-	
Total General Government	2,602,825	2,721,473	2,633,831	2,715,288	2,881,673	
Non-departmental						
Personnel	413,926	471,597	457,722	529,890	580,695	
Maintenance and Operation	551,876	605,778	623,394	761,543	779,576	
Contract Services	149,267	152,961	144,961	249,117	199,963	
Capital Outlay	77,349	31,700	24,200	52,200	31,700	
Total Non-departmental	1,192,417	1,262,036	1,250,277	1,592,750	1,591,934	
Community Development						
Personnel	813,604	897,477	853,632	866,342	919,263	
Maintenance and Operation	11,700	18,500	12,250	12,350	11,850	
Contract Services	830,145	724,000	596,770	645,000	520,000	
Capital Outlay	-	-	-	-	-	
Total Community Development	1,655,449	1,639,977	1,462,652	1,523,692	1,451,113	
Public Services						
Personnel	835,497	903,114	868,320	703,966	871,084	
Maintenance and Operation	968,507	1,054,900	1,001,600	1,048,250	1,078,550	
Contract Services	2,932,523	2,834,500	2,782,000	3,034,500	3,082,500	
Capital Outlay	47,606	-	-	-	20,000	
Total Public Services	4,784,133	4,792,514	4,651,920	4,786,716	5,052,134	
Community Services						
Personnel	1,018,456	1,196,521	805,083	1,102,088	1,259,757	
Maintenance and Operation	403,458	658,500	370,696	600,770	692,924	
Contract Services	274,739	350,334	158,234	332,730	357,730	
Capital Outlay	9,218	7,500	800	1,500	4,500	
Total Community Services	1,705,871	2,212,855	1,334,813	2,037,088	2,314,911	
Public Safety						
Maintenance and Operation	43,497	37,690	38,427	53,900	61,900	
Contract Services	8,408,415	8,870,772	8,570,254	9,366,514	10,044,251	
Capital Outlay	4,613	2,000	2,000	50,000	7,000	
Total Public Safety	8,456,524	8,910,462	8,610,681	9,470,414	10,113,151	
Total General Fund Expenditures	\$ 20,397,220	\$ 21,539,317	\$ 19,944,174	\$ 22,125,948	\$ 23,404,916	
Debt Service	1,804,922	1,788,921	1,788,921	1,799,921	391,421	
TOTAL OPERATING EXPENDITURES	\$ 22,202,141	\$ 23,328,238	\$ 21,733,095	\$ 23,925,869	\$ 23,796,337	

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

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BUDGET SUMMARIES

GENERAL FUND BUDGET

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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
GENERAL FUND BUDGET

	PRIOR YEAR'S		FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20		AMENDED BUDGET	YEAR-END ESTIMATE		
REVENUES						
Property Taxes	\$ 11,314,044	\$	11,704,415	\$ 11,713,568	\$ 12,042,115	\$ 12,353,855
Franchise & Transient Occupancy Tax	2,223,053		2,658,735	1,798,000	2,006,325	2,236,483
Intergovernmental Revenues	5,476,576		6,050,338	5,407,829	5,903,782	6,051,377
Licenses and Permits	1,114,174		1,031,000	1,050,270	1,018,500	1,018,500
Charges for Current Services	1,439,672		1,621,225	966,700	1,091,015	1,165,795
Fines and Forfeitures	175,662		190,000	175,000	175,000	179,375
TOTAL REVENUES	21,743,180		23,255,713	21,111,367	22,236,737	23,005,385
EXPENDITURES						
General Government	2,602,825		2,721,473	2,633,831	2,715,288	2,881,673
Non-departmental	1,192,417		1,262,036	1,250,277	1,592,750	1,591,934
Community Development	1,655,449		1,639,977	1,462,652	1,523,692	1,451,113
Public Services	4,784,133		4,792,514	4,651,920	4,786,716	5,052,134
Community Services	1,705,871		2,212,855	1,334,813	2,037,088	2,314,911
Public Safety	8,456,524		8,910,462	8,610,681	9,470,414	10,113,151
TOTAL EXPENDITURES	20,397,220		21,539,317	19,944,174	22,125,948	23,404,916
Excess (Deficiency) of Revenues over Expenditures	\$ 1,345,961	\$	1,716,396	\$ 1,167,193	\$ 110,789	\$ (399,531)

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23
GENERAL FUND REVENUES

	PRIOR YEAR'S	FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20	AMENDED BUDGET	YEAR-END ESTIMATE		
Property Taxes	\$ 11,314,044	\$ 11,704,415	\$ 11,713,568	\$ 12,042,115	\$ 12,353,855
Franchise & Transient Occupancy Tax					
Utility Franchise Fees	865,092	967,057	865,000	865,000	886,625
Waste Disposal & Recycling Fees	332,915	325,865	333,000	341,325	349,858
Transient Occupancy Taxes	1,025,046	1,365,813	600,000	800,000	1,000,000
Total Franchise Taxes	2,223,053	2,658,735	1,798,000	2,006,325	2,236,483
Intergovernmental Revenues					
Sales & Use Tax	5,372,149	5,990,338	5,313,829	5,807,432	5,952,618
Motor Vehicle in Lieu	24,988	15,000	25,000	25,625	26,266
State Mandated Reimbursement	10,613	-	-	-	-
Other State Revenues	0	-	-	-	-
County Landfill Agreement	68,826	45,000	69,000	70,725	72,493
Total Intergovernmental Revenues	5,476,576	6,050,338	5,407,829	5,903,782	6,051,377
Licenses and Permits					
Building Related Licenses/Permits	961,109	881,000	896,870	840,000	840,000
Engineering Permits	153,065	150,000	153,400	178,500	178,500
Total Licenses and Permits	1,114,174	1,031,000	1,050,270	1,018,500	1,018,500
Charges for Current Services					
Recreation Fees	330,340	887,225	154,000	623,515	773,295
Development Services Fees	657,185	540,000	505,000	110,000	85,000
Rental Fees/Leases	157,403	124,000	157,500	157,500	157,500
Other Service Charges & Misc. Revenues	294,743	70,000	150,200	200,000	150,000
Total Service Charges	1,439,672	1,621,225	966,700	1,091,015	1,165,795
Fines and Forfeitures	175,662	190,000	175,000	175,000	179,375
TOTAL GENERAL FUND REVENUES	\$ 21,743,180	\$ 23,255,713	\$ 21,111,367	\$ 22,236,737	\$ 23,005,385

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2021/22 - 2022/23

GENERAL FUND OPERATING DEPARTMENT EXPENDITURES

	PRIOR YEAR'S			FY 20/21		FY 21/22	FY 22/23
	ACTUAL FY 19/20	AMENDED BUDGET	YEAR-END ESTIMATE				
General Government							
Personnel	\$ 1,755,099	\$ 1,810,113	\$ 1,856,382	\$ 1,945,753	\$ 2,020,063		
Maintenance and Operation	193,215	251,890	136,129	203,065	212,140		
Contract Services	654,510	659,470	641,320	566,470	649,470		
Capital Outlay	-	-	-	-	-		
Total General Government	2,602,825	2,721,473	2,633,831	2,715,288	2,881,673		
Non-departmental							
Personnel	413,926	471,597	457,722	529,890	580,695		
Maintenance and Operation	551,876	605,778	623,394	761,543	779,576		
Contract Services	149,267	152,961	144,961	249,117	199,963		
Capital Outlay	77,349	31,700	24,200	52,200	31,700		
Total Non-departmental	1,192,417	1,262,036	1,250,277	1,592,750	1,591,934		
Community Development							
Personnel	813,604	897,477	853,632	866,342	919,263		
Maintenance and Operation	11,700	18,500	12,250	12,350	11,850		
Contract Services	830,145	724,000	596,770	645,000	520,000		
Capital Outlay	-	-	-	-	-		
Total Community Development	1,655,449	1,639,977	1,462,652	1,523,692	1,451,113		
Public Services							
Personnel	835,497	903,114	868,320	703,966	871,084		
Maintenance and Operation	968,507	1,054,900	1,001,600	1,048,250	1,078,550		
Contract Services	2,932,523	2,834,500	2,782,000	3,034,500	3,082,500		
Capital Outlay	47,606	-	-	-	20,000		
Total Public Services	4,784,133	4,792,514	4,651,920	4,786,716	5,052,134		
Community Services							
Personnel	1,018,456	1,196,521	805,083	1,102,088	1,259,757		
Maintenance and Operation	403,458	658,500	370,696	600,770	692,924		
Contract Services	274,739	350,334	158,234	332,730	357,730		
Capital Outlay	9,218	7,500	800	1,500	4,500		
Total Community Services	1,705,871	2,212,855	1,334,813	2,037,088	2,314,911		
Public Safety							
Maintenance and Operation	43,497	37,690	38,427	53,900	61,900		
Contract Services	8,408,415	8,870,772	8,570,254	9,366,514	10,044,251		
Capital Outlay	4,613	2,000	2,000	50,000	7,000		
Total Public Safety	8,456,524	8,910,462	8,610,681	9,470,414	10,113,151		
TOTAL GENERAL FUND EXPENDITURES	\$ 20,397,220	\$ 21,539,317	\$ 19,944,174	\$ 22,125,948	\$ 23,404,916		

CITY OF LAGUNA HILLS

SOURCES OF GENERAL FUND REVENUES

PROPERTY TAXES

The City receives Property Tax revenues in the form of Secured, Unsecured, Supplemental, Homeowners' Exemption, Interest and Penalties, Real Property Transfer Taxes, and Property Taxes in-Lieu of VLF. In accordance with State law, property is assessed at actual full cash value and the maximum tax is 1% of the assessed valuation. Increases in assessed valuation are limited to 2% per year unless there is a change in property ownership or improvements to the property.

The assessed values of properties in the City since FY 2016/17 are listed in Table 1 below.

Table 1 – Assessed Values (\$ 000 Billion)

FISCAL YEAR	SECURED	UNSECURED	TOTAL	% CHANGE
2016/17	6.37	0.136	6.51	4.90%
2017/18	6.60	0.141	6.74	3.65%
2018/19	6.97	0.202	7.17	6.30%
2019/20	7.22	0.145	7.36	2.67%
2020/21	7.49	0.158	7.65	3.90%
2021/22 *	7.71	0.162	7.87	2.89%
2022/23 *	7.91	0.167	8.08	2.66%

* Estimated data

The assessed valuation estimates for FY 2021/22 and FY 2022/23 utilize growth projections from a third-party property tax consultant to forecast property tax revenues. Secured/unsecured property valuations are projected to increase by approximately 2.89% for FY 2021/22 and 2.66% for FY 2022/23. Notable factors in the anticipated increases are the appreciation of existing structures, growth due to transfer in ownership, and growth due to structural improvement and construction.

Table 2 – Property Tax Revenues (\$ 000 Million)

FISCAL YEAR	SECURED & UNSECURED**	PROPERTY TAX IN-LIEU OF VLF	TOTAL	% CHANGE
2016/17	7.219	2.774	9.993	3.45%
2017/18	7.271	2.947	10.595	0.72%
2018/19	7.703	3.056	10.759	3.75%
2019/20	8.175	3.139	11.314	5.16%
2020/21 *	8.453	3.261	11.714	3.53%
2021/22 *	8.688	3.354	12.042	2.80%
2022/23 *	8.910	3.444	12.354	2.59%

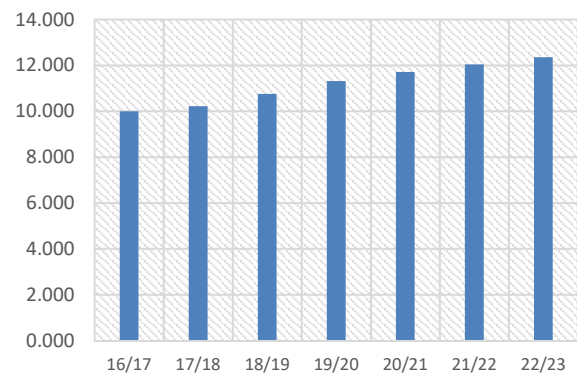
*Estimated data

**Includes Supplemental, Homeowners' Exemption, Interest and Penalties, Real Property Transfer Taxes

As shown in Table 2, it is projected that property tax revenues will yield approximately \$8.688 million in FY 2021/22 and \$8.910 million in FY 2022/23 in property tax receipts. In addition, the City receives property taxes in lieu of Vehicle License Fee (VLF) revenues. Total property tax revenue receipts are projected to yield approximately \$12.042 million in FY 2021/22, representing a 2.80% increase over the previous fiscal year. In FY 2022/23, it is anticipated assessed values will continue to increase to \$12.354 million, resulting in an additional 2.59% increase in total property revenues over the prior fiscal year.

Figure 1 below shows a five-year history and projections for FY 2021/22 and FY 2022/23.

Figure 1 – Property Tax Revenues (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)



FRANCHISE FEES

Franchise Fees are imposed by the City on gas, electric, and cable television for the privilege of using public rights-of-ways. Each of these utility companies is assessed between 1 and 5 percent of gross receipts. In addition, a fee is imposed on the City's solid waste and recycling service provider for contract administration costs and costs associated with the repair of City streets. The City's solid waste fee is adjusted for inflation each fiscal year based on the annual percentage change in the Producer Price Index (PPI). This adjustment is applied to the prior year actual fee amount using March PPI data. The City received \$333,000 in solid waste fee revenue in FY 2020/21. We are forecasting that the PPI percentage change for the following fiscal year will be 2.5% over the current year, which will adjust the fee total to \$341,325 for FY 2021/22.

CITY OF LAGUNA HILLS

SOURCES OF GENERAL FUND REVENUES

Also included in this category is the 10% Transient Occupancy Tax (TOT) levied on operating hotels located within the City limits, of which currently there are four. Table 3 below lists the historical trend of TOT revenues.

Table 3 – TOT REVENUES

FISCAL YEAR	TOT Received (\$)	% CHANGE (From Prior Year)
2016/17	1,438,000	0.37%
2017/18	1,381,720	-3.99%
2018/19	1,300,000	-6.00%
2019/20	1,025,046	-21.15%
2020/21 *	600,000	-41.47%
2021/22 *	800,000	33.33%
2022/23 *	1,000,000	25.00%

**Estimated data*

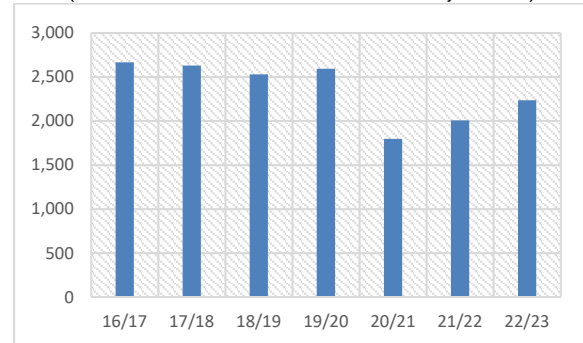
In FY 2019/20, the TOT contributed \$1,025,046 to the City's General Fund. For FY 2020/21, it is anticipated that the actual year-end TOT receipts will total \$600,000 representing a decrease of approximately 41.47%.

For this two-year budget cycle, it is anticipated that TOT receipts will increase approximately 33.33% for the first year of the Biennial Budget, totaling \$800,000. For FY 2022/23, TOT receipts are anticipated to total \$1,000,000, a 25% increase over the prior year estimate.

Franchise Utility Fees revenue is expected to total \$865,000 in FY 2021/22 and to \$886,625 in FY 2022/23.

Figure 2 provides a historical trend of revenues for franchise fees and TOT. As shown in the graph, total Franchise Fees and TOT receipts are expected to total \$2,006,325 for FY 2021/22 and \$2,236,483 for FY 2022/23, representing a 11.59% and 11.47% increase, respectively.

Figure 2 – FRANCHISE FEES & TOT (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)



SALES TAX

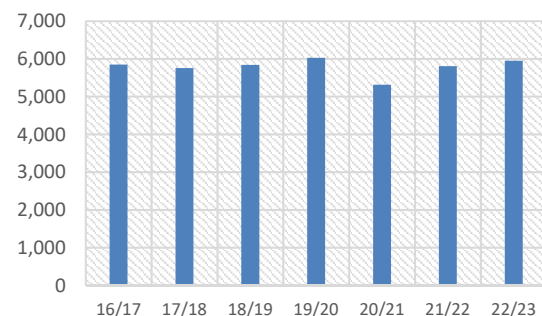
The 7.75% Sales and Use Tax is collected by the State Board of Equalization and is allocated as follows:

- The City receives 1% of the total based on sales within its jurisdiction;
- 0.50% is allocated to the Orange County Transportation Authority (OCTA);
- The remaining 6.25% is retained by the State.

The City's Sales and Use Tax Revenues include point of sale tax payments, and a share of the County Pool and State Pool allocations.

Figure 3 provides a historical trend of sales and use tax revenues.

Figure 3 –SALES & USE TAX (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)



It is anticipated that Sales and Use Tax revenues will slightly increase in both FY 2021/22 and FY 2022/23. Sales and Use Tax revenues are projected at \$5,807,432 in FY 2021/22 and \$5,952,618 in FY 2022/23.

CITY OF LAGUNA HILLS

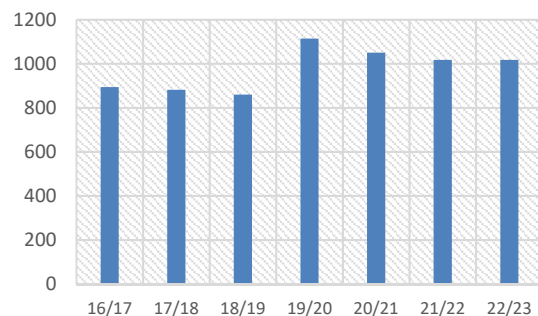
SOURCES OF GENERAL FUND REVENUES

LICENSES AND PERMITS

This revenue source is development driven and is comprised of fees for Building and Engineering licensing and permit activities.

The chart below details a 5-year historical trend of license and permit fees collected.

Figure 4 – LICENSES AND PERMITS (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)



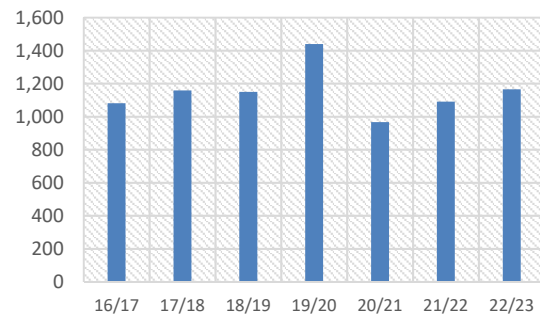
The License and Permits Fee revenues for FY 2021/22 and FY 2022/23 are each estimated to total \$1,018,500.

CHARGES FOR SERVICES

This revenue type is comprised of at least 5 major fee categories: 1) fees generated from recreation programs; 2) fees for development-type activities like planning and zoning fees, grading plan checks, and improvement inspection fees; 3) rental charges and lease agreements for the use of communication and other facilities in the City, including the Community Center; 4) sale of publications and maps and other charges; and 5) miscellaneous receipts for weed abatement, refund of prior years' risk premiums, etc.

For FY 2021/22, it is estimated that this revenue source will increase by 12.9% over the year-end estimate. Revenues are anticipated to increase the following fiscal year by 6.7%, totaling \$1,165,795.

Figure 5 – CHARGES FOR SERVICES (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)

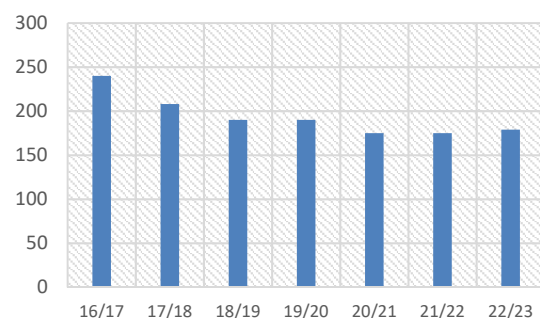


FINES AND FORFEITURES

Fines and Forfeitures revenue consists of vehicle code fines, parking violation fees, and court fines.

A 5-year historical trend of the collected Fines and Forfeitures revenue is illustrated in Figure 6 below. For the 2021-2023 Biennial Budget, the City's revenue receipts are anticipated to come in relatively flat from the year-end estimate and remain steady in the following two fiscal years.

Figure 6 – FINES & FORFEITURES (\$ 000)
(5-Year Trend and FYs 2021-2023 Projections)





BUDGET SUMMARIES

SPECIAL REVENUES

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FY 2019/20 - 2020/21
SPECIAL REVENUE FUNDS

5.1.d

Special Revenue Funds

	PRIOR YEAR'S ACTUAL FY 19/20	FY 20/21 AMENDED BUDGET	YEAR-END ESTIMATE	FY 21/22	FY 22/23
CIP Funding Sources					
Gas Tax	\$ 740,158	\$ 700,000	\$ 684,976	\$ 766,768	\$ 779,803
SB1 RMRA	546,823	550,000	540,082	605,278	622,831
Measure M2 Competitive	200,000	-	200,000	200,000	-
Proposition 68	-	200,000	-	200,000	-
Other Grants & Contributions	206,675	-	-	-	-
Total CIP Funding Sources	<u>1,693,656</u>	<u>1,450,000</u>	<u>1,425,058</u>	<u>1,772,046</u>	<u>1,402,634</u>
Recycling Revenues					
Beverage Recycling	-	8,500	-	-	9,000
CR&R Recycling Fee	2,000	2,000	2,000	110,000	110,000
C&D Forfeited Deposits	<u>103,069</u>	<u>35,000</u>	<u>117,833</u>	<u>100,000</u>	<u>100,000</u>
Total Recycling Revenues	<u>105,069</u>	<u>45,500</u>	<u>119,833</u>	<u>210,000</u>	<u>219,000</u>
Measure M2 Local Fair Share	610,262	628,798	525,459	576,042	593,590
Law Enforcement	156,006	140,000	150,000	150,000	150,000
AB 2766	39,894	40,000	40,000	40,000	40,000
CASp	5,958	5,000	5,000	5,000	5,000
Senior Mobility Program	38,435	38,091	38,091	38,970	40,909
Housing Element Update Grants	-	-	-	275,000	-
Hazard Mitigation Plan FEMA Grant	-	-	-	30,000	-
CARES Act	-	692,650	687,553	-	-
American Rescue Plan Act	-	-	-	3,732,689	3,732,689
Total Special Revenues	<u><u>\$ 2,649,281</u></u>	<u><u>\$ 3,040,039</u></u>	<u><u>\$ 2,990,994</u></u>	<u><u>\$ 6,829,747</u></u>	<u><u>\$ 6,183,822</u></u>

Attachment: City Manager Proposed 2021-2023 Biennial Budget & Six-Year Capital Improvement Program (2498 : Biennial Budget FY 2021-22 -

CITY OF LAGUNA HILLS MAJOR SOURCES OF SPECIAL REVENUE FUNDS

GAS TAX

The State of California assesses tax on gasoline as authorized by Sections 2105, 2106, 2107, and 2017.5 of the California Streets and Highways Code. These funds are restricted for the maintenance, rehabilitation, or improvement of public streets. The City utilizes its gas tax revenue apportionments to fully fund its Street Maintenance, CIP No. 101. SB1 was recently signed into law, which has a significant future impact to allocations of streets and road funds for cities and counties by increasing the allocations of the existing Highway Users Tax Account and by added funding from the new 2017 Act. The 2017 Act establishes a new Road Maintenance and Rehabilitation Account that allocates funds from the following taxes: the 12 cent gasoline excise tax, 20 cent diesel fuel excise tax, and transportation improvement fees (vehicle registration taxes). In FY 2021/22, the annual allocation to the City is expected to total \$766,768 and \$605,278 for Gas Tax and SB1 RMRA funds, respectively, for a combined total of \$1,372,046. In 2022/23, Gas Tax revenues are projected to increase by 2.2%, amounting to \$1,402,634. These increases have a positive impact to the City's annual street maintenance program and 100% of the new funding is dedicated to the City's street maintenance program.

MEASURE M2 LOCAL FAIR SHARE

Measure M2 Funds are available from the ½ cent sales tax renewed by voters in November of 2006 with an effective date of April 1, 2011, coinciding with the sunset of Measure M1. Every year, the Orange County Transportation Authority (OCTA) determines the eligibility of local jurisdictions to receive Measure M2 Fair Share and Competitive program funds. The Measure M2 Fair Share Program is a formula-based allocation provided to local governments for use on allowable transportation planning and action activities. Apportionments are based on a formula using population, miles of existing streets, and taxable sales. This funding is projected to come for FY 2021/22 & FY 2022/23 at \$576,042 and \$593,590, respectively.

SPECIAL ALLOCATIONS

The City receives one-time revenue allocations for specific projects in its Capital Improvement Program. Many of these "grants" are awarded on a competitive basis. These sources during this biennial budget period include Measure M2 Competitive Funding, which is projected at \$200,000 in FY 2021/22. Since these revenues are typically project-driven, revenues are typically received on a reimbursement basis.

CITY OF LAGUNA HILLS MAJOR SOURCES OF SPECIAL REVENUE FUNDS

DEVELOPMENT IMPACT FEES

The City assesses three types of development impact fees: Public Art Fees, Traffic Mitigation Fees, and Quimby Act Fees. Developers fees are accounted for separately and are restricted based on the purpose of the fund. Public Art Fees provide funding for public art throughout designated areas of the City, as defined in the Urban Village Specific Plan (UVSP). Traffic Mitigation Fees provide funding for additional or improved traffic signals and infrastructure improvements. Quimby Act Fees provide funding for the improvement of park and/or recreational facilities within the City.

There are no projected revenues from Development Impact Fees in the 2021-2023 Biennial Budget.

CITY OF LAGUNA HILLS MAJOR SOURCES OF SPECIAL REVENUE FUNDS

Figures 1 and 2 below show all the sources of special revenue as a percentage of total special revenues.

Figure 1
FY 2021/22 - Sources of Special Revenue

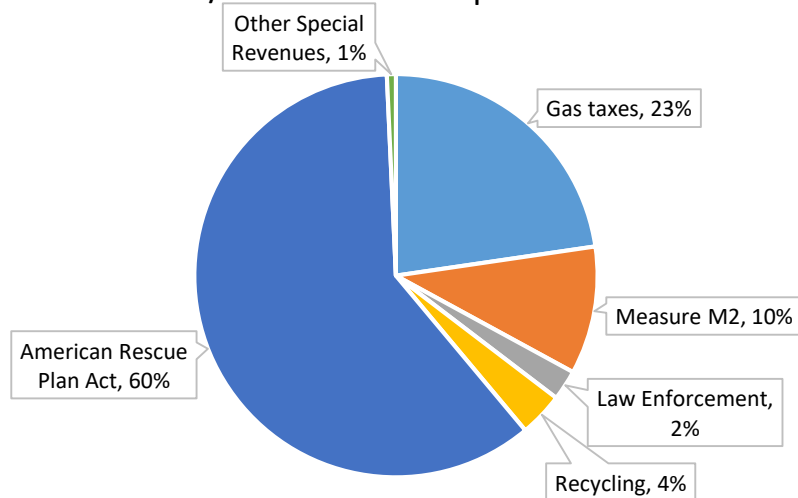
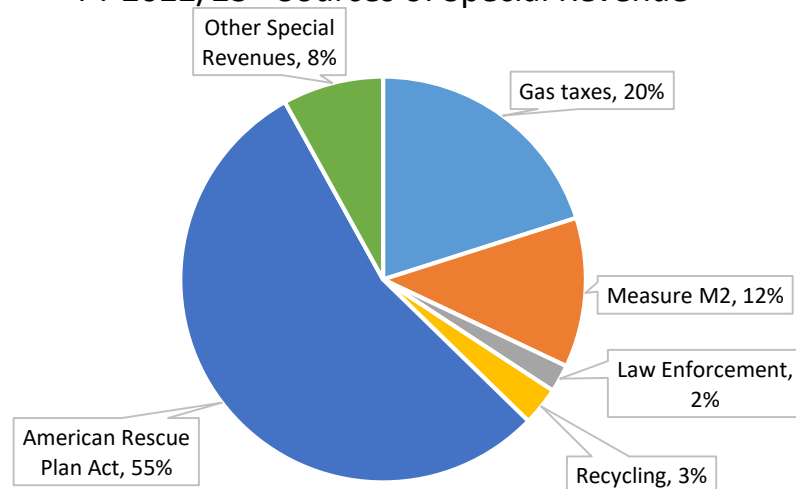


Figure 2
FY 2022/23 - Sources of Special Revenue



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Department Plans & Budget



CITY OF LAGUNA HILLS

BIENNIAL BUDGET

FY 2021/22 – 2022/23

DEPARTMENT: GENERAL GOVERNMENT

DESCRIPTION:

The General Government Department consists of the legislative, executive, and administrative oversight of all City operations. All expenditures and activities related to the City Council, City Manager, City Attorney, City Clerk, and Administrative Services are included in this Department. The Department is also responsible for the City's economic development efforts.

MISSION STATEMENT:

Formulate and implement policies, practices, and services that respond to the needs, values, and interests of the citizens of Laguna Hills, all the while overseeing and supporting the operations of the City so as to deliver a high level of service, in a manner that is financially sustainable and ensures legal compliance with all Federal, State, and local statutes.

FUNCTIONAL AREAS:

EXECUTIVE MANAGEMENT

(City Council Support, Policy Implementation, Contract Administration, Operations Management, and Organizational Development)

INTERGOVERNMENTAL RELATIONS

(Orange County Fire Authority, League of California Cities, Association of California Cities, Orange County Public Library Board, San Joaquin Toll Road Agency, and Miscellaneous Regional Advisory Body Representation)

LEGAL SERVICES

(General Counsel, Special Counsel, and Litigation)

ECONOMIC DEVELOPMENT

(Retention and Attraction)

FINANCE

(Financial Reporting and Analysis, Internal Control Development and Compliance, Audit Coordination and External Accountability, Budget Coordination and Program Evaluation, Cash Management and Investments, Debt Management, Purchasing, and Payroll)

RISK MANAGEMENT

(Liability Protection, Purchasing, Claims Processing and Defense, Risk Assessment, Inspections, Incident Reporting & Investigations, Safety Audits, and Safety Training)



CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: GENERAL GOVERNMENT

PERSONNEL

(Training and Development, Administration of Employee Benefits and Compensation Plans, Recruitment, and Human Services)

CITY CLERK

(Municipal Code, Agenda Preparation, Custody of Records, and Elections and Campaign Statement Filings)

BUDGETED STAFFING:

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Full-time	8.00	8.00	10.00
Part-time	1.50	1.50	0.00
Total	9.50	9.50	10.00

WORK PROGRAMS:

1. Prepare a Request for Proposals for Banking Services, pursuant to City Council Policy No. 105.
2. Award of contract for new Independent Auditor Services, pursuant to City Council Policy No. 105.
3. Conduct a comprehensive user fee study.
4. Negotiate a Memorandum of Understanding (MOU) with LHCEA to be effective July 1, 2021.
5. Conduct a comprehensive employee compensation and classification study.
6. Conduct a General Municipal Election in November 2022.

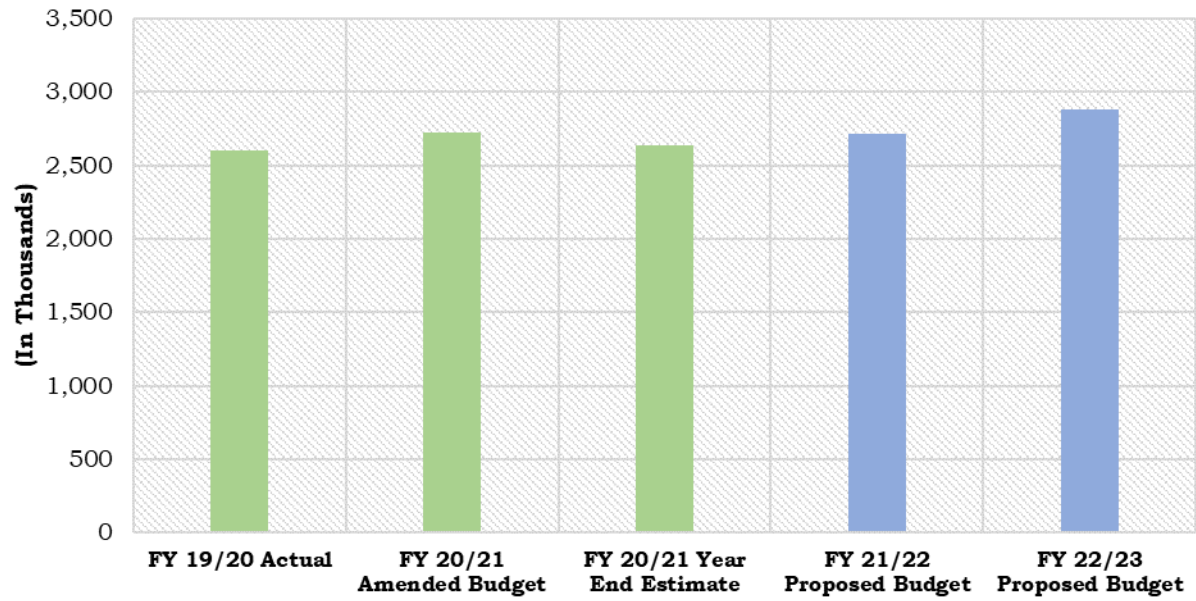


CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: GENERAL GOVERNMENT

DEPARTMENT EXPENDITURE GRAPH:



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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		General Government			155	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
PERSONNEL						
510.000	SALARIES - FULL TIME	1,157,400	1,175,743	1,270,658	1,332,200	1,398,201
512.000	SALARIES - PART-TIME	71,988	102,842	89,441	37,138	
518.000	AUTO ALLOWANCE	10,800	10,800	10,800	18,600	18,600
520.000	MEDICARE	16,579	18,696	18,365	20,270	20,689
521.000	RETIREMENT	252,665	230,356	229,337	243,457	252,273
530.000	HEALTH INSURANCE	235,700	260,350	224,715	282,170	318,291
530.200	GROUP LIFE	3,408	4,028	3,134	4,098	4,142
542.000	DISABILITY INSURANCE	6,559	7,298	9,932	7,820	7,867
Sub-total		1,755,099	1,810,113	1,856,382	1,945,753	2,020,063
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES - MISC.	7,886	8,040	8,040	8,140	8,040
610.001	MEMBERSHIPS AND DUES - LOCC	13,149	13,000	-	13,150	13,300
610.002	MEMBERSHIPS AND DUES - ACC-OC	9,341	10,000	8,407	9,400	10,000
610.003	MEMBERSHIPS AND DUES - OCCOG	5,196	5,300	3,769	5,350	5,400
610.004	MEMBERSHIPS AND DUES - LAFCO	4,158	4,200	4,133	4,200	4,200
610.005	MEMBERSHIPS AND DUES - SCAG	-	3,500	-	3,600	3,650
610.006	MEMBERSHIPS AND DUES - OC HOUSING TRUST	-	5,000	4,630	5,000	5,100
611.000	TRAINING AND EDUCATION	4,814	13,900	3,800	6,550	9,500
612.000	TRAVEL, CONFERENCES, & MEETINGS	19,494	16,450	1,600	9,450	12,450
612.001	TRAVEL - LEAGUE OF CA CITIES	-	15,600	-	9,600	11,600
612.002	TRAVEL - ACC-OC	4,650	12,000	-	6,000	9,000
613.000	MILEAGE REIMBURSEMENT	632	400	250	400	400
613.100	VEHICLE - FUEL	2,228	4,000	700	-	
620.000	OFFICE SUPPLIES	6,078	9,600	6,000	6,600	9,600
622.000	OPERATING SUPPLIES	5,427	9,900	9,500	9,900	9,900
623.000	PRINTING	773	1,650	1,500	1,650	1,650
624.001	ADVERTISING - LEGAL	5,995	14,400	15,500	13,000	15,500
625.000	POSTAGE & DELIVERY	1,955	1,800	1,800	1,800	1,800
626.000	SUBSCRIPTIONS & BOOKS	8,319	7,150	9,000	7,250	7,350
646.100	MAINTENANCE & REPAIR- VEHICLE	3,655	1,800	7,500	-	-
662.000	BANK & MERCHANT SERVICE FEES	39,322	27,000	40,000	36,000	36,000
695.000	COMM. EVENTS/PUBLIC RELATIONS	50,143	67,200	10,000	46,025	37,700
Sub-total		193,215	251,890	136,129	203,065	212,140

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		General Government			155	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
CONTRACTUAL SERVICES						
700.000	PROFESSIONAL SERVICES	17,848	58,420	43,420	17,420	58,420
700.010	LEGAL SVCS. - GENERAL COUNSEL	303,580	285,000	367,000	310,000	310,000
700.011	LEGAL SVCS. - LITIGATION	160,863	120,000	37,500	75,000	50,000
700.020	LEGISLATIVE SERVICES	34,800	34,800	34,800	34,800	34,800
700.030	CITY CLERK FUNCTIONAL SUPPORT	4,103	20,500	5,000	13,500	20,500
700.050	FINANCIAL SERVICES	1,600	2,500	2,900	2,500	37,500
700.051	ANNUAL FINANCIAL AUDIT SERVICES	31,165	33,250	29,850	33,250	33,250
700.055	COMPLIANCE AUDIT SERVICES	52,407	25,000	48,064	25,000	25,000
720.030	GENERAL MUNICIPAL ELECTION SVCS	-	25,000	23,250	-	25,000
720.055	PROPERTY TAX ADMIN FEE	48,145	55,000	49,536	55,000	55,000
Sub-total		654,511	659,470	641,320	566,470	649,470
TOTAL		2,602,825	2,721,473	2,633,831	2,715,288	2,881,673



CITY OF LAGUNA HILLS

BIENNIAL BUDGET
FY 2021/22 – 2022/23

DEPARTMENT: NON-DEPARTMENTAL

DESCRIPTION:

The Non-Departmental Department encompasses functions that are essential to the operation of the City but do not fall within the jurisdiction of any single department or are expenditures of an organization-wide nature. Most notably, this includes the Information Technology (IT) function.

The IT division is responsible for the support and management of the City's information services, including software applications and computer hardware, at the Civic Center and the Community Center and Sports Complex.

MISSION STATEMENT: Support the operations of the City in order to maintain and enable the efficient management and administration of the City.

FUNCTIONAL AREAS:

NETWORK & DESKTOP SUPPORT

(Data Back-up, Network & Desktop Maintenance, Printers)

SOFTWARE SUPPORT

(Department Software Systems, Data Management, Website and Intranet)

LIABILITY PROTECTION

(General Liability, Property and Vehicle Insurance)

BUDGETED STAFFING:

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Full-time	1.00	1.00	1.00
Part-time	0.00	0.00	0.00
Total	1.00	1.00	1.00

WORK PROGRAMS:

1. Implement a cloud backup solution for the City's IT infrastructure for an additional layer of data integrity protection.
2. Upgrade application databases to increase cybersecurity protection.



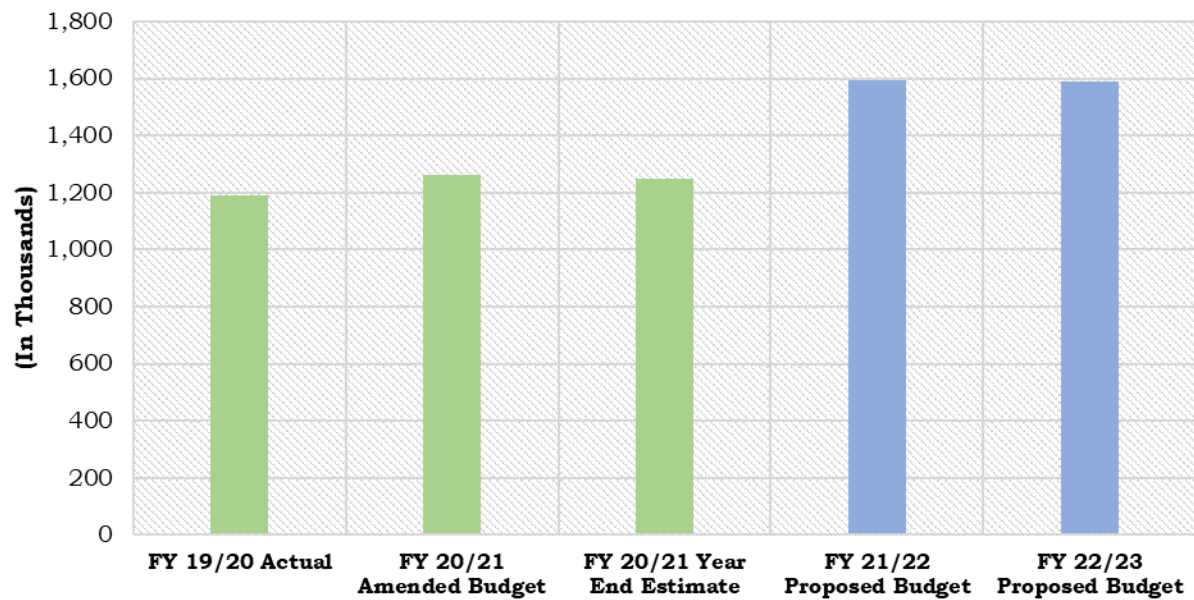
CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: **NON-DEPARTMENTAL**

- Implement the CivicPlus (CP) Mobile App to align with website updates and to enhance the City's social media presence.

DEPARTMENT EXPENDITURE GRAPH:



CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Non-Departmental			195	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
PERSONNEL						
510.000	SALARIES - FULL TIME	116,375	111,788	116,809	114,024	116,874
520.000	MEDICARE	1,756	1,621	1,972	1,653	1,695
521.000	RETIREMENT	7,760	8,123	8,825	8,267	8,473
522.000	PENSION PLAN UAL	225,141	273,000	269,122	341,873	387,700
530.000	HEALTH INSURANCE	16,976	24,595	11,105	11,971	12,830
530.200	GROUP LIFE	389	419	386	427	438
540.000	WORKERS COMP	35,041	41,884	38,888	41,000	42,000
542.000	DISABILITY INSURANCE	841	747	835	755	765
550.000	EMPLOYEE BENEFITS PLAN ADMIN FEE	9,645	9,420	9,780	9,920	9,920
Sub-total		413,924	471,597	457,722	529,890	580,695
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES	90	400	400	400	400
611.000	TRAINING AND EDUCATION	7,822	9,500	6,500	7,000	8,500
617.000	RECRUITMENT	1,501	3,600	2,000	7,800	4,000
620.000	OFFICE SUPPLIES	6,808	12,000	8,000	10,000	12,500
621.000	COMPUTER SUPPLIES	14,618	12,101	12,101	12,335	12,574
622.000	OPERATING SUPPLIES	5,375	8,500	6,000	7,950	8,950
623.000	PRINTING	2,927	2,000	1,000	2,000	2,000
625.000	POSTAGE & DELIVERY	11,792	21,000	11,000	15,500	12,000
630.000	TELEPHONE & COMMUNICATION	46,222	48,704	46,000	48,660	48,658
641.000	RENT/LEASE - EQUIPMENT	1,995	1,500	2,000	1,500	1,500
641.200	RENT/LEASE - COPIER	19,548	26,882	13,500	13,500	13,500
646.000	MAINTENANCE & REPAIR- EQUIP/MACH	-	3,951	4,000	2,150	6,450
647.000	MAINTENANCE & REPAIR-COMP EQUIP	244	2,000	2,000	1,000	1,000
690.000	GENERAL LIABILITY INSURANCE	278,148	293,867	340,172	430,660	441,426
690.050	EMPLOYMENT PRACTICES LIABILITY INS	11,767	12,355	12,195	14,950	15,325
690.100	VEHICLE & PROPERTY INSURANCE	59,089	59,605	70,953	92,933	95,257
690.150	EARTHQUAKE INSURANCE	34,556	36,284	38,011	41,812	42,857
690.200	COMMERCIAL CRIME INSURANCE	2,954	2,820	3,249	4,300	4,408
690.300	INSURANCE ADMINISTRATION	46,420	48,709	44,313	47,093	48,271
Sub-total		551,876	605,778	623,394	761,543	779,576
CONTRACTUAL SERVICES						
700.090	COMPUTER CONSULTING SERVICES	12,901	17,000	17,000	71,000	57,000
720.050	HARDWARE & SOFTWARE SUPPORT	136,366	135,961	127,961	178,117	142,963
Sub-total		149,267	152,961	144,961	249,117	199,963
CAPITAL OUTLAY						
930.000	FURNITURE	-	5,000	-	5,000	10,000
940.000	COMPUTER HARDWARE & SOFTWARE	77,350	26,700	24,200	47,200	21,700
Sub-total		77,350	31,700	24,200	52,200	31,700
TOTAL		1,192,417	1,262,036	1,250,277	1,592,750	1,591,934

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CITY OF LAGUNA HILLS

BIENNIAL BUDGET

FY 2021/22 – 2022/23

DEPARTMENT: COMMUNITY DEVELOPMENT

DESCRIPTION:

The Community Development Department provides planning, code enforcement, building and safety, and receptionist functions for the City and is organized into two divisions: Planning and Building & Safety.

The Planning division is primarily responsible for administration of the City's Zoning Codes and ensuring the implementation of the goals and strategies of the General Plan, which serves as a comprehensive strategy for the management of future growth and change within the community. In addition, this division monitors and responds to development in neighboring jurisdictions and ensures planning and environmental compliance with regional authorities and State Law.

The Building and Safety division is responsible for the review of building plans, issuance of permits, public counter services, continuous progress inspections, complaint investigations, code compliance, and City reception duties.

MISSION STATEMENT:

Provide effective guidance and coordination for all land planning and development activities throughout the City and implement the regulations and policies of the City in a manner that will ensure a safe and healthy environment that promotes a high quality of life.

The Department is committed to fulfilling this mission by providing the highest level of professional service to the City Council and general public; by working to improve cooperative relationships with other City departments and public agencies; by fairly and consistently implementing City policies and regulations in the processing of development proposals; and by creating innovative, efficient solutions to community issues.

FUNCTIONAL AREAS:

DEVELOPMENT APPLICATION SERVICES

(Zoning Application Review, Building Permit/ Zoning Code Compliance Review, Public Inquiries Regarding Zoning and Development, CEQA Compliance)

ADVANCED PLANNING SERVICES

(General Plan and Zoning Code Amendments, Zoning Changes, Participation in Regional Housing, Transportation, Environmental, and Sustainability Planning Activities and Studies, Special Zoning Studies, Monitoring Development in Adjacent Jurisdictions)

**DEPARTMENT: COMMUNITY DEVELOPMENT****COUNTER SERVICES**

(Building Plan Check Intake, Building Permit Issuance, Plan Check Tracking, Permit Fee Estimation, Fire Prevention Submittals, Building Code Information, Over-The-Counter Plans Examination)

INSPECTION SERVICES

(Zoning Code Compliance, Building Code Inspections, Property Maintenance)

PLAN CHECK SERVICES

(Building Permit Reviews for ADA Compliance, Building, Mechanical, Plumbing, Fire, Electrical Codes, and Energy Codes)

BUDGETED STAFFING:

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Full-time	6.00	6.00	6.00
Part-time	0.50	0.50	0.50
Total	6.50	6.50	6.50

MAJOR PLANS:

1. Preparation and adoption of the Housing Element Update for the Sixth Housing Element Cycle, which is due to the state in fall 2021, including amendments to the General Plan for climate adaptation as required by SB 379 (2015).
2. Complete Zoning Code updates as needed, to implement the Sixth Cycle Housing Element.

WORK PROGRAMS:

1. Support, process, and complete the entitlement processes for significant development projects as needed.
 - a. The Village at Laguna Hills.
 - b. Honali Plaza Remodel/Shared Parking Use Permit.
 - c. MemorialCare Saddleback Medical Center Expansion - Women's Pavillion.
 - d. Laguna Hills Plaza Grocery Store Addition.
2. Triennial Building Code Adoption.
3. Accessory Dwelling Unit (ADU) Ordinance Update.



CITY OF LAGUNA HILLS

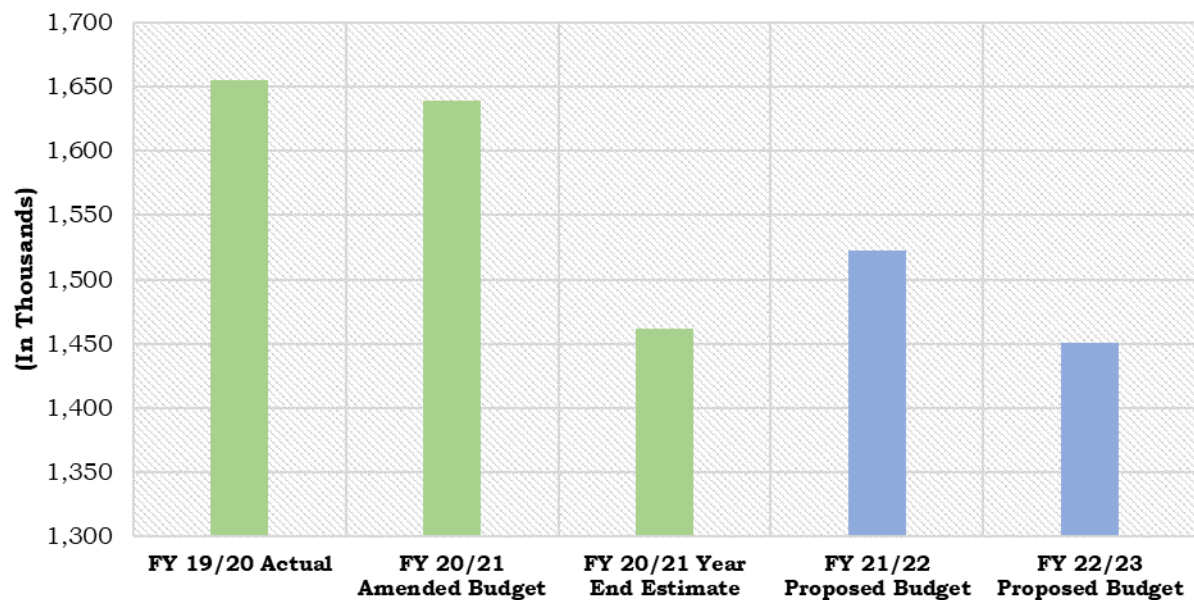
BIENNIAL BUDGET - FY 2021/22 - 2022/23

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DEPARTMENT: COMMUNITY DEVELOPMENT

4. Cell/5G Ordinance Update.
5. Small Update Zoning Code for Consistency with State Law (Large Family Daycare, Density Bonus, Residential Development).
6. Adoption of Objective Design Standards for Residential Development.

DEPARTMENT EXPENDITURE GRAPH:



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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Community Development			225	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
PERSONNEL						
510.000	SALARIES - FULL TIME	565,655	629,775	606,066	598,022	631,964
512.000	SALARIES - PART-TIME	49,739	53,910	29,054	28,620	29,336
518.000	AUTO ALLOWANCE	7,200	7,200	7,200	7,200	7,200
520.000	MEDICARE	8,309	10,018	8,351	9,191	9,693
521.000	RETIREMENT	76,548	85,701	78,962	80,335	83,796
530.000	HEALTH INSURANCE	100,235	104,582	117,732	137,234	151,141
530.200	GROUP LIFE	1,838	2,194	1,932	2,038	2,145
542.000	DISABILITY INSURANCE	4,080	4,097	4,335	3,702	3,988
	Sub-total	813,604	897,477	853,632	866,342	919,263
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES	2,085	2,700	300	2,300	2,300
611.000	TRAINING AND EDUCATION	2,605	6,300	5,350	2,250	3,000
613.000	MILEAGE REIMBURSEMENT	386	300	-	300	300
613.100	VEHICLE - FUEL	1,033	500	700	1,000	-
622.000	OPERATING SUPPLIES	909	1,500	1,500	1,500	1,500
623.000	PRINTING	107	1,000	1,000	1,000	750
626.000	SUBSCRIPTIONS & BOOKS	3,910	3,500	1,900	2,000	3,500
646.100	MAINTENANCE & REPAIR- VEHICLE	522	1,500	1,500	2,000	500
662.000	BANK & MERCHANT SERVICE FEES	143	1,200	-	-	-
	Sub-total	11,700	18,500	12,250	12,350	11,850
CONTRACTUAL SERVICES						
700.000	PROF SVCS - BLDG & SAFETY SVCS	802,230	554,000	395,000	480,000	480,000
700.200	GENERAL PLANNING SVCS.	10,755	20,000	21,770	15,000	15,000
700.201	PLAN APPLICATION SVCS.	17,160	-	80,000	50,000	25,000
700.225	HOUSING ELEMENT	-	150,000	100,000	100,000	-
	Sub-total	830,145	724,000	596,770	645,000	520,000
TOTAL		1,655,449	1,639,977	1,462,652	1,523,692	1,451,113

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CITY OF LAGUNA HILLS

BIENNIAL BUDGET

FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SERVICES

DESCRIPTION:

The Public Services Department is composed of three divisions: Engineering, Public Works, and Parks.

The Engineering division provides management of the public right-of-way, traffic engineering, civil engineering, water quality administration and capital improvement administration. This division also provides staff support to the City's Traffic Commission, responds to resident concerns regarding traffic safety, monitors regional transportation impacts to the community, interfaces with adjacent communities, and monitors local traffic conditions.

The Public Works division provides maintenance services for all infrastructure in the public right-of-way. The maintenance services, with the exception of administration and maintenance inspection, are provided on a contract basis. The Public Works maintenance function includes pavement repairs, signage, striping, concrete work and street sweeping on the 95 centerline miles of the street system, monitoring of the storm drain system, repair of bicycle trails, and maintenance of 48 traffic signals throughout the City. The division responds to resident calls regarding maintenance issues, provides weekly inspection of the local street system, prepares task orders and oversees the implementation of scheduled maintenance work.

The Parks division performs maintenance inspection and administration of contracts for landscape maintenance of the City's 48 acres of local parks, 26 acres of sports parks, 152 acres of open space and slopes, 15 acres of median islands and parkways; graffiti removal; lighting maintenance; and a variety of repair services.

MISSION STATEMENT: Protect and preserve the public's use and ownership of public property and rights-of-way throughout the City.

Provide scheduled and preventive infrastructure maintenance services within public rights-of-way for the benefit of the community.

Provide, create, and maintain a high-quality park, trails and public landscape system that encourages the public's use of park facilities and open space areas, and adds to the overall aesthetic appearance and quality of life for the residents of the City.



CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SERVICES

FUNCTIONAL AREAS:

STREET SYSTEM

(Life-Cycle management of the 95-mile street system)

TRAFFIC CONTROL SYSTEM

(Monitoring of 48 signalized intersections and maintenance of 8000 signs and 4,000 pavement markings)

FLOOD CONTROL/WATER QUALITY

(Maintenance of drainage facilities and administration of water quality compliance)

MANAGEMENT OF THE PUBLIC RIGHT-OF-WAY

(Encroachment Permits, Plan Checking, and Inspection)

TRAFFIC ENGINEERING AND TRAFFIC COMMISSION SUPPORT SERVICES

(Support of the Traffic Commission, Traffic Safety Evaluation, and Management of Traffic Control Devices)

CAPITAL IMPROVEMENT ADMINISTRATION

(Planning and Budgeting, Design, Construction Management, Inspection, and Grant Applications)

LANDSCAPE MAINTENANCE

(Parks, Parkways, Slopes, and Median Islands)

OPEN SPACE MAINTENANCE

(Undeveloped Areas and Trails and Weed Abatement)

URBAN FORESTRY

(Tree Inventory and Maintenance)

BUDGETED STAFFING:

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Full-time	5.00	5.00	5.00
Part-time	0.00	0.00	0.00
Total	5.00	5.00	5.00



CITY OF LAGUNA HILLS

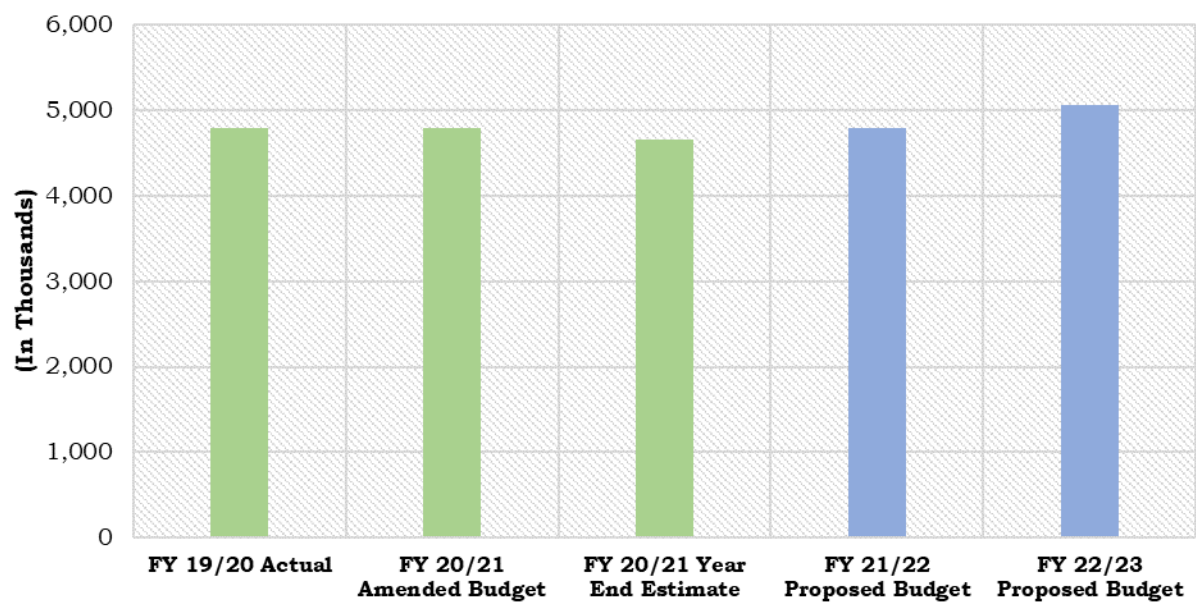
BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SERVICES

WORK PROGRAMS:

1. Continue to update data layers to the Geographic Information System (GIS).
2. Seek grant funds for infrastructure improvements.

DEPARTMENT EXPENDITURE GRAPH:



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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Public Services			355	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
PERSONNEL						
510.000	SALARIES - FULL TIME	634,000	697,243	672,652	540,398	661,473
518.000	AUTO ALLOWANCE	7,800	7,800	7,800	3,600	7,200
520.000	MEDICARE	8,776	13,226	9,183	7,888	9,696
521.000	RETIREMENT	97,413	94,543	85,735	52,823	70,319
530.000	HEALTH INSURANCE	81,017	84,043	86,506	93,940	115,907
530.200	GROUP LIFE	2,085	2,270	2,066	2,002	2,383
542.000	DISABILITY INSURANCE	4,406	3,989	4,378	3,315	4,106
	Sub-total	835,497	903,114	868,320	703,966	871,084
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES	2,175	2,300	2,700	2,700	2,800
611.000	TRAINING AND EDUCATION	10,007	10,000	2,000	5,500	10,000
613.000	MILEAGE REIMBURSEMENT	382	100	100	250	250
613.100	VEHICLE - FUEL	4,051	6,200	4,000	4,000	4,500
622.000	OPERATING SUPPLIES	4,945	12,500	12,500	8,000	12,000
623.000	PRINTING	1,123	3,000	2,500	3,000	3,000
626.000	SUBSCRIPTIONS & BOOKS	114	600	800	800	1,000
630.000	TELEPHONE & COMMUNICATION	254	500	500	500	500
631.000	UTILITIES - ELECTRIC	89,347	120,000	80,000	100,000	120,000
631.400	ELECTRIC - ST. LIGHTS/SIGNALS	399,457	430,000	430,000	450,000	450,000
631.900	UTILITIES ELECTRIC/OnBillFinancing	96,667	92,000	90,000	90,000	90,000
635.000	UTILITIES - WATER	350,539	368,000	368,000	375,000	375,000
640.000	RENT/LEASE - FACILITY	6,372	6,500	6,500	6,500	7,000
646.100	MAINTENANCE & REPAIR- VEHICLE	3,073	3,200	2,000	2,000	2,500
	Sub-total	968,506	1,054,900	1,001,600	1,048,250	1,078,550
CONTRACTUAL SERVICES						
700.000	PROFESSIONAL SERVICES	-	16,000	5,000	10,000	10,000
700.100	CITY ENGINEER	36,264	35,000	35,000	35,000	35,000
700.101	TRAFFIC ENGINEER	132,442	45,000	45,000	60,000	50,000
700.250	ON-CALL ENGINEER	-	5,000	1,000	2,500	2,500
700.255	IMPROVEMENT INSPECTION	166,000	150,000	200,000	150,000	155,000
700.300	HAZARD MITIGATION PLAN	-	-	-	40,000	-
700.631	PROF SVCS UTILITY COST MGMT	-	500	-	-	-
720.400	STREET MAINTENANCE	507,038	595,000	450,000	600,000	600,000
720.410	STREET SWEEPING	142,295	141,000	150,000	215,000	215,000
720.420	TRAFFIC SIGNAL MAINTENANCE	192,890	154,000	250,000	175,000	180,000
720.500	GRAFFITI REMOVAL	171,988	32,000	85,000	80,000	85,000
720.700	LANDSCAPE MAINTENANCE	1,117,825	1,142,000	1,100,000	1,175,000	1,225,000
720.701	PARKS CONTRACT REPAIR	82,942	110,000	110,000	90,000	110,000
720.702	TREE MAINTENANCE	333,635	358,000	300,000	350,000	360,000
720.730	ANNUAL WEED ABATEMENT PRORAM	49,205	51,000	51,000	52,000	55,000
	Sub-total	2,932,524	2,834,500	2,782,000	3,034,500	3,082,500

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION	CODE NO.			
FUND:		General Fund	100			
DEPARTMENT:		Public Services	355			
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET FY 21/22 FY 22/23	
CAPITAL OUTLAY						
900.000	VEHICLES	-	-	-	-	-
910.000	EQUIPMENT & MACHINERY	6,500	-	-	-	20,000
950.002	LANDSCAPE & SLOPES	41,106	-	-	-	-
Sub-total		47,606	-	-	-	20,000
TOTAL		4,784,133	4,792,514	4,651,920	4,786,716	5,052,134



CITY OF LAGUNA HILLS

BIENNIAL BUDGET

FY 2021/22 – 2022/23

DEPARTMENT: COMMUNITY SERVICES

DESCRIPTION:

Community Services programs are a valuable service that the City provides to enhance the quality of life for its citizens. Laguna Hills strives to offer superior recreation programs for all ages. The Community Services Department provides recreation classes, special events, excursions, camps, athletic programs, and disability services in response to the demands of the community. The Community Services Department is also responsible for administering the City's franchise agreement for solid waste and recycling services and animal services.

MISSION STATEMENT: Provide quality recreation programming that promotes a healthy lifestyle, self-esteem, family life, community spirit, and public welfare.

FUNCTIONAL AREAS:

SPECIAL EVENTS

(Fourth of July, Memorial Day Race, and Seasonal Celebrations)

EARLY CHILDHOOD AND CHILDREN'S PROGRAMS

(Pre-school, Sports and Athletics, Cooking, Music, Art and Science Classes, Theatre and Camp Programs)

TEEN PROGRAMS

(Personal Development and Physical Fitness Classes, Special Events, and Volunteer Opportunities)

ADULT PROGRAMS

(Sports Leagues, Physical Fitness, and Personal Development Classes)

DISABILITY SERVICES

(Circle of Friends Program, Dances, Classes, and Special Events)

SENIOR PROGRAMS

(Physical Fitness and Personal Development Classes, and Senior Dial-a-Taxi Service)

HISTORICAL INFORMATION

(City Monument Site, Fossil Display, Classes, Special Events, and Walking Tour)

SOLID WASTE FRANCHISE ADMINISTRATION

(Solid Waste, Recycling Programs)



CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: COMMUNITY SERVICES

ANIMAL SERVICES ADMINISTRATION

(Animal Services Contract Administration)

HOMELESSNESS SERVICES

(Homelessness Services Contract Administration)

HISTORICAL INFORMATION

(City Monument Site, Fossil Display, and Classes)

BUDGETED STAFFING:

	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
Full-time	5.00	5.00	5.00
Part-time	0.00	9.25	10.00
Total	5.00	14.25	15.00

MAJOR PLANS:

1. Celebrate the City's 30th year of incorporation.
2. Implement and support organic recycling programs in accordance with Senate Bill 1383.

WORK PROGRAMS:

1. Host a quarterly Rooted Volunteer Campaign event to help beautify and make improvements within the City.
2. Increase the firework display shell count for the 2022 4th of July event to enhance the 2022 4th of July Celebration event.
3. Host movies in the park events at our neighborhood parks.

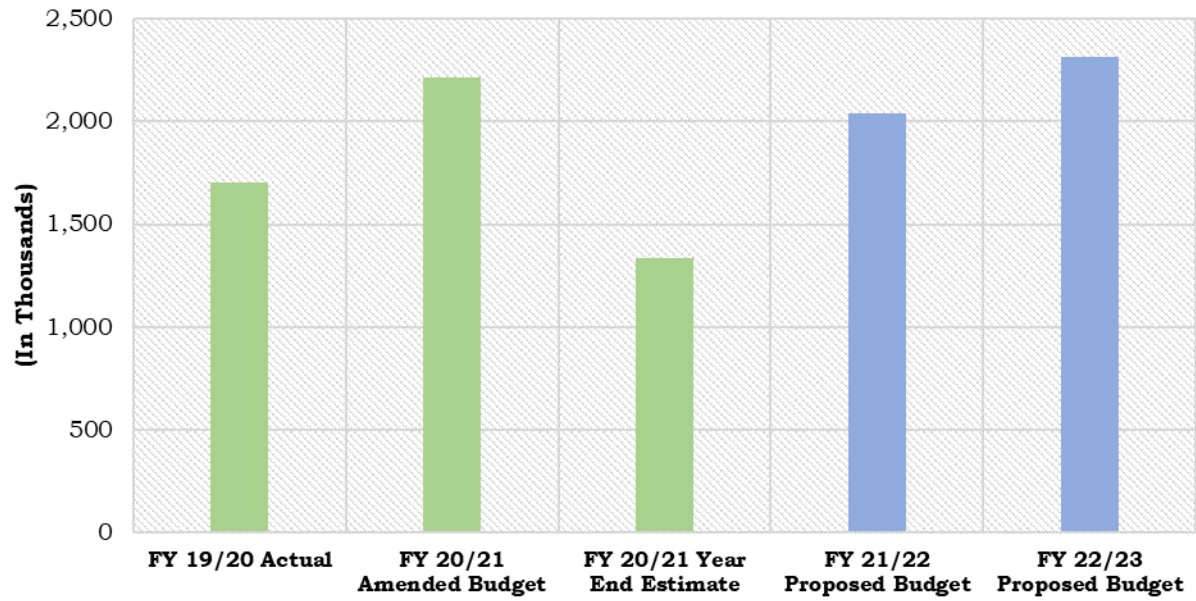


CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: COMMUNITY SERVICES

DEPARTMENT EXPENDITURE GRAPH:



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CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Community Services			310	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
PERSONNEL						
510.000	SALARIES - FULL TIME	535,920	597,250	543,280	568,959	589,718
512.000	SALARIES - PART-TIME	226,257	286,000	30,000	251,794	366,905
518.000	AUTO ALLOWANCE	7,200	7,200	7,200	7,200	7,200
520.000	MEDICARE	11,100	10,223	7,273	12,005	13,975
521.000	RETIREMENT	117,905	148,915	96,601	130,732	140,352
530.000	HEALTH INSURANCE	114,307	140,717	115,193	125,461	135,065
530.200	GROUP LIFE	1,840	2,193	1,756	2,062	2,231
542.000	DISABILITY INSURANCE	3,925	4,023	3,780	3,875	4,311
	Sub-total	1,018,454	1,196,521	805,083	1,102,088	1,259,757
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES	806	1,360	1,360	1,360	1,360
611.000	TRAINING AND EDUCATION	2,969	6,000	1,500	1,500	6,000
611.500	CERTIFICATION FEES	766	520	750	520	520
613.000	MILEAGE REIMBURSEMENT	472	400	100	400	400
613.100	VEHICLE - FUEL	2,734	3,000	1,960	3,000	3,000
620.500	OFFICE SUPPLIES - COMM CENTER	4,251	5,500	2,800	5,500	5,500
622.005	OPERATING SUPPLIES - COMM CENTER	3,284	3,000	2,250	3,000	3,000
622.100	OPER. SUPPLIES - UNIFORMS	-	2,500	1,360	2,500	2,500
622.500	SUPPLIES - PROG. SERVICES	2,402	6,000	2,500	2,000	4,000
622.501	SUPPLIES - YOUTH LEAGUES	1,557	4,000	1,000	2,000	3,000
622.502	SUPPLIES - ADULT LEAGUES	4,967	7,750	3,000	5,750	7,750
623.500	PRINTING - PROG. SERVICES	183	500	-	500	500
624.500	ADVERTISING - PROG. SVCS.	1,172	1,500	800	3,500	3,500
626.000	SUBSCRIPTIONS & BOOKS	641	600	600	-	-
630.100	T & C - COMM. CNTR.	4,299	4,156	4,156	4,156	4,156
631.100	UTILITIES - ELECTRIC - COMM CNTR	78,539	93,000	59,700	78,000	93,000
632.500	UTILITIES - GAS - COMM CNTR	1,696	1,500	3,750	1,500	1,500
635.100	UTILITIES - WATER COMM CNTR	7,503	9,000	9,825	9,000	9,000
641.000	RENT/LEASE - EQUIPMENT	1,078	1,100	1,100	2,900	2,900
641.100	RENT/LEASE - VEHICLE	-	750	-	750	750
645.500	MAINTENANCE & REPAIR-COMM CNTR	56,529	80,000	56,750	80,000	80,000
646.500	MAINTENANCE & REPAIR- EQPT/M-CC		4,000	1,750	4,000	4,000
646.100	MAINTENANCE & REPAIR- VEHICLE	8,080	5,000	6,520	5,000	5,000
662.000	BANK & MERCHANT SERVICE FEES	9,740	15,534	4,500	10,534	15,534
690.500	INSURANCE - PROGRAM SVCS	2,330	2,700	1,350	2,700	2,700
695.500	HOLIDAY EVENTS	80,816	107,250	113,250	128,750	138,750
695.501	DAY CAMPS	13,630	17,900	7,900	7,500	17,900
695.502	M & O - DISABILITY SERVICES	2,456	4,553	-	1,000	2,277
695.504	M & O - HISTORICAL PROG.	-	500	-	500	500
695.505	M & O - EXCURSIONS	1,020	1,000	-	-	1,000
695.506	TEEN PROGRAMS	12,325	15,477	4,750	-	15,477
695.507	MARATHON 5K	38,972	194,000	75,000	194,000	194,000
695.508	JULY FOURTH CELEBRATION	58,241	58,450	415	38,950	63,450
	Sub-total	403,458	658,500	370,696	600,770	692,924

CONTRACTUAL SERVICES

CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Community Services			310	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
700.000	PROFESSIONAL SERVICES	-	2,500	-	1,000	1,000
720.301	CONTRACT SVCS - PROPERTY MGMT	42,000	42,000	42,000	42,000	42,000
720.302	CONTRACT SVCS - HOMELESSNESS	7,378	15,564	15,564	26,130	26,130
720.303	CONTRACT SVCS - OCTAP	2,246	1,670	1,670	-	-
721.500	CONTRACT SVCS - REC PROGRAMS	97,232	140,000	22,500	115,000	140,000
721.505	JANITORIAL SERVICES	125,884	148,600	76,500	148,600	148,600
	Sub-total	274,740	350,334	158,234	332,730	357,730
CAPITAL OUTLAY						
910.500	EQUIPMENT & MACHINERY	4,613	1,500	800	1,500	1,500
930.500	FURNITURE	4,606	6,000	-	-	3,000
	Sub-total	9,219	7,500	800	1,500	4,500
	TOTAL	1,705,871	2,212,855	1,334,813	2,037,088	2,314,911



CITY OF LAGUNA HILLS

BIENNIAL BUDGET

FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SAFETY

DESCRIPTION:

The Public Safety Department includes Police Services, Animal Control, and Emergency Management functions. The Police Services division accounts for the law enforcement contract with the Orange County Sheriff's Department and provides a full-time equivalent police department. Their responsibilities include: protection of citizens, enforcement of laws, and crime prevention education.

Animal Control Services are provided under contract with the City of Mission Viejo. The purpose of this division is to provide pet care, pet recovery, and pet education/training for residents.

The Emergency Management function is responsible for preparing and maintaining an emergency operations plan. This division is also responsible for maintaining the readiness of City staff and promoting an enhanced citywide understanding of emergency preparedness.

MISSION STATEMENT: Our mission is to provide responsive, professional, and caring law enforcement services to all people in the City of Laguna Hills.

FUNCTIONAL AREAS:

GENERAL LAW ENFORCEMENT

(Respond to Calls for Service, Preventive Patrol, Follow-up General and Specialized Investigation, and Apprehension of Criminal Offenders)

TRAFFIC SAFETY

(Traffic Enforcement, Traffic Safety, DUI Suppression, and Collision Investigation)

PARKING SERVICES

(Parking Enforcement, Citation Processing, Citation Adjudication, and Abandoned Vehicle Abatement)

YOUTH SERVICES

(Drug Education, Teen Safety Programs, Bicycle and Pedestrian Safety Programs, and Explorer Program)

SPECIAL SERVICES

(SWAT, VICE, Hazardous Device Section, Tactical Apprehension Team, Crisis Negotiations Team, Canine Enforcement, Narcotics Enforcement, Direct Enforcement Team, Homeless Outreach Team, School Resource Officer, School Mobile Assessment Response Team, Air Bureau Enhanced Helicopter Support, Gang Suppression, Mounted Patrol, Search and Rescue, and Reserve Bureau)



CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SAFETY

ANIMAL SERVICES

(Pet Adoption and Related Owner Services, Animal Care, Pet Recovery, Response to Calls for Service, Animal Population Control, Disease Prevention, Mobile Pet Adoption Services, and Local Vaccination Clinics)

EMERGENCY MANAGEMENT SERVICES

(Planning, Training, Response, Recovery, and Mutual Aid Assistance)

MAJOR PLANS:

1. Police motorcycle replacement.
2. Add one (1) Deputy Sheriff position (Special Enforcement Team).
3. Add one (1) Crime Prevention Specialist position.

WORK PROGRAMS:

1. Coordinate with contract vendor regarding the phased installation of Fixed Automatic License Plate Readers (ALPRs) at strategic locations throughout the city to maximize deployment based on current crime trends.
2. Implement a public access Prescription Drug Disposal Program, facilitated at City Hall during normal business hours on a continuous basis.
3. Participate in “National Take Back Day” in partnership with the Drug Enforcement Administration (DEA) to provide outreach and education to City residents regarding the proper disposal of unused prescription medications.
4. Coordinate and host a “National Night Out” event that educates City residents on public safety resources available within the City.
5. Host community outreach and engagement events at a variety of venues throughout the year (e.g. Coffee with a Cop, Pizza with Police, Dogs with Deputies, Bicycle Safety Rodeo, Trick-or-Treat Safety Event, etc.)
6. Revitalize and expand Neighborhood Watch Program and Business Watch Programs.
7. Revitalize, update, and expand the Police Services webpage on the main City website to ensure easy access to information and services in a functional user-friendly format.

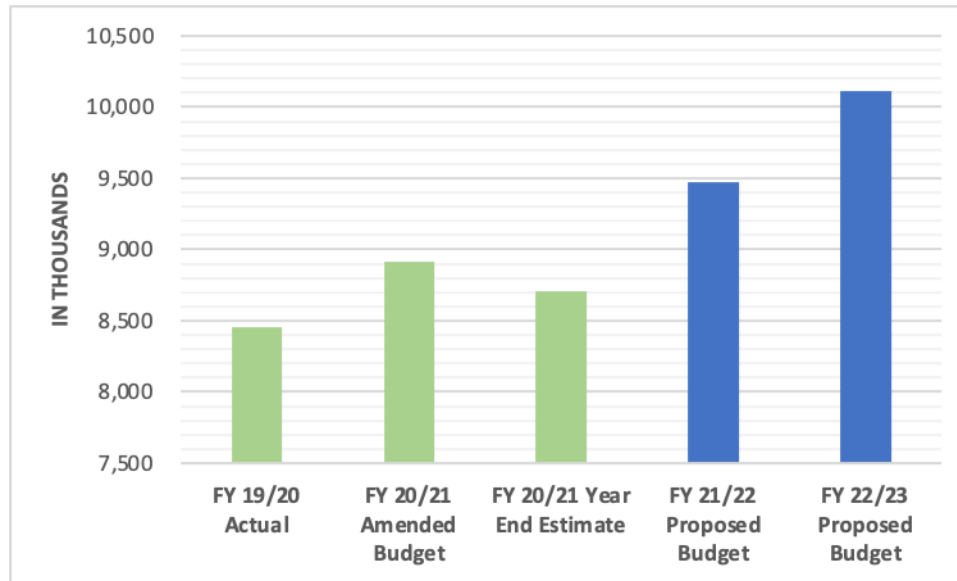


CITY OF LAGUNA HILLS

BIENNIAL BUDGET - FY 2021/22 – 2022/23

DEPARTMENT: PUBLIC SAFETY

DEPARTMENT EXPENDITURE GRAPH:



**CITY OF LAGUNA HILLS
BIENNIAL BUDGET
FISCAL YEAR 2021/22 - 2022/23**

		DESCRIPTION			CODE NO.	
FUND:		General Fund			100	
DEPARTMENT:		Public Safety			420	
		PRIOR YEAR'S ACTUAL FY 19/20	AMENDED BUDGET FY 20/21	YEAR END ESTIMATE FY 20/21	PROPOSED BUDGET	
					FY 21/22	FY 22/23
MAINTENANCE AND OPERATIONS						
610.000	MEMBERSHIPS AND DUES	265	190	340	400	400
611.000	TRAINING AND EDUCATION	2,453	3,000	3,000	2,000	5,000
613.100	VEHICLE - FUEL	1,746	-	1,500	2,000	2,000
621.000	COMPUTER SUPPLIES	411	-	87	2,000	500
622.000	OPERATING SUPPLIES	11,074	7,000	7,000	8,500	10,000
622.400	OPERATING SUPPLIES - EMERGENCY	758	1,500	1,500	3,000	3,000
646.000	MAINTENANCE & REPAIR- EQUIP/MACH	17,859	16,000	16,000	18,000	20,000
646.100	MAINTENANCE & REPAIR- VEHICLE	6,655	-	5,000	5,000	5,000
650.000	MINOR EQUIPMENT	-	-	-	1,000	1,000
695.000	COMM. EVENTS/PUBLIC RELATIONS	2,275	10,000	4,000	12,000	15,000
	Sub-total	43,496	37,690	38,427	53,900	61,900
CONTRACTUAL SERVICES						
720.401	ANIMAL CONTROL & SHELTER SERVICES	206,556	224,000	224,000	236,880	242,780
720.800	GENERAL LAW ENFORCEMENT	8,094,639	8,498,927	8,198,409	8,985,027	9,651,658
720.821	TRAUMA INTERVENTION PROGRAM	3,641	4,600	4,600	4,600	4,600
720.822	CROSSING GUARD SERVICES	61,638	95,213	95,213	95,213	95,213
720.823	PARKING CITATION PROCESSING	23,905	30,000	30,000	30,000	30,000
720.835	FINGERPRINT IDENTIFICATION SVCS	18,036	18,032	18,032	14,794	20,000
	Sub-total	8,408,415	8,870,772	8,570,254	9,366,514	10,044,251
CAPITAL OUTLAY						
900.000	VEHICLES	-	-	-	35,000	-
910.000	EQUIPMENT & MACHINERY	4,613	-	-	5,000	5,000
930.000	FURNITURE	-	2,000	2,000	10,000	2,000
	Sub-total	4,613	2,000	2,000	50,000	7,000
	TOTAL	8,456,524	8,910,462	8,610,681	9,470,414	10,113,151

Capital Improvement Program

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT NO.	PROJECT	TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
STREET, SIGNALS AND LIGHTING									
101	Annual Street Maintenance	\$ 11,300,000	\$ 2,900,000	\$ -	\$ 2,600,000	\$ -	\$ 2,900,000	\$ -	\$ 2,900,000
112	Traffic Signals	1,000,000	-	-	-	-	-	-	1,000,000
139	Cabot Widening - La Paz to Paseo de Valencia	3,500,000	-	-	-	-	-	-	3,500,000
145	Paseo de Valencia Widening	9,000,000	-	-	-	-	-	-	9,000,000
168	Traffic Signal Improvements/Coordination Projects	325,000	100,000	-	75,000	-	75,000	-	75,000
170	Access Ramp Construction - Citywide/Transition Plan	4,600,000	-	-	100,000	-	-	-	4,500,000
171	La Paz Road Sidewalk Widening	1,500,000	-	-	-	-	-	-	1,500,000
178	South Moulton Pavement Rehabilitation (VIA Lomas to SCL)	2,000,000	-	-	-	-	-	-	2,000,000
181	Oso Parkway Pavement Rehabilitation (Cabot to WCL)	2,000,000	-	-	-	-	-	-	2,000,000
182	Lake Forest Drive Pavement Rehabilitation (ECL to WCL)	2,000,000	-	-	-	-	-	-	2,000,000
183	Avenida Carlota Pavement Rehabilitation (El Toro Rd to Los Alisos Blvd)	1,000,000	-	-	-	-	-	-	1,000,000
184	La Paz Road Widening (McIntyre to Cabot)	2,100,000	-	100,000	-	-	-	-	2,000,000
185	Replacement of ISNS & Cameras at all Traffic Signal Locations	375,000	-	-	125,000	-	125,000	-	125,000
	Sub-Total	\$ 40,700,000	\$ 3,000,000	\$ 100,000	\$ 2,900,000	\$ -	\$ 3,100,000	\$ -	\$ 31,600,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT NO.	PROJECT	TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
STREETSCAPE									
301	Alicia Parkway Median Islands Landscape Rehabilitation	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
305	La Paz Median Islands	3,700,000	-	-	-	-	-	-	3,700,000
307	Entry Monuments	750,000	-	-	-	-	-	-	750,000
312	Paseo de Valencia Median Island Rehabilitation	3,500,000	-	-	-	-	-	-	3,500,000
314	Paseo de Valencia Median Islands	2,250,000	-	-	-	-	-	-	2,250,000
315	Rehabilitation of Oso Median Islands	3,000,000	-	-	-	-	-	-	3,000,000
322	Rehabilitation of Moulton Median Island	2,500,000	-	-	-	-	-	-	2,500,000
323	Rehabilitation of Laguna Hills Drive Median Island	900,000	-	-	-	-	-	-	900,000
324	Rehabilitation of La Paz Median Island	1,250,000	-	-	-	-	-	-	1,250,000
325	Ridge Route Median Islands - Santa Vittoria to Moulton Pkwy	2,250,000	-	-	-	-	-	-	2,250,000
326	Laguna Hills Drive Median Islands and North Parkway	750,000	-	-	-	-	-	-	750,000
330	Alicia Pkwy & Paseo de Valencia Street Tree Program	750,000	-	-	-	-	-	-	750,000
331	Synthetic Landscape Turf Median Islands	1,000,000	-	-	-	-	-	-	1,000,000
333	Ridge Route Medians - Moulton Pkwy to Avenida de la Carlota	2,500,000	-	-	-	-	-	-	2,500,000
334	Aliso Hills Drive North Down Slope	1,000,000	-	-	-	-	-	-	1,000,000
335	La Paz Road South Side Slope Renovation	5,500,000	-	-	-	-	-	-	5,500,000
336	Palermo and Taranto Slope Renovation	300,000	-	-	-	-	-	-	300,000
337	San Remo Drive Slope Renovation	800,000	-	-	-	-	-	-	800,000
338	Paseo De Valencia East and West Parkway Renovation	800,000	-	-	-	-	-	-	800,000
339	Paseo de Valencia Southwest Parkway Renovation	650,000	-	-	-	-	-	-	650,000
	Sub-Total	\$ 35,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,150,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT NO.	PROJECT	TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
FLOOD CONTROL & WATER QUALITY									
403	Storm Drain/Slope Repairs	\$ 200,000	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
406	F23 Canada Channel (Veeh Park)	750,000	-	-	-	-	-	-	750,000
407	Aliso Creek Watershed	500,000	-	-	-	-	-	-	500,000
410	NPDES / Water Quality Program	1,400,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
411	Largo Storm Drain Improvements (secondary outlet)	500,000	-	-	-	-	-	-	500,000
412	Water Quality (2) Improvements	1,000,000	250,000	-	250,000	-	250,000	-	250,000
413	Oso Parkway Wetlands	500,000	-	-	-	-	-	-	500,000
	Sub-Total	\$ 4,850,000	\$ 500,000	\$ 200,000	\$ 500,000	\$ 200,000	\$ 500,000	\$ 200,000	\$ 2,750,000
PARKS									
234	Aliso Hills Park	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
237	Park Refurbishment Project	240,000	240,000	-	-	-	-	-	-
238	Community Center and Sports Complex Field Renovations	775,000	50,000	225,000	-	250,000	-	250,000	-
241	General Park Renovations	6,550,000	-	300,000	-	350,000	-	400,000	5,500,000
243	Restoration of Various Parks	6,500,000	-	-	500,000	500,000	500,000	500,000	4,500,000
242	Recreation Facilities Needs Assessment	75,000	-	-	75,000	-	-	-	-
	Sub-Total	\$ 17,140,000	\$ 290,000	\$ 525,000	\$ 575,000	\$ 1,100,000	\$ 500,000	\$ 1,150,000	\$ 13,000,000
PUBLIC FACILITIES									
505	Civic Center Renovations	\$ 150,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
506	Skate Facility Enhancements	400,000	-	-	-	-	-	-	400,000
508	Equipment & Supply Storage Building	600,000	-	-	-	-	-	-	600,000
510	Public Art Program - Civic Center	350,000	-	-	350,000	-	-	-	-
513	Community Center Renovation	300,000	-	100,000	-	100,000	-	100,000	-
514	Sports Complex Renovations	425,000	-	100,000	125,000	100,000	-	100,000	-
519	Holiday Pavilion Landscaping	50,000	-	-	50,000	-	-	-	-
518	Automated License Plate Readers	150,000	-	-	-	150,000	-	-	-
	Sub-Total	\$ 2,425,000	\$ 50,000	\$ 200,000	\$ 525,000	\$ 350,000	\$ -	\$ 200,000	\$ 1,100,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT NO.	PROJECT	TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
TRAILS AND OPEN SPACE									
601	Trails Master Plan - Other Projects	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
606	Trail Head Plazas	1,250,000	-	-	-	-	-	-	1,250,000
607	Aliso Hills Channel Pedestrian Crossing JO5PO3	500,000	-	-	-	-	-	-	500,000
608	Multi-use Trail - Alicia to La Paz	4,500,000	-	-	-	-	-	-	4,500,000
609	Multi-use Trail - Community Center to Indian Hill	900,000	-	-	-	-	-	-	900,000
610	Loop Trails in Alicia Open Space	500,000	-	-	-	-	-	-	500,000
611	La Paz Multi-use Trail - Alameda to Paseo de Valencia	10,000,000	-	-	-	-	-	-	10,000,000
612	Alicia Pedestrian Bridge at Trail	1,500,000	-	-	-	-	-	-	1,500,000
613	Trail along SJHTC	400,000	-	-	-	-	-	-	400,000
614	Alicia Open Space Landscaping	16,500,000	-	-	-	-	-	-	16,500,000
615	La Paz Open Space Riparian Habitat- Alameda to Paseo de Valencia	12,500,000	-	-	-	-	-	-	12,500,000
616	Aliso Hills Area Open Space	5,000,000	-	-	-	-	-	-	5,000,000
617	Oso Parkway Open Space Landscape	8,500,000	-	-	-	-	-	-	8,500,000
618	Ridge Route Open Space	900,000	-	-	-	-	-	-	900,000
619	Slope Renovation South of Aliso Creek	900,000	-	-	-	-	-	-	900,000
620	Miscellaneous Landscape Renovations - Various Areas	2,000,000	-	-	-	-	-	-	2,000,000
621	Recycled Water Conversions	1,000,000	-	-	-	-	-	-	1,000,000
622	Luna Bonita Slope Renovation	200,000	200,000	-	-	-	-	-	-
	Sub-Total	\$ 70,050,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,850,000
	Grand Total	\$ 170,315,000	\$ 4,040,000	\$ 1,025,000	\$ 4,500,000	\$ 1,650,000	\$ 4,100,000	\$ 1,550,000	\$ 153,450,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM**

FUNDING SOURCES

FUNDING SOURCE	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE	TOTAL
General Fund	\$ 540,000	\$ 525,000	\$ 1,225,000	\$ 1,100,000	\$ 875,000	\$ 950,000	\$ 375,000	\$ 5,590,000
Capital Reserve Funds	100,000	500,000	50,000	200,000	50,000	200,000	150,000	1,250,000
Gas Tax	1,700,000	-	1,525,000	-	1,675,000	-	1,675,000	6,575,000
SB1 RMRA	1,300,000	-	1,150,000	-	1,300,000	-	1,300,000	5,050,000
Measure M2 - Competitive	200,000	-	200,000	-	200,000	-	200,000	800,000
Quimby Act	-	-	-	350,000	-	400,000	5,500,000	6,250,000
Public Art	-	-	350,000	-	-	-	-	350,000
Proposition 68	200,000	-	-	-	-	-	-	200,000
Unfunded	-	-	-	-	-	-	144,250,000	144,250,000
GRAND TOTAL	\$ 4,040,000	\$ 1,025,000	\$ 4,500,000	\$ 1,650,000	\$ 4,100,000	\$ 1,550,000	\$ 153,450,000	\$ 170,315,000

**CITY OF LAGUNA HILLS
YEAR FISCAL 2021/22
SOURCES OF FUNDS
CAPITAL PROGRAM**

PROJECT No.	PROJECT	FISCAL YEAR 2021/22	GENERAL FUND	GAS TAX	MEAS M COMPETITIVE	SB1 RMRA	CAPITAL RESERVES FUND	PROPOSITION 68
STREET, SIGNALS AND LIGHTING (100)								
101	Annual Street Maintenance	2,900,000	-	1,600,000	-	1,300,000	-	-
168	Traffic Signal Improvements/Coordination Projects	100,000	-	100,000	-	-	-	-
	Sub-Total	\$ 3,000,000	\$ -	\$ 1,700,000	\$ -	\$ 1,300,000	\$ -	\$ -
FLOOD CONTROL & WATER QUALITY (400)								
403	Storm Drain/Slope Repairs	50,000	-	-	-	-	50,000	-
406	F23 Canada Channel (Veeh Park)	-	-	-	-	-	-	-
407	Aliso Creek Watershed	-	-	-	-	-	-	-
410	NPDES / Water Quality Program	200,000	200,000	-	-	-	-	-
411	Largo Storm Drain Improvements (secondary outlet)	-	-	-	-	-	-	-
412	Water Quality (2) Improvements	250,000	50,000	-	200,000	-	-	-
413	Oso Parkway Wetlands	-	-	-	-	-	-	-
	Sub-Total	\$ 500,000	\$ 250,000	\$ -	\$ 200,000	\$ -	\$ 50,000	\$ -
PARKS (200)								
234	Aliso Hills Park	-	-	-	-	-	-	-
237	Park Refurbishment Project	240,000	40,000	-	-	-	-	200,000
238	Community Center and Sports Complex Field Renovations	50,000	50,000	-	-	-	-	-
	Sub-Total	\$ 290,000	\$ 90,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
PUBLIC FACILITIES (500)								
505	Civic Center Renovations	50,000	-	-	-	-	50,000	-
	Sub-Total	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -
TRAILS AND OPEN SPACE (600)								
622	Luna Bonita Slope Renovation	200,000	200,000	-	-	-	-	-
	Sub-Total	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
	Grand Total	\$ 4,040,000	\$ 540,000	\$ 1,700,000	\$ 200,000	\$ 1,300,000	\$ 100,000	\$ 200,000

**CITY OF LAGUNA HILLS
FISCAL YEAR 2022/23
SOURCES OF FUNDS
CAPITAL PROGRAM**

PROJECT	PROJECT	FISCAL YEAR 2022/23	GENERAL FUND	GAS TAX	MEAS M COMPETITIVE	SB1 RMRA	CAPITAL RESERVE FUND	PUBLIC ART
STREET, SIGNALS AND LIGHTING (100)								
184	La Paz Road Widening (McIntyre to Cabot)	100,000	100,000	-	-	-	-	-
	Sub-Total	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
FLOOD CONTROL & WATER QUALITY (400)								
410	NPDES / Water Quality Program	200,000	200,000	-	-	-	-	-
	Sub-Total	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
PARKS (200)								
238	Community Center and Sports Complex Field Renovations	225,000	225,000	-	-	-	-	-
241	General Park Renovations	300,000	-	-	-	-	300,000	-
	Sub-Total	\$ 525,000	\$ 225,000	\$ -	\$ -	\$ -	\$ 300,000	\$ -
PUBLIC FACILITIES (500)								
513	Community Center Renovation	100,000	-	-	-	-	100,000	-
514	Sports Complex Renovations	100,000	-	-	-	-	100,000	-
510	Public Art Program - Civic Center	-	-	-	-	-	-	-
	Sub-Total	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -
	Grand Total	\$ 1,025,000	\$ 525,000	\$ -	\$ -	\$ -	\$ 500,000	\$ -

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CAPITAL IMPROVEMENT PROJECTS

STREETS, SIGNALS, AND LIGHTING

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Biennial Street Maintenance

Project No.: 101



Description: The Biennial Street Maintenance Program provides funding for pavement maintenance and resurfacing of all of the City's streets on an approximate six-year return cycle. For budget and cost efficiency, it is a goal to plan for the maintenance of one-third of the City's local streets as a single project every two years. The maintenance of these streets is based upon the Pavement Management Plan that is updated every two years with the last update of arterial highways and collector streets being performed in June 2020. Given the age of the City's streets, this program has transitioned from its original maintenance procedure of utilizing only seal coats for pavement preservation every six years to an overlay program for pavement rehabilitation. An overlay program is performed once every 25 years on local streets and is much costlier than a seal coat program, resulting in a reduction of the number of streets that can be maintained each cycle based upon available funding. Over time, however, all local streets will be resurfaced with an overlay and then the local street system will return to a seal coat pavement preservation program.

Purpose / Justification: The Biennial Street Maintenance Program is performed to repair and rejuvenate the surfacing of the street infrastructure. Pavement surfaces deteriorate over time and will experience accelerated maintenance costs if preventive maintenance is not performed on an approximate seven to ten-year cycle basis.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The Annual Street Maintenance Program allows the City to keep its street maintenance operations at a low recurring cost for pavement repairs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Individual projects are scheduled for summer of the fiscal year budgeted. The schedule for the maintenance is as follows:

<u>YEAR</u>	<u>ZONES</u>
2021-2022	Portions of Zones B & F
2023-2024	Portions of Zones A & D
2025-2026	Zones C & E

Project Name: Annual Street Maintenance
Project Number: 101

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	2,900,000		2,600,000		2,900,000		2,900,000	11,300,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	2,900,000		2,600,000		2,900,000		2,900,000	11,300,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax	1,600,000		1,450,000		1,600,000		1,600,000	6,250,000
Gas Tax - SB1 RMRA	1,300,000		1,150,000		1,300,000		1,300,000	5,050,000
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	2,900,000	-	2,600,000	-	2,900,000		2,900,000	11,300,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Traffic Signals

Project No.: 112



Description: The traffic signal project identifies future funding needs for new intersection traffic signals.

Purpose / Justification: The Citywide Traffic Signal Master Plan was updated in April 2016. The Traffic Signal Master Plan evaluates the need for traffic signals at every arterial highway intersection at which a traffic signal does not currently exist. The evaluation follows State issued criteria to determine the potential justification for a new traffic signal. Five intersections within the City met the minimum standards to allow a traffic signal to be constructed per the 2016 study; however, the construction of a traffic signal is not required by such a determination. The potential locations include Alicia Parkway at Via Lomas; Moulton Parkway at Gordon Road (currently under construction by a third party); La Paz Road at Appaloosa Place; Paseo de Valencia at Ericson Way; and Paseo de Valencia at Alisal Avenue.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

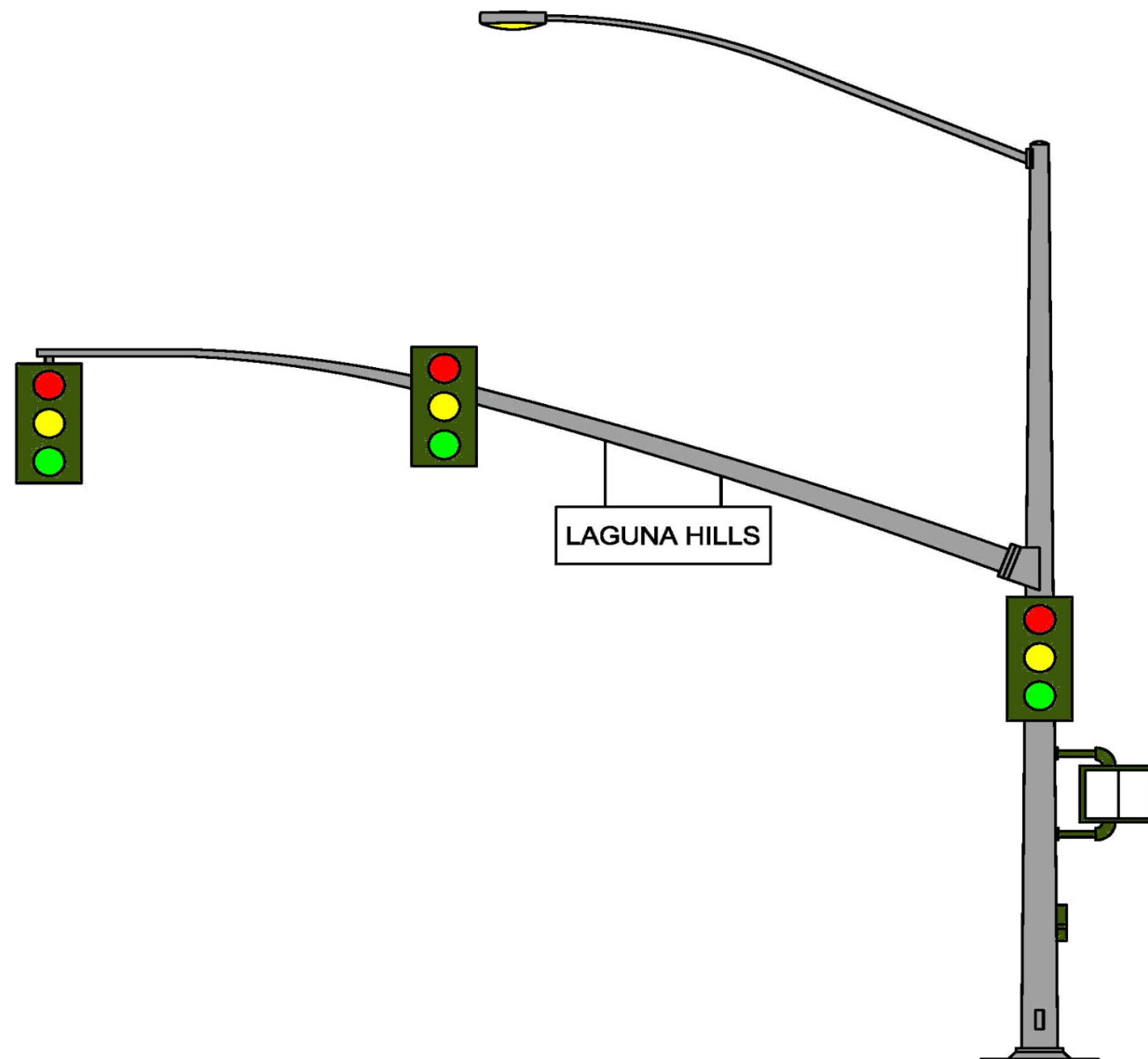
Operating Budget Impact: The construction of a traffic signal is anticipated to add annual maintenance costs of approximately \$900 and electricity costs of approximately \$3,500.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: The traffic signal construction is subject to the schedule to be adopted by the City Council.

Project Name: Traffic Signals
Project Number: 112

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Cabot Widening – La Paz to Paseo de Valencia

Project No.: 139



Description: The widening of Cabot Road to augmented secondary arterial highway standards from La Paz Road to Paseo de Valencia is in accordance with the City's General Plan. The widening will maintain the current four lanes but will allow for a 14' wide raised and landscaped median island and a parking lane/emergency lane or bike lane area along both sides of this segment of the roadway. This project may be eligible for future grant funding. Right of way acquisition will be required. Project length: 0.5 miles.

Purpose / Justification: Compliance with the City's General Plan. The project will control or eliminate left turn driveway access at several locations and will improve traffic flow.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs:

The project will involve the intersection of Cabot Road at La Paz Road/I-5 southbound off-ramp and may require a permit from the State of California Department of Transportations (CALTRANS).

Operating Budget Impact: The construction of a raised and landscaped median island will result in increased landscape maintenance costs estimated to be \$1,500 and \$1,000 of utility costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Cabot Widening - La Paz to Paseo de Valencia
Project Number: 139

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,500,000	3,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,500,000	3,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,500,000	3,500,000
Total Funding	-	-	-	-	-	-	3,500,000	3,500,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Paseo de Valencia Widening

Project No.: 145



Description: Arterial highway improvements on Paseo de Valencia from Laguna Hills Drive to El Toro Road to complete the General Plan designation in conformance with the Master Plan of Arterial Highways. A widening project for Paseo de Valencia, from Kennington Drive to Laguna Hills Drive, has been designed (including shifting the roadway to the east which does not require any private property right of way acquisition) and this project phase is pending environmental clearance and construction funding.

Purpose / Justification: The Paseo de Valencia widening project will complete a six-lane arterial highway within the described limits in accordance with the City's General Plan and the Master Plan of Arterial Highways to meet projected traffic needs and to reduce traffic congestion.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: The City of Laguna Woods is adjacent to this project, as is the Laguna Woods Village community. Coordination with these entities will be necessary for implementation of the project.

Operating Budget Impact: The widening of Paseo de Valencia from its four or five lanes to six lanes will increase the quantity of pavement surfacing and will slightly increase pavement maintenance costs over time. The existing landscaped median island would be reconstructed as a part of any project but maintenance costs would be similar to that which is already a part of the current budget.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Pending

Project Name: Paseo de Valencia Widening
Project Number: 145

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							9,000,000	9,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	9,000,000	9,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							9,000,000	9,000,000
Total Funding	-	-	-	-	-	-	9,000,000	9,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Traffic Signal Improvements/Coordination Projects

Project No.: 168



Description: This project will interconnect traffic signals, provide for timing/coordination plans, synchronize traffic signals and connect individual locations to a central control. The Renewed Measure M provides an opportunity to fund updates to existing interconnected traffic signal corridors and improvements to new ones on a three-year return basis. The arterial highways currently synchronized include Oso Parkway, La Paz Road, Alicia Parkway, El Toro Road, Lake Forest Drive, Paseo de Valencia and Moulton Parkway.

Purpose / Justification: Traffic flow improvements and technology upgrades.

Other Agencies Involved: Adjacent jurisdictions on a case by case basis and oversight by the Orange County Transportation Authority (OCTA) based upon the allocation of Renewed Measure M funds.

Outside Agencies/Entities Clearance or Coordination Needs: Coordination with adjacent agencies, Caltrans and OCTA.

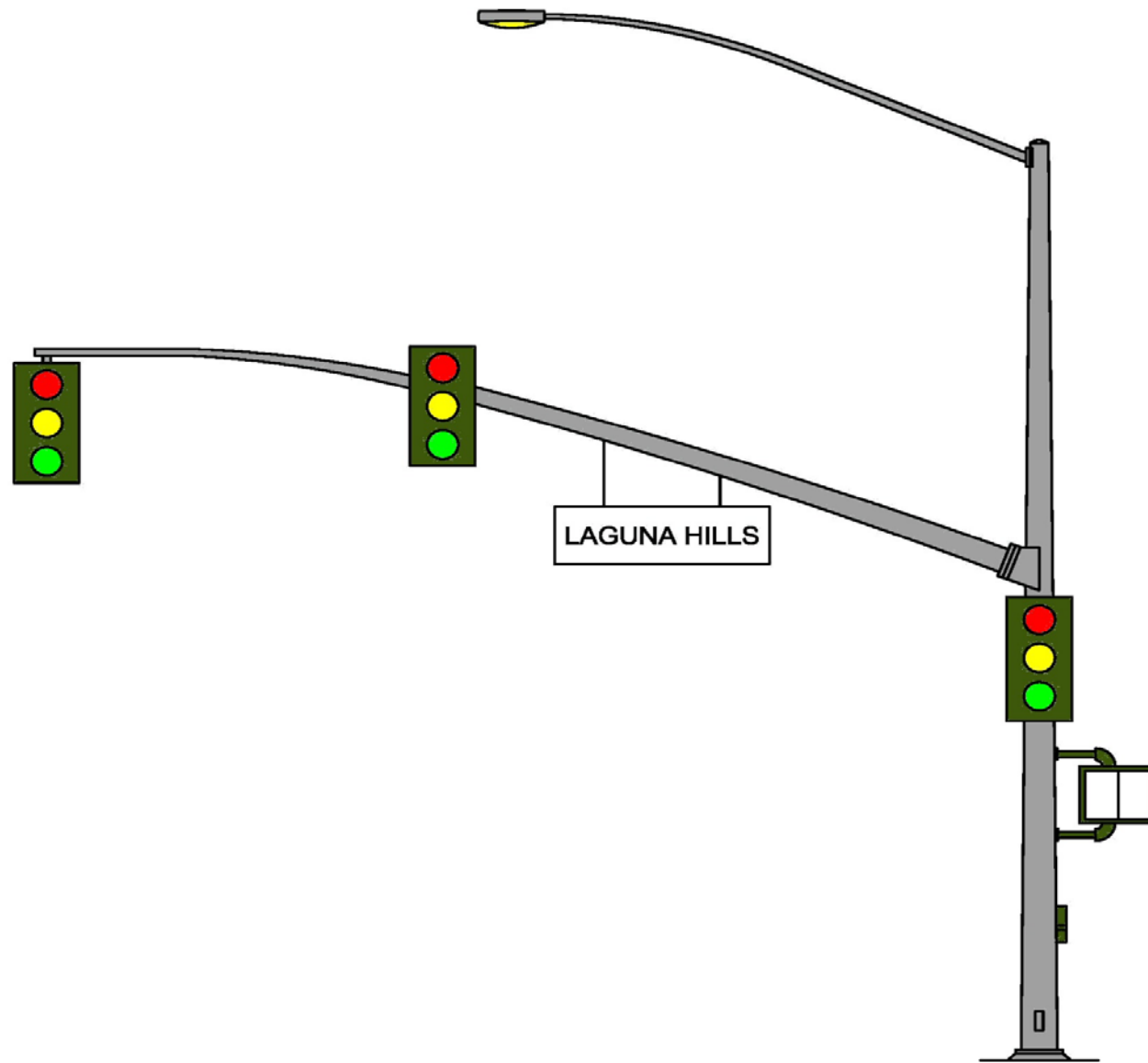
Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: As funded. It is estimated the City will participate in an arterial highway corridor signal synchronization project every two years.

Project Name: Traffic Signal Improvements/Coordination Projects
Project Number: 168

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	100,000		75,000		75,000		75,000	325,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	100,000	-	75,000	-	75,000	-	75,000	325,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax	100,000		75,000		75,000		75,000	325,000
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	100,000	-	75,000	-	75,000	-	75,000	325,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Access Ramps

Project No.: 170



Description: Installation of access ramps meeting Federal and State approved design standards at all intersections as required by the Americans with Disability Act. Approximately 1000 ramps will eventually be constructed for all intersections in the City not currently meeting the required standards. This project can be phased over several years.

Purpose / Justification: None

Other Agencies Involved: ADA improvements are required to be made when the City utilizes Federal Funds for road construction projects. Coordination with Caltrans, as the oversight agency, is required when Federal Funds are used.

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Access Ramp Construction - Citywide/Transition Plan
Project Number: 170

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design			100,000					100,000
Admin/Inspection								-
Land Acquisition								-
Construction							4,500,000	4,500,000
Operations & Maintenance								
System Integration								
Equipment								-
Total Cost	-	-	100,000	-	-	-	4,500,000	4,600,000
Project Funding:								
General Fund			100,000					100,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							4,500,000	4,500,000
Total Funding	-	-	100,000	-	-	-	4,500,000	4,600,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: South Moulton Pavement Rehabilitation

Project No.: 178



Description: Pavement rehabilitation of Moulton Parkway from Via Lomas to South City Limits (at SR-73). Work to include pavement removals/rehabilitation, curb and gutter repairs, access ramp construction, asphalt concrete overlay, and striping. Project length: 6700 LF.

Purpose / Justification: Pavement maintenance.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: A net short-term reduction of pavement maintenance should result from this project as the pavement life is extended through this project.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: South Moulton Pavement Rehabilitation (VIA Lomas to SCL)
Project Number: 178

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,000,000	2,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,000,000	2,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,000,000	2,000,000
Total Funding	-	-	-	-	-	-	2,000,000	2,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Oso Parkway Pavement Rehabilitation

Project No.: 181



Description: Pavement rehabilitation of Oso Parkway from Cabot Road to West City Limits. Work to include pavement removals/rehabilitation, curb and gutter repairs, sidewalk repairs, access ramp construction, asphalt concrete overlay, and striping. Project length: 9200 LF.

