



**CITY OF LAGUNA HILLS  
CITY COUNCIL/PLANNING AGENCY  
REGULAR MEETING AGENDA  
JUNE 14, 2016**

**Closed Session at 6:00 PM (*when scheduled*)  
General Business Session at 7:00 PM**

**Barbara D. Kogerman, Mayor**

**Don Sedgwick, Mayor Pro Tempore  
Andrew Blount, Council Member**

**Melody Carruth, Council Member  
Dore J. Gilbert, M.D., Council Member**

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

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

**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 ITEMS**

**A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Pursuant to Government Code Section 54956.9

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (1 potential case).

**B. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Bruce Channing, City Manager

Don White, Assistant City Manager

Melissa Au-Yeung, Assistant to the City Manager

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

**PUBLIC COMMENT ON CLOSED SESSION ITEMS**

**ADJOURN TO CITY COUNCIL CONFERENCE ROOM**

**CONVENE INTO CLOSED SESSION**

**RECONVENE TO CITY COUNCIL CHAMBER**

**RECESS**



**CITY OF LAGUNA HILLS  
CITY COUNCIL/PLANNING AGENCY  
REGULAR MEETING AGENDA  
JUNE 14, 2016  
General Business Session at 7:00 PM**

**Barbara D. Kogerman, Mayor**

**Don Sedgwick, Mayor Pro Tempore**

**Andrew Blount, Council Member**

**Melody Carruth, Council Member**

**Dore J. Gilbert, M.D., Council Member**

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

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**GENERAL BUSINESS - RECONVENING 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.

**PLEDGE OF ALLEGIANCE: COUNCIL MEMBER BLOUNT**

**ROLL CALL OF CITY COUNCIL MEMBERS**

**CLOSED SESSION REPORT**

**1. PRESENTATIONS AND PROCLAMATIONS**

**1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON**

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON CALISTA SHANG.

**1.2 CERTIFICATE OF RECOGNITION, CALISTA SHANG, LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON FOR SPRING 2016 SEMESTER**

RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO CALISTA SHANG RECOGNIZING HER SERVICE AS THE LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON.

**1.3 RECOGNITION FOR HEROIC ACTIONS IN SAVING DUCKLINGS**

RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO MIA RABII FOR HER EFFORTS IN RESCUING EIGHT DUCKLINGS STUCK IN A DRAINAGE PIPE.

**1.4 CERTIFICATE OF RECOGNITION, LAGUNA HILLS AYSO REGION 1422 2016 GIRLS U-10 ALL-STAR TEAM**

RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO LAGUNA HILLS AYSO REGION 1422 2016 GIRLS U-10 ALL-STAR TEAM.

**1.5 TEN YEAR ANNIVERSARY AWARD**

RECOMMENDATION: THAT MAYOR KOGERMAN RECOGNIZE TODD SMYSER, COMMUNITY SERVICES SENIOR LEADER, FOR TEN YEARS OF SERVICE TO THE CITY OF LAGUNA HILLS AND PRESENT A CERTIFICATE OF RECOGNITION AND GIFT.

**1.6 LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE**

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN UPDATE FROM CHAIR KAREN ROBBINS ON THE 3/5 DARK HORSE COMMITTEE.

**1.7 SPOTLIGHT ON LOCAL BUSINESS**

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE A PRESENTATION FROM TAM NGUYEN, PRESIDENT, AND SUZETTE CHRISTIAN-MARCHETTE, VICE PRESIDENT BUSINESS DEVELOPMENT, ADVANCE BEAUTY COLLEGE.



1.8 ORANGE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT  
PRESENTATION

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE A PRESENTATION FROM JARED DEVER, DIRECTOR OF COMMUNICATIONS OF THE ORANGE COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT.

**2. 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.

**3. 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.

3.1 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.

3.2 APPROVAL OF MINUTES FOR MAY 10, 2016, REGULAR MEETING

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE MAY 10, 2016, REGULAR MEETING.

3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED JUNE  
14, 2016

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$1,356,527.36.

3.4 ADOPTION OF ANNUAL APPROPRIATIONS LIMIT FOR FISCAL  
YEAR 2016/2017

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 FISCAL YEAR 2016/17 IN ACCORDANCE WITH ARTICLE XIIB OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE."

- 3.5 PROGRESS PAYMENT NO. 2, FINAL, FOR WATER QUALITY IMPROVEMENT CATCH BASIN DEBRIS GATE PROJECT, CIP NO. 412E

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 2, FINAL, IN THE NET AMOUNT OF \$9,072.50, TO G2 CONSTRUCTION, INC., FOR WATER QUALITY IMPROVEMENT CATCH BASIN DEBRIS GATE PROJECT, CIP NO. 412E, AND AUTHORIZE THE FILING OF THE NOTICE OF COMPLETION AND SUBSEQUENT RELEASE OF RETENTION IN 35 DAYS, IF NO LIENS HAVE BEEN FILED.

- 3.6 CONFIRMATION OF NO PARKING ZONES ON DEL LAGO DRIVE BETWEEN ALCALDE DRIVE AND LA CADENA DRIVE

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES TO ADDRESS SIGHT DISTANCE VISIBILITY RESTRICTIONS AT VARIOUS LOCATIONS ON DEL LAGO DRIVE BETWEEN ALCALDE DRIVE AND LA CADENA DRIVE."

- 3.7 NO PARKING ZONES ON MILL CREEK DRIVE NORTHERLY OF RIDGE ROUTE DRIVE

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES AT SELECT LOCATIONS ON MILL CREEK DRIVE NORTHERLY OF RIDGE ROUTE DRIVE TO IMPROVE STREET SWEEPING ACCESS TO CATCH BASIN INLETS."

- 3.8 2016 TRAFFIC SIGNAL MASTER PLAN UPDATE

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE 2016 TRAFFIC SIGNAL MASTER PLAN UPDATE.

- 3.9 AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT NO. C-2-1996 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE LOS ALISOS BOULEVARD TRAFFIC SIGNAL SYNCHRONIZATION PROJECT

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT NO. C-2-1996 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE LOS ALISOS BOULEVARD TRAFFIC SIGNAL SYNCHRONIZATION PROJECT AND AUTHORIZE THE MAYOR TO SIGN THE AMENDMENT.

3.10 PROFESSIONAL SOLID WASTE AND RECYCLING CONSULTING SERVICES AGREEMENT WITH ECO/NOMICS, INC.

RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE MAYOR TO EXECUTE THE CONSULTING SERVICES AGREEMENT WITH ECO/NOMICS, INC.

3.11 APPROVAL OF RESOLUTIONS RELATED TO THE NOVEMBER 8, 2016, GENERAL MUNICIPAL ELECTION

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT THE FOLLOWING RESOLUTIONS ENTITLED:

(1) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES;" AND

(2) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE;" AND

(3) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016."

3.12 RESOLUTION AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION."

**ITEMS REMOVED FROM THE CONSENT CALENDAR****4. PLANNING AGENCY**

## 4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

## 4.2 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.

## 4.3 APPROVAL OF MINUTES FOR MAY 10, 2016

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE MINUTES OF THE MAY 10, 2016, REGULAR MEETING.

## 4.4 ADMINISTRATIVE REPORTS

## 4.5 PLANNING AGENCY PUBLIC HEARINGS

**PLANNING AGENCY ADJOURNMENT****5. CITY COUNCIL PUBLIC HEARINGS****6. ADMINISTRATIVE REPORTS**

## 6.1 City Manager

## 6.2 Assistant City Manager

6.2.1 APPROVAL OF FISCAL YEAR 2016/2017 LAW  
ENFORCEMENT SERVICES AGREEMENT

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE FISCAL YEAR 2016/2017 LAW ENFORCEMENT SERVICES AGREEMENT BETWEEN THE COUNTY OF ORANGE AND THE CITY OF LAGUNA HILLS AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT.

**7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS  
AND MAYOR****8. CITY COUNCIL MEMBER COMMENTS****9. CLOSED SESSION**

**ADJOURNMENT**

The next Regular Meeting of the City Council will be June 21, 2016, in the City Council Chamber, located at 24035 El Toro Road, 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 10, 2016, at 5:00 PM.



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**MELISSA AU-YEUNG, CITY CLERK**

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June 10, 2016**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 Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: CINDY SANDS  
ADMINISTRATIVE ASSISTANT**

**ISSUE: CERTIFICATE OF RECOGNITION, CALISTA SHANG, LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON FOR SPRING 2016 SEMESTER**

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**RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO CALISTA SHANG RECOGNIZING HER SERVICE AS THE LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON.**

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#### **SUMMARY:**

The City of Laguna Hills and the Laguna Hills High School PTSA established a Student Liaison Program in 1993. Calista Shang has served as the Student Liaison for the spring 2016 semester. Calista has served as the Student Liaison with distinction, and it is in order to recognize her service.

#### **ATTACHMENTS:**

- Certificate of Recognition







# CITY OF LAGUNA HILLS

## CERTIFICATE OF RECOGNITION

**CALISTA SHANG**  
**Laguna Hills High School Student Liaison**

**February 9, 2016, through June 14, 2016**

*WHEREAS, the City of Laguna Hills and Laguna Hills High School established a Student Liaison Program to create a direct link between the School and the City Council; and*

*WHEREAS, Calista Shang was appointed to serve as the Student Liaison to the City Council and took the Oath of Office February 9, 2016; and*

*WHEREAS, Calista Shang has served as the Student Liaison with dedication and distinction, setting a fine example for those students who will serve in the future.*

*NOW, THEREFORE, I, Barbara Kogerman, Mayor, on behalf of the City Council of the City of Laguna Hills, California, do hereby recognize Calista Shang for her service to the City as Student Liaison to the City Council.*

**Dated this 14<sup>th</sup> day of June 2016.**

**BARBARA D. KOGERMAN, MAYOR**





# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: CINDY SANDS  
ADMINISTRATIVE ASSISTANT**

**ISSUE: RECOGNITION FOR HEROIC ACTIONS IN SAVING DUCKLINGS**

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**RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF RECOGNITION TO MIA RABII FOR HER EFFORTS IN RESCUING EIGHT DUCKLINGS STUCK IN A DRAINAGE PIPE.**

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#### **SUMMARY:**

The City Council would like to recognize Mia Rabii for her heroic actions in coming to the rescue of eight fuzzy ducklings stuck in a drainage pipe in the City of Laguna Hills.

#### **ATTACHMENTS:**

- Certificate of Recognition





# CITY OF LAGUNA HILLS

## CERTIFICATE OF RECOGNITION

### MIA RABII

*WHEREAS, on Saturday, April 9, 2016, Skye Rabii and daughter Mia were in the City of Laguna Hills when a woman asked for assistance in rescuing baby ducklings; and*

*WHEREAS, Mia, a six-year-old girl who wants to be a veterinarian when she grows up, was just the right size to reach into the drainage pipe and pull out eight fuzzy ducklings, one at a time, and reunite them with the mama duck; and*

*WHEREAS, the City of Laguna Hills likes to recognize the heroes among us who inspire us with everyday acts of kindness, both big and small.*

*NOW, THEREFORE, I, Barbara Kogerman, Mayor, on behalf of the City Council of the City of Laguna Hills, California, do hereby recognize Mia Rabii for her actions in saving the lives of eight fuzzy ducklings, demonstrating an act of kindness, and her dedication to making the community a better place.*

**Dated this 14<sup>th</sup> day of June 2016.**

  
**BARBARA D. KOGERMAN, MAYOR**







# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: CINDY SANDS  
ADMINISTRATIVE ASSISTANT**

**ISSUE: CERTIFICATE OF RECOGNITION, LAGUNA HILLS AYSO REGION 1422  
2016 GIRLS U-10 ALL-STAR TEAM**

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**RECOMMENDATION: THAT MAYOR KOGERMAN PRESENT A CERTIFICATE OF  
RECOGNITION TO LAGUNA HILLS AYSO REGION 1422 2016 GIRLS U-10 ALL-STAR  
TEAM.**

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#### **SUMMARY:**

It is the practice of the City Council to recognize significant accomplishments of Laguna Hills' athletes. The Girls U-10 All-Star Team represented Laguna Hills in the All-Star Tournament, finished with the most points out of seventeen teams in the area, scored eleven goals, and only allowed one goal.

A Certificate of Recognition will be presented to each of the Laguna Hills AYSO Region 1422 2016 Girls U-10 All-Star Team.

#### **ATTACHMENTS:**

- Certificate of Recognition







# CITY OF LAGUNA HILLS CERTIFICATE OF RECOGNITION

**LAGUNA HILLS AYSO REGION 1422  
2016 Girls U-10 All-Stars**

**Hannah Beaman**

*WHEREAS, participation in organized athletic pursuits helps to build character and teaches a wholesome sense of fair play and good sportsmanship among our City's youth; and*

*WHEREAS, the Laguna Hills City Council recognizes Hannah Beaman, Member of the Laguna Hills AYSO Region 1422 Girls U-10 All-Star Team, for outstanding performance during the 2016 Area Tournament; and*

*WHEREAS, it is recognized that hard work, dedication and commitment to team excellence led to your success, and the City Council commends you for proudly representing the City of Laguna Hills; and*

*WHEREAS, the Girls U-10 All-Star Team finished with the most points out of seventeen teams in the area, scored eleven goals, and allowed only one goal to be scored.*

*NOW, THEREFORE, I, Barbara Kogerman, Mayor, on behalf of the City Council of the City of Laguna Hills, California, do hereby recognize Hannah Beaman, as a Member of the Laguna Hills AYSO Region 1422 2016 Girls U-10 All-Stars and commend the Team on its athletic accomplishments.*

**Dated this 14<sup>th</sup> day of June 2016.**

**BARBARA D. KOGERMAN, MAYOR**





## **City of Laguna Hills City Council Meeting Agenda Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: CINDY SANDS  
ADMINISTRATIVE ASSISTANT**

**ISSUE: TEN YEAR ANNIVERSARY AWARD**

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**RECOMMENDATION: THAT MAYOR KOGERMAN RECOGNIZE TODD SMYSER, COMMUNITY SERVICES SENIOR LEADER, FOR TEN YEARS OF SERVICE TO THE CITY OF LAGUNA HILLS AND PRESENT A CERTIFICATE OF RECOGNITION AND GIFT.**

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### **SUMMARY:**

At this meeting Mayor Kogerman will recognize Todd Smyser, Community Services Senior Leader, for ten years of service to the City of Laguna Hills. Todd was hired as a Senior Leader on April 3, 2006.

Employees are recognized when they have been with the City for five years with a Certificate of Recognition and a Laguna Hills pen and pencil set. Employees with ten, fifteen, and twenty years of service are recognized at a City Council meeting with the Mayor presenting a Certificate of Recognition and a gift.

### **ATTACHMENTS:**

- Certificate of Recognition







# CITY OF LAGUNA HILLS

## CERTIFICATE OF RECOGNITION

**TODD SMYSER**  
**Senior Leader**  
**Ten Year Service Award**

*WHEREAS, Todd Smyser has served as a full-time employee for the City of Laguna Hills since April 3, 2006; and*

*WHEREAS, it is the policy and practice of the City of Laguna Hills to attract and retain highly qualified and motivated people; and*

*WHEREAS, Todd Smyser has served the City of Laguna Hills in a professional, caring, and conscientious manner for ten years; and*

*WHEREAS, Todd's service has greatly contributed to the overall success of the City in its efforts to provide quality local government services, programs, and projects to the residents and businesses of Laguna Hills; and*

*WHEREAS, it is an honor to recognize the length and quality of Todd's service to the City.*

*NOW, THEREFORE, I, Barbara Kogerman, Mayor, on behalf of the City Council, do hereby express appreciation to Todd Smyser for ten years of service to the City of Laguna Hills.*

**Dated this 14<sup>th</sup> day of June 2016.**

*Barbara D. Kogerman*

**BARBARA D. KOGERMAN, MAYOR**



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**CITY OF LAGUNA HILLS, CALIFORNIA  
CITY COUNCIL/PLANNING AGENCY  
REGULAR MEETING  
MINUTES  
MAY 10, 2016**

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**CLOSED SESSION - CONVENING AT 6:00 P.M.**

**CALL TO ORDER**

**ROLL CALL OF CITY COUNCIL MEMBERS**

Present: Mayor Kogerman, Mayor Pro Tempore Sedgwick, Council Member Blount, Council Member Carruth, Council Member Gilbert

**ANNOUNCEMENT OF CLOSED SESSION ITEMS**

**A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Pursuant to Government Code Section 54956.9

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) and paragraph (2) of subdivision (e) of Government Code Section 54956.9: (1 potential case).

Receipt of comment and project opposition letter from attorney Jason Holder of the Holder Law Group, dated March 22, 2016, submitted on behalf of the City of Laguna Beach, challenging the Addendum and the environmental review and analysis for the Five Lagunas Mall Redevelopment Project, a copy of which is on file in the Office of the City Clerk; March 22, 2016 Public Hearing Item Re: Resolution No. PA2016-03-22-1 entitled: "A Joint Resolution of the Planning Agency and City Council of the City of Laguna Hills, California, Adopting a Third Addendum to the City of Laguna Hills Program Environmental Impact Report (State Clearinghouse No. 20080811100) and Approving a Site Development Permit, Master Sign Program, Conditional Use Permit, Parking Use Permit, Vesting Tentative Tract Map, Precise Plan No. 2-15-3114, a Request by Merlone Geier Management, LLC, to Redevelop the Laguna Hills Mall Site Located at 24155 Laguna Hills Mall, and Making Certain Findings in Connection Therewith."

**B. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Bruce Channing, City Manager

Don White, Assistant City Manager

Melissa Au-Yeung, Assistant to the City Manager

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

**PUBLIC COMMENTS ON CLOSED SESSION ITEMS**

There were no Public Comments.

**ADJOURN TO CITY COUNCIL CONFERENCE ROOM**

**CONVENE INTO CLOSED SESSION**

**RECONVENE TO CITY COUNCIL CHAMBER**

**RECESS**

**GENERAL BUSINESS - RECONVENING AT 7:00 PM**

**CALL TO ORDER**

Mayor Kogerman called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:00 p.m. in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills, California.

**PLEDGE OF ALLEGIANCE: MAYOR PRO TEMPORE SEDGWICK**

**ROLL CALL OF CITY COUNCIL MEMBERS**

Present: Mayor Kogerman, Mayor Pro Tempore Sedgwick, Council Member Blount, Council Member Carruth, Council Member Gilbert

**CLOSED SESSION REPORT**

CITY ATTORNEY SIMONIAN STATED THAT THE CITY COUNCIL CONVENED IN CLOSED SESSION THIS EVENING PURSUANT TO THE CLOSED SESSION AUTHORITY LISTED ON THE AGENDA. WITH RESPECT TO CLOSED SESSION ITEM A, "CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION," NO REPORTABLE ACTION WAS TAKEN; HOWEVER, THE CITY HAS ENTERED INTO A TOLLING AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS, THE CITY OF LAGUNA BEACH, AND MERLONE GEIER PARTNERS, A COPY OF WHICH IS AVAILABLE FOR PUBLIC REVIEW AND INSPECTION THROUGH THE CITY CLERK'S OFFICE. WITH RESPECT TO CLOSED SESSION ITEM B, "CONFERENCE WITH LABOR NEGOTIATORS," NO REPORTABLE ACTION WAS TAKEN AS A RESULT OF THAT MEETING.

**1. PRESENTATIONS AND PROCLAMATIONS**

**1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON**

LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON CALISTA SHANG WAS NOT AVAILABLE AT THE MEETING TO GIVE THE PRESENTATION.



## 1.2 SPOTLIGHT ON LOCAL BUSINESS

THE CITY COUNCIL RECEIVED A BRIEF ORAL REPORT AND POWERPOINT PRESENTATION FROM DEAN MORASH, PRESIDENT, SOCAL CLASSIC CAR STORAGE.

## 1.3 CERTIFICATE OF RECOGNITION FOR CLIFF JARMIE, HEAD COACH OF THE LAGUNA HILLS HIGH SCHOOL WRESTLING TEAM

MAYOR KOGERMAN PRESENTED A CERTIFICATE OF RECOGNITION TO CLIFF JARMIE, HEAD COACH OF THE LAGUNA HILLS HIGH SCHOOL WRESTLING TEAM.

## 1.4 TEN YEAR ANNIVERSARY AWARD

TODD SMYSER, COMMUNITY SERVICES SENIOR LEADER, WAS NOT AVAILABLE AT THE MEETING TO RECEIVE THE CERTIFICATE OF RECOGNITION AND GIFT.

## 1.5 PRESENTATION OF PROCLAMATION FOR "DROWNING PREVENTION AWARENESS"

THE CITY COUNCIL ISSUED A PROCLAMATION DECLARING MAY THROUGH OCTOBER AS "DROWNING PREVENTION AWARENESS" AND MAYOR PRO TEMPORE SEDGWICK ACCEPTED THE PROCLAMATION IN THE ABSENCE OF MIKE CONTRERAS, BATTALION CHIEF, ORANGE COUNTY FIRE AUTHORITY.

## 1.6 AGE WELL SENIOR SERVICES PRESENTATION TO THE CITY OF LAGUNA HILLS

MAYOR KOGERMAN RECEIVED AN APPRECIATION PLAQUE FROM DR. MARILYN DITTY, CHIEF EXECUTIVE OFFICER, AGE WELL SENIOR SERVICES, INC., AND SHIRLEY WITT, DIRECTOR OF THE FLORENCE SYLVESTER MEMORIAL SENIOR CENTER, RECOGNIZING THE CITY'S CONTINUED SUPPORT OF THE FLORENCE SYLVESTER MEMORIAL SENIOR CENTER.

## 2. PUBLIC COMMENTS

### **AERIAL SPRAYING**

John Wallace spoke in opposition to the Orange County Mosquito and Vector Control District allowing aerial spraying of the anti-mosquito chemical Duet in an effort to suppress mosquito-borne diseases such as the West Nile virus.

### **3. CONSENT CALENDAR**

**MOTION TO APPROVE THE CONSENT CALENDAR, WITH COUNCIL MEMBER CARRUTH REMOVING ITEM NO. 3.7 AND ITEM NO. 3.8, AND MAYOR KOGERMAN REMOVING ITEM NO. 3.10, BY M/COUNCIL MEMBER GILBERT, S/COUNCIL MEMBER CARRUTH.  
APPROVED BY A VOTE OF 5-0.**

**3.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA**

THE CITY COUNCIL WAIVED READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARED THAT SAID TITLES WHICH APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

**3.2 APPROVAL OF MINUTES FOR APRIL 12, 2016**

THE CITY COUNCIL APPROVED THE MINUTES OF THE APRIL 12, 2016, REGULAR MEETING.

**3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED MAY 10, 2016**

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE AMOUNT OF \$1,043,285.44.

**3.4 CIVIC CENTER THIRD QUARTER FINANCIAL REPORT FOR FISCAL YEAR 2015/2016**

THE CITY COUNCIL RECEIVED AND FILED THE REPORT.

**3.5 FISCAL YEAR 2016/2017 SCHOOL CROSSING GUARD AGREEMENT**

THE CITY COUNCIL APPROVED THE PROPOSED CROSSING GUARD SERVICES AGREEMENT FOR FISCAL YEAR 2016/2017 WITH ALL CITY MANAGEMENT SERVICES AND AUTHORIZED THE MAYOR TO EXECUTE THE AGREEMENT.

**3.6 FISCAL YEAR 2016/2017 TRAUMA INTERVENTION PROGRAM AGREEMENT**

THE CITY COUNCIL APPROVED THE PROPOSED VICTIM SUPPORT SERVICES AGREEMENT FOR FISCAL YEAR 2016/2017 WITH TRAUMA INTERVENTION PROGRAMS, INC. AND AUTHORIZED THE MAYOR TO EXECUTE THE AGREEMENT.

3.9 AGENCY SERVICE PLAN FOR THE CITY OF LAGUNA HILLS' SENIOR DIAL-A-TAXI PROGRAM

THE CITY COUNCIL APPROVED THE AGENCY SERVICE PLAN FOR THE CITY OF LAGUNA HILLS' SENIOR DIAL-A-TAXI PROGRAM IN ORDER TO RECEIVE FUNDING FROM THE ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA) SENIOR MOBILITY PROGRAM (SMP).

**ITEMS REMOVED FROM THE CONSENT CALENDAR**

3.7 AUTHORIZATION TO ADVERTISE FOR BIDS FOR THE CABOT ROAD BIOSWALE PROJECT, CIP NO. 410A

Council Member Carruth removed Item No. 3.7 from the Consent Calendar to ask Public Services Director Rosenfield for additional information regarding the current landscape.

**THE CITY COUNCIL APPROVED THE PLANS AND SPECIFICATIONS AND AUTHORIZED THE ADVERTISEMENT FOR BIDS OF THE CABOT ROAD BIOSWALE PROJECT, CIP NO. 410A, BY M/COUNCIL MEMBER CARRUTH, S/MAYOR PRO TEMPORE SEDGWICK. APPROVED BY A VOTE OF 5-0.**

3.8 GRANT OF REAL PROPERTY EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS TO MOULTON NIGUEL WATER DISTRICT FOR WATER PRESSURE REDUCING STATION FACILITIES AT: (1) SOUTH SIDE LARGO DRIVE EASTERLY OF SUNBURST AVENUE; AND (2) NORTH SIDE STOCKPORT STREET WESTERLY OF WILKES PLACE

Council Member Carruth removed Item No. 3.8 from the Consent Calendar to inquire if the Moulton Niguel Water District would inform residents on Largo Drive and Stockport Street of the adjustment to the water pressure.

Public Services Director Rosenfield reported that he will work with Moulton Niguel Water District to ensure that residents are notified.

**THE CITY COUNCIL AUTHORIZED THE GRANTING OF EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS TO MOULTON NIGUEL WATER DISTRICT FOR THE CONSTRUCTION AND MAINTENANCE OF WATER PRESSURE REDUCING STATION FACILITIES AT: (1) SOUTH SIDE LARGO DRIVE EASTERLY OF SUNBURST AVENUE; AND (2) NORTH SIDE STOCKPORT STREET WESTERLY OF WILKES PLACE AND AUTHORIZED THE MAYOR TO SIGN THE DOCUMENTS, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER GILBERT. APPROVED BY A VOTE OF 5-0.**

3.10 THIRD QUARTER FINANCIAL AND TREASURER'S REPORT FOR FISCAL YEAR 2015/16

Mayor Kogerman removed Item No. 3.10 from the Consent Calendar in order to receive a brief report.

Finance Manager Reyes briefly reviewed the information provided in the Staff Report.

**THE CITY COUNCIL RECEIVED AND FILED THE REPORT, BY M/MAYOR KOGERMAN, S/COUNCIL MEMBER GILBERT.  
APPROVED BY A VOTE OF 5-0.**

**4. PLANNING AGENCY**

Mayor Kogerman recessed the City Council meeting and acting in capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:50 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Sedgwick, Agency Member Blount, Agency Member Carruth, Agency Member Gilbert

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR APRIL 12, 2016

**THE PLANNING AGENCY APPROVED THE MINUTES OF THE APRIL 12, 2016, REGULAR MEETING, BY M/CHAIR KOGERMAN, S/AGENCY MEMBER CARRUTH.  
APPROVED BY A VOTE OF 4-0 WITH AGENCY MEMBER BLOUNT ABSTAINING.**

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT (CUP) NO. 9-15-3309, A REQUEST BY BOB BEHRAVAN TO ESTABLISH AND OPERATE A VEHICLE BODY REPAIR AND PAINT BUSINESS AT 23251 VISTA GRANDE DRIVE (APN 588-064-18), SUITE A, IN THE MIXED USE (MXU) ZONE

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Bob Behravan, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY RESUMED THE PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 9-15-3309, A REQUEST BY BOB BEHAVAN TO ESTABLISH AND OPERATE A VEHICLE BODY REPAIR AND PAINT BUSINESS AT 23251 VISTA GRANDE DRIVE (APN 588-064-18), SUITE A, IN THE MIXED USE (MXU) ZONE, BY M/VICE CHAIR SEDGWICK, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 5-0.**

4.5.2 CONDITIONAL USE PERMIT (CUP) NO. 2-16-3444, A REQUEST BY FUTURES IN EDUCATION, INC. TO ESTABLISH AND OPERATE HALSTROM ACADEMY, AN ALTERNATIVE SCHOOL FOR GRADES 6-12, AT 25201 PASEO DE ALICIA, SUITE 250, (APN 620-221-42), IN THE NEIGHBORHOOD MIXED USE (NMU) ZONE

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Ramon Dourado, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-2, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 2-16-3444, A REQUEST BY FUTURES IN EDUCATION, INC. TO ESTABLISH AND OPERATE HALSTROM ACADEMY, AN ALTERNATIVE SCHOOL FOR GRADES 6-12, AT 25201 PASEO DE ALICIA, SUITE 250, (APN 620-221-42), IN THE NEIGHBORHOOD MIXED USE (NMU) ZONE, M/AGENCY MEMBER BLOUNT, S/AGENCY MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.**

4.5.3 **CONDITIONAL USE PERMIT (CUP) NO. 3-16-3469, A REQUEST BY MEHDI MOTADI TO ESTABLISH AND OPERATE GOLDEN TOUCH, A VEHICLE BODY REPAIR AND PAINT BUSINESS, AT 22912 EL PACIFICO DRIVE (APN 588-061-16) IN THE MIXED USE (MXU) ZONE**

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Nina Motadi, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-3, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 3-16-3469, A REQUEST BY MEHDI MOTADI TO ESTABLISH AND OPERATE GOLDEN TOUCH, A VEHICLE BODY REPAIR AND PAINT BUSINESS, AT 22912 EL PACIFICO DRIVE (APN 588-061-16) IN THE MIXED USE (MXU) ZONE, BY M/AGENCY MEMBER GILBERT, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 5-0.**

**PLANNING AGENCY ADJOURNMENT**

Mayor Kogerman reconvened the City Council meeting at 8:22 p.m. All Council Members were present.

**5. CITY COUNCIL PUBLIC HEARINGS**

**5.1 PUBLIC HEARING ON 2016 WEED, RUBBISH, AND REFUSE ABATEMENT**

Public Services Director Rosenfield reviewed the information provided in the Staff Report.

Mayor Kogerman opened the Public Hearing and, upon seeing no one rise, closed the Public Hearing.

**THE CITY COUNCIL CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. 2016-05-10-1, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ISSUING AN ABATEMENT ORDER AND AUTHORIZING THE DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER TO COMMENCE ENFORCING WEED, RUBBISH, AND REFUSE ABATEMENT AGAINST SPECIFIED PARCELS OF LAND, BY M/COUNCIL MEMBER GILBERT, S/COUNCIL MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.**

**6. ADMINISTRATIVE REPORTS****6.1 City Manager**

The City Manager gave no Administrative Reports.

**6.2 Public Services Director/City Engineer****6.2.1 LA PAZ ROAD SIDEWALK WIDENING PROJECT, CIP NO. 171,  
STATUS REPORT**

Public Services Director Rosenfield reviewed the information provided in the Staff Report, summarized the options available to modify or cancel the project due to funding limitations, and responded to City Council requests for additional information.

**THE CITY COUNCIL DIRECTED STAFF TO: (1) DEFER RIGHT-OF-WAY ACQUISITION; (2) SEEK APPROVAL FROM THE STATE OF CALIFORNIA ACTIVE TRANSPORTATION PROGRAM FOR ADDITIONAL FUNDING AND A RESCOPING OF THE PROJECT TO ONLY WIDEN THE NORTHERLY LA PAZ ROAD SIDEWALK; AND (3) PURSUE ADDITIONAL GRANT FUNDING FOR THE SOUTHERLY LA PAZ ROAD SIDEWALK, BY M/MAYOR PRO TEMPORE SEDGWICK, S/COUNCIL MEMBER CARRUTH.**

**APPROVED BY A VOTE OF 5-0.**

**7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR****7.1 MAYOR PRO TEMPORE SEDGWICK****7.1.1 ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION  
REQUEST FOR FUNDING SUPPORT**

Mayor Pro Tempore Sedgwick reviewed the information provided in the Staff Report.

**THE CITY COUNCIL APPROVED THE DONATION OF \$5,000 TO THE ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION, BY M/MAYOR PRO TEMPORE SEDGWICK, S/COUNCIL MEMBER BLOUNT.  
APPROVED BY A VOTE OF 5-0.**

**8. CITY COUNCIL MEMBER COMMENTS****COUNCIL MEMBER BLOUNT**

Council Member Blount stated that he would not be running for reelection in November due to his busy work schedule.

**MAYOR PRO TEMPORE SEDGWICK**

Mayor Pro Tempore Sedgwick reported that he attended the Southern California Association of Governments (SCAG) 2016 Regional Conference & General Assembly held in La Quinta from May 5 - 6, 2016, and stated that it was a great experience learning about the future of cities.

**MAYOR KOGERMAN**

Mayor Kogerman made comments in regards to the Orange County Mosquito and Vector Control District and addressed remarks made during the Public Comments section of the meeting.

**9. CLOSED SESSION, CONTINUED**

Mayor Kogerman recessed the meeting into Closed Session at 9:05 p.m.

**B. CONFERENCE WITH LABOR NEGOTIATORS**

Pursuant to Government Code Section 54957.6(a)

City Designated Representatives: Bruce Channing, City Manager

Don White, Assistant City Manager

Melissa Au-Yeung, Assistant to the City Manager

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

Mayor Kogerman reconvened the City Council meeting at 10:42 p.m. All Council Members were present.

Mayor Kogerman indicated that no reportable action was taken by the City Council during Closed Session.

**ADJOURNMENT**

There being no further business at the City Council session, Mayor Kogerman adjourned the City Council meeting at 10:45 p.m.

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MELISSA AU-YEUNG, CITY CLERK

ATTEST:

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BARBARA D. KOGERMAN, MAYOR

APPROVED AT MEETING OF JUNE 14, 2016.





# City of Laguna Hills

## City Council Meeting Agenda

### Staff Report

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**DATE:** JUNE 14, 2016

**TO:** MAYOR AND COUNCIL MEMBERS

**FROM:** DONALD J. WHITE, ASSISTANT CITY MANAGER

**ISSUE:** APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED JUNE 14, 2016.

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**RECOMMENDATION:** THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$1,356,527.36.

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#### **SUMMARY:**

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES  
Finance Manager

Certified:

  
DONALD J. WHITE  
Assistant City Manager

6-7-16  
DATE

#### **FISCAL IMPACT:**

The warrant register total is \$1,356,527.36.

#### **ATTACHMENTS:**

1. Warrant Register

## Check Register Report

Warrant Register 06/14/16

Date: 06/02/2016

Time: 5:06 pm

Page: 1

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

| Check Number                      | Check Date | Status  | Void/Stop Date | Vendor Number | Vendor Name                    | Check Description               | Amount    |
|-----------------------------------|------------|---------|----------------|---------------|--------------------------------|---------------------------------|-----------|
| <b>UNION BANK- GENERAL Checks</b> |            |         |                |               |                                |                                 |           |
| 8810892                           | 05/05/2016 | Printed |                | A-0331        | AT&T MOBILITY                  | Wireless Service, Apr '16       | 63.02     |
| 8810893                           | 05/05/2016 | Printed |                | A-0309        | AT&T- CALNET 2                 | Traffic Signal, PS, Apr '16     | 18.05     |
| 8810894                           | 05/05/2016 | Printed |                | C-1168        | CAPITAL ONE COMMERCIAL         | Costco, Program Expense, CS     | 51.23     |
| 8810895                           | 05/05/2016 | Printed |                | C-0023        | COX COMMUNICATION              | T-1 Line CC, Wi-Fi & Cable, CH  | 510.96    |
| 8810896                           | 05/05/2016 | Printed |                | C-1146        | CYBERSOURCE CORPORATION        | Gateway Expense, Apr '16        | 29.00     |
| 8810897                           | 05/05/2016 | Printed |                | E-0504        | EL TORO WATER DISTRICT         | Water Usage, Public Svcs, Mar   | 7,010.68  |
| 8810898                           | 05/05/2016 | Printed |                | M-1302        | MOULTON NIGUEL WATER DISTRICT  | Water Usage, CC, Pub Svcs       | 4,258.28  |
| 8810899                           | 05/05/2016 | Printed |                | R-1830        | RALPHS GROCERY COMPANY         | Program Expense, CS, Mar - Apr  | 100.88    |
| 8810900                           | 05/05/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES     | Buildrite, Inc., C&D Deposit    | 906.85    |
| 8810901                           | 05/05/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | Pacific Sun L., V# 2003748.002  | 260.00    |
| 8810902                           | 05/05/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | G. Ataii, V# 2003752.002        | 500.00    |
| 8810903                           | 05/05/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | H. Mckinely, V# 2003758.002     | 250.00    |
| 8810904                           | 05/05/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | M. Arellano, V# 2003759.002     | 250.00    |
| 8810905                           | 05/05/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | LHHS Music B., V# 2003760.002   | 172.50    |
| 8810906                           | 05/05/2016 | Printed |                | S-1904        | SOUTHERN CALIFORNIA EDISON     | ST Lites, TC, Mar-Apr '16       | 2,841.52  |
| 8810907                           | 05/05/2016 | Printed |                | T-2693        | TELEPACIFIC COMMUNICATIONS     | Communications Expense, May     | 1,205.02  |
| 8810908                           | 05/05/2016 | Printed |                | V-2249        | US BANK VOYAGER FLEET SYS      | Vehicle Fuel, Apr '16           | 1,430.45  |
| 8810909                           | 05/12/2016 | Printed |                | A-0349        | A SOURCE OF PRIDE              | Office Supplies, Apr '16        | 102.60    |
| 8810910                           | 05/12/2016 | Printed |                | A-0340        | ACE BUSINESS MACHINES, INC.    | Check Signer Repair, May '16    | 200.00    |
| 8810911                           | 05/12/2016 | Printed |                | A-0138        | ALL CITY MANAGEMENT, INC.      | Crossing Guard Svc, 3/27-4/23   | 6,044.40  |
| 8810912                           | 05/12/2016 | Printed |                | A-0359        | ANDERSON PENNA PARTNERS, INC.  | Inspection Services, Apr '16    | 17,123.75 |
| 8810913                           | 05/12/2016 | Printed |                | A-0360        | ARC DOCUMENT SOLUTIONS, LLC    | Printing Services, Engineering  | 35.61     |
| 8810914                           | 05/12/2016 | Printed |                | A-0304        | AU-YEUNG, MELISSA              | Travel Advance, ICSC, May '16   | 300.00    |
| 8810915                           | 05/12/2016 | Printed |                | B-0276        | BANK OF AMERICA                | Departmental Expenditure, Apr   | 11,461.56 |
| 8810916                           | 05/12/2016 | Printed |                | B-0304        | BEE MAN, THE                   | Bee Removal, Pub Svcs, Apr      | 150.00    |
| 8810917                           | 05/12/2016 | Printed |                | B-0411        | BUCKNAM & ASSOCIATES, INC.     | Update Pavement Mgmt System     | 2,215.00  |
| 8810918                           | 05/12/2016 | Printed |                | C-0412        | C&D ELECTRIC, INC.             | Park Repairs, Pub Svcs, Feb-Apr | 1,692.19  |
| 8810919                           | 05/12/2016 | Printed |                | C-0333        | CALIF PARK & REC SOCIETY, INC. | Membership, Com Svcs, DR        | 5.00      |
| 8810920                           | 05/12/2016 | Printed |                | C-1133        | CALIFORNIA YELLOW CAB          | Senior Mobility Program, Apr    | 2,778.00  |
| 8810921                           | 05/12/2016 | Printed |                | C-0408        | CARL WARREN & COMPANY          | Processing Fee, Sml Claims Apr  | 616.44    |
| 8810922                           | 05/12/2016 | Printed |                | C-1142        | CARSON, ANTHONY D.             | MC, 1/2 Marathon 5K Event       | 250.00    |
| 8810923                           | 05/12/2016 | Printed |                | C-1068        | CITY OF ALISO VIEJO            | Cost Share, Dairy Fork CIP 410  | 21,321.49 |
| 8810924                           | 05/12/2016 | Printed |                | C-0455        | CNC ENGINEERING                | Professional Services, CIP#171  | 36,031.94 |
| 8810925                           | 05/12/2016 | Printed |                | C-1096        | CODE PUBLISHING COMPANY, INC.  | Municipal Code Update, Mar-Apr  | 344.25    |
| 8810926                           | 05/12/2016 | Printed |                | C-1139        | COMPLETE OFFICE OF CALIFORNIA  | Computer, Office&Operating Sup  | 2,020.73  |
| 8810927                           | 05/12/2016 | Printed |                | C-1176        | COMPUTER SERVICE CO.           | Traffic Sig. Maint, Mar - Apr   | 12,241.18 |
| 8810928                           | 05/12/2016 | Printed |                | C-0023        | COX COMMUNICATION              | WiFi Svcs, Com Ctr, May '16     | 130.00    |
| 8810929                           | 05/12/2016 | Printed |                | D-0461        | DATA TICKET, INC.              | Processing Fee, Park Cit, Apr   | 526.65    |
| 8810930                           | 05/12/2016 | Printed |                | D-0491        | DELL COMPUTER CORPORATION      | Computer Hardware, Apr          | 1,202.61  |
| 8810931                           | 05/12/2016 | Printed |                | D-0561        | DOCU-TRUST                     | Offsite Data Storage, Apr '16   | 65.00     |
| 8810932                           | 05/12/2016 | Printed |                | D-0552        | DUNBAR ARMORED, INC.           | Courier Fee, Armored Trans, May | 130.98    |
| 8810933                           | 05/12/2016 | Printed |                | G-0821        | G2 CONSTRUCTION INC.           | Professional Svcs, CIP # 412E   | 9,072.50  |
| 8810934                           | 05/12/2016 | Printed |                | G-0851        | GEMINI TIMING                  | Program Expense, 1/2 Marathon   | 8,700.00  |
| 8810935                           | 05/12/2016 | Printed |                | G-0844        | GREEN MART, INC.               | Operating Supplies, Pub Svcs    | 1,134.00  |
| 8810936                           | 05/12/2016 | Printed |                | H-0829        | HARTZOG & CRABILL, INC.        | Traf Signal Mgmt, & CIP #168    | 15,997.80 |
| 8810937                           | 05/12/2016 | Printed |                | H-0956        | HASTON, JAMES                  | Travel Advance, ICSC, May '16   | 300.00    |
| 8810938                           | 05/12/2016 | Printed |                | H-0955        | HR GREEN CALIFORNIA, INC.      | Professional Svcs, 5 Lagunas    | 8,235.00  |
| 8810939                           | 05/12/2016 | Printed |                | I-0942        | IRVINE RANCH WATER DISTRICT    | Water Usage, Public Svcs, Apr   | 146.71    |

## Check Register Report

Warrant Register 06/14/16

Date: 06/02/2016

Time: 5:06 pm

Page: 2

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

| Check Number                      | Check Date | Status  | Void/Stop Date | Vendor Number | Vendor Name                     | Check Description               | Amount    |
|-----------------------------------|------------|---------|----------------|---------------|---------------------------------|---------------------------------|-----------|
| <b>UNION BANK- GENERAL Checks</b> |            |         |                |               |                                 |                                 |           |
| 8810940                           | 05/12/2016 | Printed |                | J-1057        | JAMEY CLARK, INC.               | Park Repair & Graffiti Removal  | 7,124.12  |
| 8810941                           | 05/12/2016 | Printed |                | C-1007        | LAW ENFORCEMENT                 | Comm 800MHz Allocation, 4th Qtr | 2,461.00  |
| 8810942                           | 05/12/2016 | Printed |                | L-1377        | LEFT COAST NOVELTIES            | Program Expense, 1/2 Marathon   | 3,088.80  |
| 8810943                           | 05/12/2016 | Printed |                | C-0448        | LUCY, STEVEN                    | Program Expense, CS, 06/03/16   | 750.00    |
| 8810944                           | 05/12/2016 | Printed |                | M-1546        | MAILFINANCE, INC.               | Lease - Mailing Equip, Mar-May  | 364.24    |
| 8810945                           | 05/12/2016 | Printed |                | M-1388        | MOBILE MINI, INC.               | Storage Rental, CC, 4/24-5/23   | 83.16     |
| 8810946                           | 05/12/2016 | Printed |                | N-1474        | NIEVES LANDSCAPE, INC.          | Monthly and Misc Landscape, May | 79,449.24 |
| 8810947                           | 05/12/2016 | Printed |                | C-1008        | NPDES                           | Professional Svcs, CIP # 410    | 3,862.16  |
| 8810948                           | 05/12/2016 | Printed |                | O-1528        | OCTA                            | CIP #168, La Paz Signal         | 16,169.00 |
| 8810949                           | 05/12/2016 | Printed |                | O-1546        | OFFICE SOLUTIONS                | Office/Operating Supplies       | 423.60    |
| 8810950                           | 05/12/2016 | Printed |                | O-1552        | ORANGE COUNTY FIRE AUTHORITY    | Remit, Fire Fees Coll, Mar-Apr  | 17,957.25 |
| 8810951                           | 05/12/2016 | Printed |                | O-1575        | ORANGE COUNTY REGISTER-FREEDOM  | Legal Advertising, Apr '16      | 1,223.98  |
| 8810952                           | 05/12/2016 | Printed |                | C-1003        | PARKING VIOLATIONS              | Parking Fee Surcharge, Apr      | 3,064.75  |
| 8810953                           | 05/12/2016 | Printed |                | P-1828        | PARSONS, ROSS                   | Program Expense, Umpire Fees    | 180.00    |
| 8810954                           | 05/12/2016 | Printed |                | R-1881        | R.E.S.S.                        | Flag Replacement, Com Center    | 502.20    |
| 8810955                           | 05/12/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES      | Aqua Scapes, Pool Bond          | 500.00    |
| 8810956                           | 05/12/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES      | M. Hernandez, Cond. Use Permit  | 2,875.00  |
| 8810957                           | 05/12/2016 | Printed |                | R-1889        | REFUND, FACILITY RENTAL DEPOSIT | BCV Ptds, V# 2003761.002        | 250.00    |
| 8810958                           | 05/12/2016 | Printed |                | R-1855        | RICHARD FISHER ASSOCIATES       | Prof. Svcs, CIP# 241, 410, 514  | 11,383.65 |
| 8810959                           | 05/12/2016 | Printed |                | R-1946        | RK ENGINEERING GROUP, INC.      | Traffic Study, MNWD             | 330.00    |
| 8810960                           | 05/12/2016 | Printed |                | R-1813        | RPW SERVICES, INC.              | Rodent Control, Pub Svcs        | 1,560.00  |
| 8810961                           | 05/12/2016 | Printed |                | S-1902        | SAN DIEGO GAS & ELECTRIC        | ST Lites, Apr '16               | 13,861.80 |
| 8810962                           | 05/12/2016 | Printed |                | S-2276        | SEDGWICK, DON                   | Travel Reimb., SCAG Conference  | 135.98    |
| 8810963                           | 05/12/2016 | Printed |                | S-1949        | SMART & FINAL                   | Office & Program Supp. CH & CC  | 203.01    |
| 8810964                           | 05/12/2016 | Printed |                | S-2239        | SOCAL OFFICE TECHNOLOGIES       | Copier Usage, CC, 1/22-4/21/16  | 1,753.06  |
| 8810965                           | 05/12/2016 | Printed |                | S-2253        | SOCAL OFFICE TECHNOLOGIES-LEAS  | Lease-Copier, CC, May '16       | 1,062.30  |
| 8810966                           | 05/12/2016 | Printed |                | S-2250        | SPARKLETT'S                     | Operating Sup., CS & CH, Apr    | 212.70    |
| 8810967                           | 05/12/2016 | Printed |                | S-1980        | STATE DEPARTMENT OF JUSTICE     | Pre-employment Fingerprinting   | 64.00     |
| 8810968                           | 05/12/2016 | Printed |                | S-2201        | SUNSET PROPERTY SERVICES        | Street Sweeping, Apr '16        | 9,779.23  |
| 8810969                           | 05/12/2016 | Printed |                | U-2121        | U.S. POSTAL SERVICE             | Postage, City Views, May        | 2,500.00  |
| 8810970                           | 05/12/2016 | Printed |                | U-2165        | UNDERGROUND SERVICE ALERT       | Street Maintenance, Apr '16     | 85.50     |
| 8810971                           | 05/12/2016 | Printed |                | U-2163        | USA DANCE, INC.                 | Contract Inst Svcs, Dancing     | 56.00     |
| 8810972                           | 05/12/2016 | Printed |                | U-2166        | UTILITY COST MANAGEMENT LLC     | Prof Services, Utility Savings  | 354.67    |
| 8810973                           | 05/12/2016 | Printed |                | V-2224        | VERIZON WIRELESS                | Communication Expense, Apr '16  | 839.30    |
| 8810974                           | 05/12/2016 | Printed |                | W-2337        | WEST COAST ARBORISTS, INC.      | Tree Trimming, Apr '16          | 5,360.00  |
| 8810975                           | 05/12/2016 | Printed |                | W-2438        | WILLDAN FINANCIAL SERVICES      | Professional Svcs, Fee Study    | 1,341.00  |
| 8810976                           | 05/12/2016 | Printed |                | X-2400        | XEROX CORPORATION               | Copier Lease & Usage, Apr '16   | 1,023.05  |
| 8810977                           | 05/19/2016 | Printed |                | C-1159        | CHANTARANGSU, DAVID             | Travel Advance, ICSC, May '16   | 300.00    |
| 8810978                           | 05/19/2016 | Printed |                | C-0023        | COX COMMUNICATION               | T1 Line- CH, Signal System, May | 902.57    |
| 8810979                           | 05/19/2016 | Printed |                | M-1585        | MCDONALD, KAYLE                 | Mileage Reimb., CC, May '16     | 36.72     |
| 8810980                           | 05/19/2016 | Printed |                | M-1302        | MOULTON NIGUEL WATER DISTRICT   | Water Usage, Pub Svcs, Apr      | 12,892.66 |
| 8810981                           | 05/19/2016 | Printed |                | O-1599        | ORANGE COUNTY JUMPERS, LLC      | Program Expense, 1/2 Marathon   | 830.00    |
| 8810982                           | 05/19/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES      | A. Rios, Permit Fees            | 81.22     |
| 8810983                           | 05/19/2016 | Printed |                | R-1889        | REFUND, FACILITY RENTAL DEPOSIT | A. McClellan, V# 2003766.002    | 500.00    |
| 8810984                           | 05/19/2016 | Printed |                | S-1904        | SOUTHERN CALIFORNIA EDISON      | ST Lites, TC, Apr '16           | 9,090.61  |
| 8810985                           | 05/19/2016 | Printed |                | W-2441        | WEST COAST MOVEMENT PROJECT,    | Contract Inst Svcs., Dance      | 1,036.00  |
| 8810986                           | 05/19/2016 | Printed |                | W-2300        | WHITE, DONALD                   | Travel Advance, LOCC            | 75.00     |
| 8810987                           | 05/26/2016 | Printed |                | S-2279        | ARA SAHELIAN, ESQ               | Refund, Deposition Fees         | 275.00    |
| 8810988                           | 05/26/2016 | Printed |                | A-0309        | AT&T- CALNET 2                  | Traf Sig, PS, Alarm, CC, May    | 87.16     |

## Check Register Report

Warrant Register 06/14/16

Date: 06/02/2016

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CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

| Check Number                      | Check Date | Status  | Void/Stop Date | Vendor Number | Vendor Name                    | Check Description              | Amount     |
|-----------------------------------|------------|---------|----------------|---------------|--------------------------------|--------------------------------|------------|
| <b>UNION BANK- GENERAL Checks</b> |            |         |                |               |                                |                                |            |
| 8810989                           | 05/26/2016 | Printed |                | C-1177        | CANON FINANCIAL SERVICES, INC. | Lease - Copier, Gen Gov, May   | 221.40     |
| 8810990                           | 05/26/2016 | Printed |                | C-0023        | COX COMMUNICATION              | T-1 Line CC & Cable, CH, May   | 331.96     |
| 8810991                           | 05/26/2016 | Printed |                | D-0410        | DMV                            | Registration Ren, Gen Gov, BC  | 186.00     |
| 8810992                           | 05/26/2016 | Printed |                | E-0504        | EL TORO WATER DISTRICT         | Water Usage, Public Svcs, Apr  | 10,029.05  |
| 8810993                           | 05/26/2016 | Printed |                | H-0934        | HOME DEPOT                     | Program Supplies, CS, Apr '16  | 221.56     |
| 8810994                           | 05/26/2016 | Printed |                | C-1007        | LAW ENFORCEMENT                | Law Enforcement Svcs, May '16  | 626,616.45 |
| 8810995                           | 05/26/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | LHHS Lacrosse, V# 2003770.002  | 595.00     |
| 8810996                           | 05/26/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | A. Williams, V# 2003773.002    | 250.00     |
| 8810997                           | 05/26/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | Camden Park Svc, V#2003775.002 | 250.00     |
| 8810998                           | 05/26/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT | C. Nazareno, V# 2003772.002    | 115.00     |
| 8810999                           | 05/26/2016 | Printed |                | S-1902        | SAN DIEGO GAS & ELECTRIC       | ST Lites, TC & Comm Ctr, Apr   | 28,219.47  |
| 8811000                           | 06/02/2016 | Printed |                | A-0254        | A. C. LANDSCAPE, INC.          | Irrigation Repairs, May '16    | 11,077.27  |
| 8811001                           | 06/02/2016 | Printed |                | A-0130        | AAA AWARDS & MONOGRAMMING      | Operating Supplies, Pol Svcs   | 41.04      |
| 8811002                           | 06/02/2016 | Printed |                | A-0138        | ALL CITY MANAGEMENT, INC.      | Crossing Guard Svc, 4/24-5/7   | 4,029.60   |
| 8811003                           | 06/02/2016 | Printed |                | C-1002        | ANIMAL SHELTER SERVICES        | Animal Care Services, Jan-Mar  | 38,736.00  |
| 8811004                           | 06/02/2016 | Printed |                | A-0362        | APPLIED CONCEPTS, INC.         | Equipment, Police Services     | 5,835.28   |
| 8811005                           | 06/02/2016 | Printed |                | A-0360        | ARC DOCUMENT SOLUTIONS, LLC    | Printing Services, CIP # 410   | 404.59     |
| 8811006                           | 06/02/2016 | Printed |                | B-0430        | BASICS OF SKATEBOARDING        | Contract Inst Svcs, Skateboard | 1,050.00   |
| 8811007                           | 06/02/2016 | Printed |                | B-0304        | BEE MAN, THE                   | Bee Removal, Pub Svcs, May     | 375.00     |
| 8811008                           | 06/02/2016 | Printed |                | C-0457        | CA CITY MANAGEMENT FOUNDATION  | Meeting Expense, FY 16/17      | 1,300.00   |
| 8811009                           | 06/02/2016 | Printed |                | C-0333        | CALIF PARK & REC SOCIETY, INC. | Membership, Com Svcs, KC       | 145.00     |
| 8811010                           | 06/02/2016 | Printed |                | C-1179        | CANON SOLUTIONS AMERICA        | Gen Gov Copier Usage , Feb-Apr | 287.42     |
| 8811011                           | 06/02/2016 | Printed |                | C-1144        | CHARLES ABBOTT ASSOCIATES, INC | Road Maintenance, Apr '16      | 45,646.73  |
| 8811012                           | 06/02/2016 | Printed |                | C-1139        | COMPLETE OFFICE OF CALIFORNIA  | Computer, Office&Operating Sup | 1,881.14   |
| 8811013                           | 06/02/2016 | Printed |                | C-0059        | COUNTY OF ORANGE HEALTH CARE   | Drowning Prevention Donation   | 5,000.00   |
| 8811014                           | 06/02/2016 | Printed |                | C-0023        | COX COMMUNICATION              | WiFi Svcs, City Hall, May '16  | 179.00     |
| 8811015                           | 06/02/2016 | Printed |                | D-0541        | DIAMOND ENVIRONMENTAL SERVICES | Program Expense, 1/2 Marathon  | 3,786.30   |
| 8811016                           | 06/02/2016 | Printed |                | D-0561        | DOCU-TRUST                     | Offsite Data Storage, May '16  | 65.00      |
| 8811017                           | 06/02/2016 | Printed |                | E-0595        | ECLIPSE MESSENGER SERVICE, INC | Delivery Service, May '16      | 25.72      |
| 8811018                           | 06/02/2016 | Printed |                | E-0593        | EISENBERG, DALE                | Contract Inst Svcs., Aikido    | 1,085.00   |
| 8811019                           | 06/02/2016 | Printed |                | E-0597        | ELECTRIC CITY                  | 1/2 Marathon 5K Supplies, CS   | 1,650.10   |
| 8811020                           | 06/02/2016 | Printed |                | E-0553        | ELKINS, CHRISTINA              | Contract Inst Svcs., Dance     | 358.40     |
| 8811021                           | 06/02/2016 | Printed |                | G-0791        | GORMAN, RON                    | Contract Inst Svcs, Guitar     | 399.00     |
| 8811022                           | 06/02/2016 | Printed |                | H-0805        | HARRINGTON GEOTECH ENGINEERING | Professional Svcs, CIP#171,175 | 1,464.50   |
| 8811023                           | 06/02/2016 | Printed |                | H-0829        | HARTZOG & CRABILL, INC.        | Traf Signal Mgmt, & CIP #168   | 9,114.00   |
| 8811024                           | 06/02/2016 | Printed |                | H-0955        | HR GREEN CALIFORNIA, INC.      | Professional Svcs, CIP # 514   | 12,940.17  |
| 8811025                           | 06/02/2016 | Printed |                | H-0952        | HYLAND SOFTWARE, INC.          | SIRE Streaming, 1st Qtr 16/17  | 2,152.21   |
| 8811026                           | 06/02/2016 | Printed |                | I-0964        | INNOVATIVE PROMOTIONS          | Program Expense, Marathon, CS  | 972.96     |
| 8811027                           | 06/02/2016 | Printed |                | J-1057        | JAMEY CLARK, INC.              | Park Repairs, May '16          | 132.32     |
| 8811028                           | 06/02/2016 | Printed |                | J-1071        | JCTEES.COM CORPORATION         | Program Supplies, CS, May '16  | 18,247.34  |
| 8811029                           | 06/02/2016 | Printed |                | G-0709        | JOE A. GONSALVES & SON         | Legislative Services, Jun      | 2,900.00   |
| 8811030                           | 06/02/2016 | Printed |                | J-1062        | JOE DONALDSON DESIGNS          | Program Expense, 1/2 Marathon  | 900.00     |
| 8811031                           | 06/02/2016 | Printed |                | C-1007        | LAW ENFORCEMENT                | FingerprintID Sys, Comm Sys    | 1,788.25   |
| 8811032                           | 06/02/2016 | Printed |                | C-0448        | LUCY, STEVEN                   | Program Expense, CS, 06/24/16  | 500.00     |
| 8811033                           | 06/02/2016 | Printed |                | M-1552        | MARTIN-RUSK, DINA              | Contract Instr Svcs, Zumba     | 420.70     |
| 8811034                           | 06/02/2016 | Printed |                | M-1512        | MCMURRAY STERN                 | File System Mt,8/15/16-8/14/17 | 513.30     |
| 8811035                           | 06/02/2016 | Printed |                | M-1513        | MEEHAN, DANIEL                 | July 4th -Ticket Sales Change  | 500.00     |
| 8811036                           | 06/02/2016 | Printed |                | M-1302        | MOULTON NIGUEL WATER DISTRICT  | Water Usage, CC, Pub Svcs      | 4,922.54   |
| 8811037                           | 06/02/2016 | Printed |                | M-1565        | MURRAY, LUCIE                  | Program Expense, 1/2 Marathon  | 250.00     |

## Check Register Report

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CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

| Check Number                      | Check Date | Status  | Void/Stop Date | Vendor Number | Vendor Name                                  | Check Description              | Amount              |
|-----------------------------------|------------|---------|----------------|---------------|----------------------------------------------|--------------------------------|---------------------|
| <b>UNION BANK- GENERAL Checks</b> |            |         |                |               |                                              |                                |                     |
| 8811038                           | 06/02/2016 | Printed |                | N-1484        | NICHOLS CONSULTING                           | Professional Services, May '16 | 1,080.00            |
| 8811039                           | 06/02/2016 | Printed |                | N-1474        | NIEVES LANDSCAPE, INC.                       | Other Assorted Landscape       | 1,475.00            |
| 8811040                           | 06/02/2016 | Printed |                | N-1475        | NOLAN, PAUL, EMT-D                           | Program Expense, 1/2 Marathon  | 1,064.00            |
| 8811042                           | 06/02/2016 | Printed |                | O-1546        | OFFICE SOLUTIONS                             | Office/Operating Supplies      | 883.54              |
| 8811043                           | 06/02/2016 | Printed |                | O-1599        | ORANGE COUNTY JUMPERS, LLC                   | Program Expense, 4th of Jul    | 1,180.00            |
| 8811044                           | 06/02/2016 | Printed |                | P-1809        | PACIFIC COAST RACE TIMING                    | Program Exp, 1/2 Marathon      | 1,317.00            |
| 8811045                           | 06/02/2016 | Printed |                | Q-1707        | QUEST DIAGNOSTICS                            | Pre-employment Drug Testing    | 37.74               |
| 8811046                           | 06/02/2016 | Printed |                | R-1830        | RALPHS GROCERY COMPANY                       | Program Expense, CS, Apr - May | 60.29               |
| 8811047                           | 06/02/2016 | Printed |                | R-1943        | RAMIREZ, CHRISTINA                           | Mileage Reimb., Admin, Apr-May | 15.23               |
| 8811048                           | 06/02/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES                   | PR Architects, Fire Fee        | 1,890.90            |
| 8811049                           | 06/02/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES                   | Worco Plumbing, Permit Fees    | 381.00              |
| 8811050                           | 06/02/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES                   | E. Lund, Site Dev Plan         | 200.00              |
| 8811051                           | 06/02/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES                   | GW&A, LLC, Site Dev Plan       | 200.00              |
| 8811052                           | 06/02/2016 | Printed |                | R-1964        | REFUND, COMMUNITY DEV FEES                   | S. Lu, Site Dev Plan           | 125.00              |
| 8811053                           | 06/02/2016 | Printed |                | R-1889        | REFUND,FACILITY RENTAL DEPOSIT               | A. Vora, V# 2003777.002        | 500.00              |
| 8811054                           | 06/02/2016 | Printed |                | R-1939        | REYES, JANICE MATEO                          | Petty Cash Replenishment, May  | 1,132.92            |
| 8811055                           | 06/02/2016 | Printed |                | R-1855        | RICHARD FISHER ASSOCIATES                    | Prof. Svcs, CIP# 241, 410      | 24,234.17           |
| 8811056                           | 06/02/2016 | Printed |                | R-1813        | RPW SERVICES, INC.                           | Rodent & Insect Control, May   | 1,810.00            |
| 8811057                           | 06/02/2016 | Printed |                | R-1967        | RUSSELL, RICHARD WYATT                       | Contract Inst Svcs, Tennis     | 620.80              |
| 8811058                           | 06/02/2016 | Printed |                | S-2261        | SOUND CONNECTION                             | Program Expense, 1/2 Marathon  | 1,100.00            |
| 8811059                           | 06/02/2016 | Printed |                | S-1911        | SOUTHERN CAL ASSOC OF GOVTS                  | Membership 16/17               | 3,239.00            |
| 8811060                           | 06/02/2016 | Printed |                | S-1904        | SOUTHERN CALIFORNIA EDISON                   | ST Lites, TC, May '16          | 2,217.43            |
| 8811061                           | 06/02/2016 | Printed |                | S-2105        | SYMQUEST SERVICES                            | Printer Repair, May '16        | 297.60              |
| 8811062                           | 06/02/2016 | Printed |                | T-2656        | TYLER TECHNOLOGIES, INC.                     | Maint, Energov, Jul'16 -Jun'17 | 17,311.45           |
| 8811063                           | 06/02/2016 | Printed |                | U-2165        | UNDERGROUND SERVICE ALERT                    | Street Maintenance, May '16    | 112.50              |
| 8811064                           | 06/02/2016 | Printed |                | U-2162        | UNIVERSAL PROTECTION SECURITY                | Security Camera Maint, CC      | 875.00              |
| 8811065                           | 06/02/2016 | Printed |                | U-2163        | USA DANCE, INC.                              | Contract Inst Svcs, Dancing    | 224.00              |
| 8811066                           | 06/02/2016 | Printed |                | U-2166        | UTILITY COST MANAGEMENT LLC                  | Prof Services, Utility Savings | 181.15              |
| 8811067                           | 06/02/2016 | Printed |                | W-2337        | WEST COAST ARBORISTS, INC.                   | Tree Trimming, Apr '16         | 8,578.00            |
| 8811068                           | 06/02/2016 | Printed |                | W-2302        | WEST PUBLISHING CORPORATION                  | Subscription, City Clk, Mar    | 314.70              |
| 8811069                           | 06/02/2016 | Printed |                | W-2377        | WILLDAN ENGINEERING                          | Prof Svcs, CIP# 514, 171       | 1,705.00            |
| 8811070                           | 06/02/2016 | Printed |                | W-2442        | WOLFE, JAMES                                 | Claim Settlement               | 1,200.00            |
| 8811071                           | 06/02/2016 | Printed |                | R-1801        | WOODRUFF, SPRADLIN & SMART                   | Professional Svcs, Legal, Apr  | 34,077.65           |
| <b>Total Checks: 179</b>          |            |         |                |               | <b>Checks Total (excluding void checks):</b> |                                | <b>1,356,527.36</b> |
| <b>Total Payments: 179</b>        |            |         |                |               | <b>Bank Total (excluding void checks):</b>   |                                | <b>1,356,527.36</b> |
| <b>Total Payments: 179</b>        |            |         |                |               | <b>Grand Total (excluding void checks):</b>  |                                | <b>1,356,527.36</b> |





# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: DONALD J. WHITE**  
**ASSISTANT CITY MANAGER**

**ISSUE: ADOPTION OF ANNUAL APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016/2017**

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**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 FISCAL YEAR 2016/2017 IN ACCORDANCE WITH ARTICLE XIII B OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE."**

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#### **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 a new appropriations limit each year. By applying the allowable population and per capita income growth factors, the appropriations limit for the City of Laguna Hills for Fiscal Year 2016/2017 is calculated to be \$36,197,251. Staff has determined that the City will be under the limit by \$24,922,200 for the Fiscal Year 2016/2017. A Resolution establishing the limit for Fiscal Year 2016/2017 is attached to this report.

#### **BACKGROUND:**

As required by law, the voters approved an appropriations limit of \$9,102,336 for Fiscal Year 1993/1994. This limit serves as the "base year" and is adjusted annually based on population and inflation factors. In Fiscal Year 1996/1997, the limit was adjusted by \$2,032,217 in order 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 the County. Subsequently, actual revenues exceeded the initial forecast, thus an additional revenue amendment of \$1,858,438 was factored into the Fiscal Year 1999/2000 limit calculation. In Fiscal Year 2001/2002, 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 appropriations limit for the City of Laguna Hills for Fiscal Year 2016/2017 is calculated to be \$36,197,251. 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 \$36,197,251 for Fiscal Year 2016/2017. The anticipated proceeds of taxes less qualified exclusions for this fiscal year resulted in an amount of \$11,275,051 subject to the limit, which is well below the legal limit by \$24,922,200. The following calculation shows the amount under the limit for Fiscal Year 2016/2017:

|                                             |                             |
|---------------------------------------------|-----------------------------|
| Fiscal Year 2016/17 Appropriations Limit    | \$36,197,251                |
| Less: Total Subject to Appropriations Limit | <u>11,275,051</u>           |
| Amount Under the Appropriations Limit       | <u><u>\$ 24,922,200</u></u> |

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:**

- Resolution
- Schedules Calculating the Appropriations Limit for Fiscal Year 2016/2017



RESOLUTION NO. 2016-06-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DETERMINING AND ADOPTING AN APPROPRIATIONS LIMIT FOR FISCAL YEAR 2016/2017 IN ACCORDANCE WITH ARTICLE XIII B OF THE CONSTITUTION OF THE STATE OF CALIFORNIA, AND SECTION 7910 OF THE GOVERNMENT CODE

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 Fiscal Year 2016/2017; 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, 2016, is established at \$36,197,251.

SECTION 2. That the inflation factor being utilized to calculate the Fiscal Year 2016/2017 Appropriations Limit is based on the percentage change in California's per capita income.

SECTION 3. That the population factor being utilized to calculate Fiscal Year 2016/2017 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 14<sup>th</sup> day of June, 2016.

\_\_\_\_\_  
BARBARA D. KOGERMAN, 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. 2016-06-14-X adopted by the City Council of the City of Laguna Hills,  
California, at a Regular Meeting thereof held on the 14<sup>th</sup> day of June 2016, 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 2016/17 Appropriations Limit of \$36,197,251 and the Appropriations Subject to the Limit of \$11,275,051 indicates that the City will be well below its Appropriations Limit. The City's budgeted revenues for FY 2016/17 subject to limitation will be below its legal limit by \$24,922,200.

**2015/16 Appropriations Limit**

|                                                       |               |
|-------------------------------------------------------|---------------|
| 2015/16 factor - change in per capita personal income | 3.82%         |
| 2015/16 factor - change in County population          | 1.08%         |
| \$32,414,101 x 1.0382 x 1.0108 .....                  | \$ 34,015,765 |

**2016/17 Appropriations Limit**

|                                                       |               |
|-------------------------------------------------------|---------------|
| 2016/17 factor - change in per capita personal income | 5.37%         |
| 2016/17 factor - change in County population          | 0.99%         |
| \$34,015,765 x 1.0537 x 1.0099 .....                  | \$ 36,197,251 |

# CITY OF LAGUNA HILLS

## ANNUAL APPROPRIATIONS LIMIT

| Fiscal Year<br>Appropriation<br>Limit | Inflation<br>Adjustment <sup>(a) (e)</sup><br>Factor | Population<br>Adjustment <sup>(a)</sup><br>Factor | Total<br>Growth<br>Factor | Appropriations<br>Limit  | Adjustment<br>for<br>Annexation | Adjusted<br>Appropriations<br>Limit |
|---------------------------------------|------------------------------------------------------|---------------------------------------------------|---------------------------|--------------------------|---------------------------------|-------------------------------------|
| 1993-94                               | 1.0272                                               | 1.0215                                            | 1.04928                   | \$9,102,336 <sup>b</sup> |                                 |                                     |
| 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 <sup>c</sup>        | \$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 <sup>d</sup>        | \$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                        |
| <b>2016-17</b>                        | <b>1.0537</b>                                        | <b>1.0099</b>                                     | <b>1.0641</b>             | <b>\$36,197,251</b>      |                                 | <b>\$36,197,251</b>                 |

<sup>(a)</sup> Source: California Department of Finance

<sup>(b)</sup> 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.

<sup>(c)</sup> The Appropriations Limit was increased by the transfer of revenues from the County following the annexation effective July 1, 1996.

<sup>(d)</sup> The Appropriations Limit was adjusted by amending the revenues attributable to annexation, based on actual receipts for FY96/97 & FY97/98.

<sup>(e)</sup> 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.

CITY OF LAGUNA HILLS  
ANNUAL APPROPRIATIONS LIMIT  
FISCAL YEAR 2016/17

**APPROPRIATIONS LIMIT**

|                                          |    |            |
|------------------------------------------|----|------------|
| Fiscal Year 2015/16 Appropriations Limit | \$ | 34,015,765 |
|------------------------------------------|----|------------|

*Adjustment Factors*

|                                 |        |  |
|---------------------------------|--------|--|
| A. Inflation adjustment factor  | 1.0537 |  |
| B. Population adjustment factor | 1.0099 |  |
| Total Adjustment Factor (A x B) | 1.0641 |  |

|                   |  |           |
|-------------------|--|-----------|
| Annual Adjustment |  | 2,181,486 |
|-------------------|--|-----------|

|                                          |    |            |
|------------------------------------------|----|------------|
| Fiscal Year 2016/17 Appropriations Limit | \$ | 36,197,251 |
|------------------------------------------|----|------------|

**APPROPRIATIONS SUBJECT TO LIMITATION**

|                                                   |           | Fiscal Year 2016/17<br>Budget |
|---------------------------------------------------|-----------|-------------------------------|
| Proceeds of Taxes                                 |           |                               |
| Property Tax                                      | \$        | 9,973,907                     |
| Sales Tax                                         |           | 6,201,744                     |
| Transient Occupancy Tax                           |           | 1,286,510                     |
| Interest Earned from Net Invested Taxes           |           | 6,237                         |
| Total Proceeds of Taxes                           | \$        | 17,468,398                    |
| Less: Exclusions                                  |           |                               |
| Federal Mandates                                  | \$        | 3,393,960                     |
| Qualified Capital Outlays                         |           | 1,000,000                     |
| Qualified Debt Service                            |           | 1,799,388                     |
| Total Exclusions                                  | \$        | 6,193,348                     |
| <b>Total Appropriations Subject to Limitation</b> | <b>\$</b> | <b>11,275,051</b>             |
| (Over)/Under Appropriations Limit                 |           | 24,922,200                    |





## **City of Laguna Hills City Council Meeting Agenda Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: KENNETH H. ROSENFELD, P.E.  
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: PROGRESS PAYMENT NO. 2, FINAL, FOR WATER QUALITY  
IMPROVEMENT CATCH BASIN DEBRIS GATE PROJECT, CIP NO. 412E**

---

**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS  
PAYMENT NO. 2, FINAL, IN THE NET AMOUNT OF \$9,072.50, TO G2  
CONSTRUCTION, INC., FOR WATER QUALITY IMPROVEMENT CATCH BASIN  
DEBRIS GATE PROJECT, CIP NO. 412E, AND AUTHORIZE THE FILING OF THE  
NOTICE OF COMPLETION AND SUBSEQUENT RELEASE OF RETENTION IN 35  
DAYS, IF NO LIENS HAVE BEEN FILED.**

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### **SUMMARY:**

Work on the Water Quality Improvement Catch Basin Debris Gate Project, CIP No. 412E, began on February 9, 2016, and has been completed by G2 Construction, Inc. Work performed included custom fabrication and installation of catch basin debris gates and catch basin repair per Contract Change Order No. 1, previously authorized. The project has been completed. It is proposed to approve the second and final progress payment and record a Notice of Completion to allow for the release of the retention in 35 days, if no liens are 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 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, G2 Construction, Inc., has submitted the second and final progress payment for the subject project as follows:

Progress Payment No. 2, Final,  
Water Quality Improvement Catch  
Basin Debris Gate Project, CIP No. 412E  
June 14, 2016  
Page 2

| ITEM # | DESCRIPTION                         | QUANTITY | UNIT     | UNIT PRICE | \$ AMOUNT  |
|--------|-------------------------------------|----------|----------|------------|------------|
| 50     | Change Order #1 Catch Basin Repairs |          | Lump Sum |            | \$9,550.00 |

|                           |             |            |
|---------------------------|-------------|------------|
| <b>TOTAL TO DATE</b>      | \$79,486.00 |            |
| <b>LESS PRIOR BILLING</b> | \$69,936.00 |            |
| <b>TOTAL THIS PERIOD</b>  | \$9,550.00  | \$9,550.00 |
| <b>LESS 5% RETENTION</b>  |             | \$(477.50) |
| <b>DUE</b>                |             | \$9,072.50 |

**FISCAL IMPACT:**

The progress payment is within the Capital Improvement Program Budget for the Water Quality Improvement Catch Basin Debris Gate Project, CIP No. 412E.

**ATTACHMENT:**

- Notice of Completion



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 14, 2016.

#### Description of Improvements

Water Quality Improvement Catch Basin Debris Gate Project, CIP No. 412E, including fabrication and installation of automatic retractable screens at forty-nine catch basin locations.

#### General Location

Various locations within the City of Laguna Hills.

#### Owner of Property Address

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

#### Contractor

G2 Construction, Inc.  
Mr. Eric Taylor  
13331 Garden Grove Boulevard, Unit K  
Garden Grove, CA 92843

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 City Engineer 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 14, 2016

---

Kenneth H. Rosenfield, P.E., Director of Public Works/City Engineer  
City of Laguna Hills





# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

---

**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: KENNETH H. ROSENFELD, P.E.  
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: CONFIRMATION OF NO PARKING ZONES ON DEL LAGO DRIVE  
BETWEEN ALCALDE DRIVE AND LA CADENA DRIVE**

---

**RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION  
ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA  
HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES TO ADDRESS  
SIGHT DISTANCE VISIBILITY RESTRICTIONS AT VARIOUS LOCATIONS ON  
DEL LAGO DRIVE BETWEEN ALCALDE DRIVE AND LA CADENA DRIVE."**

---

#### **SUMMARY:**

A proprietor on Del Lago Drive contacted staff with a concern about a lack of sight distance visibility upon exiting a driveway serving 23288 Del Lago Drive. Upon field review, staff determined that a no parking zone southerly of this driveway location was needed and appropriate. A review of the governing documents for the No Parking Anytime Zones on Del Lago Drive between Alcalde Drive and La Cadena Drive revealed that they predate the City's annexation of this area and it is appropriate to confirm all of the parking controls on this street segment.

#### **BACKGROUND:**

Del Lago Drive is a business-district two-lane street providing access to the Mixed Use Zone of business developments from Lake Forest Drive to Alcalde Drive. The street is accessed by multiple driveways and is signed with a variety of parking controls to improve sight distance visibility at these driveway access locations. A proprietor on Del Lago Drive recently contacted staff with a concern about a lack of sight distance visibility upon exiting a driveway serving 23288 Del Lago Drive. Upon field review, staff determined that a no parking zone southerly of this driveway location was needed and appropriate.