Purpose / Justification: Pavement maintenance.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: A net short-term reduction of pavement maintenance should result from this project as the pavement life is extended through this project.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Oso Parkway Pavement Rehabilitation (Cabot to WCL)
Project Number: 181

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,000,000	2,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,000,000	2,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,000,000	2,000,000
Total Funding	-	-	-	-	-	-	2,000,000	2,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Lake Forest Drive Pavement Rehabilitation

Project No.: 182



Description: Pavement rehabilitation of Lake Forest Drive from East City Limits to West City Limits. Work to include pavement removals/rehabilitation, curb and gutter repairs, sidewalk repairs, access ramp construction, asphalt concrete overlay, and striping. Project length: 6200 LF.

Purpose / Justification: Pavement maintenance.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: A permit from Caltrans will be required for work at the intersection of Lake Forest/southbound I-5 offramp.

Operating Budget Impact: A net short-term reduction of pavement maintenance should result from this project as the pavement life is extended through this project.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Lake Forest Drive Pavement Rehabilitation (ECL to WCL)
Project Number: 182

Site Map



PCI ave. 82

Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,000,000	2,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,000,000	2,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,000,000	2,000,000
Total Funding	-	-	-	-	-	-	2,000,000	2,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Avenida de la Carlota Pavement Rehabilitation

Project No.: 183



Description: Pavement rehabilitation of Avenida de la Carlota from El Toro Road to Los Aliso Boulevard. Work to include pavement removals/rehabilitation, curb and gutter repairs, sidewalk repairs, access ramp construction, asphalt concrete overlay, and striping. Project length: 3800 LF.

Purpose / Justification: Pavement maintenance.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: A net short-term reduction of pavement maintenance should result from this project as the pavement life is extended through this project.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Avenida Carlota Pavement Rehabilitation (El Toro Rd to Los Alisos Blvd)
Project Number: 183

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: La Paz Road Widening

Project No.: 184



Description: The widening of easterly bound La Paz Road from McIntyre Street to Cabot Road to add a third through lane. Right of way acquisition will be required.

Purpose / Justification: To accommodate projected traffic volumes and as recommended in the General Plan as an augmented arterial highway.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: A permit from Caltrans will be required for work at the intersection of La Paz Road at Cabot Road.

Operating Budget Impact: A minor increase in pavement square footage will add to the City's pavement maintenance requirements over time.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Preliminary Design in FY 2022-23 in order to determine the future right of way and environmental clearance documentation needed. Right of way acquisition and construction funding would be sought in the future.

Project Name: La Paz Road Widening (McIntyre to Cabot)
Project Number: 184

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design		100,000						100,000
Admin/Inspection								-
Land Acquisition								-
Construction							2,000,000	2,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	100,000	-	-	-	-	2,000,000	2,100,000
Project Funding:								
General Fund		100,000						100,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,000,000	2,000,000
Total Funding	-	100,000	-	-	-	-	2,000,000	2,100,000

City of Laguna Hills Capital Improvement Project

Program: Streets, Signals and Lighting

Project Name: Replacement of Internally Illuminated Street Name Signs

Project No.: 185



Description: Replace antiquated and deteriorated fluorescent tube internally illuminated street name signs (ILSNS) with light emitting diode (LED) modern signs with updated street names on all signs.

Purpose / Justification: Improve energy efficiency, reduce the frequency of lighting replacements, replace fading street name signs and update street names on all internally illuminated street name signs at the City's 48 traffic signal locations.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

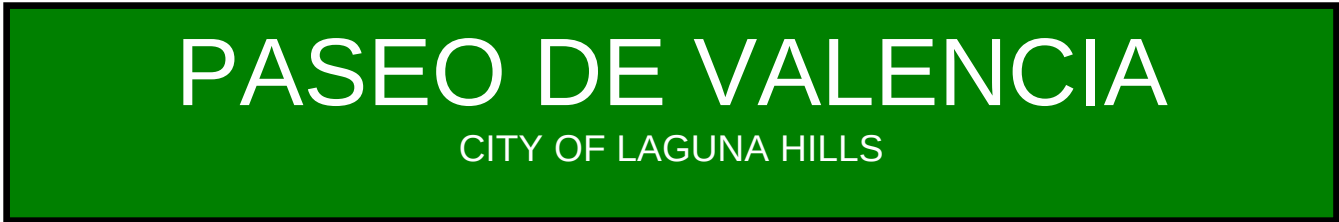
Operating Budget Impact: An approximate 85% reduction in energy costs associated with the ILSNS and a reduction in maintenance costs for light bulb replacements.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: 10 intersections updated every other year as shown in the budget.

Project Name: Replacement of ISNS & Cameras at all Traffic Signal Locations
Project Number: 185

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction			125,000		125,000		125,000	375,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	125,000	-	125,000	-	125,000	375,000
Project Funding:								
General Fund			125,000		125,000		125,000	375,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	-	125,000	-	125,000	-	125,000	375,000

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CAPITAL IMPROVEMENT PROJECTS

STREETSCAPE

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Alicia Median Islands Rehabilitation

Project No.: 301



Description: Rehabilitate the Alicia Parkway landscape median islands from Costeau Street to Paseo de Valencia to current City standards. Project length: 3700 LF.

Purpose / Justification: Rehabilitate existing landscaping and install City theme program. Remove incompatible trees and install new trees, remove existing turf and install shrubs and ground covers. The replacement of the irrigation system and replacement of turf grass with shrubs beds and other plant material will reduce water consumption and water runoff, fertilizer use and pesticide use within this median island.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The elimination of turf grass reduces the City's landscape maintenance cost by approximately 20% per year with similar expectations in reduced water use. Some funding from Water Districts is expected to reduce the construction costs by approximately \$50,000

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Alicia Parkway Median Islands Landscape Rehabilitation
Project Number: 301

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: La Paz Road Median Islands

Project No.: 305



Description: Construct new landscape median islands on La Paz Road from Moulton Parkway to Paseo de Valencia. Project length: 1.6 miles.

Purpose / Justification: To implement the citywide plan of landscape enhancements and positive traffic control through the construction of raised and landscape median islands along all arterial highways. The sub-structure, conduits and drainage systems, for this median island were constructed at the time of a previous La Paz Road Pavement Rehabilitation Project.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The construction of a raised and landscape median island will reduce the square footage of asphalt concrete pavement that is maintained. However, approximately 110,000 sq. feet of additional landscaping area will be created resulting in an estimated annual landscape maintenance cost of \$5,000 and a utility cost of \$3,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: La Paz Median Islands
Project Number: 305

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,700,000	3,700,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,700,000	3,700,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,700,000	3,700,000
Total Funding	-	-	-	-	-	-	3,700,000	3,700,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Entry Monuments

Project No.: 307



Description: Install City identification monuments at all major street entries. Originally, monuments at up to 15 locations were to be constructed.

Purpose / Justification: Community identification and enhancement. Entry Monuments have been constructed at: (1) Alicia/I-5, (2) La Paz/I-5, (3) Oso/I-5, (4) Moulton/Nellie Gail and (5) Moulton/Lake Forest. A proposed entry monument on (6) El Toro at I-5 has been replaced with the Urban Village Monumentation.

The remaining locations identified for entry monuments include: (7) Lake Forest @ I-5, (8) Santa Vittoria @ Lake Forest, (9) Moulton @ Santa Maria, (10) Moulton @ Glenwood, (11) Paseo de Valencia @ El Toro, (12) Los Alisos @ I-5, (13) Alicia @ Ramona, (14) La Paz @ I-73, and (15) Oso @ Moulton. Of the remaining nine locations, the sites most accessible for a monument at this time are at locations 7, 8 (relocated onto Lake Forest at Santa Vittoria), 13, 14 and 15. These five locations are recommended for implementation.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Very minor additional landscape maintenance and electrical costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Entry Monuments
Project Number: 307

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							750,000	750,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	750,000	750,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							750,000	750,000
Total Funding	-	-	-	-	-	-	750,000	750,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: PDV Median Island Rehabilitation

Project No.: 312



Description: Relandscaping of Paseo de Valencia median island from Laguna Hills Drive to El Toro Road. Project length: 1.5 miles.

Purpose / Justification: To replace and improve existing landscaping to the City standard, upgrade the irrigation system, remove turf and install shrub beds and other landscaping. State mandates have eliminated the ability to have turf in median islands that are irrigated with potable water. The reduction in turf grass will reduce water demands, water runoff, fertilizer and pesticide use. This project can be incorporated into the phases of widening Paseo de Valencia per CIP No. 145.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The removal of turf grass from the median islands will result in a 20% reduction in landscape maintenance and utility costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Paseo de Valencia Median Island Rehabilitation
Project Number: 312

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,500,000	3,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,500,000	3,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,500,000	3,500,000
Total Funding	-	-	-	-	-	-	3,500,000	3,500,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Paseo de Valencia Median Islands

Project No.: 314



Description: Construction of a new raised and landscaped median island along Paseo de Valencia from Alicia Parkway to La Paz Road. Project length: 4,700 linear feet.

Purpose / Justification: To implement the citywide plan of landscape enhancements and positive traffic controls through the construction of raised and landscape median islands along all arterial highways. The sub-structure, conduits and drainage systems, for this median island were constructed at the time of a previous Paseo de Valencia Pavement Rehabilitation Project.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: This project will increase the landscape area by 61,000 square feet resulting in an annual landscape maintenance cost increase of \$4,000 and a utility cost increase of \$2,500.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Paseo de Valencia Median Islands
Project Number: 314

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,250,000	2,250,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,250,000	2,250,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,250,000	2,250,000
Total Funding	-	-	-	-	-	-	2,250,000	2,250,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Oso Median Island Rehabilitation

Project No.: 315



Description: Rehabilitate the existing landscape median island along Oso Parkway between Bridlewood Drive to West Haven Drive (easterly of Moulton Parkway). Project length: 1.2 miles.

Purpose / Justification: Rehabilitate existing landscaping and install City theme program. The replacement of turf grass with shrubs beds and other plant material will reduce water consumption and water runoff, fertilizer use and pesticide use within this median island. By State mandate, turf grass cannot be maintained in new landscape median islands.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The elimination of turf grass reduces the City's landscape maintenance cost by approximately 20% per year with similar expectations in reduced water use.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Rehabilitation of Oso Median Islands
Project Number: 315

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,000,000	3,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,000,000	3,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,000,000	3,000,000
Total Funding	-	-	-	-	-	-	3,000,000	3,000,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Rehabilitation of Moulton Parkway Median Island

Project No.: 322



Description: Replace the existing landscape and irrigation system to the City standards in the Moulton Parkway median island from Via Lomas to 600' n/o Glenwood. Project length: 1.0 miles.

Purpose / Justification: Upgrade old turf and olive tree landscaping to City Standards. Improve irrigation efficiency and reduce landscape maintenance. Installation of shrub beds, ground cover and other landscaping will reduce water consumption, water runoff, fertilization and pesticide use.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: Coordination will be required with the Aliso Viejo Community Association as they currently maintain this area.

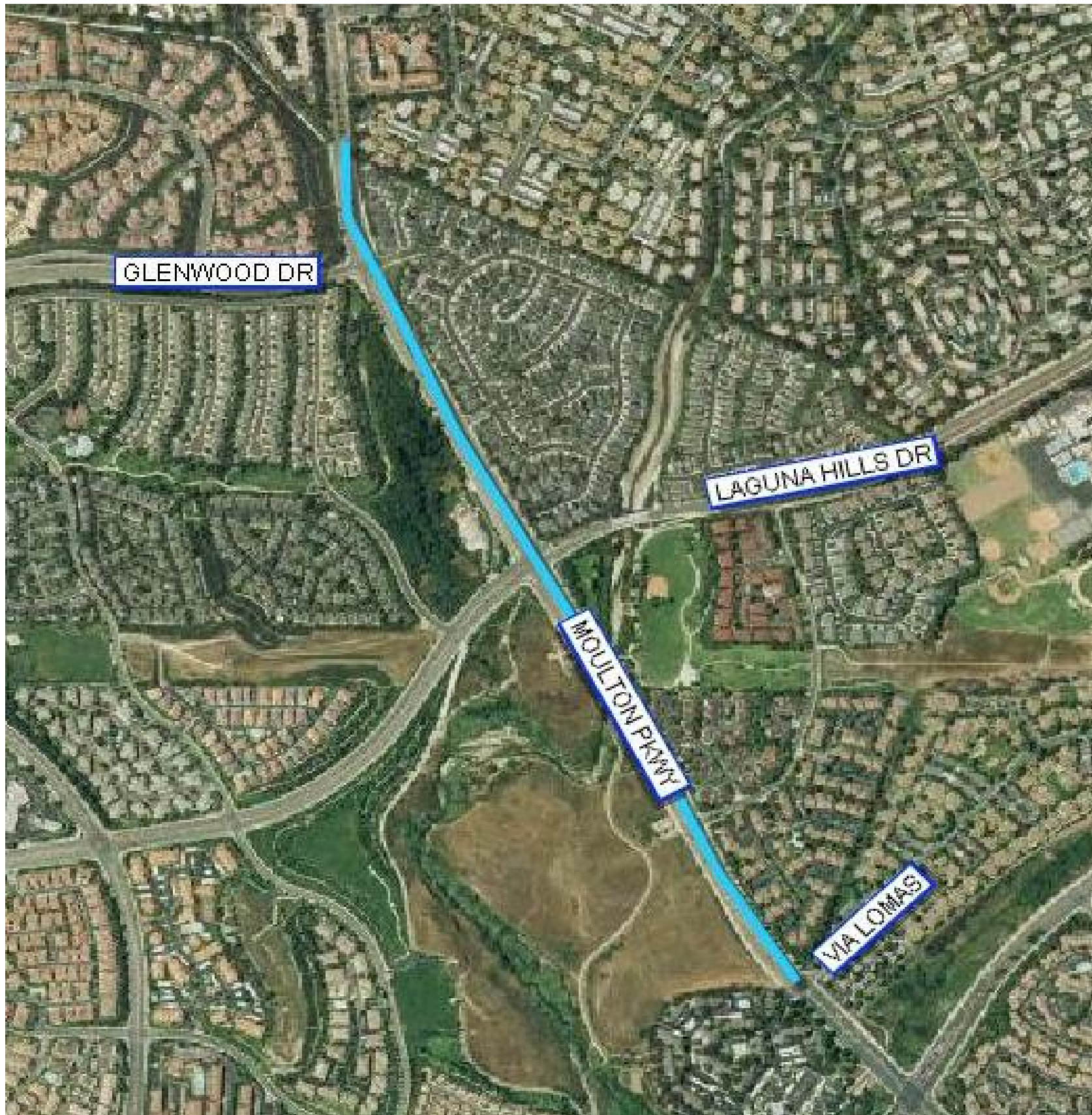
Operating Budget Impact: Increase in the City's landscape maintenance costs of approximately \$7,000 and utility costs of approximately \$1,000 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Rehabilitation of Moulton Median Island
Project Number: 322

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,500,000	2,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,500,000	2,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,500,000	2,500,000
Total Funding	-	-	-	-	-	-	2,500,000	2,500,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Rehabilitation of Laguna Hills Drive Median island

Project No.: 323



Description: Replace the existing landscape and irrigation system to the City standards in the Laguna Hills Drive Median island from Moulton Parkway to 800' e/o Indian Hill Lane. Project length: 1,900 LF.

Purpose / Justification: Upgrade existing landscaping to City Standards. Improve irrigation efficiency and aesthetic value of this landscape feature.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: Coordination will be required with the Aliso Viejo Community Association as they currently maintain this area.

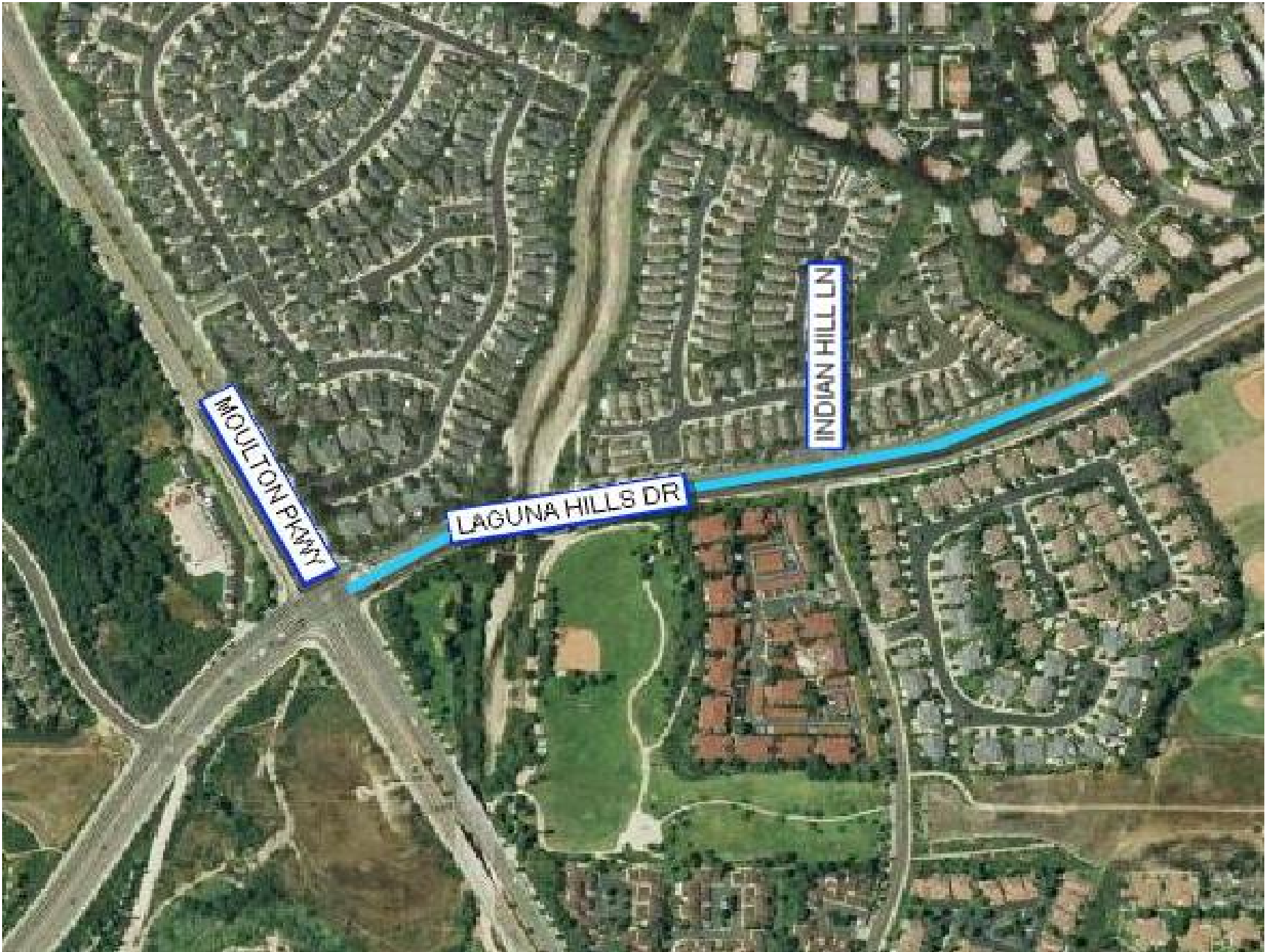
Operating Budget Impact: Increase in the City's landscape maintenance costs of approximately \$2,000 and utility costs of approximately \$500 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Rehabilitation of Laguna Hills Drive Median Island
Project Number: 323

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							900,000	900,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	900,000	900,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							900,000	900,000
Total Funding	-	-	-	-	-	-	900,000	900,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Rehabilitation of La Paz Median Island

Project No.: 324



Description: Replace the existing landscape and irrigation system to the City standards in the La Paz Road median island from McIntyre Street to Paseo de Valencia. Project length: 1,800 LF.

Purpose / Justification: Upgrade old turf landscaping to City standards. Improve irrigation efficiency and reduce landscape maintenance. The replacement of turf with shrub beds, ground cover and other landscaping will reduce water consumption, water runoff, fertilizer and pesticide use. By State mandate, turf can no longer be maintained in median islands.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The elimination of turf grass reduces the City's landscape maintenance cost of this 23,000 sf landscape area by approximately 20% per year with similar expectations in reduced water use.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Rehabilitation of La Paz Median Island
Project Number: 324

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,250,000	1,250,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,250,000	1,250,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,250,000	1,250,000
Total Funding	-	-	-	-	-	-	1,250,000	1,250,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Ridge Route Drive Median Islands

Project No.: 325



Description: Construct new landscape median islands per arterial standards and City landscape guidelines along Ridge Route Drive from Santa Vittoria Drive to Moulton Parkway. Project length: 3,100 LF.

Purpose / Justification: To implement the citywide plan of landscape enhancements and positive traffic controls through the construction of raised and landscape median islands along all arterial highways.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

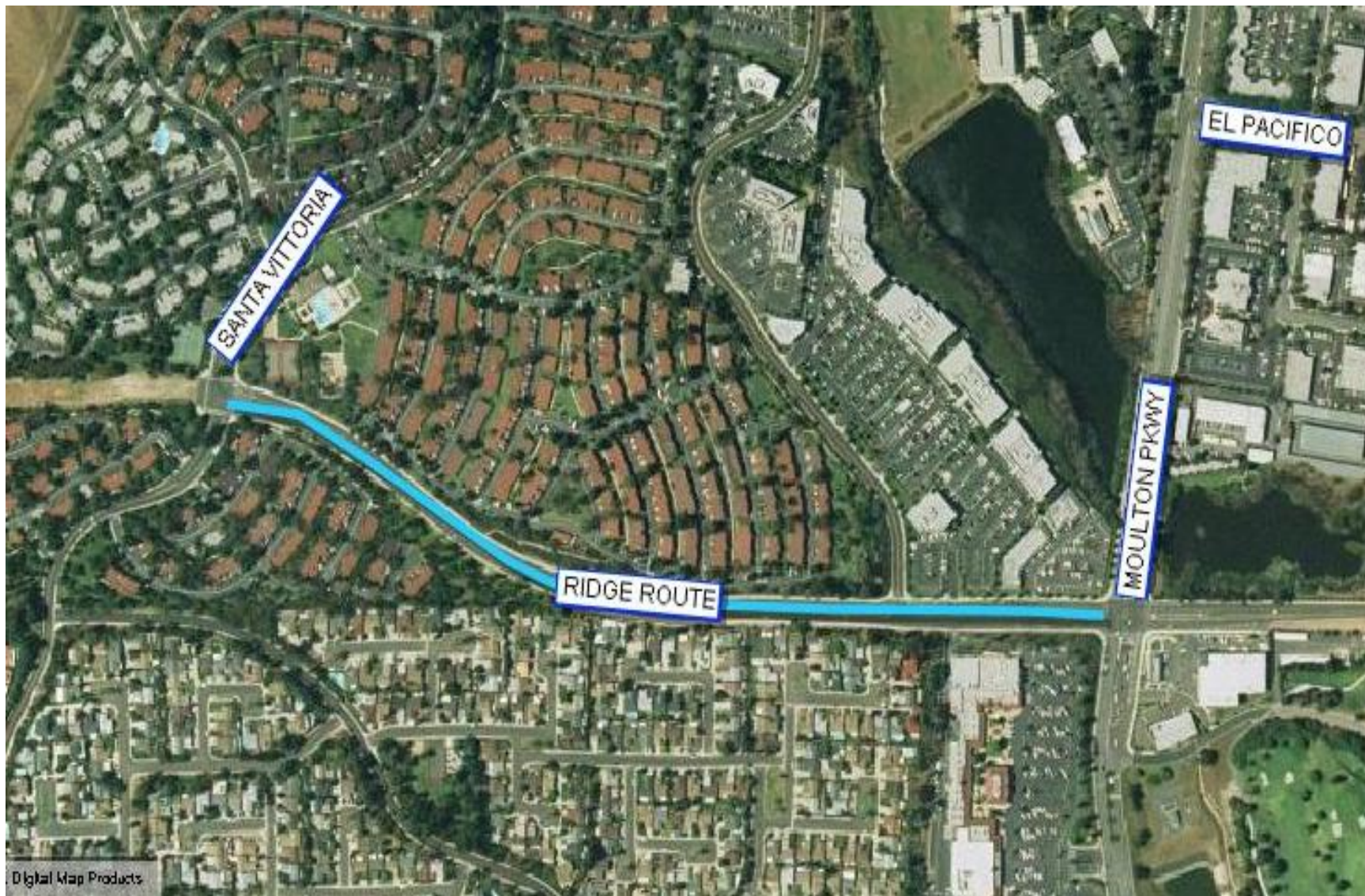
Operating Budget Impact: The addition of this median island will add 40,000 square feet of landscaping resulting in an estimated increase of annual landscape maintenance costs of \$5,000 and utility costs of \$2,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Ridge Route Median Islands - Santa Vittoria to Moulton Pkwy
Project Number: 325

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,250,000	2,250,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,250,000	2,250,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,250,000	2,250,000
Total Funding	-	-	-	-	-	-	2,250,000	2,250,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Laguna Hills Drive Median Island

Project No.: 326



Description: Construct landscaping within the vacant raised median island on Laguna Hills Drive from Paseo de Valencia to 800' e/o Indian Hill Lane per City Landscape Guidelines. Project length: 1,900 LF.

Purpose / Justification: To implement the citywide plan of landscape enhancements along all arterial highways. The sub-structure, conduits, drainage system and curbing for this median island were constructed at the time of a previous Laguna Hills Drive Pavement Rehabilitation Project.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The addition of the landscaping in this median island will add 25,000 square feet of landscaping resulting in an estimated increase of annual landscape maintenance costs of \$3,000 and utility costs of \$1,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Laguna Hills Drive Median Islands and North Parkway
Project Number: 326

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							750,000	750,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	750,000	750,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							750,000	750,000
Total Funding	-	-	-	-	-	-	750,000	750,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Alicia Parkway and Paseo de Valencia Street Tree Program

Project No.: 330



Description: Development of tree wells within the existing sidewalks for street tree and irrigation installation along the southerly side of Alicia Parkway from Costeau Street to Paseo de Valencia and on the easterly side of Paseo de Valencia from Alicia Parkway to La Paz Road. This is an urban reforestation and streetscape improvement project. Tree wells would be developed at approximate 40 foot intervals resulting in approximately 70 trees on Alicia Parkway and 100 trees on Paseo de Valencia.

Purpose / Justification: To add landscape improvement along major arterial highways at locations that the City does not control the adjacent private slope areas to enhance the urban forest and improve the aesthetics of the street scene.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The landscape improvements within this area will require new resources for tree maintenance and irrigation. Irrigation is estimated at \$1,000 per year and tree maintenance is estimated at \$1,500 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Alicia Pkwy & Paseo de Valencia Street Tree Program
Project Number: 330

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							750,000	750,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	750,000	750,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							750,000	750,000
Total Funding	-	-	-	-	-	-	750,000	750,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Synthetic Landscape Turf

Project No.: 331



Description: Convert 16 small median islands from natural turf to synthetic turf in the North Laguna Hills area.

Purpose / Justification: Enhance appearance and reduce maintenance.

Other Agencies Involved: Potentially, El Toro Water District through rebate programs.

Outside Agencies/Entities Clearance or Coordination Needs: None

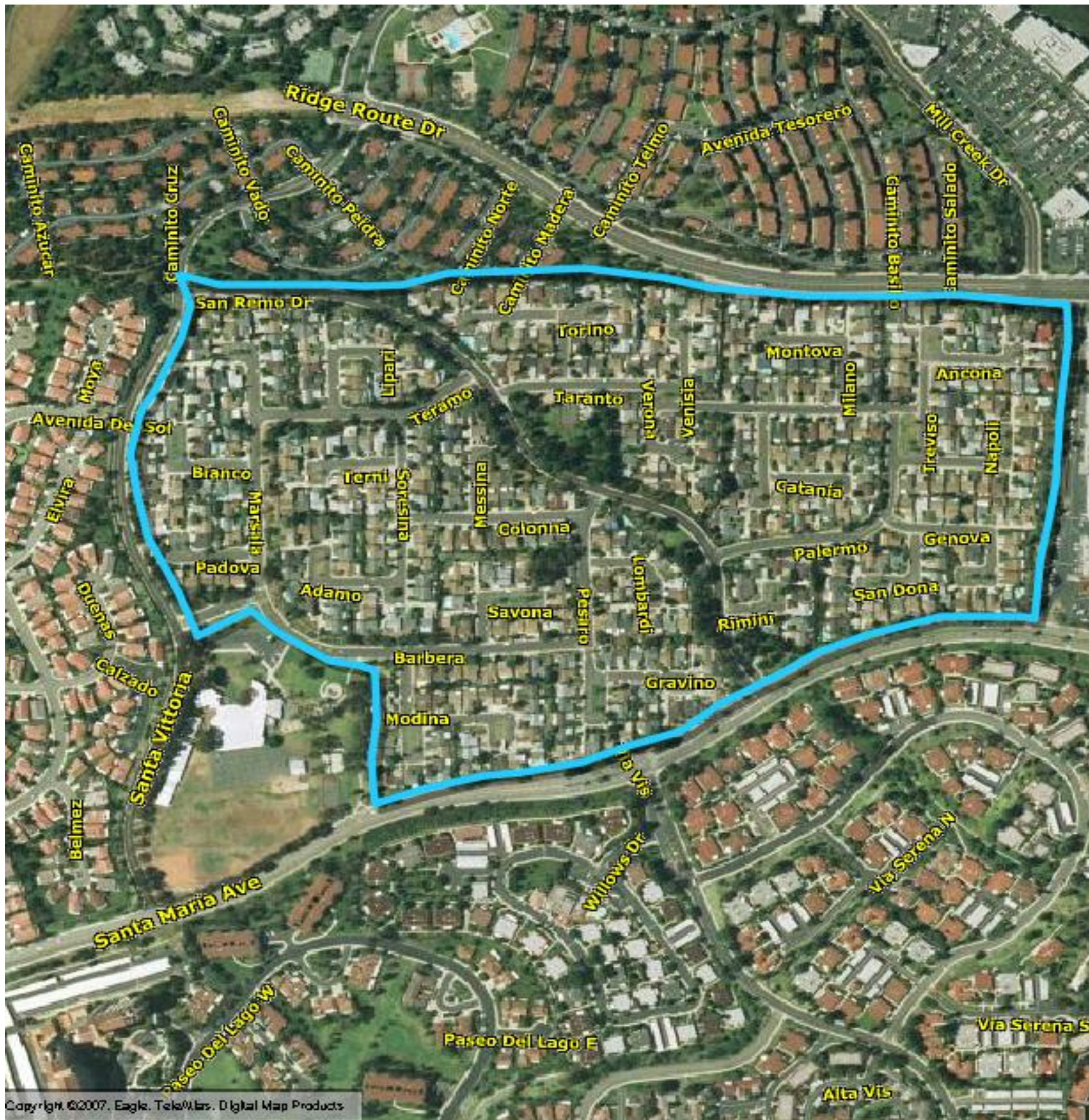
Operating Budget Impact: Reduce annual landscape maintenance costs by \$3,000 and utility costs by \$1,800.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Synthetic Landscape Turf Median Islands
Project Number: 331

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Ridge Route Drive Median Island

Project No.: 333



Description: The construction of new raised and landscaped median islands on Ridge Route Drive from Moulton Parkway to Avenida de la Carlota. Project length: 0.9 miles.

Purpose / Justification: To implement the citywide plan of landscape enhancements and positive traffic controls through the construction of raised and landscape median islands along all arterial highways.

Other Agencies Involved: City of Laguna Woods. This project cannot be constructed until there is full widening of Ridge Route Drive.

Outside Agencies/Entities Clearance or Coordination Needs: City of Laguna Woods

Operating Budget Impact: The landscape median island would add approximately 61,000 sf of new area resulting in an annual landscape maintenance cost of \$7000 and a utility cost of \$2,500. It is expected these costs would be equally split with the City of Laguna Woods.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Ridge Route Medians - Moulton Pkwy to Avenida de la Carlota
Project Number: 333

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,500,000	2,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,500,000	2,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							2,500,000	2,500,000
Total Funding	-	-	-	-	-	-	2,500,000	2,500,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Aliso Hills Drive Northside Down Slope

Project No.: 334



Description: This project is a subset of the Aliso Hills Area* landscape renovation projects. This is Project Area “B” of the Aliso Hills project area. The other project areas have either been improved or separately budgeted.

Purpose / Justification: Replace antiquated irrigation systems and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: These areas are already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost and will balance against reduced costs for efficient irrigation.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

* The Aliso Hills Area is the open spaces and streetscapes generally bounded by Paseo de Valencia, Alicia Parkway, Moulton Parkway and La Paz Road. Six specific areas have been identified in the area and designated as B through G. Area A was the subject of CIP No. 316, the Aliso Hills Drive South Slope Renovation, and it has been completed. The further areas are defined as B – northside Aliso Hills Drive Slope, C – northwest of Mendocino Park, D – eastside Paseo de Valencia Parkway, E – southeast of Mendocino Park, F – northside of La Paz Road from Aliso Hills Drive to Paseo de Valencia, and G – north of Mendocino Park.

Project Name: Aliso Hills Drive North Down Slope
Project Number: 334

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: La Paz Road South Side Slope Renovation

Project No.: 335



Description: Renovation of three existing landscape slope areas along the southerly side of La Paz Road between Aliso Hills Drive and Charlton Drive (private street). The combined slope areas comprise approximately 16.5 acres and are in open public view.

Purpose / Justification: Replace antiquated irrigation systems and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: These areas are already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost balanced against savings resulting from efficient irrigation practices.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: La Paz Road South Side Slope Renovation
Project Number: 335

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							5,500,000	5,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	5,500,000	5,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							5,500,000	5,500,000
Total Funding	-	-	-	-	-	-	5,500,000	5,500,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Palermo and Taranto Slope Renovation

Project No.: 336



Description: The renovation of two slope areas adjacent to the streets of Palermo and Taranto. Renovation to consist of the removal of private improvements, installation of an irrigation system, new landscape plantings and a perimeter low height wall for improved aesthetics. The two areas total approximately 12,000 SF.

Purpose / Justification: The existing slopes have limited landscaping and no operating irrigation system. Landscape maintenance cannot be performed unless the area is renovated. Existing private property encroachments will have to be removed.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: Cooperation of the adjacent homeowners will be required in order to clear the private property encroachments without invoking legal proceedings.

Operating Budget Impact: The new landscaping will require monthly maintenance at a cost of approximately \$1,500 per year plus utility costs of approximately \$500 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Palermo and Taranto Slope Renovation
Project Number: 336

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							300,000	300,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	300,000	300,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							300,000	300,000
Total Funding	-	-	-	-	-	-	300,000	300,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: San Remo Drive Slope Renovation

Project No.: 337



Description: The renovation of the westerly landscape slope along San Remo Drive from Santa Maria Avenue to Santa Vittoria Drive. Replace the antiquated irrigation system and marginal landscape materials in this 87,000 SF area.

Purpose / Justification: Replace antiquated irrigation systems and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: These areas are already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost balanced against reduced irrigation costs due to more efficient irrigation practices.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: San Remo Drive Slope Renovation
Project Number: 337

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							800,000	800,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	800,000	800,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							800,000	800,000
Total Funding	-	-	-	-	-	-	800,000	800,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Paseo de Valencia East and West Parkway Renovation

Project No.: 338



Description: The renovation of the parkway landscaping on the westerly and easterly sides of Paseo de Valencia between Calle de La Plata and Laguna Hills Drive to upgrade the irrigation system and replace plant materials not suitable for a parkway space. Project length of 6000 LF. Project to be coordinated with CIP No. 145, Paseo de Valencia widening.

Purpose / Justification: Replace antiquated irrigation systems and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: This area is already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost balanced against reduced irrigation costs due to more efficient irrigation practices.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Paseo De Valencia East and West Parkway Renovation
Project Number: 338

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							800,000	800,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	800,000	800,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							800,000	800,000
Total Funding	-	-	-	-	-	-	800,000	800,000

City of Laguna Hills Capital Improvement Project

Program: Streetscape

Project Name: Paseo de Valencia Southwest Parkway Renovation

Project No.: 339



Description: The renovation of the parkway landscaping on the southwesterly side of Paseo de Valencia between Alicia Parkway and La Paz Road to upgrade the irrigation system and replace plant materials not suitable for a parkway space. Project length of 4000 LF.

Purpose / Justification: Replace antiquated irrigation systems, landscape materials that have exceeded their life span and other marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: This area is already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost balanced against reduced irrigation costs due to more efficient irrigation practices.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Paseo de Valencia Southwest Parkway Renovation
Project Number: 339

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							650,000	650,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	650,000	650,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							650,000	650,000
Total Funding	-	-	-	-	-	-	650,000	650,000

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CAPITAL IMPROVEMENT PROJECTS

FLOOD CONTROL AND WATER QUALITY

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: Storm Drain / Slope Repairs

Project No.: 403



Description: Stand-by funding for drainage or slope repair projects resulting from storm events causing unexpected infrastructure impacts.

Purpose / Justification: To provide a funding source to resolve unexpected impacts to the City's storm drain system or slope areas due to natural storm events.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: As needed

Project Name: Storm Drain/Slope Repairs
Project Number: 403

[Site Map](#)



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	50,000		50,000		50,000		50,000	200,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	50,000	-	50,000	-	50,000	-	50,000	200,000
Project Funding:								
General Fund								-
Capital Reserve Funds	50,000		50,000		50,000		50,000	200,000
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	50,000	-	50,000	-	50,000	-	50,000	200,000

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: F23 Canada Channel (Veeh Park)

Project No.: 406



Description: Remove silt/debris, regrade channel and replace wetlands habitat between Mill Creek Drive and westerly City limit. Project length: 2,600 LF.

Purpose / Justification: Flood control, re-establishment of channel hydraulics and environmental enhancement in this 7.5-acre area.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: California Department of Fish and Game and possibly the United States Army Corps of Engineers

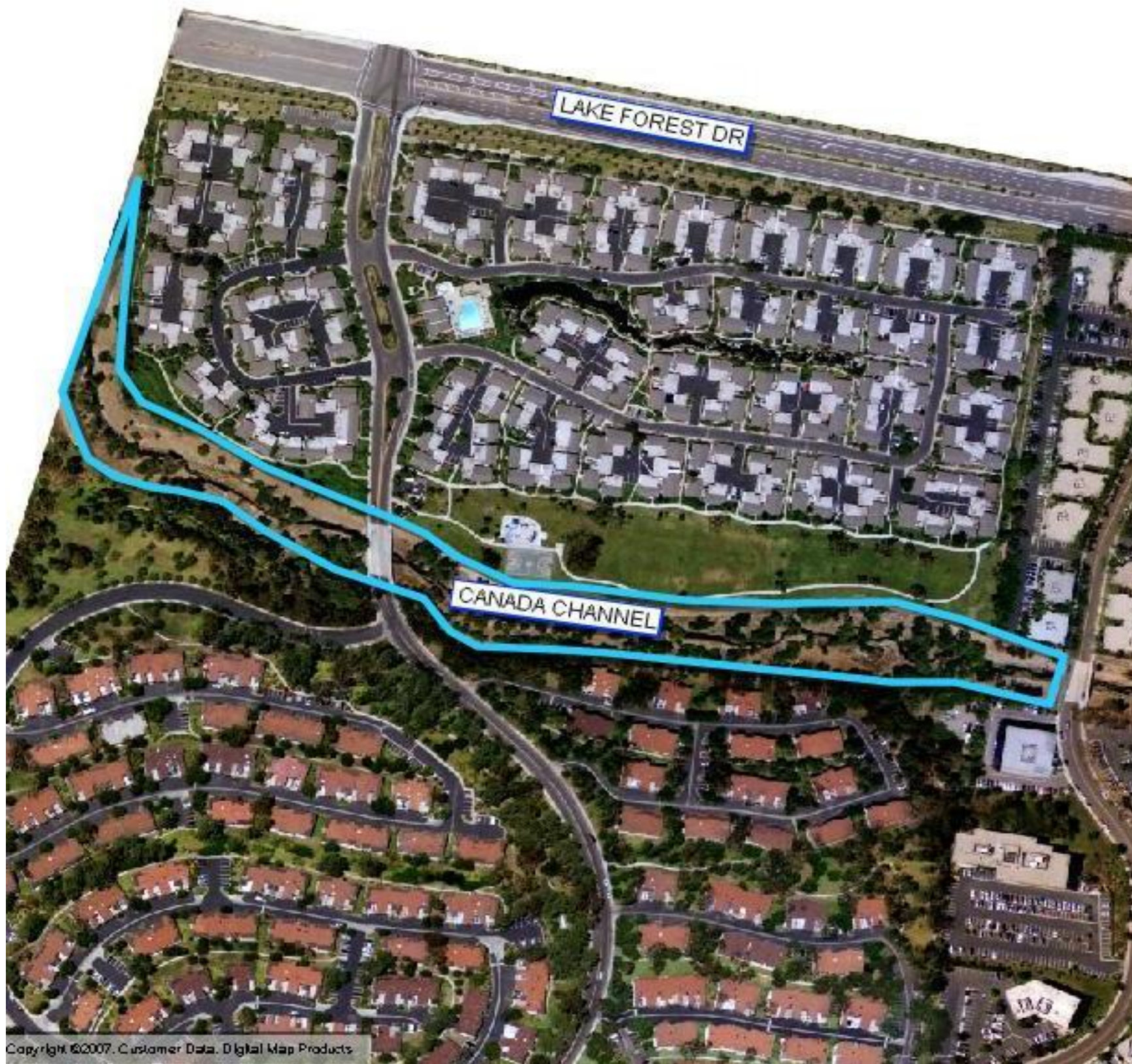
Operating Budget Impact: The project will require the City to maintain and monitor the habitat for a period of five years resulting in an annual landscape maintenance cost of approximately \$15,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: F23 Canada Channel (Veeh Park)
Project Number: 406

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							750,000	750,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	750,000	750,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							750,000	750,000
Total Funding	-	-	-	-	-	-	750,000	750,000

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: Aliso Creek Watershed

Project No.: 407



Description: Various Aliso Creek "mainstem" improvements per United States Army Corps of Engineers study and County of Orange project development efforts.

Purpose / Justification: The City is a "stakeholder" in the Aliso Creek watershed and is expected to financially participate in future improvements within the Aliso Creek to restore the flood control, habitat and water quality of the creek. Projects are yet to be identified by the lead agency, the County of Orange. City participation will be as a matching fund source for future Federal, State, and County funding of region-wide improvements.

Other Agencies Involved: County of Orange

Outside Agencies/Entities Clearance or Coordination Needs: California Department of Fish & Game and United States Army Corps of Engineers

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: NPDES / Water Quality Program

Project No.: 410



Description: Implement a variety of water quality improvement initiatives in accordance with the requirements of the NPDES permits with the Santa Ana and the San Diego Regional Water Quality Control Boards in cooperation with, and as a co-permittee and funding partner with, the County of Orange.

Purpose / Justification: Regulatory requirements and environmental enhancements to reduce pollutants within water runoff reaching the storm drain systems and creeks.

Other Agencies Involved: County of Orange.

Outside Agencies/Entities Clearance or Coordination Needs: The work is to meet the standards of the NPDES permits.

Operating Budget Impact: Water Quality projects may increase operating maintenance costs on a per project basis. Additional staff time will be expended to meet the requirements of the NPDES permits.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Ongoing

Project Name: NPDES / Water Quality Program
Project Number: 410

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000
Land Acquisition								-
Construction								-
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000
Project Funding:								
General Fund	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,400,000

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: Largo Storm Drain Improvements

Project No.: 411



Description: Provide a secondary outlet for storm flows. The existing storm drain inlet to the south of Largo Circle, a tributary to JO5PO2, is a sump condition within a natural canyon area. This project seeks to provide an alternate flow route for high flow storm conditions, as needed.

Purpose / Justification: Flood Control

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Largo Storm Drain Improvements (secondary outlet)
Project Number: 411

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							500,000	500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	500,000	500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							500,000	500,000
Total Funding	-	-	-	-	-	-	500,000	500,000

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: Water Quality (2) Improvements

Project No.: 412



Description: Install debris gates at inlets to catch basins, and in-basin trash screens, at approximately 600 storm drain entry locations throughout the City to reduce the influx of litter, leaves and soil into the storm drain system. The debris gates, operating on a pulley system, remain closed in low flow conditions to hold debris at the street level for clean up by the street sweeper. They open up during intense storm events to reduce the potential for flooding but a secondary collector pipe system of a fine mesh screen, installed within the catch basin, then collects the debris for later clean out. At other times of the year, the debris collects in front of the catch basins and is removed with street sweeping activities.

Purpose / Justification: Improve pollution prevention and water quality by reducing the collection of leaves, litter and dirt in the catch basins and storm drain systems.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: OCTA through the environmental funding provided in Renewed Measure M.

Operating Budget Impact: Minor maintenance costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Subject to funding availability through Renewed Measure M.

Project Name: Water Quality (2) Improvements
Project Number: 412

[Site Map](#)



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	250,000		250,000		250,000		250,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	250,000	-	250,000	-	250,000	-	250,000	1,000,000
Project Funding:								
General Fund	50,000		50,000		50,000		50,000	200,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive	200,000		200,000		200,000		200,000	800,000
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	250,000	-	250,000	-	250,000	-	250,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Flood Control and Water Quality

Project Name: Oso Parkway Wetlands

Project No.: 413



Description: Utilize existing water flows to enhance the riparian habitat at three locations along the south side of Oso Parkway between Nellie Gail Road and Moulton Parkway. Enhance water quality and improve equestrian trail access.

Purpose / Justification: Improve compliance with NPDES regulations, improve water quality, reduce vectors and enhance recreational opportunities.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: Vector Control District

Operating Budget Impact: Water Quality projects may increase operating maintenance costs on a per project basis.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Oso Parkway Wetlands
Project Number: 413

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							500,000	500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	500,000	500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							500,000	500,000
Total Funding	-	-	-	-	-	-	500,000	500,000

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CAPITAL IMPROVEMENT PROJECTS

PARKS

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: Aliso Hills Park

Project No.: 234



Description: Development of a park (either passive or active) with trail access, parking and a storage building at the southeast corner of the intersection of Alicia Parkway and Aliso Hills Drive.

Purpose / Justification: Development of a park site for public use and to provide trail access, Community Center overflow parking, recreational amenities, and a City storage/yard facility. Three park concepts have been developed. The Park Planning Process is pending.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The development of the park site will increase the operating budget with additional landscape maintenance and site maintenance costs. The determination of these costs will vary depending upon which park option is chosen for development. At a minimum, the operating budget impact is anticipated to be \$4,000 per year for landscape maintenance and \$2,500 for utilities.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Aliso Hills Park
Project Number: 234

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,000,000	3,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,000,000	3,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,000,000	3,000,000
Total Funding	-	-	-	-	-	-	3,000,000	3,000,000

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: Park Renovation

Project No.: 237



Description: Renovation of an existing park and playground at one of the City's parks to include the replacement of worn out site amenities such as benches, tables, and drinking fountains along with playground improvements to update worn equipment and amenities. This grant funded project is recommended to be applied to the Community Center and Sports Complex playground and picnic areas.

Purpose / Justification: Improve active park facilities and inventory for various public recreation uses.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: No Change

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: FY 2022-2023

Project Name: Park Refurbishment Project
Project Number: 237

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	240,000							240,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	240,000	-	-	-	-	-	-	240,000
Project Funding:								
General Fund	40,000							40,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other - Prop 68	200,000							200,000
Unfunded								-
Total Funding	240,000	-	-	-	-	-	-	240,000

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: Community Center and Sports Complex Field Renovations

Project No.: 238



Description: This project provides for the replacement of sports turf at the Community Center and Sports Complex on two soccer fields every other year and as needed irrigation and drainage modifications/reconstruction. The baseball fields at the Community Center and at Cabot Park receive additional maintenance at the same time.

Purpose / Justification: Safety improvements and playability improvements for the sports fields.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Partial renovation in summer 2021, full renovation in summer of 2022, 2024 and 2026

Project Name: Community Center and Sports Complex Field Renovations
Project Number: 238

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	50,000	225,000		250,000		250,000		775,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	50,000	225,000	-	250,000	-	250,000	-	775,000
Project Funding:								
General Fund	50,000	225,000	-	250,000		250,000		775,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	50,000	225,000	-	250,000	-	250,000	-	775,000

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: General Park Renovations

Project No.: 241



Description: Renovation of existing park and playground improvements throughout the City's local park system to include the replacement of worn out site amenities such as benches, tables, and drinking fountains along with minor playground improvements to update worn equipment and surfacing.

Purpose / Justification: Update the park amenities and infrastructure for enhanced recreational value, safety and capital reinvestment on a recurring and rotating basis with funding every two years.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Reduce unscheduled maintenance of park amenities.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: FY 2022-23, FY 2024-25 and FY 2026-27

Project Name: General Park Renovations
Project Number: 241

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction		300,000		350,000		400,000	5,500,000	6,550,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	300,000	-	350,000	-	400,000	5,500,000	6,550,000
Project Funding:								
General Fund								-
Capital Reserve Funds	-	300,000	-					300,000
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act				350,000		400,000	5,500,000	6,250,000
Other								-
Unfunded								-
Total Funding	-	300,000	-	350,000	-	400,000	5,500,000	6,550,000

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: Recreation Facilities Needs Assessment

Project No.: 242



Description: Conduct a citywide recreation needs assessment.

Purpose / Justification: Produce a Needs Assessment document that clearly defines the recreation facility needs of the community and identifies surpluses and deficiencies with in existing facilities and to prioritize current and future recreation needs.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minimal

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☒

Schedule: FY 2023-24

Project Name: Recreation Facilities Needs Assessment
Project Number: 242

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design			75,000					75,000
Admin/Inspection								-
Land Acquisition								-
Construction								-
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	75,000	-	-	-	-	75,000
Project Funding:								
General Fund			75,000					75,000
Capital Reserve Funds	-							-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	-	75,000	-	-	-	-	75,000

City of Laguna Hills Capital Improvement Project

Program: Parks

Project Name: Restoration of Various Parks

Project No.: 243



Description: This project provides for the renovation of existing park and playground facilities throughout the City's local park system.

Purpose / Justification: To address deferred maintenance of park amenities and infrastructure to repair and enhance facilities and improve recreational value, safety and capital reinvestment on a recurring basis.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: FY 2023-24, FY 2024-25, FY 2026-27

Project Name: Restoration of Various Parks
Project Number: 243

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction			500,000	500,000	500,000	500,000	4,500,000	6,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	500,000	500,000	500,000	500,000	4,500,000	6,500,000
Project Funding:								
General Fund			500,000	500,000	500,000	500,000		2,000,000
Capital Reserve Funds	-							-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							4,500,000	4,500,000
Total Funding	-	-	500,000	500,000	500,000	500,000	4,500,000	6,500,000

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CAPITAL IMPROVEMENT PROJECTS

PUBLIC FACILITIES

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Civic Center Renovations

Project No.: 505



Description: Parking Lot Renovations

Purpose / Justification: Rehabilitate existing parking lot pavement

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: FY 2021-22

Project Name: Civic Center Renovations
Project Number: 505

[Site Map](#)



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	50,000						100,000	150,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	50,000	-	-	-	-	-	100,000	150,000
Project Funding:								
General Fund								-
Capital Reserve Funds	50,000						100,000	150,000
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	50,000	-	-	-	-	-	100,000	150,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Skate Facility Enhancements

Project No.: 506



Description: Enhance the functionality and security of the skate facility at the Laguna Hills Community Center and Sports Complex.

Purpose / Justification: Modification of the skate facility to improve its recreational value, enhance pedestrian access and hockey team warm up area between the skate facility and roller hockey rink, and add amenities.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

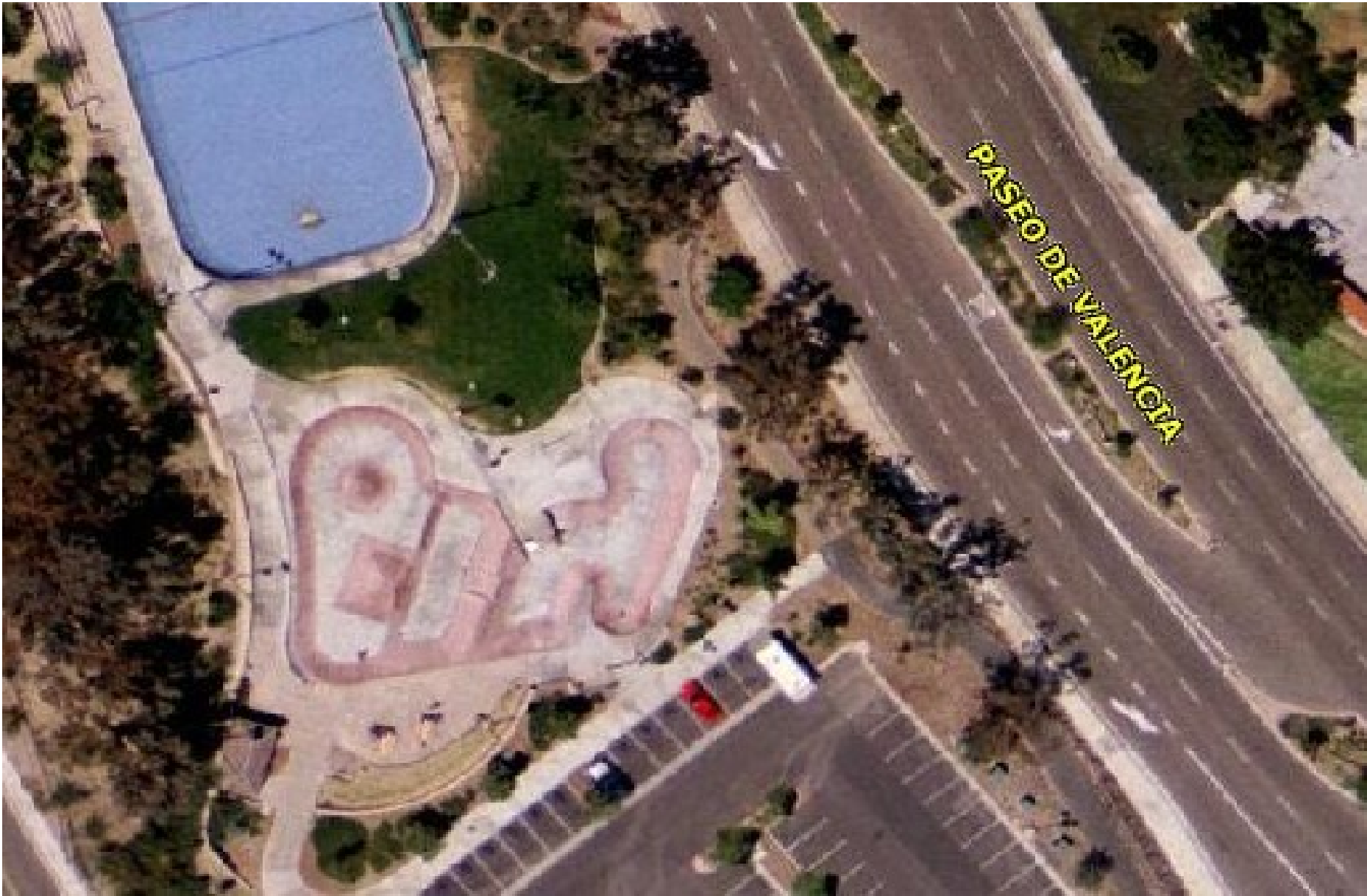
Operating Budget Impact: May impact staffing obligations.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Skate Facility Enhancements
Project Number: 506

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							400,000	400,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	400,000	400,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							400,000	400,000
Total Funding	-	-	-	-	-	-	400,000	400,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Equipment & Supply Storage Building

Project No.: 508



Description: Development of an approximately 3,000 SF building for storage of City equipment, vehicles and supplies. The building is to be located at the rear of the proposed Aliso Hills Park. The building would provide an office and restroom for field personnel.

Purpose / Justification: Provide City owned space for equipment, vehicle and supply storage, thus eliminating rented space, and provide a field location office for personnel. Consolidate storage.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

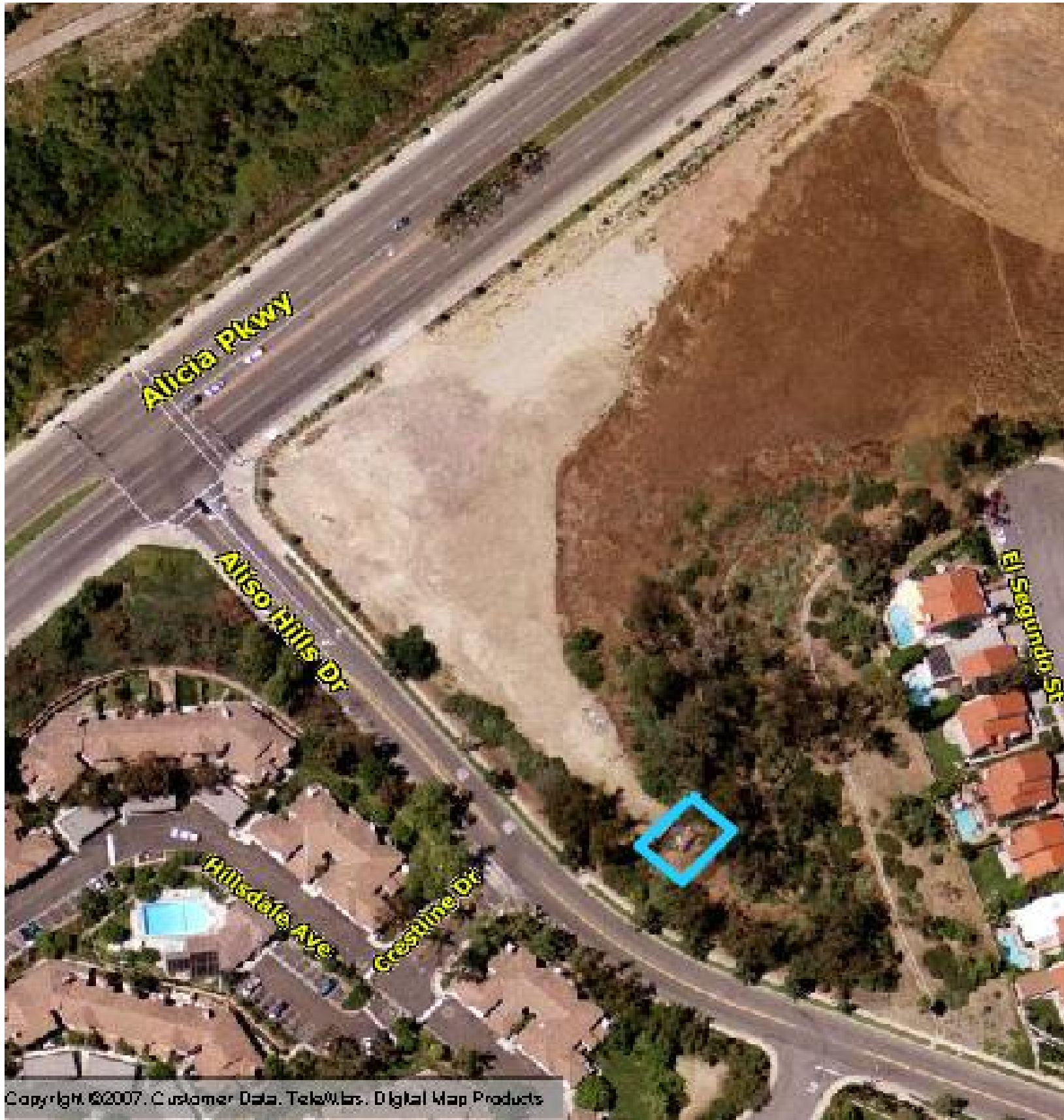
Operating Budget Impact: Annual building maintenance/utility costs estimated at \$6,000. Lease obligation reduction of \$6,500 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Equipment & Supply Storage Building
Project Number: 508

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							600,000	600,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	600,000	600,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							600,000	600,000
Total Funding	-	-	-	-	-	-	600,000	600,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Public Art Program - Civic Center

Project No.: 510



Description: Implement an “Early California History” theme of public art at the Laguna Hills Civic Center. The master plan identifies eleven pieces of art under the theme of California’s early history. Specifically, the public art displays will include a variety of art mediums illustrating early California life in Laguna Hills and the Saddleback Valley. Only two pieces of art remain: the plaza sculpture and the rotunda room off the Council Chambers.

Purpose / Justification: The City Council has adopted the Public Art Program and approved an implementation schedule. This type of program was also contemplated in the Urban Village Specific Plan and there is a public art fee in the Plan.

Other Agencies Involved: Unknown at this time. There may be some State agencies that offer public art grants.

Outside Agencies/Entities Clearance or Coordination Needs:
None

Operating Budget Impact: Minimal

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Completion is subject to funding from development in the Urban Village Specific Plan area.

Project Name: Public Art Program - Civic Center
Project Number: 510

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction/Fabrication			350,000					350,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	350,000	-	-	-	-	350,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other - Public Art Fund			350,000					350,000
Unfunded								-
Total Funding	-	-	350,000	-	-	-	-	350,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Community Center Renovations

Project No.: 513



Description: This project provides for various scheduled maintenance and equipment replacement at the Community Center building.

Purpose / Justification: Specified renovations to the interior and exterior of the Community Center Building are based upon recommendations made by a reserve analysis of the facility.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The project will reduce long-term maintenance costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Per funding schedule shown below.

Project Name: Community Center Renovation
Project Number: 513

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction/Maintenance		100,000		100,000		100,000		300,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	100,000	-	100,000	-	100,000	-	300,000
Project Funding:								
General Fund								-
Capital Reserve Funds		100,000		100,000		100,000		300,000
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	100,000	-	100,000	-	100,000	-	300,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Sports Complex Renovations

Project No.: 514



Description: This project provides for various scheduled maintenance and equipment replacement at the Community Center Sports Complex and the addition of an electronic reader board for public information purposes.

Purpose / Justification: Specified renovations to Sports Complex are based on recommendations made by a Reserve Analysis to replace aging infrastructure in a timely manner as well as to install added amenities as directed.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Projects will generally reduce long-term maintenance costs.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Improvements per schedule below and reserve analysis.

Project Name: Sports Complex Renovations
Project Number: 514

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction/Maintenance		100,000	125,000	100,000		100,000		425,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	100,000	125,000	100,000	-	100,000	-	425,000
Project Funding:								
General Fund			125,000					125,000
Capital Reserve Funds		100,000		100,000		100,000		300,000
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	100,000	125,000	100,000	-	100,000	-	425,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Community Center & Sports Complex Energy Efficient Field Lights

Project No.: 515



Description: Upgrade the existing sports field lighting, originally installed in 1999, at the Community Center & Sports Complex to high efficiency and energy conserving light fixtures for the Soccer Fields, Little League Baseball Field and Skate Park/Roller Hockey use areas.

Purpose / Justification: Energy conservation and improved lighting levels for sports field activities.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: May reduce energy costs up to 50% of current rates.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Community Center and Sports Complex Energy Efficient Field Lights
Project Number: 515

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction								-
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	-	-
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	-	-	-	-	-	-	-

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Automatic License Plate Readers

Project No.: 518



Description: This project provides for the potential addition and continuation of automatic license plate readers (ALPRs) to the existing ten (10) fixed ALPRs installed in 2021, including an independent power source, a software user interface, ethernet, wireless, and/or cellular network connectivity, a global positioning system for each camera, securely encrypted local and cloud data storage and transfer, hardware maintenance, software maintenance, software support, software training, and embedded software support for systems utilizing embedded software, and all equipment, cabling, and supplies for the complete operation of the system, to be installed at various locations on City-owned property.

Purpose / Justification: To enhance public safety by installing fixed automatic license plate reader systems across key areas of Laguna Hills.

Other Agencies Involved: Orange County Sheriff's Department

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minimal.

Source of Cost Estimates: Preliminary ☐ Based on Design ☐ Actual Bid ☒

Schedule: Per funding schedule shown below.

Project Name: Automated License Plate Readers
Project Number: 518

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction				150,000				150,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	150,000	-	-	-	150,000
Project Funding:								
General Fund				150,000				150,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	-	-	150,000	-	-	-	150,000

City of Laguna Hills Capital Improvement Project

Program: Public Facilities

Project Name: Holiday Event Pavilion

Project No.: 519



Description: Provides funding for the modification of the Community Center and Sports Complex to add a Holiday Event Pavilion, consisting of hardscape and landscape, to create a public gathering area for special events including holiday lighting.

Purpose / Justification: Community space dedicated for special events.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minimal.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Per funding schedule shown below.

Project Name: Holiday Pavilion Landscaping
Project Number: 519

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction			50,000					50,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	50,000	-	-	-	-	50,000
Project Funding:								
General Fund			50,000					50,000
Capital Reserve Funds	-							-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	-	-	50,000	-	-	-	-	50,000

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CAPITAL IMPROVEMENT PROJECTS

TRAILS AND OPEN SPACE

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Trails Master Plan

Project No.: 601



Description: Trail improvement implementation per the Open Space and Trail Master Plan not otherwise described in specific projects.

Purpose / Justification: Trail connections, gap closures, extensions and trail head plazas to serve the community.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

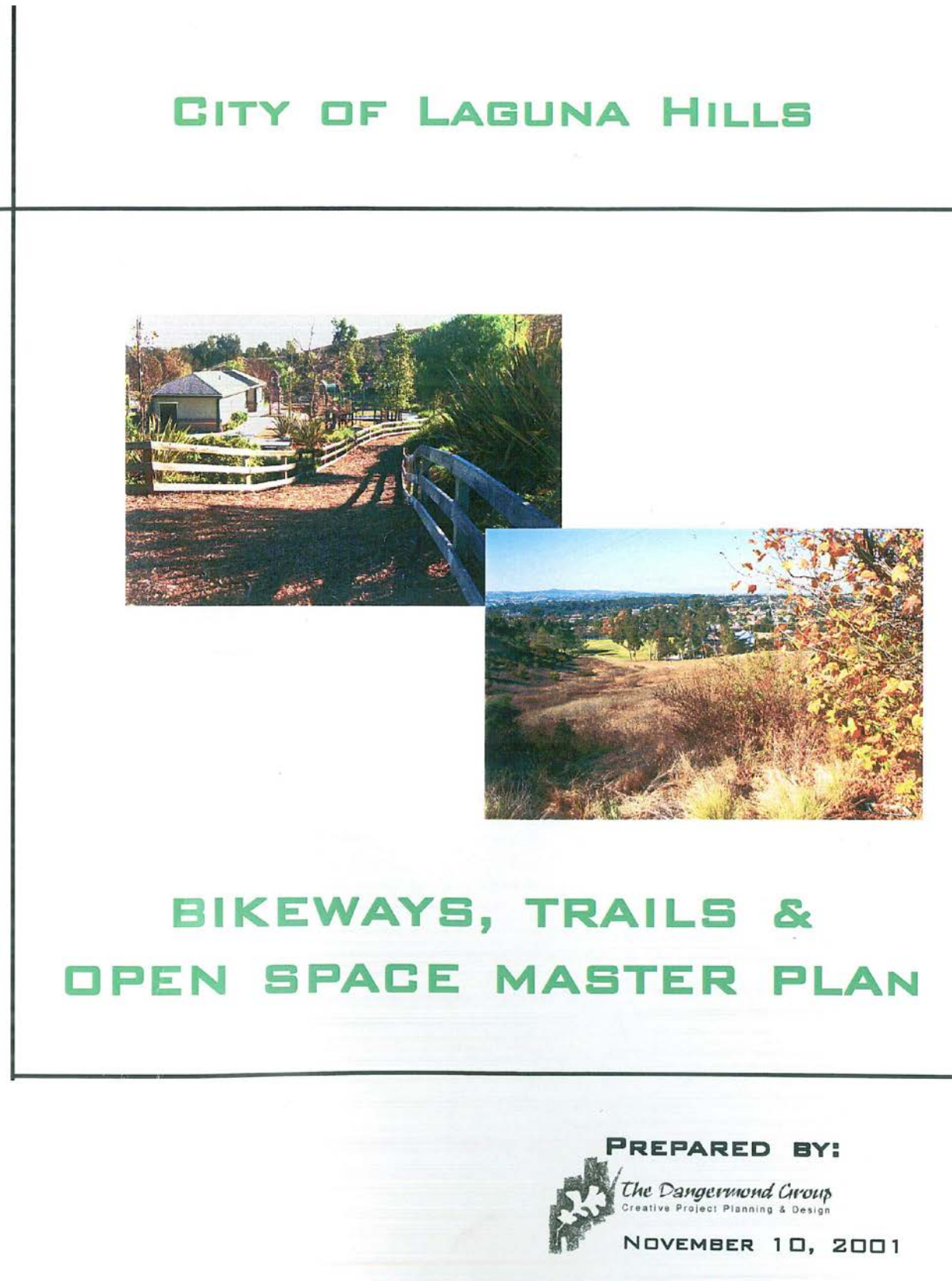
Operating Budget Impact: Unknown

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Trails Master Plan - Other Projects
Project Number: 601

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							3,000,000	3,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	3,000,000	3,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							3,000,000	3,000,000
Total Funding	-	-	-	-	-	-	3,000,000	3,000,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Trail Head Plaza

Project No.: 606



Description: Development of 19 Trail Head Plazas per the Open Space and Trails Master Plan. One Trail Head Plaza at Clarrington Park has been constructed. Five Trail Head Plazas have been designed. 14 sites are pending design. The five designed locations are at Aliso Creek/Paseo de Valencia; Community Center at Alicia Channel/Indian Hill Trail; La Paz Open Space at Moulton Parkway; Mendocino Park at Loop Trail; and Christina Court at Aliso Creek.

Purpose / Justification: Identify the access to the public trail system. Provide information on the trail system.

Other Agencies Involved: Locations that relate to the County Trail system may require a permit from OC Parks.

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minor maintenance of each Trail Head Plaza estimated at \$500 per year per location.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Trail Head Plazas
Project Number: 606

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,250,000	1,250,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,250,000	1,250,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,250,000	1,250,000
Total Funding	-	-	-	-	-	-	1,250,000	1,250,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Aliso Hills Channel Ped Crossing JO5PO3

Project No.: 607



Description: Replace the County constructed low flow/grade crossing of Aliso Hills Channel, northerly of Alicia Parkway near Ramona Street.

Purpose / Justification: Trail linkage per the Open Space and Trails Master Plan.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: County of Orange

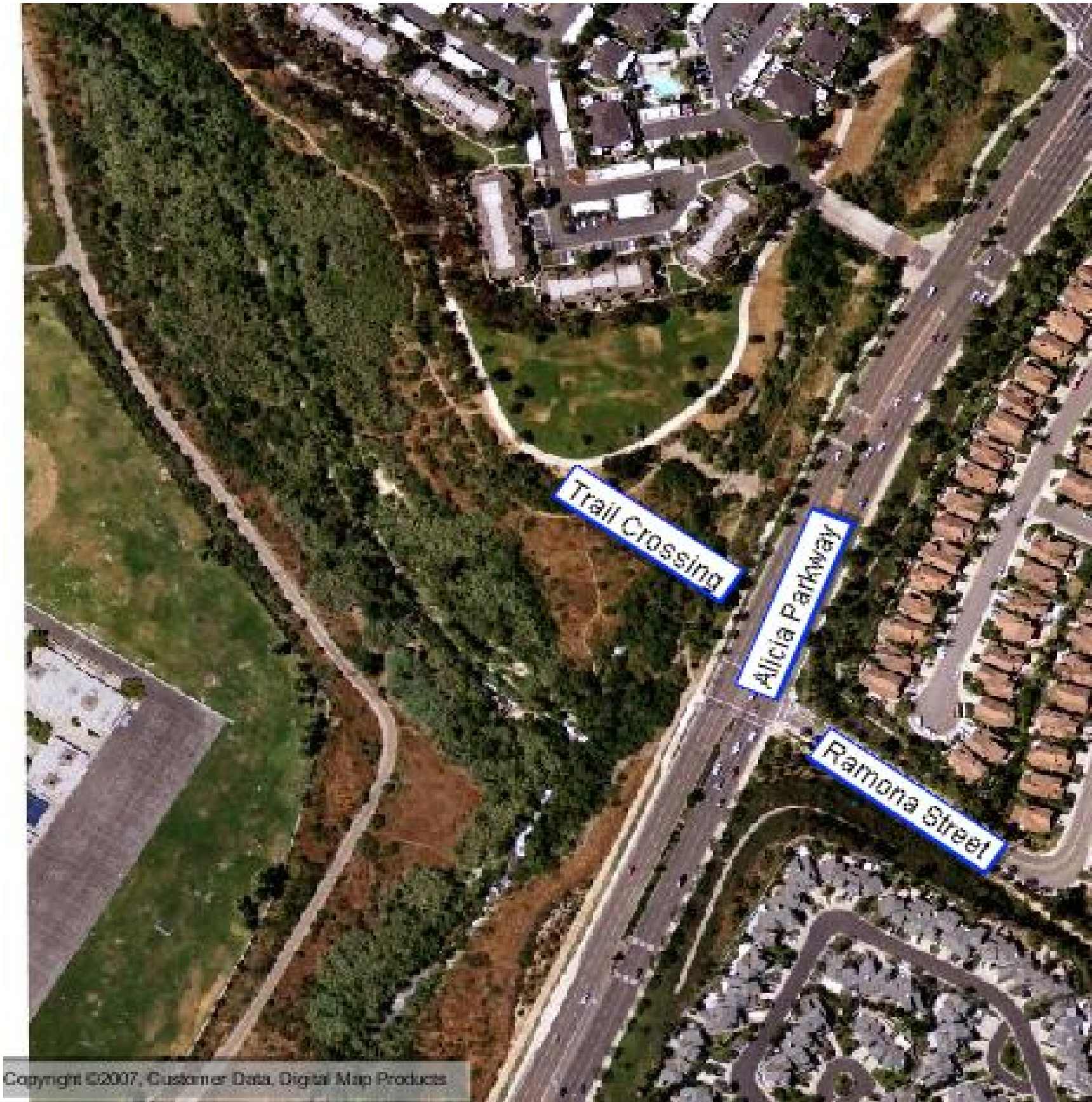
Operating Budget Impact: None

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Aliso Hills Channel Pedestrian Crossing JO5PO3
Project Number: 607

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							500,000	500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	500,000	500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							500,000	500,000
Total Funding	-	-	-	-	-	-	500,000	500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Multi-use Trail - Alicia to La Paz

Project No.: 608



Description: Bike path and multi-use trail from Alicia Parkway to La Paz Road in the Alicia/La Paz Open Space and portions of SCE easement per the Open Space and Trails Master Plan. This trail connects to the Loop Trail, CIP No. 610, the Alicia Parkway Pedestrian Overpass, CIP No. 612, Aliso Hills Park, CIP No. 234 and La Paz Open Space trails, CIP No. 611.

Purpose / Justification: Trail linkage and recreational enhancement.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: A Letter of Consent is required with Southern California Edison Company to allow the formal trail development to occur within their easement area.

Operating Budget Impact: Additional trail and minor landscape maintenance estimated at \$3000 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Multi-use Trail - Alicia to La Paz
Project Number: 608

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							4,500,000	4,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	4,500,000	4,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							4,500,000	4,500,000
Total Funding	-	-	-	-	-	-	4,500,000	4,500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Multi-use Trail - Community Center to Indian Hill

Project No.: 609



Description: Bike path and multi-use trail from the Community Center & Sports Complex, within the SCE transmission line easement, to Indian Hill Lane per the Open Space and Trails Master Plan. The trail has been substantially designed. Right of way acquisition is pending.

Purpose / Justification: Trail linkage and recreational enhancement

Other Agencies Involved: An easement needs to be acquired from the Aliso Viejo Community Association (or a sub-association) for a portion of the trail route.

Outside Agencies/Entities Clearance or Coordination Needs: A Letter of Consent is required from Southern California Edison Company to allow the formal trail development to occur within their easement area.

Operating Budget Impact: Additional trail and minor landscape maintenance estimated at \$1,000 per year.

Source of Cost Estimates: Preliminary ☐ Based on Design ☒ Actual Bid ☐

Schedule: Future

Project Name: Multi-use Trail - Community Center to Indian Hill
Project Number: 609

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							900,000	900,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	900,000	900,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							900,000	900,000
Total Funding	-	-	-	-	-	-	900,000	900,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Loop Trails in Alicia Open Space

Project No.: 610



Description: Multi-use trail from Medocino Park to Alicia-La Paz Trail. To be coordinated with CIP No. 608.

Purpose / Justification: Trail linkage per the Open Space and Trails Master Plan

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minor trail maintenance estimated at \$1000/year

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Loop Trails in Alicia Open Space
Project Number: 610

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							500,000	500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	500,000	500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							500,000	500,000
Total Funding	-	-	-	-	-	-	500,000	500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: La Paz Multi-Use Trail - Alameda Avenue to Paseo de Valencia

Project No.: 611



Description: Multi-use trail development on the northside of La Paz Road, in the open space, between Alameda Avenue and Paseo de Valencia. This trail is an extension of the trail completed on the northside of La Paz Road from Moulton Parkway to Alameda Avenue and will connect to the future Alicia-La Paz trail.

Purpose / Justification: Trail linkage per the Open Space and Trails Master Plan.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

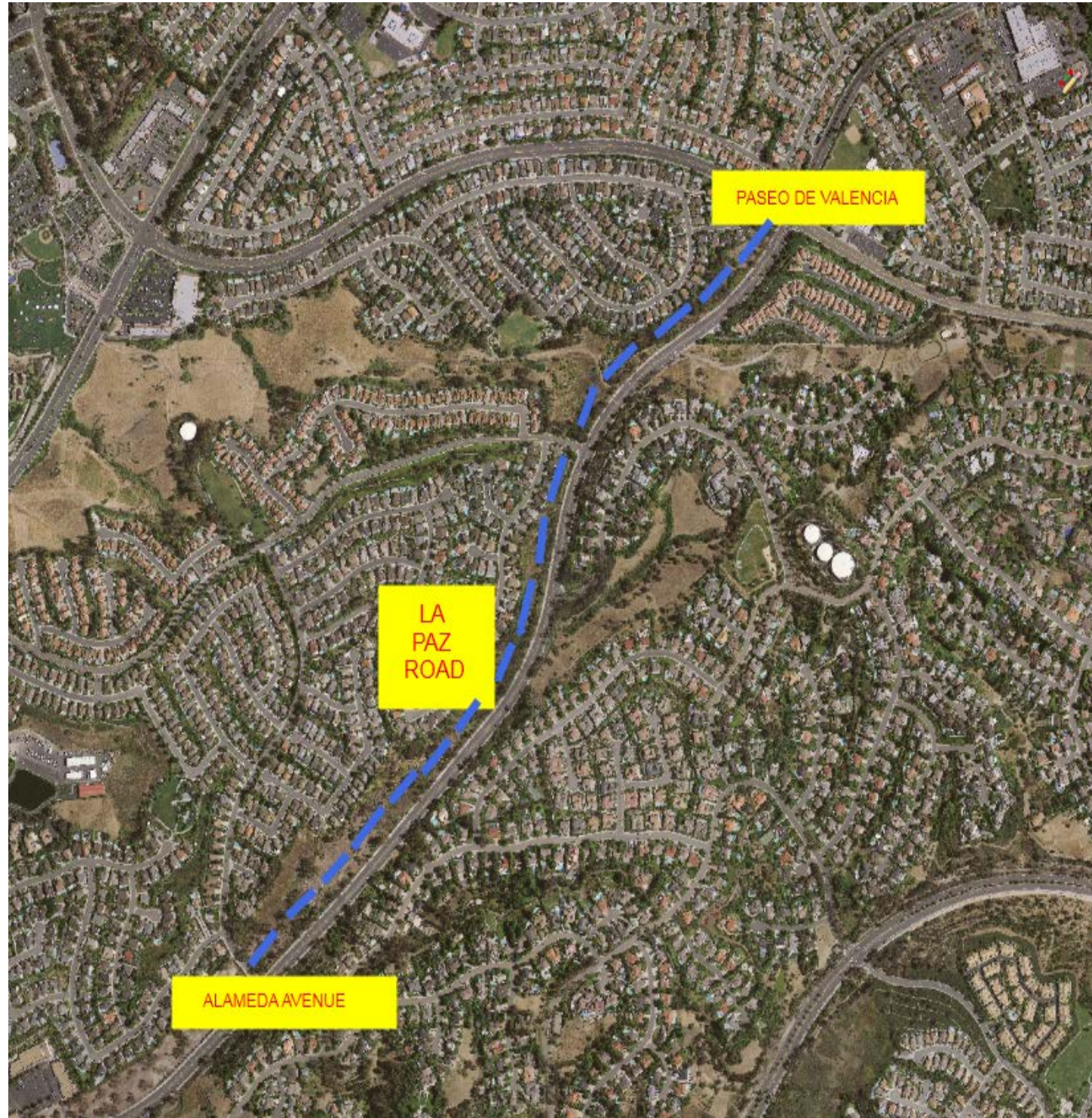
Operating Budget Impact: Minor trail maintenance estimated at \$2,000 per year, additional landscape maintenance costs of \$10,000 per year and \$5,000 in utility costs per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: La Paz Multi-use Trail - Alameda to Paseo de Valencia
Project Number: 611

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							10,000,000	10,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	10,000,000	10,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							10,000,000	10,000,000
Total Funding	-	-	-	-	-	-	10,000,000	10,000,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Alicia Pedestrian Bridge at Trail

Project No.: 612



Description: Pedestrian bridge across Alicia Parkway generally between Community Center Drive and Via Lomas as a trail linkage per the Open Space and Trails Master Plan - outside the SCE right of way.

Purpose / Justification: To provide a pedestrian separated crossing and enhance the convenience of trail usage/trail linkage.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

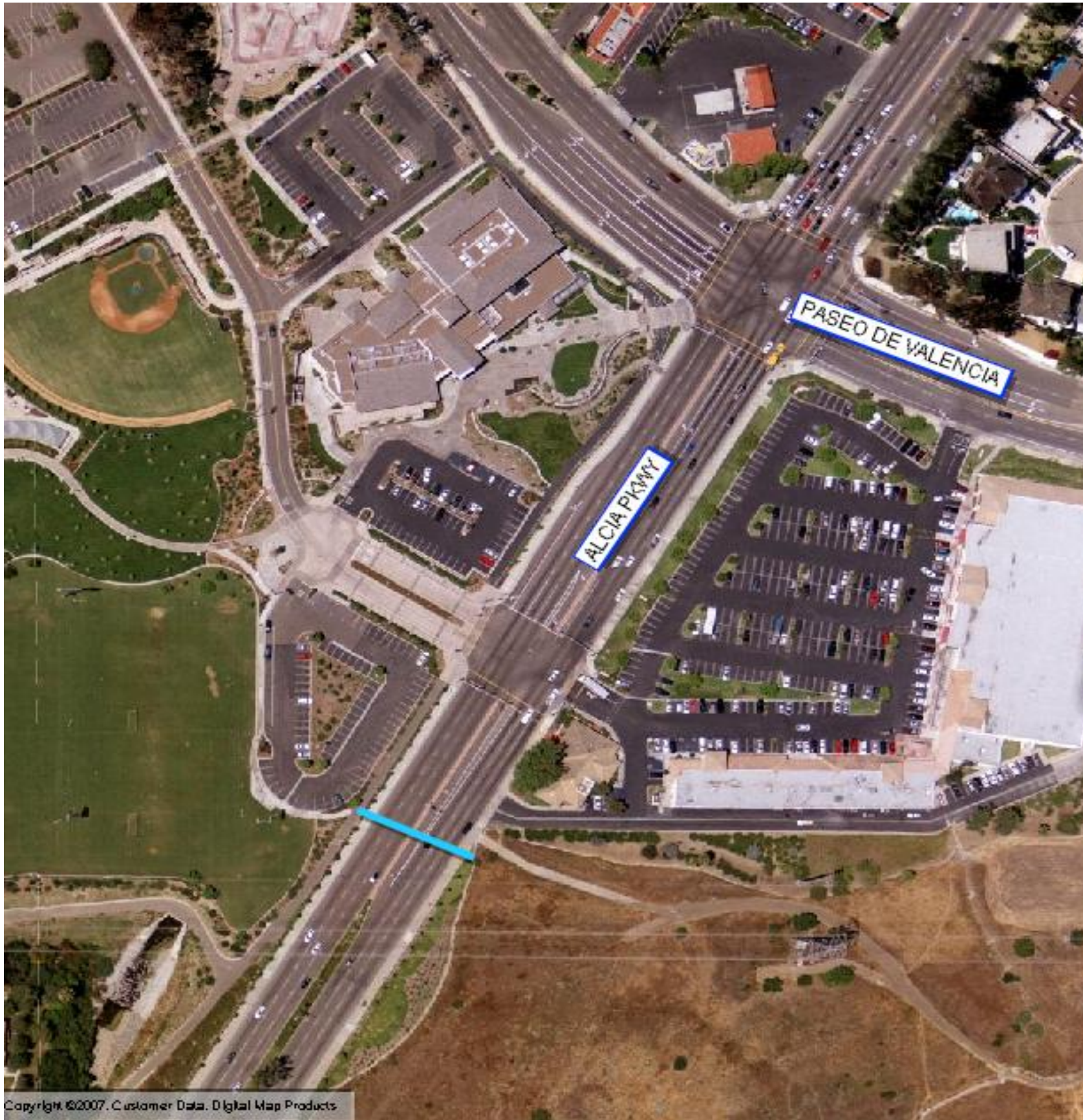
Operating Budget Impact: Minimal costs for routine cleaning of facility

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Alicia Pedestrian Bridge at Trail
Project Number: 612

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,500,000	1,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,500,000	1,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							1,500,000	1,500,000
Total Funding	-	-	-	-	-	-	1,500,000	1,500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Trail along SJHTC

Project No.: 613



Description: Top of slope multi-use trail from Greenfield Drive to Maverick Circle per the Open Space and Trails Master Plan.

Purpose / Justification: Trail linkage and recreational enhancement.

Other Agencies Involved: Caltrans

Outside Agencies/Entities Clearance or Coordination Needs:

Caltrans - this trail is not consistent with Caltrans policies, would require a permit or agreement from Caltrans and may not be approved.

Operating Budget Impact: Additional trail maintenance estimated at \$1,000 per year.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Trail along SJHTC
Project Number: 613

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							400,000	400,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	400,000	400,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							400,000	400,000
Total Funding	-	-	-	-	-	-	400,000	400,000

City of Laguna Hills Capital Improvement Project

Program: Trails & Open Space

Project Name: Alicia Open Space Landscape Renovation

Project No.: 614



Description: Open space landscape renovation throughout the Alicia/La Paz Open Space per the Open Space and Trails Master Plan. 54 acres. The project can be phased over many years. A ten-year plan is recommended.

Purpose / Justification: Convert low value weed and obnoxious plant materials to upland and riparian habitats.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Reduce annual weed abatement program by an estimated \$20,000. Annual landscape maintenance costs of \$60,000 and utility costs of \$30,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Alicia Open Space Landscaping
Project Number: 614

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							16,500,000	16,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	16,500,000	16,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							16,500,000	16,500,000
Total Funding	-	-	-	-	-	-	16,500,000	16,500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: La Paz Open Space Riparian Habitat

Project No.: 615



Description: Open space landscape renovation throughout the La Paz Open Space from Alameda Avenue to Paseo de Valencia per the Open Space and Trails Master Plan. Area of 30 acres. A first phase project was completed for the area between Moulton Parkway and Alameda Avenue utilizing a riparian habitat plant palette.

Purpose / Justification: Convert low value weed and obnoxious plant materials to high value upland and riparian habitats.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Reduce annual weed abatement program by an estimated \$10,000. Annual landscape maintenance costs of \$45,000 and utility cost of \$40,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: La Paz Open Space Riparian Habitat- Alameda to Paseo de Valencia
Project Number: 615

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							12,500,000	12,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	12,500,000	12,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							12,500,000	12,500,000
Total Funding	-	-	-	-	-	-	12,500,000	12,500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Aliso Hills Area Open Space

Project No.: 616



Description: Renovation of existing irrigated and landscaped slope areas adjacent to homes within the open spaces generally bounded by Paseo de Valencia, Alicia Parkway, Moulton Parkway and La Paz Road. Six specific areas are:
1) Aliso Hills Road - north-eastside, 150,000 sf.; 2) northwest of Mendocino Park - 280,000 sf; 3) eastside Paseo de Valencia - 75,000 sf; 4) southeast of Mendocino Park - 160,000 sf; 5) northside of La Paz Road from Aliso Hills Road to Paseo de Valencia - 120,000 sf; and 6) north of Mendocino Park - 220,000 sf. The project can be phased over several years and is suitable for inclusion in Landscape Maintenance Assessment District.

Purpose / Justification: Replace antiquated irrigation and marginal landscaping for improved aesthetics, water conservation and community satisfaction. The irrigation system within these areas are upwards of 30 years old, consist of galvanized iron pipe and is not functional in many areas. The landscaping is marginal and is a common source of resident complaint.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: The landscape improvements within these areas are already under landscape maintenance resulting in no cost increases. The annual landscape maintenance cost is approximately \$40,000. Utility costs may slightly decrease or increase depending upon the final landscape materials installed at these seven locations. The annual utility cost is approximately \$30,000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Aliso Hills Area Open Space
Project Number: 616

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							5,000,000	5,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	5,000,000	5,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							5,000,000	5,000,000
Total Funding	-	-	-	-	-	-	5,000,000	5,000,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Oso Parkway Open Space Landscape

Project No.: 617



Description: The renovation of the Oso Parkway Open Spaces, both north and south of Oso Parkway between Moulton Parkway and Cabot Road. The northside landscaping is irrigated and ornamental and the southside landscaping is riparian. The project can be phased over several years and is suitable for inclusion in a Landscape Maintenance Assessment District. This project entails the balance of the City's open spaces along Oso Parkway not improved with CIP Nos. 603 and 604 (FY2008-09)

Purpose / Justification: The existing irrigation system and landscaping on the northside of Oso Parkway is antiquated and requires replacement for proper growth and maintenance. The southside Oso Parkway landscaping is generally not landscaped and is proposed to be developed into riparian and some wetlands habitat consistent with the Open Space and Trails and Master Plan. The area on the northside of Oso Parkway represents approximately 27 acres of slope and parkway landscaping. The area on the southside of Oso Parkway represents approximately 39 acres of hill and valley landscaping.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

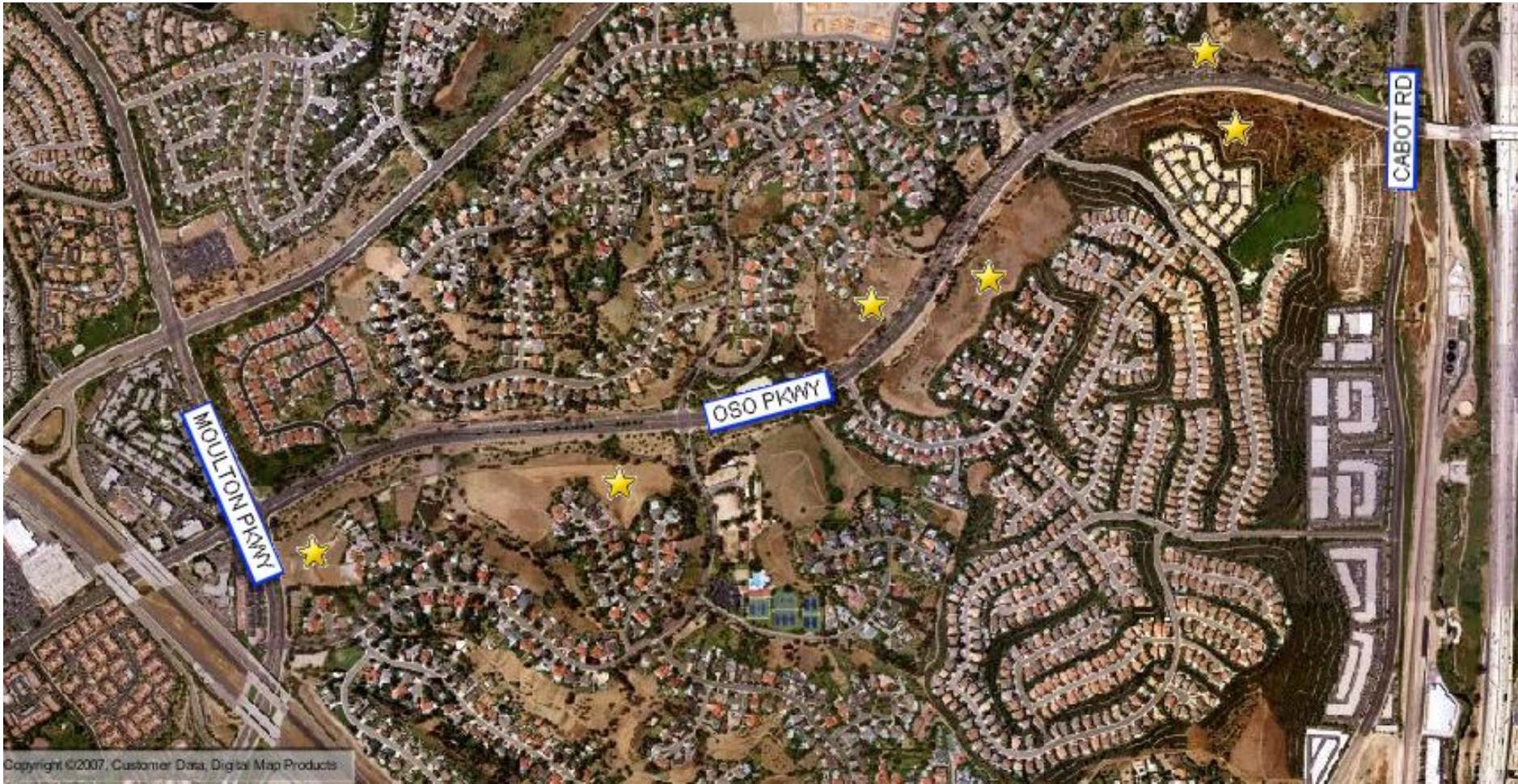
Operating Budget Impact: The northside Oso Parkway landscaping area is already under contract for landscape maintenance and there will be no change in that cost. However, the repair and improvement of the irrigation system may result in slightly higher or lower utility expenses depending upon the plant material selected. The southside Oso Parkway will involve all new landscaping and will result in an estimated annual maintenance cost increase of \$50,000. Utility cost increase of approximately \$5000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Oso Parkway Open Space Landscape
Project Number: 617

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							8,500,000	8,500,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	8,500,000	8,500,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded							8,500,000	8,500,000
Total Funding	-	-	-	-	-	-	8,500,000	8,500,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space
Project Name: Ridge Route Open Space
Project No.: 618



Description: Temporary conversion of road right of way to alternate uses of trail, passive park, community garden and/or RV storage/parking lot.

Purpose / Justification: Temporary utilization of future road right of way.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Annual landscape maintenance cost of \$3,000 and utility costs of \$2000.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Ridge Route Open Space
Project Number: 618

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							900,000	900,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	900,000	900,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
RSTP Federal Map-21								-
Other								-
Quimby Act								-
Other								-
Unfunded							900,000	900,000
Total Funding	-	-	-	-	-	-	900,000	900,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Slope Renovation South of Aliso Creek

Project No.: 619



Description: Renovation of an existing landscape slope southerly of Aliso Creek and westerly of I-5. This slope is approximately 2.4 acres and is in prominent public view.

Purpose / Justification: Replace antiquated irrigation and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

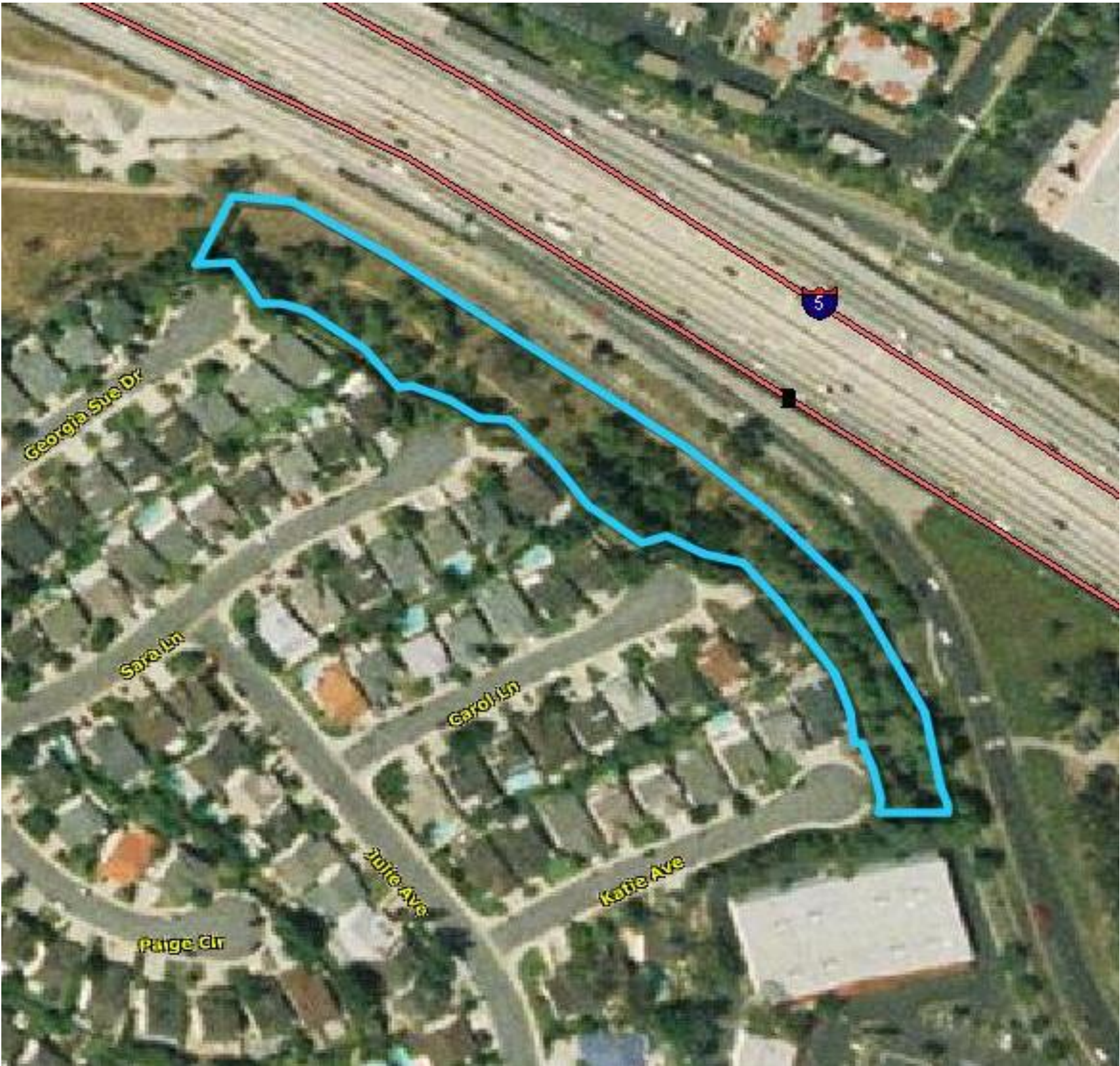
Operating Budget Impact: This site is already included in our landscape maintenance budget, no net change expected.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Slope Renovation South of Aliso Creek
Project Number: 619

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							900,000	900,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	900,000	900,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
RSTP Federal Map-21								-
Other								-
Quimby Act								-
Other								-
Unfunded							900,000	900,000
Total Funding	-	-	-	-	-	-	900,000	900,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Miscellaneous Landscape Renovations

Project No.: 620



Description: The renovation of various landscape pockets and otherwise isolated landscape areas that are not a part of other improvement projects to improve landscaping and irrigation systems. These include areas such as the following:

- Slope behind El Capitan from Marin to El Conejo Park (Area 35)
- Corner of Aliso Hills at La Paz (Area 37)
- Alameda east parkway from Aliso Hills to Elena (Area 38)
- Aliso Hills north parkway from Alicia to Mendocino Park (Area 42)
- Triangle on Paseo de Valencia at Cabot (Area 55)
- Slope behind Buena Vista, Los Gatos, Elena, Solano (Area 57)
- Moulton east parkway from Santa Maria to Ridge Route (Area 69.1)
- Santa Vittoria median island at Lake Forest (Area 70)
- Corner of Alameda at La Paz (Area 99)
- Corner of Alicia at Aliso Hills (Area 103)

Purpose / Justification: Replace antiquated irrigation systems and marginal landscape materials for improved aesthetics, water conservation and community satisfaction.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: These areas are already incorporated into the landscape maintenance services budget. Improvements, however, will likely require a higher frequency of maintenance at an added incremental cost balanced against reduced irrigation costs due to more efficient irrigation practices.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Miscellaneous Landscape Renovations - Various Areas
Project Number: 620

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							2,000,000	2,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	2,000,000	2,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
1750000+								-
RSTP Federal Map-21								-
Other								-
Quimby Act								-
Other								-
Unfunded							2,000,000	2,000,000
Total Funding	-	-	-	-	-	-	2,000,000	2,000,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Recycled Water Conversions

Project No.: 621



Description: Conversion of existing domestic water landscape irrigation systems at various open spaces, slopes and parkways to water efficient recycled water systems in the area serviced by Moulton Niguel Water District. Proposed conversion areas include, for example, the following:

- Open space north of La Paz and west of Paseo de Valencia (Area 27)
- Northside Luna Bonita from La Serra to El Segundo (Area 37)
- Alameda eastside parkway from La Paz to Aliso Hills (Area 38)
- Oso northside parkway from Tombstone to Bridlewood (Area 53)

Purpose / Justification: Replace antiquated irrigation systems and convert them to recycled water to 1) conserve water 2) utilize a renewable water source and 3) reduce costs for the purchase of water. The City has an obligation under the rules issued by the State and implemented by MNWD to convert to recycled water for irrigation uses when possible.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: MNWD

Operating Budget Impact: The sites are already included in our landscape maintenance budget, no net change expected.

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: Future

Project Name: Recycled Water Conversions
Project Number: 621

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction							1,000,000	1,000,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	-	-	-	-	-	-	1,000,000	1,000,000
Project Funding:								
General Fund								-
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
RSTP Federal Map-21								-
Other								-
Quimby Act								-
Other								-
Unfunded							1,000,000	1,000,000
Total Funding	-	-	-	-	-	-	1,000,000	1,000,000

City of Laguna Hills Capital Improvement Project

Program: Trails and Open Space

Project Name: Luna Bonita Slope Restoration

Project No.: 622



Description: Restoration of an existing landscape slope in the Alicia Open Space adjacent to the street of Luna Bonita.

Purpose / Justification: Repair and restore an existing landscaped slope to resolve erosion damage.

Other Agencies Involved: None

Outside Agencies/Entities Clearance or Coordination Needs: None

Operating Budget Impact: Minimal

Source of Cost Estimates: Preliminary ☒ Based on Design ☐ Actual Bid ☐

Schedule: FY 2021-22

Project Name: Luna Bonita Slope Renovation
Project Number: 622

Site Map



Project Costs and Project Funding

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Future	Total
Project Costs:								
Planning/Design								-
Admin/Inspection								-
Land Acquisition								-
Construction	200,000							200,000
Operations & Maintenance								-
System Integration								-
Equipment								-
Total Cost	200,000	-	-	-	-	-	-	200,000
Project Funding:								
General Fund	200,000							200,000
Capital Reserve Funds								-
Gas Tax								-
Gas Tax - SB1 RMRA								-
Measure M2 - Competitive								-
CARITS								-
AB 2766								-
CDBG PFI								-
Quimby Act								-
Other								-
Unfunded								-
Total Funding	200,000	-	-	-	-	-	-	200,000

Appendix



APPENDIX 1

FINANCIAL POLICIES

CITY OF LAGUNA HILLS



CITY COUNCIL POLICY

SUBJECT: FINANCIAL POLICIES
POLICY No. 105

Effective Date: July 1, 2015

Last Revision: July 1, 2013

PURPOSE:

Provide the framework and direction for financial planning and decision making by the City Council and City staff. These policies are designed to ensure the financial integrity of the City and a service delivery system that addresses the needs and desires of the citizens of Laguna Hills.

These policies establish financial parameters that will guide the budget development and deliberation process, safeguard financial assets, and maintain the City's strong financial condition.

BACKGROUND:

These policies have been designed to safeguard financial assets, maintain the integrity of financial and accounting systems, and ensure the long-term fiscal viability of the City. The emphasis in these policies is that the long-term implications of financial decisions are fully understood and taken into account in the decision-making process. These policies will be reviewed by the City Council at the beginning of each biennial budget development process.

POLICY:

A. BUDGETING

1. The City Manager shall present a proposed budget to the City Council on a biennial basis to be adopted no later than June 30th preceding the commencement of the two-year budget cycle. The budget will be prepared, presented, and administered by the City Manager and Assistant City Manager/Finance Director. It will serve as the policy document of the City Council for implementing City Council goals and objectives.
2. The City will maintain a long-range fiscal perspective through the use of a two-year operating budget, six-year Capital Improvement Plan, and an Eight-Year Resource Allocation Plan. The Budget will be developed and adopted with a sharp focus on long-term financial solvency and compliance with these Financial Policies.
3. The budget is a resource-allocation document and serves as the financial plan for the City. It will serve as the policy document of the City Council and will

CITY COUNCIL POLICY
No. 105
FINANCIAL POLICIES

provide policy direction to the City Manager in the areas of desired service levels and funding priorities.

4. Opportunities will be provided for public input during the City Council's public review and budget adoption process. Although not required by State or local laws, the City will hold a noticed public hearing prior to the adoption of the budget.
5. The budget document will be prepared so that it: (1) facilitates public study and (2) effectively communicates key economic issues and fiscal policies. Assumptions for underlying revenue sources and expenditure estimates will be explained and documented.
6. It is the City's policy to fund current year operating expenditures with current year operating revenues. In the budget proposal presented by the City Manager, recurring revenues shall meet or exceed recurring expenditures for ongoing operations. The City will strive to achieve and maintain an operating revenues-to-operating expenditures ratio of 1.1 to 1 or greater.

The formula for calculating this ratio is:

$$\frac{\text{Operating Revenues}^{(1)} + \text{Enterprise Fund Net Cash Flow}}{\text{Operating Expenditures} + \text{Direct Net Debt Service}}$$

(1) *For the purpose of this calculation, Operating Revenues shall include interest earnings which shall be limited to a maximum of 10% of Operating Revenues.*

7. No one-time, non-recurring revenues or Gas Tax revenues may be used in determining the ratio defined in paragraph 6 of this section. In the event this ratio is impossible to maintain without cuts in service levels, the City Manager will present recommended actions to the City Council.
8. The City Council may authorize the use of reserves and/or non-recurring revenues to balance the budget when unforeseen events occur that reduce the City's recurring revenues, and to direct the City Manager to make budgetary recommendations that will re-balance the budget within a specified timeframe.
9. All budgetary procedures will conform to state regulations and Generally Accepted Accounting Principles (GAAP) for governmental agencies.
10. The City's budget will be presented by department with a logical breakdown of programs. The budget format will clearly outline the major service areas and the associated expenditures.
11. The budgeting process will include quarterly reports to the City Council and will include budgetary status and compliance. The City Manager will notify the City Council whenever changing operations or economic developments require corrective budgetary modifications. The City Manager shall also inform the City Council if operating revenues are projected to decrease by more than 10% from the adopted Budget.
12. All appropriations in the Operating Budget will be automatically carried over from the first year to the second year of the two-year budget period.

CITY COUNCIL POLICY
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FINANCIAL POLICIES

13. Departmental budget control shall be the responsibility of the Department Head. Department Heads shall, with the concurrence of the Assistant City Manager/Finance Director, have the authority to move appropriations between line items within their departmental budgets. At the discretion of the City Manager, expenditures may be moved from one department to another, or between funds within the Operating Budget.
14. At the discretion of the City Manager, expenditures may be moved from one capital improvement project to another within the adopted Capital Improvement Plan.
15. During the budget cycle, special circumstances may require an increase in the appropriations established in the adopted budget and would require a budget amendment. These may include:
 - a) changes to spending priorities;
 - b) increase in operating or capital expenditures;
 - c) decrease in operating revenues.
16. City Council approval is required to increase the total sum of the appropriations made for the Operating Budget or the Capital Improvement Plan from the adopted Budget Resolution. City Council approval is also required to move appropriations between the Operating Budget and the Capital Improvement Plan.

B. CAPITAL PLANNING

1. The purpose of the Capital Improvement Plan is to systematically plan, schedule, and finance capital projects as approved and prioritized by the City Council. The Capital Improvement Plan will be a six-year plan and will include major rehabilitation costs to existing infrastructure and facilities, as well as the cost of new facilities or capital improvements. Staff will inventory and assess the condition of all major capital assets every two years and make recommendations to the City Council regarding any modifications to the Capital Improvement Plan as part of the budget development process.
2. Capital projects will include projected changes in operating and maintenance costs, work force requirements, productivity, and risk management considerations.
3. A capital improvement project shall be established for all projects greater than \$100,000 with an expected useful life of at least 3 years that also meet the definition of a public project per Section 22002 of the State Public Contracts Code. These include projects involving construction, reconstruction, alteration, renovation, improvement, demolition or major repair work. This excludes routine, recurring and usual work for the preservation, protection, or maintenance of publicly owned land, improvements and equipment.
4. For purposes of this policy, the scope of a proposed capital improvement project may be defined as the work to be undertaken at a single location. However, if work at a specific location would not otherwise meet the cost threshold for

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establishing a separate capital improvement project and similar work is to take place at other locations(s) during the six-year plan, then all such similar work shall be defined as one capital improvement project.

5. The Capital Improvement Plan process will realistically assess potential future revenues and avoid commitments for projects that lack economic feasibility. The Capital Improvement Plan will recognize the borrowing limitation of the City and the debt tolerance of the City as a whole.
6. All budgeted capital improvement projects automatically re-appropriate each fiscal year until the project is completed.

C. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

1. The City's accounting and financial reporting systems shall be maintained in accordance with generally accepted accounting principles (GAAP) and other standards promulgated by the Governmental Accounting Standards Board (GASB).
2. The City shall prepare an annual report, in a Comprehensive Annual Financial Report (CAFR) format, which shall conform to the reporting standards established by the Governmental Accounting, Auditing and Financial Reporting (GAFR).
3. The annual financial report will be audited each year by an independent auditor. A new independent auditor shall be selected competitively, through a formal public request for proposal process, at least every six years pursuant to State law.
4. An Audit Committee shall be formed consisting of the City Manager, or his designee, and two Council Members for the purpose of providing a direct line of communication between the auditor and the City Council. The City Attorney shall be available to advise the Audit Committee.

D. CASH MANAGEMENT, INVESTMENTS, AND BANKING RELATIONS

1. Investments and cash management will be the responsibility of the Deputy Treasurer/Finance Director under the direction of the City Manager/Treasurer.
2. In accordance with Section 53646 of the Government Code, the City Council will review and update annually a specific investment and portfolio policy. The primary purpose of this policy is to set forth the City's investment philosophy and objectives. The City's investment objectives are: safety; compliance with Federal, State and local laws; liquidity; and yield. The policy also specifically outlines authorized investments, the acceptable percentages and maximum maturities allowed for each investment instrument and the criteria used to determine qualified depositories/dealers.
3. In the selection of banking services, a competitive public request for proposal process will be used at least every ten years.

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E. DEBT MANAGEMENT

1. The most appropriate use of debt financing is for the purchase or construction of major capital facilities that will serve as a long-term community asset. In this instance, the use of a long-term debt instrument can spread the acquisition and construction costs of the facility over the period of years during which it will be used by the community. On the one hand, today's taxpayers need not pay for benefits enjoyed by others in the future. On the other hand, current residents should not burden their successors with costs that exceed the benefits of aging facilities.
2. The City will not use long-term debt financing for any recurring purpose such as current operating and maintenance expenditures.
3. The City's debt management shall conform to all other budgeting and financial reporting policies where applicable. All debt issuance shall comply with Federal and State requirements.
4. The term of any City debt issue shall not exceed the useful life of the assets being acquired or constructed by the debt issue.
5. Accompanying each debt issue will be an assessment of the City's capacity to repay the debt. The assessment will address the effects on the current Operating Budget, Capital Improvement Plan, and Eight-Year Resource Allocation Plan. Commitments to future operations, maintenance costs and stable debt retirement sources will also be identified.
6. For all outstanding General Fund debt, the City will not exceed a maximum debt burden of 12% of Operating Revenues. This debt service ratio shall be calculated as follows:

$$\frac{\text{Direct Net Debt Service}^{(1)}}{\text{Operating Revenues}^{(2)} + \text{Enterprise Fund Net Cash Flow}}$$

(1) *Direct Net Debt is defined as any debt service paid by the General Fund and does not include self-supporting debt such as special assessments.*

(2) *For the purpose of this calculation Operating Revenues shall include interest earnings which shall be limited to a maximum of 10% of General Fund Revenues.*

7. In addition, the City shall calculate the Direct Net Debt Per Capita ratio and verify that it falls within the guidelines as recommended by Standard & Poor's bond rating agency to assure that the City maintain the best possible bond rating. The ratio shall be calculated as follows:

$$\frac{\text{Direct Net Debt Outstanding}^{(1)}}{\text{Population}}$$

(1) *Direct Net Debt is defined as debt that is supported by the General Fund. It does not include any self-supporting debt such as special assessments.*

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FINANCIAL POLICIES

8. No bond issue will be undertaken without consulting appropriate external financial advisers, bond counsel and disclosure counsel. Financial advisers and bond counsel will be selected in a manner consistent with the City's customary practice of hiring professional services.
9. The City will provide full disclosure on every financial report and bond prospectus and will strive to maintain the best possible bond rating on all debt issuances including an AA implied underlying General Fund rating from Standard & Poor's, or its equivalent. Ongoing efforts will be taken to improve and enhance the City's bond rating and the marketability of its debt.

F. REVENUE AND EXPENDITURES

1. The City will maintain a level of expenditures which will provide for the health, safety and welfare of the residents of the community.
2. The City will endeavor to maintain a diversified and stable revenue base to minimize the effects of fluctuations in any single revenue source. Efforts will be directed to optimize existing revenue sources while periodically reviewing potential new revenue sources.
3. The City will project revenues using conventional forecasting methods including trend and statistical analysis. In the case of assumption uncertainty, conservative projections will be utilized based on appropriate and available socio-political and economic factors.
4. Intergovernmental assistance shall be used to finance only those capital improvements that are consistent with the City's Capital Improvement Plan and local government priorities, and whose operation and maintenance costs have been included in operating budget forecasts.
5. User fees shall not exceed the reasonable estimated cost of providing the service (or for administering the regulatory program) for which the fee is charged and shall not be levied for revenue generating purposes. Such costs are to be apportioned so that charges allocated to a payer bear a fair and reasonable relationship to the payer's burdens on or benefits from the service or regulatory activity.

User fees shall be established to ensure that the fees are reasonable, fair, equitable in nature, and are proportionately representative of the costs incurred by the City. The City shall recalculate the full cost of activities supported by user fees to take into account inflation and other cost increases at least every seven years.

6. Direct development processing costs and related administrative expenses shall be totally offset by development fees, whenever possible. However, in the interest of public health, safety and welfare, the City Council may, at its discretion, establish a charge and or fee that does not fully recover the costs of providing the service.

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7. The City Manager will provide quarterly reports to the City Council that compares year-to-date actuals with revenue projections. The City Manager will notify the City Council whenever changing operations or economic developments require corrective budgetary measures.
8. Gas tax revenues will be annually earmarked to offset all costs in connection with the City's annual street maintenance program. The City will strive to maintain this program in such a manner that will not require the infusion of General Fund revenues.

G. FUND BALANCE

1. Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.
 - Nonspendable fund balance (inherently nonspendable)
 - Restricted fund balance (externally enforceable limitations on use)
 - Committed fund balance (self-imposed limitations on use)
 - Assigned fund balance (limitation resulting from intended use)
 - Unassigned fund balance (residual net resources)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is prepaid items. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above.

2. Committed Fund Balance: The City Council may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.
3. Assigned Fund Balance: These are amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager, or his/her designee, for the purpose of reporting these amounts in the annual financial statements.
4. Unassigned Fund Balance: These are the residual positive net resources of the general fund in excess of what can properly be classified in one of the other four categories.
5. Restricted fund balance should be spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance are available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, then committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

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FINANCIAL POLICIES

H. RESERVES

1. The City will strive to achieve and maintain a minimum Assigned and Unassigned (hereafter, Unrestricted) Fund Balance Reserve of 35% of the annual operating budget for operating contingencies, emergencies caused by calamitous events, economic uncertainty and to stabilize fluctuations in cash flow requirements. The formula for calculating this ratio is:

$$\frac{\text{Budgeted or Projected Year End Unrestricted Fund Balance}}{\text{Current Operating Expenditures}}$$

The City will also strive to achieve and maintain a minimum Unassigned Fund Balance of 25%. The formula for calculating this ratio will be the same as that above, but will exclude Assigned portions of Fund Balance.

2. In order to meet long-range maintenance and future equipment repair and replacement needs, the City shall maintain Maintenance Reserve Funds for: the Community Center; the Sports Complex; the Civic Center; and park equipment for component parts with a value of over \$ 50,000. The City shall maintain a fiscally responsible funding plan that will fully fund the long-term maintenance and replacement costs of major capital equipment within these facilities.

The City shall conduct a reserve analysis study to determine the amount required to fully fund the Maintenance Reserve at least every seven (7) years. The City will annually assign a portion of fund balance to fully fund the anticipated maintenance and replacement costs for identified components.

3. A Liability Self-Insurance Fund shall be maintained for the purpose of setting aside resources for costs not covered by the City's insurance programs such as claims within the City's self-insurance retention.
4. The City shall maintain a PERS Employer Contribution Stabilization Fund in order to reduce volatility in the employer contribution rates set by PERS. If the City's Actual Required Contribution (ARC) in any given year falls below 9%, the City shall contribute to this stabilization fund the difference between 9% and the City's actual ARC. In years when the actual ARC is above 9%, the City Manager may use monies in the Stabilization Fund to pay for any contribution amounts above 9%. The City Manager will notify the City Council when monies from this fund are used to pay any portion of the City's ARC above 9%.
5. The City shall remain in compliance with the requirement of the Government Accounting Standards Board's (GASB) most current Statements for the accounting and disclosure of information regarding the City's measurement and recognition of pension expenditures and related assets and liabilities.

I. EMPLOYEE COMPENSATION

1. The City has an established employee compensation program that is designed to attract and retain highly qualified individuals who are capable of delivering a

CITY COUNCIL POLICY
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FINANCIAL POLICIES

high level of service in a streamlined organization. The City will continue this commitment to competitive, market-based compensation and pay for performance.

2. For non-management employees, the City will strive to maintain a highly competitive salary and benefits program which sets the top step of salary ranges at 5% above the Comparator Agencies average for each comparable position. The Comparator Agencies are those cities identified in the City's 2011 Comprehensive Compensation Study. The City Manager will annually conduct a survey of comparable positions in the Comparator Agencies and recommend to the City Council salary adjustments in keeping with this policy, or any current Memorandum of Understanding.
3. Salary adjustments within a classification range may be given after the required comprehensive performance appraisal and will be based on merit only.

ATTACHMENTS:

None



APPENDIX 2

COUNCIL MEMBER BUDGET PROPOSALS



City of Laguna Hills 2019-21 Biennial Budget Proposal Ratings

City Council Member Budget Proposals	Status	Average	City Council Member Ratings				
			Gilbert	Heft	Pezold	Sedgwick	Wheel
Installation of electronic bulletin board	Pass	1.4	0	2	1	2	2
Research the installation of license plate readers at all of the five freeway exits	Pass	2.0	2	2	2	2	2
Prescription Disposal Program	Pass	2.0	2	2	2	2	2
Memorial Program for purchasing of street signs, stop signs, or park benches with a trash can by constituent/business	Pass	1.8	2	2	2	2	1
Creation of office space for City Council Members	Tabled	0.0					
Homeowner Recognition Program	Pass	1.4	1	2	2	1	1
Recognition of resident and businesses in City Views	Pass	1.8	2	2	2	1	2
Additional Volunteer Connection Days	Pass	1.8	2	2	2	1	2
PASS - Three 2s OR Average >= 1.4 NOT PASS - Average < 1.3 OR less than three 2s							



APPENDIX 3

BUDGET PROCESS, BUDGETARY BASIS, AND ACCOUNTING PRINCIPLES

CITY OF LAGUNA HILLS

BUDGETARY BASIS AND ACCOUNTING PRINCIPLES

PRESENTATION

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used by the City of Laguna Hills are grouped as follows:

Governmental Funds

General Fund

The General Fund is the chief operating fund of the City and is used to account for all financial resources traditionally associated with government, which is not required legally or by sound financial management to be accounted for in another fund.

Capital Projects Fund

The Capital Projects Fund is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of the City's capital facilities and other capital assets.

Special Revenue Funds

The Special Revenue Funds are used to account and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City of Laguna Hills maintains special revenue funds for gas taxes, various types of transportation funding, and grants for air quality improvement, law enforcement, community development and recycling programs.

Fiduciary Funds

Agency Fund

The City of Laguna Hills maintains separate agency funds to account for construction deposits and trust monies from builders, land developers and other agencies, as well as for deferred compensation retirement funds held for City employees. These funds are custodial in nature and do not involve measurement of results of operations.

CITY OF LAGUNA HILLS
BUDGETARY BASIS AND ACCOUNTING PRINCIPLES

Proprietary Funds

Property Leasing

The City Hall Fund is used to account for activity pertaining to the leasing of certain areas in the Laguna Hills Civic Center, which has been the City Hall site and seat of government since June 28, 2004.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All of the governmental funds and agency funds are accounted for using the modified accrual basis of accounting, which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows and outflows of cash. Revenues are only recognized to the degree it becomes measurable and available to finance expenditures of the fiscal period. Expenditures are generally recognized when payment is due; since it is only at that time they are normally liquidated with expendable available finance resources.

BUDGETARY POLICY AND CONTROL

General Budget Policies

The City Council approves the biennial budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the City Council. The City Council has the legal authority to amend the budget during the fiscal year. At the discretion of the City Manager, expenditures may be moved from one department to another, or between funds within the Operating Budget. The City Manager also has the authority to move expenditures from one capital improvement project to another within the adopted Capital Improvement Plan. City Council approval is required to increase the total sum of the appropriations made for the Operating Budget or the Capital Improvement Plan from the adopted Budget Resolution. City Council is also required to move appropriations between the Operating Budget and the Capital Improvement Plan.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control is total expenditures by fund. Formal budgetary integration is employed as a management control device during the year for the governmental type funds.

Variances between budget and actual activity are reported to the City Manager quarterly during the fiscal year and periodic amendments are made to the budget to reflect changes in budget estimates.

CITY OF LAGUNA HILLS
BUDGETARY BASIS AND ACCOUNTING PRINCIPLES

Continuing Appropriations

All appropriations in the Operating Budget will be automatically carried over from the first year to the second year of the two-year budget period. All budget capital improvement projects automatically re-appropriate each fiscal year until the project is completed.

Budgetary Basis of Accounting

Budgets for the governmental type of funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). For all governmental funds types, financial statements comparing the legally adopted budget with actual data on the budgetary basis are included in the City Comprehensive Annual Financial Report.

* * * * *

CITY OF LAGUNA HILLS

BUDGET PROCESS

The process adopted for this biennial budget document demonstrates the City's effort to provide a forthright style of financial management. The City's objective is to carry a "goal-driven" approach throughout the budget process. In doing so, the City budget is a "strategic" planning tool which aligns the City's operating and capital goals with the fiscal stability of the City.

Accordingly, the following are the six budget process phases and their respective major milestones:

- Phase 1 - Stakeholder Participation
Management Staff Strategic Planning Session; Parks and Recreation Commission to review policies and recommendations in connection with parks and recreation operations of the City and the prioritization of parks capital projects; Traffic Commission to review policies and recommendations in connection with pertinent portions of public works and engineering operations of the City; Discussion begins on Major Plans and CIP.
- Phase 2 - Policy Development and Review
City Council review and update of City's financial policies.
- Phase 3 - Strategy Planning and Goal Setting
Development of preliminary Major Plans, Work Programs, CIP 6-Year plan, and 8-Year Financial Plan; City Council Strategic Planning Session to review Commission recommendations and review and rank proposed Major Plans and Work Programs.
- Phase 4 - Financial Resource and Policy Linkage
Continue development of CIP; Continue development of Departmental operating budgets; City Manager review of proposed CIP; City Manager review of proposed Departmental Operating Budgets; Complete revenue projections; City Council Study Session on proposed Operating Budget, Draft 8-Year Financial Plan, and CIP Budget.
- Phase 5 - Communication of Plan
Staff completes proposed Operating Budget, CIP and 8-Year Financial Plan; City Council holds public hearing and adopts final Operating Budget and CIP for the Biennial Budget; Final budget document printed and distributed; Budget posted on the Internet.

CITY OF LAGUNA HILLS

BUDGET PROCESS

- Phase 6 - Accountability and Performance Measurement
Mid-year Budget Review and Mid-cycle Budget Review.

ADOPTION

The budget is adopted by resolution. It is developed on a modified accrual basis of accounting, including revenues and expenditures expected to be realized during the budgeted fiscal years. The fiscal year begins on July 1 and ends June 30. The City Council adopts a biennial budget before July 1 of every other fiscal year, immediately following the municipal election cycle.

AMENDMENTS

The City reviews its biennial budget during December 31st of each fiscal year and at mid-cycle (June 30th after 1st year of operation). At these times, when deemed necessary, budget amendments may be made. Amendments that do not affect the “bottom line” for the City may be recommended by the Assistant City Manager, for approval by the City Manager who has the authority to transfer amounts between departments and funds. Budget amendments that will bring about a change in the total appropriation require City Council approval in the form of a resolution.

* * * * *



APPENDIX 4

BUDGET CALENDAR

CITY OF LAGUNA HILLS

BUDGET CALENDAR

FISCAL YEARS 2021 – 2023

PHASE 1 - STAKEHOLDER PARTICIPATION February 2021 – April 2021

- Management/Staff Strategic Planning Session
- Parks and Recreation Commission to provide recommendations in connection with parks and recreation operations and the prioritization of parks capital projects.
- Traffic Commission to provide recommendations in connection with public works and engineering operations.
- Discussion begins on Unique Work Programs and CIP.

PHASE 4 - FINANCIAL RESOURCE & POLICY LINKAGE April 2021 – May 2021

- Continue development of CIP and Department Operating Budgets.
- City Manager review of CIP and Operating Budgets.
- Complete revenue projections.
- **City Council** Study Session on Operating Budget, Draft 8-Year Financial Plan, and CIP Budget.

PHASE 2 - POLICY DEVELOPMENT & REVIEW April 2021

- **City Council** review the City's financial position and policies.

PHASE 5 – COMMUNICATION OF PLAN May 2021 – June 2021

- Completion of Proposed Operating and CIP Budgets.
- Completion of 8-Year Financial Plan
- **City Council** holds public hearing and adopts Operating & CIP Budgets.
- Biennial Budget printed and posted on City website.

PHASE 3 – STRATEGIC PLANNING & GOAL SETTING March 2021 – April 2021

- Development of preliminary Major Plans, Work Programs, CIP 6-Year Plan, and 8-Year Financial Plan.
- **City Council** review and rank City Council Member budget proposals.

PHASE 6 - ACCOUNTABILITY & PERFORMANCE MEASUREMENT Ongoing

- Mid-year Budget Review.
- Mid-cycle Budget Review.
- Quarterly Financial Reports.



APPENDIX 5

APPROPRIATIONS LIMIT

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DETERMINING AND ADOPTING AN APPROPRIATIONS LIMIT FOR THE 2021-2022 FISCAL YEAR IN ACCORDANCE WITH ARTICLE XIIIB OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, Article XIIIB requires public entities in the State of California to set an annual Appropriations Limit; and

WHEREAS, the League of California Cities issued in March 1991 uniform guidelines for the implementation of the provision of Article XIIIB of the California Constitution; and

WHEREAS, Government Code Section 7910 calls for the adoption of the annual Limit prior to the beginning of the 2021-2022 Fiscal Year; and

WHEREAS, Article XIIIB requires the City Council to select the population and inflation factors for the year's Appropriations Limit calculation; and

WHEREAS, the Appropriations Limit must be adhered to in adopting the City's Biennial Budget.

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

SECTION 1. That in accordance with Article XIIIB of the Constitution of the State of California and Section 7910 of the Government Code and as set forth in detail in the attached Exhibit "A", the Appropriations Limit beginning July 1, 2021, is established at \$44,700,789.

SECTION 2. That the inflation factor being utilized to calculate the 2021-2022 Fiscal Year Appropriations Limit is based on the percentage change in California's per capita income.

SECTION 3. That the population factor being utilized to calculate the 2021-2022 Fiscal Year Appropriations Limit is the population growth for the County of Orange.

SECTION 4. That the Appropriations Limit shall not be exceeded in the adopted budget nor by any proposed amendment to the Budget.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2021-
06-22-X adopted by the City Council of the City of Laguna Hills, California, at a Regular
Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MELISSA AU-YEUNG, CITY CLERK

Exhibit A

CITY OF LAGUNA HILLS

Appropriations Limit Summary

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the “Gann Initiative.” The Proposition created Article XIII B of the State Constitution placing limits on the amount of revenue, which can be spent by all entities of government from the “proceeds of taxes.” Proposition 4 became effective for the 1980-81 fiscal year, but the formula for calculating the limit was based on the 1978-79 “base year” revenues.

Section 7910 of the California Government Code, added in 1980 by the State Legislature, provides that “each year, the governing body of each local jurisdiction shall, by resolution, establish its appropriations limit for the following year...”

In order to address the increasing number of complaints by agencies about the restrictions of Proposition 4, and to provide guidelines for local governments in adopting their limits, the voters approved Proposition 111 in June 1990. Among other things, Proposition 111 provided new adjustment formulas, which make the Appropriations Limit more responsive to local growth issues. Proposition 111 also established a requirement for an annual review of Limit calculations.

Comparing the FY 2021/22 Appropriations Limit of \$44,700,789 and the Appropriations Subject to the Limit of \$13,017,237 indicates that the City will be well below its Appropriations Limit. The City’s budgeted revenues for FY 2021/22 subject to limitation will be below its legal limit by \$31,683,552.

2020/21 Appropriations Limit

2020/21 factor - change in per capita personal income	3.73%
2020/21 factor - change in County population	0.04%
\$41,086,806 x 1.0373 x 1.0004	\$ 42,636,391

2021/22 Appropriations Limit

2021/22 factor - change in per capita personal income	5.73%
2021/22 factor - change in County population	-0.84%
\$42,636,391 x 1.0573 x 0.9916	\$ 44,700,789



APPENDIX 6

BUDGET RESOLUTION

RESOLUTION NO. 2021-06-22-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING THE OPERATING BUDGET, CAPITAL IMPROVEMENT PROGRAM AND OTHER APPROPRIATIONS FOR THE CITY OF LAGUNA HILLS FOR THE 2021-2022 & 2022-2023 FISCAL YEARS AND AMENDING FISCAL YEAR 2020-2021

WHEREAS, the City Manager of the City of Laguna Hills has submitted to the City Council a proposed budget for the 2021-2022 & 2022-2023 Fiscal Years; and

WHEREAS, the COVID-19 Pandemic has resulted in a significant unforeseen reduction in annual City revenues causing a budget imbalance potentially necessitating deficit spending; and

WHEREAS, the City's Financial Policies allow the City Council to authorize the use of reserves and/or non-recurring revenues to balance the budget when unforeseen events occur that reduce the City's recurring revenues; and

WHEREAS, the proposed 2021-2022 & 2022-2023 Fiscal Years Budget includes the City Manager's recommendation to apply a one-time use of non-recurring revenues to balance the budget; and

WHEREAS, the City Council did consider said proposed budget and set June 22, 2021, as the date of public hearing; and

WHEREAS, after duly giving notice, the City Council did hold such public hearing, and all comments presented to the City Council were considered and evaluated.

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

SECTION 1. The City Manager's proposed general fund operating budget shall be adopted in the amount of \$22,125,948, for the 2021-2022 Fiscal Year and \$23,404,916 for the 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted on June 22, 2021, hereinafter, the Budget.

SECTION 2. The City Manager's proposed Capital Improvement Plan shall be adopted in the amount of \$4,040,000 for the 2021-2022 Fiscal Year and \$1,025,000 for the 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted on June 22, 2021.

SECTION 3. The City Manager's proposed debt service appropriation shall be adopted in the amount of \$1,799,921 for the 2021-2022 Fiscal Year and \$391,421 for the 2022-2023 Fiscal Year.

SECTION 4. The City Manager's following proposed appropriations for other funding uses shall be adopted in the amount listed in the following table for the 2021-2022 Fiscal Year and 2022-2023 Fiscal Year, and shall include any changes made and approved as a result of the City's public hearing conducted June 22, 2021.

<u>Other funding uses</u>	<u>FY 2021/22</u>	<u>FY 2022/23</u>
AB 2766	\$ 50,000	\$ 50,000
CASp	5,000	5,000
Beverage Recycling	19,900	9,061
CR&R Recycling Fee	117,000	109,000
C&D Forfeited Deposits	130,000	130,000
Senior Mobility	54,230	54,230
Use of Reserve	50,000	50,000

SECTION 5. The City Manager is authorized to use reserves and/or non-recurring revenues to balance the operating budget for the 2021-2022 & 2022-2023 Fiscal Years Budget.

SECTION 6. The City Manager is hereby authorized to make such transfers within the Budget as deemed desirable and necessary during each Fiscal Year in order to meet the City's needs and in compliance with the City's Financial Policies.

SECTION 7. That all budgeted capital improvement projects automatically re-appropriate each Fiscal Year until the project is completed.

SECTION 8. That all other unexpended appropriations ordered pursuant to Sections 1, 3 and 4 will be automatically carried over from the first Fiscal Year to the second Fiscal Year of the two-year Budget period.

SECTION 9. The 2021-2022 & 2022-2023 Fiscal Years Budget, which is attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and adopted by the City Council, including any changes made and approved as a result of the City's public hearing conducted June 22, 2021.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. 2019-
06-25-X adopted by the City Council of the City of Laguna Hills, California, at a Regular
Meeting thereof held on the 22nd day of June 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK



APPENDIX 7

PERSONNEL ALLOCATION

CITY OF LAGUNA HILLS
Personnel Allocation Summary
Fiscal Years 2021/22-22/23

City Positions	General Government	Non Departmental	Community Development	Public Services	Community Services	FTE
FULL TIME						
Accountant I	1.00					1.00
Administrative Assistant I			1.00	1.00	1.00	3.00
Assistant City Clerk	1.00					1.00
Assistant City Engineer				1.00		1.00
Assistant Planner			1.00			1.00
City Manager	1.00					1.00
Community Development Director			1.00			1.00
Code Enforcement Officer					0.00	0.00
Community Services Superintendent					1.00	1.00
Deputy City Manager	1.00				1.00	2.00
Executive Assistant to the City Manager	1.00					1.00
Finance Manager	1.00					1.00
Information Technology Specialist		1.00				1.00
Management Analyst					1.00	1.00
Parks Supervisor				1.00		1.00
Permit Technician			1.00			1.00
Permit Technician Assistant			1.00			1.00
Public Services Director / City Engineer				1.00		1.00
Public Works Supervisor				1.00		1.00
Records Management Coordinator	1.00					1.00
Recreation Coordinator					1.00	1.00
Senior Management Analyst	1.00					1.00
Senior Planner			1.00			1.00
SUB-TOTAL	8.00	1.00	6.00	5.00	5.00	25.00
PART TIME						
Accounting Specialist	1.50					1.50
Code Enforcement Officer			0.50			0.50
Recreation Leaders I and II					8.50	8.50
Recreation Specialist					0.75	0.75
SUB-TOTAL	1.50	0.00	0.500	0.00	9.25	11.250
TOTAL FULL-TIME EQUIVALENT	9.50	1.00	6.500	5.00	14.25	36.25



APPENDIX 8

DEBT INFORMATION

CITY OF LAGUNA HILLS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2020

	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	37,300,000	0.238%	88,774
Saddleback Valley Unified School District	107,545,000	16.762%	18,026,693
Capistrano Unified School District Facilities Improvement District No. 1	18,925,885	0.020%	3,785
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT:			<u>\$ 18,119,252</u>
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</u>			
Orange County General Fund Obligations	386,745,000	1.176%	4,548,121
Orange County Pension Obligations	466,863,754	1.176%	5,490,318
Orange County Board of Education Certificates of Participation	12,930,000	1.176%	152,057
Capistrano Unified School District Certificates of Participation	27,010,000	0.014%	3,781
Moulton-Niguel Water District Certificates of Participation	57,170,000	13.271%	7,587,030
SUBTOTAL DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			<u>\$ 17,781,308</u>
City of Laguna Hills Certificates of Participation, Direct Debt	4,325,000	100.000%	<u>4,325,000</u>
TOTAL NET OVERLAPPING GENERAL FUND OBLIGATION DEBT:			<u><u>\$ 22,106,308</u></u>
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency)</u>	10,185,000	0.813-2.630%	186,828
<u>GROSS COMBINED TOTAL DEBT</u>			<u>\$ 40,412,388</u> ^(b)

(a) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(b) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Source: Avenu Insights & Analytics

2010 Certificates of Participation

On January 26, 2010, the City (through the City's blended component unit The Public Improvement Corporation) issued \$17,190,000 of Certificates of Participation (COPs). Proceeds from the sale were placed in an irrevocable trust that was used to service the future debt requirements of the 2001 and 2003 Certificates of Participation. There are no amounts outstanding on the defeased COPs.

The 2010 COPs are direct obligations and pledge the full faith and credit of the City of Laguna Hills. The certificates were executed and delivered under the provisions of the Trust Agreement by and among The Bank of New York Mellon Trust Company, N.A, as trustee. The City is required under the Lease Agreement to make rental payments each 15th day of the month immediately preceding each February 1st and August 1st from any source of available funds in an amount sufficient to pay the annual principal and interest due with respect to the Certificates.

The Serial bonds mature in annual installments ranging from \$345,000 to \$1,670,000, commencing February 1, 2011 and ending February 1, 2025. Interest accrues at rates between 2.00% and 5.00% and is payable semiannually. The annual requirements to amortize the certificates of participation as of June 30, 2020, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2021	1,580,000	206,881	1,786,881
2022	1,670,000	127,881	1,797,881
2023	345,000	44,381	389,381
2024	355,000	30,581	385,581
2025	375,000	15,939	390,939
Totals	\$ 4,325,000	\$ 425,663	\$ 4,750,663

The COPs are subject to federal arbitrage regulations. The City calculated no arbitrage rebate due.

BOND DEBT SERVICE

**City of Laguna Hills
2010 Refinancing Project
Certificates of Participation**

Final Pricing 1/7/10

S&P: AA+

No Optional Call

Mandatory Redemption From Net Insurance Proceeds, etc.

Dated Date 01/26/2010
Delivery Date 01/26/2010

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
02/01/2010						17,190,000	17,190,000
08/01/2010			360,281.08	360,281.08		17,190,000	17,190,000
02/01/2011	1,090,000	3.000%	350,543.75	1,440,543.75	1,800,824.83	16,100,000	16,100,000
08/01/2011			334,193.75	334,193.75		16,100,000	16,100,000
02/01/2012	1,130,000	4.000%	334,193.75	1,464,193.75	1,798,387.50	14,970,000	14,970,000
08/01/2012			311,593.75	311,593.75		14,970,000	14,970,000
02/01/2013	1,180,000	2.000%	311,593.75	1,491,593.75	1,803,187.50	13,790,000	13,790,000
08/01/2013			299,793.75	299,793.75		13,790,000	13,790,000
02/01/2014	1,205,000	4.000%	299,793.75	1,504,793.75	1,804,587.50	12,585,000	12,585,000
08/01/2014			275,693.75	275,693.75		12,585,000	12,585,000
02/01/2015	1,250,000	4.000%	275,693.75	1,525,693.75	1,801,387.50	11,335,000	11,335,000
08/01/2015			250,693.75	250,693.75		11,335,000	11,335,000
02/01/2016	1,300,000	4.000%	250,693.75	1,550,693.75	1,801,387.50	10,035,000	10,035,000
08/01/2016			224,693.75	224,693.75		10,035,000	10,035,000
02/01/2017	1,350,000	4.000%	224,693.75	1,574,693.75	1,799,387.50	8,685,000	8,685,000
08/01/2017			197,693.75	197,693.75		8,685,000	8,685,000
02/01/2018	1,390,000	**	197,693.75	1,587,693.75	1,785,387.50	7,295,000	7,295,000
08/01/2018			170,440.63	170,440.63		7,295,000	7,295,000
02/01/2019	1,450,000	4.000%	170,440.63	1,620,440.63	1,790,881.26	5,845,000	5,845,000
08/01/2019			141,440.63	141,440.63		5,845,000	5,845,000
02/01/2020	1,520,000	5.000%	141,440.63	1,661,440.63	1,802,881.26	4,325,000	4,325,000
08/01/2020			103,440.63	103,440.63		4,325,000	4,325,000
02/01/2021	1,580,000	5.000%	103,440.63	1,683,440.63	1,786,881.26	2,745,000	2,745,000
08/01/2021			63,940.63	63,940.63		2,745,000	2,745,000
02/01/2022	1,670,000	5.000%	63,940.63	1,733,940.63	1,797,881.26	1,075,000	1,075,000
08/01/2022			22,190.63	22,190.63		1,075,000	1,075,000
02/01/2023	345,000	4.000%	22,190.63	367,190.63	389,381.26	730,000	730,000
08/01/2023			15,290.63	15,290.63		730,000	730,000
02/01/2024	355,000	4.125%	15,290.63	370,290.63	385,581.26	375,000	375,000
08/01/2024			7,968.75	7,968.75		375,000	375,000
02/01/2025	375,000	4.250%	7,968.75	382,968.75	390,937.50		
	17,190,000		5,548,962.39	22,738,962.39	22,738,962.39		



APPENDIX 9

LAGUNA HILLS AT A GLANCE

CITY OF LAGUNA HILLS

AT A GLANCE

GENERAL INFORMATION

The City of Laguna Hills, located in South Orange County, has approximately 6.6 square miles of land in its corporate boundary and is now home to 31,508 people. The majority of the area in the City has a distinctive residential character. Yet, the City has a commercial base in its northern part. This commercial area, or “urban village”, is anchored by The Village at Laguna Hills, the Oakbrook Village Shopping Center, and Saddleback Memorial Hospital. It includes retail, restaurant, professional office, and medical related building space. When the City annexed the “North Laguna Hills” area in July of 1996, the City acquired 1.2 square miles of primarily light industrial, professional office, specialty retail, hotel, and residential uses. This annexed area contains a furniture row, office headquarters, and the only light industrial/manufacturing establishments in the City. In September of 2000, the City grew by another 150 acres as a result of the annexation of residential properties identified as West Laguna Hills.

HISTORY

Laguna Hills is built on one of the major land grants developed during the rancho area. Following Mexico’s independence from Spain in 1821, those who had served in the government or who had friends in authority were given vast lands for cattle grazing. Rancho Lomas de Santiago, Rancho San Joaquin, and Rancho Niguel covered much of the western portion of the Saddleback Valley. Don Juan Avila was granted the 13,000-acre Rancho Niguel on which Laguna Hills is located.

In 1874, Lewis Moulton purchased Rancho Niguel from Don Juan Avila and increased the original grant to 22,000 acres. Moulton and his partner, Jean Piedrea Daguerre, used the ranch to raise sheep and cattle. The Moulton ranch was eventually subdivided in the early 1960s, part of which is recognized as Laguna Hills.

Incorporation efforts began in 1987 and on March 5, 1991, the goal of incorporation was finally achieved with 86% of the residents voting in favor of forming the City of Laguna Hills. On December 20, 1991, Laguna Hills officially became a City.

CITY GOVERNMENT

The City of Laguna Hills is a General Law City that operates under the Council/Manager form of government. The voters elect five of their fellow citizens to the City Council for overlapping four-year terms. The Council, in turn, selects one of its members to serve as Mayor for a one-year term. The City Council holds regular public meetings on the second and fourth Tuesday of each month.



APPENDIX 10

GLOSSARY

CITY OF LAGUNA HILLS BUDGET GLOSSARY

ACCRUAL BASIS: The method of accounting under which revenues and expenses are recorded when they occur, regardless of the timing of related cash flows. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned.

AMENDMENT: An amendment is a change in the budget which occurs after its initial adoption.

AMERICANS WITH DISABILITIES ACT (ADA): The Americans with Disabilities Act is a Federal law that gives civil rights protection to individuals with disabilities. The law guarantees equal opportunity for individuals with disabilities in State and local government services, public accommodations, employment, transportation, and telecommunications.

APPROPRIATION: A legal authorization granted by the City Council to make expenditures or incur obligations for specific purposes.

ASSESSED VALUATION: The value assigned to real property (land and buildings) and tangible personal property (moveable property), by the Orange County Assessor's Office, which is used as a basis in levying property taxes.

BUDGET: A financial plan that identifies revenues, and specific types and levels of services to be provided and establishes the amount of money which can be spent.

CAPITAL IMPROVEMENT PROGRAM (CIP): A multi-year financial plan for construction of physical assets such as buildings, street and recreation facilities.

CAPITAL OUTLAY: Expenditures that qualify as capital costs according to accounting standards, Includes items such as furniture, fixture, machinery, equipment and other relatively minor fixed assets.

CONSUMER PRICE INDEX (CPI): A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

DEBT INSTRUMENT: Methods of borrowing funds, including general obligations (G.O.) bonds, revenue bonds, lease/purchase agreements, lease-revenue bonds, tax allocation bonds, certificate of participation (COPs), and assessment district bonds.

DEBT SERVICE: The payment of principal and interest on borrowed funds, such as bonds, notes, COP's, and other debt instruments, according to a pre-determined schedule.

DEPARTMENT: A major organizational unit of government that has overall management responsibility for a group of related service responsibilities or operations within a functional area.

EIGHT (8) YEAR RESOUC E ALLOCATION PLAN: The City's long-range financial plan, that on a biennial basis, projects revenues and expenditures over a eight year period.

CITY OF LAGUNA HILLS BUDGET GLOSSARY

ENCUMBRANCE: An amount of money committed for the payment of goods and services not yet received or paid for. A purchase order is a common encumbrance.

EXPENDITURE: Decrease in net financial resources, which represent the actual payment for goods and services or the accrual thereof.

FISCAL YEAR: The period designated by the City for the beginning and ending of financial transactions. The City's fiscal year begins July 1 and ends June 30.

FULL-TIME EQUIVALENTS (FTE): The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. For example, a full-time employee (1 FTE) is paid for 2,080 hours per year, while a .25 FTE would work 520 hours per year.

FUND: An accounting entity with a set of self-balancing accounts used to record the financial affairs of a government organization.

FUND BALANCE: The difference between assets and liabilities for a particular fund.

GENERAL PLAN: A comprehensive, long-term plan, required of all California cities, for the physical development of the city.

GENERAL FUND: The primary operating fund of the City. All revenues that are not allocated by law or contractual agreement to a specific fund are accounted for in the General Fund.

GFOA: The *Government Finance Officers Association of the United States and Canada*, an organization of government finance officials in the United States and Canada. GFOA annually sponsors a Distinguished Budget Presentation Awards program and presents awards to those government budgets that meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

GRANT: Contributions, gifts of cash, or other assets from another government entity to be used or expended for a special purpose, activity, or facility.

INFRASTRUCTURE: The underlying physical foundation or basic framework of a city, including streets, medians, sidewalks, bridges, traffic signals, buildings, parks, and other related facilities and fixtures.

INTERFUND TRANSFER: Money transferred from one fund to another. Such money is transferred to finance the operations of another fund or to reimburse the fund for certain costs.

LINE ITEM: a line-item is the detailed grouping of expenditures used in the City's accounting system. It is subordinate to expense category. Typical line items are: professional services, office supplies, travel postage, office equipment, etc.

CITY OF LAGUNA HILLS BUDGET GLOSSARY

MODIFIED ACCRUAL BASIS: The method of accounting under which revenues are recorded when they are both measurable and available while expenditures are recognized when incurred.

MUNICIPAL CODE: A book which contains the City Council approved ordinances currently in effect. The Code defines City policy with respect to areas such as planning, etc

OPERATING BUDGET: Day-to-day costs of delivering City services.

OPERATING COSTS: Items categorized as operating costs in this budget include office supplies and other materials used in the normal operations of City departments, includes items such as books, maintenance materials and contractual services.

ORDINANCE: A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An ordinance has a higher legal standing than a resolution.

PERSONNEL COSTS: Salaries and benefits paid to City employees. Included are items such as insurance and retirement.

RESERVE: A separate account maintained for restricted use, e.g. self-insurance programs, capital improvement projects, or for unrestricted use to protect the City from emergencies or unanticipated expenditures.

RESOLUTION: An order of a legislative body requiring less formality than an ordinance.

RESOURCES: The amounts available for appropriation including estimated revenues, beginning fund balances and beginning appropriated reserves.

REVENUE: Income received through such sources as taxes, fines, fees, grants or service charges which can be used to finance operations or capital assets.

RISK MANAGEMENT: An organized attempt to protect an organization's assets against accidental loss in the most cost-effective manner.

SPECIAL REVENUE FUNDS: Funds used to account for the proceeds from specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditures for specific purposes. **See below for description of certain Special Revenue funds within the City of Laguna Hills.*

SUBVENTION: Revenues collected by the State that are allocated to the City on a formula basis. The major subventions received by the City from the State of California include motor vehicle in-lieu and gasoline taxes.

TRANSFERS: All inter-fund transactions except loans or advances, quasi-external transactions and reimbursements.

TAX: A levy imposed by a government in conformance with the Government Code to raise revenue for public purpose.

CITY OF LAGUNA HILLS BUDGET GLOSSARY

CERTAIN SPECIAL REVENUE FUNDS WITHIN THE CITY:

Community Development Block Grant Fund – Used to account for revenues and expenditures to improve local and national objectives to provide decent and safe housing for low- and moderate-income families. This is grant funding obtained from the United States Department of Housing and Urban Development (HUD) for the purposes of rehabilitating “eligible” deteriorating housing in the City.

Public Art In-Lieu Fund – The City Council of Laguna Hills established the Public Art Program by adopting Ordinance No. 2011-3. All new developments in the Urban Village Specific Plan with a total construction cost of \$250,000 or more are required to provide public art and/or contribute to a Public Art In-Lieu Fund as part of the development project. The minimum value for the Public Art Component and/or in-lieu fee is one-half percent of the total construction costs of the project ($0.5\% \times \text{Total Construction Cost} = \text{Value of the Public Art Component and/or In-Lieu Fee}$). The Public Art In-Lieu Fund is used to account for revenues and expenditures for the Public Art Program.

Quimby Act Fees Fund – Pursuant to Section 66477 of the California Government Code, this Fund is used to account for revenues and expenditures related to the “Quimby Act”. The Quimby Act authorizes the City to require dedication of parkland, or a fee in-lieu of such dedication, to meet the needs of new residential subdivisions in accordance of the City’s General Plan.

Recycling Funds

- **Beverage Recycling** - Pursuant to Public Resources Code Section 14581(a)(4)(A) of the California Beverage Container Recycling and Litter Reduction Act, the Department of Recycling Resources and Recovery (CalRecycle) distributes funds annually to eligible cities and counties to assist with beverage container recycling and litter cleanup activities. The City of Laguna Hills uses the funds received from CalRecycle to support existing beverage container recycling programs, trail clean-up projects, the purchase of recycling containers and products made from recycled materials, and recycling advertising. In addition, these funds are used to support the costs of personnel and consulting services required to implement new programs and to support existing programs.
- **CR&R Recycling Fee** - The CR&R Recycling Fee fund is used to support third party solid waste and recycling consulting services to the City. CR&R is required per its current solid waste and recycling services agreement with the City to provide the City an annual payment to fund recycling consulting services as selected by the City and under contract with the City. The current 10-year agreement between CR&R and the City of Laguna Hills for solid waste and recycling collection services commenced on July 1, 2006 and expires on June 30, 2016.
- **C&D Forfeited Deposits** - The City Council of Laguna Hills established a Construction and Demolition Waste Recycling Program by adding a new section, Chapter 5-48, to the City’s Municipal Code on September 23, 2003. This program requires applicants of residential and commercial construction and demolition projects to submit a security deposit when an applicant’s project meets certain thresholds. The security deposit is collected to ensure proper disposal and recycling of construction and demolition material. Upon completion of a project the security deposit is refunded to the applicant when it is demonstrated that the applicant has appropriately followed its recycling and disposal plan. In the event that an applicant does not follow its disposal and recycling plan, or an applicant does not request a refund of the security deposit in the timeline outlined in the City’s Municipal Code, the security deposit is forfeited. The City of Laguna Hills uses forfeited security deposit funds to

CITY OF LAGUNA HILLS BUDGET GLOSSARY

cover the administration costs of the program and to support recycling programs that divert waste from local landfills.

- **AB 939 Surcharge Grant** - In 2008, the City of Laguna Hills received \$20,000 from the County of Orange Regional Recycling and Waste Diversion Grant Program in order to enhance recycling efforts in Orange County and to divert waste from Orange County landfills. On June 24, 2008, the City Council approved a resolution to use these funds to implement a sharps waste disposal program and a new universal waste disposal program. Currently these funds are used to support the mail-back sharps waste program at local pharmacies and drop-off locations within the City for the proper disposal of Compact Fluorescent Lamps (CFLs), fluorescent tubes, and batteries.

Senior Mobility Program Fund – The City of Laguna Hills receives monies from OCTA’s Senior Mobility Program (SMP) to assist with transportation services for senior citizens. OCTA’s SMP is designed to fill the gap between local fixed route buses and ADA paratransit, or ACCESS service, by providing local transportation services to seniors in participating cities in Orange County. Under the program, participating cities are eligible to receive funds and vehicles from OCTA to help design and operate a transit program that best fits the needs of older adults in their communities. The source of OCTA’s SMP funding to the City is Renewed Measure M (M2) and Transit Development Act (TDA) Article 4.5 funds. OCTA’s annual funding amount to the City of Laguna Hills is based on the City’s senior population. The City uses these funds to support a Dial-a-Taxi program for seniors which began in August 2010.

Traffic Mitigation Fees Fund – The City Council of Laguna Hills Established an Urban Village Traffic Impact/Mitigation Fee Program by adding Chapter 9-102 to the Laguna Hills Municipal Code. This program requires a Traffic Impact/Mitigation Fee to assist in mitigating the cost of roadway improvements that are partly requires as a result of new development within the Urban Village Specific Plan. This fund is used to account for revenues and expenditures related to the Traffic Impact/Mitigation Fee Program.



APPENDIX 11

DEMOGRAPHIC & ECONOMIC STATISTICS

City of Laguna Hills

Demographic and Economic Statistics Last Ten Fiscal Years

Calendar Year	Population (1)	Personal Income (In Thousands)	Per Capita Personal Income (2)	City Unemployment Rate (3)	Median Age (4)	% Of Pop with High School Diploma (5)	% of Pop With Bachelor's Degree (5)
2010	33,392	1,500,666	44,672	8.1%	39.3	90.6%	42.9%
2011	33,593	1,445,996	47,227	7.4%	40.7	91.4%	43.0%
2012	30,618	1,363,858	44,421	4.8%	41.6	92.3%	44.5%
2013	30,703	1,320,001	42,778	4.2%	41.5	91.7%	42.8%
2014	30,857	1,336,181	43,315	5.0%	41.8	91.6%	45.3%
2015	30,681	1,373,184	44,757	4.1%	41.7	91.2%	44.8%
2016	31,544	1,479,761	46,911	3.7%	41.8	91.5%	45.6%
2017	31,818	1,587,577	49,896	2.6%	43.0	91.3%	46.7%
2018	31,572	1,661,606	52,629	2.2%	41.4	92.1%	49.1%
2019	31,508	1,724,666	54,737	12.2%	42.5	92.3%	49.4%

Source: Avenu Insights & Analytics, U.S. Census Bureau, 2010 American Community Survey

Source: 2010-2018 prior CAFR

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1) Population Projections are provided by the California Department of Finance Projections.
- 2) Income Data is provided by the United States Census Data and is adjusted for inflation.
- 3) Unemployment and Total Employment Data are provided by the EDD's Bureau of Labor Statistics Department.
- 4) Median Age reflects the U.S. Census data estimation table for years 2010-2019
- 5) School diploma and Bachelor's degree is provided by the United States Census data.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Chair and Agency Members
FROM: Jennifer Lee
Assistant City Clerk
ISSUE: Approval of Minutes for June 8, 2021, Regular Meeting

RECOMMENDATION: That the Planning Agency approve the Minutes for the June 8, 2021, Regular Meeting.

ATTACHMENTS:

- 210608 PA Minutes

5. PLANNING AGENCY

Mayor Pezold recessed the City Council Meeting, and acting in capacity as Chair, called the Regular Meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:34 p.m.

5.1. ROLL CALL OF PLANNING AGENCY MEMBERS

Attendee Name	Title	Status	Arrived
Erica Pezold	Chair	Present	
Don Sedgwick	Vice Chair	Present	
Janine Heft	Agency Member	Present	
Bill Hunt	Agency Member	Present	
Dave Wheeler	Agency Member	Present	

5.2. PUBLIC COMMENTS

There were no Planning Agency public comments on non-agendized items.

5.3. APPROVAL OF MINUTES**5.3.1 Approval of Minutes for May 25, 2021, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the May 25, 2021, Regular Meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Hunt, Agency Member
SECONDER:	Janine Heft, Agency Member
AYES:	Erica Pezold, Chair; Don Sedgwick, Vice Chair; Janine Heft, Agency Member; Bill Hunt, Agency Member; Dave Wheeler, Agency Member

5.4. ADMINISTRATIVE REPORTS

There were no Planning Agency administrative reports.

5.5. PLANNING AGENCY PUBLIC HEARINGS

There were no Planning Agency public hearings.

PLANNING AGENCY ADJOURNMENT

Chair Pezold adjourned the Planning Agency Meeting at 7:34 p.m. All Council Members were present in chamber.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021

TO: Chair and Agency Members

FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services

ISSUE: Adoption of a Resolution Making Findings of General Plan Consistency for the Proposed 2021-2022 Fiscal Year Capital Improvement Program

RECOMMENDATION: That the Planning Agency adopt a Resolution entitled: "A Resolution of the Planning Agency of the City of Laguna Hills, California, finding that the proposed 2021-2022 Fiscal Year Capital Improvement Program conforms with the General Plan of the City of Laguna Hills pursuant to California Government Code Section 65401."

SUMMARY:

In accordance with Section 65401 of the California Government Code, a Capital Improvement Program (CIP) is required to annually be submitted to the City's Planning Agency for review and determination as to its conformance with the adopted General Plan. Staff has prepared this report outlining the General Plan Goals that support the various Capital Improvement Projects as are included in the next fiscal year budget. Accordingly, Staff recommends that the Planning Agency make a finding that the 2021-2022 Fiscal Year projects included in the CIP are in conformance with the General Plan by adopting the proposed Resolution.

BACKGROUND:

California Government Code Section 65401 requires that departments within municipalities responsible for implementing CIP projects prepare and present the following to the Planning Agency: 1) A comprehensive list of the proposed CIPs for the following budget cycle; and 2) A report as to conformity of that plan with the adopted

General Plan Conformity Report

June 22, 2021

Page 2

General Plan.

The multi-year CIP was adopted by the City Council on June 22, 2021, to include projects in the 2021-2022 Fiscal Year. The specific projects included in the next Fiscal Year's CIP, along with the accompanying General Plan Goals they support, are described below. The identified CIP project numbers correspond to the budget project numbers and categories as listed in Exhibit A of the attached Resolution.

Streets, Signals, and Lighting

The following project meets Mobility Goal M-1 (Provide a safe and efficient local transportation system consistent with the general County standards and the regional system) and Mobility Goal M-2 (Implement improvements that foster improved traffic safety on the circulation system for all drivers, pedestrians, and cyclists).

- Annual Street Maintenance Improvements (CIP 101) - Provides for the refurbishment of local and arterial streets to reduce pavement deterioration and provide an appropriate pavement surface for transportation efficiency and public safety.
- Traffic Signal Improvements/Coordination Projects (CIP 168) – Provides for the improvement of interconnected traffic signal systems for traffic operations efficiency, to reduce travel times, to reduce fuel consumption and to improve air quality.

Parks

The following project meets Conservation and Open Space Goal COS-2 (Expand and maintain the City's integrated parks, recreation, and trails system to meet the needs of residents of all ages).

- Park Refurbishment Project (CIP 237) – Provides for the replacement of worn play equipment, hardscape, ADA accessibility and site furnishings as needed for full utilization of the recreation facility.
- Community Center and Sports Complex Field Renovations (CIP 238) - Provides for the replacement of sports turf at the Community Center and Sports Complex soccer fields as needed to improve the playability of the fields, as well as additional maintenance of the baseball fields at the Community Center and Cabot Park.

Flood Control and Water Quality

The following projects meet Conservation and Open Space Goal COS-1 (Manage limited resources so that future generations can enjoy the environmental and scenic wealth this community has to offer).

- Storm Drain/Slope Repairs (CIP 403) – Provides standby funding for emergency response to any storm drain or slope repairs that may be needed including many locations within the City’s open spaces.
- NPDES/Water Quality Program (CIP 410) - Provides for water quality evaluations, data collection, reporting and improvement initiatives seeking to reduce pollutants within water runoff reaching the storm drain systems, in accordance with the NPDES permits.
- Water Quality Improvements (CIP 412) – Provides for physical improvements at storm water collection points to reduce pollutants from entering the storm water system including pollutants that could reach open spaces and local creeks.

Public Facilities

The following projects meet Community Services and Facilities Goal CSF-1 (Establish and maintain a high level of community facilities and services to meet the needs of the community and enhance the quality of life in Laguna Hills).

- Civic Center Renovation (CIP 505) - Provides for various scheduled maintenance and equipment replacement at the Civic Center building.

Trails and Open Space

The following project meet Conservation and Open Space Goal COS-1 (Manage limited resources so that future generations can enjoy the environmental and scenic wealth this community has to offer).

- Luna Bonita Slope Restoration – Provides for the repair and restoration of a slope to pre-existing conditions.

Staff recommends that the Planning Agency find that the 2021-2022 Fiscal Year projects included in the CIP are in conformance with the City's General Plan by adoption of the attached Resolution.

General Plan Conformity Report

June 22, 2021

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CEQA FINDINGS:

The Planning Agency finds that this action is exempt from the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. This General Plan conformity determination does not constitute “approval” of any of the listed projects and, for that reason, this action of the Planning Agency is exempt from the requirements of CEQA. All projects listed in the CIP will be reviewed individually pursuant to the requirements in CEQA and the Planning Agency’s review for General Plan consistency does not commit the City to any one of the listed projects. In addition, CEQA Guidelines Section 15378 specifically excludes organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment.

ATTACHMENTS:

- Proposed Resolution GP CIP Conformity
- Proposed Resolution Exhibit A - FY 2021-2022 CIP Project Summary
- Proposed Resolution Exhibit B - GP CIP Conformity Findings

RESOLUTION NO. PA2021-06-22-X

A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, FINDING THAT THE PROPOSED 2021-2022 FISCAL YEAR CAPITAL IMPROVEMENT PROGRAM CONFORMS WITH THE GENERAL PLAN OF THE CITY OF LAGUNA HILLS PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65401

The Planning Agency of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, on December 20, 1991, the City of Laguna Hills was established as a duly organized municipal corporation of the State of California; and

WHEREAS, on June 28, 1994, the City of Laguna Hills adopted its General Plan incorporating all State mandated elements; and

WHEREAS, on July 14, 2009, the City of Laguna Hills adopted an update to the Laguna Hills General Plan, which has subsequently been amended from time to time; and

WHEREAS, California Government Code Section 65401 requires the Planning Agency to annually review a comprehensive list of proposed public works projects recommended for planning, initiation, or construction during the ensuing fiscal year, and report to City Council as to conformity of that coordinated program with the City's General Plan; and

WHEREAS, the City Manager of the City of Laguna Hills has prepared a Six Year Capital Improvement Program Project Summary List and Budget, which identifies proposed 2021-2022 Fiscal Year public works projects; and

WHEREAS, on June 22, 2021, at a regularly scheduled meeting, the Planning Agency reviewed and considered the comprehensive list of 2021-2022 Fiscal Year public works projects included in the City of Laguna Hills Six Year Capital Improvement Program Project Summary List and Budget, and concluded said review prior to the adoption of this Resolution.

NOW, THEREFORE, THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The foregoing Recitals are true and correct and are incorporated herein by reference.

SECTION 2. Each of the 2021-2022 Fiscal Year public works projects included in the City of Laguna Hills Six Year Capital Improvement Program Project Summary List and Budget, attached hereto as Exhibit "A" and incorporated herein by reference conforms

with the City's General Plan based on the information and findings set forth in Exhibit "B", attached hereto and incorporated herein by reference.