During this review, it also appeared to staff that it was the original intention of the no parking zones in this area to include the section that was the source of the sight distance

constraint. However, the governing documents for the parking controls on Del Lago Drive between Alcalde Drive and La Cadena Drive predate the City's annexation of the area and this expectation could not be confirmed. Therefore, it is appropriate to confirm all of the no parking anytime zones on this street segment which exist to improve sight distance visibility upon exiting driveways. Please see the attached vicinity map for a location of the no parking anytime zones as more particularly described below:

Northbound Del Lago Drive as measured from Alcalde Drive

| <u>From</u> | <u>To</u> | <u>Length</u> |
|-------------|-----------|---------------|
| 240'        | 470'      | 230'          |
| 615'        | 740'      | 125'          |
| 960'        | 1,180'    | 220'          |

Southbound Del Lago Drive as measured from La Cadena Drive

| <u>From</u> | <u>To</u> | <u>Length</u> |
|-------------|-----------|---------------|
| 0'          | 60'       | 60'           |
| 125'        | 350'      | 225'          |
| 425'        | 675'      | 250'          |
| 730'        | 840'      | 110'          |
| 950'        | 1,080'    | 130'          |

**FISCAL IMPACT:**

All of the no parking signs on Del Lago Drive are currently in place except for one sign to be added as discussed above. The estimated cost for this work is \$100 and funds are available for this work in the Fiscal Year 2015/2016 Public Services Budget.

**ATTACHMENTS:**

- Resolution
- Vicinity Map

RESOLUTION NO. 2016-06-14-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES TO ADDRESS SIGHT DISTANCE VISIBILITY RESTRICTIONS AT VARIOUS LOCATIONS ON DEL LAGO DRIVE BETWEEN ALCALDE DRIVE AND LA CADENA DRIVE

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

WHEREAS, Del Lago Drive is a two lane Business District collector street with multiple access driveways between Alcalde Drive and La Cadena Drive; and

WHEREAS, upon completion of the annexation of the North Laguna Hills (RO95-02), effective July 1, 1996, there existed No Parking Anytime Zones at various locations on Del Lago Drive to address the need for improved sight distance visibility at said multiple access driveways; and

WHEREAS, it is desired to confirm the locations and need of the No Parking Anytime Zones on Del Lago Drive; and

WHEREAS, the Traffic Commission, at the meeting of May 18, 2016, recommended to the City Council the establishment of No Parking Anytime Zones to improve sight distance visibility at the multiple access driveway locations along both sides of Del Lago Drive from Alcalde Drive to La Cadena Drive as described herein; and

WHEREAS, pursuant to Vehicle Code Section 22507, the parking of any type of vehicle on certain streets or highways may be prohibited or restricted by a general law city, during all or certain hours of a day, where signs or markings giving adequate notice or such regulation have been placed.

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

SECTION 1. There is hereby established No Parking Anytime Zones on the easterly side of Del Lago Drive for northerly bound traffic at the following dimensioned locations northerly of Alcalde Drive:

| <u>From</u> | <u>To</u> | <u>Length</u> |
|-------------|-----------|---------------|
| 240'        | 470'      | 230'          |
| 615'        | 740'      | 125'          |
| 960'        | 1180'     | 220'          |

SECTION 2. There is hereby established No Parking Anytime Zones on the westerly side of Del Lago Drive for southerly bound traffic at the following dimensioned locations southerly of La Cadena Drive:

| <u>From</u> | <u>To</u> | <u>Length</u> |
|-------------|-----------|---------------|
| 0'          | 60'       | 60'           |
| 125'        | 350'      | 225'          |
| 425'        | 675'      | 250'          |
| 730'        | 840'      | 110'          |
| 950'        | 1080'     | 130'          |

SECTION 3. The City Engineer is directed to and shall cause signs and/or markings to be placed giving notice of such prohibitions as necessary to implement the regulations established herein.

PASSED, APPROVED, AND ADOPTED this 14th day of June 2016.

---

BARBARA D. KOGERMAN, 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.  
2016-06-14- adopted by the City Council of the City of Laguna Hills, California, at a  
Regular Meeting thereof held on the 14th day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK







 NORTH  
100ft 45m  
Date: 05/09/16

NO PARKING ZONES  
DEL LAGO DRIVE









## **City of Laguna Hills City Council Meeting Agenda Staff Report**

---

**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: KENNETH H. ROSENFELD, P.E.  
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: NO PARKING ZONES ON MILL CREEK DRIVE NORTHERLY OF RIDGE  
ROUTE DRIVE**

---

**RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION  
ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA  
HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES AT SELECT  
LOCATIONS ON MILL CREEK DRIVE NORTHERLY OF RIDGE ROUTE DRIVE TO  
IMPROVE STREET SWEEPING ACCESS TO CATCH BASIN INLETS."**

---

### **SUMMARY:**

In response to a resident comment at the March 23, 2016, Traffic Commission meeting, staff reviewed parking conditions on Mill Creek Drive northerly of Ridge Route Drive relative to conflicts with street sweeping activity. Staff observed approximately 30 vehicles legally parking on Mill Creek Drive on a regular basis in this general location. The parking does conflict with the weekly street sweeping of this collector street. The City has not established a citywide street sweeping parking control and one does not currently exist on Mill Creek Drive. However, one of the goals of street sweeping is to clean the storm drain catch basin inlets, and two inlets are regularly blocked from street sweeping by the observed parking. The Traffic Commission, at the meeting of May 18, 2016, recommended establishing a no parking zone on both the easterly and westerly side of Mill Creek Drive in the immediate vicinity of the identified catch basin inlets.

### **BACKGROUND:**

A resident of the community addressed the Traffic Commission at the meeting of May 23, 2016, with an expressed concern that street sweeping is not effectively being performed due to parked vehicles blocking the gutter along Mill Creek Drive from Ridge Route Drive to several hundred feet northerly. Street sweeping occurs on Mill Creek Drive on a weekly basis as a part of the arterial highway street sweeping schedule. There are no parking controls on Mill Creek Drive in this area.

In response to this information, staff conducted three early morning observations of parking in this area on the day of street sweeping, which is Monday, as follows:

| <u>Date</u> | <u>Westerly side Parked Vehicles</u> | <u>Easterly side Parked Vehicles</u> |
|-------------|--------------------------------------|--------------------------------------|
| 4-18-2016   | 20                                   | 6                                    |
| 4-25-2016   | 20                                   | 3                                    |
| 5-02-2016   | 29                                   | 3                                    |

The parked vehicles are typically passenger vehicles emanating from the adjacent residential community of Laguna Village. Laguna Village spans from Mill Creek Drive to westerly of Santa Vittoria Drive both northerly and southerly of Ridge Route Drive. This 900 plus unit development primarily consists of private streets with only a few perimeter public streets. No parking is allowed on Ridge Route Drive, parking is allowed on Santa Vittoria Drive (with street sweeping day restrictions), and parking is allowed on Mill Creek Drive. While there is no vehicular access to Mill Creek Drive from Laguna Village, a number of homes are located adjacent to this street and the observed parking is an apparent convenience for the residents.

Staff has considered the application of a no parking control during the hours and days of street sweeping on Mill Creek Drive. To date, street sweeping parking controls have typically only been applied in locations of requests by Homeowner Associations or by a petition of fronting residential property owners over an entire street segment. In this case, there are no fronting residential properties. The displacement of all parking as a result of a street sweeping control may be of limited benefit as only a short section of Mill Creek Drive street sweeping is impacted by the parking.

The more critical element of street sweeping is to clean the catch basin inlet screens where trash and debris often collects. The Traffic Commission recommended, at the meeting of May 18, 2016, that no parking anytime zones be established in the vicinity of the two catch basin inlets as shown on the attached sketch. The no parking zones would be created as follows:

- 1) Northerly bound Mill Creek Drive from 340' to 420' northerly (length = 80')
- 2) Southerly bound Mill Creek Drive from 3,335' to 3,435' southerly (length = 100')

If these no parking zones do not improve the results of the street sweeping the City can revisit the issue and consider additional parking controls.

#### **FISCAL IMPACT:**

The creation of the above-described No Parking Anytime Zones will require the installation of up to four signs at an estimated cost of \$400. Funds for this work are included in the Fiscal Year 2015/2016 Public Services Budget.

#### **ATTACHMENTS:**

- Resolution
- Vicinity Map

RESOLUTION NO. 2016-06-14-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES AT SELECT LOCATIONS ON MILL CREEK DRIVE NORTHERLY OF RIDGE ROUTE DRIVE TO IMPROVE STREET SWEEPING ACCESS TO CATCH BASIN INLETS

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

WHEREAS, Mill Creek Drive is a two lane Business District collector street between Ridge Route Drive and Lake Forest Drive, and

WHEREAS, a concentration of passenger vehicle parking has been noted on Mill Creek Drive northerly of Ridge Route Drive which reduces street sweeper access to existing catch basin inlets, and

WHEREAS, street sweeper access to catch basin inlets is necessary to remove debris and enhance water quality, and

WHEREAS, the Traffic Commission, at the meeting of May 18, 2016, recommended to the City Council the establishment of No Parking Anytime Zones at select locations of Mill Creek Drive northerly of Ridge Route Drive as described herein, and

WHEREAS, pursuant to Vehicle Code Section 22507, the parking of any type of vehicle on certain streets or highways may be prohibited or restricted by a general law city, during all or certain hours of a day, where signs or markings giving adequate notice or such regulation have been placed.

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

SECTION 1. There is hereby established a No Parking Anytime Zone on the easterly side of Mill Creek Drive for northerly bound traffic from 340' to 420' northerly of Ridge Route Drive.

SECTION 2. There is hereby established a No Parking Anytime Zone on the westerly side of Mill Creek Drive for southerly bound traffic from 3,335' to 3,435' southerly of Lake Forest Drive.

SECTION 3. The City Engineer is directed to and shall cause signs and/or markings to be placed giving notice of such prohibitions as necessary to implement the regulations established herein.

PASSED, APPROVED, AND ADOPTED this 14th day of June 2016.

---

BARBARA D. KOGERMAN, 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. 2016-06-14- adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof held on the 14th day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK





NORTH

20m

POTENTIAL NO PARKING ZONES TO ACCESS CATCH BASINS  
80ft MILL CREEK DRIVE NORTH OF RIDGE ROUTE DRIVE

Date: 05/09/16



6/14/2016 ITEM NO. 3.7







# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

---

**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: KENNETH H. ROSENFELD, P.E.  
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: 2016 TRAFFIC SIGNAL MASTER PLAN UPDATE**

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**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE 2016 TRAFFIC SIGNAL MASTER PLAN UPDATE.**

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#### **SUMMARY:**

The Traffic Signal Master Plan (TSMP) serves as a planning document for the basis of considering the installation of new traffic signals where warranted and which meet other factors. Based upon data collection in 2015, up to five new traffic signals have been identified as meeting one or more State warrants. Traffic signals are not to be installed unless they meet such warrants but are not required to be installed solely on the basis of meeting a warrant. The 2016 update to the TSMP was reviewed and approved by the Traffic Commission at the meeting of May 17, 2016. The TSMP will be used as a planning document in future budget cycles.

#### **BACKGROUND:**

The City utilizes a TSMP to aid in the planning of potential future installations of new traffic signals. The TSMP evaluates all arterial highway intersections that are not currently controlled by a traffic signal. The traffic engineers of Hartzog & Crabill, Inc. recently updated the document and the 2016 TSMP is attached for approval of the City Council.

Traffic signals aid in traffic safety and traffic flow when they are installed at a location that meets certain standards. Traffic signals are only to be installed if they meet one or more "warrants" as established in the Traffic Manual of the State of California. However, traffic signals are not required to be installed solely because an intersection has met one or more warrants.

The TSMP applies the readily measurable warrants against data that was collected in 2015. This information primarily relies upon traffic volume counts, traffic collision history,

and the physical conditions of the site. The data analysis is followed by scoring criteria to aid in the prioritization of new traffic signals.

The 2016 TSMP identified the following locations as meeting at least one traffic signal warrant:

Alicia Parkway at Via Lomas  
Paseo de Valencia at Ericson Way  
Moulton Parkway at Gordon Road  
La Paz Road at Appaloosa Place  
Paseo de Valencia at Alisal Avenue

The 2016 TSMP update was reviewed and approved by the Traffic Commission at the meeting of May 17, 2016. Individual Traffic Commissioners commented on some of the potential traffic signal locations as follows: (1) traffic signals are not likely needed at the intersections of Paseo de Valencia at Ericson Way or Paseo de Valencia at Alisal Avenue due to low traffic volumes and ease of access to Paseo de Valencia; and (2) a traffic signal could be useful at the intersection of Alicia Parkway at Via Lomas; however, the frequency of traffic signals on this stretch of Alicia Parkway should be given consideration before a traffic signal is installed and a determination made as to whether or not the intersection should be reconfigured to a right-turn only movement location.

**ATTACHMENTS:**

- 2016 Traffic Signal Master Plan Update

# **CITY OF LAGUNA HILLS TRAFFIC SIGNAL MASTER PLAN 2016 PLAN UPDATE**

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Prepared for:

**City of Laguna Hills  
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Director of Public Services**

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**April 15, 2016**

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## **EXECUTIVE SUMMARY**

### **Goals and Objectives**

Similar to earlier versions of the City's Traffic Signal Master Plan (TSMP), the goal of this assessment based upon 2015 data is to provide City staff with a useful and logical planning tool for future traffic signal construction. The objective in developing the assessment is to establish a prioritized listing of those existing intersections that may qualify for future traffic signal installation. While priorities may change depending upon future traffic and demographic conditions, the methodology used in the current analysis will continue to provide a basis for evaluation and relative prioritization of existing and future candidate intersections, and provide supporting documentation for the City's budgeting decisions relative to traffic signal construction.

### **Study Methodology**

The study methodology for this analysis is consistent with previous Traffic Signal Master Plan assessments. Since most traffic signal construction decisions are based on satisfying criteria, or Warrants, as described and specified in the State of California Manual on Uniform Traffic Control Devices (CA MUTCD), new 2015 twenty-four hour, directional traffic counts were conducted at each of the 19 candidate locations. The resulting traffic count data was input into the appropriate CA MUTCD Warrants for the Major and Minor streets at each of the candidate intersections. Also, using the Statewide Integrated Traffic Records System (SWITRS) database, the previous three year accident history at each of the candidate intersections was analyzed and the resulting findings incorporated into the study. Additionally, street and adjacent development characteristics such as horizontal and vertical street alignment, sight distance, lane and intersection configuration, and the candidate intersections' proximity to schools, parks, churches and other land uses that would benefit or be negatively impacted from a traffic signal installation were considered in the prioritization process.

The same basic rating system as used in previous assessments is utilized in the current study, where each element of the study such as traffic volumes, accident history, street characteristics, etc., is given a numerical value based on a variety of factors. The total point values for each of the candidate intersections is compiled and a prioritization is established based on highest to lowest point totals. New intersections or current candidate intersections experiencing a change in characteristics can be comparatively evaluated and prioritized using this methodology.

**EXECUTIVE SUMMARY**  
**(continued)**

**Traffic Signal Justification**

As noted, the intended use of this analysis is to assist City planners in their determination as to where and when traffic signal control is needed and should be installed. While justification for the installation of traffic signals is based on the CA MUTCD warrants, traffic signals are not factually required because they simply meet one or more of the Warrant criteria. An equally important factor in the decision making process is the engineering professionals' judgment based on his/her knowledge of the conditions and circumstances of the location in question, along with community priorities, funding, and other factors.

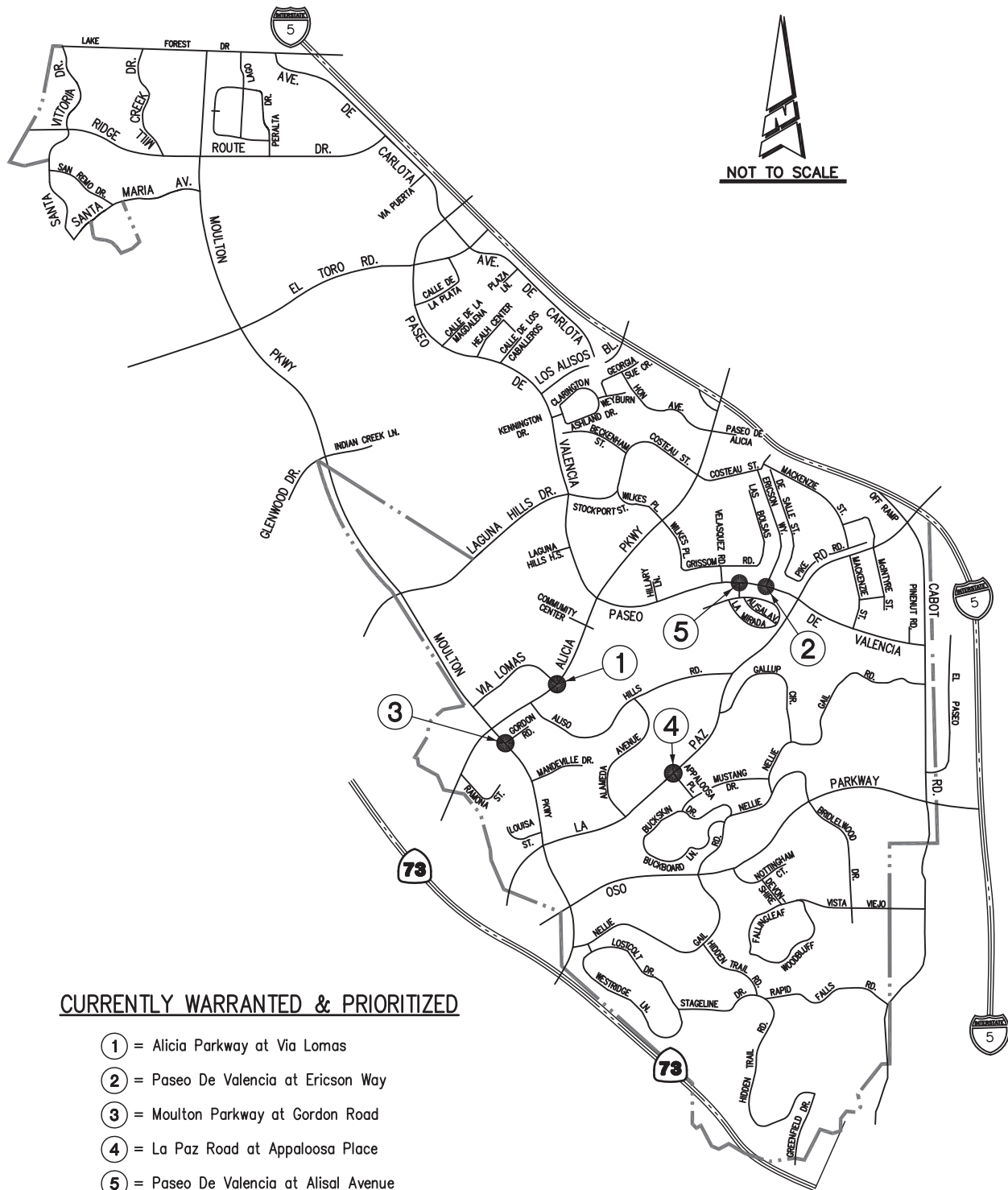
**Study Findings**

Results of the Traffic Signal Master Plan assessment indicate that the following five (5) candidate locations, in priority order, have met the minimum MUTCD requirements for traffic signal installation:

| <u><b>Location</b></u> | <u><b>Intersection</b></u>         |
|------------------------|------------------------------------|
| 15                     | Alicia Parkway at Via Lomas        |
| 8                      | Paseo de Valencia at Ericson Way   |
| 16                     | Moulton Parkway at Gordon Road     |
| 13                     | La Paz Road at Appaloosa Place     |
| 7                      | Paseo de Valencia at Alisal Avenue |

It should be further noted that Location 12, La Paz Road at Alameda Avenue, which was on the 2007 TSMP list for traffic signal installation, did not meet the CA MUTCD Warrants in this assessment.

Please see Exhibit 1 on the next page for a citywide map overview.



# INTERSECTIONS CURRENTLY WARRANTED FOR SIGNALS 2015 SIGNAL MASTER PLAN

CITY OF LAGUNA HILLS

EXHIBIT 1



## **ANALYSIS COMPONENTS AND RESULTS**

### **Introduction**

The City of Laguna Hills requested that Hartzog & Crabill, Inc. (HCI), Traffic and Transportation Engineers, assist them in upgrading their Citywide Traffic Signal Master Plan (TSMP) to reflect existing traffic and land use conditions. To accomplish this task HCI developed or obtained current traffic counts, accident histories and characteristics, street geometrics and adjacent land uses that may be positively or negatively affected by traffic signal construction; applied this data to recognized standards for traffic signal installation; and, prioritized the 19 candidate intersections provided by the City for possible traffic signal installation.

It is anticipated that the updated TSMP will provide the basis for the City's planning, budgeting and construction of future traffic signals.

### **The Importance of Traffic Signals and Growth Monitoring**

The control of vehicle, pedestrian and bicycle traffic by means of signalized intersection operation has long proven to be an effective technique to reduce accidents and generally improve the quality of traffic flow. To assist the City in the maintenance of a satisfactory signal monitoring program, this report has been prepared as part of a continuing series of periodic signal evaluations with a goal of assisting in future signal improvement decisions and the municipal budgeting process.

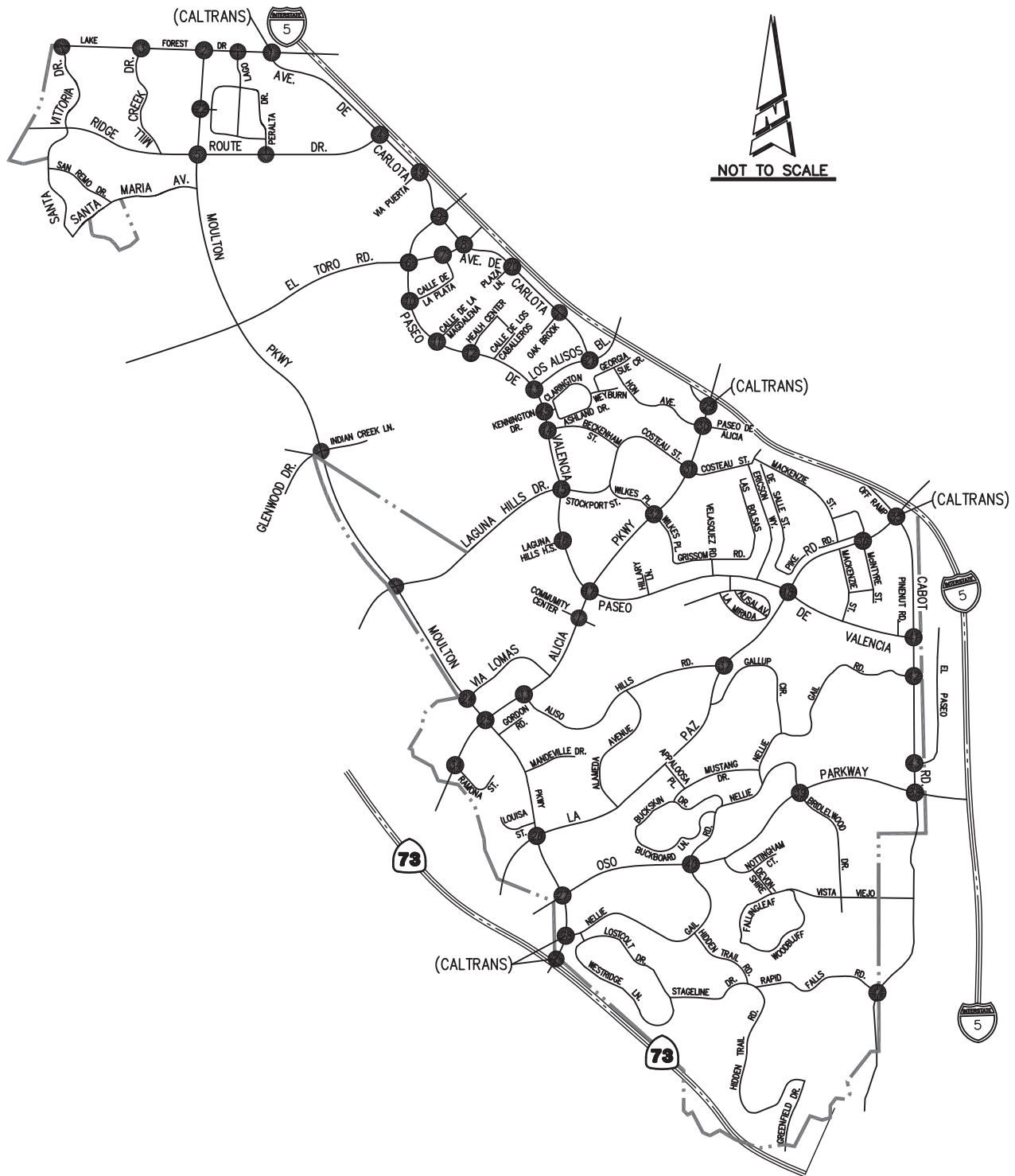
The importance of traffic signals is clearly exemplified by their significant influence over the orderly flow of area traffic volumes. When justified, properly designed and maintained, a traffic signal may achieve the following:

- Reduce the frequency of certain types of accidents
- Effect orderly traffic movement
- Provide for a continuous platoon of traffic flow
- Allow vehicle and pedestrians to better cross opposing directions of traffic

However, should a traffic signal be unjustified or poorly maintained, any or all of the following may result:

- Increased accident frequency
- Excessive delay (driver frustration)
- Disregard of signal indications
- Circuitous travel via alternate routes imparting adjacent increase in traffic

The existing City Traffic Signal System is shown on Exhibit 2 (next page).



## EXISTING SIGNAL LOCATIONS 2015 SIGNAL MASTER PLAN

CITY OF LAGUNA HILLS

EXHIBIT 2

## **Traffic Signal Justification**

While justification for the installation of traffic signals is based, in large part, on the CA MUTCD requirements and Warrants, traffic signals are not factually required because they simply meet one or more of the Warrant criteria. An equally important part of the decision making process is the engineering professionals' judgment based on his/her knowledge of the conditions and circumstances associated with the location in question, along with community priorities, funding, and other factors. However, the CA MUTCD Warrants do have a standing in law and, subsequently, the installation of an unwarranted traffic signal or the failure to install a warranted traffic signal without sound justification or a viable alternative solution can have serious ramifications in respect to liability. Neither action should be taken without legal counsel.

## **Study Methodology**

The study methodology used for this analysis update is generally consistent with previous TSMP assessments with the exception that the State of California Department of Transportation (Caltrans) requirements and Warrants for traffic signal installation have been superseded by those of the CA MUTCD. The study data, tables and exhibits have been modified to reflect this change.

To evaluate the 19 candidate intersections and provide a basis for comparison with the 2007 Traffic Signal Master Plan, new 24-hour, directional traffic counts were conducted at each intersection. The resulting count data was applied to the appropriate CA MUTCD Warrants for traffic signal installation. Also, using the Statewide Integrated Traffic Records System (SWITRS) database, the accident history for the previous three years for each of the intersections was prepared and evaluated to determine if there had been 5 or more reported accidents of a type considered correctible by traffic signal control having occurred during any consecutive twelve months of the 3-year period. No studied locations met this criteria.

Street and adjacent development characteristics such as horizontal or vertical street alignment, sight distance, lane and intersection configuration and the candidate intersections' proximity to schools, parks, churches and other land uses that would benefit or be negatively impacted by traffic installation were considered in the prioritization process.

The same basic rating system as used in previous assessments is utilized in this study whereas each element of the study such as traffic volumes, accident history, street characteristics, etc., is given a numerical value based on a variety of factors. The total point value for each of the candidate intersections is totaled and a priority or ranking of the intersections is established based on highest to lowest point totals. New intersections or current candidate intersections experiencing a change in characteristics can be comparatively evaluated and relatively prioritized using this methodology.

The 2015 traffic counts per direction of travel for each candidate intersection are shown on Table 1 below.

**Table 1**  
**2015 Traffic Volumes at Candidate Intersections**

| <b>Location</b> | <b>Major Street</b>            | <b>Traffic Volumes</b>        |                         | <b>Minor Street</b>           | <b>Traffic Volumes</b>        |                         |
|-----------------|--------------------------------|-------------------------------|-------------------------|-------------------------------|-------------------------------|-------------------------|
|                 | <b>Name<br/>(Speed Limit)</b>  | <b>Approach<br/>Direction</b> | <b>2015<br/>Volumes</b> | <b>Name<br/>(Speed Limit)</b> | <b>Approach<br/>Direction</b> | <b>2015<br/>Volumes</b> |
| 1               | Santa Vittoria<br>(30 mph)     | NB                            | 2,302                   | Ridge Route Dr.               | EB                            | N/A                     |
|                 |                                | SB                            | 2,857                   |                               | WB                            | 1,991                   |
|                 |                                | Total                         | 5,159                   |                               | Total                         | 1,991                   |
| 2               | Ridge Route<br>Dr.<br>(45 mph) | EB                            | 2,141                   | Mill Creek Dr.                | NB                            | N/A                     |
|                 |                                | WB                            | 2,781                   |                               | SB                            | 1,192                   |
|                 |                                | Total                         | 4,922                   |                               | Total                         | 1,192                   |
| 3               | St. Maria<br>(40 mph)          | EB                            | 3,640                   | San Remo Dr.                  | NB                            | N/A                     |
|                 |                                | WB                            | 4,381                   |                               | SB                            | 1,389                   |
|                 |                                | Total                         | 8,021                   |                               | Total                         | 1,389                   |
| 4               | P.D. Valencia<br>(40 mph)      | EB                            | N/A                     | Calle Caballeros<br>(RTO)     | NB                            | N/A                     |
|                 |                                | WB                            | 9,291                   |                               | SB                            | 848                     |
|                 |                                | Total                         | 9,291                   |                               | Total                         | 848                     |
| 5               | P.D. Valencia<br>(45 mph)      | EB                            | 5,784                   | Hillary Ln.                   | NB                            | N/A                     |
|                 |                                | WB                            | 5,300                   |                               | SB                            | 423                     |
|                 |                                | Total                         | 11,024                  |                               | Total                         | 423                     |
| 6               | P.D. Valencia<br>(45 mph)      | EB                            | 5,623                   | Velasquez Rd.                 | NB                            | N/A                     |
|                 |                                | WB                            | 5,248                   |                               | SB                            | 353                     |
|                 |                                | Total                         | 10,910                  |                               | Total                         | 353                     |
| 7               | P.D. Valencia<br>(45 mph)      | EB                            | 5,482                   | Alisal Ave.                   | NB                            | 1,018                   |
|                 |                                | WB                            | 5,352                   |                               | SB                            | N/A                     |
|                 |                                | Total                         | 10,834                  |                               | Total                         | 1,018                   |
| 8               | P.D. Valencia<br>(45 mph)      | EB                            | 5,647                   | Ericson Wy.                   | NB                            | N/A                     |
|                 |                                | WB                            | 5,248                   |                               | SB                            | 892                     |
|                 |                                | Total                         | 10,895                  |                               | Total                         | 892                     |

N/A = Non-Applicable. Typically the minor street leg of a "T" intersection.  
RTO = Right Turn Only.

**Table 1**  
**(continued)**

|    |                           |       |        |                         |       |       |
|----|---------------------------|-------|--------|-------------------------|-------|-------|
| 9  | P.D. Valencia<br>(45 mph) | EB    | 2,966  | Mackenzie St.           | NB    | N/A   |
|    |                           | WB    | 2,791  |                         | SB    | 460   |
|    |                           | Total | 5,697  |                         | Total | 460   |
| 10 | P.D. Valencia<br>(45 mph) | EB    | 2,904  | Pine Nut Rd.            | NB    | N/A   |
|    |                           | WB    | 2,901  |                         | SB    | 397   |
|    |                           | Total | 5,805  |                         | Total | 397   |
| 11 | Oso Pkwy.<br>(50 mph)     | EB    | 14,776 | Nottingham Ct.<br>(RTO) | NB    | 355   |
|    |                           | WB    | N/A    |                         | SB    | N/A   |
|    |                           | Total | 14,776 |                         | Total | 355   |
| 12 | La Paz Rd.<br>(50 mph)    | EB    | 8,454  | Alameda                 | NB    | N/A   |
|    |                           | WB    | 7,583  |                         | SB    | 813   |
|    |                           | Total | 16,037 |                         | Total | 813   |
| 13 | La Paz Rd.<br>(50 mph)    | EB    | 8,109  | Appaloosa Pl.           | NB    | 1,032 |
|    |                           | WB    | 7,905  |                         | SB    | N/A   |
|    |                           | Total | 16,014 |                         | Total | 1,032 |
| 14 | La Paz Rd.<br>(50 mph)    | NB    | 8,189  | Gallup Dr.              | EB    | N/A   |
|    |                           | SB    | 8,129  |                         | WB    | 549   |
|    |                           | Total | 16,318 |                         | Total | 549   |
| 15 | Alicia Pkwy.<br>(45 mph)  | NB    | 21,144 | Via Lomas               | EB    | 1,407 |
|    |                           | SB    | 23,067 |                         | WB    | N/A   |
|    |                           | Total | 44,211 |                         | Total | 1,407 |
| 16 | Moulton Pkwy.<br>(45 mph) | NB    | 11,600 | Gordon Rd.              | EB    | N/A   |
|    |                           | SB    | 11,056 |                         | WB    | 1,024 |
|    |                           | Total | 22,656 |                         | Total | 1,024 |
| 17 | Moulton Pkwy.<br>(45 mph) | NB    | 11,284 | Mandeville Dr.          | EB    | N/A   |
|    |                           | SB    | 11,332 |                         | WB    | 517   |
|    |                           | Total | 22,616 |                         | Total | 517   |
| 18 | Moulton Pkwy.<br>(45 mph) | NB    | 11,416 | Louisa St.              | EB    | 630   |
|    |                           | SB    | 10,763 |                         | WB    | N/A   |
|    |                           | Total | 22,179 |                         | Total | 630   |
| 19 | Moulton Pkwy.<br>(50 mph) | NB    | 12,558 | Indian Hill             | EB    | N/A   |
|    |                           | SB    | 11,693 |                         | WB    | 662   |
|    |                           | Total | 24,251 |                         | Total | 662   |

N/A = Non-Applicable. Typically the minor street leg of a "T" intersection.  
RTO = Right Turn Only.

### **Traffic Volume Warrants**

Entering traffic volumes are a major consideration in the determination as to if a traffic signal is needed or justified at an intersection. Over a period of many years and untold hours of research, transportation professionals such as the Institute of Transportation Engineers (ITE) and leading transportation agencies such as Caltrans have established threshold traffic volumes to determine the number of vehicles on a Major street that would preclude the safe access or crossing of that street by traffic on the Minor street. The threshold traffic volumes have been further refined to consider the number of lanes on both the Major and Minor Street and whether the intersection is considered a 'Urban' or 'Rural' environment (i.e., the typical 'Rural' intersection usually experiences higher approach speeds on the Major Street and the threshold volumes on the Minor Street are reduced to compensate for this condition). This reduction can also be applied to Major Streets in an urban environment if the speed on the Major Street exceeds 40MPH, as do all of the Major Streets of the candidate intersections. The threshold volumes are shown on Table 2 as Warrant 1 – Condition A (see next page).

A second factor relative to traffic volumes at an intersection is consideration of the delay experienced by the motorist on the Minor Street as he/she attempts to access or cross the Major Street. The Warrants address this issue through Warrant 1 - Condition B whereas threshold volumes are reduced for the Minor Street and increased for the Major Street. These threshold volumes are also shown on Table 2 (next page).

The 2015 traffic volumes were applied to Warrant 1 – Condition A and Warrant 1-Condition B as shown in Table 3 (following page). As noted, 18 of the 19 Major Streets at the candidate intersections have approach speeds at or in excess of 40 MPH, therefore the Rural criteria of Warrant 1A and 1B is applicable for these streets. The Rural criteria represents 80% of the Urban criteria.

Table 4 further reflects the 80% factor by expressing the Major and Minor Street traffic volumes as the percent of the traffic volume criteria; consequently, when the Major and Minor Street traffic volumes exceed 80%, that warrant is satisfied.

Table 4 also consolidates Table 3 to a single Yes or No relative to meeting the traffic volume warrants, but includes Warrant 7, which considers the accident history of the intersection. As will be explained later in this study, it has a traffic volume component.

Table 5 indicates those intersections that have met the minimum Traffic Volume and Accident Warrants for traffic signal installation.