SECTION 3. The Planning Agency finds that this action is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3) since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. This General Plan conformity determination does not constitute "approval" of any of the listed projects and, for that reason, this action of the Planning Agency is exempt from the requirements of CEQA. All projects listed in the CIP will be reviewed individually pursuant to the requirements in CEQA and the Planning Agency's review for General Plan consistency does not commit the City to any one of the listed projects. In addition, CEQA guidelines Section 15378 specifically excludes organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment.

SECTION 4. Based on the findings and conclusions set forth above, this Resolution shall serve as the Planning Agency's report regarding the conformity of the 2021-2022 Fiscal Year public works projects included in the City of Laguna Hills Six Year Capital Improvement Program Project Summary List and Budget with the City's adopted General Plan as required by California Government Code Section 65401.

PASSED, APPROVED, AND ADOPTED this 22nd day of June 2021.

ERICA PEZOLD, CHAIR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. PA2021-06-22-X adopted by the Planning Agency of the City of Laguna Hills,
California, at a Regular Meeting thereof held on the 22nd day of June 2021, by the
following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

EXHIBIT A

CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY LIST AND BUDGET

INCLUDING

2021-2022 FISCAL YEAR PROJECTS

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT	PROJECT		TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
STREET, SIGNALS AND LIGHTING										
101	Annual Street Maintenance	IV- 9	\$ 11,600,000	\$ 2,900,000	\$ -	\$ 2,600,000	\$ -	\$ 2,900,000	\$ -	\$ 2,900,000
112	Traffic Signals	IV- 11	1,000,000	-	-	-	-	-	-	1,000,000
139	Cabot Widening - La Paz to Paseo de Valencia	IV- 13	3,500,000	-	-	-	-	-	-	3,500,000
145	Paseo de Valencia Widening	IV- 15	9,000,000	-	-	-	-	-	-	9,000,000
168	Traffic Signal Improvements/Coordination Projects	IV- 17	325,000	100,000	-	75,000	-	75,000	-	75,000
170	Access Ramp Construction - Citywide/Transition Plan	IV- 19	4,600,000	-	-	100,000	-	-	-	4,500,000
171	La Paz Road Sidewalk Widening	IV- 21	1,500,000	-	-	-	-	-	-	1,500,000
175	Arterial Highway Pavement Maintenance - Various Locations	IV- 23	-	-	-	-	-	-	-	-
178	South Moulton Pavement Rehabilitation (VIA Lomas to SCL)	IV- 21	2,000,000	-	-	-	-	-	-	2,000,000
181	Oso Parkway Pavement Rehabilitation (Cabot to WCL)	IV- 23	2,000,000	-	-	-	-	-	-	2,000,000
182	Lake Forest Drive Pavement Rehabilitation (ECL to WCL)	IV- 25	2,000,000	-	-	-	-	-	-	2,000,000
183	Avenida Carlota Pavement Rehabilitation (El Toro Rd to Los Alisos Blvd)	IV- 27	1,000,000	-	-	-	-	-	-	1,000,000
184	La Paz Road Widening (McIntyre to Cabot)	IV- 29	2,100,000	-	100,000	-	-	-	-	2,000,000
185	Replacement of ISNS & Cameras at all Traffic Signal Locations	IV- 31	375,000	-	-	125,000	-	125,000	-	125,000
188	Ridge Route Pavement Rehabilitation - Moulton Parkway to Santa Vittoria	IV- 33	-	-	-	-	-	-	-	-
190	Alicia Parkway Pavement Rehabilitation	IV- 35	-	-	-	-	-	-	-	-
	Sub-Total		\$ 41,000,000	\$ 3,000,000	\$ 100,000	\$ 2,900,000	\$ -	\$ 3,100,000	\$ -	\$ 31,600,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT	PROJECT		TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
STREETSCAPE										
301	Alicia Parkway Median Islands Landscape Rehabilitation	IV- 38	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,000,000
305	La Paz Median Islands	IV- 40	3,700,000	-	-	-	-	-	-	3,700,000
307	Entry Monuments	IV- 42	750,000	-	-	-	-	-	-	750,000
312	Paseo de Valencia Median Island Rehabilitation	IV- 44	3,500,000	-	-	-	-	-	-	3,500,000
314	Paseo de Valencia Median Islands	IV- 46	2,250,000	-	-	-	-	-	-	2,250,000
315	Rehabilitation of Oso Median Islands	IV- 48	3,000,000	-	-	-	-	-	-	3,000,000
319	Alicia Parkway South Side Slope	IV- 50	-	-	-	-	-	-	-	-
321	Paseo de Valencia East Side Slope	IV- 52	-	-	-	-	-	-	-	-
322	Rehabilitation of Moulton Median Island	IV- 50	2,500,000	-	-	-	-	-	-	2,500,000
323	Rehabilitation of Laguna Hills Drive Median Island	IV- 52	900,000	-	-	-	-	-	-	900,000
324	Rehabilitation of La Paz Median Island	IV- 54	1,250,000	-	-	-	-	-	-	1,250,000
325	Ridge Route Median Islands - Santa Vittoria to Moulton Pkwy	IV- 56	2,250,000	-	-	-	-	-	-	2,250,000
326	Laguna Hills Drive Median Islands and North Parkway	IV- 58	750,000	-	-	-	-	-	-	750,000
329	Wayfinding Signs	IV- 60	-	-	-	-	-	-	-	-
330	Alicia Pkwy & Paseo de Valencia Street Tree Program	IV- 60	750,000	-	-	-	-	-	-	750,000
331	Synthetic Landscape Turf Median Islands	IV- 62	1,000,000	-	-	-	-	-	-	1,000,000
333	Ridge Route Medians - Moulton Pkwy to Avenida de la Carlota	IV- 64	2,500,000	-	-	-	-	-	-	2,500,000
334	Aliso Hills Drive North Down Slope	IV- 66	1,000,000	-	-	-	-	-	-	1,000,000
335	La Paz Road South Side Slope Renovation	IV- 68	5,500,000	-	-	-	-	-	-	5,500,000
336	Palermo and Taranto Slope Renovation	IV- 70	300,000	-	-	-	-	-	-	300,000
337	San Remo Drive Slope Renovation	IV- 72	800,000	-	-	-	-	-	-	800,000
338	Paseo De Valencia East and West Parkway Renovation	IV- 74	800,000	-	-	-	-	-	-	800,000
339	Paseo de Valencia Southwest Parkway Renovation	IV- 76	650,000	-	-	-	-	-	-	650,000
340	Nottingham Ct Entry Median Island	IV- 78	-	-	-	-	-	-	-	-
Sub-Total			\$ 35,150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,150,000

Attachment: Proposed Resolution Exhibit A - FY 2021-2022 CIP Project Summary (2491 : General Plan

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT	PROJECT		TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
FLOOD CONTROL & WATER QUALITY										
403	Storm Drain/Slope Repairs	IV- 79	\$ 200,000	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000
406	F23 Canada Channel (Veeh Park)	IV- 81	750,000	-	-	-	-	-	-	750,000
407	Aliso Creek Watershed	IV- 83	500,000	-	-	-	-	-	-	500,000
410	NPDES / Water Quality Program	IV- 85	1,400,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
411	Largo Storm Drain Improvements (secondary outlet)	IV- 87	500,000	-	-	-	-	-	-	500,000
412	Water Quality (2) Improvements	IV- 89	1,000,000	250,000	-	250,000	-	250,000	-	250,000
413	Oso Parkway Wetlands	IV- 91	500,000	-	-	-	-	-	-	500,000
	Sub-Total		\$ 4,850,000	\$ 500,000	\$ 200,000	\$ 500,000	\$ 200,000	\$ 500,000	\$ 200,000	\$ 2,750,000
PARKS										
234	Aliso Hills Park	IV- 94	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000
237	Park Refurbishment Project	IV- 96	240,000	240,000	-	-	-	-	-	-
238	Community Center and Sports Complex Field Renovations	IV- 98	775,000	50,000	225,000	-	250,000	-	250,000	-
241	General Park Renovations	IV- 100	6,550,000	-	300,000	-	350,000	-	400,000	5,500,000
New	Restoration of Various Parks		6,500,000	-	-	500,000	500,000	500,000	500,000	4,500,000
New	Recreation Facilities Needs Assessment		75,000	-	-	75,000	-	-	-	-
	Sub-Total		\$ 17,140,000	\$ 290,000	\$ 525,000	\$ 575,000	\$ 1,100,000	\$ 500,000	\$ 1,150,000	\$ 13,000,000
PUBLIC FACILITIES										
505	Civic Center Renovations	IV- 103	\$ 150,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	100,000
506	Skate Facility Enhancements	IV- 105	400,000	-	-	-	-	-	-	400,000
508	Equipment & Supply Storage Building	IV- 107	600,000	-	-	-	-	-	-	600,000
510	Public Art Program - Civic Center	IV- 109	350,000	-	-	350,000	-	-	-	-
513	Community Center Renovation	IV- 111	300,000	-	100,000	-	100,000	-	100,000	-
514	Sports Complex Renovations	IV- 113	425,000	-	100,000	125,000	100,000	-	100,000	-
515	Community Center and Sports Complex Energy Efficient Field Lights	IV- 115	-	-	-	-	-	-	-	-
New	Holiday Pavilion Landscaping		50,000	-	-	50,000	-	-	-	-

Attachment: Proposed Resolution Exhibit A - FY 2021-2022 CIP Project Summary (2491 : General Plan

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT	PROJECT	TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
New	Automated License Plate Readers	150,000	-	-	-	150,000	-	-	-
	Sub-Total	\$ 2,425,000	\$ 50,000	\$ 200,000	\$ 525,000	\$ 350,000	\$ -	\$ 200,000	\$ 1,100,000

**CITY OF LAGUNA HILLS
SIX YEAR CAPITAL IMPROVEMENT PROGRAM
PROJECT SUMMARY**

PROJECT	PROJECT		TOTAL COST	FISCAL YEAR 2021/22	FISCAL YEAR 2022/23	FISCAL YEAR 2023/24	FISCAL YEAR 2024/25	FISCAL YEAR 2025/26	FISCAL YEAR 2026/27	FUTURE
TRAILS AND OPEN SPACE										
601	Trails Master Plan - Other Projects	IV- 118	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,000,000
606	Trail Head Plazas	IV- 120	1,250,000	-	-	-	-	-	-	1,250,000
607	Aliso Hills Channel Pedestrian Crossing JO5PO3	IV- 122	500,000	-	-	-	-	-	-	500,000
608	Multi-use Trail - Alicia to La Paz	IV- 124	4,500,000	-	-	-	-	-	-	4,500,000
609	Multi-use Trail - Community Center to Indian Hill	IV- 126	900,000	-	-	-	-	-	-	900,000
610	Loop Trails in Alicia Open Space	IV- 128	500,000	-	-	-	-	-	-	500,000
611	La Paz Multi-use Trail - Alameda to Paseo de Valencia	IV- 130	10,000,000	-	-	-	-	-	-	10,000,000
612	Alicia Pedestrian Bridge at Trail	IV- 132	1,500,000	-	-	-	-	-	-	1,500,000
613	Trail along SJHTC	IV- 134	400,000	-	-	-	-	-	-	400,000
614	Alicia Open Space Landscaping	IV- 136	16,500,000	-	-	-	-	-	-	16,500,000
615	La Paz Open Space Riparian Habitat- Alameda to Paseo de Valencia	IV- 138	12,500,000	-	-	-	-	-	-	12,500,000
616	Aliso Hills Area Open Space	IV- 140	5,000,000	-	-	-	-	-	-	5,000,000
617	Oso Parkway Open Space Landscape	IV- 142	8,500,000	-	-	-	-	-	-	8,500,000
618	Ridge Route Open Space	IV- 144	900,000	-	-	-	-	-	-	900,000
619	Slope Renovation South of Aliso Creek	IV- 146	900,000	-	-	-	-	-	-	900,000
620	Miscellaneous Landscape Renovations - Various Areas	IV- 148	2,000,000	-	-	-	-	-	-	2,000,000
621	Recycled Water Conversions	IV- 150	1,000,000	-	-	-	-	-	-	1,000,000
New	Luna Bonita Slope Renovation		200,000	200,000	-	-	-	-	-	
	Sub-Total		\$ 70,050,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,850,000
	Grand Total		\$ 170,615,000	\$ 4,040,000	\$ 1,025,000	\$ 4,500,000	\$ 1,650,000	\$ 4,100,000	\$ 1,550,000	\$ 153,450,000

EXHIBIT B

2021-2022 FISCAL YEAR CAPITAL IMPROVEMENT PROGRAM PROJECTS GENERAL PLAN CONFORMITY FINDINGS

Streets, Signals, and Lighting

The following project meets Mobility Goal M-1 (Provide a safe and efficient local transportation system consistent with the general County standards and the regional system) and Mobility Goal M-2 (Implement improvements that foster improved traffic safety on the circulation system for all drivers, pedestrians, and cyclists).

- Annual Street Maintenance Improvements (CIP 101) - Provides for the refurbishment of local and arterial streets to reduce pavement deterioration and provide an appropriate pavement surface for transportation efficiency and public safety.
- Traffic Signal Improvements/Coordination Projects (CIP 168) – Provides for the improvement of interconnected traffic signal systems for traffic operations efficiency, to reduce travel times, to reduce fuel consumption and to improve air quality.

Parks

The following project meets Conservation and Open Space Goal COS-2 (Expand and maintain the City's integrated parks, recreation, and trails system to meet the needs of residents of all ages).

- Park Refurbishment Project (CIP 237) – Provides for the replacement of worn play equipment, hardscape, ADA accessibility and site furnishings as needed for full utilization of the recreation facility.
- Community Center and Sports Complex Field Renovations (CIP 238) - Provides for the replacement of sports turf at the Community Center and Sports Complex soccer fields as needed to improve the playability of the fields, as well as additional maintenance of the baseball fields at the Community Center and Cabot Park.

Flood Control and Water Quality

The following projects meet Conservation and Open Space Goal COS-1 (Manage limited resources so that future generations can enjoy the environmental and scenic wealth this community has to offer).

- Storm Drain/Slope Repairs (CIP 403) – Provides standby funding for emergency response to any storm drain or slope repairs that may be needed including many locations within the City's open spaces.

- NPDES/Water Quality Program (CIP 410) - Provides for water quality evaluations, data collection, reporting and improvement initiatives seeking to reduce pollutants within water runoff reaching the storm drain systems, in accordance with the NPDES permits.
- Water Quality Improvements (CIP 412) – Provides for physical improvements at storm water collection points to reduce pollutants from entering the storm water system including pollutants that could reach open spaces and local creeks.

Public Facilities

The following projects meet Community Services and Facilities Goal CSF-1 (Establish and maintain a high level of community facilities and services to meet the needs of the community and enhance the quality of life in Laguna Hills).

- Civic Center Renovation (CIP 505) - Provides for various scheduled maintenance and equipment replacement at the Civic Center building.

Trails and Open Space

The following project meet Conservation and Open Space Goal COS-1 (Manage limited resources so that future generations can enjoy the environmental and scenic wealth this community has to offer).

- Luna Bonita Slope Restoration – Provides for the repair and restoration of a slope to pre-existing conditions.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Kenneth H. Rosenfield P.E.
Interim City Manager/Director of Public Services
ISSUE: Alternate Pest Control Pilot Program Final Report

RECOMMENDATION: That the City Council receive and file the report.

SUMMARY:

The current Landscape Maintenance Services Agreement with Nieves Landscape, Inc., was initiated as of July 1, 2019, and included the award of the Base Bid for a five-year period for usual and customary citywide landscape maintenance services and award of Alternate Bid No. 1 for a one-year Pilot Program to implement an Alternate Pest Control program to include only the use of non-synthetic pesticides at two local parks. The work and outcome of this Pilot Program were carefully documented and the Alternate Pest Control Final Report on this program is attached for City Council information. The two parks used for the Pilot Program were Mandeville Park and Veeh Ranch Park. The Final Report identifies that the non-synthetic pest control products for weed control had a lack of efficacy, although the product for grub control was effective, the cost of these products were multiple times the cost of synthetic products and, due to the lack of effective kill off of invasive weed species, substantial additional manual labor was necessary to control the weeds. The Alternate Pest Control Pilot Program was completed and no further work with this Program is planned. As indicated in the Fiscal Impact, funding is not available to expand this Program to other city landscape areas. It is recommended the City Council receive and file this Report.

BACKGROUND:

On June 11, 2019, the City Council awarded the five-year Citywide Landscape

Alternate Pest Control Pilot Program Final Report

June 22, 2021

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Maintenance Services Agreement to Nieves Landscape, Inc., effective July 1, 2019. The award of the Agreement was for the Base Bid for usual and customary landscape maintenance services and for Alternate Bid No. 1 for a one-year Pilot Program to implement an Alternate Pest Control program to include only the use of non-synthetic pesticides at two local parks.

The Specifications for the Citywide Landscape Maintenance Services require, for usual and customary landscape maintenance services, the Contractor to comply with the City of Laguna Hills' Integrated Pest Management (IPM) Guidelines and, as well, that the Contractor develop and submit their own IPM. The City's IPM requires the Contractor to follow a regimented series of steps before the consideration of the use of pesticides, regardless as to whether the pesticides are synthetic based or an alternate product. These steps include prevention, pest and symptom identification, regular surveying of pests, establishing action thresholds and guidelines and sound management methods. Integrated pest management programs use a variety of pest control tactics in a compatible manner that minimize adverse effects to the environment. The primary pest control tactics include cultural, mechanical, and biological options before considering the use of pesticides (synthetic or alternate). Pesticide usage is a last resort approach to address pests and pesticides are only to be used if approved by an independent Licensed Pest Control Advisor, are of the lowest available toxicity level, are applied following all recommendations of the manufacturer and consistent with appropriate regulations, and the application is approved by the City.

In addition to the above requirements, the Alternate Bid No. 1 required the Contractor to use only non-synthetic pesticides as registered on the OMRI.org website (Organic Materials Review Institute), use pesticides with the lowest toxicity label (Caution), as defined by the Environmental Protection Agency, and otherwise minimize the use of pesticides.

The two parks used for the pilot program were Mandeville Park and Veeh Ranch Park. The work and outcome of this Pilot Program were carefully documented and the Alternate Pest Control Final Report is attached. The Final Report identifies that the non-synthetic pest control products for weed control had a lack of efficacy, although the product for grub control was effective, the cost of these products were multiple times the cost of synthetic products and, due to the lack of effective kill off of invasive weed species, substantial additional manual labor was necessary to control the weeds. The additional labor for the Pilot Program over and above the usual and customary labor for landscape maintenance services was 77% more for Mandeville Park and 68% more for

Alternate Pest Control Pilot Program Final Report

June 22, 2021

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Veeh Ranch Park.

The Alternate Pest Control Pilot Program was completed and no further work with this Program is planned. As indicated in the Fiscal Impact, funding is not available to expand this Program to other city landscape areas.

FISCAL IMPACT:

The May 2019 lowest Bid Proposal by Nieves Landscape, Inc., established the cost of the usual and customary citywide landscape maintenance services at \$1,042,896.00 per year. The Alternate Bid No. 1 added a one time fee of \$25,992.00 for the one-year Alternate Pest Control Pilot Program at two parks. The same Bid Proposal included an Alternate Bid No. 2 which provided for the application of the Alternate Pest Control Program to all City Parks at an additive cost of \$315,636.00 per year and an Alternate Bid No. 3 which provided for the application of the Alternate Pest Control Program to all city landscaping as a replacement of the Base Bid at an annual total cost of \$2,043,396.00. Funding is not available for this Program.

ATTACHMENTS:

- Final Report - Alternate Pest Control Pilot Program



CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

APRIL 30, 2021

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INTRODUCTION

The City of Laguna Hills at the June 11, 2019, City Council Meeting, approved and awarded the Citywide Landscape Maintenance Services Contract along with additive Bid Alternate 1; "Alternate Pest Control Products" (Non-Synthetic) Landscape Maintenance Pilot Program, to Nieves Landscape, Inc. of Santa Ana. The pilot program was implemented at the initiation of the Agreement, effective July 1, 2019 and remained in place until June 30, 2020.

PILOT PROGRAM GUIDELINES

The Pilot Program specified two neighborhood parks for a one-year test using alternate pest control products and methods. Landscape maintenance services provided at these two park sites were to be consistent with all specifications found within the Citywide Landscape Maintenance contract, except that no synthetic products shall be utilized for pest control on any areas commonly utilized by the public, such as all turf, landscaped and playground areas.

The Program Specifications required the following: Alternate pest control products and additional labor resources shall be utilized as necessary in these two selected neighborhood parks for all pest control. The alternate pest control products shall be recommended by a licensed Pest Control Advisor and submitted for City review and approval. Alternate pest control products shall be labeled with a Signal Word not exceeding "CAUTION" as defined by the Environmental Protection Agency (EPA) in accordance with provisions of "40 CFR § 156.64 - Signal word". In addition, all products proposed for use shall be listed on the www.omri.org web site.

The designated neighborhood parks for this Pilot Program shall be Veeh Ranch Park and Mandeville Park. The Contractor shall document quarterly the conditions in these park sites to include, but not be limited to, the following; 1) photo documentation, including ground and aerial drone photographs and video of each site. 2) A set of soil samples taken and evaluated at each park site. 3) A quarterly report of all landscape maintenance performed, soil conditioning efforts made and integrated pest

management services provided to date including an objective evaluation of the results of these services. 4) At the completion of the one-year Pilot Program, provide a report documenting the processes and results.

INITIAL PROCESS

The objective of this Alternate Pest Control Program was to determine the feasibility of “organic landscaping” through the use of non-synthetic products. The program seeks to determine if products available and proven, can maintain landscape health and visual standards in the City's public areas. In addition to the Integrated Pest Management Program that the City currently utilizes via the Landscape Maintenance Contract, would the additional cost of materials and labor fit within the City's budget considerations.

In order to learn of alternate pest control products available for use in the Pilot Program, Nieves Landscape reached out to different vendors to seek out potential product options. Nieves also had several meetings with groups advocating organic products and practices in the landscape industry. Nieves sought those groups for input and feedback on their experiences with various products.

Nieves also met with other landscape contractors that are currently using or have conducted test sites with alternate pest control products in municipal contracts. The outcome of these meetings were that most effective products did not meet the City of Laguna Hills' requirements for the EPA signal word of “Caution” on the label. The feedback from these meetings was that the products were costlier, required higher concentration, and needed more frequent applications to be as effective as the synthetic products. A listing of the meetings is provided in the following table.

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

Date	Type	Representative(s)	Organization	Summary of Meeting
4/18/2019	Vendor	Todd Salemi	Organics Alive	discussed non-synthetic products, process, testing, effectiveness and cost.
5/7/2019	Vendor	Christian David	Sterling Pacific	meeting to discuss non-synthetic products & tour of facility
5/16/2019	Contractor	Edgar Valdovinos	Merchant's Landscape	site visit and discussed chemicals and process being used for their alternate pest control program. Uses Finale & Suppress (both with EPA label - Warning) for post emergent - chemicals are not as effective as synthetic post emergent and requires more than double the active ingredient and needs manual weeding.
6/25/2019	Vendor	Steve Hagy	Ecofert	met on-site to discuss products being used & it's effectiveness (El Camino Real Park & Tustin Sports Park - City of Tustin).
7/17/2019	Vendor	Phil Gould	Nutrien Solutions	meeting & phone calls to discuss products available and costs. Recommended and provided Weed Zap,
7/19/2019	Contractor	Nelson Goodness	Priority Landscape	discussed their program - uses Mirimichi Green (OMRI Certified but with EPA label - Warning) for post emergent.
7/29/2019	Contractor	Rob Archer	Venco Landscape	discussed program - haven't heard of any chemical's effectiveness and cost too much.
8/7/2019	Contractor	Nick Alvarado	Willowbrook Landscape	discussed program - haven't heard of any chemical's effectiveness and cost too much.
8/22/2019	Contractor	Michael Williams	Mariposa Landscape	discussed program - some product testing for post emergent using Suppress (EPA label - Warning) - shows some effectiveness but requires more concentration and applications.
8/28/2019	Contractor	Jose Escatel	Brightview Landscape	discussed fertigation system as part of their efforts – was told not very effective.
8/28/2019	Presentation	Various	City of Lake Forest Sports Park	demonstration and presentation of fertigation system as part of Lake Forest Sports park's maintenance program.
9/12/2019	Contractor	Nelson Goodness	Priority Landscape	follow up meeting on any further findings on their program - no real progress.

Nieves Landscape's approach to complying with the City of Laguna Hills' IPM protocol along with our own IPM program is as follows:

- Inspection of park grounds
- Identify pest/ weeds
- Monitor & evaluate
- Cultural (i.e. Irrigation frequency, mowing height, plant pruning to help with pest infestations)
- Mechanical (i.e. Hand pulling weeds, string trimming, planter cultivating, mulch specific areas)
- Last resort measure – chemical usage with CAUTION labeled pesticide.

PILOT PROGRAM SITE #1 – MANDEVILLE PARK

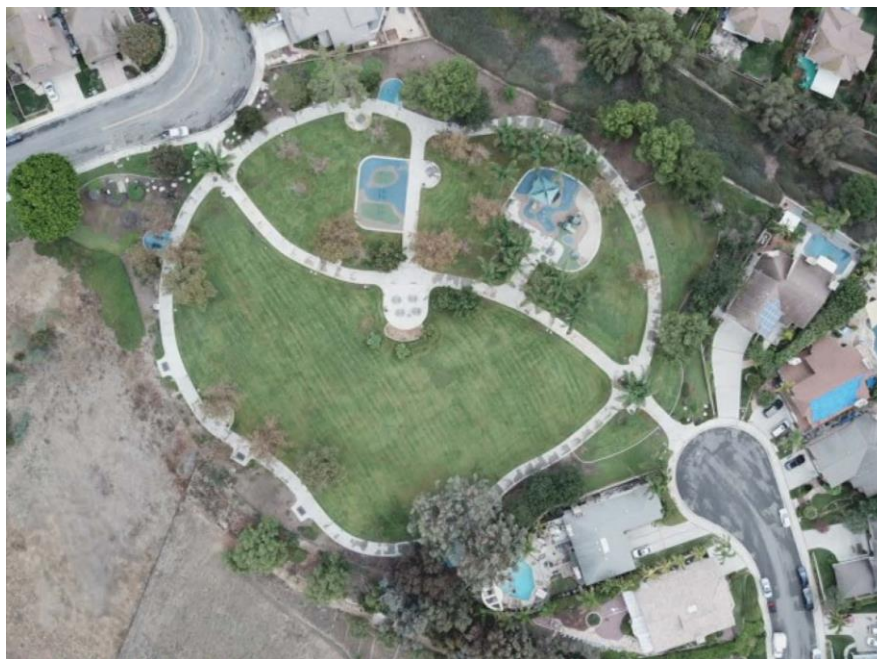


Overview of the Park

Mandeville Park: 24798 Mandeville Drive, Laguna Hills, CA 92683

Approximately 3.21 acres of turf and .64 acres of landscape. 1 Playground

AERIAL VIEW (Drone)



PILOT PROGRAM SITE #2 VEEH RANCH PARK



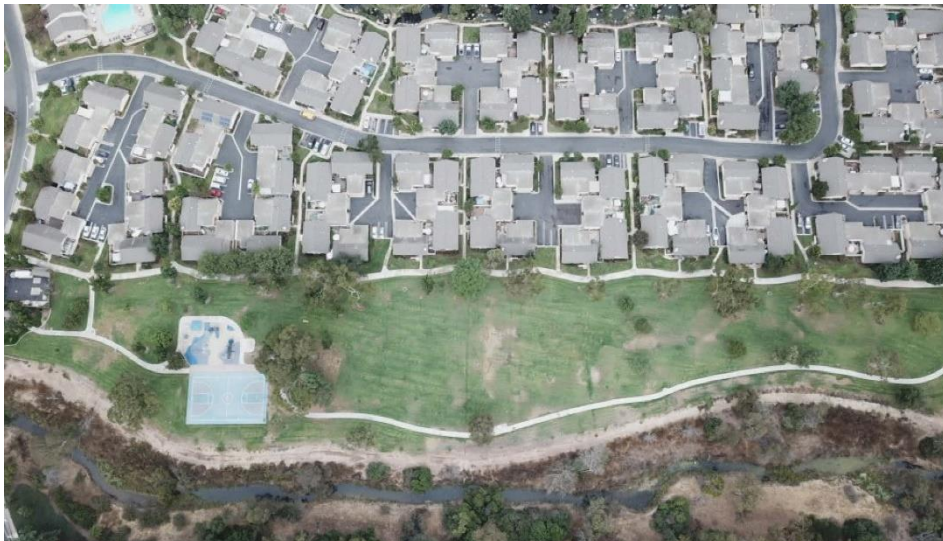
Overview of the Park

Veeh Ranch Park: 22984 Santa Vittoria Drive, Laguna Hills, CA. 92653

Approximately 11.01 acres of Turf and .01 acres of landscape.

1 playground, 1 basketball court

AERIAL VIEW (Drone)



PROGRAM IMPLEMENTATION

The pilot program at both Veeh Ranch Park and Mandeville Park relied heavily on existing IPM techniques and mechanical removal, while efforts were made to identify non-synthetic products for viable use. Per the program guidelines, soil samples were taken quarterly and the results were reviewed and discussed. Consistently from the 1st quarter to the last quarter report, the soil analysis showed minor deficiency's, with periodic surplus of some elements. Overall the soil reports were supportive of the current landscape maintenance practices. Some modification made to the sites in response to the soil analyses was to reduce the amount of nitrogen being put down and adding gypsum (gypsum application improves soil aeration and water percolation through the soil profile), and adding mulch to increase the amount of organic matter available and maintain soil moisture. In addition to the soil analyses, Nieves landscape continued to monitor and adjust the irrigation in the turf and landscaped areas as seasonal needs dictated.



During the City of Laguna Hills' Alternate Pest Control Pilot Program, Nieves Landscape observed weeds in planters and in the cracks of the sidewalks. Nieves used mechanical methods on a weekly basis to eliminate the weeds. Despite multiple efforts to control weeds, they continued to come back. Nieves Landscape had no other option but to utilize chemical control with Weed Zap. Weed Zap (see product information in appendix 1) which met the program's criteria of EPA signal word of "Caution" was used at both Pilot Program parks.

During this test period Weed Zap was applied to planter areas and weeds in the sidewalk cracks. The first-round application of Weed Zap, the weeds did not show much sign of wilt or death. For our second-round application of Weed Zap there was

not much difference. Three applications were applied as shown in photos below. The results were acceptable in terms of surface kill but not root kill.

Weed Zap required a higher concentration of the chemical and more frequent applications in comparison to synthetic equivalent. After the applications, there was evidence of regrowth of the weeds



Mandeville Park Planter-Before



Mandeville Park Planter-After 3 applications

Disappointment with the outcome of Weed Zap, Nieves continued with search for an alternate non-synthetic post emergent. With the help and recommendation from our PCA, Avenger was tested (see product information in appendix 4). Initially it appeared that the herbicide was working, but again the weeds came back sooner than if they were treated with a synthetic equivalent post emergent.

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

At Veeh Ranch, grubs were present during Q2 (see photos below) and treatment was applied using Azera (a grub control for organic production - see product information in appendix 2 & 3). Azera was recommended by our PCA and in October, 2019, one application of Azera was applied. A subsequent visit and re-inspection of the site three days later showed dead grubs, which demonstrated that Azera was effective in treating the grub issue at Veeh Ranch.



Throughout the pilot program, there was a heavy reliance on mechanical weed removal using line trimmers and manual weed removal by hand. Some periods of the year required a greater amount of manual labor than others. For example, after the rain in the winter/spring period followed by the warm weather, an abundance of weeds followed and thus added to the challenge of controlling the weeds. Weekly visits to the park (instead of Monthly) were necessary to control the weeds using the combination of labor and/or pesticide.



CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

PROGRAM COST ANALYSIS

Chart 1 – Man-Hour Labor/ Tasks Performed (Mandeville Park)

Week of	Soil Sampling	Drone/ Video Footage	Site Photos	Weeding: Manually	Weeding: Mechanically	Non-synthetic product application	Irrigation Monitoring & Adjustment	Mulching	Cultivating	Turf Mowing	Monitoring/ Supervision/ Meetings	TOTAL HOURS
7/1/2019	3	2	2	4	1		1			5.25	2	
7/8/2019				4	1				1	5.25	2	
7/15/2019				4	1		1			5.25	4	
7/22/2019				4	1					5.25	6.5	
7/29/2019				4	1					5.25	3	
8/5/2019				4	1		1			5.25	3	
8/12/2019				4	1				1	5.25	1	
8/19/2019				4	1		1			5.25	3	
8/26/2019				4	1					5.25	5	
9/2/2019				4	1		1			5.25	2	
9/9/2019				4	1				1	5.25	2.25	
9/16/2019				4	1		1			5.25	2	
9/23/2019				4	1					5.25	2	
9/30/2019				4	1					5.25	2	
10/7/2019	3	2	2	4	1		1			5.25	2	
10/14/2019				4	1				1	5.25	2	
10/21/2019				4	1		1			5.25	2	
10/28/2019				4	1					5.25	2	
11/4/2019				4	1	0.5	1			5.25	2	
11/11/2019				4	1				1	5.25	2	
11/18/2019				4	1		1			5.25	5	
11/25/2019				4	1					5.25	3	
12/2/2019				4	1		1			5.25	2	
12/9/2019				4	1	1			1	5.25	2	
12/16/2019				4	1	0.5	1			5.25	6	
12/23/2019				4	1					5.25	2	
12/30/2019				4	1		1			5.25	2	
1/6/2020	3	2	2	2	0.5		0.5	15	1	3	2	
1/13/2020					0.5		0.5		1	3	2	
1/20/2020							0.5		1	3	2	
1/27/2020							0.5		1	3	2	
2/3/2020					0.5	0.5	0.5		1	3	8	
2/10/2020				2	0.5		0.5		1	3	3	
2/17/2020							0.5		1	3	2	
2/24/2020							0.5		1	3	2	

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

3/2/2020				2	0.5		0.5		1	3	2	
3/9/2020					0.5	1	0.5		1	3	3	
3/16/2020						0.5	0.5		1	3	2	
3/23/2020											1	
3/30/2020											1	
4/6/2020	3	2	2				1.5				2	
4/13/2020				2	1.5				1	3	2	
4/20/2020				2	1		1.5			3	2	
4/27/2020				2	1					3	2	
5/4/2020						2	1			3	2	
5/11/2020						2				3	2	
5/18/2020				2	1	2	1		1	3	2	
5/25/2020				2	1					3	2	
6/1/2020				2	1	2	1.5			3	2	
6/8/2020				2	1					3	2	
6/15/2020				2	1		1			3	2	
6/22/2020				2	1				1	3	2	
6/29/2020				2	1		1			3	2	

Task Hours 12 8 8 134 40.5 12 27 15 20 210.75 133 620.25

Chart 2 – Man-Hour Labor/ Tasks Performed (Veeh Ranch Park)

Week of	Soil Sampling	Drone/ Video Footage	Site Photos	Weeding: Manually	Weeding: Mechanically	Non-synthetic product application	Irrigation Monitoring & Adjustment	Mulching	Cultivating	Turf Mowing	Monitoring/ Supervision/ Meetings	TOTAL HOURS
7/1/2019	3	2	2	2	3		1.5			6.75	2	
7/8/2019				2	3				1	6.75	2	
7/15/2019				2	3		1.5			6.75	4	
7/22/2019				2	3					6.75	6.5	
7/29/2019				2	3					6.75	3	
8/5/2019				2	3		1.5			6.75	3	
8/12/2019				2	3				1	6.75	2	
8/19/2019				2	3		1.5			6.75	3	
8/26/2019				2	3					6.75	5	
9/2/2019				2	3		1.5			6.75	2	
9/9/2019				2	3				1	6.75	2.5	
9/16/2019				2	3		1.5			6.75	2	
9/23/2019				2	3					6.75	2	
9/30/2019				2	3					6.75	2	
10/7/2019	3	2	2	2	3		1.5			6.75	2	
10/14/2019				2	3				1	6.75	2	

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

10/21/2019				2	3		1.5			6.75	2	
10/28/2019				2	3					6.75	2	
11/4/2019				2	3	1	1.5			6.75	2	
11/11/2019				2	3					6.75	2	
11/18/2019				2	3		1.5		1	6.75	5	
11/25/2019				2	3					6.75	3	
12/2/2019				2	3		1.5			6.75	2	
12/9/2019				2	3	2				6.75	2	
12/16/2019				2	3	1	1.5		1	6.75	6	
12/23/2019				2	3					6.75	2	
12/30/2019				2	3		1.5			6.75	2	
1/6/2020	3	2	2	2	1		0.5		1	3	2	
1/13/2020					1		0.5		1	3	2	
1/20/2020							0.5		1	3	2	
1/27/2020							0.5		1	3	2	
2/3/2020						0.5	0.5	5	1	3	6	
2/10/2020				2	1		0.5		1	3	2	
2/17/2020					1		0.5		1	3	2	
2/24/2020							0.5		1	3	2	
3/2/2020				2	1		0.5		1	3	2	
3/9/2020					1	1	0.5		1	3	3	
3/16/2020						0.5	0.5		1	3	2	
3/23/2020											1	
3/30/2020											1	
4/6/2020	3	2	2				1				2	
4/13/2020				4	2				1	3	2	
4/20/2020				2	2		1			3	2	
4/27/2020				2	2					3	2	
5/4/2020							1			3	2	
5/11/2020										3	2	
5/18/2020				2	2		1		1	3	2	
5/25/2020				2	2					3	2	
6/1/2020				2	2		1			3	2	
6/8/2020				2	2					3	2	
6/15/2020				2	2		1			3	2	
6/22/2020				2	2				1	3	2	
6/29/2020				2	2		1			3	2	

Task Hours 12 8 8 82 107 6 32 5 20 251.25 130 661.25

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

Traditional landscape maintenance utilizes synthetic chemicals as one of the tools for time and cost savings. The main factor requiring additional labor in the Pilot Program was the limited effectiveness of available non-synthetic products (i.e. no selective/broadleaf products and lack of product efficacy). This lack of available non-synthetic options and reduced efficacy equated to more mechanical and manual weeding requiring additional labor hours.

Annual Program Hours - Mandeville Park

Pilot Program Total Landscape Maintenance Hours
620.25 hours Labor + Administration
Pilot Program Landscape Maintenance Hours
459.25 hours Labor Only*
Traditional Labor Hours Needed
260.00 hours Labor Only
Net Additional Labor Hours for Pilot Program
199.25 hours Labor Only (77% more)

Annual Program Hours - Veeh Ranch Park

Pilot Program Total Landscape Maintenance Hours
661.25 hours (Labor + Admin)
Pilot Program Landscape Maintenance Hours
503.25 hours Labor Only*
Traditional Labor Hours Needed
300.00 hours Labor Only
Net Additional Labor Hours for Pilot Program
203.25 hours Labor Only (68% more)

* Not including soil sampling, drone footage, site photos and meetings/reports

Nieves Landscape has traditionally spent approximately 260-labor hours at Mandeville Park and approximately 300-labor hours at Veeh Ranch Park to perform mowing tasks, detailing and weed control.

If you remove the administrative annual hours (i.e. soil sampling, drone footage, site photos and monitoring/meetings/reports) from the Pilot Program total hours, additional labor hours required annually for each park to perform tasks such as manual & mechanical weeding, additional cultivation, irrigation, mulching and mowing meeting the requirements of the Pilot Program, as shown in the table above, increased

CITY OF LAGUNA HILLS ALTERNATE PEST CONTROL PILOT PROJECT 2019-2020

approximately 77% for Mandeville Park and approximately 68% for Veeh Ranch Park, above that of traditional landscape maintenance practices.

Along with the additional labor cost, the remainder of the budget went towards the cost directly related to the Program itself for things such as soils testing, drone footages, photos, program administration and costs related to generating the reports. Due to the program guidelines and the lack of availability of alternate pest control products that met the Pilot Program criteria, the chemical cost was minimal.

Below are the alternate pest control products used to treat only the post-emergent weeds and grubs and product costs for each, by park. The figures below exclude the personnel applicator time & cost.

Chemical Usage/ Comparison/ Cost - Mandeville Park

Product	Signal Word	Treated	Ounces	Chemical Cost	Sub Total
Non-synthetic Product Usage (2019 - 2020)					
Avenger	Caution	Weeds	192.00	\$268.80	
Azera	*See below	Grubs	0.00	\$0.00	
Weed Zap	Caution	Weeds	342.00	\$426.18	
Total Chemical Used			534.00		\$694.98
Synthetic Chemical Usage (2018 - 2019)					
Glyphosate	Caution	Weeds	122.00	\$20.58	
Malice 2F	Caution	Grubs	0.00	\$0.00	
Total Chemical Used			122.00		\$20.58

Chemical Usage/ Comparison/ Cost - Veeh Ranch Park

Product	Signal Word	Treated	Ounces	Chemical Cost	Sub Total
Non-synthetic Product Usage (2019 - 2020)					
Avenger	Caution	Weeds	0.00	\$0.00	
Azera	*See below	Grubs	32.00	\$182.40	
Weed Zap	Caution	Weeds	102.00	\$127.09	
Total Chemical Used			134.00		\$309.49
Synthetic Chemical Usage (2018 - 2019)					
Glyphosate	Caution	Weeds	29.00	\$4.89	
Malice 2F	Caution	Grubs	4.00	\$10.62	
Total Chemical Used			33.00		\$15.51

NOTE: At the time of the PCA's recommendations for the use of Azera Insecticide and at the time of purchase, the label read "CAUTION". During the time of generating of

the 2nd quarter report, we were not able to locate the same "CAUTION" label but the label read "WARNING". (see appendix 2 & 3)

FINDINGS AND CONCLUSIONS

The City of Laguna Hills' Alternate Pest Control Pilot Program's purpose was to inquire into the effectiveness and feasibility of adopting an alternative pesticide program in a municipal landscape maintenance environment. The Pilot Program's main goal was to limit exposure to the general public of any chemicals used in landscaped areas while maintaining a safe and aesthetically pleasing landscape.

After conducting and performing tasks to control weeds and landscape pests, Nieves Landscape has found that any alternative pesticide program is a long-term process which would add to the landscape budget for the contractor(s) and in turn would ultimately add to the landscape budget of an Agency.

The program as it was written brought challenges due to the specified product restrictions not to exceed "CAUTION" on the EPA's signal word. The cost to the City to maintain the parks in the manner tested, would increase the City's cost by an approximate average of 73%.

For the broad-spectrum non-synthetic products utilized, we were not very successful in treating the weeds. Repeat visits and increasingly higher concentration of product were need to replicate synthetic control. However, in the case of the grub treatment, we felt that the alternate pest control product worked satisfactorily. There are no alternatives pesticide products that we were aware of for selective herbicides (i.e. broadleaf and grass) available at this time, which added to the labor cost.

Nieves Landscape has continued to stay up to date on the ever-changing alternate pest control product options that are being offered today. The products in this industry are constantly changing, emerging and evolving with new science and field tests. Nieves experienced a label change where a signal word "Caution" on the label has changed to "Warning" (a Higher toxicity level) due to further testing by the EPA.

Nieves is staying in contact with our Pest Control Advisor on a regular basis to understand the options and changes to come.

The City of Laguna Hills was one of the earlier cities in Orange County to conduct a Non-Synthetic Landscape Maintenance Pilot Program. Since the inception of the program more information is available along with new products that have been introduced. Nieves Landscape, in partnership with the City of Laguna Hills, has gained valuable information and experience in conducting an alternate pest control product landscape maintenance program.

Laguna Hills' Pilot Program helps both the City and Nieves Landscape to better understand how an alternate pest control product program can work. Nieves feels that for any alternate pest control landscape maintenance program to have a chance to succeed, it requires commitment from the City, it's residents, and the contractor along with a landscape budget to support a long-term program.

APPENDIX 1 – Weed Zap



JH Biotech

Biotechnologies for Safer Agriculture

JH Biotech, Inc. Phone: (805) 650-8933 Fax: (805) 650-8942 E-mail: biotech@jhbiotech.com http://www.jhbiotech.com

WEED ZAP™



ONE APPLICATION

Before

After

Benefits of Weed Zap:

Weed Zap is an all natural non-selective herbicide. Weed Zap “zaps” small broad leaf and grassy weeds. It’s natural ingredients will eliminate plants that are six inches in height or less. Weed Zap is a broad spectrum herbicide that is suitable for organic production.

Weed Zap is 100% biodegradable, which makes it an environmentally smart product to use around houses, schools, parks, playgrounds or anywhere people and pets are present.

Weed Zap is a natural herbicide, it’s ingredients are listed as food grade materials. For this reason, Weed Zap is exempt from EPA registration - reducing paper work and worry.

- Pleasant Clove Scent
- Easy to Mix and Apply
- Kills Most Weeds in 12 Hours
- Suitable for Organic Production
- Kills Most Broadleaf Weeds and Grasses

Weed Zap will not damage mature and non-green, woody plant parts and has both contact and physical modes of action.

MODE OF ACTION:

Weed Zap binds to the surface of the plant, where it translocates into the cells of the plant. Weed Zap's ingredients begin to destroy the plant cell structure through a burn down process. Results can be seen in as little as six hours after application. Weed Zap works best in non-shaded open areas, on herbaceous weeds 6" or less in height.

Contact your local JH Biotech distributor for more information.

IS EFFECTIVE ON:

- Netseed Lambsquarter
- Common Mallow
- Bristly Oxtounge
- Prostrate Pigweed
- Canary Grass
- Rag Weed
- Starthistle
- Prickly Lettuce
- Common Cocklebur
- Chick Weed
- AND MANY MORE
- Sowthistle
- Leafy Spurge
- Bermuda Grass
- Hairy Fleabane
- Pig Weed
- Bursage
- Knapweed
- Dandelion
- Wild Mustard
- Wood Sorrel



JH Biotech, Inc.
4951 Olivas Park Drive
Ventura, California 93003 USA

For labels and MSDS visit our website at www.jhbiotech.com or phone us at 805.650.8933

WEED ZAP®

A Non-Selective Herbicide For Annual Grasses And Weeds



Product Information

WEED ZAP is a contact, non-selective, broad spectrum, foliar-applied herbicide. This product will only control actively growing emerged green vegetation. It controls both annual and perennial broadleaf and grassy weeds. This product does not translocate. It will affect only those plants that are coated with the spray solution.

ACTIVE INGREDIENTS

Clove Oil	45%
Cinnamon Oil	45%
OTHER INGREDIENTS:	10%
Lactose and Water	
TOTAL	100%

CAUTION

KEEP OUT OF REACH OF CHILDREN

SHAKE WELL BEFORE USE

This product ingredients are exempt from registration with the Federal EPA under section 25 (b) of FIFRA. **WEED ZAP** has not been registered with the Environmental Protection Agency. JH Biotech, Inc. represents that this product qualifies for exemption from registration under the Federal Insecticide, Fungicide and Rodenticide Act.

International & United States Patents Pending

NET CONTENTS: 5 Gallons (18.9 liters)
Weight per Gallon: 8.4 lb (3.8 kg) @ 68°F

Lot #:



Directions and General Recommendations

APPLICATION RATE TABLE

Add 5 gallons of **WEED ZAP** concentrate to 100 gallons of spray water. Apply enough **WEED ZAP** to cover the entire surface of the weed. Spray to the point of run off. The use of a spreader/sticker may increase contact and efficacy of treatment.

FINAL MIX VOLUME	FL. OZ.
1 Gallon	6.4
5 Gallons	32
10 Gallons	64
25 Gallons	160

Put water into spray tank first, then add **WEED ZAP**. Use constant, brisk agitation. Repeat application as necessary. Coverage is essential to establish control.

PRECAUTIONARY STATEMENTS

Off target application of **WEED ZAP** will result in damage to growing plants. Do not apply this product through the irrigation system or over the top of crops. If using a plastic measuring cup, rinse immediately after use. **WEED ZAP** can soften polystyrene (PS) plastics.

Avoid contact with skin, eyes or clothing. In case of contact, immediately flush eyes or skin with plenty of water. Get medical attention if irritation persists.

LIMITED WARRANTY

Manufacturer or seller makes no warranty, whether expressed or implied, concerning the use of this product other than for the purposes indicated on the label. Neither manufacturer nor seller shall be liable for any injury or damage caused by this product due to misuse, mishandling or any application not specifically described on the label.

PERSONAL PROTECTIVE WORK CLOTHING: Applicators and other handlers of this product must wear: Long sleeved shirt and pants, shoes and socks, protective eyewear and gloves.

FIRST AID

IF SWALLOWED

- ▶ Call a Physician or Poison Control Center.
- ▶ Drink one or two glasses of water.
- ▶ Do not induce vomiting.
- ▶ If person is unconscious, do not give anything by mouth or induce vomiting.

IF IN EYES

- ▶ Hold eyelids open and flush with a steady, gentle stream of water for 15 minutes.
- ▶ Get medical attention if irritation persists.

IF ON SKIN

- ▶ Wash with plenty of soap and water.
- ▶ Get medical attention if irritation persists.

JH Biotech Inc.

0239-D-D-1

MANUFACTURED BY: JH BIOTECH, INC., P.O. Box 3538, Ventura, CA 93006 U.S.A. Phone: 805-650-8933 Website: www.jhbiotech.com
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APPENDIX 2 – Azera (Caution)



APPENDIX 3 – Azera (Warning)



- Quick knock-down, and kill
- Kills listed pests through contact or by ingestion
- Contains Pyrethrins, a botanical insecticide derived from chrysanthemums
- Kills a broad spectrum of listed insects including aphids, whiteflies, leafminers and caterpillars
- Kills larval, pupae, and adult stages of listed insects

ACTIVE INGREDIENTS:

Azadirachtin	1.20%
Pyrethrins	1.40%
OTHER INGREDIENTS	97.40%
	100.00%

Contains: 0.10 lbs. of azadirachtin and 0.11 lbs. of pyrethrins per gallon.

EPA Reg. No. 1021-1872

EPA Est. No. 1021-MN-2

KEEP OUT OF REACH OF CHILDREN WARNING/AVISO

Si usted no entiende la etiqueta, busque a alguien para que se la explique a usted en detalle.
(If you do not understand the label, find someone to explain it to you in detail.)

See below for First Aid, Precautionary Statements, Directions for Use and Storage and Disposal.

FIRST AID

- IF IN EYES:** Hold eye open and rinse slowly and gently with water for 15-20 minutes. Remove contact lenses, if present, after the first 5 minutes, then continue rinsing eye. Call a poison control center or doctor for treatment advice.
- IF ON SKIN OR CLOTHING:** Take off contaminated clothing. Rinse skin immediately with plenty of water for 15-20 minutes. Call a poison control center or doctor for treatment advice.

(continued)

FIRST AID (continued)
Call a poison control center or doctor immediately for treatment advice.
Have person sip a glass of water if able to swallow.
Do not induce vomiting unless told to do so by the poison control center or doctor.
Do not give anything by mouth to an unconscious person.

Have the product container or label with you when calling a poison control center or doctor, or going for treatment.

For information regarding medical emergencies or pesticide incidents, call 1-888-740-8712.

PRECAUTIONARY STATEMENTS

HAZARDS TO HUMANS AND DOMESTIC ANIMALS WARNING

Causes substantial but temporary eye injury. Do not get in eyes or on clothing. Wear protective eye-wear such as goggles, face shield, or safety glasses with side shields. Avoid contact with skin. Wash hands thoroughly with plenty of soap and water after handling and before eating, drinking, chewing gum, using tobacco or using the toilet. Prolonged or frequently repeated skin contact may cause allergic reactions in some individuals. Wear long-sleeved shirt and long pants, socks, shoes and chemical-resistant gloves (such as barrier laminate, nitrile rubber, neoprene rubber, or Viton).

PERSONAL PROTECTIVE EQUIPMENT (PPE):

Some materials that are chemical-resistant to this product are made of barrier laminate, nitrile or neoprene rubber or Viton. If you want more options, follow the instructions for category E on an EPA chemical-resistance category selection chart.

Mixers, loaders, applicators, and other handlers must wear the following:

- Protective eyewear
- Long-sleeved shirt
- Long pants
- Shoes and socks
- Chemical-resistant gloves

In addition to the above PPE, applicators using hand-held foggers in an enclosed area must wear a half-face (with protective eyewear), full-face, or hood-style NIOSH-approved respirator with:

- A NIOSH-approved particulate respirator with any R or P filter with NIOSH approval number prefix TC-84A or
- A NIOSH-approved powered air purifying respirator with an HE filter with NIOSH approval number prefix TC-21C.

See engineering controls for additional requirements.

USER SAFETY RECOMMENDATIONS

Users should:

Wash hands before eating, drinking, chewing gum, using tobacco or using the toilet. Remove clothing immediately if pesticide gets inside. Then wash thoroughly and put on clean clothing. Remove PPE immediately after handling this product. Wash the outside of gloves before removing. As soon as possible, wash thoroughly and change into clean clothing.

ENGINEERING CONTROLS

Pilots must use an enclosed cockpit that meets the requirements listed in the Worker Protection Standard (WPS) for agricultural pesticides [40 CFR 170.240 (d) (4-6)].

Human flagging is prohibited. Flagging to support aerial application is limited to use of Global Positioning System (GPS) or mechanical flaggers.

ENVIRONMENTAL HAZARDS

This product is toxic to aquatic organisms, including fish and invertebrates. Drift and runoff may be hazardous to aquatic organisms in water adjacent to treated areas. This product may contaminate water through runoff. This product has a potential for runoff for several weeks after application. Poorly draining soils and soils with shallow water tables are more prone to produce runoff that contains this product.

This product is highly toxic to bees exposed to direct treatment on blooming crops or weeds. Do not apply this product or allow it to drift to blooming crops or weeds while bees are foraging in the treatment area.

Do not apply directly to water, to areas where surface water is present or to intertidal areas below the mean high water mark. Do not contaminate water when disposing of equipment washwaters or rinsate. See Directions for Use for additional precautions and restrictions.

PHYSICAL OR CHEMICAL HAZARDS

Combustible: Do not use or store near heat or open flame.

DIRECTIONS FOR USE

It is a violation of Federal law to use this product in a manner inconsistent with its labeling.

AGRICULTURAL USE REQUIREMENTS

Use this product only in accordance with its labeling and with the Worker Protection Standard, 40 CFR, Part 170. This Standard contains requirements for the protection of agricultural workers on farms, forests, nurseries, and greenhouses, and handlers of agricultural pesticides. It contains requirements for training, decontamination, notification, and emergency assistance. It also contains specific instructions and exceptions pertaining

(continued)

(continued)

to the statements on this label about personal protective equipment (PPE), and restricted-entry interval. The requirements in this box only apply to uses of this product that are covered by the Worker Protection Standard.

Do not apply this product in a way that will contact workers or other persons either directly or through spray drift. Only protected handlers may be in the area during application.

For any requirements specific to your state or Tribe, consult the State or Tribal Agency responsible for pesticide regulation.

Do not enter or allow worker entry into treated areas during the restricted-entry interval (REI) of 12 hours.

PPE required for early entry to treated areas that is permitted under Worker Protection Standard and that involves contact with anything that has been treated, such as plants, soil, or water, is:

Coveralls;
Chemical-resistant gloves, such as Barrier Laminate, Nitrile Rubber, Neoprene Rubber, or Viton;
Shoes plus socks.

RESTRICTIONS:

- Apply this product only as specified on this label.
- Do not contaminate food or feedstuffs.
- Do not remain in treated area. Exit area immediately and remain outside the treated area until vapors, mists and aerosols have dispersed.
- Only protected handlers may be in the area during application.
- Do not make applications in the rain.
- Do not wet plants to the point of runoff or drip.
- Do not apply directly into sewers or drains, or to any area like a gutter where drainage to storm sewers, waterbodies or aquatic habitat can occur. Do not allow the product to enter any drain during or after application. Rinse applicator over lawn or garden area only.
- Do not apply more than 1 time per day.
- Do not apply more than 10 times per season.
- Do not reapply within 3 days except under extreme pest pressure.
- In case of extreme pest pressure, do not reapply within 24 hours.
- Not for indoor use except in greenhouses.
- Not for use in outdoor residential misting systems.

Spray Drift Management for Agricultural Crops

Avoiding spray drift at the application site is the responsibility of the applicator and the grower. The interactions of many equipment and weather-related factors determine the potential for spray drift. The applicator and the grower are responsible for considering all these factors when making decisions.

Do not apply at wind speeds greater than 10 mph at the application site.

Do not make any type of application into temperature inversions.

Apply as a medium or coarse spray (ASABE standard 572).

Additional Requirements for Aerial Applications:

Do not release spray at a height greater than 10 feet above the ground or crop canopy.

The boom length must not exceed 75% of the wing-span or 90% of the rotor blade diameter.

Aerial applicators must consider flight speed and nozzle orientation in determining droplet size.

When applications are made with a cross-wind, the swath will be displaced downwind. The applicator must compensate for this displacement at the downwind edge of the application area by adjusting the path of the aircraft upwind.

Additional requirements for ground applications:

Do not release spray at a height greater than 4 feet above the ground or crop canopy.

Additional requirements for airblast applications:

Direct sprays into the canopy.

Turn off outward pointing nozzles at row ends and when spraying outer rows.

PESTICIDE RESISTANCE MANAGEMENT

AZERA® Insecticide contains a Group 3A insecticide. Insect biotypes with acquired resistance to Group 3A may eventually dominate the insect population if Group 3A insecticides are used repeatedly in the same field or in successive years as the primary method of control for targeted species. This may result in partial or total loss of control of those species by AZERA Insecticide or other Group 3A insecticides.

To delay insecticide resistance consider:

- Avoiding the consecutive use of AZERA Insecticide or other Group 3A insecticides that have a similar target site of action, on the same insect species.
- Using tank mixtures or premixes with insecticides from a different target site of action Group as long as the involved products are all registered for the same use and have different sites of action.
- Basing insecticide use on a comprehensive IPM program.
- Monitoring treated insect population for loss of field efficacy.
- Contacting your local extension specialist, certified crop advisors, and/or manufacturer for insecticide resistance management and/or IPM recommendations for the specific site and resistance pest problems.

Directions:

Phytotoxicity: AZERA Insecticide has been evaluated for phytotoxicity on a wide range of plants. However, since testing on all varieties of all plants is not feasible, nor is testing of all possible combinations or sequences of pesticide sprays including fertilizers, surfactants and adjuvants, before making tank mix combinations with AZERA Insecticide, or before making widespread applications, it is recommended to treat a limited number of plants and observe for phytotoxicity over a 10-day period. It is further recommended that spray equipment used to apply AZERA Insecticide be thoroughly cleaned before use.

Mode of Action: AZERA Insecticide kills target pests quickly by contact or ingestion. It also kills listed insects by interfering with the molting process and as an adulticide. It is effective on all larva stages, pupae, and adults.

pH: The pH should be adjusted to a pH of 5.5-7.0.

Honey Bees: To avoid possible harm to honey bees, it is advisable to apply in early morning or late evening hours.

RATE CHART:

		<i>Most commonly used rate</i>	<i>Rates for treating high populations of adults and/or hard to kill insects</i>	
AZERA Insecticide	1 Pint per acre 16 fl. oz.	2 Pints per acre 32 fl. oz.	3 Pints per acre 48 fl. oz.	3.5 Pints per acre 56 fl. oz.
Acres per Quart	2	1	0.67	0.57
Acres per Gallon	8	4	2.7	2.3

For growing field crop and orchard applications, do not exceed the maximum application rate of 0.050 lb. Pyrethrins / Acre (equivalent to 58.2 fl. oz. of AZERA Insecticide / Acre) or .0015 lb. Pyrethrins / 1,000 sq. ft. (equivalent to 1.336 fl. oz. AZERA Insecticide / 1,000 sq. ft.).

For surface applications to greenhouse grown crops do not exceed the maximum application rate of 0.050 lb. Pyrethrins / Acre (equivalent to 58.2 fl. oz. of AZERA Insecticide / Acre) or .0015 lb. Pyrethrins /

1,000 sq. ft. (equivalent to 1.336 fl. oz. of AZERA Insecticide / 1,000 sq. ft.).

For space spray applications to greenhouse grown crops do not exceed the maximum application rate of .00014 lb. Pyrethrins / 1,000 cu. ft. (equivalent to 0.163 fl. oz. or 4.82 mls of AZERA Insecticide / 1,000 cu. ft.).

AZERA Insecticide can be used up to and including the day of harvest.

DILUTION RATES:	
Conventional Equipment	In sufficient water for thorough coverage. Dilution in a minimum of 30 gallons of water per acre is recommended.
Hand sprayers	1 - 2 fl. oz. of AZERA Insecticide per gallon of water.
Aerial Application	This product may be applied by air at the rate of 16 - 56 fl. oz. per acre in a minimum of 5 gallons of water.
Greenhouse	Dilute 53 - 107 fl. oz. with 100 gallons of water for applications with conventional hydraulic sprayers or 1 to 2 fl. oz. per one gallon of water for applications with compressed sprayers. Use 2.3 gallons of spray solution per 1,000 sq. ft.

MIXING DIRECTIONS:**USED ALONE:**

- Mix only enough for immediate use.
- Shake AZERA Insecticide well before using.
- Dilute AZERA Insecticide in sufficient water to obtain thorough coverage.
- Fill clean spray tank $\frac{1}{2}$ to $\frac{3}{4}$ of the water to be sprayed and begin agitation.
- Add the appropriate amount of AZERA Insecticide to the spray tank.
- Fill the tank with the remaining water and agitate thoroughly.
- Adjust spray solution to pH of 5.5 - 7.0, if outside of that range.
- Apply product promptly after mixing.
- Complete coverage of all leaf surfaces is essential for optimum results.
- If the mixture is not applied immediately after mixing, agitate before application.

USED IN A TANK MIX:

- This product may be tank mixed with most other insecticides, acaricides, fungicides, adjuvants, foliar fertilizers, and wetting agents.
- This application should conform to accepted use precautions and directions for all products in tank mix.
- Tank mix applications must be made in accordance with the more restrictive of label limitations and precautions. No label application rates may be exceeded. This product cannot be mixed with any product with label prohibitions against such mixing.

COMPATIBILITY:

Since variation in climatic conditions, cultural practices and other factors can affect compatibility, prior to tank mixing, a compatibility test should be conducted using the proper proportions of products and water to ensure the physical compatibility of the mixture. To test for compatibility, mix a small amount of each product to the appropriate proportions in a small jar.

APPLICATION DIRECTIONS:

Spraying should begin when listed insects first appear. Do not wait until plants are heavily infested. Repeat application as required to maintain effective kill, but not more than every 5 - 7 days. For foliar application, apply AZERA Insecticide in sufficient spray volume and with adequate spray pressure to ensure complete and thorough coverage of all plant surfaces including both the top and bottom of leaves. Do not wet plants to the point of runoff or drip. Do not apply when wind speed favors drift beyond the area intended for treatment. When pest pressure is extreme or plant canopy is dense, use higher specified rates and do not reapply within 24 hours. If possible apply in the early morning, or evening hours. The reduced UV exposure and lower temperatures will increase the performance and reduce the impact on pollinators. AZERA Insecticide may be applied using any powered or manual pesticide application equipment including: high volume, low volume, ultra-low volume, electrostatic, fogging and chemigation. Follow the original manufacturer's instructions when using this type of equipment.

SOIL DRENCH DIRECTIONS:

Apply AZERA Insecticide as a drench to soil or non-soil media to kill soil-borne insect larvae (e.g. Fungus Gnats). Apply AZERA Insecticide in sufficient water and for sufficient duration so as to distribute the application rate evenly to the entire treated area. Apply to moderately moist soils. Use volumes that thoroughly wet the soil, but do not cause significant surface runoff or excessive drip from pots.

CHEMIGATION DIRECTIONS:

Apply this product only through sprinkler (including center pivot, lateral move, end tow, side (wheel) roll, traveler, big gun, solid set, or hand move) irrigation systems. Do not apply this product through any other type of irrigation system.

- Plant injury, lack of effectiveness, or illegal pesticide residues in the plant can result from non-uniform distribution of treated water.
- If you have questions about calibration, you should contact State Extension Service specialists, equipment manufacturers or other experts.
- Do not connect an irrigation system (including greenhouse systems) used for pesticide application to a public water system unless the pesticide label-prescribed safety devices for public water systems are in place.
- A person knowledgeable of the chemigation system and responsible for the operation or under the supervision of the responsible person, shall shut the system down and make necessary adjustments should the need arise.

The system must contain a functional check valve, vacuum relief valve, and low-pressure drain appropriately located on the irrigation pipeline to prevent water source contamination from backflow. The pesticide injection pipeline must contain a functional, automatic, quick-closing check valve to prevent the flow of fluid back toward the injection pump.

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The pesticide injection pipeline must also contain a functional normally closed, solenoid-operated valve located on the intake side of the injection pump and connected to the system interlock to prevent fluid from being withdrawn from the supply tank when the irrigation system is either automatically or manually shut down. The system must contain functional interlocking controls to automatically shut off the pesticide injection pump when the pump motor stops. The irrigation line or water pump must include a functional pressure valve which will stop the water pump motor when the water pressure decreases to the point where pesticide distribution is adversely affected.

To Kill the Following Listed Insects:**Aphids including:**

Alfalfa Aphids
Apple Aphids
Artichoke Aphids
Bean Aphids
Black Bean Aphids
Black Maringed Aphids
Black Peach Aphids
Blue alfalfa Aphids
Cabbage Aphids
Cotton / Melon Aphids
Cowpea Aphids
European Asparagus Aphids
Filbert Aphids
Foxglove Aphids
Green Peach Aphids
Lettuce Aphids
Lettuce Root Aphids
Melon Aphids
Pea Aphids
Potato Aphids
Rose Aphids
Spotted Alfalfa Aphids
Willow Carrot Aphids

Armyworms, Caterpillars and Loopers including:

Alfalfa Caterpillars
Artichoke Plume Moths
Bagworms
Beet Armyworms
Black Cutworms
Budworms
Cabbage Loopers
Cankerworms
Carpenterworms
Citrus Cutworms
Corn Earworms
Cross-striped Cabbageworms
Cutworms
Diamondback moths
Eastern Tent Caterpillars
Fall Armyworms

Fall Cankerworms
Fall Webworms
Filbertworms
Fireworms
Forest Tent Caterpillars
Garden Webworms
Grapefruit Worms
Grapeleaf Skeletonizers
Green Fruitworms
Hickory Shuckworms
Hornworms
Imported Cabbageworms
Lawn Armyworms
Lesser Webworm
Loopers
Melonworms
Navel Orangeworms
Oriental Fruit Moths
Pecan Nut Casebearers
Pink Bollworms
Rindworms
Saltmarsh Caterpillars
Sod Webworms
Southern Armyworms
Soybean Loopers
Tent Caterpillars
Tobacco Budworms
Tomato Fruitworms
Tomato Hornworms
Tomato Pinworms
Walnut Caterpillars
Webworms
Western Grapeleaf Skeletonizers
Western Yellowstriped Armyworms
Yellowstriped Armyworms

Beetles and Weevils including:

12-spotted Cucumber Beetles
Alfalfa Weevils
Asparagus Beetles

Systems must use a metering pump, such as a positive displacement injection pump (e.g., diaphragm pump) effectively designed and constructed of materials that are compatible with pesticides and capable of being fitted with a system interlock.

Do not apply when wind speed favors drift beyond the area intended for treatment. Constant agitation must be maintained in the chemical supply tank during the entire period of insecticide application. Greater accuracy in calibration and distribution will be achieved by injecting a larger volume of more dilute suspension per unit of time.

Bean Beetles
Bean Leaf Beetles
Billbugs
Black Vine Weevils
Blister Beetles
Boll Weevils
Carrot Weevils
Chestnut Weevils
Clover Weevils
Colorado Potato Beetles
Cucumber Beetles
Darkling Beetles (lesser mealworms)
Dichondra Flea Beetles
Egyptian Alfalfa Weevils
Elm Leaf Beetles
European Chafers
Flea Beetles
Fuller Rose Beetles
Grape Bud Beetles
Japanese Beetles
June Beetles
Mexican Bean Beetles
Northern Masked Chafers
Pecan Weevils
Potato Flea Beetles
Rice Weevils
Rose Chafers
Sawtoothed Grain Beetles
Southern Masked Chafers
Strawberry Beetles
Twig Girdlers
All other beetles and weevils

Leafrollers:

Blueberry Leafrollers
Filbert Leafrollers
Fruitree Leafrollers
Grape Leafrollers
Oblique Banded Leafrollers

Omnivorous Leafrollers
Orange Tortrix
Western Avocado Leafrollers

Borers such as:

Branch and Twig Borers
European Corn Borers
Pacific Flatheaded Borers
Peachtree Borers
Peach Twig Borers
Shothole Borers
Squash Vine Borers

Flies:

Australian Sod Flies
Caribbean Fruit Flies
Crane Flies
Fruit Flies
Fungus Gnats
Hessian Flies
Mediterranean Fruit Flies
Melon Flies
Mushroom Flies
Olive Fruit Flies
Oriental Fruit Flies
Sawflies
Shore Flies
Vinegar Flies
Walnut Husk Flies

Leafhoppers &**Sharpshooters:**

Aster Leafhoppers
Beet Leafhoppers
Glassy-winged Sharpshooters
Grape Leafhoppers
Potato Leafhoppers
Three-Cornered Alfalfa hoppers
Variegated Leafhoppers

Leafminers:

Citrus Leafminers
Holly Leafminers

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Serpentine Leafminers
Vegetable Leafminers

Moths:

Artichoke Plume Moths
Codling Moths
Diamondback Moths
European Pine Tip Moths
Grape Berry Moths
Gypsy Moths
(adult & larvae)
Indian Meal Moths
Mediterranean
Flour Moths
Pine Tip Moths
Tussock Moths

Whiteflies:

Greenhouse Whiteflies
Silverleaf Whiteflies
Sweetpotato Whiteflies

Other:

Ants (except Pharaoh,
Harvester, Carpenter
and Fire Ants)
Apple Maggots
Brown Marmorated Stink
Bugs
Cabbage Maggots
Clover Mites
Crickets
Earwigs
False Chinch Bugs
Firebrats
Garden Symphylan
Garden Tortrix
Glassy-winged
Sharpshooters
Grape Phylloxera
Grasshoppers
Harlequin Bugs

Katydid
Lace Bugs
Leaffooted Plant Bugs
Leafhoppers
Lice
Lygus
Mealybugs (all)
Midges (plant pests)
Millipedes
Onion Maggots
Plant Bugs
Proba Bugs
Scale Insects
Silverfish
Skippers
Soft Scales
Sowbugs
Spider Mites

Spiders (except Black
Widow and Brown
Recluse Spiders)
Spittle Bugs
Springtails
Squash Bugs
Stink Bugs
Tarnished Plant Bugs
Western Boxelder Bugs
Wireworms

Psyllids:

Asian Citrus Psyllids
Pear Psylla

Thrips:

Avocado Thrips
Citrus Thrips
Flower Thrips
Greenhouse Thrips
Thrips Palmi
Western Flower Thrips

**FOR USE ON GROWING CROPS
(OUTDOORS AND IN GREENHOUSES):**

ROOT AND TUBER VEGETABLES: Including: Arracacha, Arrowroot, Purple Arrowroot, Japanese Artichokes, Jerusalem Artichokes, Garden Beets, Sugar Beets, Edible Burdock, Edible Canna, Carrots, Cassava (bitter or sweet), Celeriac, Celery Root, Chayote (root), Chervil (turnip-rooted), Chicory, Chufa, Dasheen (Taro), Ginger, Ginseng, Horseradish, Jicama, Leren, Parsley (turnip-rooted), Parsnips, Potatoes, Radishes, Japanese Radishes (Daikon), Rutabaga, Salsify (oyster plant, black, Spanish), Skirret, Sweet Potatoes, Tanier, Turmeric, Turnips, Yam Beans (jicama, manioc pea), Yams (true).

LEAVES OF ROOT AND TUBER VEGETABLES: Including: Garden Beets, Sugar Beets, Edible Burdock, Carrots, Cassava (bitter and sweet), Celeriac (celery root), Chervil (turnip-rooted), Chicory, Dasheen (Taro), Parsnips, Radishes, Oriental Radishes (Daikon), Rutabaga, Salsify (black), Sweet Potatoes, Tanier, Turnips, Yams (true).

BULB VEGETABLES: Including: Garlic, Great-headed Garlic, Leeks, Onions (bulb and green), Shallots, Welsh.

LEAFY VEGETABLES: Including: Amaranth (Leafy Amaranth, Chinese Spinach, Tampala), Arugula, Cardoon, Celery, Chinese Celery, Celtuce, Chervil, Corn Salad, Chrysanthemum (edible-leaved), Chrysanthemum (garland), Cress (garden, water), Upland Cress (yellow rocket, winter cress), Dandelion, Dock (sorrel), Endive (escarole), Fennel (Florence), Leeks, Lettuce (head and leafy), Mustard Greens, Orach, Parsley, Purslane (garden & winter), Radicchio, Rhubarb, Spinach, Fine Spinach (Malabar, Ceylon), Spinach (New Zealand), Swiss Chard, Turnip Greens, Watercress.

BRASSICA (COLE) LEAFY VEGETABLES: Including: Broccoli, Chinese Broccoli (Gai Lan), Broccoli raab (Rapini), Brussels Sprouts, Cabbage, Chinese Cab-

bage (Bok Choy), Chinese Cabbage (Napa), Chinese Mustard Cabbage (Gai Choy), Cauliflower, Cavalo broccolo, Collards, Kale (Flowering, Chinese), Kohlrabi, Mizuna, Mustard Greens, Mustard Spinach, Rape Greens.

LEGUME VEGETABLES (SUCCULENT OR DRIED):

Including: Adzuki Beans, Field Beans, Kidney Beans, Lima Beans, Moth Beans, Mung Beans, Navy Beans, Pinto Beans, Rice Beans, Runner Beans, Snap Beans, Tepary Beans, Urd Beans, Wax Beans, Asparagus Beans, Blackeyed Peas, Catjang, Chinese Longbeans, Cowpeas, Crowder Peas, Southern Peas, Yardlong Beans, Broad Beans (Fava Beans), Chick Peas (Garbanzo Beans), Guar, Jackbean (Sword Bean), Lablab Bean (Hyacinth Bean), Lentils, Peas (Garden Peas, Field Peas, Sugar Snap Peas, English Pea, Snow Pea), Pigeon Peas, Soybeans, Sweet Lupin Beans, White Lupin Beans, White Sweet Lupin, Sword Bean.

FOLIAGE OF LEGUME VEGETABLES: Including: Plant part of any legume vegetable included in the legume vegetable group that will be used as animal feed including any variety of Beans, Field Peas, Soybeans.

FRUITING VEGETABLES: Including: Eggplant, Ground Cherry, Okra, Pepinos, Peppers (Bell Peppers, Chili Peppers, Cooking Peppers, Pimentos, Sweet Peppers), Tomatillo, Tomatoes.

CUCURBIT VEGETABLES: Including: Balsam Apple, Balsam Pear (Bitter Melon), Chayote (fruit), Chinese Waxgourd (Chinese preserving melon), Chinese Cucumber, Citron Melon, Cucumber, Gherkin, Edible Gourds, Mangoes, Melons (including hybrids, Cantaloupe, Casaba, Charentais, Crenshaw, Golden Pershaw Melon, Honeydew Melons, Honey Balls, Mango Melon, Muskmelon, Persian Melon, Pineapple Melon, Santa Claus Melon, Snake Melon), Pumpkin, Squash (summer & winter), Watermelon (OP & hybrids, seeded and seedless).

CITRUS FRUITS: Including: Calamondin, Citrus Citron, Citrus Hybrids, Grapefruit, Kumquats, Lemons, Limes, Mandarin (Tangerine), Orange (sweet & sour), Pummelo, Satsuma Mandarin, (Citrus spp. includes Chironja, Tangelos, Tangors), Uniq Fruit, White Sapote.

POME FRUITS: Including: Apple, Crab Apple, Loquat, Mayhaw, Oriental Pear, Pear, Quince.

STONE FRUITS: Including: Apricot, Cherry (sweet & sour), Nectarine, Peach, Plum, Prune, Chickasaw Plum, Damson Plum, Japanese Plum, Plumcot, Prune.

BERRY AND SMALL FRUIT CROPS: Including: Blackberry, Blueberry, Boysenberries, Cranberry, Currant, Dewberry, Elderberry, Gooseberry, Guava, Grape, Huckleberry, Kiwifruit, Loganberry, Olallieberry, Raspberry (black & red), Strawberry, Youngberry.

TREE NUTS: Including: Almond, Beech Nut, Brazil Nut, Butternut, Cashew, Chestnut, Chinquapin, Filbert (hazelnut), Hickory Nut, Macadamia Nut (Bush Nut), Pecan, Pistachio, Walnut (Black, English, Persian).

TROPICAL FRUITS: Including: Papaya, Black Sapote, Canistel, Mango, Sapodilla, Star Apple, Guava, Biriba.

CEREAL GRAINS: Including: Barley, Buckwheat, Corn (sweet and field), Millet, Proso, Oats, Pearl Millet, Popcorn, Rice, Rye, Sorghum (Milo), Teosinte, Triticale, Wheat, Wild Rice.

FORAGE, FODDER AND STRAW OF CEREAL GRAINS: Including: barley; buckwheat; corn (sweet and field); millet; proso; oats; pearl; popcorn; rice; rye; sorghum (milo); teosinte; triticale; wheat; wild rice.

GRASSES FOR SEED, FORAGE, FODDER AND HAY: Including: Any grass, all Gramineae (green or cured) except sugarcane and those listed in the cereal grains group that will be fed to or grazed by livestock, all Pasture and Range Grasses and Grasses grown for hay and silage, Sudan Grass, Bermudagrass, Bluegrass, Bromegrass, Fescue, Orchard, Timothy.

NON-GRASS ANIMAL FEEDS: Including: Alfalfa, Velvet Bean, Clover (White, Ladino, Red), Kudzu, Lespedeza, Lupine, Sainfoin, Trefoil, Crown Vetch, Milk Vetch.

HERBS AND SPICES: Including: Allspice, Angelica, Anise (anise seed), Anise [star], Annatto (seed), Balm (lemon balm), Basil, Borage, Burnet, Caper buds, Caraway, Caraway [black], Cardamom, Cassia bark, Cassia buds, Catnip, Celery seed, Chamomile, Chervil (dried), Chicory, Chive, Chive [Chinese], Cinnamon, Clary, Clove buds, Coriander (cilantro or Chinese parsley) (leaf), Coriander (cilantro) (seed), Costmary, Culantro (leaf), Culantro (seed), Cumin, Curry (leaf), Dandelion, Dill (dill weed), Dill (seed), Fennel (common), Fennel [Florence] (seed), Fenugreek, Grains of paradise, Horehound, Hyssop, Juniper berry, Lavender, Lemongrass, Lovage (leaf), Lovage (seed), Mace, Marigold, Marjoram (includes sweet or annual marjoram, wild marjoram or oregano, and pot marjoram), Mint, Mustard (seed), Nasturtium, Nutmeg, Oregano, Mint, Paprika, Parsley (dried), Pennyroyal, Pepper [black], Pepper [white], Peppermint, Poppy (seed), Rosemary, Rue, Saffron, Sage, Savory [summer and winter], Sweet bay (bay leaf), Tansy, Tarragon, Thyme, Vanilla, Wintergreen, Woodruff, Wormwood.

OIL SEED GROUP: Cottonseed, Jojoba.

ADDITIONAL CROPS: Including: Acerola, Artichoke, Asparagus, Avocado, Atemoya, Bananas, Barbados Cherry, Birdseed, Cacao, Canistel, Carob, Cherimoya, Cocoa, Coffee, Custard Apple, Dates, Durian (Jackfruit), Edible Flowers, Feijoa, Figs, Globe Artichoke, Guayule, Hops, Jaboticaba, Llama, Longan, Lychee, Mangoes, Mamey Sapote, Mushroom, Okra, Olives, Palm, Papaya, Passion fruit, Peanuts, Persimmon, Pineapple, Pomegranate, Pulasan, Rambutan, Safflowers, Sapodilla, Sesame, Soursop and Biriba, Spanish Lime, Star Apple, Sugarcane, Star Fruit, Sugar Apple, Sunflower, Tamarillo, Tea, Water chestnut, Wax Jambu.

STORAGE AND DISPOSAL

Do not contaminate water, food, or feed by storage or disposal.

PESTICIDE STORAGE: Store in a cool, dry place away from heat or open flame in an area that is inaccessible to children and animals.

PESTICIDE DISPOSAL: Wastes resulting from the use of this product may be disposed of on site or at an approved waste facility.

CONTAINER HANDLING: Non-refillable container. Do not reuse or refill this container. Triple rinse container (or equivalent) promptly after emptying. Triple rinse as follows: Empty the remaining contents into application equipment or a mix tank and drain for 10 seconds after the flow begins to drip. Fill the container ¼ full with water and recap. Shake for 10 seconds. Pour rinsate into application equipment or a mix tank or store rinsate for later use or disposal. Drain for 10 seconds after the flow begins to drip. Repeat this procedure two more times. Offer for recycling if available or reconditioning if appropriate, or puncture and dispose of in a sanitary landfill, or by other procedures approved by state and local authorities.

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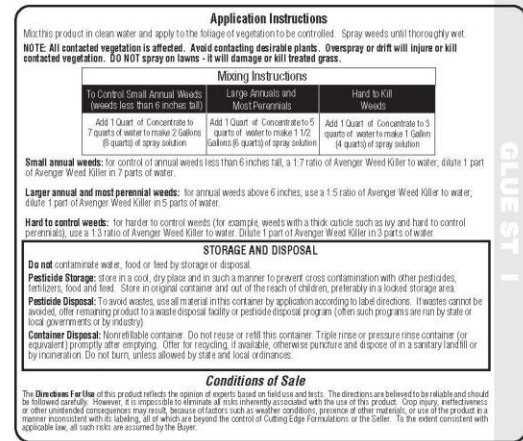
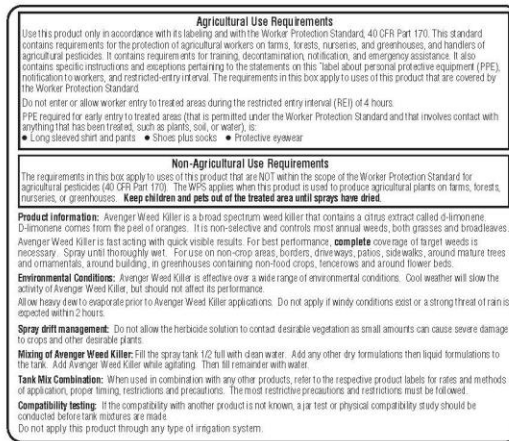
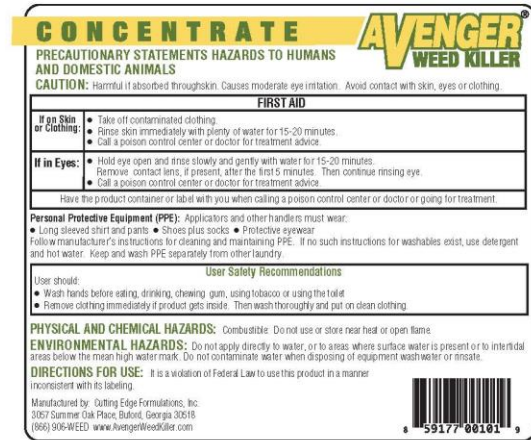
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APPENDIX 4 – Avenger





City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: June 22, 2021
TO: Mayor and Council Members
FROM: Captain Matthew Stiverson
Chief of Police Services /Emergency Management Coordinator
ISSUE: Laguna Hills Polices Services Public Safety Update Report – June 2021

RECOMMENDATION: That the City Council receive and file the Laguna Hills Police Services Public Safety Update Report - June 2021.

SUMMARY:

Over the past few months, community members have expressed some public safety concerns and City Council has requested a report on this important matter. To some extent, local issues reflect national issues, many of which came to light during necessary responses to the COVID-19 pandemic. These issues range from critical incidents directly impacting our community to large scale demonstrations impacting the entire County. These national level issues have created complex situations, which presented significant challenges within our community and surrounding jurisdictions; each requiring new approaches and creative solutions to address public safety issues. During the course of the pandemic, law enforcement throughout the region has been operating in a modified enforcement posture to limit exposure to, and transmission of, the virus throughout the community; all the while being tasked with maintaining continuity of operations of critical infrastructure in collaboration with allied first responder agencies. The City's local police services, as provided by the Orange County Sheriff's Department, have been responsive to the community's concerns and continues to ensure the City is a safe community. Specific steps being taken to respond to the current environment are included in this report to address community concerns. The attached June 2021 Public Safety Update Report (Attachment A) provides an overview of Police Services operations from January 1, 2021, through May 31, 2021.

Laguna Hills Polices Services Public Safety Update Report – June 2021

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BACKGROUND:

Public Safety Update Report – June 2021

For the last thirty years, the City of Laguna Hills has contracted with the Orange County Sheriff's Department for its law enforcement needs. Laguna Hills Police Services is responsible for public safety and general law enforcement within the City, which includes: patrol services, traffic enforcement, and criminal investigations. Presented for City Council information is the attached Public Safety Update Report – June 2021 (Attachment A).

Police Services consists of a dedicated staff of one captain, five sergeants, two investigators, seventeen deputies, and two Community Services Officers. The deputy roles and responsibilities include: General Law Enforcement (Patrol), Traffic Enforcement (including a traffic car and motorcycle officer), School Resource Officer, Behavioral Health Liaison Officer (formerly known as a Homeless Liaison Officer), Special Enforcement Team (SET), and Directed Enforcement Team (DET) deputy.

The men and women of Laguna Hills Police Services diligently enforce the law without fear of favor, protecting lives, and property. They patrol the streets of our city twenty-four hours a day to secure and promote safety in our community, acting as peacekeepers, mediators, mentors, counselors, educators, and role models.

The greater Orange County Sheriff's Department continues to work hard to mitigate crime and ensure public safety in our City, as well. Many divisions and specialty details work closely with Laguna Hills patrol deputies to prevent, deter, and effectively respond to criminal activity. They provide a wide array of law enforcement resources that help protect our residents and ensure safety within our community. An undeniable benefit of the current contracting model for Police Services is the wide range of resources that can be made available to the City on an emergency or scheduled basis.

Under normal circumstances, all communities experience some level of criminal activity, which is the primary focus of law enforcement. The ever-changing COVID-19 environment has had a noticeable adverse impact to society as a whole, which has contributed to shifts in crime trends throughout southern California. Noticeably, increases in automobile thefts, catalytic converter thefts, mail theft, identity theft, family violence, assaults, driving under the influence (DUI) violations, narcotics violations, and gang related activity. Our City has also experienced these fluctuations in crime trends throughout our community. From January 1, 2021, through May 31, 2021,

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deputies responded to a total of 5,683 calls for service, a slight increase from the same time frame in 2020, when deputies responded to 5,432 calls for services. This represents an increase of 4.4% in assigned and observed enforcement activities.

Other notable activities and statistics detailed in the Public Safety Update include:

- The total number of arrests made by patrol deputies are trending within normal ranges in comparison to previous years. These include: **113** Street Arrests; **100** Citation Arrests; and **25** Warrant Arrests, for a total of **288** arrests to date. We experienced, however, a significant increase in Citation Arrests as the previous year and anticipate a similar result at the end of this calendar year. The majority of Citation Arrests are related to narcotics violations occurring throughout the community and increased proactive measures by Police Services to address those emerging trends.
- The Orange County Cities Part 1 Crime Comparisons are compiled from statistics published by the FBI and, as in previous reports, are one year behind due to delays in reporting and processing. Therefore, the 2017-2019 comparison is included with this report. Relative to the 34 cities in Orange County, the City of Laguna Hills went from a rank of 13th in 2018 to 14th in 2019 overall. However, our Part 1 Crimes actually decreased from 457 in 2018 to 437 in 2019, which represents a decrease of 4.96%. The 2019 data was recently updated to reflect changes in reporting. Laguna Hills remains 14th overall, but our Part 1 Crimes per 1,000 residents number went down from 14.04 to 13.80. While the 2020 Orange County Cities Part 1 Crime Comparison Report is still not available, our projected total is 476. Our projected total for January 1, 2021, through May 31, 2021, is 240, which is trending similarly to the 2020 numbers.

Recent Critical Incidents

Over the last few months, the City has experienced several critical incidents, which have resulted in a significant response by law enforcement. Some of these include reports of “shots fired” and two gang related drive-by shootings in the Via Lomas community. These specific incidents have attracted media interest and public concerns. This has prompted several residents to attend recent City Council meetings to express their concerns regarding general public safety. The men and women of the OC Sheriff’s Department Laguna Hills Police Services Unit are dedicated to the City and are diligently working to ensure public safety throughout our community. In response to these recent events, we have significantly increased uniformed patrol enforcement activities in the affected areas. Additionally, we have been conducting saturation patrols and targeted

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enforcement utilizing a wide variety of OC Sheriff's Department specialty resources. The City of Laguna Hills is a safe place to live, work, and recreate.

In each of the above-mentioned incidents, we utilized these resources during our initial response, subsequent investigations, and crime reduction strategies, as well as utilized social media to keep the community informed. Over the last few months we have utilized the Special Enforcement Team (SET), Critical Incident Response Team (CIRT), Gang Enforcement Team (GET), Directed Enforcement Team (DET), Narcotics Team, Tactical Apprehension Team (TAT), Special Weapons And Tactics (SWAT) Tactical Support Elements (TSE), Air Support Bureau (Helicopter and UAV), Crisis Negotiation Team (CNT), Hazardous Device Squad (HDS), Investigations, Urban Search and Rescue (USAR), K-9 Teams, and patrol assets from surrounding jurisdictions to overwhelmingly respond and proactively blunt these incidents from becoming a common occurrence. Police Services continues to receive valuable tips from residents in the affected communities that assist with our patrol operations and subsequent investigations.

Over the last few months, we have seen an increase in gang activity primarily related to vandalism, graffiti, narcotics violations, and assaults, such as fighting between rival gang members. In response to this activities, Laguna Hills Police Services, in collaboration with OC Sheriff's Investigations and a variety of specialty enforcement units, has increased patrol checks, enforcement activities, and surveillance in the region. This includes both uniformed deputies in marked patrol vehicles and undercover deputies in unmarked vehicles. The GET team has been fully engaged in our operations and has been conducting saturation patrols in and around the Community Center and Sports Complex and adjacent residential communities, specifically targeting gang related criminal activity. These increased proactive enforcement operations have resulted in many arrests over the last few months. Of particular note, eight arrest were made by the GET team in the month of May. Over the last five months, the GET team has made twenty-one (21) arrests in the City. In contrast, GET arrests in Laguna Hills for all of 2020 totaled 19. This increase is directly attributable to the targeted proactive enforcement operations we have been conducting in response to recent events. Police Services intends to continue these operations into the foreseeable future to ensure public safety throughout the City.

GET Arrests	2021 (to date)	2020	2019	2018	2017	2016
Laguna Hills	21	19	18	23	27	12

Police Services continues to collaborate with Community Services Staff and the Laguna Hills High School Administration to identify and address other areas of concern in, and around, the Laguna Hills Community Center and Sports Complex and the Laguna Hills High School.

Community Center and Sports Complex

The Community Services Department actively participates in the observance of activities at the Community Center and Sports Complex and works closely with Police Services to address inappropriate and/or criminal activity at the site. As the Pandemic restrictions are lifted and the Community Center and Sports Complex returns to normal operations, maintaining site security is a high priority. The return of Community Services Staff direct supervision at the location is a vital role moving forward. There have been reports of problems in the snack bar and skate park areas related to vandalism and narcotics violations; conflict between skaters and pickleball players has also been reported. On-site Community Services Staff assists to mitigate these issues and diffuse conflict by providing direct observation of the facility and communicating with Police Services.

The presence of Staff at the Community Center and Sports Complex is essential to secure the facility. Unfortunately, the COVID-19 pandemic required the City to furlough all of its Community Services Leader staffing and this reduction in staffing has reduced supervision of the facility during the pandemic. However, as expressed at the June 8, 2021, City Council meeting, the Community Services Department is rebuilding its staffing compliment by bringing back part-time Community Services Staff from furlough and also recruiting new hires. Beginning the week of June 14, 2021, the Community Services Department scheduled two (2) Staff during the evenings to conduct park checks of the Community Center and Sports Complex. This is in line of Staff's original plan to target June 15, 2021, for the return of night facility shifts. Any issues encountered by Community Services Staff will be reported to Police Services.

To assist with the effort to patrol the area, the expansion of the existing security camera system is being evaluated to provide better coverage of the facility grounds. Security camera coverage provides an added layer of deterrence of criminal activity and is extremely helpful for collecting evidence during criminal investigations. The Community Center and Sports Complex security camera system consists of thirty-four (34) cameras that are linked (via wireless technology or hard wired) to a recorder/converter hardware device within the Community Center building. This system records approximately two (2) weeks of video footage which is extremely helpful for post event investigation purposes. In addition, Staff monitors all security cameras via desktop software and also

with mobile device software in real-time. The current security camera system coverage areas for all outdoor locations at the Community Center and Sports Complex facility is provided for reference purposes (see Attachment C). There are fourteen (14) cameras installed at the complex for outdoor coverage with two (2) cameras at the skate park, five (5) cameras at the snack bar/picnic shelter area, and seven (7) exterior cameras at the Community Center building. The balance of the thirty-four (34) cameras, or (20) twenty cameras, are installed within the Community Center building.

Staff has planned for the replacement of the Community Center camera recorder/converter in the next budget cycle. Presented to the City Council on May 11, 2021, the proposed budget included \$15,000 for the replacement of the recorder/converter which is the primary hardware device for the security system. This hardware device is outdated and needs to be replaced as the current system is operating at its maximum capabilities. A new recorder/converter hardware will enable the City to add additional cameras to the security system with improved resolution capabilities.

Through time, and as the budget has allowed, Staff has converted analogue cameras to HD digital cameras to increase resolution quality. There are at least sixteen (16) analogue and low digital quality cameras that Staff recommends to be replaced. The cost to upgrade and replace these cameras with new HD digital cameras ranges from \$300 to \$1,200 each based on location and access to the central recorder/converter system. The cost to install an additional new camera at the Community Center and Sports Complex will range between \$1,000 to \$4,800 each depending on electrical and connectivity needs.

Additional Resources

An additional investigative resource and deterrent to criminal activity being added to the City is the Automated License Plate Reader (ALPR) program. This project is currently in process and scheduled to be installed at multiple locations throughout the City over the next few weeks. This technology is a valuable public safety tool and a welcome addition to our operations.

As part of the crime prevention and public facility security strategies, Laguna Hills Police Services has also requested a vulnerability assessment of the Community Center and Sports Complex by the Orange County Intelligence Assessment Center (OCIAC). This assessment assists with the development of hazard mitigation plans for the location. It is a free service provided by the regional OCIAC fusion center.

Laguna Hills Police Services Public Safety Update Report – June 2021

June 22, 2021

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As a reminder, “If you see something, say something.” Always report suspicious activity in the community to law enforcement. In the event of an emergency, always dial 911. For non-emergencies, contact Sheriff’s Dispatch at (949) 770-6011. To contact Laguna Hills Police Services reference NON-emergency items, call (949) 707-2640. Anonymous tips can be submitted by phone or text to 1-855-TIP-OCCS or online at occrimestoppers.org. Please see attached information sheet on how to contact the City’s Police Services (Attachment D).

Police Services Staffing

During recent budgetary planning discussions, several key positions were identified and recommended to be added to Police Services. These positions included.

- One (1) Deputy Sheriff position (Special Enforcement Team) - (Problem Oriented Policing)
- One (1) Crime Prevention Specialist (Incident Management Team, Neighborhood/business watch, Social Media, etc.)
- One (1) Administrative/Community Support Deputy Sheriff position (Incident Management Team, Community outreach/engagement, etc.)
- One (1) Emergency Manager (Incident Management Team and emergency planning, coordination, and operations)

Normally, a contract city police services unit would include these positions. However, during difficult budgetary times, these positions are commonly eliminated to reduce costs, while limiting the impact to core functions or services, such as patrol.

Two of the positions, the Crime Prevention Specialist and the Special Enforcement Team Deputy, were selected and prioritized for phased implementation over the next biennial budget cycle. These positions are important additions to a city police services unit and will have an immediate impact to operations.

Crime prevention is a key function in standard community policing models. Unfortunately, two years ago the Crime Prevention Specialist position was defunded as part of the City’s budgeting strategy. The associated roles and responsibilities were redistributed to available personnel to handle as ancillary duties when possible. Police Services Staff has continued to perform well under these staffing conditions. However, this reduction was intended to be a short-term strategy to address immediate financial concerns, not a long-term solution. This approach, coupled with the effects of the

COVID-19 pandemic, has had an impact on crime prevention services. The Crime Prevention Specialist position will be reestablished at the beginning of the next fiscal year. The addition of this position will enable Police Services to revitalize key elements of the crime prevention program, including Neighborhood Watch, Business Watch, and other associated community outreach and engagement programs.

By design, the Special Enforcement Team (SET) consists of two (2) deputies. The SET team is responsible for conducting targeted enforcement in high crime areas or specific types of enforcement activities in response to emerging crime trends. Historically, this position was never truly funded. Instead, the second position had been filled by reallocating resources from patrol operations. While this approach is effective at addressing emerging trends, it does have an impact on core functions of patrol. The SET position is fully funded beginning in the 2022-2023 Fiscal Year. This staffing addition will have an immediate impact on our operations and expand our enforcement capabilities.

The remainder of the positions should be considered over the next few budget cycles, as the absence of their roles and responsibilities has had an impact to Police Services operations during these times. Police Services will continue to work with the City Manager to develop a strategic plan to address key staffing areas within Police Services and to consider the addition of the Administrative Deputy and Emergency Manager positions in the future.

A potential future development in the City is projected to provide sufficient funding to allow Police Services to expand. At full completion of the future development, funding will allow for the addition of four (4) deputy sheriffs and two (2) community services officers. Incremental increases in this staffing is expected to occur as additional City revenues are received from this development. The new deputies would be assigned to patrol general enforcement functions and the community services officer's primary responsibilities would be parking enforcement and traffic collision investigations. These staffing projections are based on the project fiscal impact study and contingent on the approval of the proposed development.

A Laguna Hills Police Service Unit Historical Fulltime Equivalent Staffing comparison is attached to this report as Attachment B for reference regarding previous contract policing staffing models within the city.

Actions Being Taken

Staff and Police Services have and are taking the following actions in response to

Laguna Hills Police Services Public Safety Update Report – June 2021

June 22, 2021

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community concerns and community crime data analysis.

1. Continue concentrated proactive enforcement activities at the Community Center and sports Complex and the nearby neighborhoods, as resources permit.
2. Complete a public safety vulnerability assessment of the Community Center.
3. Report on the results of the implementation of the Automated License Plate Readers within 180 days of deployment.
4. Plan for the deployment of additional security cameras and signage at the Community Center and Sports Complex.
5. Continue to utilize available resources to deter gang activity, graffiti, and other vandalism in Laguna Hills.
6. Through the new Crime Prevention Specialist position, reinvigorate the Neighborhood Watch and Business Watch programs, as depicted on the attached flyer (Attachment E).
7. Evaluate the placement of information signage at the Community Center in the format of “See Something – Say Something”
8. Evaluate property control laws relating to criminal activity

FISCAL IMPACT:

This public safety update is for informational purposes only. There are no fiscal impacts related to this report.

ATTACHMENTS:

- Attachment A - Laguna Hills Police Services Public Safety Update – June 2021
- Attachment B - Laguna Hills Police Services Direct Purchase Staffing Historical Comparision 1991-2023 by Full Time Equivalent
- Attachment C - Community Center and Sports Complex Cameras and Site Overview
- Attachment D - Communicating with Police Services Flyer
- Attachment E - Neighborhood Watch Flyer



Laguna Hills Police Services



Provided by the Orange County Sheriff's Department

In partnership with the City of Laguna Hills

PUBLIC SAFETY UPDATE

June 2021

Mission Statement & Core Values

THE MEN AND WOMEN OF THE
ORANGE COUNTY SHERIFF'S DEPARTMENT
ARE DEDICATED TO THE PROTECTION OF ALL WE SERVE.
WE PROVIDE EXCEPTIONAL LAW ENFORCEMENT SERVICES
FREE FROM PREJUDICE OR FAVOR, WITH LEADERSHIP,
INTEGRITY, AND RESPECT.

★

OUR CORE VALUES:

INTEGRITY WITHOUT COMPROMISE
SERVICE ABOVE SELF
PROFESSIONALISM IN THE PERFORMANCE OF DUTY
VIGILANCE IN SAFEGUARDING OUR COMMUNITY



City of Laguna Hills Police Services

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Note: The statistics listed in the annual report are received and compiled from various sources, which are listed at the bottom of the corresponding pages. The crime statistics listed in this report are not necessarily representative of the Uniform Crime Report (UCR). The statistical information contained in this report at the time of publishing and subject to further updates and revisions at any time.



City of Laguna Hills Police Services

Historical and General Overview

The City of Laguna Hills incorporated on December 20, 1991. Since that time, the City has continued to grow, adding residential communities, industrial capacity, and open space for parks and recreation. This trend continued with the annexation of North Laguna Hills on July 1, 1996, and the addition of the Westside region on September 18, 2000.

Since its inception, the City of Laguna Hills has contracted with the Orange County Sheriff's Department for its law enforcement needs. Laguna Hills Police Services is responsible for public safety and general law enforcement within the city, including patrol services, traffic enforcement, and criminal investigation. Police Services also provides a variety of Community Policing Programs for the public including Crime Prevention, Neighborhood Watch, Homeless Outreach, and other community awareness programs.

Captain Matthew Stiverson was assigned as the Chief of Police Services on Friday, March 30th 2018. He commands and directs the overall operation of Police Services in the city and is assigned to City Hall.

Police Services consists of a dedicated staff of one Captain, five Sergeants, two Investigators, seventeen Deputies (Patrol, Motor, School Resource Officer, Special Enforcement Team and Directed Enforcement Team), and two Community Service Officers.



2021 City Council

Mayor

Erica Pezold

Mayor Pro Tempore

Don Sedgwick

Council Member

Janine Heft

Council Member

Bill Hunt

Council Member

Dave Wheeler



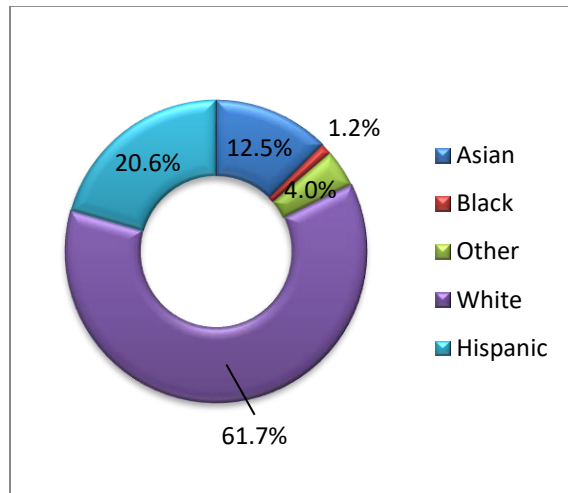
City of Laguna Hills Police Services

City Demographics*

Demographic Composition

Population: 31,207
Median Age: 41.7

Distribution by Ethnicity & Race



Development

Residential: 2,798 acres
Commercial: 414 acres
Office /Mix Use: 350 acres
Public / Institutional: 158 acres
Open Space & Parks: 539 acres



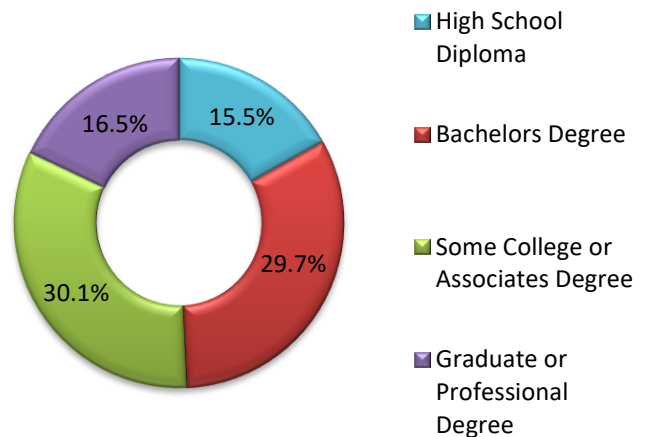
Laguna Hills Parks & Amenities

13 Neighborhood/Community Parks
Community Center and Sports Park
Civic Center Art Exhibit
Community Center Fossil Exhibit
Miles of mixed use trails /bike paths

Education Profile

Total Public Schools: 4
Total Private Schools: 3

Educational Attainment



Corridors

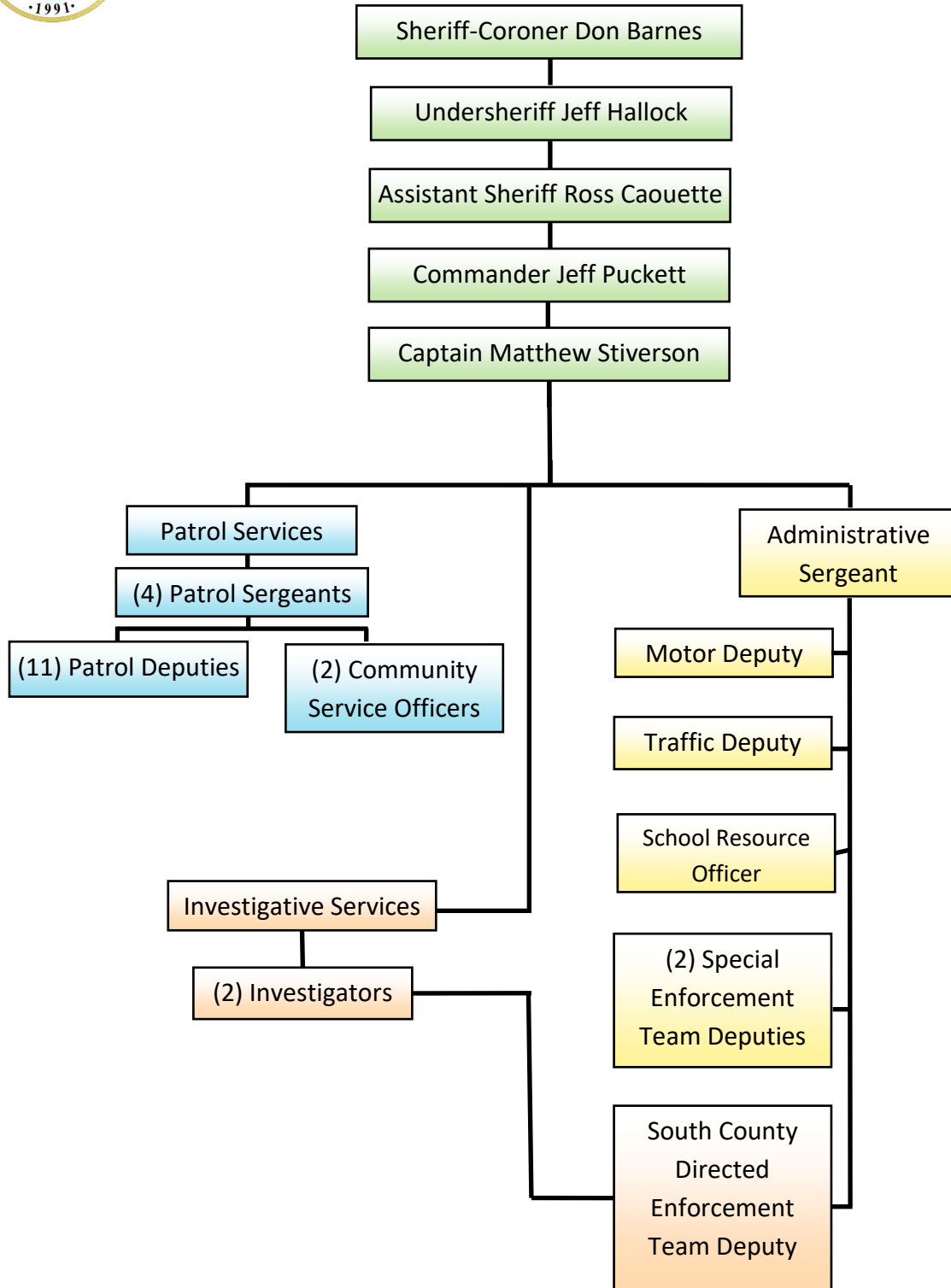
Interstate 5, 405 and 73 Toll Road

*Sources: City of Laguna Hills website, US Census Bureau



City of Laguna Hills Police Services

Organizational Chart





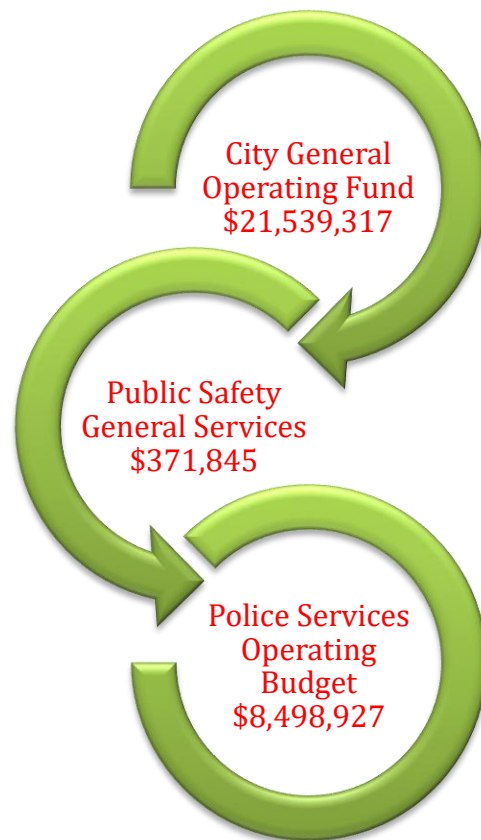
City of Laguna Hills Police Services

Police Services Budget

Fiscal Year 2020-2021*

Number of Personnel	Sworn Staff
1	Captain
5	Sergeants
14	Patrol Deputies
1	Motor Deputy
1	Traffic Deputy
1	School Resource Officer
2	Investigators
<u>Rotational / Ancillary Assignments</u>	
	Special Enforcement
	Directed Enforcement
	Homeless Liaison
Number of Personnel	Professional Staff
2	Community Service Officers
Total OCSD Contract Staff: 27	

City Programs
Emergency Management
Animal Control Services
Crossing Guard Services
Trauma Intervention Program
Special Events



Total Public Safety Budget
\$8,870,772

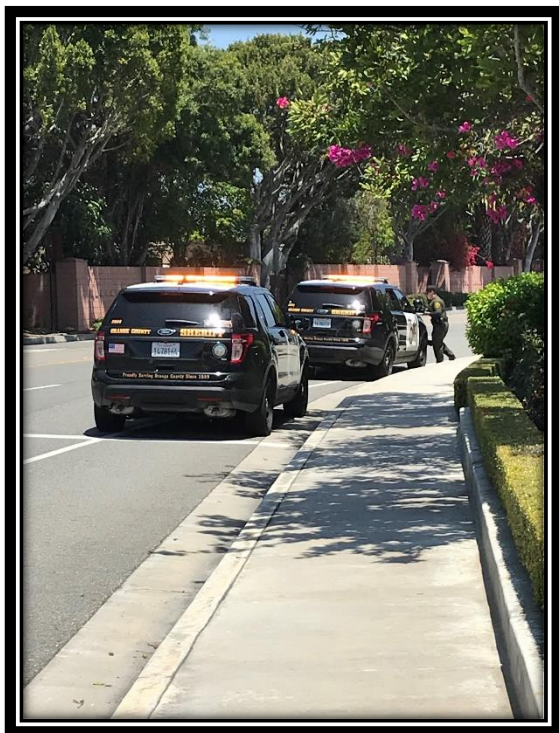
*Police Services Budget is provided by the City's Finance Department



City of Laguna Hills Police Services

Police Services Staffing

The men and women of the Orange County Sheriff's Department diligently enforce the law without fear or favor, protecting lives and property. They patrol the streets of Laguna Hills 24 hours a day to secure and promote safety in the community, acting as peacekeepers, mediators, mentors, counselors, educators, and role models.