**Table 2**  
**Minimum Traffic Volumes**

**Warrant 1 – Condition A**  
**Based on Estimated Average Daily Traffic Volume**

| Approach Lanes<br>On Major Street | Approach Lanes<br>On Minor Street | Vehicles/day on Major Street<br>(Total both approaches) |       | Vehicles/day on higher volume<br>Minor Street (one direction only) |       |
|-----------------------------------|-----------------------------------|---------------------------------------------------------|-------|--------------------------------------------------------------------|-------|
| Number                            | Number                            | Urban                                                   | Rural | Urban                                                              | Rural |
| 1                                 | 1                                 | 8,000                                                   | 5,600 | 2,400                                                              | 1,680 |
| 2 or more                         | 1                                 | 9,600                                                   | 6,720 | 2,400                                                              | 1,680 |
| 2 or more                         | 2 or more                         | 9,600                                                   | 6,720 | 3,200                                                              | 2,240 |
| 1                                 | 2 or more                         | 8,000                                                   | 5,600 | 3,200                                                              | 2,240 |

**(Warrant 1 Based on Hourly Volumes – Eight Highest Hours)**

| Approach Lanes<br>On Major Street | Approach Lanes<br>On Minor Street | Major Street Total<br>Approach Volumes |       | Minor Street Highest<br>Approach Volumes |       |
|-----------------------------------|-----------------------------------|----------------------------------------|-------|------------------------------------------|-------|
| Number                            | Number                            | Urban                                  | Rural | Urban                                    | Rural |
| 1                                 | 1                                 | 500                                    | 350   | 150                                      | 105   |
| 2 or more                         | 1                                 | 600                                    | 420   | 150                                      | 105   |
| 2 or more                         | 2 or more                         | 600                                    | 420   | 200                                      | 140   |
| 1                                 | 2 or more                         | 500                                    | 350   | 200                                      | 140   |

**Warrant 1 – Condition B**  
**Interruption of Continuous Traffic**

| Approach Lanes<br>On Major Street | Approach Lanes<br>On Minor Street | Vehicles/day on Major Street<br>(Total both approaches) |        | Vehicles/day on higher volume<br>Minor Street (one direction only) |       |
|-----------------------------------|-----------------------------------|---------------------------------------------------------|--------|--------------------------------------------------------------------|-------|
| Number                            | Number                            | Urban                                                   | Rural  | Urban                                                              | Rural |
| 1                                 | 1                                 | 12,000                                                  | 8,400  | 1,200                                                              | 850   |
| 2 or more                         | 1                                 | 14,400                                                  | 10,800 | 1,200                                                              | 850   |
| 2 or more                         | 2 or more                         | 14,400                                                  | 10,800 | 1,600                                                              | 1,120 |
| 1                                 | 2 or more                         | 12,000                                                  | 8,400  | 1,600                                                              | 1,120 |

**(Warrant 2 Based on Hourly Volumes – Eight Highest Hours)**

| Approach Lanes<br>On Major Street | Approach Lanes<br>On Minor Street | Major Street Total<br>Approach Volumes |       | Minor Street Highest<br>Approach Volumes |       |
|-----------------------------------|-----------------------------------|----------------------------------------|-------|------------------------------------------|-------|
| Number                            | Number                            | Urban                                  | Rural | Urban                                    | Rural |
| 1                                 | 1                                 | 750                                    | 525   | 75                                       | 53    |
| 2 or more                         | 1                                 | 900                                    | 630   | 75                                       | 53    |
| 2 or more                         | 2 or more                         | 900                                    | 630   | 100                                      | 70    |
| 1                                 | 2 or more                         | 750                                    | 525   | 100                                      | 70    |

**Table 3**  
**Traffic Signal Warrants – Percentage Satisfied**

| Location | Major Street    | Minor Street      | CA MUTCD Warrants                  |     |                   |     |                        |     |                          |     |
|----------|-----------------|-------------------|------------------------------------|-----|-------------------|-----|------------------------|-----|--------------------------|-----|
|          |                 |                   | Traffic Volume<br>% of Warrant Met |     |                   |     |                        |     | Correctible<br>Accidents |     |
|          |                 |                   | 1A<br>major/minor                  | Met | 1B<br>major/minor | Met | 1A & 1B<br>major/minor | Met | 7                        | Met |
| 1        | Santa Vittoria  | Ridge Route Dr.   | 64/83                              |     | 43/166            |     | 61/234                 |     | 1                        |     |
| 2        | Ridge Route Dr. | Mill Creek Dr.    | 73/71                              |     | 48/140            |     | N/A                    |     | 0                        |     |
| 3        | St. Maria Ave.  | San Remo Dr.      | 119/83                             |     | 80/163            |     | N/A                    |     | 0                        |     |
| 4        | P.D. Valencia   | *Calle Caballeros | N/A                                |     | N/A               |     | N/A                    |     | N/A                      |     |
| 5        | P.D. Valencia   | Hillary Ln.       | 165/25                             |     | 110/50            |     | N/A                    |     | 0                        |     |
| 6        | P.D. Valencia   | Velasquez Rd.     | 142/21                             |     | 108/42            |     | N/A                    |     | 1                        |     |
| 7        | P.D. Valencia   | Alisal Ave.       | 161/61                             |     | 107/120           | ✓   | N/A                    |     | 0                        |     |
| 8        | P.D. Valencia   | Ericson Wy.       | 162/53                             |     | 108/105           | ✓   | N/A                    |     | 1                        |     |
| 9        | P.D. Valencia   | Mackenzie St.     | 85/27                              |     | 57/54             |     | N/A                    |     | 0                        |     |
| 10       | P.D. Valencia   | Pine Nut Rd.      | 86/24                              |     | 58/47             |     | N/A                    |     | 1                        |     |
| 11       | Oso Pkwy.       | *Nottingham Ct.   | N/A                                |     | N/A               |     | N/A                    |     | N/A                      |     |
| 12       | La Paz Rd.      | Alameda           | 239/48                             |     | 148/96            |     | N/A                    |     | 0                        |     |
| 13       | La Paz Rd.      | Appaloosa Pl.     | 238/61                             |     | 159/121           | ✓   | N/A                    |     | 0                        |     |
| 14       | La Paz Rd.      | Gallup Dr.        | 243/33                             |     | 147/65            |     | N/A                    |     | 0                        |     |
| 15       | Alicia Pkwy.    | Via Lomas         | 658/84                             |     | 439/166           | ✓   | N/A                    |     | 2                        |     |
| 16       | Moulton Pkwy.   | Gordon Rd.        | 337/61                             |     | 225/120           | ✓   | N/A                    |     | 1                        |     |
| 17       | Moulton Pkwy.   | Mandeville Dr.    | 437/31                             |     | 224/61            |     | N/A                    |     | 1                        |     |
| 18       | Moulton Pkwy.   | Louisa St.        | 330/38                             |     | 260/74            |     | N/A                    |     | 1                        |     |
| 19       | Moulton Pkwy.   | Indian Hill       | 361/39                             |     | 241/78            |     | N/A                    |     | 2                        |     |

\* Right Turn Only

Warrant 1A – Minimum Vehicle Volume. See Table 2 for threshold traffic volumes.

Warrant 1B – Interruption of Continuous Traffic. See Table 2 for threshold traffic volumes.



Warrant 1A & 1B Combination – Applicable to Location 1 only as approach speeds at intersection is below 40 mph. Urban criteria applies. Criteria is 80% of 1A and 1B.  
 Warrant 7 – Correctable Accidents in a previous 12 month period. Minimum Criteria is 5 Correctable Accidents.

**Table 4**  
**Signal Warrants – Existing Traffic Volumes**

| Location | Major Street    | Minor Street      | Warrant Satisfied<br>(12 Month Period) |     |     |         |
|----------|-----------------|-------------------|----------------------------------------|-----|-----|---------|
|          |                 |                   | 1A                                     | 1B  | 7   | 1A & 1B |
| 1        | Santa Vittoria  | Ridge Route Dr.   | NO                                     | NO  | NO  | NO      |
| 2        | Ridge Route Dr. | Mill Creek Dr.    | NO                                     | NO  | NO  | N/A     |
| 3        | St. Maria Ave.  | San Remo Dr.      | NO                                     | NO  | NO  | N/A     |
| 4        | P.D. Valencia   | *Calle Caballeros | N/A                                    | N/A | N/A | N/A     |
| 5        | P.D. Valencia   | Hillary Ln.       | NO                                     | NO  | NO  | N/A     |
| 6        | P.D. Valencia   | Velasquez Rd.     | NO                                     | NO  | NO  | N/A     |
| 7        | P.D. Valencia   | Alisal Ave.       | NO                                     | YES | NO  | N/A     |
| 8        | P.D. Valencia   | Ericson Wy.       | NO                                     | YES | NO  | N/A     |
| 9        | P.D. Valencia   | Mackenzie St.     | NO                                     | NO  | NO  | N/A     |
| 10       | P.D. Valencia   | Pine Nut Rd.      | NO                                     | NO  | NO  | N/A     |
| 11       | Oso Pkwy.       | *Nottingham Ct.   | N/A                                    | N/A | N/A | N/A     |
| 12       | La Paz Rd.      | Alameda           | NO                                     | NO  | NO  | N/A     |
| 13       | La Paz Rd.      | Appaloosa Pl.     | NO                                     | YES | NO  | N/A     |
| 14       | La Paz Rd.      | Gallup Dr.        | NO                                     | NO  | NO  | N/A     |
| 15       | Alicia Pkwy.    | Via Lomas         | NO                                     | YES | NO  | N/A     |
| 16       | Moulton Pkwy.   | Gordon Rd.        | NO                                     | YES | NO  | N/A     |
| 17       | Moulton Pkwy.   | Mandeville Dr.    | NO                                     | NO  | NO  | N/A     |
| 18       | Moulton Pkwy.   | Louisa St.        | NO                                     | NO  | NO  | N/A     |
| 19       | Moulton Pkwy.   | Indian Hill       | NO                                     | NO  | NO  | N/A     |

\* Right Turn Only

Warrant 1A – Minimum Vehicle Volume. See Table 2 for threshold traffic volumes.

Warrant 1B – Interruption of Continuous Traffic. See Table 2 for threshold traffic volumes.

Warrant 1A & 1B Combination – Applicable to Location 1 only as approach speeds at intersection are below 40 mph. Urban criteria applies. Criteria is 80% of 1A and 1B.

Warrant 7 – Correctable Accidents in a previous 12 month period. Minimum Criteria is 5 Correctable Accidents.

**Table 5**  
**Intersections Meeting Minimum Warrants for Traffic Signal Installation**  
**Traffic Signal Warrants – Percentage Satisfied**

| <b><u>Location</u></b> | <b><u>Intersection</u></b>         |
|------------------------|------------------------------------|
| 7                      | Paseo de Valencia at Alisal Avenue |
| 8                      | Paseo de Valencia at Ericson Way   |
| 13                     | La Paz Road at Appaloosa Place     |
| 15                     | Alicia Parkway at Via Lomas        |
| 16                     | Moulton Parkway at Gordon Road     |

### **Priority Rating System**

Prioritization of those locations meeting the minimum warrants for traffic signalization in this assessment was accomplished by reviewing the traffic and safety characteristics identified in the seven rating items. This procedure is identical to that used in previous assessments.

### **Rating Item 1 – Satisfaction of Warrant 1 – Condition B (Interruption of Continuous Traffic)**

The greater the traffic volume is on the Major Street the more difficult, and sometimes hazardous, it is for vehicular and pedestrian traffic on the Minor Street to access or cross the Major Street. Using this premise, a rating item is created where points are allocated in ascending order based on the traffic volume on the Major Street. The point allocation for the candidate streets is shown on Table 6 (next page).

**Table 6 – Rating Item 1**  
**Warrant 1B Satisfaction**  
**(Interruption of Continuous Traffic)**

| Location | Major Street    |       |        |        | Minor Street      |         |        |       | Points |
|----------|-----------------|-------|--------|--------|-------------------|---------|--------|-------|--------|
|          | Name            | Lanes | Volume |        | Name              | Lanes   | Volume |       |        |
|          |                 |       | Leg 1  | Leg 2  |                   |         | Leg 1  | Leg 2 |        |
| 1        | Santa Vittoria  | 1/1   | 2,302  | 2,857  | Ridge Route Dr.   | 2       | 1,991  | -     | 0      |
| 2        | Ridge Route Dr. | 2/2   | 2,141  | 2,781  | Mill Creek Dr.    | 1       | 1,192  | -     | 0      |
| 3        | St. Maria Ave.  | 2/2   | 3,640  | 4,381  | San Remo Dr.      | 1       | 1,389  | -     | 3      |
| 4        | P.D. Valencia   | N/A   | N/A    | N/A    | *Calle Caballeros | N/A RTO | N/A    | -     | N/A    |
| 5        | P.D. Valencia   | 2/2   | 5,784  | 5,300  | Hillary Ln.       | 1       | 423    | -     | 7      |
| 6        | P.D. Valencia   | 2/2   | 5,623  | 5,248  | Velasquez Rd.     | 1       | 353    | -     | 7      |
| 7        | P.D. Valencia   | 2/2   | 5,482  | 5,352  | Alisal Ave.       | 1       | 1,018  | -     | 7      |
| 8        | P.D. Valencia   | 2/2   | 5,647  | 5,248  | Ericson Wy.       | 1       | 892    | -     | 7      |
| 9        | P.D. Valencia   | 2/2   | 2,900  | 2,791  | Mackenzie St.     | 1       | 460    | -     | 1      |
| 10       | P.D. Valencia   | 2/2   | 2,904  | 2,901  | Pine Nut Rd.      | 1       | 397    | -     | 1      |
| 11       | Oso Pkwy.       | N/A   | N/A    | N/A    | *Nottingham Ct.   | N/A RTO | N/A    | -     | N/A    |
| 12       | La Paz Rd.      | 2/2   | 8,454  | 7,583  | Alameda           | 1       | 813    | -     | 9      |
| 13       | La Paz Rd.      | 2/2   | 8,109  | 7,905  | Appaloosa Pl.     | 1       | 1,032  | -     | 9      |
| 14       | La Paz Rd.      | 2/2   | 8,189  | 8,129  | Gallup Dr.        | 1       | 546    | -     | 9      |
| 15       | Alicia Pkwy.    | 3/3   | 21,144 | 23,067 | Via Lomas         | 1       | 1,407  | -     | 10     |
| 16       | Moulton Pkwy.   | 3/3   | 11,600 | 11,056 | Gordon Rd.        | 1       | 1,084  | -     | 10     |
| 17       | Moulton Pkwy.   | 3/3   | 11,284 | 11,332 | Mandeville Dr.    | 1       | 517    | -     | 10     |
| 18       | Moulton Pkwy.   | 3/3   | 11,416 | 10,763 | Louisa St.        | 1       | 630    | -     | 10     |
| 19       | Moulton Pkwy.   | 3/3   | 12,558 | 11,693 | Indian Hill       | 2       | 662    | -     | 10     |

\* Right Turn Only

### **Rating Item 2- Coordinated Movement**

Points are increased if a proposed traffic signal can be incorporated into a coordinated system without significantly impacting the system operation. Conversely, fewer points are given if a proposed signal cannot be effectively incorporated into a coordinated system and the operation of the system is degraded. Table 7 shows HCI's assessment of this rating item.

**Table 7 – Rating Item 2**  
**Coordinated Movement**

| Loc. | Major Street    | Minor Street      | Approaching Platoon |        |          | Points |
|------|-----------------|-------------------|---------------------|--------|----------|--------|
|      |                 |                   | Intact              | Spread | Disburse |        |
| 1    | Santa Vittoria  | Ridge Route Dr.   |                     |        | X        | 0      |
| 2    | Ridge Route Dr. | Mill Creek Dr.    |                     |        | X        | 0      |
| 3    | St. Maria Ave.  | San Remo Dr.      |                     |        | X        | 0      |
| 4    | P.D. Valencia   | *Calle Caballeros | N/A                 | N/A    | N/A      | N/A    |
| 5    | P.D. Valencia   | Hillary Ln.       |                     |        | X        | 0      |
| 6    | P.D. Valencia   | Velasquez Rd.     |                     |        | X        | 0      |
| 7    | P.D. Valencia   | Alisal Ave.       |                     |        | X        | 0      |
| 8    | P.D. Valencia   | Ericson Wy.       |                     |        | X        | 0      |
| 9    | P.D. Valencia   | Mackenzie St.     |                     |        | X        | 0      |
| 10   | P.D. Valencia   | Pine Nut Rd.      |                     |        | X        | 0      |
| 11   | Oso Pkwy.       | *Nottingham Ct.   | N/A                 | N/A    | N/A      | N/A    |
| 12   | La Paz Rd.      | Alameda           |                     |        | X        | 0      |
| 13   | La Paz Rd.      | Appaloosa Pl.     |                     |        | X        | 5      |
| 14   | La Paz Rd.      | Gallup Dr.        |                     |        | X        | 0      |
| 15   | Alicia Pkwy.    | Via Lomas         |                     | X      |          | 3      |
| 16   | Moulton Pkwy.   | Gordon Rd.        |                     | X      |          | 3      |
| 17   | Moulton Pkwy.   | Mandeville Dr.    |                     | X      |          | 2      |
| 18   | Moulton Pkwy.   | Louisa St.        |                     | X      |          | 2      |
| 19   | Moulton Pkwy.   | Indian Hill       | X                   |        |          | 5      |

\* Right Turn Only

### **Rating Item 3 – Accident Evaluation Results**

An elevated intersection accident rate can be an indication that there are insufficient gaps in the traffic stream on the Major Street to allow traffic on the Minor Street to merge onto or cross the Major Street. This condition usually results in increased incidences of broadside, left-turn, and vehicle/pedestrian/bicycle types of collisions occurring at the intersection. As these types of accidents are generally correctible by the installation of a traffic signal, points are allocated in the prioritization process based on the number of potentially correctible accidents a traffic signal installation may preclude. Table 8 represents the results of this analysis factor and incorporates the traffic volume component intended with the Accident Warrant.

**Table 8 – Rating Item 3**  
**Accident Evaluation Results**

| Location | Major Street    | Minor Street      | Warrant Requirements |                            |                                            |              |           | Intersection Satisfies Accident Warrant | Points |
|----------|-----------------|-------------------|----------------------|----------------------------|--------------------------------------------|--------------|-----------|-----------------------------------------|--------|
|          |                 |                   | <sup>(1)</sup> TOTAL | <sup>(2)</sup> CORRECTIBLE | <sup>(3)</sup> One Condition 80% Satisfied |              |           |                                         |        |
|          |                 |                   | Accidents            | Accidents                  | Warrant 1A                                 | Warrant 1B   | Warrant 4 |                                         |        |
|          |                 |                   | (12 months)          | (12 months)                | Min Vol.                                   | Interruption | Peds      |                                         |        |
| 1        | Santa Vittoria  | Ridge Route Dr.   | 1                    | 1                          |                                            |              |           |                                         | 3      |
| 2        | Ridge Route Dr. | Mill Creek Dr.    | 0                    | 0                          |                                            |              |           |                                         | 0      |
| 3        | St. Maria Ave.  | San Remo Dr.      | 0                    | 0                          |                                            |              |           |                                         | 0      |
| 4        | P.D. Valencia   | *Calle Caballeros | 3                    | 0                          | N/A                                        | N/A          | N/A       | N/A                                     | 0      |
| 5        | P.D. Valencia   | Hillary Ln.       | 0                    | 0                          |                                            |              |           |                                         | 0      |
| 6        | P.D. Valencia   | Velasquez Rd.     | 1                    | 1                          |                                            |              |           |                                         | 3      |
| 7        | P.D. Valencia   | Alisal Ave.       | 0                    | 0                          |                                            | ✓            |           |                                         | 0      |
| 8        | P.D. Valencia   | Ericson Wy.       | 1                    | 1                          |                                            | ✓            |           |                                         | 3      |
| 9        | P.D. Valencia   | Mackenzie St.     | 0                    | 0                          |                                            |              |           |                                         | 0      |
| 10       | P.D. Valencia   | Pine Nut Rd.      | 0                    | 0                          |                                            |              |           |                                         | 0      |

**Table 8 – Rating Item 3 (cont'd)**  
**Accident Evaluation Results**

| Location | Major Street  | Minor Street    | Warrant Requirements                                     |                                                                |                                            |                                |                       | Intersection Satisfies Accident Warrant | Points |
|----------|---------------|-----------------|----------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------|--------------------------------|-----------------------|-----------------------------------------|--------|
|          |               |                 | <sup>(1)</sup> TOTAL<br><br>Accidents<br><br>(12 months) | <sup>(2)</sup> CORRECTIBLE<br><br>Accidents<br><br>(12 months) | <sup>(3)</sup> One Condition 80% Satisfied |                                |                       |                                         |        |
|          |               |                 |                                                          |                                                                |                                            |                                |                       |                                         |        |
|          |               |                 |                                                          |                                                                | Warrant 1A<br><br>Min Vol.                 | Warrant 1B<br><br>Interruption | Warrant 4<br><br>Peds |                                         |        |
| 11       | Oso Pkwy.     | *Nottingham Ct. | 1                                                        | 1                                                              | N/A                                        | N/A                            | N/A                   | N/A                                     | 3      |
| 12       | La Paz Rd.    | Alameda         | 0                                                        | 0                                                              |                                            |                                |                       |                                         | 0      |
| 13       | La Paz Rd.    | Appaloosa Pl.   | 1                                                        | 1                                                              |                                            | ✓                              |                       |                                         | 3      |
| 14       | La Paz Rd.    | Gallup Dr.      | 0                                                        | 0                                                              |                                            |                                |                       |                                         | 0      |
| 15       | Alicia Pkwy.  | Via Lomas       | 5                                                        | 2                                                              |                                            | ✓                              |                       |                                         | 6      |
| 16       | Moulton Pkwy. | Gordon Rd.      | 2                                                        | 2                                                              |                                            | ✓                              |                       |                                         | 6      |
| 17       | Moulton Pkwy. | Mandeville Dr.  | 1                                                        | 1                                                              |                                            |                                |                       |                                         | 3      |
| 18       | Moulton Pkwy. | Louisa St.      | 1                                                        | 1                                                              |                                            |                                |                       |                                         | 3      |
| 19       | Moulton Pkwy. | Indian Hill     | 2                                                        | 2                                                              |                                            |                                |                       |                                         | 6      |

\* Right Turn Only

✓ Warrant requirements satisfied.

(1) Greatest number of accidents occurring in a continuous 12 month period in a previous 3 year period.

(2) Broadside, left-turning, and vehicle/pedestrian/bicycle accidents.

(3) Traffic Volume component of accident warrant.

### Rating Item 4 – Special Conditions

This rating item considers area facilities, conditions and circumstances that are not addressed in other rating items that could benefit from an adjacent or nearby traffic signal installation. These include, for example, the presence of schools, churches, parks, and other public buildings. The identified facilities and conditions are shown on Table 9.

**Table 9 – Rating Item 4**  
**Special Conditions**

| Location | Major Street    | Minor Street      | Special Conditions |        |                   |       |      |                |       | Points |
|----------|-----------------|-------------------|--------------------|--------|-------------------|-------|------|----------------|-------|--------|
|          |                 |                   | School             | Church | Public Bldg/ Park | Curve | Hill | Sight Distance | Other |        |
| 1        | Santa Vittoria  | Ridge Route Dr.   |                    |        | X                 |       | X    | X              |       | 7      |
| 2        | Ridge Route Dr. | Mill Creek Dr.    |                    |        | X                 |       | X    | X              |       | 7      |
| 3        | St. Maria Ave.  | San Remo Dr.      | X                  |        |                   | X     | X    | X              |       | 10     |
| 4        | P.D. Valencia   | *Calle Caballeros |                    |        |                   |       |      |                |       | N/A    |
| 5        | P.D. Valencia   | Hillary Ln.       | X                  |        |                   | X     | X    | X              |       | 10     |
| 6        | P.D. Valencia   | Velasquez Rd.     | X                  |        |                   | X     | X    | X              |       | 10     |
| 7        | P.D. Valencia   | Alisal Ave.       |                    |        |                   | X     | X    | X              |       | 7      |
| 8        | P.D. Valencia   | Ericson Wy.       |                    |        |                   | X     | X    | X              |       | 7      |
| 9        | P.D. Valencia   | Mackenzie St.     | X                  |        |                   | X     | X    | X              |       | 10     |
| 10       | P.D. Valencia   | Pine Nut Rd.      | X                  |        |                   | X     | X    | X              |       | 10     |
| 11       | Oso Pkwy.       | *Nottingham Ct.   |                    |        |                   |       |      |                |       | N/A    |
| 12       | La Paz Rd.      | Alameda           |                    |        |                   |       | X    | X              |       | 5      |
| 13       | La Paz Rd.      | Appaloosa Pl.     |                    |        |                   |       | X    |                |       | 2      |
| 14       | La Paz Rd.      | Gallup Dr.        |                    |        |                   | X     | X    | X              |       | 7      |
| 15       | Alicia Pkwy.    | Via Lomas         | X                  |        | X                 |       |      |                |       | 6      |
| 16       | Moulton Pkwy.   | Gordon Rd.        |                    |        |                   | X     | X    | X              |       | 7      |
| 17       | Moulton Pkwy.   | Mandeville Dr.    |                    |        | X                 | X     | X    | X              |       | 10     |
| 18       | Moulton Pkwy.   | Louisa St.        |                    |        |                   | X     | X    | X              |       | 7      |
| 19       | Moulton Pkwy.   | Indian Hill       |                    |        |                   | X     | X    | X              |       | 7      |

\* Right Turn Only

### **Rating Item 5 – Safety Index**

This rating item uses accident totals and characteristics to develop a Benefit/Cost ratio. As there are always several costs associated with accidents depending upon their severity, and as the cost of traffic signals varies depending, in general, upon their configuration, a ratio and subsequent point allocation can be made by relating the accident and traffic signal cost factors. The resultant safety index is shown on Table 10.

**Table 10 – Rating Item 5**  
**Safety Index**

| Location | Major Street    | Minor Street     | Correctable Accidents<br>(Consecutive 12 month Period) |        |     |        |
|----------|-----------------|------------------|--------------------------------------------------------|--------|-----|--------|
|          |                 |                  | Fatal                                                  | Injury | PDO | Points |
| 1        | Santa Vittoria  | Ridge Route Dr.  | 0                                                      | 0      | 1   | 0      |
| 2        | Ridge Route Dr. | Mill Creek Dr.   | 0                                                      | 0      | 0   | 0      |
| 3        | St. Maria Ave.  | San Remo Dr.     | 0                                                      | 0      | 0   | 0      |
| 4        | P.D. Valencia   | Calle Caballeros | 0                                                      | 0      | 0   | 0      |
| 5        | P.D. Valencia   | Hillary Ln.      | 0                                                      | 0      | 0   | 0      |
| 6        | P.D. Valencia   | Velasquez Rd.    | 0                                                      | 1      | 0   | 7      |
| 7        | P.D. Valencia   | Alisal Ave.      | 0                                                      | 0      | 0   | 0      |
| 8        | P.D. Valencia   | Ericson Wy.      | 0                                                      | 1      | 0   | 7      |
| 9        | P.D. Valencia   | Mackenzie St.    | 0                                                      | 0      | 0   | 0      |
| 10       | P.D. Valencia   | Pine Nut Rd.     | 0                                                      | 0      | 1   | 0      |
| 11       | Oso Pkwy.       | Nottingham Ct.   | 0                                                      | 1      | 0   | 7      |
| 12       | La Paz Rd.      | Alameda          | 0                                                      | 0      | 0   | 0      |
| 13       | La Paz Rd.      | Appaloosa Pl.    | 0                                                      | 0      | 0   | 0      |
| 14       | La Paz Rd.      | Gallup Dr.       | 0                                                      | 0      | 0   | 0      |
| 15       | Alicia Pkwy.    | Via Lomas        | 0                                                      | 1      | 1   | 7      |
| 16       | Moulton Pkwy.   | Gordon Rd.       | 0                                                      | 0      | 1   | 0      |
| 17       | Moulton Pkwy.   | Mandeville Dr.   | 0                                                      | 1      | 0   | 7      |
| 18       | Moulton Pkwy.   | Louisa St.       | 0                                                      | 1      | 0   | 7      |
| 19       | Moulton Pkwy.   | Indian Hill      | 0                                                      | 1      | 1   | 7      |



### **Rating Item 6 – Environmental Conditions**

This subjective evaluation considers the ramifications of a traffic signal installation on the adjacent environment. Such factors would include increased pollution generated by idling vehicles, impact on aesthetics, or loss of habitat. HCI's evaluation of potential environmental impact associated with traffic signal installation at the study intersections is shown on Table 11.

**Table 11 – Rating Item 6**  
**Environmental Impact Assessment**

| Loc. | Major Street    | Minor Street     | Environmental Impact |          |             | Points |
|------|-----------------|------------------|----------------------|----------|-------------|--------|
|      |                 |                  | Minimal              | Moderate | Substantial |        |
| 1    | Santa Vittoria  | Ridge Route Dr.  | X                    |          |             | 5      |
| 2    | Ridge Route Dr. | Mill Creek Dr.   | X                    |          |             | 5      |
| 3    | St. Maria Ave.  | San Remo Dr.     | X                    |          |             | 5      |
| 4    | P.D. Valencia   | Calle Caballeros | N/A                  | Right    | Turn Only   | N/A    |
| 5    | P.D. Valencia   | Hillary Ln.      | X                    |          |             | 5      |
| 6    | P.D. Valencia   | Velasquez Rd.    | X                    |          |             | 5      |
| 7    | P.D. Valencia   | Alisal Ave.      | X                    |          |             | 5      |
| 8    | P.D. Valencia   | Ericson Wy.      | X                    |          |             | 5      |
| 9    | P.D. Valencia   | Mackenzie St.    | X                    |          |             | 5      |
| 10   | P.D. Valencia   | Pine Nut Rd.     | X                    |          |             | 5      |
| 11   | Oso Pkwy.       | Nottingham Ct.   | N/A                  | Right    | Turn Only   | N/A    |
| 12   | La Paz Rd.      | Alameda          |                      | X        |             | 2      |
| 13   | La Paz Rd.      | Appaloosa Pl.    | X                    |          |             | 2      |
| 14   | La Paz Rd.      | Gallup Dr.       | X                    |          |             | 2      |
| 15   | Alicia Pkwy.    | Via Lomas        | X                    |          |             | 5      |
| 16   | Moulton Pkwy.   | Gordon Rd.       | X                    |          |             | 2      |
| 17   | Moulton Pkwy.   | Mandeville Dr.   | X                    |          |             | 2      |
| 18   | Moulton Pkwy.   | Louisa St.       | X                    |          |             | 2      |
| 19   | Moulton Pkwy.   | Indian Hill      | X                    |          |             | 2      |

### **Rating Item 7 – Highway Geometry**

Traditionally, streets are assigned classification and, subsequently, a number of through and turning lanes based on the traffic volumes that the street has or is expected to reach. The service area, land use, number of feeder streets and length of the street determine or produces the traffic volume on a given street. Typical classifications are Arterial, Collector, or Local with a function of single-lane Local streets distributing traffic to multilane Collector streets, and the Collector streets distributing traffic to multilane Arterial streets. Street geometry is the number of lanes a street has, and intersection geometry is the configuration of the intersecting streets (i.e., usually a 4-legged or T-configuration). Under normal circumstances, a traffic signal installation at an Arterial/Arterial intersection with its inherently greater traffic volumes and service area will have a greater Cost/Benefit than a traffic signal installed, for example, at a Collector/Local intersection. The geometry based ranking of the candidate intersections is shown on Table 12.

**Table 12 – Rating Item 7**  
**Highway Geometry**

| Loc. | Inter. Type | Major Street    |          | Minor Street     |           | Points |
|------|-------------|-----------------|----------|------------------|-----------|--------|
|      |             | Name            | Class.   | Name             | Class.    |        |
| 1    | 4           | Santa Vittoria  | Arterial | Ridge Route Dr.  | Collector | 4      |
| 2    | T           | Ridge Route Dr. | Arterial | Mill Creek Dr.   | Collector | 3      |
| 3    | T           | St. Maria Ave.  | Arterial | San Remo Dr.     | Collector | 3      |
| 4    | T           | P.D. Valencia   | Arterial | Calle Caballeros | Collector | 3      |
| 5    | T           | P.D. Valencia   | Arterial | Hillary Ln.      | Collector | 3      |
| 6    | T           | P.D. Valencia   | Arterial | Velasquez Rd.    | Collector | 3      |
| 7    | T           | P.D. Valencia   | Arterial | Alisal Ave.      | Collector | 3      |
| 8    | T           | P.D. Valencia   | Arterial | Ericson Wy.      | Collector | 3      |
| 9    | T           | P.D. Valencia   | Arterial | Mackenzie St.    | Collector | 3      |
| 10   | T           | P.D. Valencia   | Arterial | Pine Nut Rd.     | Collector | 3      |
| 11   | T           | Oso Pkwy.       | Arterial | Nottingham Ct.   | Collector | 3      |
| 12   | T           | La Paz Rd.      | Arterial | Alameda          | Collector | 3      |
| 13   | T           | La Paz Rd.      | Arterial | Appaloosa Pl.    | Collector | 3      |
| 14   | T           | La Paz Rd.      | Arterial | Gallup Dr.       | Collector | 3      |
| 15   | T           | Alicia Pkwy.    | Arterial | Via Lomas        | Collector | 3      |
| 16   | T           | Moulton Pkwy.   | Arterial | Gordon Rd.       | Collector | 3      |
| 17   | T           | Moulton Pkwy.   | Arterial | Mandeville Dr.   | Collector | 3      |
| 18   | T           | Moulton Pkwy.   | Arterial | Louisa St.       | Collector | 3      |
| 19   | T           | Moulton Pkwy.   | Arterial | Indian Hill      | Collector | 3      |

### **Locations Satisfying Minimum Warrant Criteria and Priority Ranking**

The findings of City of Laguna Hills' Traffic Signal Master Plan 2016 Update indicates that the following five (5) locations have satisfied the minimum CA MUTCD warrants for traffic signal installation:

7. Paseo de Valencia at Alisal Avenue
8. Paseo de Valencia at Ericson Way
13. La Paz Road at Appaloosa Place
15. Alicia Parkway at Via Lomas
16. Moulton Parkway at Gordon Road

Table 13 ranks the warranted locations based on the rating system employed in the Traffic Signal Master Plan Update.

**Table 13**  
**Priority Ranking of Study Intersections**  
**Meeting Minimum Warrants for Traffic Signal Installation**

| Location | Major Street   | Minor Street  | Rating Item Number |   |    |    |    |   |   |       |
|----------|----------------|---------------|--------------------|---|----|----|----|---|---|-------|
|          |                |               | 1                  | 2 | 3  | 4  | 5  | 6 | 7 | Total |
|          | Maximum Points |               | 10                 | 5 | 20 | 15 | 10 | 5 | 5 | 70    |
| 15       | Alicia Pkwy.   | Via Lomas     | 10                 | 3 | 6  | 6  | 7  | 5 | 3 | 40    |
| 8        | P.D. Valencia  | Ericson Wy.   | 7                  | 0 | 3  | 7  | 7  | 5 | 3 | 32    |
| 16       | Moulton Pkwy.  | Gordon Rd.    | 10                 | 3 | 6  | 7  | 0  | 2 | 3 | 31    |
| 13       | La Paz Rd.     | Appaloosa Pl. | 9                  | 5 | 3  | 2  | 0  | 2 | 3 | 24    |
| 7        | P.D. Valencia  | Alisal Ave.   | 7                  | 0 | 0  | 7  | 0  | 5 | 3 | 22    |

### **Recommendations**

HCI recommends that this TSMP Update act as a guide for future traffic signal installation in the City of Laguna Hills. HCI also recommends that the TSMP be re-evaluated on a periodic basis to address changes in traffic volumes, accident history, and in the character and operational characteristics of the study intersections, as well as for inclusion of new locations as the need for potential traffic signalization occurs.

**RATING ITEMS**

**RATING ITEM 1**  
**Interruption of Continuous Traffic (10 Points Maximum)**  
**(Warrant 1B)**

Vehicles attempting to cross the major flow of traffic, or enter that flow, can cause the traffic on the Through street to be delayed or slow down unnecessarily. The installation of a signal at such locations may actually speed up the traffic flow on the Major street. Table A1 shows the percent of the maximum assigned points based on the Major street daily volume. For example, an intersection where the traffic volume on the Major street averages 11,000 vehicles per day would receive 70% of the maximum allowed. In this example, the intersection would receive 7 points for this rating area.

**Table A1 – Percent of Maximum points – Interruption of Continuous Traffic**

| <b>Major Street Volume<br/>Of at Least...</b> | <b>Percent of Maximum<br/>and Points Allowed</b> |
|-----------------------------------------------|--------------------------------------------------|
| 4,700                                         | 0% (0 points)                                    |
| 5,600                                         | 10% (1 points)                                   |
| 6,400                                         | 20% (2 points)                                   |
| 7,300                                         | 30% (3 points)                                   |
| 8,200                                         | 40% (4 points)                                   |
| 9,000                                         | 50% (5 points)                                   |
| 10,000                                        | 60% (6 points)                                   |
| 10,700                                        | 70% (7 points)                                   |
| 11,600                                        | 80% (8 points)                                   |
| 12,400                                        | 90% (9 points)                                   |
| 17,500                                        | 100% (10 points)                                 |

**RATING ITEM 2**  
**Coordinated Movement (5 Points Maximum)**

When a traffic signal turns green and the waiting vehicles start down the roadway, they are in a relatively compact grouping referred to as a “platoon”. As the group of vehicles progresses down the street, they become more and more disbursed due to differences in driving speeds. As a result, some of the cars in the original platoon are unable to pass through the next signal and are forced to stop. In certain cases, the installation of a signal between the original two intersections can keep this platoon intact and actually reduce the overall driving delay. This item depends on engineering judgment and should include present and future traffic demands of the area.

A signal may be justified when it forms a part of an interconnected or coordinated system and would serve the purpose of maintaining traffic volumes in relatively concentrated platoons of vehicles. Typically, the following question is asked: “Would a signal at this location cause the platoon approaching the next signal to be intact (5 points), spread (2 points), or disbursed (0 points)?”

**RATING ITEM 3**  
**Accident Hazards**

An elevated intersection accident rate can be a sign of vehicles (and pedestrians) trying to enter the flow of traffic or cross the street when there are insufficient gaps in the Major street traffic. Only those accidents susceptible to correction by traffic signals should be considered when evaluating this item. And even then, only if less restrictive measures such as warning signs, proper lighting, painted markings, etc., have failed. Accidents which are susceptible to correction by a traffic signal are normally considered to be “broadside” or right-angle accidents, left-turn accidents, and those accidents involving vehicles/pedestrians. In this item, the maximum number of points is assigned to the intersection with the highest number of correctible accidents and 0 is assigned to the lowest. Table A2 illustrates the points that would be assigned if the highest intersection had six accidents and the lowest intersection had none.

**Table A2 – Percent of Maximum Points – Accident Hazard**

| <b>Correctible<br/>Accidents</b> | <b>Points</b> |
|----------------------------------|---------------|
| 6 or more                        | 20            |
| 5                                | 16            |
| 4                                | 13            |
| 3                                | 10            |
| 2                                | 6             |
| 1                                | 3             |
| 0                                | 0             |

**RATING ITEM 4**  
**Special Conditions (15 Points Maximum)**

This item considers extenuating circumstances that are not covered in other items in the rating system. These may include the proximity of schools, churches, public buildings, and other traffic and pedestrian generation; an abrupt change from rural to an urban area; the need for police control during portions of the day; a steep hill; a horizontal curve; or restricted sight distance. This requires engineering judgment based on physical inspection of the site. Equal weights should be given to each of the items considered here. In Table A3, the percentages and points are based on how many of 6 conditions were located at an intersection.

**Table A3 – Percent of Maximum Points – Special Conditions**

| <b>Conditions<br/>Located</b> | <b>Points</b>    |
|-------------------------------|------------------|
| 6                             | 100% (15 points) |
| 5                             | 83% (12 points)  |
| 4                             | 67% (10 points)  |
| 3                             | 50% (7 points)   |
| 2                             | 33% (5 points)   |
| 1                             | 17% (2 points)   |
| 0                             | 0% (0 points)    |



**RATING ITEM 5**  
**Safety Index (15 Points Maximum)**

A safety index is the Benefit/Cost ratio for a safety improvement expressed as a number. The costs and benefits are directly related to the number of accidents at a location which are susceptible to correction by a traffic signal. Points are assigned by setting the highest Benefit/Cost ratio to the maximum allowed points and the minimum Benefit/Cost ratio to zero. Ratings in between are allocated a proportion of the number to points between zero and the maximum. The accidents are grouped into categories, with costs, and weighted. The “benefit” portion of the ratio is actually the estimated cost of the severity categories as listed below.

**Table A4 – “Costs” of Traffic Accidents**

| <b>Category</b>           | <b>Cost</b> |
|---------------------------|-------------|
| Fatal Accidents           | \$4,800,000 |
| Injury Accidents          | \$67,400    |
| Property Damage Accidents | \$10,200    |

**Table A5 – Typical Signal Installation Costs in Southern California**

| <b>Intersection Type</b> | <b>Cost</b> |
|--------------------------|-------------|
| Four Legged Intersection | \$400,000   |
| T Intersection           | \$300,000   |

**RATING ITEM 6**  
**Environmental Conditions (5 Points Maximum)**

This is the only rating item that can actually be assigned negative points. An evaluation of the environmental impacts associated with a traffic signal installation is performed, and a point value made for each location. A project that has minimum impacts receives the maximum 5 points while a project that could have a substantial adverse effect receives a negative 5 points. Gradations may be employed between the two limits.

**RATING ITEM 7**  
**Highway Geometry (5 Points Maximum)**

In general, it is more cost effective and more productive to signalize a four-legged intersection than a T-intersection. Also, a traffic signal at an intersection of two arterial streets will better serve the community than will a traffic signal at an intersection of two local residential streets.

| Higher Volume Street Is... | Lower Volume Street Is... | Maximum Points if... |                          |
|----------------------------|---------------------------|----------------------|--------------------------|
|                            |                           | Intersection is T    | Intersection is 4 Legged |
| Local                      | Local                     | 0                    | 0                        |
| Collector                  | Local                     | 0                    | 1                        |
|                            | Collector                 | 1                    | 2                        |
| Arterial                   | Local                     | 2                    | 3                        |
|                            | Collector                 | 3                    | 4                        |
|                            | Arterial                  | 4                    | 5                        |





# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: KENNETH H. ROSENFELD, P.E.  
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

**ISSUE: AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT NO. C-2-1996 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE LOS ALISOS BOULEVARD TRAFFIC SIGNAL SYNCHRONIZATION PROJECT**

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**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE AMENDMENT NO. 1 TO COOPERATIVE AGREEMENT NO. C-2-1996 WITH THE ORANGE COUNTY TRANSPORTATION AUTHORITY FOR IMPLEMENTATION OF THE LOS ALISOS BOULEVARD TRAFFIC SIGNAL SYNCHRONIZATION PROJECT AND AUTHORIZE THE MAYOR TO SIGN THE AMENDMENT.**

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#### **SUMMARY:**

Measure M2 provides funding for arterial highway traffic signal synchronization projects on a three-year return cycle. Projects typically involve multiple jurisdictions with one agency acting as the lead for the project. On occasion, the Orange County Transportation Authority (OCTA) acts as the lead agency to simplify the administration of these projects. A project in process, with OCTA as the lead agency, is the Los Alisos Boulevard Traffic Signal Synchronization Project. This project is being implemented in accordance with the multi-agency Cooperative Agreement No. C-2-1996 entered into with OCTA as of March 1, 2013, and which will expire on June 30, 2016, if not extended. OCTA has requested an extension of the Agreement to June 30, 2019, with no change in agency obligations, in order to complete this project in accordance with the attached Amendment No. 1 to Cooperative Agreement No. C-2-1996.

#### **ATTACHMENTS:**

- Amendment No. 1



**AMENDMENT NO. 1 TO  
COOPERATIVE AGREEMENT NO. C-2-1996  
BETWEEN  
ORANGE COUNTY TRANSPORTATION AUTHORITY  
AND  
THE CITIES OF MISSION VIEJO, LAGUNA HILLS, LAKE FOREST, AND RANCHO SANTA  
MARGARITA  
FOR  
IMPLEMENTATION OF  
THE LOS ALISOS BOULEVARD TRAFFIC SIGNAL SYNCHRONIZATION PROJECT FUNDED AS  
PART OF THE MEASURE M2 REGIONAL TRAFFIC SIGNAL SYNCHRONIZATION PROGRAM  
(PROJECT P)**

**THIS AMENDMENT NO. 1 is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the Orange County Transportation Authority, ("AUTHORITY"), and the Cities of Mission Viejo, Laguna Hills, Lake Forest, and Rancho Santa Margarita (hereinafter referred to as the "PARTICIPATING AGENCIES").**

**WITNESSETH:**

**WHEREAS, by Agreement No. C-2-1996 dated March 1, 2013, AUTHORITY and PARTICIPATING AGENCIES entered into a cooperative agreement for the coordination of traffic signals across multiple jurisdictional boundaries as a part of the Renewed Measure M (M2) Regional Traffic Signal Synchronization Program (Project P) to enhance countywide traffic flow and reduce congestion; and**

**WHEREAS, the AUTHORITY and PARTICIPATING AGENCIES agree to extend the term of the Agreement for an additional thirty-six (36) months with no increase to the maximum obligation;**

NOW, THEREFORE, it is mutually understood and agreed that Agreement No. C-2-1996 is hereby amended in the following particulars only:

AMENDMENT NO. 1 TO  
COOPERATIVE AGREEMENT NO. C-2-1996

Amend **ARTICLE 9. ADDITIONAL PROVISIONS**, page 8 of 15, Paragraph A, lines 19 and 20,  
to delete "June 30, 2016", as the expiration date of the Agreement and in lieu thereof, insert "June 30,  
2019".

The balance of Agreement No. C-2-1996 remains unchanged.

This Amendment shall be made effective upon execution by all parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment No. 1 to Agreement  
No. C-2-1996 to be executed on the date first above written.

**CITY OF MISSION VIEJO**

**ORANGE COUNTY TRANSPORTATION AUTHORITY**

By: \_\_\_\_\_  
Cathy Schlicht  
Mayor

By: \_\_\_\_\_  
Meena Katakia  
Manager, Capital Projects

**ATTEST:**

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Karen Hamman  
City Clerk

By: \_\_\_\_\_  
James M. Donich  
General Counsel

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
William P. Curley, III  
City Attorney

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



AMENDMENT NO. 1 TO  
COOPERATIVE AGREEMENT NO. C-2-1996

1           IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to Agreement  
2 No. C-2-1996 to be executed on the date first above written.

3           CITY OF LAGUNA HILLS

4  
5 By: \_\_\_\_\_  
6       Barbara Kogerman  
7       Mayor

8           ATTEST:

9 By: \_\_\_\_\_  
10       Melissa Au-Yeung  
11       Assistant to the City Manager

12           APPROVED AS TO FORM:

13 By: \_\_\_\_\_  
14       Gregory E. Simonian  
15       City Attorney

16 Date: \_\_\_\_\_  
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AMENDMENT NO. 1 TO  
COOPERATIVE AGREEMENT NO. C-2-1996

1 IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to Agreement  
2 No. C-2-1996 to be executed on the date first above written.

3 CITY OF LAKE FOREST

4  
5 By: \_\_\_\_\_  
6 Andrew Hamilton  
Mayor

7 ATTEST:

8  
9 By: \_\_\_\_\_  
10 Stephanie D. Smith  
City Clerk

11 APPROVED AS TO FORM:

12  
13 By: \_\_\_\_\_  
14 Matthew Richardson  
City Attorney

15 Date: \_\_\_\_\_  
16  
17  
18

AMENDMENT NO. 1 TO  
COOPERATIVE AGREEMENT NO. C-2-1996

1           **IN WITNESS WHEREOF**, the parties hereto have caused this Amendment No. 1 to Agreement  
2 No. C-2-1996 to be executed on the date first above written.

3 **CITY OF RANCHO SANTA MARGARITA**

4  
5 By: \_\_\_\_\_  
6     L. Anthony Beall  
7     Mayor

8  
9 **ATTEST:**

10 By: \_\_\_\_\_  
11     Amy Diaz  
12     City Clerk

13 **APPROVED AS TO FORM:**

14 By: \_\_\_\_\_  
15     Gregory E. Simonian  
16     City Attorney

17 Date: \_\_\_\_\_  
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## **City of Laguna Hills City Council Meeting Agenda Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: DAVID REYNOLDS  
DEPUTY CITY MANAGER**

**ISSUE: PROFESSIONAL SOLID WASTE AND RECYCLING CONSULTING  
SERVICES AGREEMENT WITH ECO/NOMICS, INC.**

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**RECOMMENDATION: THAT THE CITY COUNCIL AUTHORIZE THE MAYOR TO  
EXECUTE THE CONSULTING SERVICES AGREEMENT WITH ECO/NOMICS, INC.**

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### **SUMMARY:**

The Consulting Services Agreement with Eco/Nomics, Inc. expires June 30, 2016. Eco/Nomics, Inc. has provided the City with professional solid waste and recycling consulting services for some time and the City desires to continue with this type of consulting service. Per the purchasing ordinance requirements for the procurement of professional services staff issued a Request for Proposals document in March 2016. Three proposals were received from qualified vendors by the proposal deadline and all three vendors participated in an interview process. The top candidate, after proposal evaluation and interviews, was Eco/Nomics, Inc. and staff is recommending an initial three-year-term contract with Eco/Nomics, Inc. be approved by the City Council, with an optional two-year extension, for solid waste and recycling consulting services beginning on July 1, 2016.

### **BACKGROUND:**

Eco/Nomics, Inc. has served as the City's solid waste and recycling consultant and has assisted the City with solid waste franchise administration, compliance reporting to the State, and recycling program implementation. The current Consulting Services Agreement with Eco/Nomics, Inc. expires on June 30, 2016, and staff relies on the professional assistance of a consultant to function as an extension of City staff for solid waste and recycling administration support. This is especially needed in light of the State's continued

efforts to increase diversion of solid waste from landfills.<sup>1</sup> Therefore, staff issued a Request for Proposals document per the purchasing ordinance guidelines for professional services on March 29, 2016, to continue solid waste and recycling consulting services.

By the proposal deadline, three consulting firms (Eco/Nomics, Inc., MSW Consultants, and Charles Abbott) submitted proposals. All three firms were invited to participate in interviews. A representative from the City of Dana Point and a representative from CR&R joined staff on the interview panel. Overall, Eco/Nomics, Inc. was favored by the entire interview panel due to its professionalism and experience, assignment to City of qualified staff, its unparalleled knowledge of the industry and solid waste and recycling legislation, its ability to conduct gritty field work, and its familiarity with the City's solid waste and recycling contract with CR&R. Upon review of the fee schedules proposed by all three vendors Eco/Nomics, Inc. proposed the lowest bid.

Staff is requesting an initial three-year term contract with Eco/Nomics, Inc., with an optional two-year extension, for solid waste and recycling consulting services commencing on July 1, 2016. The main tasks of the consultant's scope of work are summarized below. This work is directed by City staff and a greater amount of detail on this scope is provided in the attached Agreement under Exhibit A.

1. Assistance with CalRecycle compliance and annual site assessments.
2. Assistance with CalRecycle compliance reporting.
3. Provide technical and field support for the administration of the City's solid waste and recycling franchise agreement.
4. Provide technical recycling assistance to local restaurants and businesses to maintain and develop recycling programs.<sup>2</sup>
5. Attend progress meetings and prepare monthly reports.
6. Assistance with assessing rate impacts and developing solutions for organics (food scraps) and green waste.
7. Assessing the impacts on Laguna Hills existing rate structure as the overall diversion levels increase from 50% to 75%.
8. Impact of 75% diversion on current rate structure.
9. Assess the need and/or desirability, for negotiation/revision of the City's existing hauler contract in order to handle the provisions of AB 1826, AB 1594, lack of

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<sup>1</sup> AB 341 established a mandatory commercial and multi-family recycling requirement and the State set a policy goal that not less than 75% of solid waste generated be source reduced, recycled, or composted by the year 2020. It is anticipated that more legislation will be passed in response to this policy goal.

<sup>2</sup> For instance: AB 1826 requires all businesses that generate eight cubic yards of organic waste per week to arrange for organic waste recycling services by April 1, 2016. By January 1, 2017, businesses that generate 4 cubic yards of organic waste per week shall arrange for organic waste recycling services. By January 1, 2019, businesses that generate 4 cubic yards or more of waste per week shall arrange for organic waste recycling services.

organics handling infrastructure in Orange County, and other structural changes impacting diversion and solid waste handling options.

10. Overseeing the C&D diversion of the construction of Five Lagunas and the implementation of the CUPs for diversion during the mall's startup phase.
11. Identification of technological developments in truck routing, collection equipment, and processing that can provide cost savings to Laguna Hills.
12. Research into the value of Green Business Certification, as is being utilized in other Orange County cities, as a way to increase positive outcomes in the retail and business community.

**FISCAL IMPACT:**

The total maximum contract amount is \$250,000 for the entire term of the contract (the initial three-year term and the additional two-year renewal term). It is anticipated that there will be no impact to the City's General Fund for payment of Eco/Nomics, Inc.'s services because the City's Recycling Funds have historically accounted for these types of consulting services expenses.

**ATTACHMENTS:**

- Consulting Services Agreement with Eco/Nomics, Inc.





## **CONSULTING SERVICES AGREEMENT**

Eco/Nomics, Inc., dba Ecal/Nomics, Inc.

*(Professional Solid Waste and Recycling Consulting Services)*

THIS CONSULTING SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into, to be effective this 14<sup>th</sup> day of June 2016, 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 ECO/NOMICS, INC., a Colorado corporation, doing business in the State of California as ECAL/NOMICS, INC. (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 solid waste collection, contracting and recycling firm to continue to provide City with consulting services on an as-needed basis related to the administration of the City's solid waste and recycling services franchise agreement, ordinance, and related programs, as well as with ensuring compliance with all applicable solid waste collection, contracting and recycling laws promulgated by the State of California and with regarding to CalRecycle compliance and reporting (the "Project").

B. Consultant has submitted to City a formal written proposal, dated April 29, 2016, in response to City's Request for Proposals (RFP) for "Solid Waste and Recycling Consulting Services," dated March 29, 2016, to provide City with consulting services on an as-needed basis related to the administration of the City's solid waste and recycling services franchise agreement, ordinance, and related programs, as well as with ensuring compliance with all applicable solid waste collection, contracting and recycling laws promulgated by the State of California and with regarding to CalRecycle compliance and reporting 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, specialized equipment, or technical expertise able to perform the work and 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 solid waste collection, contracting and recycling consulting services to City on an as-needed basis related to the administration of the City's solid waste and recycling services franchise agreement, ordinance, and related programs, as well as with ensuring compliance with all applicable solid waste collection, contracting and recycling laws promulgated by the State of California and with regarding to CalRecycle compliance and reporting for the Project as described and as set forth in Consultant's Proposal/Scope of Work, dated April 29, 2016, 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 Work or Services 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 April 29, 2016 Proposal/Scope of Work submitted to the City ("Consultant's Proposal") in response to City's March 29, 2016 Request for Proposals for Solid Waste and Recycling Consulting Services, which shall both 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: (1<sup>st</sup>) the terms of this Agreement; and, (2<sup>nd</sup>) 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 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.

**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 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 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 Two Hundred Fifty Thousand Dollars and No Cents (\$250,000.00) (hereinafter referred to as the "Maximum Contract Amount"), except as may be provided pursuant to Section 1.8 above. The method of compensation shall be as set forth in Exhibit "A". 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 (10<sup>th</sup>) working day of such month, Consultant shall submit to the City, in a form approved by the City's Finance Manager, 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

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 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 continue in full force and effect for an initial period of three (3) years, commencing on July 1, 2016, and ending on June 30, 2019 ("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 two (2) year term ("Renewal Term").

### **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 make all decisions in connection therewith: William O'Toole, 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. Consultant further agrees to assign the following individuals, based on their education, experience, and qualifications, to perform the Work and Services set forth herein; and Consultant agrees to not alter the assignment of the following consultants without the prior written approval of the Contract Officer:

Name:

Title:

William O'Toole

President

Cerene St. John

Director

Trevor Blythe

Vice President

Ian Bevan

Program Implementation Manager

Geiza Goulart da Silva

Program Implementation Coordinator

**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. In addition, Consultant shall not allow any subconsultant or subcontractor to commence any Work or Services until it has provided evidence satisfactory to City that the subconsultant or subcontractor 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.

**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 Eligible Surplus Lines Insurers (LESLI), 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 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 include all subconsultants or subcontractors engaged in any Work or Services for Consultant relating to this Agreement as additional insureds under the Consultant's insurance policies, or 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 received satisfactory evidence of their compliance with all insurance requirements under this Agreement, to the extent applicable. Consultant agrees to provide satisfactory evidence of compliance with this subsection upon request of the City.

**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 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 (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 Consultant's performance under this Agreement. 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.

## **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.

**7.3 Ownership of Documents.** All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Consultant, its employees, 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.

**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 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.

**8.5 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.

**8.6 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.

**8.7 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 consultant 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 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:**

Eco/Nomics, Inc., dba Ecal/Nomics, Inc.  
Attention: William O'Toole, President  
P.O. Box 2790  
Del Mar, California 92014  
Telephone: (805) 331-9591  
E-mail: [william@economicsinc.net](mailto:william@economicsinc.net)

**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.

[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**

\_\_\_\_\_  
BARBARA KOGERMAN, Mayor

ATTEST:

(SEAL)

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

APPROVED AS TO FORM:

\_\_\_\_\_  
GREGORY E. SIMONIAN,  
City Attorney

**"CONSULTANT"**  
**Eco/Nomics, Inc., doing business in the**  
**State of California as Ecal/Nomics, Inc.**

By:   
\_\_\_\_\_  
WILLIAM O'TOOLE, President

By:   
\_\_\_\_\_  
CERENE ST. JOHN, Secretary

# **EXHIBIT “A”**

## **CONSULTANT’S PROPOSAL/ SCOPE OF WORK**

**DATED: APRIL 29, 2016**

---

**SCOPE OF SERVICES FOR PROJECT**

**INCLUDING,**

**SCHEDULE OF PERFORMANCE**

**AND**

**SCHEDULE OF COMPENSATION/ FEES**



## **Response to the City of Laguna Hills' Request for Proposals for Solid Waste and Recycling Consulting Services**



**Submitted by EcoNomics, Inc.  
April 29, 2016**

**24682 Del Prado, Suite 230  
Dana Point, California 92629**

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## **Section 1: Executive Summary**



April 29, 2016

David Reynolds  
Deputy City Manager  
City of Laguna Hills  
25555 Alicia Parkway  
Laguna Hills, California 92653

**RE: Response to the City of Laguna Hills March 29, 2016 Request for Proposals for Solid Waste and Recycling Consulting Services**

Dear Mr. Reynolds

EcoNomics Inc. is pleased to submit the attached proposal to assist the City with solid waste and recycling consulting services. The proposal includes descriptions of our relevant experience, an introduction to our management team, references from current clients on similar projects, a scope of work based on our understanding of the project, hourly rates and resumes for the members of our team assigned to this project.

EcoNomics experienced team brings the following unique set of skills and local knowledge to this project:

- EcoNomics has overseen the City's AB 939 compliance efforts since the year 2004 and is uniquely familiar with the City's diversion programs. Economics has gained a deep insight into the City's compliance efforts from its experiences drafting the City's SRRE, managing the RFP process to ensure the selected hauler implemented diversion programs, conducting the 2005 base year study that increased the City's diversion rate by nearly 20 percentage points, interfacing annually with CalRecycle in its annual review for the past eight years, and by drafting the City's Electronic Annual Report for the past 10 years.
- Over the past decade, EcoNomics has worked with nearly every business and multi-family property in the City to notify them of changes in recycling legislation and, in many cases, to implement cost-saving recycling and organics programs.
- EcoNomics wrote the hauler contract that is currently in place and knows where the City can leverage key provisions to achieve desired programmatic and compliance outcomes.
- Recent experience gained while working with the Community Development Department on the Five Lagunas project to ensure adequate infrastructure and conditions of approval to ensure 75% diversion at the City's largest generator.
- Our core strength is the design, implementation, and procurement of recycling and waste diversion services. This has been our specialty for over 30 years. With AB 341 and AB 1826 mandating higher levels of diversion from the City's commercial and

multifamily waste stream by 2020, Laguna Hills' diversion programs will need to be thoughtfully managed to achieve this diversion in the most cost-effective manner possible.

- Extensive field experience implementing food scrap diversion programs in the City. EcoNomics has just implemented four additional organics (restaurant) diversion programs in Laguna Hills in the first three months of 2016.
- The team members assigned to this project have years of relevant experience. Mr. O'Toole is a recognized industry leader active since 1976 and was central in the development of recent innovative and diversion-centric contracts (Lake Forest 2014). He worked with Ms. Cerene St. John JD, a Director of EcoNomics, who has written groundbreaking contracts for over 12 cities. She is an active member of the California bar and is familiar with Propositions 218 and 26 as well as CalRecycle regulations. Mr. Blythe has 9 years of experience implementing diversion programs throughout Orange County and holds a degree from one of only two schools offering a Masters of Business Administration (MBA) in sustainability.
- Local Orange County office in Dana Point.
- Local Orange County specific knowledge on issues with ADC and costs of processing food scraps and green waste (Anaerobic Digestion versus Composting)
- Currently working for eight cities in Orange County on a wide range of implementation and contract management projects and are very familiar with the solid waste and recycling issues in the local area.
- No conflict of interest. EcoNomics works exclusively for cities, counties, and other public agencies. We do not work for refuse haulers.
- EcoNomics is in sound financial condition with potential revenue from secured contracts in excess of overhead and administrative costs.
- There are no filed, pending or threatened claims or litigation by clients (current or past) during the last five years against EcoNomics, Inc.

We have included in the Scope of Work seven additional areas that we believe will need to be addressed during the term of the City's consulting contract. In brief they are:

- Assistance with assessing rate impacts and developing solutions for organics (food scraps) and green waste
- Assistance with 75% Diversion Goal Planning and Attainment
- Assessing the impacts on Laguna Hills existing rate structure as the overall diversion levels increase from 50% to 75%
- Assess the need and/or desirability, for negotiation/revision of the City's existing hauler contract in order to handle the provisions of AB 1826, AB 1594, lack of organics handling infrastructure in Orange County, and other structural changes impacting diversion and solid waste handling options
- Overseeing the C&D diversion of the construction of Five Lagunas and the implementation of the CUPs for diversion during the malls startup phase
- Identification of technological developments in truck routing, collection equipment, and processing that can provide cost savings to Laguna Hills
- Research into the value of Green Business Certification, as being utilized in other Orange County cities, as a way to increase positive outcomes in the retail and business community



Per the RFP, you will find the following exhibits demonstrating EcoNomics' ability to effectively execute the scope associated with this project:

- Exhibit 1: Statement of EcoNomics' Sound Financial Condition
- Exhibit 2: EcoNomics' Completed "Certificate of Non-Discrimination" (also included as Attachment 1 to Executive Summary)
- Exhibit 3: EcoNomics' Litigation
- Exhibit 4: EcoNomics Completed 'Certificate of Employment Relationships and Financial Interest' (also included as Attachment 2 to Executive Summary)
- Exhibit 5: Signed Consulting Agreement
- Exhibit 6: Certificates of Insurance

Please feel free to contact me directly at (805) 331-9591 or email [william@economicsinc.net](mailto:william@economicsinc.net) if you have any questions.

Sincerely,



William O'Toole  
President  
EcoNomics, Inc.  
832 Camino del Mar, Suite 1  
Del Mar, California 92104

Attachments:

Attachment 1 to Executive Summary: Signed Certificate of Non-discrimination  
Attachment 2 to Executive Summary: Signed Certificate of Employment Relationships and Financial Interest  
Response to the City of Laguna Hills March 29, 2016 Request for Proposals for Solid Waste and Recycling Consulting Services (Sections 2 – 5)

### Attachment 1 to Executive Summary: Signed Certificate of Non-discrimination

Please note: a signed, wet copy of this form was submitted to the City in EcoNomics paper copy of the proposal.

Exhibit B

CITY OF LAGUNA HILLS  
CERTIFICATE OF NON-DISCRIMINATION

I hereby certify on behalf of EcoNomics Inc that all persons employed by EcoNomics Inc are, and shall be treated fairly without regard to race, creed, color, national origin, political affiliation, marital status, sex, age, or disability, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Civil rights Act of 1964, the Unruh Civil Rights Acts, and the Americans With Disabilities Act.

Name: William O'Toole  
Signature: [Signature]  
Title: President



**Attachment 2 to Executive Summary: Signed Certificate of Certificate of  
Employment Relationships and Financial Interest**

Please note: a signed, wet copy of this form was submitted to the City in EcoNomics paper copy of the proposal.

CITY OF LAGUNA HILLS  
CERTIFICATE OF  
EMPLOYMENT RELATIONSHIPS  
AND FINANCIAL INTERESTS

NAME OF ENTITY: EcoNomics Inc

EMPLOYMENT RELATIONSHIPS WITH CITY OFFICIALS OR CITY EMPLOYEES:  
None

FINANCIAL INTERESTS OF CITY OFFICIALS OR CITY EMPLOYEES IN THE ENTITY:  
(If known and applicable, please state the percentage ownership interest)  
None

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Signed this 29th day of April, 2016, at  
Dana Point, California.

Name: William O Toole  
Signature: [Signature]  
Title: President

## **Section 2: Scope and Approach**

EcoNomics structured its response to the City's scope of work into three sections. The first section (Section 2.1) is a direct response to the tasks requested by the City in its Request for Proposals. Section 2.2. is a response to the City's invitation to provide insight on what can be done beyond the City's general scope of work. Finally, Section 2.3 includes resumes of personnel.

## **Section 2.1. Response to City's Scope**

### **2.1.1. Task B1. CalRecycle Support**

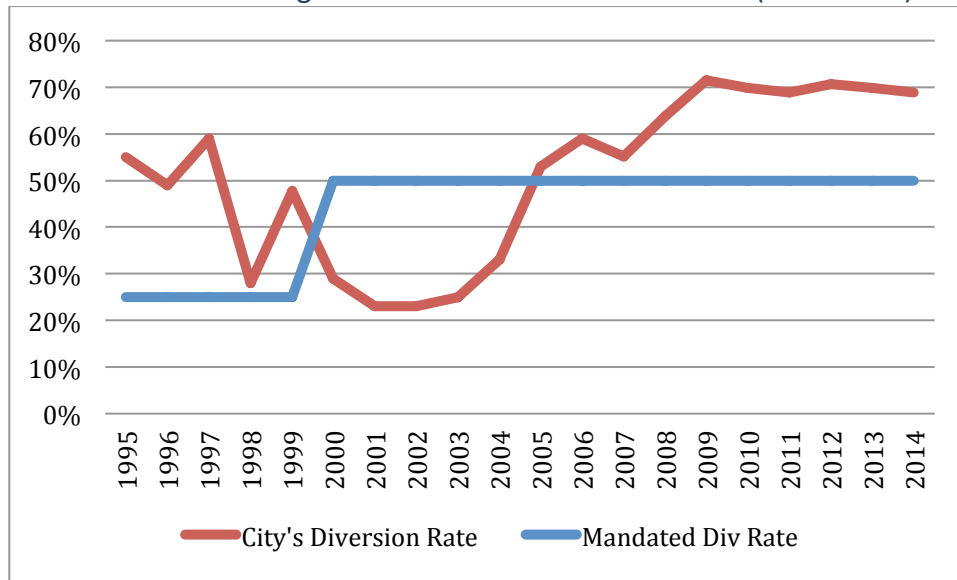
#### ***2.1.1.1 Assistance with CalRecycle Compliance and Annual Site Assessments***

*a. From the City's RFP: Work with CalRecycle staff to answer and document any questions or concerns in regards to both residential and non-residential programs. Consultant shall respond to City's request to contact CalRecycle for any issue or concern.*

Since 2004 EcoNomics has assisted the City with successfully working with CalRecycle and its staff in meeting mandated diversion and reporting goals. In 2004 and 2005 EcoNomics worked with CalRecycle to get a SB 1066 time extension approved and developed an RFP for a new franchise that incorporated the needed new diversion and contract reporting provisions. EcoNomics developed an innovative contract that incorporated strong diversion performance metrics and had powerful disincentives for a hauler's non-attainment of a 50% diversion rate. The contract was awarded to CR&R in 2005 and was effective in 2006. Within the first year of the contract, CR&R achieved a 50% diversion rate.

Since 2005, Laguna Hills has achieved and maintained compliance with AB 939 for the past decade. EcoNomics has worked with the City in developing a proactive approach to all new diversion regulations and has experience in interacting with CalRecycle both at its site visits as well as in preparing and submitting the City's mandated Annual Report.

Chart 2.1.1.1 – Laguna Hills Historical Diversion Rate (1995-2014)



Since 2008, EcoNomics has assisted the City with conducting nine CalRecycle site visits. Senate Bill 1016, among other provisions, required that CalRecycle conduct annual site visits to each jurisdiction to assess the degree in which programs selected in the jurisdictions SRRE were implemented. EcoNomics' in-depth knowledge of the City's diversion programs translates into communicating a clear and coherent picture of the City's diversion efforts in any and all compliance interfaces with CalRecycle. For example, at CalRecycle's most recent site visit in February 2016, EcoNomics provided extensive documentation of work completed by CR&R, the City, and EcoNomics on identifying and notifying food service establishments of the provisions of Assembly Bill 1826 that require the diversion of organics from the landfill. At the same meeting, EcoNomics provided an overview of recent work efforts in building adequate diversion infrastructure at the Five Lagunas as a means to achieve a 75% property-wide diversion rate at the City's largest and most high-profile generator. In previous visits, EcoNomics in collaboration with CR&R, has facilitated tours of properties that showcase innovative and cost-saving diversion programs. If selected, EcoNomics will continue to facilitate these tours as they are an effective means to showcase the City's compliance efforts. Historically, EcoNomics has anticipated most questions from CalRecycle at the annual site visit, but any unanswered questions from CalRecycle have been provided in writing by EcoNomics within a 48-hour period from the conclusion of the site visit.

#### 2.1.1.2 Assistance with CalRecycle Compliance Reporting

*From the City's RFP: Assist in the preparation of any required CalRecycle reports for City review including the CalRecycle annual report (EAR report). Assistance shall include the collection of all required data from the franchise holder and the operators of any other recycling programs in the City (e.g. supermarket back hauling of organics and cardboard)*

*and from local recycling facilities, other private recyclers, and any other data collection required for CalRecycle reports.*

EcoNomics has assisted the City with filing its Annual Report since 2005. We believe our existing database on the Laguna Hills diversion, disposal, and reporting is unmatched by any other firm.

The annual reporting process is an important opportunity for the City to showcase its diversion programs and to demonstrate its compliance with state diversion mandates. As part of its preparation of the Laguna Hills' annual report, EcoNomics takes the following actions and gathers the following data points to provide CalRecycle a holistic picture of the City's diversion programs:

- Review CR&R tonnage reports for the reporting year to determine diversion quantities for commercial, residential, and special event sectors
- Review of City's SRRE to determine implementation progress to date
- Contact the CalRecycle to obtain exact California Redemption Value recycling activity at buyback centers within the City limits.
- Review County of Orange reports to obtain self-haul and salvage figures from County landfills
- Review CalRecycle reports to determine amount of Alternate Daily Cover (ADC) that Stanton can claim as diversion for reporting year
- Contact local scrap yards and auto centers to determine amount of tires and scrap metal recycled in reporting year
- Review hauler tonnage reports, contact local construction and demolition (C&D) processing facilities, and review City records of C&D ordinance compliance forms to determine the amount of C&D materials diverted during reporting year.
- Contact hauler and review City records to obtain information on outreach used to inform residents and businesses of recycling programs
- Coordinate with County of Orange to obtain quantities of hazardous materials and electronic waste taken to County facilities by Stanton residents
- Coordinate with local school district to identify recycling programs and quantify their diversion during reporting year
- Contact local grocery stores and restaurants to quantify existing internal rendering and composting programs for the reporting year
- Contact local golf courses, schools, and parks to determine acreage turf in which mulching mowers were used to cut grass
- Coordinate with State government agencies to quantify internal diversion activities
- Analyze the City's Capital Improvement Project (CIP) bid sheets to quantify the diversion of materials crushed and reused as road base and to determine the tons of rubberized asphalt used in the City

- Conduct analysis of the City's Waste Reduction and Recycling Plan's submitted by contractors to determine tonnage diverted through C&D projects
- Coordination with local food banks to determine the weight of edible materials donated
- Coordinate with Sharps Compliance to determine weight of sharps dropped off at City's participating pharmacy
- Coordinate with Mercury Disposal Systems to determine CFL and battery diversion tonnage
- Coordinate with landscaping contractors to determine tons of landscaping waste diverted from the landfill

Over the last decade, EcoNomics have established a database and a preparation schedule for assembling the necessary data and entering it into Laguna Hills CalRecycle's required Electronic Annual Report. The database and the schedule for obtaining the data are provided in Exhibit 6. The data collection process has been refined over the past 10 years and has allowed EcoNomics to collect and report diverse tonnage data efficiently and precisely, leading to a thorough annual report that provides CalRecycle with a compelling narrative that clearly demonstrate the City's compliance with diversion mandates.

#### **2.1.2. Task B2. Provide Technical and Field Support for the Administration of the City's Solid Waste and Recycling Franchise Agreement.**

*a. From the City's RFP: Maintain a checklist of all contract requirements and due dates contained in the contract. Support the City in periodic meetings with CR&R to review the contract requirements and to coordinate with CR&R concerning public education items, writing of brochures and public education materials, placement of customer communications on the CR&R web site, implementation and enhancement of programs, and other coordination issues. Attend monthly solid waste and recycling meetings held with CR&R and City staff. Perform additional work items as assigned by the City.*

As the author of the City's core franchise agreement, EcoNomics has an in-depth understanding of the various contractual mechanisms that can be used to compel the City's contractor to expand diversion programs, provide reports, verify data, etc. Further, EcoNomics is familiar with deliverables required by the contract and when these should be provided to the City by CR&R. With a ten-year comparative database, EcoNomics has been monitoring CR&R's diversion reports to evaluate progress in implementing state-mandated diversion programs and is familiar with the format of the reports, the source of the data provided, and where data can be manipulated. Monthly meetings with the City, the hauler, and the City's consultant are crucial in keeping an open line of communication between all parties and to clearly communicate the City's expectations. In order to track time sensitive contractual obligations, EcoNomics has developed a tracking document that has aggregated these items in a spreadsheet that



allows for quick reference of pending deliverables. This tracking document is helpful when developing agendas for monthly meetings with the City and the hauler to ensure all parties are aware of upcoming deliverables.

*b. From the City's RFP: Coordinate with City and CR&R staff to accompany CR&R representatives at meetings with local businesses to assist in implementation of recycling programs at each business. Provide technical support to City staff and perform site visits to local businesses to discuss recycling programs.*

Since Craig Dibley has been assigned to the City, EcoNomics has developed an effective working relationship with CR&R's sustainability coordinator. EcoNomics often utilizes Mr. Dibley to conduct site visits to implement new diversion programs at businesses, multi-family properties, and restaurants and he, in turn, has reached out to EcoNomics for joint implementation actions.

EcoNomics has worked with the City's assigned staff to discuss, and develop, appropriate actions and strategies to implement and maintain franchise contract compliance. When necessary, contract administrative advice has been provided as well as in-depth industry insights into rate and operational discrepancies that have appeared over the years.

*c. From the City's RFP: Review reports and correspondence submitted by CR&R, track recycling program implementation for reporting purposes of state mandated recycling programs such as AB 939, AB 341, and AB 1826. Perform additional work items as assigned by the City.*

EcoNomics is familiar with all of CR&R's reporting requirements. Each month, EcoNomics reviews CR&R's submitted reports and identifies areas of inquiry that are reviewed at the monthly meetings. This monthly format was established by EcoNomics and has proven its worth in maintaining accurate reporting and program oversight.

For commercial account issues, we have CR&R's account listing which can be used to access key account service information needed to implement diversion programs. With minimal effort, the commercial list can be sorted to identify the City's compliance status with AB 341 and AB 1826. CR&R submits the commercial list to the City monthly, which can be sorted to provide the City with real-time compliance updates. EcoNomics also works with Mr. Dibley to assist with delivering needed equipment such as new recycling bins, exchanging out trash and recycling equipment, and receptacles for organics diversion.

Over the years, CR&R has submitted correspondence to the City on a variety of issues with respect to franchise compliance interpretations. EcoNomics has worked with City staff to resolve these items and continues to provide the City with information and

trends that assists the City in successfully maintaining a high quality of contract oversight.

*d. From the City's RFP: Conduct waste audits of CR&R recycling facilities and the residential and business communities as requested by the City.*

The City's contract requires CR&R to conduct annual waste characterizations to assess the quantity and types of materials found in the different waste streams collected by CR&R. In EcoNomics' experience, waste characterizations can be used to assess contamination levels of single-stream recycling routes, identify additional diversion opportunities, and to assess the impact of the City's or the hauler's educational outreach efforts. Also, the City's entire diversion tonnage is calculated from the results of the annual characterization. In the past, EcoNomics has audited the City's waste characterization studies to assess the degree in which CR&R's characterization methodology complies with the methodology set forth in Attachment N. In addition, these audits allowed EcoNomics to identify non-recyclable contaminants and trace them back to specific generators and different parts of the City in an effort to provide targeted educational outreach. In addition to the required annual waste characterization studies, the City has the right to request additional characterizations in order to monitor the evolving nature of its waste stream. EcoNomics will assist the City in targeting key routes and developing a sampling methodology that ensures the annual waste characterizations are representative of the entire City. These characterizations may be needed to true up diversion tonnage when apparent program results do not seem to match reported diversion results. It is also likely that targeted "spot" audits will be required to resolve organics (restaurant) contamination issues.

*e. From the City's RFP: Assist the City in reviewing OC Disposal Recording System to resolve any errors in assignment of tonnage to the City of Laguna Hills.*

As part of its consulting services to the City, EcoNomics conducts annual analyses of the disposal tonnage attributed to the City by CR&R. This tonnage is compared to the annual tonnage attributed to the City by CR&R's accounts in the Orange County Disposal Reporting System (DRS). Consistently, there has been a sizable annual discrepancy between the tons of disposal attributed to the City by CR&R in its monthly reports and the tons attributes to the City in the DRS system. In previous years, EcoNomics has worked with the City and CR&R to determine the reasons for these discrepancies. Going forward, EcoNomics will track these discrepancies monthly or quarterly in order to avoid a large tonnage reconciliation effort at the end of each calendar year. In its annual review of CR&R's diversion rate in 2015, EcoNomics identified additional areas of concern with Alternative Daily Cover (ADC) allocations and A/B routing systems that it brought to the City's attention. The areas of concern identified can have significant impact on the City's overall diversion rate and need to be addressed in a timely manner though a letter agreement, contract amendment, or memorandum of understanding to avoid any future diversion impacts. If selected by the City, these items will be one of

EcoNomics top priority items to resolve in FY 2016/2017.

*f. From the City's RFP: Assist the City with processing any request for a rate increase or other requests pursuant to the contract requirements.*

EcoNomics expects that this task will be a significant emerging focus of attention in the next few years. The expansion of food scrap diversion in Laguna Hills is occurring without a clear accompanying rate. In the paragraphs below we identify what we feel are the important rate developments that Laguna Hills will meet in 2016 and beyond.

As part of its current contract management services to the City, EcoNomics provides recycling and solid waste rate analysis on an as needed basis. Since the first approved rate adjustment in 2008, EcoNomics has conducted in-depth analysis of all proposed rate increases on an annual basis to ensure the hauler has applied the contractually approved methodology in Attachment J to calculate the rate adjustment. EcoNomics is familiar with the rate adjustment workbook used by CR&R to adjust rates annually as well as the PPI indices used to calculate inflation applied to the various rate components. The nomenclature for the PPI index for Finished Goods less Food and Energy, a key PPI index used to adjust the collection and processing components of the rates, have been recently changed by the Bureau of Labor Statistics (BLS). This change in nomenclature will impact the upcoming October 2016 rate adjustment and a letter of understanding will need to be signed between the City and CR&R to memorialize the change.