Recognizing the importance of police services within our community, staffing levels are set to meet the anticipated service needs of the city. Supervision consists of one captain, four patrol sergeants and one administrative sergeant. In 2021, there were 17 deputy positions allocated for Laguna Hills.

Fourteen deputies perform daily patrol functions, two deputies (one motor, one patrol car) target our traffic safety concerns, and one deputy is assigned as a School Resource Officer. Additionally, two Community Service Officers (CSO) and two Investigators actively work in the field to protect the community. Four patrol deputies have received specialized training and fulfill ancillary duties as Homeless Liaison Deputies. As needed, deputies may be reassigned from routine patrol and deployed as a two-person Special Enforcement Team or assigned as a member of a regional Directed Enforcement Team. These teams utilize contemporary policing principles to address emerging crimes trends in the area, enhance our Community Oriented Policing approach and improve the quality of life for all Laguna Hills residents.



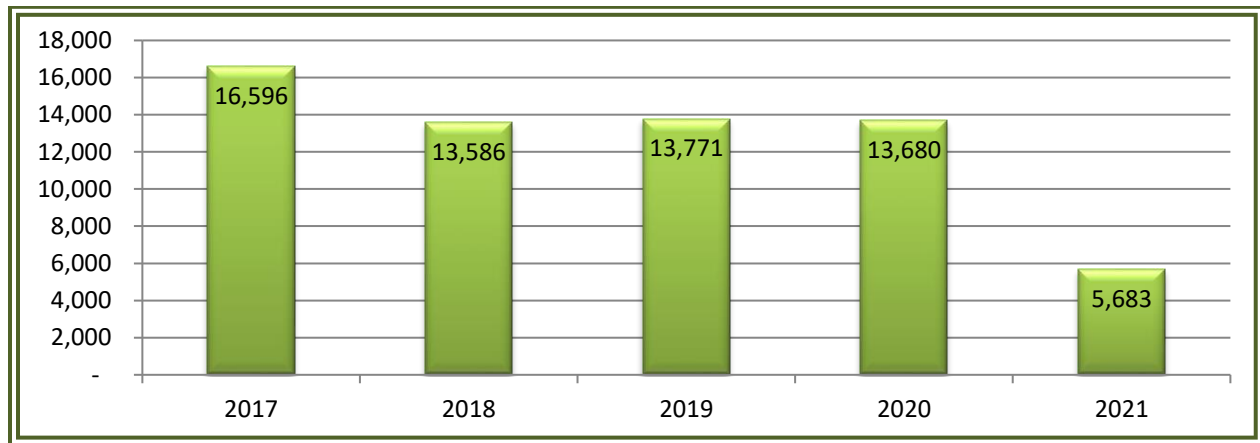
City of Laguna Hills Police Services

Patrol Statistics

Calls for Service*

Laguna Hills Police Services responded to 5,683 calls for service between January 1st and May 31st, 2021. The total calls for service include calls that were generated through dispatch and by the patrol deputies' self-initiated observations.

5-Year Comparison of Calls for Service



Preventative Patrol Time**

Consume Time is the measurement of time a deputy spends responding to calls for service, conducting self-initiated activities, finishing reports, attending briefings, lunch breaks, and other activities that consume a deputy's time.

Preventative Patrol Time is time used by deputies to be visible for crime suppression, speak with people in the community, enforce traffic laws and look for criminal activity. A deputy visibly patrolling the city helps to deter crime, promotes a sense of security within the community, and provides faster response times to priority or life-threatening calls for service.

Average Preventative Patrol Time 5-year Comparison**

2017	2018	2019	2020	2021
46.85 %	50.10 %	51.89 %	50.11 %	53.87 %

*Calls for Service Statistics are calculated using the Orange County Sheriff's Department's CAD program

**Per the Matrix Consulting Group that completed a survey June 3, 2014, 40-50% preventative patrol time is recommended



City of Laguna Hills Police Services

Patrol Statistics

Response Times*

Emergency Response calls are all calls for service that have the potential of being a life threatening incident and require the deputies to respond using the vehicle's lights and sirens.

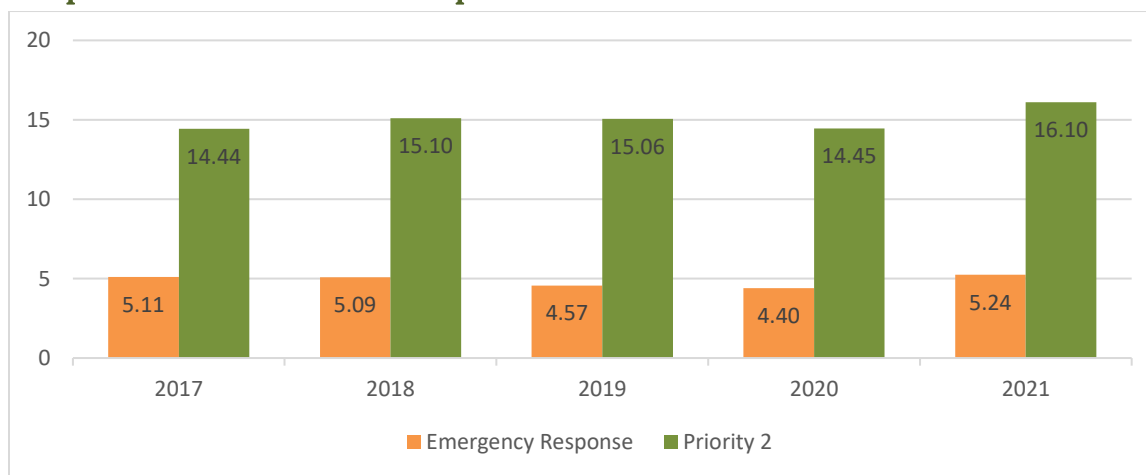
In 2013, the Sheriff's Department began looking at all emergency response calls that took longer than 5 minutes from when the call was received to when a deputy arrived at the scene in order to ascertain and record the reason for any delay in response. It was found that the program responsible for calculating response times, did not take into account many situations that effect response times, including but not limited to calls that escalate or de-escalate in severity. Emergency calls are now calculated by hand every month in order to report a more accurate "reconciled" response time.

- ❖ The average reconciled response time for the first half of 2021 for Emergency Response calls is **5 minutes and 24 seconds**.

Priority 2 calls include serious crimes that just occurred, incidents likely to escalate to a crime against a person, or any incident where a delay would impede further investigation or cause someone to be in jeopardy.

- ❖ The average response time for the first half of 2021 for priority 2 calls is **16 minutes and 10 seconds**.

Response Times 5-Year Comparison



*Response Times are calculated using the Sheriff Department's, "Stats Response Time Report" and reconciled monthly



City of Laguna Hills Police Services

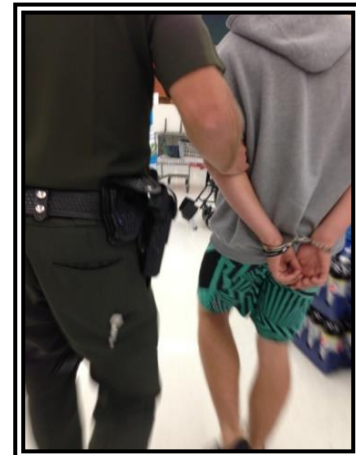
Patrol Statistics

Arrest Statistics*

Police Services has made a total of 288 arrests in the first half of 2021. The number of street arrests totaled 113. A street arrest is an arrest that results in the suspect being transported and booked at the Intake/ Release Center in Santa Ana. A total number of 100 citation arrests have been made in 2021. A citation arrest is a misdemeanor arrest that results in the suspect being released in the field after being issued a criminal citation. Another category of arrests is warrant arrests with a total of 25 warrant arrests for 2021. Arrest statistics vary year-to-year based on a number of factors including but not limited to: staffing levels, calls for service and crime trends.

5-Year Comparison

Type of Arrest	2017	2018	2019	2020	2021
Street Arrests	202	245	187	253	113
Citation Arrests	135	120	107	243	100
Warrant Arrests	57	50	55	23	25
Total Arrests	394	415	349	519	288



*Arrest Statistics are received from the OCSD Statistical Department & calculated through the RMS program



City of Laguna Hills Police Services

Crime Statistics*

Crime Reporting

The task of compiling crime statistics rests with the Orange County Sheriff's Department Support Services Division. Statistics and data are gathered, tabulated in accordance with the FBI's Uniform Crime Reporting (UCR) Program and then forwarded to the Department of Justice. The UCR program divides offenses into two groups, Part I and Part II crimes. Part I crimes are violent or serious crimes that occur regularly, in all areas of the country, and are likely to be reported to the police. Part II crimes are all other crimes (not included in Part I crimes) that someone can be arrested or issued a criminal citation for.

Part I Crimes 5-Year Comparison

Crime	2017	2018	2019	2020	2021
Criminal Homicide	1	0	0	0	0
Rape	5	5	3	6	3
Robbery	18	15	15	16	4
Aggravated Assault	20	35	14	35	12
Burglary	117	97	82	73	41
Larceny	301	277	288	289	153
Auto Theft	49	28	35	57	27
Total	511	457	437	476	240

Major Part II Crimes 5-Year Comparison

Crime	2017	2018	2019	2020	2021
Assaults-Misdemeanor	85	106	103	125	66
Vandalism	101	102	82	100	34
Weapons Laws Violations	14	19	17	16	20
Offenses Against Family-Child	3	2	1	5	2
Sex Offenses	7	9	11	11	0
Narcotics Law Violations	78	105	69	145	82
Liquor Law Violations	7	10	8	9	0
Driving While Intoxicated	51	63	43	51	10
Disorderly Conduct	35	69	41	56	21

*UCR Crime Statistics can be found on the FBI website: <http://www.fbi.gov/>. OCSD reports UCR Crime Statistics to the DOJ on a monthly basis.



City of Laguna Hills Police Services

Crime Statistics*

2017-2019 Countywide Part 1 Crime Comparison

The most recent crime statistics available from the FBI's Uniform Crime Reporting Program, shows the City of Laguna Hills ranked as 14th out of the 35 cities and unincorporated areas in Orange County. This ranking is based on the calculation of 13.80 Part 1 crimes committed per every 1,000 residents during the 2019 reporting year. These figures represent a 4.96% decrease in Part 1 crimes between 2018 and 2019. As you can see, Laguna Hills continues to be a safe place to live, work, and play.

Refer to the next three pages for the county comparison for 2017-2019. The cities highlighted in green are cities that have contracted with the Orange County Sheriff's Department for police services.





City of Laguna Hills Police Services

Crime Statistics*

2019 Orange County Cities Part 1 Crime Comparison

Rank	City	Population	Total Part 1 Crimes	Part 1 Crimes per 1,000 residents
1	Rancho Santa Margarita	49,051	326	6.65
2	Laguna Woods	16,329	131	8.02
3	Villa Park	5,786	48	8.30
4	OCSA Unincorporated Areas	128,082	1,128	8.81
5	Lake Forest	84,576	750	8.87
6	Aliso Viejo	49,815	460	9.23
7	Yorba Linda	68,458	669	9.77
8	Mission Viejo	94,766	931	9.82
9	Laguna Niguel	65,363	650	9.94
10	San Juan Capistrano	36,149	360	9.96
11	Los Alamitos	11,576	136	11.75
12	Cypress	48,976	648	13.23
13	Dana Point	33,212	451	13.58
14	Laguna Hills	31,674	437	13.80
15	Irvine	277,462	4,011	14.46
16	San Clemente	64,541	1,005	15.57
17	Stanton	39,097	621	15.88
18	Laguna Beach	22,445	364	16.22
19	Orange	140,410	2,364	16.84
20	La Habra	63,319	1,262	19.93
21	La Palma	15,572	319	20.49
22	Placentia	51,750	1,081	20.89
23	Fountain Valley	56,099	1,216	21.68
24	Newport Beach	85,706	1,899	22.16
25	Huntington Beach	201,239	4,530	22.51
26	Seal Beach	25,080	570	22.73
27	Santa Ana	337,639	8,261	24.47
28	Fullerton	141,931	3,530	24.87
29	Garden Grove	175,052	4,414	25.22
30	Anaheim	356,669	9,378	26.29
31	Buena Park	82,422	2,307	27.99
32	Tustin	80,491	2,259	28.07
33	Westminster	92,737	2,870	30.95
34	Brea	44,879	1,522	33.91
35	Costa Mesa	114,634	4,051	35.34

*UCR Crime Statistics are published by the FBI & include arsons that are reported to the FBI by the Orange County Fire Authority
Cities highlighted in green are contracted with the Orange County Sheriff's Department



City of Laguna Hills Police Services

Crime Statistics*

2018 Orange County Cities Part 1 Crime Comparison

Rank	City	Population	Total Part 1 Crimes	Part 1 Crimes per 1,000 residents
1	Laguna Woods	16,219	118	7.28
2	Rancho Santa Margarita	48,918	362	7.40
3	Aliso Viejo	52,183	488	9.35
4	Villa Park	5,904	57	9.65
5	Laguna Niguel	66,806	721	10.79
6	Lake Forest	85,302	920	10.79
7	OCSD Unincorporated Areas	128,726	1,399	10.87
8	Mission Viejo	96,419	1,050	10.89
9	San Juan Capistrano	36,295	435	11.99
10	Yorba Linda	68,794	856	12.44
11	Irvine	288,052	3,819	13.26
12	Los Alamitos	11,629	164	14.10
13	Laguna Hills	31,474	457	14.52
14	Cypress	49,223	762	15.48
15	San Clemente	65,509	1,014	15.48
16	Dana Point	34,019	573	16.84
17	Orange	141,108	2,638	18.69
18	Stanton	38,618	753	19.50
19	Placentia	52,324	1,024	19.57
20	La Habra	62,769	1,266	20.17
21	Huntington Beach	203,428	4,422	21.74
22	La Palma	15,747	354	22.48
23	Laguna Beach	23,202	533	22.97
24	Santa Ana	335,403	7,961	23.74
25	Tustin	81,243	1,996	24.57
26	Newport Beach	86,276	2,197	25.46
27	Garden Grove	174,661	4,547	26.03
28	Seal Beach	24,356	640	26.28
29	Fountain Valley	56,433	1,548	27.43
30	Anaheim	354,743	9,894	27.89
31	Fullerton	141,132	3,992	28.29
32	Westminster	91,821	2,719	29.61
33	Brea	43,279	1,376	31.79
34	Buena Park	83,336	2,840	34.08
35	Costa Mesa	114,358	4,136	36.17

*UCR Crime Statistics are published by the FBI & include arsons that are reported to the FBI by the Orange County Fire Authority
 Cities highlighted in green are contracted with the Orange County Sheriff's Department



City of Laguna Hills Police Services

Crime Statistics*

2017 Orange County Cities Part 1 Crime Comparison

Rank	City	Population	Total Part 1 Crimes	Part 1 Crimes per 1,000 residents
1	Rancho Santa Margarita	49,144	360	7.33
2	Laguna Woods	16,305	131	8.03
3	Aliso Viejo	51,984	438	8.43
4	Laguna Niguel	65,700	627	9.54
5	Lake Forest	84,224	890	10.57
6	Yorba Linda	68,889	759	11.02
7	Mission Viejo	96,928	1070	11.04
8	OCSD Unincorporated	126,342	1396	11.05
9	Villa Park	5,933	76	12.81
10	San Clemente	65,596	903	13.77
11	Irvine	276,115	3,804	13.78
12	San Juan Capistrano	36,532	530	14.51
13	Laguna Hills	31,715	511	16.11
14	Cypress	49,064	795	16.20
15	Dana Point	34,123	579	16.97
16	Placentia	52,437	953	18.17
17	Los Alamitos	11,671	218	18.68
18	Orange	141,130	2,802	19.85
19	Stanton	38,767	791	20.40
20	La Habra	61,878	1,388	22.43
21	Huntington Beach	202,244	4,746	23.47
22	La Palma	15,811	382	24.16
23	Tustin	81,246	2,081	25.61
24	Santa Ana	335,699	8,657	25.79
25	Newport Beach	86,910	2,247	25.85
26	Seal Beach	24,495	688	28.09
27	Garden Grove	175,466	4,950	28.21
28	Laguna Beach	23,261	659	28.33
29	Fountain Valley	56,704	1,649	29.08
30	Anaheim	353,400	10,549	29.85
31	Fullerton	141,637	4,245	29.97
32	Westminster	91,863	3,106	33.81
33	Brea	43,000	1,554	36.14
34	Buena Park	83,552	3,106	37.17
35	Costa Mesa	113,267	4,659	41.13

*UCR Crime Statistics are published by the FBI & include arsons that are reported to the FBI by the Orange County Fire Authority
 Cities highlighted in green are contracted with the Orange County Sheriff's Department



City of Laguna Hills Police Services

Investigations*



The Sheriff's Department continues to work hard to mitigate crime and ensure public safety in our contract cities. Many divisions and special details work closely with our patrol deputies to prevent, deter, and effectively respond to crime.

Our Investigations Division consists of a Criminal Investigations Bureau and a Special Investigations Bureau. Together these bureaus investigate and suppress criminal activity related to general crimes, homicides, sex crimes, family violence, economic and computer crimes, narcotics abuse, street gangs, and vice activities. These bureaus also participate in local, state, and federal task forces that focus on major crimes such as human trafficking, drug trafficking, and money laundering.

Two (2) investigators are assigned directly to the City of Laguna Hills. Investigators write follow-up reports; examine crime scenes; interview victims, witnesses, and suspects; and present cases to the District Attorney's Office for criminal filings. Investigators are highly trained and not only investigate crimes, but study patterns of criminal offenses in an effort to deter further criminal activity within the community.

Out of the 5,683 calls for service Laguna Hills Police Services responded to in the first half of 2021, it was determined 1,183 criminal offenses were committed. These cases were assigned to investigators for additional follow-up.



* Investigator's Statistics received from Southwest Investigations.



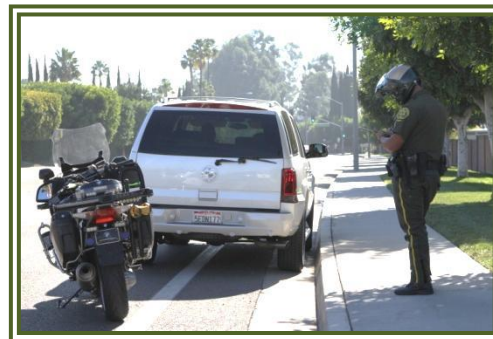
City of Laguna Hills Police Services

Traffic Enforcement

Traffic issues continue to be a priority of the community. Police Services has been very responsive to this and has reacted with a combination of education and enforcement. The goal of Police Services in this regard is to reduce traffic accidents by utilizing a heightened level of police presence, education and enforcement.

Motor Deputy

The primary assignment of the City's motor deputy (1) is to enforce the California Vehicle Code and the prima facie speed limits in the city. If a need arises, the motor deputy can also be utilized to assist Patrol Deputies, Investigators, and Community Service Officers with traffic accident investigations.



High Visibility Enforcement (HVE) Deputy



The (HVE) Deputy employs a universal traffic safety approach combining highly visible and proactive law enforcement strategies targeting specific traffic safety issues. This approach is designed to create deterrence and change unlawful traffic behaviors. The HVE Deputy is available to assist with routine calls for service and is also tasked with conducting high visibility patrol checks of city trails, recreational areas and facilities.

Community Service Officers

The City's Community Service Officers (2) are assigned to perform parking enforcement and complete reports of both non-injury and injury traffic collisions. They are non-sworn personnel and are specifically trained in these areas. These officers are assigned to separate shifts to provide the best coverage for the city.



City of Laguna Hills Police Services

Traffic Statistics*

Parking Enforcement

Parking citations include street sweeping, permit parking, handicap, and vehicle code violations. In 2021, Police Services' staff have issued a total of 491 parking tickets.

5-Year Comparison

2017	2018	2019	2020	2021
2564	2071	2107	1372	491

Hazardous Moving Citations

A hazardous moving citation constitutes any act or omission of the vehicle code that is done while the vehicle is moving. This would include violations such as speeding, following too closely and failure to yield. The majority of these types of violations are commonly found to be the primary factors in traffic accidents. Enforcement has proven to be one of the major factors in reduction of traffic accidents. In 2021, Laguna Hills deputies have issued a total of 261 hazardous moving citations.

5-Year Comparison

2017	2018	2019	2020	2021
1114	1046	951	506	261

All Other Citations

"All other" citations include all traffic related citations other than parking and hazardous moving violations, such as licensing and equipment violations. The Deputies have issued a total of 86 of these types of citations in 2021.

5-Year Comparison

2017	2018	2019	2020	2021
578	299	213	115	84

*Traffic Citation Statistics vary based on a number of factors including but not limited to: traffic trends, staffing level, and calls for service. 2020 and 2021 statistics reflect a modified enforcement posture utilized to mitigate the spread of COVID-19.



City of Laguna Hills Police Services

Traffic Statistics

Enforcement Index*

The enforcement index is a measure of traffic enforcement effectiveness as it relates to the incidents of fatal and injury collisions. The index is based on the percentage of citations issued for hazardous violations compared to the number of fatal and injury collisions. Generally speaking, the higher the enforcement index percentage, the more aggressive the traffic officers have been in identifying and enforcing hazardous traffic violations. The index is determined by dividing the number of hazardous violations by the number of fatal and injury collisions. Per the Office of Traffic Safety, an enforcement index in the 25-35 percent range is desirable.

5-Year Comparison

2017	2018	2019	2020	2021
11.73%	8.79%	9.51%	6.74 %	6.69 %

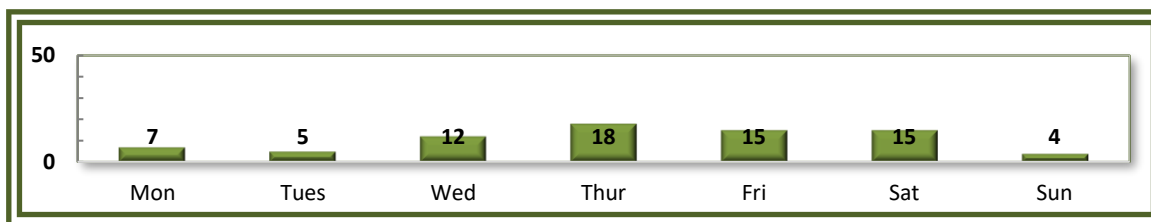
Traffic Accidents*

The City of Laguna Hills had a total of 76 reported traffic accidents in 2021.

5-Year Comparison

	2017	2018	2019	2020	2021
Non-Injury	175	134	111	82	37
Injury	98	95	98	72	39
Fatalities	0	4	2	3	0

Laguna Hills Traffic Collisions by Day of the Week for 2020



*The Enforcement Index & Traffic Accidents Statistics are received from the OCSD Regional Traffic Office



City of Laguna Hills Police Services

Specialty Details

Special Enforcement Team (SET)

The Special Enforcement Team (SET) is a problem-oriented policing unit designed to actively suppress criminal activity and mitigate emerging public safety concerns identified through crime analysis. The SET team's primary role is to actively address community issues by proactively enforcing laws and assisting Investigative teams in identifying and apprehending suspects in Laguna Hills. The SET team also provides active oversight of gang members, parolees, and probationers. The SET team is also responsible for assisting patrol deputies with high priority calls.

Directed Enforcement Team (DET)

The Directed Enforcement Team (DET) handles specific crime problems or concerns of South County Communities. The goal of DET is to apprehend offenders, search premises, and/ or seize evidence of illegal activity. The team is comprised of two Sergeants, one Investigator, and eight Deputies. One Laguna Hills Deputy is assigned to the team for eighteen months.

Bicycle Patrol Team

The Bicycle Patrol Team is an integral part of our community policing approach. It is an ancillary assignment comprised of specially trained patrol deputies who are equipped with bicycles designed to conduct law enforcement patrols and investigative stops. This team is utilized in areas such as shopping centers, bike trails, business parks, community parks, and during special events where access on foot or by patrol vehicle is hindered. Deployment of these teams increases engagement with the public and fosters communication and trust with the community we serve.



School Resource Officer

The School Resource Officer (SRO) is a sworn peace officer that is dedicated to serving the students and staff at the schools within Laguna Hills. The SRO has been to a variety of specialized training focused on assisting schools with security and safety. This allows for all students and staff to be able to function in a safe learning environment. In addition, the SRO will also assist in providing educational opportunities such as "Every Fifteen Minutes" (a DUI awareness program), and The Parent Project.



City of Laguna Hills Police Services

Behavioral Health Bureau

The Behavioral Health Bureau (BHB) works collaboratively with the county's Health Care Agency, mental health professionals, and community stakeholders to develop and utilize innovative methods to reduce recidivism and increase crisis intervention services for the residents of Orange County. In addition to this collaboration, the BHB will also work to further the scope of the department's Crisis Intervention Training program to afford these skills to all members of the department and to provide enhanced skills to those working in direct support of the BHB.

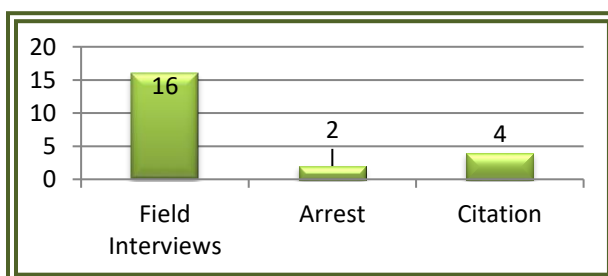
While the goals of the BHB are to reduce recidivism and increase crisis intervention services for the public, some peripheral benefits for the Department include increased officer safety, a reduction in incidents involving force, and a decrease in specific types of calls for service.

In support of the BHB, Laguna Hills Patrol Deputies who have received specialized training function as Homeless Liaison Officer's (HLO) during their shift. HLO's work collaboratively with Mercy House, the City's contracted homeless support services provider, as well as various government agencies, faith-based groups and private organizations to help transition homeless individuals off the streets and in to supportive housing and services. This collaborative approach focuses on outreach and is coupled with enforcement to assist the homeless population while simultaneously protecting the quality of life for the citizens of Laguna Hills.

Homeless Assisted with Resources in 2021

Food	Employment	Housing	Medical	Mental Health	Substance Abuse	V.A.
5	5	10	6	5	4	1

Homeless Interview & Enforcement Correlation



In 2021, 16 field interviews of homeless persons were conducted in Laguna Hills. Those contacts resulted in 2 arrests and 4 citations issued for law violations.



Crime Prevention

The City's Crime Prevention Program is structured to provide community outreach educating residents on how to help prevent crime and promote safety within their sphere of influence. Crime Prevention activities include the following programs.

Neighborhood Watch

Neighborhood Watch focuses on each neighborhood separately and the concerns they may have in their area of the city. The Crime Prevention Program focuses on teaching residents how they can better protect themselves and their property, how the sheriff's department operates for better communication between residents and deputies, and help promote communication between neighbors.

Business Watch

This program has the same premise as neighborhood watch but is applied to the business population of Laguna Hills. Businesses are encouraged to submit emergency contact information to be utilized by deputies should a major crime occur. This program offers training and education on topics relating to robbery prevention, business security, how to be a good witness, counterfeit money detection, and many others.

Community Outreach

The Crime Prevention Program is also involved in numerous school and city events throughout the year including but not limited to: National Night Out, Bike Rodeos, Walk-to-School events, station tours, and informational booths at the Taste of Laguna Hills. Various social media platforms are also used to communicate with the public. These systems are utilized to disseminate public safety information, public event scheduling, and current crime trends in, and around, the City of Laguna Hills.



City of Laguna Hills Police Services

Volunteers

Reserves

Reserves provide support to the Orange County Sheriff's Department patrol operations and contract cities. Reserve Deputies act as a second officer in a patrol car, perform crowd/riot control, maintain crime scene security, and perform foot patrol, Bike patrol, work special events, traffic control, and transport suspects to jail. All of these duties help free-up regular patrol deputies to continue to provide police services without a delay in response times, as well as be proactive in policing and preventing crimes in Laguna Hills. Additionally, utilizing Reserves saves time and money when additional staffing is required.

Professional Services Responder (PSR)

Professional Services Responder volunteers provide administrative and leadership support in the areas of: emerging technologies, communications, industrial relations, graphic arts, healthcare, legal and accounting services, and emergency response resources.

Explorers

The Explorer Program is sponsored by Orange County Sheriff's Department as a community-based policing program. This successful program is designed to educate and involve young men and women in police operations. Explorers learn leadership skills and personal responsibilities. Whether or not they pursue law enforcement as a career, the Explorers have the opportunity to give of themselves to their community through this volunteer program.





City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Administrative Services

The Administrative Bureau controls and manages the financial operations of the Sheriff's Department. Responsibilities include purchasing of services, supplies and equipment, administration of trust funds, expenditure and revenue control, payroll, inventory control, budget preparation and grant administration.

Air Support Bureau



The Sheriff's Department operates helicopters in the skies above Orange County. They are a critical adjunct to our responsibilities in our patrol areas. They also assist the Fire Department in fire observation and firefighting.

Canine Patrol

Currently, canine partners assist patrol deputies in their duties. The canine units work regular patrol areas and are deployed on all shifts. The dogs are used for building searches, locating lost or missing people, apprehension of criminal offenders and for community engagement events.



Communications



Sheriff's Communications provides centralized countywide coordinated communications systems for all local public service agencies (law enforcement, fire and paramedic) and for general government on a 24-hour basis. Other services include installation and maintenance of communications and electronic equipment, and operational, training and maintenance support for the coordinated communications systems. The Communications

Division is also the central coordinator/ program manager for the 800 MHz County-wide Coordinated Communications System Mobile Data Computer System for the Sheriff's Department.



City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Community Programs

This unit provides a comprehensive drug and gang awareness curriculum for kindergarten through high school, as well as for businesses and community groups. The program provides structured training programs that are valuable resources to clergy, teachers, coaches, business leaders and mentors to help steer young people away from drugs and gangs. The unit meets challenging trends with new innovative approaches to supplement existing methods of intervention and education.

Cyber Crimes

A high-technology Cyber Crimes Unit has been established within the Criminal Investigations Bureau. Investigators assigned to the Cyber Crimes section are responsible for the investigation of high technology crime which is divided into two distinct sections: (1) Crimes such as theft of components, computer intrusion, Internet crimes and theft of information; and (2) Forensic examination of information contained on computer hard drives and storage media that are seized during other types of investigations and may include sex crimes, narcotics, homicide, money laundering and other property crimes.



Contract Administration

The Department maintains a full-time Contract Manager position to administer contracts and facilitate the flow of information between the Department, other County agencies and the individual contract cities.

Corrections Operations Command

This Command maintains daily care, custody and control of approximately 6,000 inmates within the County jail system operating from five separate facilities.





Orange County Sheriff's Department Support Services

Advanced Surveillance & Protection

This specialized unit cooperates with state and federal police services agencies to combat organized crime and prevents terrorist activities in Orange County.

Economic Crimes

The Economic Crimes Detail includes the following investigative units: Fraudulent Checks, Credit Card Fraud, Major Fraud, Fiduciary Elder Abuse, Cyber Crimes, High-Tech Task Force (HTTF) and the Orange County Auto Theft Task Force (OCATT).

Checks / Credit Cards: Investigators assigned to this unit are responsible for the investigation of cases involving non-sufficient checks over \$1,500, check forgery, fraudulent use of stolen credit cards, and fraudulently obtained credit cards. In addition, they also handle cases involving the fraudulent use of a person's personal information (name, social security number, date of birth) to obtain goods and / or credit.



Major Fraud: Investigators assigned to the Major Fraud section are responsible for the investigation of cases involving grand theft, theft of public funds, embezzlement, theft by false pretenses, consumer fraud and various types of business fraud. In addition to these cases, they also handle cases of fiduciary elder abuse and real estate fraud.

Family Protection

Investigators assigned to Family Protection are responsible for the in-depth follow-up investigation of any criminal report / allegation involving the physical or emotional abuse of a child, dependent adult or an elderly victim.



City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Field Training Bureau

The Orange County Sheriff's Department (OCSD) Field Training Program (FTP) provides policies and guidelines for Field Training Officers (FTOs) to facilitate the orientation and field training of newly assigned patrol deputies. The FTP is designed to provide basic patrol training and assists deputies in making the transition from other assignments to an operations division while performing general law enforcement uniformed patrol duties. This program also meets the field training requirement for Level I Reserve Deputies.

The FTP is comprised of a structured learning matrix, containing applicable procedures/guidelines and is the standardized training resource document for all OCSD Operations Divisions. The FTP meets all standardized requirements as set forth by California's Committee on Peace Officer Standards and Training (POST).

The program consists of four training phases formatted to provide the maximum flexibility in regards to the allotted training time and to facilitate the completion of the objectives of each phase. Standard training will last 14 weeks, but can be shortened or extended where applicable.

Laguna Hills Police Services maintains a qualified cadre of FTOs who train new deputies assigned to the City. The program is demanding, requiring dedication of time and personal resources from both trainees and FTOs alike.

Forensic Science Services

The Forensic Services Division provides critical services in support of criminal prosecution and death investigations. The division conducts scientific examinations, analysis and identification of evidence. Mobile units are used in the field for complete crime scene investigations as well as photographic services. Members of this division testify in court as "expert witnesses" in a number of specialized fields. The division also features both mobile and fixed laser technology for use in recovering latent prints at crime scenes, computerized searches of fingerprint records, handwriting examinations on criminal checks and forgery cases. Forensic Sciences also has a DNA laboratory that links criminals to crimes through "genetic fingerprinting".





City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Gang Enforcement

The deputies assigned to the Gang Enforcement Team (GET) target problem areas for special enforcement programs, conduct surveillance of known gang members, and assist with a variety of investigations. Members of the GET unit are also teamed with probation officers and assigned gang suppression duties throughout Orange County.

Narcotics Detail

The Narcotics Detail is part of the Special Investigations Bureau. Investigators assigned to this detail are directly responsible for the detection, investigation, analysis, deterrence and arrest of all street-level violators within the Sheriff's jurisdiction. The investigators conduct undercover operations, surveillances, and the collection of information from citizens as the foundation for their investigations.



Vice

Investigators assigned to this unit conduct investigations into gambling, prostitution, and related offenses.

Hazardous Devices

The Sheriff's Department Hazardous Devices Squad (HDS) is the only unit of its kind in Orange County and its services are available to all law enforcement agencies in the County. HDS investigators are sent to all explosions of suspicious origin and provide post-blast forensic examinations at the scene. The investigators also provide expert testimony in courts of law regarding hazardous devices. They are assisted in some of these duties by explosive detection dogs, a remote controlled robot, and other highly sophisticated technical equipment.





City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Mounted Enforcement

The Mounted Patrol is a group of deputies who participate in a variety of equestrian events, provide crowd control and specialized enforcement on County trails, beaches and parks.



Mutual Aid Bureau

The Mutual Aid Bureau provides a contingent of deputies and civilian law enforcement volunteers with specialized skills, training and equipment. Examples of the duties performed by the Mutual Aid Bureau include coordination with allied agencies during large scale special events, requests for assistance, civil unrest, search and rescue, and disaster response. The unit also has specialized services supporting the following areas of operations: Air Support, Administration, Technical Services, Search and Rescue, Investigations, Harbor patrol, Professional Services and Patrol.

Warrant Bureau

The Warrant Bureau serves arrest warrants on people who have committed crimes throughout the county. These warrants include those issued by local, state, or federal courts.

Professional Standards Division



Professional Standards is responsible for the recruitment and background investigation of all entry-level positions within the Sheriff's Department. It also administers promotions, transfers, retirements and terminations. The division's focus is on issues related to personnel services, employee relations and internal affairs.



City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

Special Victims Unit

Investigators assigned to Special Victims Unit are responsible for the in-depth follow-up investigation of any criminal report / allegation that is sexual in nature, including rape, sexual assault or battery, sexual abuse or exploitation of children, and pornography. The investigations can include: comprehensive interviews of victims, facilitation of medical exams for sexual assault evidence at local hospitals or medical facilities; participation in specialized interviews of children who are victims or witnesses, that are conducted by the Child Abuse Service Team (C.A.S.T.); planning and implementation of covert surveillances; preparation of chronological, investigative and background reports pertinent to each investigation; preparation and service of search warrants and arrest warrants; presentation of criminal cases to the District Attorney's office, trial preparation and subsequent testimony in court.

S.M.A.R.T.

A School Mobile Assessment Resource Team (S.M.A.R.T.) was formed as a component to the Sheriff Department's Juvenile Services Bureau. S.M.A.R.T. members are Critical Incident Response Team (CIRT) / Rapid Deployment trained and work in conjunction with probation officers, Sheriff's School Resource Officers on campuses, and with multi-agency gang suppression "Target" teams. They assess individuals or groups who pose risks to community safety in and around schools. In addition, they investigate violent crimes on school campuses. The team consists of one Sheriff's Investigator, three Deputy Sheriff's, a Deputy District Attorney, a District Attorney Investigator, a Deputy Probation Officer and a Sergeant.





City of Laguna Hills Police Services

Orange County Sheriff's Department Support Services

S.O.N.A.R

The Investigators assigned to the Sexual Offender Notification and Registration Team (S.O.N.A.R.) are responsible for risk assessment and monitoring of the registered sex offenders living within the community. Prevention is the S.O.N.A.R. Team's ultimate goal, and they utilize the following methods to supervise registered sex offenders: residence and workplace visits; personal, family and neighborhood interviews; extensive criminal and civil background investigations; strict enforcement of the state's registration laws; covert surveillance; partnership with supervisory agencies such as probation and parole; preparation and service of search warrants and arrest warrants, maintenance of the "Megan's Law" database for public information; limited and community notifications.

S.W.A.T.

Special Weapons And Tactics (SWAT) has the mission of saving lives during extraordinary law enforcement situations, requiring advanced tactical training beyond the scope of traditional police personnel. They also assist other sheriff's divisions and patrol stations with crime suppression, service of high risk search and arrest warrants, as well as providing advanced training and special security operations, such as high risk prisoner escorts and site/VIP protection.



Support Services

Support Services maintains all records for the Department and all records of people booked into the County jail system by all police agencies. Teletype service is maintained nationwide. All written reports from patrol and investigation personnel are distributed and filed with the concerned bureaus and agencies, including the California Department of Justice, Federal Bureau of Investigation, as well as with contract cities. The Support Services Division also provides monthly statistical reports that are used by management to determine criminal problem areas for establishing patrol force deployment.





Orange County Sheriff's Department Support Services

Homicide Detail

The Homicide Detail investigates all suspicious deaths and assaults resulting in serious bodily injury occurring within the Sheriff's jurisdiction. Staff assigned to the Homicide Detail have extensive training and experience in death investigation. They work as part of a team with representatives of the Coroner's Office and Forensic Science Services.

Crisis Negotiations Team

The Hostage Negotiation Team is comprised of deputies and investigators from various assignments throughout the Department. They can respond anywhere in the County to incidents involving hostages, barricaded suspects or high-risk arrest situations requiring special weapons or tactics. Working closely with the SWAT Team, the members of Crisis Negotiations assist in de-escalating hostage and barricaded suspect situations.



Traffic Services

The Traffic Services Bureau reviews all collision reports for each of the contract cities, provides follow-up investigations on crimes originating as a result of a traffic collision, files criminal cases with the District Attorney's Office and provides community education in traffic safety matters. The Major Accident Reconstruction Team (MART) is valuable component of this Bureau. This group of highly trained traffic personnel serves all contract cities as well as outside agencies upon request, conducting meticulous investigations of traffic collisions involving a loss of life, major injury, liability issues and high profile cases.

Training

The Training Division operates the Sheriff's Training Academy. This includes the Basic Academy for recruits, in-service training for deputies, advanced officer training, and supervisory training to keep personnel up-to-date on current trends and legal recruitments.





City of Laguna Hills Police Services

Fallen Officer

Steven Parsons

Born

February 1, 1964



End of Watch
June 19, 2000

Deputy Parsons gave his life while in the service to the residents of Laguna Hills and will be forever remembered.

LAGUNA HILLS POLICE SERVICES

7.2.1.b

Direct Purchase Staffing Historical Comparison (By Full-Time Equivalent)

Direct Purchase Positions	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23
Captain/Lieutenant	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Sergeant - Administrative/Vacation Relief	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Sergeant - Patrol	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Investigator	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Investigative Assistant																
Deputy Sheriff II - Admin/Comm. Support Dep																
Deputy Sheriff II - Patrol (DET, SET, Vac. Relief)	17	16	14	14	16	15	15	15	14	14	14	14	14	14	14	1
Deputy Sheriff II - Traffic Unit (Vac. Relief)													1	1	1	
Deputy Sheriff II - Motor	4	4	4	4	3	3	3	3	2	2	2	2	1	1	1	
Deputy Sheriff II - School Resource Officer		1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Community Services Officer	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Crime Prevention Specialist	1	1	1	1	1	1	1	1	1	1	1	1			1	
Crossing Guard (Provided by OCSD)																
Emergency Management Coordinator																
TOTALS	32	32	30	30	31	30	30	30	28	28	28	28	27	27	28	2

Direct Purchase Positions	91/92	92/93	93/94	94/95	95/96	96/97	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07
Captain/Lieutenant	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Sergeant - Administrative/Vacation Relief	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
Sergeant - Patrol	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Investigator	1	2	2	2	1	2	2	2	2	2	2	2	2	2	2	
Investigative Assistant				1	1											
Deputy Sheriff II - Admin/Comm. Support Dep						1	1	1	1	1	1	1				
Deputy Sheriff II - Patrol (DET, SET, Vac. Relief)	13	15	14	14	14	16	16	16	16	16	16	16	17	17	17	1
Deputy Sheriff II - Traffic Unit (Vac. Relief)	5	5	5	5	5	5	5	4	3	3	3	3	2	2	1	
Deputy Sheriff II - Motor								1	2	2	2	2	2	2	3	
Deputy Sheriff II - School Resource Officer																
Community Services Officer	1	1	1	1	1	2	2	2	2	2	2	2	2	2	2	
Crime Prevention Specialist																
Crossing Guard (Provided by OCSD)	2	2	3													
Emergency Management Coordinator																
TOTALS	28	31	31	29	28	32	32	32	32	32	32	32	31	31	31	3

Attachment: Attachment B - Laguna Hills Police Services Direct Purchase Staffing Historical Comparison

ATTACHMENT 1
Community Center and Sports Complex
Outdoor Security Camera Coverage



FIGURE 1 – COMMUNITY CENTER BUILDING

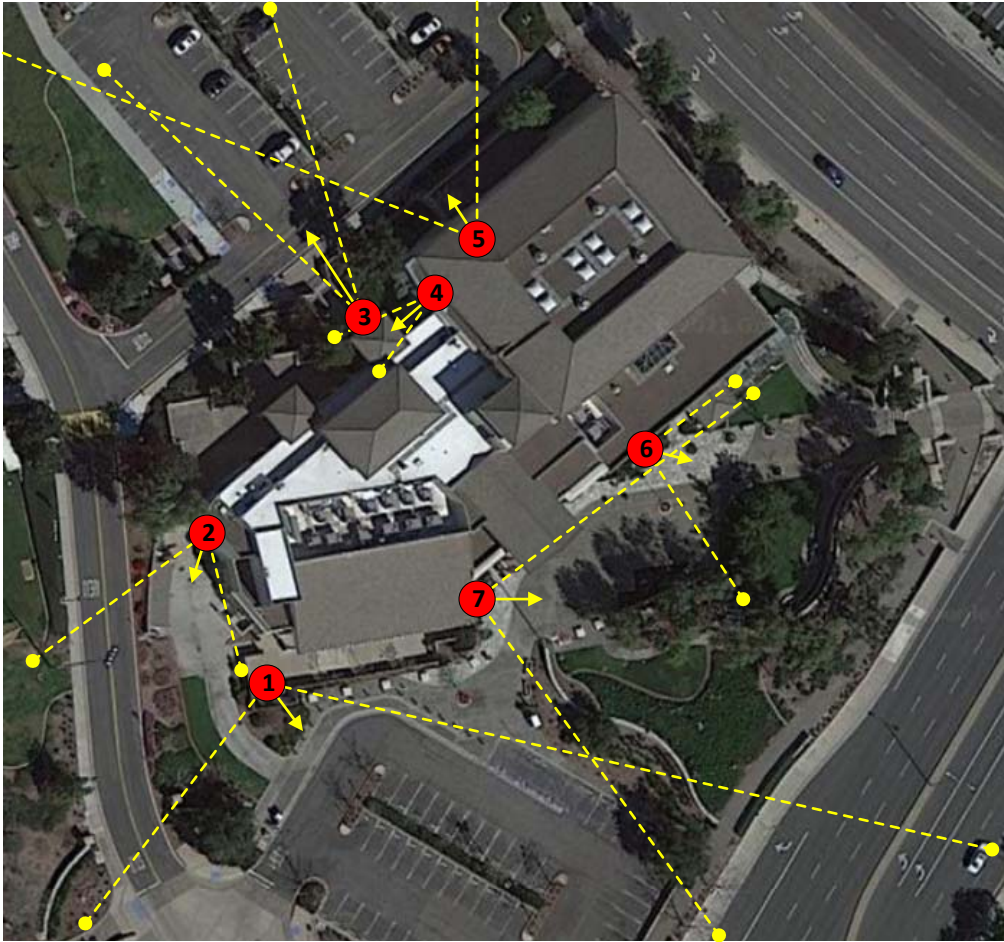
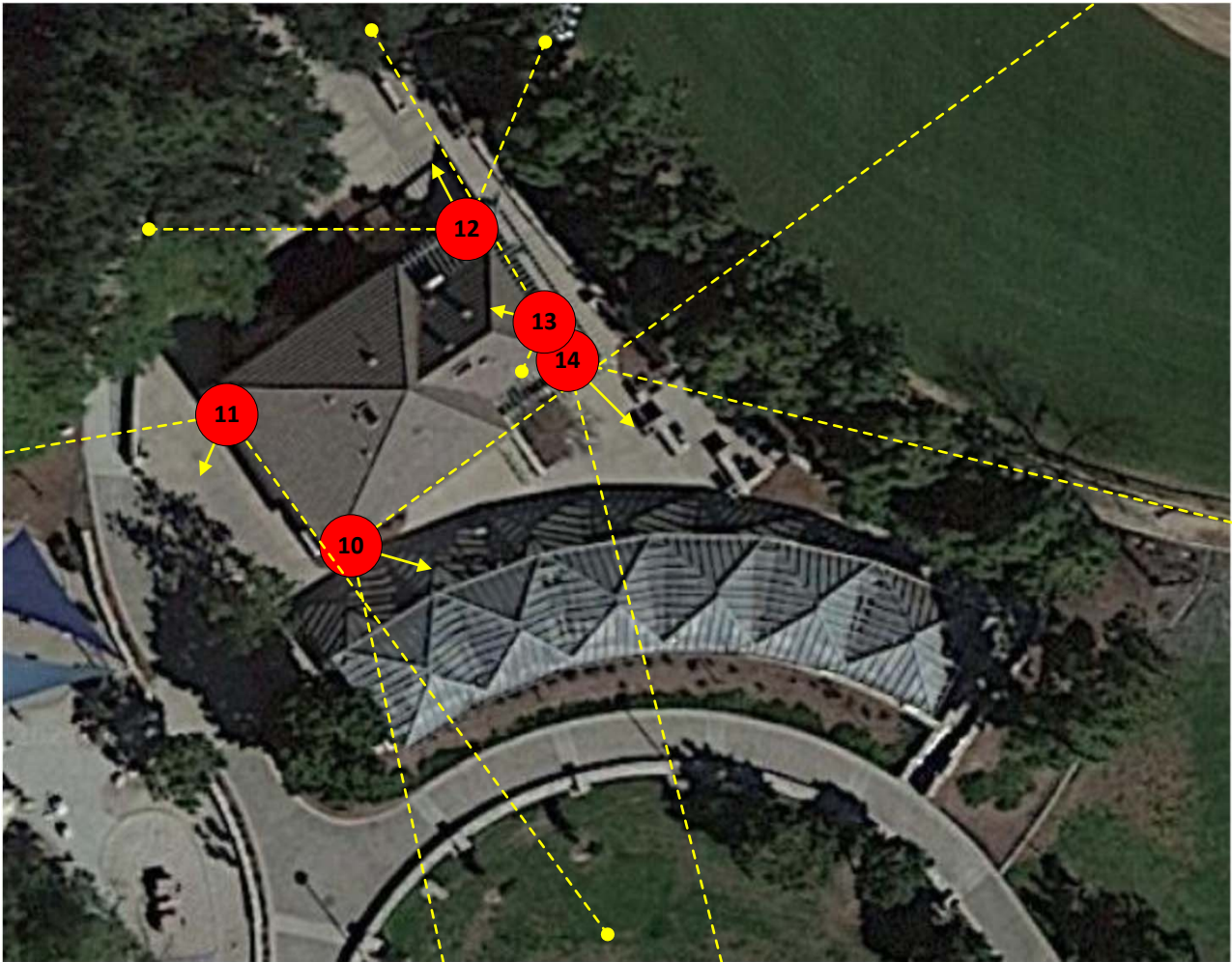


FIGURE 2 – SKATEBOARD PARK



FIGURE 3 – SNACK BAR AND PICNIC SHELTERS



COMMUNICATING WITH LAGUNA HILLS POLICE SERVICES

➤ **REQUESTING A POLICE RESPONSE**

EMERGENCY – DIAL **911**

NON-EMERGENCY – CALL OCSD DISPATCH AT **949-770-6011**

➤ **RELAY TIPS AND GENERAL INFORMATION TO POLICE SERVICES**

TRAFFIC AND PARKING CONCERNS: TRAFFIC@LAGUNAHILLSCA.GOV

NEIGHBORHOOD SAFETY AND CRIME PREVENTION CONCERNS: CRIMEPREVENTION@LAGUNAHILLSCA.GOV

SCHOOL RELATED CONCERNS: SCHOOLRESOURCEOFFICER@LAGUNAHILLSCA.GOV

HOMELESS RELATED CONCERNS: HLO@LAGUNAHILLSCA.GOV

➤ **RELAY ANONYMOUS TIPS THROUGH ORANGE COUNTY CRIME STOPPERS**

BY PHONE OR TEXT: **1-855-TIP-OCCS**, ONLINE: **OCCRIMESTOPPERS.ORG**

➤ **RECEIVE NOTIFICATIONS OF CRIMINAL ACTIVITY IN YOUR AREA**

REGISTER ONLINE AT **CRIMEMAPPING.COM**

➤ **RECEIVE TIME SENSITIVE EMERGENCY NOTIFICATIONS**

SIGN UP AT **ALERTOC.ORG**





NEIGHBORHOOD WATCH

AN IMPORTANT PARTNERSHIP TO PREVENT CRIMES IN THE COMMUNITY

Laguna Hills Police Services encourages residents to participate in the Neighborhood Watch program designed to help prevent and reduce crime through education and increased communication with law enforcement. This program is a cooperative effort between interested citizens and Police Services striving to improve the quality of life in both your immediate neighborhood and overall community.

Neighborhood Watch involves:

- Neighbors getting to know each other, taking time to care about each other, and working together in a program of mutual assistance and acting as extra “eyes & ears” for law enforcement.
- Residents being trained to recognize and report suspicious activities in their neighborhood.
- Crime prevention strategies and safety tips being implemented by entire neighborhoods.

Why form or join a Neighborhood Watch group?

- There can't be a deputy on every street, so citizen involvement is essential to combat crime.
- You and your fellow neighbors are the ones who really know what is going on in your neighborhood. By cooperating with each other and law enforcement, you can help fight crime in the most effective way - before it begins!
- Learn effective crime prevention techniques and receive training on a variety of topics including:
 - Home Security
 - Vehicle Security
 - Identity Theft
 - Child Safety
 - Senior Safety
 - Internet Safety
 - Emergency Preparedness
 - Crime Prevention Through Environmental Design

How do you start a Neighborhood Watch group?

- A motivated individual, a few concerned residents, or a community organization can spearhead the efforts to discuss the needs and level of interest to establish a Neighborhood Watch group. Often times, a recent incident or an ongoing neighborhood problem brings a group of residents together who are ready to form an action plan to address that problem.
- Contact Crime Prevention by emailing crimeprevention@lagunahillsca.gov or calling (949) 707-2641 about the organization of the initial Neighborhood Watch meeting.
- Laguna Hills Police Services will assess the group's level of interest and assist residents through education about ways to respond to any problems in a cohesive and effective way.
- A Neighborhood Watch Block Captain(s) will be selected and is responsible for relaying information to the rest of the group. Spread the word and recruit new members and always keep contact information current and easily accessible.
- The selection of site(s) for the installation of the official Neighborhood Watch sign(s) which will be coordinated by Police Services and approved by the Public Works Supervisor of Laguna Hills.
- Keep the group active by frequent communications within the group and with law enforcement.