EcoNomics has also assisted client cities with developing rate analyses for expansion of diversion programs. For example, EcoNomics assisted the City of Napa in assessing the rate revenue impacts of expanding a commercial food scrap collection program from a pilot program to a full-scale program. The City of Napa owns its own composting facility and collects rate revenue from its customers, therefore EcoNomics was required to project the revenue impacts of an additional 200 restaurants implementing food scrap diversion programs over a 2 year period. EcoNomics' rate analysis included the increased cost of processing an estimated 2,000 tons of food scraps per year, the reduced rate revenue for participating restaurants reducing their MSW service levels, the increase in revenue from the sale of finished compost, etc. Although Laguna Hills will not have as many factors impacting its food rate, there will still be significant collection and processing costs that are likely to be large and ongoing. Please see Exhibit 7 for a copy of the Napa food rate study to see what the main components of establishing a food rate are in practice.

*g. From the City's RFP: Consultant will periodically perform site visits to determine the condition of bins. Bins will be checked for missing lids, broken wheels, graffiti, condition of paint, and placement of appropriate decal(s) and signage. In addition, bins will be checked for floors that are rusted and/or leaking, damaged arm sleeves, or dented sides.*

EcoNomics assisted the City in 2006 to conduct a bin audit to assess the conditions of

the bins provided by CR&R during its takeover of the City's hauling operations from the previous hauler, Waste Management. EcoNomics audited nearly every bin in the City to assess the condition of the container, to note if graffiti is present, and to confirm the contractually required markings were included on the bins. The audit found many bins in a state of disrepair, lacking key signage, or marked up with graffiti. The audit results were used by the City to repair or replace the containers. Since this project was completed 10 years ago, the City may consider re-assessing the condition of its commercial and residential bins.

### **2.1.3. Task B3. Provide Technical Recycling Assistance to Local Restaurants and Businesses to Maintain and Develop Recycling Programs.**

*From the City's RFP: In addition to the work in Task B2, Consultant shall provide technical recycling assistance to individual restaurants and businesses in the City to implement and/or expand recycling programs, training materials and employee training, assistance with recyclables storage container selection, assistance in identifying which materials can be recycled, and technical recycling assistance to business groups as directed by the City.*

In an effort to prepare the City for compliance with AB 341, EcoNomics has, in the prior year, conducted waste audits throughout the City. The analysis of the audits identified that over 80 businesses in the City did not have source-separated recycling programs in place. Using the data obtained from the commercial waste audits, EcoNomics developed diversion programs to implement single-stream recycling programs. Since single-stream recycling programs are offered at a 50% the cost of equivalent trash service, the proposals include the estimated disposal cost reductions that the business would realize if they implemented a recycling program. These proposals were mailed to all commercial generators not in compliance with AB 341 along with a letter from the City notifying them of the law. A significant number of properties implemented recycling programs as a result of the letter and the business specific diversion proposal that accompanied the letter. This approach provided the businesses with a compelling business case to implement a recycling program (i.e. cost-savings), which proved to be effective and is in line with the City's intent to be 'business-friendly'. EcoNomics implemented a similar program with the multi-family sector. If selected for this proposal, EcoNomics will continue with its successful track record of working with the City's businesses and the franchised hauler in moving the City to its mandated compliance goals.

EcoNomics has extensive experience in the City working directly with businesses to implement cost-effective diversion programs. Beginning in 2008, EcoNomics has worked with the City's largest generators, the Laguna Hills Mall and Saddleback Hospital, to expand existing diversion programs or implement new programs. EcoNomics provided direct technical assistance to these and many other generators to develop 'turn-key' diversion programs that are cost-effective and helped the City comply with state

diversion mandates. EcoNomics has a decade of “on-the-street” knowledge of the businesses in Laguna Hills that is unmatched by any other firm.

*a. From City’s RFP: Provide assistance to the Five Lagunas (Laguna Hills Mall project) and the Saddleback Memorial Medical Center with its recycling programs.*

In 2015 and 2016, EcoNomics worked with the City’s Community Development Department throughout the review phase of the Five Lagunas mall to incorporate all the laws and provisions pertinent to recycling and solid waste for the project. Tasks completed included writing the CEQA language and establishing all the key conditions that needed to be addressed in the Five Lagunas development plan to achieve a project-wide 75% diversion level. The Five Lagunas, when completed, will be the largest generator of waste in the City and therefore it was a high priority to ensure that there was the infrastructure for a 75% property-wide diversion rate. In order to ensure a 75% property diversion rate, EcoNomics worked closely with the architects for the multi-family portion of the development and the builder’s solid waste consultants for the retail component of the project. The design review of the project required EcoNomics to 1) calculate expected retail generation volumes; 2) ensure that adequate enclosure space to house these materials was included in the site drawings and; 3) verify that the methods to move the materials and process them onsite were within industry standards and the aesthetic standards of the City.

The final conditions of use for Five Lagunas were finalized in March 2016. These conditions provide detailed guidance for enclosure dimensions, estimated recyclable and organics generation volumes, established the requirements for recycling and organics receptacles in the public right-of-way, required the use of compostable or durable service-ware for food service tenants, and require diversion reporting to the City. These conditions will ensure that the City’s largest and highest profile generator will have been built and be managed to meet current and future diversion mandates.

EcoNomics worked with Saddleback Hospital beginning in 2008. The hospital had developed a ‘green team’ to implement sustainability programs at the hospital. EcoNomics assisted the green team in securing CalRecycle grant funding to implement CRV recycling receptacles throughout the entire hospital. Further, EcoNomics worked with the Orange County Conservation Corps (OCCC) to service the CRV receptacles weekly at no cost to the hospital. The OCCC employs at-risk youth to collect recyclables, cleanup litter, and conduct other environmental tasks to provide vocation skills. EcoNomics also worked the nutrition director at the hospital to implement a food scrap diversion program that diverts both pre- and post-consumer food scraps from the hospital’s cafeteria and from patient trays. EcoNomics has developed key relationships with senior management at the hospital that can be leveraged to implement future diversion programs, as needed.

*b. From City's RFP: Assist with the implementation and support of the City's organic waste recycling program.*

Assembly Bill 1826 requires large food service establishments to make arrangements to divert organic waste away from the landfill on or before April 1, 2016. Large generators are defined as establishments that generate 8 or more cubic yards of organics per week. In 2015, using its CalRecycle-approved AB 1826 generator identification methodology, EcoNomics identified 10 Tier 1 generators within Laguna Hills. Of these 10 generators, three already had an organics program in place (Ralph's, King's Fish House, and Saddleback Memorial Care). EcoNomics worked directly with two establishments (The Hills Hotel and The Willows) to implement AB 1826 compliant organics diversion programs utilizing a supporting letter from the City. EcoNomics notified the other five AB 1826 non-compliant generators of the requirements of AB 1826. EcoNomics also developed cost-saving proposals for these five generators to demonstrate the business case for organics recycling programs. AB 1826 requires that 1) jurisdictions provide a commercial organics program on or before January 2016; 2) that the City identify generators that fall within the different generation-based compliance tiers, 3) that the City notify these generators of the requirements of AB 1826; and 4) that the City report to CalRecycle on its compliance efforts in its 2016 annual report. The organics program outreach and implementation actions detailed above satisfy the City's AB 1826 compliance obligation for the 2016 reporting year. Working with EcoNomics, the City demonstrated to CalRecycle, in its February 2016 site audit, that it is taking a proactive approach to AB 1826 compliance.

Going forward, beginning in January 2017, the next compliance tier of AB 1826 is effective and will require all restaurants that generate 4 yards of organics per week to implement an organics diversion program. EcoNomics has identified 35 restaurants that meet the Tier 2 generation threshold. If EcoNomics is selected for the project, it will begin the next phase of restaurant outreach in early FY 2016-2017 to ensure adequate time for the restaurant community to respond to the new mandate.

#### **2.1.4. Task B4. Attend Progress Meetings and Prepare Monthly**

##### **Progress Reports.**

*From City's RFP: Consultant shall attend a monthly progress meeting with City staff to discuss the status of all tasks in progress, problems encountered, schedules, etc. Prepare a written monthly progress report to the City for submittal with each month's invoice.*

EcoNomics established the format, the reporting documentation, and currently facilitates recurring hauler meetings with the City. There are several levels of project status tracking required for this program. These meetings serve the following purposes: 1) Establish where the City is with respect to satisfying each of its overall AB 939 SRRE program requirements; 2) provide a monthly tracking of individual numbers of

businesses with commercial programs (AB 341), restaurant food scrap diversion (AB 1826), and tonnage diverted from each group; 3) provide a comparison of the number of individual businesses and restaurants with programs versus the schedule of implementation required to meet the various yearly targets contained in the regulations; 4) provide a running month-to-month report that allows all the information to be understood and be seen in relationship to the City's overall compliance. EcoNomics runs efficient meetings with clear objectives that hold all parties involved accountable. Before a meeting, EcoNomics provides all attendees with an agenda to allow for adequate time to prepare for items. EcoNomics frequently holds an internal meeting with city staff to discuss and strategize about sensitive agenda items before meeting with the hauler.

#### **2.1.5. Task B5. Perform Other Duties As Assigned by the City.**

*From City's RFP: Consultant shall perform other duties as assigned by the City to ensure for successful support of existing recycling programs and the successful implementation of new recycling programs, compliance with state solid waste and recycling mandates, and administration of the City's waste hauling franchise agreement*

EcoNomics is confident that it will continue to be responsive to the City's requests for any, and all, additional duties that the City may require over the term of the contract. We have taken the opportunity to provide a detailed identification of additional tasks that we anticipate will be needed in the near future. Section 2.2 below is a response to the City's invitation to provide insight on what can be done beyond the City's general scope of work.

### **Section 2.2. Recommendations Beyond the City's general scope**

#### **2.2.1. Assistance with assessing rate impacts and developing solutions for organics (food scraps) and green waste**

We noted in our response to Task B2.f (*f. From the City's RFP: Assist the City with processing any request for a rate increase or other requests pursuant to the contract requirements.*) that EcoNomics believes that the rates surrounding organics diversion are likely to require significant attention. There are two components that comprise the organics waste stream of Laguna Hills: food scraps and green waste (shrubs, grass, landscape materials). The regulatory requirements applicable to these materials are AB 1826 (food scraps) and AB 1594 (prohibits use of green waste for Alternative Daily Cover (ADC)). In addition to these two current laws, based on a recently released report, 90% of organic materials will likely be banned from landfills by the California Air Resource Board (CARB) in 2025 as a means to reduce short-term climate pollutants (SLCPs) such as methane to achieve ambitious AB 32 greenhouse gas reduction goals.

The only diversion options currently available to Laguna Hills for organics processing are composting and anaerobic digestion (AD). Due to lack of action by the County of

Orange, there are currently no available composting sites within the County of a size that can handle the flow of AB 1826 food scraps. Waste Management of Orange is currently transporting food scraps from their Orange facility to the sewage digestion treatment plant in Los Angeles County. CR&R is currently delivering some of their cities' food scraps to Waste Management.

CR&R is currently delivering Laguna Hills food scraps to a composting facility. It was originally being delivered to Athen's composting in Apple Valley, however, recent conversations with CR&R indicate that the food material is being delivered to another composting site in Corona, CA.

CR&R has indicated that their AD facility in Perris will be open by mid 2016. The transportation distance is 50+ miles to the facility from Orange County. The charge for processing the food scraps with anaerobic digestion ranges from \$80 to \$120 per ton.

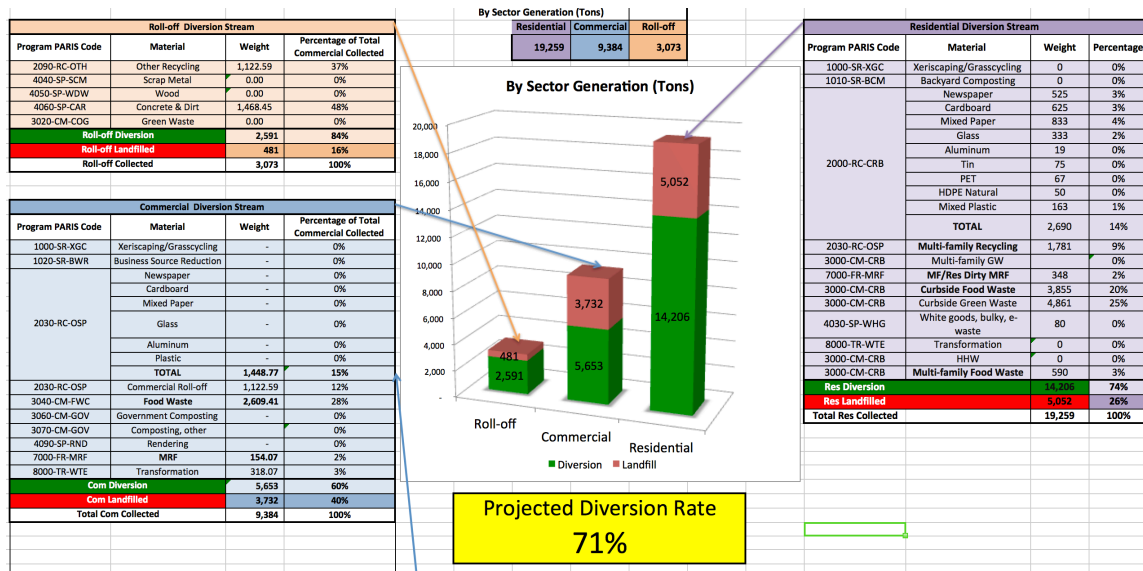
The City's organics diversion program currently services eight restaurants and diverts between 8 -15 tons per month. In analyzing Laguna Hills organics flow for our current work while implementing AB 1826 programs, EcoNomics estimates that as AB 1826 continues to require more restaurants to divert organics, the City's organics route will expand to an estimated 100 organics generators by 2019 and will be diverting 150-200 tons per month. Using a mid-figure of \$100/ton cost for organics processing that is a projected annual cost of \$180,000 to \$240,000 or \$15,000 to \$20,000 per month. In summary, using a conservative processing cost for sending these materials to an AD facility, the impact would range from \$15,000 to \$20,000 per month. That is a significant impact considering that CR&R's entire monthly rate revenue is approximately \$250,000.

The cost for green waste would also go from \$0 to at least \$40 per ton at the Orange County landfill, but, if disposed at the landfill, it would no longer count as diversion. If the diversion option were AD, all generators of green waste would feel a similar dramatic cost impact.

#### **2.2.2. Assessing the impacts on Laguna Hills existing rate structure as the overall diversion levels increase from 50% to 75%**

In order to cost effectively reach 75% diversion, a balancing of program diversion options and cost will be required. The figure below shows all the City's SRRE programs, along with the various diversion impacts of each program, both in terms of tons and expressed as a percentage on the bar charts.





Other relevant factors that will impact 75% Diversion Goal planning are:

The resolution of CalRecycle's definition of a Super MRF, which is a MRF that is capable of achieving recovery/diversion levels from the commercial waste stream at the comparable level of a source separation program. We know from the audits done at CR&R's Stanton Dirty MRF that the maximum recovery rate is in the low 60% range, with an overall average recovery rate of 52% to 54%. A comparable source separation rate at their Clean MRF is 75 to 85%. It is likely this issue will be raised within the term of CR&R's existing contract.

Given that the current contract with CR&R expires on 6/30/2024 there will likely be additional regulation and/or legislation impacting diversion and solid waste. For example, CARB organic landfill ban has regulations in process for adoption in 2018 and a ban on organics going in to effect in 2025.

### 2.2.3. Impact of 75% diversion on current rate structure

The rate structure that was originally developed to pay for the collection and disposal of MSW has been modified through the last 20 years for recycling. It somewhat worked up to a 50% diversion level. It is struggling to work for a 75%+ franchise.

Haulers traditionally see that the way to increase their net margins by increasing the top operating line through rate increases (i.e. collection revenue). Thus, the hauling industry has traditionally favored top-line incentive structures, i.e. revenue from rate increases, to increase profit margins. These additional monies always come from the rates (rate payers). The collection companies, whether consciously or unconsciously, tends to see any bottom line margin-enhancing savings from operational efficiencies as "their money".

However, as the amount of material being diverted increases to 75% or more, significant rate impacts will come from the switch of operational focus from collecting and disposing of MSW to increasingly broader diversion actions. The cost reductions/increases from this switch will, therefore, become the focus of new rate structures.

A significant question arises for a jurisdiction such as Laguna Hills when the potential of non-rate payer revenues is factored into the total costs of the franchise structure. How will non-rate-generated monies from MSW collection to diversion revenue (such as CR&R's carbon credits from AD processing) be factored into the overall cost/revenue structure? It will create a more complex distribution of monies, some of which will come from ratepayers, while other parts will come from alternative revenue sources such as: carbon credits; the reduction of equipment capital costs; secondary material sales; and the introduction of telemetric "big data" into the collection and diversion infrastructure. EcoNomics believes that in the next few years, as AD organics processing costs are introduced into Laguna Hills' rate structure, routing and equipment changes are adopted, and Alternative Daily Cover is eliminated, concepts of how the new rate structures can be constructed will go from "theoretical" to important in reducing the impact to the ratepayers.

#### **2.2.4. Assess the need and/or desirability, for negotiation/revision of the City's existing hauler contract in order to handle the provisions of AB 1826, AB 1594, lack of organics handling infrastructure in Orange County, and other structural changes impacting diversion and solid waste handling options**

With the unknowns surrounding organics processing, MRFing capabilities and regulatory definitions, the addition of cost saving technologies, and the potential cost reduction in collection vehicles of 20% to 35%, the current contract may need to be updated. If so, rather than imposing tonnage diversion requirements on CR&R, the City may want to look towards modifying their contract towards setting diversion performance standards and asking CR&R to respond with concepts and costs of how to meet the standard. Once the standards are agreed upon and the impacts of technology and regulation are more certain, this approach could be more effective programmatically and more cost effective.

#### **2.2.5. Overseeing the C&D diversion of the construction of Five Lagunas and the implementation of the CUPs for diversion during the malls startup phase**

As the City's urban core continues to be developed, significant amounts of C&D materials will be generated by the demolition of the Laguna Hills Mall and the excavation of the parking lots to build parking structures and multi-family properties. The project is large enough that, if not closely supervised to ensure diligent construction and demolition diversion efforts; the City may experience a sizable increase in landfill

disposal. EcoNomics is recommending that the City track closely the tonnage being diverted from the demolition phase of this project to ensure maximum landfill diversion. Additionally, as the Five Lagunas begins operations, it would be prudent to monitor enclosure configurations and lease agreement language to ensure the Conditions of Approval are actually being implemented after the construction phase of the project.

#### **2.2.6. Identification of technological developments in truck routing, collection equipment, and processing that can provide cost savings to Laguna Hills**

The waste management industry is currently benefiting from breakthroughs in technology that enable the 'internet of things' to greatly increase routing efficiencies and reduce instances of over-servicing. An example of this emerging technology is Enevo, a Finnish company founded in 2010, has developed a device that can be attached to dumpsters to wirelessly broadcast the fullness of the bin to the hauler. By incorporating the fullness of the bin into its routes, the hauler can implement dynamic routes that only service bins that are full. In November 2015, EcoNomics worked with Waste Management of Orange County as an agent of the City of Mission Viejo to implement the Enevo technology for over 440 recycling bins within the City. Waste Management offers commercial recycling for free in Mission Viejo, which has resulted in decreasing revenue as more customers downsize their trash service and increase their recycling service to comply with state laws. The Enevo technology allows Waste Management to continue to provide free recycling to Mission Viejo customers in a more efficient manner, since drivers only service bins that are full and do not waste time and fuel on collecting bins that are partially full or empty. The City benefits from the arrangement because Waste Management is less resistant to implementing state-mandated, fee recycling programs as recycling service can be executed more cost-effectively.

In Laguna Hills, compliance with AB 341 and AB 1826 may require a significant expansion of existing single-stream recycling programs. The Enevo system, or some other emerging technology, may be a means to efficiently comply with state-mandated programmatic obligations without an outsized financial impact on the haulers collection costs or the rate-payers monthly bill.

Another development that could have cost reduction impacts is the Wrightspeed hybrid collection vehicle. Designed and built by the Tesla engineer partner of Elon Musk, the vehicle is currently undergoing 12 truck fleet evaluation by a small refuse company. Results to date indicate a savings of over 40% in fuel cost and over 20% reduction in maintenance costs. This is pointing to an overall reduction of 15+% in collection costs.

### **2.2.7. Research into the value of Green Business Certification, as being utilized in other Orange County cities, as a way to increase positive outcomes in the retail and business community**

Recently, EcoNomics has worked with the Cities of Mission Viejo and Huntington Beach to develop green business certification programs that helps businesses to be in compliance with environmental laws, reduce operational costs, and to attract new customers. EcoNomics has assisted its client Cities in developing specific criteria for waste reduction, energy management, water management, and pollution prevention. Additionally, EcoNomics has acted as a liaison between the many stakeholder groups involved in the program, including the business community, the California Green Business Network, waste haulers, and utilities. As of April 2016, five businesses have been certified through Mission Viejo's Green Business Certification program with several more pending. EcoNomics is also engaged with the City of Huntington Beach to implement a turnkey Sustainable Business Certification Program similar to Mission Viejo's. EcoNomics has received grant funding through the EPA to target low-income communities for the green business certification program. In Laguna Hills, a green business certification program may allow the City to expand the concept, where appropriate, that was developed and proven at The Willows in terms of incentives and voluntary nature of program implementation to other businesses.

## **Section 2.3. Resumes**

### **2.3.1. William O'Toole**

#### **President**

Mr. O'Toole founded EcoNomics, Inc. in 1977 and has extensive experience in the recycling and solid waste industry. As one of the early pioneers in the recycling industry he worked to implement some of the first curbside recycling programs in California and then developed secondary materials markets to accept the materials collected. He then turned his attention to implementing commercial recycling programs, which, in most cities yield far more tons of diversion due to the size and composition of these waste streams. He is now heavily involved in continuing the transition from the traditional view of solid waste and recycling towards the more encompassing vision of a sustainable materials management industry.

During the process of developing recycling programs, it became clear that existing collection contracts were insufficient with respect to programs, reporting, and enforcement tools to handle the additional requirements of diversion mandates. In addition, the segmentation of wastes into subcomponents (i.e. E-waste, HHW, "big box" recyclable streams, etc.) also required a new development of contract language and management tools to meet the demands of a different approach to the handling of what used to be considered as Municipal Solid Waste (MSW). It was at this point that Mr. O'Toole became involved in overseeing the procurement of hauler services. The aim

of his client cities was the development of contracts that are specifically tailored to maximize diversion, identify costs, and develop rate structures that are transparent.

Mr. O'Toole is one of the founders of the California Resource Recovery Association (CRRRA) as well as Californians Against Waste (CAW). He has worked on statewide legislation and has been a member of several committees and task forces for the California Integrated Waste Management Board (now known as CalRecycle) on AB 939 Diversion Calculations and Reporting Requirements for Material Recovery Facilities (MRF) and Transfer Stations.

Mr. O'Toole brings significant local knowledge about the Orange County solid waste and recycling system including familiarity with the recycling, materials recovery, construction and demolition waste processing facilities, the landfill system and all of the solid waste and recycling companies that are active in the Orange County area.

Mr. O'Toole is a "hands-on visionary" working with cities and counties to anticipate legislative trends, shifts in secondary materials markets, and other factors that affect local collection contracts. He devises practical, cost effective methods for implementing diversion programs that benefit the customers and enable our clients to meet the requirements of both AB 939 and the evolving requirements of AB 341 for now and over the course of their new collection contracts.

### **2.3.2. Cerene St. John J.D.**

#### **Director**

Ms. St. John began her solid waste career as a Deputy City Attorney for the City and County of San Francisco. Assigned to the Special Projects Division, she led a team in the Chief Administrator's Office to find a new landfill for the City when existing contracts were due to expire. She conducted a five-county negotiating effort that resulted in a contract and associated permits for the City's use of the Altamont Landfill located in Alameda County beginning in 1983.

Ms. St. John then served for six years as the Solid Waste Program Manager for the City of Sunnyvale. While there she conducted a Request for Proposals (RFP) process for solid waste and collection services resulting in a new contract with a detailed scope of work and performance standards. She conducted an RFP process for long-term landfill capacity for the City of Sunnyvale and 4 other cities resulting in a 30-year contract with the Kirby Canyon Landfill owned and operated by Waste Management. She also initiated work on the design and construction of the City-owned SMarT Station, a transfer station/MRF that began operation in 1993.

Ms. St. John joined EcoNomics in 1990 and served as Vice President through June 2008, when she became a Director of EcoNomics and began providing a broader range of sustainability consulting services through her own company, It's A Natural Product, Inc.

In addition to solid waste and recycling consulting, Ms. St. John assists clients with food localization and food security projects. She is currently conducting a demonstration project to determine methodologies, actual costs and timeframes for sequestration of carbon in agricultural soils using compost, microbes and no-till growing methods. With regard to solid waste and recycling consulting service, she specializes in conducting procurements for solid waste and recycling collection services and the use of, or construction and operation of MRF's, transfer stations, and landfills. She also assists cities and counties with negotiations for these services and with contract amendments, ordinance revisions, and review proposed legislation.

As a former City Attorney and an active member of the State Bar of California, Ms. St. John prepares draft contract amendments, draft contracts, and RFP language for review by City Attorneys and/or outside legal counsel. Ms. St. John is able to write precise and thorough scopes of work for diversion programs and to craft contracts that protect the interest of the jurisdiction and its ratepayers. She is able to serve as a "bridge" between the technical requirements in these contracts and the legal language needed to enforce them. This generally saves our client's time and expense, as the City Attorney can senior review her work rather than spending time crafting the legal language, and the technical scope of work for the contract.

Ms. St. John's unique understanding of the legal underpinnings of the RFP process, the political and financial realities of cities and her experience in negotiations with the solid waste industry allow her to create procurement processes and negotiations for contract amendments that are fair, public, and that anticipate potential pitfalls so problems can be avoided.

Ms. St. John holds a B.A. in Political Science from California State University, San Bernardino (1977) and a J.D. degree from The University of Santa Clara School of Law (1980).

### **2.3.3. Trevor S. Blythe, MBA**

**Vice-President**

Trevor Blythe has over 9 years of experience as a consultant in the sustainable materials management industry. Mr. Blythe works daily with local governments, private industry, and waste haulers to overcome operational and financial barriers to implementing sustainable materials management programs at the municipal scale. He is an expert on solid waste regulations, operations, and collection system optimization. Mr. Blythe holds a Masters Degree in Business Administration/Sustainable Management from Presidio Graduate School in San Francisco. (Received May 2014.) During his coursework at Presidio, Trevor explored market-based solutions for returning key nutrients from organic waste back to the soil. He holds a Bachelor of Science in Environmental Sciences (awarded in 2006) from the University of California, Santa Barbara with an emphasis on Geographic Information Systems.

Mr. Blythe is based in the EcoNomics' Dana Point office and provides field services to implement commercial, industrial, school and special event recycling programs for EcoNomics' clients in Orange County. In Orange County, Mr. Blythe is currently assisting the Cities of Mission Viejo, Laguna Hills, Tustin, Stanton with the design, implementation and monitoring of waste diversion programs at a variety of businesses ranging from large shopping malls, hospitals, industrial generators, stand alone office buildings, and office parks. Mr. Blythe also assists EcoNomics' client cities with contract management oversight, including overseeing audits of the commercial and residential waste streams, monitoring diversion reports to assess hauler compliance with state laws.

Mr. Blythe has worked over the last several years in bringing recycling services to 100% of the multifamily apartments and HOAs in Mission Viejo. This achievement has brought recycling services to over 4,500 units throughout Mission Viejo. More recently, Mr. Blythe has focused on delivering cost-effective organic waste diversion solutions to large restaurants and hospitals in EcoNomics' client cities.

Mr. Blythe recently created a comprehensive food scrap cost model for the City of Napa. Elements of the model include incentives to the restaurants, impacts on rate revenues, predictions of service migration as the program expands, and refinement of density factors used in projecting overall program impacts on diversion and operational costs.

#### **2.3.4. Ian Bevan, MBA**

##### **Manager, Program Implementation**

Mr. Bevan joined EcoNomics in June 2013. He has extensive experience with implementing commercial and multi-family recycling programs for several cities including Laguna Hills, Mission Viejo, and Tustin. Mr. Bevan specializes in developing cost-effective waste diversion programs that help businesses meet compliance requirements. He has conducted site audits at hundreds of commercial and multi-family properties to assess the feasibility of implementing recycling programs. Mr. Bevan uses information gathered at site audits to develop customized cost-saving waste reduction programs that fit the unique needs of each property, from split trash and recycling bins to specialized enclosure signage and outreach. Mr. Bevan has also worked with large retail operations to implement organics waste diversion programs and to manage increases in trash and recyclables during the holiday season using novel and innovative outreach and public education approaches. Most recently, Mr. Bevan has been involved in assisting the City of Mission Viejo with implementation of a green business certification program. To this end, he has coordinated closely with the California Green Business Network to attain access to the statewide network, assisted the City in engaging stakeholders from electric and water utilities to develop program criteria, researched incentive programs for specific energy and water saving programs, secured grant funding in the amount of \$20,000 from the Environmental Protection Agency, and has coordinated input from a multitude of stakeholders to move the process forward.



Mr. Bevan has experience working with the City of San Diego Environmental Department managing the construction and demolition ordinance. In this capacity, Mr. Bevan worked with contractors to ensure they met or exceeded the City's 50% diversion requirement for construction and demolition waste. Mr. Bevan leveraged his experience as an on-campus sustainability activist at University of San Diego to found a non-profit company committed to facilitating grassroots, student-led sustainability programs at colleges and universities. Mr. Bevan holds a Bachelor's Degree in Political Science from the University of San Diego. He received his Masters of Business Administration from the Presidio Graduate School in San Francisco in December 2012.

#### **2.3.5. Geiza Goulart, MS**

##### **Program Implementation Coordinator**

Mrs. Goulart da Silva joined the EcoNomics team in June 2015. Mrs. Goulart da Silva completed her Masters of Science in Economics from the University of Trento in Italy in October 2012 where she studied corporate social responsibility at large financial institutions. Mrs. Goulart da Silva works with the cities of Mission Viejo and Laguna Hills to assist with implementing organics diversion programs at restaurants to assist the cities obtain compliance with AB 1826. She has worked with over 20 restaurants to design and implement cost-saving organics diversion programs. Mrs. Goulart also worked as an intern in the Public Works Department of the City of Rancho Santa Margarita and La Habra and understands how municipal government operates. In her native Brazil, she has 6 years of experience in human relations. She is fluent in Portuguese, Italian, and English and proficient in Spanish. She received certification in Irvine Valley College's Sustainability and Resource Management program in 2014.



## **Section 3: Agreement**

EcoNomics is taking no exceptions to the agreement as presented in the City's RFP.

EcoNomics can meet the insurance requirements of this agreement.

See Exhibit 5 for EcoNomics' current Insurance Certificates.

## **Section 4: References**

**Table 4.1. Table of References**

| Name of Project Manager at City | Position                             | Affiliation           | Contact Information                                                                                                           | Completion Date | Project Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------|--------------------------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Doug Stack                      | Director of Public Works             | City of Tustin        | <b>Address:</b> 300 Centennial Way<br><b>Telephone:</b> 714.573.3037<br><b>Email:</b> dstack@cityoftustin.org                 | On-going        | Develop organics rate for commercial businesses; Prop 218 notification assistance for rate adjustments; assist with contract extension negotiations; assist city in compliance with AB 939, AB 341, AB 1826; analysis of annual rate adjustment; develop and implement commercial, restaurant, and multi-family diversion programs; diversion tonnage report analysis; RFP for collection contract including diversion program design, writing of new contract, writing RFP; managing RFP process, proposal evaluation, contract award, contract monitoring. |
| Kevin Miller                    | Materials Diversion Administrator    | City of Napa          | <b>Address:</b> 1600 First St.<br><b>Telephone:</b> 707.257.9291<br><b>Email:</b> kmiller@cityofnapa.org                      | On-going        | Develop organics rate and staff report for commercial businesses; Prop 218 notification assistance for rate adjustments; assist with contract extension negotiations; assist city in compliance with AB 939, AB 341, AB 1826; develop and implement commercial and multi-family recycling programs                                                                                                                                                                                                                                                           |
| Randy Viegas                    | Project Manager                      | City of Rancho Mirage | <b>Address:</b> 69825 Hwy 111<br><b>Telephone:</b> 760.770.3224 ext242<br><b>Email:</b> randyv@RanchoMirageCA.gov             | On-going        | Draft contract and manage RFP process for 2000 and 2006. Negotiate new post AB 341 contract 2013-14. Develop food scrap rate structure and expand restaurant organics diversion program; develop performance metrics pegged to AB 341 and AB 1826 mandates; assist in waste and route audits; provide CalRecycle compliance and reporting assistance; assist City with AB 1826 compliance; assist City with Burrtec contract management; develop staff reports to inform AB 1826 organics program implementation and optimal rate structure.                 |
| Denise Matson                   | Environmental Programs Administrator | City of Mission Viejo | <b>Address:</b> 200 Civic Center Dr.<br><b>Telephone:</b> 949.470.3010<br><b>Email:</b> DMatson@cityofmissionviejo.org        | On-going        | Develop and implement commercial and multi-family recycling programs; implement sustainability programs at schools; develop and implement AB 1826 organic waste diversion programs; disposal report analysis; develop and implement green business certification program; assist with CalRecycle compliance; and monthly meetings with city and its hauler Waste Management.                                                                                                                                                                                 |
| Thomas Wheeler                  | Director of Public Works             | City of Lake Forest   | <b>Address:</b> 25550 Commercentre, Suite 100<br><b>Telephone:</b> 949.461.3481<br><b>Email:</b> twheeler@lakeforestca.gov    | On-going        | RFP for collection contract including diversion program design, writing of new contract, writing RFP; managing RFP process, proposal evaluation, contract award, contract monitoring; Prop 218 notification assistance for rate adjustments; design and rollout of AB 341 and AB 1826 compliance programs including commercial food scrap program.                                                                                                                                                                                                           |
| Dora Delgadillo                 | Solid Waste Programs Administrator   | City of Anaheim       | <b>Address:</b> 400 E Vermont<br><b>Telephone:</b> 714.765.6860<br><b>Email:</b> ddelgadillo@anaheim.net                      | On-going        | Identify 154 Tier 1 generators for AB 1826 implementation; develop letter for AB 1826 notification; manage compliance notification effort and provide direct technical assistance to 60+ Tier 1 generators; actively enroll generators into Republic organics pilot program; track implementation progress in cloud-based collaborative document.                                                                                                                                                                                                            |
| Nasser Abbaszadeh               | Public Works Director                | City of Laguna Niguel | <b>Address:</b> 30111 Crown Valley Pkwy<br><b>Telephone:</b> 949.362.4377<br><b>Email:</b> NAbbaszadeh@cityoflagunaniguel.org | On-going        | Manage negotiation and write interim amendment between City and CR&R; develop diversion program performance metrics in alignment with new legislation AB 1826, 1594 and 341; develop assessment tools; assist in field implementation                                                                                                                                                                                                                                                                                                                        |

## **Section 5: Fee Schedule and Cost Controls**

### 5.1. Table of Fee Schedules

| Name                       | Position                            | Hourly Rate | Allocation | Areas of Expertise                                                                                                                                                                                                        |
|----------------------------|-------------------------------------|-------------|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| William O'Toole            | President                           | \$180       | 20%        | Project management, client interface, strategy, negotiations with haulers; contract management, oversight of field data quality, council presentations, CalRecycle compliance, relevant industry analysis and projections |
| Cerene St. John, JD        | Technical Consulting                | \$180       | 5%         | Solid waste legislation tracking and interpretation, assistance with hauler negotiations.                                                                                                                                 |
| Trevor S. Blythe, MBA      | Vice President                      | \$120       | 25%        | Financial and program analysis, diversion program development and implementation, performance monitoring, operations analysis                                                                                             |
| Ian Bevan, MBA             | Manager, Program Implementation     | \$90        | 15%        | Public outreach, educational programs, waste audits, cost-saving diversion program proposal development                                                                                                                   |
| Geiza Goulart da Silva, MS | Coordinator, Program Implementation | \$80        | 35%        | AB 1826 generator identification, commercial list analysis, analysis, program implementation                                                                                                                              |

### 5.2. Cost Controls

The main reasons a project falls behind schedule and over budget are: unanticipated complexity, delay in obtaining key information from a third party source, inadequate internal staffing resources, delays in one or more projects which cause the projects timelines to begin to overlap and overstrain the resources needed for completion. The best strategy to overcome any of the above issues is close monitoring of each project to catch the schedule drift as soon as possible. This is achieved by internal weekly project/client updates and the use of scheduling software which tracks Gantt charts set up at the beginning of projects. In addition, we schedule each individual at 120 hours per month of billable time. This allows a buffer of 15 hours per month for additional effort or a reallocation of one person to assist another team member. The coordination of billable hours to project execution internally reinforces team adherence to budget to avoid having to “work for free”.

## List of Exhibits

- Exhibit 1: Statement of EcoNomics' Sound Financial Condition
- Exhibit 2: EcoNomics' Completed "Certificate of Non-Discrimination"
- Exhibit 3: EcoNomics' Litigation
- Exhibit 4: EcoNomics Completed 'Certificate of Employment Relationships and Financial Interest'
- Exhibit 5: Certificates of Insurance
- Exhibit 6: Excerpt of EcoNomics Annual Report Tracking Database
- Exhibit 7: City Of Napa Staff Report Detailing Rate Impact Of Full-Scale Citywide Commercial Organics Program

## **Exhibit 1: Statement of EcoNomics' Sound Financial Condition**

EcoNomics is in sound financial condition with potential revenue from secured contracts in excess of overhead and administrative costs.



## Exhibit 2: EcoNomics' Completed "Certificate of Non-Discrimination"

Please note: a signed, wet copy of this form was submitted to the City in EcoNomics paper copy of the proposal.

Exhibit B

CITY OF LAGUNA HILLS  
CERTIFICATE OF NON-DISCRIMINATION

I hereby certify on behalf of EcoNomics Inc that all persons employed by EcoNomics Inc are, and shall be treated fairly without regard to race, creed, color, national origin, political affiliation, marital status, sex, age, or disability, and in compliance with all Federal and State laws prohibiting discrimination in employment, including, but not limited to, the Civil rights Act of 1964, the Unruh Civil Rights Acts, and the Americans With Disabilities Act.

Name: William O'Toole  
Signature: [Signature]  
Title: President

### **Exhibit 3: EcoNomics' Litigation**

There are no filed, pending or threatened claims or litigation by clients (current or past) during the last five years against EcoNomics, Inc.

## Exhibit 4: EcoNomics Completed 'Certificate of Employment Relationships and Financial Interest'

Please note: a signed, wet copy of this form was submitted to the City in EcoNomics paper copy of the proposal.

CITY OF LAGUNA HILLS  
CERTIFICATE OF  
EMPLOYMENT RELATIONSHIPS  
AND FINANCIAL INTERESTS

NAME OF ENTITY: EcoNomics Inc

EMPLOYMENT RELATIONSHIPS WITH CITY OFFICIALS OR CITY EMPLOYEES:  
None

FINANCIAL INTERESTS OF CITY OFFICIALS OR CITY EMPLOYEES IN THE ENTITY:  
(If known and applicable, please state the percentage ownership interest)  
None

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Signed this 29th day of April, 2016, at  
Dana Point, California.

Name: William O Toole  
Signature: [Signature]  
Title: President



## Exhibit 5: Certificates of Insurance

### 5.1 Workers Compensation

**STATE  
COMPENSATION  
INSURANCE  
FUND**

IN REPLY REFER TO:

APRIL 27, 2016

CITY OF LAGUNA HILLS  
CITY MANAGER  
24035 EL TORO RD  
LAGUNA HILLS CA 92653-3103

CERTIFICATE OF WORKERS'  
-----  
COMPENSATION INSURANCE  
-----  
CANCELLATION WITHDRAWAL NOTICE  
-----

RE: CERTIFICATE DATED OCTOBER 1, 2015

THE CANCELLATION HAS BEEN WITHDRAWN FOR THE WORKERS' COMPENSATION  
INSURANCE POLICY FOR THE EMPLOYER NAMED BELOW. THIS LETTER SUPERSEDES  
THE NOTICE OF CANCELLATION SENT TO YOU ON APRIL 20, 2016.

THIS EMPLOYER'S WORKERS' COMPENSATION INSURANCE COVERAGE CONTINUED  
UNINTERRUPTED.

EMPLOYER:

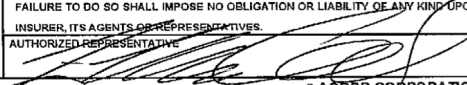
ECO/NOMICS, INC  
PO BOX 2790  
DEL MAR, CA 92014  
POLICY 1397885-15

CUSTOMER SERVICE REPRESENTATIVE  
CUSTOMER SERVICE CENTER  
(888) 782-8338

5860 Owens Drive • Pleasanton, CA 94588-3900  
Mailing Address: P.O. Box 8192 • Pleasanton, CA 94588-9682

SCIF 19102

## 5.2. General Liability and Automobile

| <b>ACORD CERTIFICATE OF LIABILITY INSURANCE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                             | DATE (MM/DD/YYYY)<br>04/20/2016 |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------|--|
| <b>PRODUCER (858) 569-8100</b><br><b>Network One Insurance &amp; Financial Services, Inc</b><br><b>3914 Murphy Canyon Rd., Suite</b>                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       | <b>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.</b>                                                                                                                                                                                                                                                             |                                                                                             |                                 |  |
| <b>San Diego CA 92123-</b><br><b>INSURED</b><br><b>Economic's Inc.</b><br><b>832 Camino del Mar Ste. 1</b><br><b>Del Mar CA 92014-</b>                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       | <b>INSURERS AFFORDING COVERAGE</b><br><b>INSURER A: Liberty Mutual</b><br><b>INSURER B:</b><br><b>INSURER C:</b><br><b>INSURER D:</b><br><b>INSURER E:</b>                                                                                                                                                                                                                                                                                                                     |                                                                                             | <b>NAIC #</b>                   |  |
| <b>COVERAGES</b><br><small>THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.</small> |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                             |                                 |  |
| INSR ADD'L<br>LTR INSRD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | TYPE OF INSURANCE                                                                                                                                                                                                                                                                                                                                                                            | POLICY NUMBER     | POLICY EFFECTIVE<br>DATE (MM/DD/YYYY) | POLICY EXPIRATION<br>DATE (MM/DD/YYYY)                                                                                                                                                                                                                                                                                                                                                                                                                                         | LIMITS                                                                                      |                                 |  |
| A X                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> <b>CLAIMS MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b><br><br><small>GEN'L AGGREGATE LIMIT APPLIES PER</small><br><input checked="" type="checkbox"/> <b>POLICY</b> <input type="checkbox"/> <b>PROJECT</b> <input type="checkbox"/> <b>LOC</b> | BKS (16) 57048355 | 12/09/2015                            | 12/09/2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | EACH OCCURRENCE                                                                             | \$ 1,000,000                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | DAMAGE TO RENTED PREMISES (Ea occurrence)                                                   | \$ 500,000                      |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | MED EXP (Any one person)                                                                    | \$ 15,000                       |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | PERSONAL & ADV INJURY                                                                       | \$ 1,000,000                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | GENERAL AGGREGATE                                                                           | \$ 2,000,000                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | PRODUCTS - COMPROP AGG                                                                      | \$ 2,000,000                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>NOWHD</b>                                                                                |                                 |  |
| A X                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>AUTOMOBILE LIABILITY</b><br><input checked="" type="checkbox"/> <b>ANY AUTO</b><br><input type="checkbox"/> <b>ALL OWNED AUTOS</b><br><input type="checkbox"/> <b>SCHEDULED AUTOS</b><br><input checked="" type="checkbox"/> <b>HIRED AUTOS</b><br><input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b>                                                                             | BKS (16) 57048355 | 12/09/2015                            | 12/09/2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | COMBINED SINGLE LIMIT (Ea accident)                                                         | \$ 1,000,000                    |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | BODILY INJURY (Per person)                                                                  | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | BODILY INJURY (Per accident)                                                                | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | PROPERTY DAMAGE (Per accident)                                                              | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>GARAGE LIABILITY</b><br><input type="checkbox"/> <b>ANY AUTO</b>                                                                                                                                                                                                                                                                                                                          |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | AUTO ONLY - EA ACCIDENT                                                                     | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | OTHER THAN AUTO ONLY: EA ACC AGG                                                            | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>EXCESS/UMBRELLA LIABILITY</b><br><input type="checkbox"/> <b>OCCUR</b> <input type="checkbox"/> <b>CLAIMS MADE</b><br><br><input type="checkbox"/> <b>DEDUCTIBLE</b><br><input type="checkbox"/> <b>RETENTION \$</b>                                                                                                                                                                      |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | EACH OCCURRENCE                                                                             | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | AGGREGATE                                                                                   | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br><small>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?</small><br><small>If yes, describe under SPECIAL PROVISIONS below</small>                                                                                                                                                                                           |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> <b>WK STATU- TORY LIMITS</b> <input type="checkbox"/> <b>OTHER</b> | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | E L EACH ACCIDENT                                                                           | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | E L DISEASE - EA EMPLOYEE                                                                   | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | E L DISEASE - POLICY LIMIT                                                                  | \$                              |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>OTHER</b>                                                                                                                                                                                                                                                                                                                                                                                 |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             |                                 |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             |                                 |  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   | / /                                   | / /                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                             |                                 |  |
| <small>DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS</small><br>The City, it's officials, officers, employees, agents, volunteers, shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance agreement.<br>Coverage subject to terms and conditions of the policy.<br>*Except 10 days if non-payment cancellation.                                                                                |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                             |                                 |  |
| <b>CERTIFICATE HOLDER</b><br>( ) - ( ) -<br><br><b>City of Laguna Hills</b><br><b>240 El Toro Road</b><br><br><b>Laguna Hills CA 92653-</b>                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                              |                   |                                       | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.<br>AUTHORIZED REPRESENTATIVE:  |                                                                                             |                                 |  |

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INS025 (0108).05

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Page 1 of 2

### **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**COMMERCIAL GENERAL LIABILITY EXTENSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**INDEX**

| <b><u>SUBJECT</u></b>                                                                                                              | <b><u>PAGE</u></b> |
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| NON-OWNED WATERCRAFT                                                                                                               | 2                  |
| PROPERTY DAMAGE LIABILITY – ELEVATORS                                                                                              | 2                  |
| EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)                                                               | 2                  |
| MEDICAL PAYMENTS EXTENSION                                                                                                         | 3                  |
| EXTENSION OF SUPPLEMENTARY PAYMENTS – COVERAGES A AND B                                                                            | 3                  |
| ADDITIONAL INSURED – BY CONTRACT, AGREEMENT OR PERMIT                                                                              | 3                  |
| PRIMARY AND NON-CONTRIBUTORY – ADDITIONAL INSURED EXTENSION                                                                        | 5                  |
| ADDITIONAL INSURED – EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"                                                             | 6                  |
| WHO IS AN INSURED – INCIDENTAL MEDICAL ERRORS/MALPRACTICE AND WHO IS AN INSURED – FELLOW EMPLOYEE EXTENSION – MANAGEMENT EMPLOYEES | 6                  |
| NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES                                                                                     | 7                  |
| FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES                                                                                  | 7                  |
| KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT                                                                                    | 7                  |
| LIBERALIZATION CLAUSE                                                                                                              | 7                  |
| BODILY INJURY REDEFINED                                                                                                            | 7                  |
| EXTENDED PROPERTY DAMAGE                                                                                                           | 8                  |
| WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US – WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU                  | 8                  |

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

**A. NON-OWNED AIRCRAFT**

Under Paragraph 2. Exclusions of Section I – Coverage A - Bodily Injury And Property Damage Liability, exclusion g. Aircraft, Auto Or Watercraft does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

**B. NON-OWNED WATERCRAFT**

Under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability,

Subparagraph (2) of exclusion g. Aircraft, Auto Or Watercraft is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
  - (a) Less than 52 feet long; and
  - (b) Not being used to carry persons or property for a charge.

**C. PROPERTY DAMAGE LIABILITY – ELEVATORS**

1. Under Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.

2. The following is added to Section IV – Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

**D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)**

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:

- a. The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (i) Premises rented to you for a period of 7 or fewer consecutive days; or
- (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in Section III – Limits of Insurance.



- b. The last paragraph of subsection **2. Exclusions** is replaced by the following:  
Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III – Limits Of Insurance**.
- 2. Paragraph **6.** under **Section III – Limits Of Insurance** is replaced by the following:
  - 6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to:
    - a. Any one premise:
      - (1) While rented to you; or
      - (2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or
    - b. Contents that you rent or lease as part of a premises rental or lease agreement.
- 3. As regards coverage provided by this provision **D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)** - Paragraph **9.a.** of **Definitions** is replaced with the following:
  - 9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".
- E. **MEDICAL PAYMENTS EXTENSION**  
If Coverage **C Medical Payments** is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:  
Under Paragraph **1. Insuring Agreement of Section I – Coverage C – Medical Payments**, Subparagraph **(b)** of Paragraph **a.** is replaced by the following:  
**(b)** The expenses are incurred and reported within three years of the date of the accident; and
- F. **EXTENSION OF SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**
  - 1. Under **Supplementary Payments – Coverages A and B**, Paragraph **1.b.** is replaced by the following:
    - b. Up to **\$3,000** for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - 2. Paragraph **1.d.** is replaced by the following:
    - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to **\$500** a day because of time off from work.
- G. **ADDITIONAL INSUREDS - BY CONTRACT, AGREEMENT OR PERMIT**
  - 1. Paragraph **2.** under **Section II – Who Is An Insured** is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:
    - a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

- b. Premises or facilities rented by you or used by you; or
- c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
  - (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;
  - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".
  - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
    - a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

- 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph 1.b. above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. **Duties In the Event Of Occurrence, Offense, Claim Or Suit under Section IV – Commercial General Liability Conditions.**

2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. **Exclusions under Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.
- b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
- c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- d. "Bodily injury" or "property damage" occurring after:
  - (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the contract or agreement; or
  - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**H. PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. **Other Insurance of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

- a. The following is added to Paragraph a. **Primary Insurance:**

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

- b. The following is added to Paragraph **b. Excess Insurance**:

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

**I. ADDITIONAL INSUREDS - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim or Suit**:

An additional insured under this endorsement will as soon as practicable:

- a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;
- b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and
- c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
- d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in **Section III – Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

**J. WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE  
WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES**

Paragraph 2.a.(1) of **Section II - Who Is An Insured** is replaced with the following:

- (1) "Bodily injury" or "personal and advertising injury":
- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
  - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
  - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or
  - (d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph (d)) does not apply.

Paragraphs (a) and (b) above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

**K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES**

Paragraph 3. of **Section II - Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
  - d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

**L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES**

Under **Section IV – Commercial General Liability Conditions**, the following is added to Condition 6. **Representations:**

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

**M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

Under **Section IV – Commercial General Liability Conditions**, the following is added to Condition 2. **Duties In The Event of Occurrence, Offense, Claim Or Suit:**

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of **Section II – Who Is An Insured** or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

**N. LIBERALIZATION CLAUSE**

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

**O. BODILY INJURY REDEFINED**

Under **Section V – Definitions**, Definition 3. is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.

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**P. EXTENDED PROPERTY DAMAGE**

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US – WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU**

Under **Section IV – Commercial General Liability Conditions**, the following is added to **Condition 8. Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.

## Exhibit 6: Excerpt of EcoNomics Annual Report Tracking Database

| Stage % Complete | PARIS Code  | Description                                  | Actions Needed                                                                                                                                                                                                                                                                                                                                                                                      | Contact Names / Info         | Title if applicable        | Best Mode of Contact                                    | Status                     | Expected Timeframe to receive materials | Aug-December |
|------------------|-------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------|---------------------------------------------------------|----------------------------|-----------------------------------------|--------------|
| 0%               | 1000-SR-XGC | Xeriscaping, Grasscycling                    | <b>December:</b> Determine acreage that uses grasscycling                                                                                                                                                                                                                                                                                                                                           | Ken Scardone                 | Groundskeep for SVUSD      | (949) 958-3889                                          | Waiting back               |                                         |              |
| 0%               |             |                                              | <b>December:</b> Determine acreage that uses grasscycling                                                                                                                                                                                                                                                                                                                                           | Jan Fraire                   |                            | Scardone@svusd.k12.ca.gov<br>jfraire@laguna hills.ca.us | Waiting back               |                                         |              |
| 0%               | 1010-SR-RCH | Backyard & On-Site Composting/Bulb Recycling | <b>ASAP: See if CR&amp;R would be willing to do physical survey in billing inserts:</b> Backyard Composting, On-site composting by businesses (can include any organics) (For schools, see code 1050-DM-SCH) On-site composting by residents (can include any organics)<br><b>February:</b> Hospital source reduction update                                                                        | N/A                          |                            |                                                         |                            |                                         |              |
| 0%               |             |                                              |                                                                                                                                                                                                                                                                                                                                                                                                     | Randy Williams               | LH Hospital                | RWilliams@memorialat.org                                |                            |                                         |              |
| 0%               |             |                                              | <b>Now-February:</b> Need to contact and visit if necessary to see updated status (e.g. Kings Fish house, hospital, mall, and determine source reduction                                                                                                                                                                                                                                            | Research other contacts      |                            |                                                         |                            |                                         |              |
| 0%               |             |                                              | <b>February:</b> Food collected at county food pantries                                                                                                                                                                                                                                                                                                                                             | Isaac Novella                | Recycling Programs Manager | Isaac.Novella@ocwr.org.com                              | Will be available in April |                                         |              |
| 0%               | 1020-SR-BWR | Business Source Reduction                    | <b>Now-February:</b> Check ISO 14001 website with City zip code to determine number of businesses in City that are ISO 14001 certified                                                                                                                                                                                                                                                              |                              |                            |                                                         |                            |                                         |              |
| 0%               | 1030-SR-PMT | Procurement                                  | <b>Now-December:</b> 1) Strategy is to go to city facilities and see if they do any sustainable purchases. Need to determine all city facilities<br><b>If needed:</b> 2) Contact Dave or Jaime with any questions                                                                                                                                                                                   | Jaime or Dave                |                            |                                                         |                            |                                         |              |
| 0%               | 1040-SR-SCH | School Source Reduction                      | <b>Now-December:</b> Contact local school districts to determine any SR activities or district policy. 1) Try to find contact in the district                                                                                                                                                                                                                                                       | District contact placeholder |                            |                                                         |                            |                                         |              |
| 0%               |             |                                              | <b>Now-December:</b> 1) Find out how many government entities operate in LH. This will likely require research                                                                                                                                                                                                                                                                                      |                              |                            |                                                         |                            |                                         |              |
| 0%               | 1050-SR-GOV | Government Source Reduction                  | <b>Now-March:</b> 2) Contact each to see what source reduction activities they do in the designated reporting year (also ask for recycling activities and report under 2000-RC-GOV)<br><b>In December:</b> Locate thrift stores in town using Google and provide number for reports. There were 3 last year. Verify in the field they are there and do photo attach to see if any new thrift stores |                              |                            |                                                         |                            |                                         |              |
| 0%               | 1060-SR-NTE | Material Exchange, Thrift Stores             | N/A in LH                                                                                                                                                                                                                                                                                                                                                                                           | Not reporting                |                            |                                                         |                            |                                         |              |
| 0%               | 1070-SR-QTH | Other Source Reduction                       | <b>February:</b> Obtain CR&R hauler reports for residential curbside. Break out diversion by commodity. Draft quick analysis of progress from previous reporting year.                                                                                                                                                                                                                              |                              |                            |                                                         |                            |                                         |              |
| 0%               | 2000-RC-CRB | Residential Curbside                         | <b>Now-December:</b> 1) Obtain Laguna hills mail central collection info. Double check with mail due to new mailroom. <b>May be easier just to go there.</b><br><b>Now-December:</b> Ask Dave if any new park containers. If don't get good answer, go to Dave                                                                                                                                      | Who                          |                            | ?                                                       |                            |                                         |              |
| 0%               |             |                                              |                                                                                                                                                                                                                                                                                                                                                                                                     | Dave                         |                            |                                                         |                            |                                         |              |
| 0%               | 2010-RC-DPP | Residential Drop-off                         | <b>Now-December:</b> Need to get a list of all parks and city-run facilities                                                                                                                                                                                                                                                                                                                        | Dave                         |                            |                                                         |                            |                                         |              |

## **Exhibit 7: City Of Napa Staff Report Detailing Rate Impact Of Full-Scale Citywide Commercial Organics Program**

### **M E M O R A N D U M**

DATE: January 12, 2015

TO: Kevin Miller  
City of Napa  
Materials Diversion Administrator

FROM: Trevor S Blythe  
Vice-President, Project Implementation

RE: Cost and Revenue Impact Analysis on City's Materials Diversion and Solid Waste Enterprise Fund of Expanding Pilot Food Scrap Diversion Program to a Full Scale Program

#### Background:

In July 2011, the City directed NRWS to implement a pilot food scrap diversion program. The program aimed to divert food scraps generated by food service establishments away from the landfill. Food scrap materials are taken to the City's Materials Diversion Facility (MDF) where they are composted and converted into a soil amendment. The program benefits the City by reducing the amount of tons delivered to the Devlin Road Transfer Station, which costs approximately \$64 per ton, and by increasing the revenue of materials sold the City receives through the sale of finished compost. The cost of the pilot program (paid to NRWS for collection services) ranged from \$5,430.67 per month for 20 stops to \$7,972 per month for 55 stops. Current pilot participants receive food scrap collection service at no charge provided they do not reduce their baseline garbage service levels. As of November 2014, the program has 45 participating restaurants.

In September 2014, Governor Brown signed Assembly Bill 1826 into law. AB 1826 makes it mandatory for large generators of food waste, such as restaurants and hospitals, to divert these materials away from the landfill by April 1, 2016. By the year 2020, nearly every food service establishment, including small generators, will be required to divert their food waste from landfills. In addition, Assembly Bill 341 passed in October 2011 set a statewide goal of 75% landfill diversion by the year 2020. To comply with AB 341 and to encourage waste reduction, the City Council established a 75% diversion goal for the year 2020 in its Disposal Reduction Policy (Resolution R2012 -100) on July 24, 2012. By expanding the number of restaurants that participate in the food scrap diversion program, the City will achieve compliance with state laws and meet the disposal reduction goals of the City Council. Staff anticipates that nearly 5,000 tons of additional diversion could result from expanding the current food scrap diversion program to the



remaining 200 non-participating restaurants, increasing the City's diversion rate by 6%, from approximately 65% to 71%.

The following analysis calculates the projected net fiscal impact on the City's Materials Diversion and Solid Waste enterprise fund ("enterprise fund") of the expanded food scrap diversion program. The City's consultant, EcoNomics, was the lead on developing the revenue impact analysis. Per the City's direction, EcoNomics also assessed the impact of charging a rate for food scrap collection at commercial premises and special events (both services are currently provided for free). This analysis included performing sensitivity analysis on what this rate should be, given:

1. The costs for the program and
2. The need to incentivize the food scrap generators to participate in the program.

Various potential rates were compared to the existing rates for collection of Municipal Solid Waste (MSW) from existing restaurants. EcoNomics also studied the impact of reducing food scrap compactor collection rates. The impact on the enterprise fund from the expanded food scrap collection program for each rate year can be broken into the following four categories, which are described in detail in this report and include references to Excel worksheets as supporting documentation when noted:

#### **Net Projected Impact on the City's Rate Fund of the Expanded Food Scrap Collection Program**

|                                                                                                                 | <b>RY 2015</b>       | <b>RY 2016</b>       |
|-----------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Section 1. Impact of increased food scrap program collection rate revenue and decreased garbage service revenue | -\$116,349.87        | -\$288,770.48        |
| Section 2. Impact of increased collection payment to NRWS                                                       | -\$189,118.24        | -\$232,615.44        |
| Section 3. Impact of increased food scrap processing costs and decreased landfill disposal costs                | \$29,124.49          | \$121,802.92         |
| Section 4. Impact of increased material sales revenue                                                           | \$6,313.14           | \$25,954.02          |
| <b>Total</b>                                                                                                    | <b>-\$270,030.50</b> | <b>-\$373,628.98</b> |

NOTE: Please refer to Exhibit 1: Rate Year 2015 and 2016 Net Revenue Impact Analysis for additional information about how the net impact analysis was calculated for rate years 2015 and 2016.

The total net cost to the City's enterprise fund of the expanded food scrap collection program is projected to be as follows:

- Rate Year 2015 (April 1 – December 31, 2015): -\$270,030.50
- Rate Year 2016 (January 1 – December 31, 2016): -\$373,628.98

The cost increase would require the following approximate rate increases:

- Rate Year 2015: 1.6% increase

- Rate Year 2016: 2.2% increase

### **Section 1. Impact of Increased Food Scrap Program Collection Rate Revenue and Decreased Garbage Revenue**

The rate structure for food scrap collection service was designed to provide a cost incentive for participating restaurants. The current pilot program is offered at no charge provided the restaurant does not reduce their garbage service. Therefore, the current participating restaurants are not realizing a disposal cost reduction since they have not been able to reduce their garbage collection service to accommodate the decrease in garbage volume resulting from the food scraps being collected. When the full-scale commercial food scrap collection program begins on April 1, 2015, EcoNomics is recommending that food scrap collection service be offered at a 25% savings when compared to equivalent MSW service.

To arrive at a cost for food scrap carts, EcoNomics examined (1) the level of incentive required to motivate food scrap generators to participate and (2) the projected reduction in MSW cart and bin revenue to arrive at a net cost of the total food waste program. As a result of that analysis, EcoNomics confirmed that the discrepancy between the rates for wheeled cart service compared to the rates for the equivalent per-gallon cost of commercial bin service exists and presents a problem for implementing the food scrap collection program. Further analysis determined that the cost for commercial cart service is understated by approximately 25% in the current Napa rate structure.

One goal of the food scrap collection rate is to provide a sufficient economic benefit for food scrap collection service to incentivize customers to utilize the program, versus continuing to dispose of food scraps as MSW at the current MSW rate. If the existing commercial cart rate is artificially low compared to the cost of providing the service, this will skew the relationship between commercial food composting cart rates and commercial garbage cart rates.

In discussions with City staff, it was decided that correcting the discrepancy in a single rate year could create too large an economic impact for existing commercial cart customers. A 5-year phase-in plan (as was employed previously for a similar situation involving 65-gallon residential cart service) could be utilized to correct the discrepancy and arrive at a more equitable and linear cost distribution for commercial MSW cart rates.

Customers currently pay an average of \$0.75 per gallon for commercial MSW cart service and an average of \$1.02 per gallon for commercial MSW bin service. The five-year rate levelization plan would increase commercial MSW cart rates by 5% each year to bring the per-gallon cart rates in alignment with equivalent per-gallon bin service rates. The 5% per year increase would be in addition to any council-approved rate

adjustments needed to cover changes in costs of service and inflation. The impact of the 5% commercial MSW cart rate increase on all commercial customers for rate year 2015 is projected to be an increase of \$33,477 and an increase of \$46,868 in rate year 2016 (see Exhibit 12: Levelized Commercial MSW Cart Rate Impact). The most common MSW cart service is the 95-gallon serviced 1 day per week. The current commercial cart rate for monthly MSW service of a 95-gallon cart emptied one time per week is \$73.95. A 5% increase (independent of any overall increase the City Council chooses to adopt) would increase the monthly cost to \$77.65 (an increase of \$3.70). The rate impact of the 5% per year increase in MSW cart service on the **restaurant community** is discussed below.

EcoNomics projects that restaurants currently participating in the food scrap diversion program will pay an average rate increase of \$5.67 per month in rate year 2015 and an additional \$5.95 per month in rate year 2016 as a result of the 5% per year increase in commercial garbage cart service rates (see Exhibit 7: Average Impact Analysis of 5% MSW Commercial Cart Rate Increase on Participating Restaurants). Restaurants that are not currently enrolled in the food scrap diversion program will see a monthly increase of \$2.14 per month in rate year 2015 and \$2.25 per month in rate year 2016 as a result of the 5% per year increase in garbage cart service rates (see Exhibit 5: Average Impact Analysis of 5% MSW Commercial Cart Rate Increase on Non-Participating Restaurants).

To identify the rate impact of charging customers a food scrap collection rate that provides a savings of roughly 25% compared to the rate for comparable MSW service, EcoNomics developed a “calculator” (Excel spreadsheet) that projects and analyzes the rates of different service and inventory scenarios for MSW, recycling, and food scrap collection and diversion programs. The calculator automatically compares a baseline service scenario with a service scenario that includes food scrap collection to calculate the rate impact on the restaurants’ monthly bill and on the City’s rate revenue.

Using the rate calculator described above, EcoNomics ran service cost simulations for 45 restaurants currently participating in the pilot program as well as 111 non-participating restaurants to accomplish the following:

- 1) Assess if the restaurants could reduce their disposal costs by implementing a food scrap diversion program using the proposed economic incentive of approximately 25% for collection of food scraps compared to non-participation and continuing to put food scraps in the MSW container and pay the MSW rate for this material;
- 2) Calculate the aggregate reduction in rate revenue the City would realize as a result of each restaurant participating in the program if a 25% economic incentive was used.

### 1a. Revenue impact results for currently participating restaurants

Table 1.1 shows an example of the rate impact calculations for a common service scenario for current restaurants participating in the pilot food scrap collection program.

**Table 1.1. Service Levels for Common Restaurant Service Scenario**

| Service Line | Number of Container(s) | Size of Container(s) in Cubic Yards | Collection Frequency (days per week) | Cubic Yards Per Week | Generator Savings | Cost Per Month    |
|--------------|------------------------|-------------------------------------|--------------------------------------|----------------------|-------------------|-------------------|
| Garbage      | 1                      | 3                                   | 2                                    | 6                    | -                 | \$1,222.25        |
| Recycling    | 1                      | 3                                   | 2                                    | 6                    | 100%              | \$-               |
| Food Scraps  | 3                      | 65-gallon                           | 2                                    | 2                    | 100%              | \$-               |
| <b>Total</b> | <b>5</b>               | <b>-</b>                            | <b>-</b>                             | <b>14</b>            | <b>-</b>          | <b>\$1,222.25</b> |

The scenario above represents a restaurant that has one 3-yard MSW bin picked-up two days per week, one 3-yard recycling bin serviced 2 days per week, and three 65-gallon food scrap carts collected 2 days per week. The property currently has a total of 14 cubic yards of materials being collected by NRWS. The restaurants' garbage is likely being over-served in this scenario because restaurants that participate in the pilot program were instructed by the City not to reduce the level of their trash service regardless of the amount of food scraps that were diverted.

The City requested that businesses not reduce garbage service in order to avoid negative rate impacts during the pilot program, in exchange for the pilot program being provided at no charge to the participants. This particular restaurant is diverting 2 cubic yards of food scraps per week through the food scrap diversion program and can reduce its trash service accordingly. If the proposed food scrap rate is approved by the City Council and becomes effective on April 1, 2015, this restaurant will be charged for food scrap collection at new food scrap rate which represents a 25% savings compared to equivalent garbage service, and the restaurant will also be able to reduce its garbage service. Table 1.2 shows the rate impact of these actions on the restaurant.

**Table 1.2. Impact of Proposed New Rates on Restaurant Currently Enrolled in the Pilot Food Scrap Collection Program – Cost Savings of \$268.32 per month (a 22% reduction)**

| Service Line | Number of Container(s) | Size of Container(s) in Cubic Yards | Collection Frequency (days per week) | Cubic Yards Per Week | Generator Savings | Cost Per Month  |
|--------------|------------------------|-------------------------------------|--------------------------------------|----------------------|-------------------|-----------------|
| Garbage      | 1                      | 4                                   | 1                                    | 4                    | -                 | \$731.74        |
| Recycling    | 1                      | 3                                   | 2                                    | 6                    | 100%              | \$0             |
| Food Scraps  | 3                      | 65-gallon                           | 2                                    | 2                    | 25%               | \$222.19        |
| <b>Total</b> | <b>5</b>               | <b>-</b>                            | <b>-</b>                             | <b>12</b>            | <b>-</b>          | <b>\$953.93</b> |

As Table 1.2 shows, the restaurant has diverted 2-cubic yards of food scraps per week, and therefore can reduce the volume of MSW being collected by NRWS by 2 cubic yards. To accomplish this, the restaurant can replace its 3-yard trash bin picked-up 2 days per

week with a larger 4-yard trash bin collected only 1 day per week. Downsizing the trash service by 2 cubic yards per week results in a cost reduction of \$490 per month for the restaurant. The cost of food scrap collection service increases from \$0 per month to \$222.19. Therefore, this restaurant can save \$268.32 per month by reducing its garbage service and by continuing to participate in the food scrap collection program.

Of the restaurants currently participating in the food scrap diversion program, half will realize cost savings by “right-sizing” their trash service if the proposed food scrap rate is approved by the City Council and becomes effective on April 1, 2015. These cost savings range from \$24 per month to \$742 per month. The remaining 50% of the currently participating restaurants will realize a rate *increase* if the proposed food scrap rates become effective even assuming these restaurants downsize their trash service. However, these restaurants may have the option to downsize their current inventory and collection frequency of food scrap carts. During “ride alongs” with the food scrap driver conducted in May and June of 2014, EcoNomics noted that restaurants utilized only about 40% of the total food scrap cart capacity they had on site. EcoNomics anticipates that restaurants can and should scale back food scrap service significantly as a cost-cutting measure if the new food scrap rate is approved and becomes effective. NRWS and City staff will assist these restaurants in implementing these service level reductions as the full-scale program is rolled out.

When the above simulation was applied to all 45 restaurants currently participating in the pilot food scrap program, EcoNomics found that using the 25% economic incentive would save restaurants that are currently part of the pilot program an average of \$61.68 per month during rate year 2015. Please refer to Exhibit 6: Service and Inventory List of Currently Participating Accounts for the details of the aggregate rate impact analysis for participating restaurants. If the currently participating restaurant also decided to “right-size” its food scrap collection service, each restaurant would save on average over \$100 per month (see Exhibit 9: Impact of Right-sizing Carts). EcoNomics expects that 90% of current restaurant participants will reduce the inventory or frequency of collection of their current food scrap cart inventory if and when the collection rate for this service line is initiated on April 1, 2015. The assumption used by EcoNomics in calculating these rate revenue impact projections, is that the “right-sizing” of food scrap collection service among currently participating restaurants would take place gradually over the first rate year. Similarly, in EcoNomics’ projections, it anticipated that the “right-sizing” of garbage service among participating restaurants would take place over the course of the second quarter of 2015. This is based upon EcoNomics’ experience implementing commercial food scrap collection service in other cities. The aggregate rate impact of currently participating restaurants right-sizing their garbage service and their food scrap collection service during rate years 2015 and 2016 is included as Table 1.3 below.

**Table 1.3: Aggregate Annual Revenue Impact of Currently Participating Restaurants  
Right-sizing their Garbage and Food Scrap Service**

|                                                                                                                | RY2015              | RY2016               |
|----------------------------------------------------------------------------------------------------------------|---------------------|----------------------|
| Revenue Impact of Participating Restaurants <b>Right-sizing MSW Service (includes new FW rate revenue)</b>     | -\$24,641.69        | -\$33,436.01         |
| Revenue Impact of Participating Restaurants <b>Right-sizing Food Scrap Cart Inventory</b> when Rate is Enacted | -\$28,947.48        | -\$174,008.35        |
| <b>Net Impact on City Rate Fund</b>                                                                            | <b>-\$53,589.17</b> | <b>-\$207,444.36</b> |

**1b. Revenue impact results for non-participating restaurants**

To identify restaurants that are currently not participating in the food scrap diversion program, EcoNomics obtained a list of all permitted food service establishments from the County of Napa Health Department. The list included all permitted food service establishments within the City, broken into 3 risk categories by the County: high, medium, and low. The categorizations, which were based on the frequency of inspections and the nature of the food service establishment, were useful in determining which restaurants would be likely participants in the food scrap program. In using the County list of permitted food service establishments, EcoNomics noted that the risk categories roughly corresponded to the size of the restaurant, cafeteria, etc. It also allowed for the identification of coffee shops, pizza outlets, bars, and other types of food service establishments. Table 1.4 below provides a directory of the County's risk based categorization system as modified for purposes of this study. It shows the number of non-participating restaurants that belong to each category, and the expected amount of restaurants that will subscribe to the food scrap diversion program based on the modified food service category.

**Table 1.4: Modified Categorization Directory and Expected Participation**

| Modified "Risk" Category                                                          | High                                                                                                                                                                                                                                                                                     | Medium                                                                                                                                                                    | Low                                                                                                                                                                             |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Type of Food Service Facilities (FSE)</b>                                      | Hospitals, full-prep restaurants, fast food restaurants, retirement centers, schools, caterers, delicatessens with extensive food preparation, full grocery stores, wineries that conduct full food preparation (i.e. using their kitchen more than once per week), and jail facilities. | Delicatessens that prepare sandwiches and salads, pizza places, butcher shops, convenience stores with prepared food, commissaries, bakeries, medium risk winery kitchens | Bars that only prepare beverages, gas stations without food prep, coffee houses, convenience stores without prepared foods, bakeries, low risk caterers, and low-risk wineries. |
| <b>Number of Non-participating FSE in Napa</b>                                    | 152                                                                                                                                                                                                                                                                                      | 88                                                                                                                                                                        | 87                                                                                                                                                                              |
| <b>Anticipated Number of Food Scrap Diversion Participants from Risk Category</b> | 152                                                                                                                                                                                                                                                                                      | 33                                                                                                                                                                        | 18                                                                                                                                                                              |

The total number of non-participating restaurants that are expected to participate in the food scrap diversion program is 203. Of these 203 accounts, 111 had their own trash accounts through NRWS. To determine the rate impact and the potential cost-savings if these restaurants subscribed to the food scrap diversion program, EcoNomics entered service data for 111 non-participating restaurants that had their own trash account into the incentive calculator. Please refer to Exhibit 4: Service and Inventory List of Non-Participating Accounts for the details of the aggregate rate impact analysis for all non-participating restaurants.

Table 1.5 shows an example of the rate impact calculations for a common service scenario among restaurants that are not currently participating in the food scraps collection program.

**Table 1.5. Common Service Levels for Restaurant Not Participating in the Food Scrap Diversion Pilot Program**

| Service Line | Number of Container(s) | Size of Container(s) in Cubic Yards | Collection Frequency (days per week) | Cubic Yards Per Week | Generator Savings | Cost Per Month    |
|--------------|------------------------|-------------------------------------|--------------------------------------|----------------------|-------------------|-------------------|
| Garbage      | 1                      | 4                                   | 2                                    | 8                    | -                 | \$1,607.07        |
| Recycling    | 1                      | 4                                   | 2                                    | 8                    | 100%              | \$0               |
| <b>Total</b> | <b>2</b>               | <b>-</b>                            | <b>-</b>                             | <b>16</b>            | <b>-</b>          | <b>\$1,607.07</b> |

The scenario above represents a restaurant that has 1 4-yard trash bin picked-up two days per week, 1 4-yard recycling bin serviced 2 days per week, and no food scrap service. The property currently has a total 16 cubic yards of volume being collected by NRWS. This particular restaurant is probably generating over 3-yards of food scraps per week. This projection uses data from five of EcoNomics' client food diversion programs and CalRecycle estimates that 40% of the garbage generated by restaurants is food scraps. If the proposed food scrap collection rate is approved by the City Council and becomes effective on April 1, 2015, this restaurant will be able to implement a food scrap collection program using a rate that provides a 25% savings compared to equivalent garbage service. Table 1.6 shows the rate impact of the restaurant implementing a food scrap diversion program.

**Table 1.6. Impact of New Rates on Restaurant Currently Enrolled in the Pilot Food Scrap Collection Program – Cost Savings of \$162.63 per month (a 10% reduction)**

| Service Line | Number of Container(s) | Size of Container(s) in Cubic Yards | Collection Frequency (days per week) | Cubic Yards Per Week | Generator Savings | Cost Per Month    |
|--------------|------------------------|-------------------------------------|--------------------------------------|----------------------|-------------------|-------------------|
| Garbage      | 1                      | 3                                   | 2                                    | 6                    | -                 | \$1,222.25        |
| Recycling    | 1                      | 4                                   | 2                                    | 8                    | 100%              | \$0               |
| Food Scraps  | 3                      | 65-gallon                           | 2                                    | 2                    | 25%               | \$222.19          |
| <b>Total</b> | <b>5</b>               | <b>-</b>                            | <b>-</b>                             | <b>16</b>            | <b>-</b>          | <b>\$1,444.44</b> |

As Table 1.6 shows, the restaurant has diverted 2-cubic yards of food scraps per week and can therefore reduce the volume of garbage being collected by NRWS by 2 cubic yards per week. To accomplish this, the restaurant can replace its 4-yard trash bin picked-up 2 days per week with a smaller 3-yard trash bin being collected 2 days per week. Downsizing the trash service by 2 cubic yards per week results in a cost reduction of \$384 per month for the restaurant. The cost of food scrap collection service increases from \$0 per month to \$222.19. Therefore, this restaurant can save \$162.63 per month by right-sizing its garbage service through participation in the food scrap collection program.

After calculating incentives for all 111 non-participating restaurants that have their own accounts through NRWS, EcoNomics found that restaurants not currently participating in the food scrap program save an average of \$96.31 per month by implementing a food scrap diversion program with the 25% economic incentive for food scraps and by reducing their garbage service. EcoNomics found that 82% of non-participating restaurants could realize cost-savings by participating in the food scrap collection program and downsizing their garbage service. The cost savings that can be realized by restaurants ranges from \$12.27 per month to \$1,023 per month. Table 1.7 shows the aggregate rate impact for rate years 2015 and 2016 of new restaurants implementing a food scrap diversion program at a pace of 10 per month beginning April 1, 2015 and ending December 31, 2016. The analysis assumes that each new restaurant implementing a food scrap diversion program reduces its MSW cost by an average of \$96.31 per month.

**Table 1.7: Net Revenue Impact to City Fund of New Restaurants Implementing Food Scrap Service**

|                                                                          | <b>RY 2015</b> | <b>RY 2016</b> |
|--------------------------------------------------------------------------|----------------|----------------|
| Net Revenue Impact of Implementing Food Waste Program at New Restaurants | -\$43,339.62   | -\$174,008.35  |

Table 1.8 shows the total expected revenue impact for rate years 2015 and 2016 for current restaurants right-sizing their garbage and food waste inventory and for new restaurants initiating food scrap programs.

**Table 1.8: Projected Rate Revenue Impact of Expanded Food Scrap Diversion Program**

|                                                                                                                                                  | <b>RY 2015</b> | <b>RY 2016</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Revenue Impact of Participating Restaurants <b>Right-sizing MSW Service (includes new FW rate revenue)</b>                                       | -\$24,641.69   | -\$33,436.01   |
| Revenue Impact of Participating Restaurants <b>Right-sizing FW Cart Inventory</b> when Rate is Enacted                                           | -\$28,947.48   | -\$55,431.34   |
| Net Revenue Impact of Implementing Food Waste Program at <b>New</b> Restaurants (assumes implementation pace of <u>10</u> restaurants per month) | -\$43,339.62   | -\$174,008.35  |



|                                     |              |               |
|-------------------------------------|--------------|---------------|
| Total Net Revenue Change from Rates | -\$96,928.79 | -\$262,875.70 |
|-------------------------------------|--------------|---------------|

### 1c. Revenue impacts from special events collection

EcoNomics calculated the revenue impact of initiating a rate for special event collection of food scraps. Special event food scrap collection service is currently being offered at no charge to event organizers. In 2013, NRWS provided food scrap collection service at 46 events and collected nearly 90 tons of food scraps. Using the City's high-end average weight per food scrap cart of 250 lbs., EcoNomics estimated approximately 700 food scrap carts are deployed at special events per year. In order to provide an economic incentive for event organizers, EcoNomics is recommending that food scrap collection service be offered at a customer savings of 50% compared to equivalent trash service. This would result in a rate of \$11.07 per 65-gallon food scrap cart. Using this rate for each 65-gallon food cart deployed at a special event, the City of Napa will receive an estimated \$7,745.50 per year in additional revenue from special event food scrap service. Table 1.9 shows the projected rate impacts for rate years 2015 and 2016 of charging a rate for food scrap collection at special events. Additional analysis can be found in Exhibit 11: Special Event Analysis.

**Table 1.9: Revenue Impact from Charging 50% the Cost of Equivalent Garbage Service Rate for Special Event Food Scrap Collection**

|                                                                                                                   | RY 2015    | RY 2016    |
|-------------------------------------------------------------------------------------------------------------------|------------|------------|
| Net Revenue Impact of Providing Special Event Food Scrap Service at 50% the Cost of Garbage Special Event Service | \$5,809.13 | \$7,745.50 |

### 1d. Revenue impacts from food scrap compactor rate decrease

EcoNomics analyzed the revenue impacts of creating an economic incentive for customers who currently subscribe to compactor collection service for food scraps. There is currently one customer in the City with compactor service for food scraps and it pays the MSW rate for this service. This customer currently generates over \$11,200 in rate revenue per month from food scrap compactor service. Applying the same economic incentive (resulting in a 25% savings over MSW service) that is recommended for the full-scale cart and bin food scrap collection program to food scrap compactor service, the City would lose approximately \$2,800 per month from this customer. Table 1.10 shows the revenue impact of providing a 25% savings to customers subscribing to food scrap compactor service in rate years 2015 and 2016. Additional analysis can be found in Exhibit 10: Food Scrap Compactor Analysis.

**Table 1.10: Revenue Impact from Charging 25% the Cost of Equivalent Garbage Service Rate for Food Scrap Compactor Service**

|                                                                                                                                          | RY 2015      | RY 2016      |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Net Revenue Impact of Providing Food Scrap Compactor Service at 25% economic incentive compared to the Cost of Garbage Compactor Service | -\$25,230.21 | -\$33,640.28 |

Table 1.11 shows the projected net revenue impact of all the rate-related changes detailed in tables 1.1-1.10.

**Table 1.11: Net Revenue Impact of Implementing an Expanded Food Scrap Program Rate**

|                                                                                                                                                             | <b>RY 2015</b>       | <b>RY 2016</b>       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 1a. Revenue Impact of Participating Restaurants <b>Right-sizing MSW Service (includes new FW rate revenue)</b>                                              | -\$24,641.69         | -\$33,436.01         |
| 1a. Revenue Impact of Participating Restaurants <b>Right-sizing FW Cart Inventory</b> when Rate is Enacted                                                  | -\$28,947.48         | -\$55,431.34         |
| 1b. Net Revenue Impact of Implementing Food Waste Program at <b>New</b> Restaurants (assumes implementation pace of 10 restaurants per month)               | -\$43,339.62         | -\$174,008.35        |
| 1c. Net Revenue Impact of Providing Special Event Food Scrap Service with economic incentive roughly equal to 50% the Cost of Garbage Special Event Service | \$5,809.13           | \$7,745.50           |
| 1d. Net Revenue Impact of Providing Food Scrap Compactor Service with economic incentive roughly equal to 50% the Cost of Garbage Compactor Service         | -\$25,230.21         | -\$33,640.28         |
| <b>Net Rate Revenue Impact</b>                                                                                                                              | <b>-\$116,349.87</b> | <b>-\$288,770.48</b> |

Please refer to Table 1 in Exhibit 2: Rate Year 2015 Revenue Impacts of Expanded Food Scrap Diversion Program and Exhibit 3: Rate Year 2016 Revenue Impacts of Expanded Food Scrap Diversion Program for additional information about how the rate revenue impact was calculated for rate years 2015 and 2016.

## **Section 2. Impact of Increased Collection Payment to NRWS**

NRWS currently provides food scrap collection services for the 45 restaurants participating in the pilot program. NRWS receives \$7,972.95 per month from the City to provide food scrap collection services two days per week for up to 60 restaurants. On May 28, 2014, NRWS submitted a cost proposal for a full-scale food scrap diversion program that could service up to 100 restaurants per day, 5 days per week. The proposal would cost the City \$226,941.89 per year or \$18,911.82 per month, an increase of 237% compared to the current monthly collection payment to NRWS. The general cost components of the proposal are included as Table 2.1 below.

**Table 2.1. Cost Components of NRWS Full Scale Food Scrap Collection Proposal**

| Cost Component                | Proposed Cost       | Percent of Total |
|-------------------------------|---------------------|------------------|
| Direct Labor                  | \$99,884.41         | 44%              |
| Direct Truck                  | \$38,159.49         | 17%              |
| Direct Equipment              | \$695.94            | 0%               |
| Container Delivery & Cleaning | \$24,950.24         | 11%              |
| Shop                          | \$3,225.17          | 1%               |
| Administrative                | \$1,952.03          | 1%               |
| Capital                       | \$51,464.65         | 23%              |
| Profit                        | \$6,609.96          | 3%               |
| <b>Total</b>                  | <b>\$226,941.89</b> | <b>100%</b>      |

SOURCE: NRWS Cost Proposal

Based on EcoNomics' analysis, the route capacity of 100 restaurants per day serviced up to 5 days per week is sufficient to service all 250 restaurants in the City that are expected to participate in the food scrap program when fully implemented. EcoNomics found that the average restaurant requires two 65-gallon food scrap carts serviced 2 days per week. Using this average, NRWS will need to make 500 stops per week, which is what it has proposed. NRWS' proposed route capacity of 500 stops per week might be insufficient if additional restaurants open in the City or restaurants contribute more food scraps to the program than expected. NRWS' detailed cost proposal is included as Exhibit 8: NRWS Cost Proposal for Expanded Food Scrap Collection Service. Table 2.2 below shows the impact of the increased collection payments to NRWS for rate year 2015 and 2016.

**Table 2.2. Impact of Increased Collection Payments to NRWS for Rate Years 2015 and 2016**

|                                                 | RY 2015       | RY 2016       |
|-------------------------------------------------|---------------|---------------|
| Impact of Increased Collection Payments to NRWS | -\$189,118.24 | -\$232,615.44 |

### Section 3. Impact of Increased Food Scrap Processing Costs and Decreased Landfill Disposal Costs

To calculate the expected tonnage of food scraps collected from a full-scale food scrap diversion program, EcoNomics analyzed the average monthly weight contribution for each restaurant participating in the pilot program. Initially, EcoNomics analyzed NRWS' monthly food scrap collection productivity reports from August 2011 to October 2014. The NRWS productivity reports included monthly data collected from the pilot program, including average number of stops on the route, the number of carts serviced per month (known as 'lifts'), the monthly tons collected, etc. By dividing the total number of tons collected per month by the total number of lifts reported by NRWS, EcoNomics calculated the average weight of a cart at the time of service. Using the NRWS reports, the average weight per cart at time of service was approximately 135 lbs. per lift.

This weight per lift of 135 lbs. conflicted with data gathered by EcoNomics in its work with several other cities to implement food scrap diversion programs. For example, the City of Rancho Mirage has had a food scrap program in place for over 6 years and the average cart weight per service is 268 lbs. EcoNomics also conducted a field weight audit for the City of Laguna Hills in 2009 and actually weighed a 65-gallon cart full of post-consumer food scraps. The cart weighed approximately 330 lbs. when full. Comparatively, the cart weights calculated using the NRWS food scrap productivity reports appeared to be light. The reasoning for the lighter-than-expected food scrap carts may be that the service is offered at no charge to restaurants, therefore the restaurants have no incentive to fully utilize their cart inventory if there is no marginal cost to having additional, unused carts. The City would charge a rate for food scrap collection service when the full-scale food scrap program is initiated in April 2015, therefore the cart weight projections should be adjusted to reflect optimal capacity utilization by the participating restaurant. In other words, when the restaurant has to pay for each food scrap cart, it will be more likely to use only the carts that are needed and remove unused carts. Both Laguna Hills and Rancho Mirage charge a rate for food scrap collection and have higher cart weights than Napa's pilot program.

To field check the data, EcoNomics conducted two "ride-alongs" with the NRWS food scrap collection route driver in May and June of 2014 to assess the fullness of the food scrap carts at the time of collection and the number of carts collected per account. The ride along found that the average fullness of the carts serviced was 37%. Using 37% fullness, EcoNomics extrapolated that the average weight per full cart would be closer to 260 lbs., which is in-line with the cart weights observed in other cities. To further confirm the weight of a full cart, EcoNomics coordinated with the City to conduct field cart weight audits. The results of the cart weight audits found that the average weight of a full cart ranged between 215 lbs. for primarily pre-consumer food scrap materials (i.e. produce trimmings) and 250 lbs. for primarily post-consumer food scrap materials (i.e. plate scrapings), averaging out to 235 lbs. per full cart.

EcoNomics used data from its field observations conducted in May and June of 2014 to determine the average food scrap generation rate for participating restaurants was four full carts per week. Using the average cart weight of 235 lbs., the expected tonnage contribution per restaurant was calculated to be approximately 2 tons of food scraps per month. Per the City's direction, EcoNomics' participation projections assumed that 10 new restaurants per month would initiate participation in the food scrap diversion program beginning April 1, 2015. Using these projections, EcoNomics developed the quarterly food scrap diversion collection tonnage assumptions shown in Table 3.1 below:

**Table 3.1: Quarterly Restaurant Participation and Food Scrap Generation Projections**

| Rate Year      | Quarter | Number of Participating Restaurants | Expected Tons of Food Scraps per Quarter |
|----------------|---------|-------------------------------------|------------------------------------------|
| Rate Year 2015 | Q2 2015 | 30                                  | 60                                       |
|                | Q3 2015 | 60                                  | 121                                      |
|                | Q4 2015 | 90                                  | 181                                      |
| Rate Year 2016 | Q1 2016 | 120                                 | 242                                      |
|                | Q2 2016 | 150                                 | 302                                      |
|                | Q3 2016 | 180                                 | 362                                      |
|                | Q4 2016 | 200                                 | 403                                      |

To assess the impact of processing the additional tonnage collected from the restaurants, EcoNomics multiplied the tons of organics collected by the following processing costs:

1. Yardwaste processing cost of \$22.48 per ton in 2015 and \$22.98 in 2016.
2. Aerated Static Pile (ASP) processing cost premium of \$6.09 until July 2015 and \$3.05 until Feb 2016 when it increases to \$3.11.

Using the cost per ton assumptions above, Economics projected the following negative revenue impacts during rate year 2015 and rate year 2016 due to increased processing costs for the expanded organics program:

**Table 3.2: Fiscal Impact of Increased Food Scrap Processing Costs for Expanded Program**

|                                                   | RY 2015             | RY 2016             |
|---------------------------------------------------|---------------------|---------------------|
| Baseline Yard Waste Processing Costs for Organics | -\$20,371.68        | -\$85,592.76        |
| Aerated Static Pile Premium Processing Cost       | -\$3,127.36         | -\$11,579.09        |
| <b>Total Increased Processing Costs</b>           | <b>-\$23,499.04</b> | <b>-\$97,171.85</b> |

However, the increased cost of processing the additional food scraps is offset by the avoided cost of disposing of the food scraps at the Devlin Road Transfer Station (DRTS). The cost of disposal at DRTS is \$64 per ton. This cost will escalate by \$1 per ton effective October 1, 2015 and by an additional \$1 per ton effective October 1, 2016. The avoided transfer station and disposal cost of the expanded food scrap diversion program is included below for Rate Year 2015 and 2016:

**Table 3.3: Avoided Disposal Cost Impacts of Expanded Food Scrap Diversion Program**

|                                                       | RY 2015       | RY 2016      |
|-------------------------------------------------------|---------------|--------------|
| Avoided Disposal Costs of Expanded Food Waste Program | \$52,623.5292 | \$218,974.77 |

When the costs of increased processing shown in Table 3.2 and the avoided disposal costs shown in Table 3.3 are combined, the net rate impacts can be seen in Table 3.4.

**Table 3.4: Net Impact of Increased Processing Costs and Avoided Disposal Costs of Expanded Food Scrap Diversion Program**

|                                                          | <b>RY 2015</b>     | <b>RY 2016</b>      |
|----------------------------------------------------------|--------------------|---------------------|
| Increased Processing Cost of Expanded Food Scrap Program | -\$23,499.04       | -\$97,171.85        |
| Avoided Disposal Costs of Expanded Food Waste Program    | \$52,623.53        | \$218,974.77        |
| <b>Net Benefit to City Rate Fund</b>                     | <b>\$29,124.49</b> | <b>\$121,802.92</b> |

#### **Section 4. Impact of Increased Material Sales Revenue**

A result of the expanded food scrap collection program is that more tons of organics will be processed through the City's composting facility. The City projects that it will sell finished compost to customers for \$10 per cubic yard beginning in 2015. By increasing the tonnage of organics processed, the City will also increase its revenue from the sale of compost. The impact of the increase in revenue from the sale of composting was calculated using the following assumptions:

1. Price per cubic yard of finished compost: \$10
2. Contamination rate of food scraps (i.e. the percent of the food scraps collected that could not be composted): 30%
3. Volume reduction of composting process (i.e. the amount of water that evaporates during the decomposition process): 50%

The assumptions above are conservative so as not to overstate the additional revenue projected from the sale of finished compost. Table 4.1 below shows the projected increase in revenue from the sale of finished compost if the food scrap program were expanded to 200 additional restaurants.

**Table 4.1: Projected Increase in Revenue from the Sale of Finished Compost**

|                                                      | <b>RY 2015</b> | <b>RY 2016</b> |
|------------------------------------------------------|----------------|----------------|
| Additional Revenue from the sale of finished compost | \$6,313.14     | \$25,954.02    |

## Section 5. Net Impact on Rates

The total expected impact on the City's enterprise fund of the expanded food scrap collection program can be seen in Table 5.1 below. It shows the projected net impact of the expanded program to cost the City rate fund \$270,030.50 in rate year 2015 and \$373,628.98 in rate year 2016. This increase would require a rate increase of approximately 1.6% for 2015 and 2.2% in 2016 to cover the projected shortfall.

**Table 5.1. Net Projected Impact on The City's Rate Fund of the Expanded Food Scrap Collection Program**

|                                                                                                         | <b>RY 2015</b>       | <b>RY 2016</b>       |
|---------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| 1. Impact of increased food scrap program collection rate revenue and decreased garbage service revenue | -\$116,349.87        | -\$288,770.48        |
| 2. Impact of increased collection payment to NRWS                                                       | -\$189,118.24        | -\$232,615.44        |
| 3. Impact of increased food scrap processing costs and decreased landfill disposal costs                | \$29,124.49          | \$121,802.92         |
| 4. Impact of increased material sales revenue                                                           | \$6,313.14           | \$25,954.02          |
| <b>Total</b>                                                                                            | <b>-\$270,030.50</b> | <b>-\$373,628.98</b> |

NOTE: Please refer to Exhibit 1: Rate Year 2015 and 2016 Net Revenue Impact Analysis for additional information about how the net impact analysis was calculated for rate years 2015 and 2016.

### List of Exhibits

- Exhibit 1: Rate Year 2015 and 2016 Net Revenue Impact Analysis
- Exhibit 2: Rate Year 2015 Revenue Impacts of Expanded Food Scrap Diversion Program
- Exhibit 3: Rate Year 2016 Revenue Impacts of Expanded Food Scrap Diversion Program
- Exhibit 4: Service and Inventory List of Non-Participating Accounts
- Exhibit 5: Average Impact Analysis of 5% MSW Commercial Cart Rate Increase on Non-Participating Restaurants
- Exhibit 6: Service and Inventory List of Currently Participating Accounts
- Exhibit 7: Average Impact Analysis of 5% MSW Commercial Cart Rate Increase on Participating Restaurants
- Exhibit 8: NRWS Cost Proposal for Expanded Food Scrap Collection Service
- Exhibit 9: Impact of Right-sizing Carts
- Exhibit 10: Food Scrap Compactor Analysis
- Exhibit 11: Special Event Analysis
- Exhibit 12: Levelized Commercial MSW Cart Rate Impact







## **City of Laguna Hills City Council Meeting Agenda Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: MELISSA AU-YEUNG  
ASSISTANT TO THE CITY MANAGER**

**ISSUE: APPROVAL OF RESOLUTIONS RELATED TO THE NOVEMBER 8, 2016,  
GENERAL MUNICIPAL ELECTION**

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**RECOMMENDATION: THAT THE CITY COUNCIL ADOPT THE FOLLOWING  
RESOLUTIONS ENTITLED:**

**(1) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES;" AND**

**(2) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE;" AND**

**(3) "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016."**

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### **SUMMARY:**

Pursuant to Laguna Hills Municipal Code Section 1-24.010, the City's General Municipal Elections are held in November of even-numbered years, concurrent with the Statewide General Elections. The next General Municipal Election in the City of Laguna Hills will be held on November 8, 2016. Two City Council seats will be available at that time, each serving a full term of four years. In order to move forward with the election, the City Council must adopt the proposed Resolutions calling for the election and requesting consolidation through the Registrar of Voters of the County of Orange. The approved

Resolutions must be filed with both the Orange County Board of Supervisors and the Registrar of Voters.

The nomination period for the two City Council seats is July 18, 2016, to August 12, 2016. Pursuant to Section 10225 of the Elections Code, if an incumbent for the office of City Council Member does not file his or her declaration of candidacy by August 12, 2016, there is a five-day extension allowed for any person other than the incumbent to file a declaration of candidacy for such office. If the nomination period for the office of Council Member is extended, the filing period will end August 17, 2016.

Resolution No. 94-07-12-1 provides for a special runoff election for elective offices in the event of a tie vote. That Resolution is in effect until repealed by the City Council. With two seats open for this election if there is a tie vote for the second seat a special runoff election will be held.

The City Council must also adopt the proposed Resolution pertaining to regulations for Candidate Statements. Since its incorporation, the City of Laguna Hills has, as a matter of course for each election, adopted a Resolution limiting Candidate Statements to a maximum of 200 words. It should be noted that the California Election Code Section 13307 does allow the City Council to increase the limitations on words for the Candidate Statements from 200 to 400. Historically, the City Council has not authorized the word increase in order to keep the cost down for the candidates. The Candidates' Statements are included in the Sample Ballot prepared and distributed by the Orange County Registrar of Voters. It is optional for each candidate to submit a Candidate's Statement; however, it is recommended that any candidate who chooses to submit a Candidate Statement pay for the costs of translating, printing, and mailing of the statement. Upon submission of nomination papers candidates would be required to submit a deposit to the City for this purpose. An estimate is calculated by the County based on the number of registered voters, page formatting and the number of pages in the sample ballot, and will be provided to the candidate during the nomination process. The candidate is refunded any overage or billed for any additional costs within 30 days of the actual accounting of said costs by the Orange County Registrar of Voters.

Staff recommends that the City Council adopt the three Resolutions pertaining to the upcoming General Municipal Election to be held on November 8, 2016.

**FISCAL IMPACT:**

The City has budgeted \$25,000 for the 2016 General Municipal Election.

**ATTACHMENTS:**

- Resolution Calling the Election
- Resolution Requesting Consolidation
- Resolution Adopting Regulations for Candidates Pertaining to Candidate Statements

RESOLUTION NO. 2016-06-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE OF CALIFORNIA RELATING TO GENERAL LAW CITIES

WHEREAS, under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election shall be held on Tuesday, November 8, 2016, for the election of Municipal Officers.

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

SECTION 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Laguna Hills, California, on Tuesday, November 8, 2016, a General Municipal Election for the purpose of electing two Members of the City Council for the full term of four years.

SECTION 2. That the ballots to be used at the election shall be in form and content as required by law.

SECTION 3. That the City Clerk is authorized, instructed, and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. That the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code Section 10242, except as provided in Section 14401 of the Elections Code of the State of California.

SECTION 5. That in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed, and directed to give further or additional notice of the election, in time, form, and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 8. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

PASSED, APPROVED, AND ADOPTED this 14th day of June 2016.

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BARBARA D. KOGERMAN, MAYOR

ATTEST:

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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. 2016-06-14-X adopted by the City Council of the City of Laguna Hills, California, at  
a Regular Meeting thereof held on the 14<sup>th</sup> day of June 2016, by the following vote:

AYES:

NOES

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK

RESOLUTION NO. 2016-06-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, WITH THE STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT TO SECTION 10403 OF THE ELECTIONS CODE

WHEREAS, the City Council of the City of Laguna Hills called a General Municipal Election to be held on November 8, 2016, for the purpose of the election of two Members of the City Council; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City the precincts, polling places, and election officers of the two elections be the same, and that the Registrar of Voters of the County of Orange canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election.

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

SECTION 1. That pursuant to the requirements of Section 10403 of the Elections Code, the Board of Supervisors of the County of Orange is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 8, 2016, for the purpose of the election of two Members of the City Council.

SECTION 2. That the Registrar of Voters of the County of Orange is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election, and only one form of ballot shall be used. The election will be held and conducted in accordance with the provisions of law regulating the statewide election.

SECTION 3. That the Board of Supervisors is requested to issue instructions to the Registrar of Voters of the County of Orange to take any and all steps necessary for the holding of the consolidated election.

SECTION 4. That the City of Laguna Hills recognizes that additional costs will be incurred by the County of Orange by reason of this consolidation and agrees to reimburse the County for any costs.

SECTION 5. That the City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the Registrar of Voters of the County of Orange.

SECTION 6. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED, AND ADOPTED this 14<sup>th</sup> day of June 2016.

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BARBARA D. KOGERMAN, MAYOR

ATTEST:

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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. 2016-06-14-x adopted by the City Council of the City of Laguna Hills, California, at a Regular Meeting thereof, held on the 14<sup>th</sup> day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK

RESOLUTION NO. 2016-06-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 8, 2016

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

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

SECTION 1. GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at an election to be held in the City of Laguna Hills on November 8, 2016, may prepare a candidate's statement on an appropriate form provided by the City Clerk. The statement may include the name, age, and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. The statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. In addition to these restrictions, pursuant to Section 13308, any candidate statement shall be limited to a recitation of the candidate's own personal background and qualifications, and shall not in any way make reference to other candidates for that office or to another candidate's qualifications, character, or activities. The statement shall be filed in typewritten form in the office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. FOREIGN LANGUAGE POLICY.

A. Pursuant to the Federal Voting Rights Act, candidates' statements will be translated into all languages required by the County of Orange. The County is required to translate candidates' statements into the following languages: Spanish, Chinese, Korean, and Vietnamese.

B. The County will mail separate sample ballots and candidates' statements in Spanish, Chinese, Korean, and Vietnamese to only those voters who are on the County voter file as having requested a sample ballot in a particular language. The County will make the sample ballots and candidates' statements

in the required languages available at all polling places, on the County's website, and in the Election Official's office.

### SECTION 3. PAYMENT.

#### A. Translations.

1. The candidate shall be required to pay for the cost of translating the candidate's statement into any required foreign language as specified in (A) and/or (B) of Section 2 above pursuant to Federal and/or State law.
2. The candidate shall be required to pay for the cost of translating the candidate's statement into any foreign language that is not required as specified in (A) and/or (B) of Section 2 above, pursuant to Federal and/or State law, but is requested as an option by the candidate.

#### B. Printing.

1. The candidate shall be required to pay for the cost of printing the candidate's statement in English in the main voter pamphlet.
2. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language required in (A) of Section 2 above, in the main voter pamphlet.
3. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language requested by the candidate per (B) of Section 2 above, in the main voter pamphlet.
4. The candidate shall be required to pay for the cost of printing the candidate's statement in a foreign language required by (A) of Section 2 above, in the facsimile voter pamphlet.

The City Clerk shall estimate the total cost of printing, handling, translating, and mailing the candidate's statements filed pursuant to this section, including costs incurred as a result of complying with the Voting Rights Act of 1965 (as amended), and require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the City Clerk is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the City Clerk may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the City Clerk shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.



SECTION 4. MISCELLANEOUS

- A. All translations shall be provided by professionally-certified translators.
- B. The City Clerk shall allow capitalization and indentations to the same extent and manner as allowed in previous City elections.
- C. The City Clerk shall comply with all recommendations and standards set forth by the California Secretary of State regarding occupational designations and other matters relating to elections.

SECTION 5. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

SECTION 6. The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

SECTION 7. All previous Resolutions establishing City Council policy on payment for candidate's statements are repealed.

SECTION 8. This Resolution shall apply only to the election to be held on November 8, 2016, and shall then be repealed.

SECTION 9. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED, AND ADOPTED this 14<sup>th</sup> day of June 2016.

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BARBARA D. KOGERMAN, MAYOR

ATTEST:

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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. 2016-06-14-X adopted by the City Council of the City of Laguna Hills,  
California, at a Regular Meeting thereof held on the 14<sup>th</sup> day of June 2016, by the  
following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK



# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: BRUCE E. CHANNING**  
**CITY MANAGER**

**ISSUE: RESOLUTION AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION**

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**RECOMMENDATION: THAT THE CITY COUNCIL ADOPT A RESOLUTION ENTITLED: "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AUTHORIZING COMMUNITY ASSISTANCE FUNDING FOR THE ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION."**

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#### **SUMMARY:**

At the May 10, 2016, City Council Meeting, Mayor Pro Tempore Don Sedgwick requested City Council to consider providing community assistance funding to the Orange County Task Force ("Task Force") on Drowning Prevention in the amount of \$5,000. These funds will assist in the development of a drowning prevention education campaign throughout Laguna Hills and the surrounding Orange County cities. The drowning prevention education campaign will serve to heighten public awareness pertaining to local drowning incidents and fatalities, and drowning prevention. The City Council unanimously approved the request and directed staff to prepare an authorizing Resolution for one-time community assistance funding to the Task Force.

Staff recommends that the City Council approve the proposed Resolution making the appropriate public benefit findings.

#### **FISCAL IMPACT:**

The requested amount of \$5,000 will be allocated from the General Fund.

#### **ATTACHMENTS:**

- Resolution
- Request for Funding Support



RESOLUTION NO. 2016-06-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
LAGUNA HILLS, CALIFORNIA, AUTHORIZING  
COMMUNITY ASSISTANCE FUNDING FOR THE ORANGE  
COUNTY TASK FORCE ON DROWNING PREVENTION

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

WHEREAS, at the discretion of the City Council, the City may provide community assistance funding to certain community groups and nonprofit organizations that provide community service, support, and/or programming efforts intended to enhance the quality of life of the City's residents, provided the City Council finds and determines that the expenditure of such community assistance funding fulfills a public purpose and provides a direct public benefit within the City of Laguna Hills; and,

WHEREAS, at the May 10, 2016, City Council meeting, the City Council directed staff to prepare an authorizing resolution for community assistance funding for the Orange County Task Force on Drowning Prevention in the amount of \$5,000 to assist in drowning prevention education within the City of Laguna Hills; and,

WHEREAS, through the adoption of the Resolution, a majority of the City Council desires to make public purpose findings in order to authorize the expenditure of community assistance funding to the Orange County Task Force on Drowning Prevention.

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 and are incorporated herein by reference.

SECTION 2. The City Council hereby authorizes and directs that the City provide community assistance funding in the amount of \$5,000 to the Orange County Task Force on Drowning Prevention.

SECTION 3. The City Council hereby finds and determines that the expenditure of community assistance funding in the Fiscal Year 2015/16 Operating Budget to the Orange County Task Force on Drowning Prevention as authorized herein fulfills a public purpose and provides a direct public benefit to the residents of the City of Laguna Hills and surrounding community.

PASSED, APPROVED, AND ADOPTED this 14<sup>th</sup> day of June 2016.

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BARBARA D. KOGERMAN, MAYOR

ATTEST:

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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.  
2016-06-14-X adopted by the City Council of the City of Laguna Hills, California, at a  
Regular Meeting thereof held on the 14<sup>th</sup> day of June 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

---

MELISSA AU-YEUNG, CITY CLERK



## **ORANGE COUNTY TASK FORCE ON DROWNING PREVENTION**

### **2016 Drowning Prevention Campaign**

#### **Request for Funding Support**

*Help us prevent future tragedies*

#### **We Need Your Help**

The County of Orange, through its Health Care Agency (HCA), is committing up to \$250,000 in matching funds from current budgeted resources to leverage community contributions to support a collaborative drowning prevention media campaign developed in partnership with the Orange County Task Force on Drowning Prevention. The Orange County Fire Authority (OCFA), Orange County Sheriff's Department, and City of Irvine has each committed \$25,000 to this important cause. HCA will utilize all funds to directly purchase campaign development services, media placements, printing, collateral materials, and other related services and products.

#### **The Need**

Drowning is the leading cause of death for children ages one-to-four and among the five leading causes of death for those under the age of 18 in Orange County. According to the OCFA there were 118 incidents of drowning reported in calendar year 2015, of which 50 resulted in death. These incidents happen across the age spectrum with nonfatal incidents more common among children and fatal incidents more common among adults, particularly older adults. Fatal and nonfatal incidents are tragic for all involved.

#### **The Campaign**

The Task Force is launching a new countywide media campaign in spring 2016. Based on local data, the campaign will have two targets: parents and caregivers of children ages four and under and adults 50 years and older. The purpose of this initial campaign is awareness building with a focus on swimming pool/spa safety where more than 60% of the incidents in 2015 took place. The primary message will focus on not swimming alone, which includes ensuring proper supervision of young children. This messaging is based on recommendations from the American Red Cross and the American Academy of Pediatrics.

To make a contribution please contact the OC Task Force on Drowning Prevention Secretary, Alexa Pratt at [alexapratt@ocfa.org](mailto:alexapratt@ocfa.org) or (714) 573-6258.





3.10 THIRD QUARTER FINANCIAL AND TREASURER'S REPORT FOR FISCAL YEAR 2015/16

Mayor Kogerman removed Item No. 3.10 from the Consent Calendar in order to receive a brief report.

Finance Manager Reyes briefly reviewed the information provided in the Staff Report.

**THE CITY COUNCIL RECEIVED AND FILED THE REPORT, BY M/MAYOR KOGERMAN, S/COUNCIL MEMBER GILBERT.  
APPROVED BY A VOTE OF 5-0.**

**4. PLANNING AGENCY**

Mayor Kogerman recessed the City Council meeting and acting in capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California, to order at 7:50 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Sedgwick, Agency Member Blount, Agency Member Carruth, Agency Member Gilbert

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR APRIL 12, 2016

**THE PLANNING AGENCY APPROVED THE MINUTES OF THE APRIL 12, 2016, REGULAR MEETING, BY M/CHAIR KOGERMAN, S/AGENCY MEMBER CARRUTH.**

**APPROVED BY A VOTE OF 4-0 WITH AGENCY MEMBER BLOUNT ABSTAINING.**

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT (CUP) NO. 9-15-3309, A REQUEST BY BOB BEHAVAN TO ESTABLISH AND OPERATE A VEHICLE BODY REPAIR AND PAINT BUSINESS AT 23251 VISTA GRANDE DRIVE (APN 588-064-18), SUITE A, IN THE MIXED USE (MXU) ZONE

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Bob Behravan, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY RESUMED THE PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-1, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 9-15-3309, A REQUEST BY BOB BEHRAVAN TO ESTABLISH AND OPERATE A VEHICLE BODY REPAIR AND PAINT BUSINESS AT 23251 VISTA GRANDE DRIVE (APN 588-064-18), SUITE A, IN THE MIXED USE (MXU) ZONE, BY M/VICE CHAIR SEDGWICK, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 5-0.**

**4.5.2 CONDITIONAL USE PERMIT (CUP) NO. 2-16-3444, A REQUEST BY FUTURES IN EDUCATION, INC. TO ESTABLISH AND OPERATE HALSTROM ACADEMY, AN ALTERNATIVE SCHOOL FOR GRADES 6-12, AT 25201 PASEO DE ALICIA, SUITE 250, (APN 620-221-42), IN THE NEIGHBORHOOD MIXED USE (NMU) ZONE**

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Ramon Dourado, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-2, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 2-16-3444, A REQUEST BY FUTURES IN EDUCATION, INC. TO ESTABLISH AND OPERATE HALSTROM ACADEMY, AN ALTERNATIVE SCHOOL FOR GRADES 6-12, AT 25201 PASEO DE ALICIA, SUITE 250, (APN 620-221-42), IN THE NEIGHBORHOOD MIXED USE (NMU) ZONE, M/AGENCY MEMBER BLOUNT, S/AGENCY MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.**

**4.5.3 CONDITIONAL USE PERMIT (CUP) NO. 3-16-3469, A REQUEST BY MEHDI MOTADI TO ESTABLISH AND OPERATE GOLDEN TOUCH, A VEHICLE BODY REPAIR AND PAINT BUSINESS, AT 22912 EL PACIFICO DRIVE (APN 588-061-16) IN THE MIXED USE (MXU) ZONE**

Katie Crockett, Assistant Planner, reviewed the project, provided a PowerPoint presentation, and responded to City Council questions.

Chair Kogerman opened the Public Hearing.

Nina Motadi, Applicant, spoke in favor of the project.

Chair Kogerman closed the Public Hearing.

**THE PLANNING AGENCY CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. PA2016-05-10-3, A RESOLUTION OF THE PLANNING AGENCY OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT (CUP) NO. 3-16-3469, A REQUEST BY MEHDI MOTADI TO ESTABLISH AND OPERATE GOLDEN TOUCH, A VEHICLE BODY REPAIR AND PAINT BUSINESS, AT 22912 EL PACIFICO DRIVE (APN 588-061-16) IN THE MIXED USE (MXU) ZONE, BY M/AGENCY MEMBER GILBERT, S/AGENCY MEMBER BLOUNT. APPROVED BY A VOTE OF 5-0.**

**PLANNING AGENCY ADJOURNMENT**

Mayor Kogerman reconvened the City Council meeting at 8:22 p.m. All Council Members were present.

**5. CITY COUNCIL PUBLIC HEARINGS**

**5.1 PUBLIC HEARING ON 2016 WEED, RUBBISH, AND REFUSE ABATEMENT**

Public Services Director Rosenfield reviewed the information provided in the Staff Report.

Mayor Kogerman opened the Public Hearing and, upon seeing no one rise, closed the Public Hearing.

**THE CITY COUNCIL CONDUCTED A PUBLIC HEARING AND ADOPTED RESOLUTION NO. 2016-05-10-1, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ISSUING AN ABATEMENT ORDER AND AUTHORIZING THE DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER TO COMMENCE ENFORCING WEED, RUBBISH, AND REFUSE ABATEMENT AGAINST SPECIFIED PARCELS OF LAND, BY M/COUNCIL MEMBER GILBERT, S/COUNCIL MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.**





# **City of Laguna Hills**

## **City Council Meeting Agenda**

### **Staff Report**

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**DATE: JUNE 14, 2016**

**TO: MAYOR AND COUNCIL MEMBERS**

**FROM: DONALD J. WHITE**  
**ASSISTANT CITY MANAGER**

**ISSUE: APPROVAL OF FISCAL YEAR 2016/2017 LAW ENFORCEMENT SERVICES AGREEMENT**

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**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE FISCAL YEAR 2016/2017 LAW ENFORCEMENT SERVICES AGREEMENT BETWEEN THE COUNTY OF ORANGE AND THE CITY OF LAGUNA HILLS AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT.**

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#### **SUMMARY:**

The City of Laguna Hills has provided police services for general law and traffic enforcement under an Agreement with the Orange County Sheriff's Department since 1992. Renewing the Agreement will provide the City with a police services complement of 33.10 full-time equivalent (FTE) employees, including shared staffing with Laguna Woods and Aliso Viejo. Major fiscal changes to the Agreement include the following: (1) a \$202,503 increase in salaries and benefits; (2) a \$307,407 increase in overtime due to a change in methodology; and (3) a \$94,709 decrease in revenues due to a buildup of revenues from prior years that were credited to the City in 2015/2016. The total contract cost is \$7,488,051, which is a 6.51% increase over the final, adjusted 2015/2016 contract. Staff is recommending approval.

#### **BACKGROUND:**

Attached to this report is the Third and Final Estimate Detail for the 2016/2017 law enforcement contract. The total contract amount is \$7,488,051 which represents a \$457,518 increase over the final adjusted 2015/2016 contract, or 6.51%. The 2015/2016 contract was recently adjusted pursuant to the contract by \$101,542 to reflect updated salary and benefit changes negotiated between various labor groups and the County. Staff has analyzed the contract detail and identified the primary four areas that have contributed to this increase.

### Salaries and Benefits

Salaries will increase by 2.32% and benefits will increase by 6.37%. Together, this represents a \$202,503 increase over 2015/2016. This is directly related to recently approved labor negotiations.

### New Overtime Costing Model

Overtime will increase by \$307,407. In prior law enforcement contracts, overtime amounts were based on actual overtime usage from the previous calendar year. If there were any outstanding vacancy credits, these credits would be applied to cover overtime usage. As a result, the overtime cost figure in prior contracts was a net number (decreased by an estimated vacancy credit) and; therefore, didn't reflect true overtime costs. Beginning with the 2016/2017 contract, overtime amounts will be based on a historic three-year average of actual usage. The amount, \$603,833, is an estimate and will be monitored monthly and reconciled based on actual overtime usage at the end of the fiscal year. Any overage will be billed to the City and any underutilization will be credited back to the City. Monthly reports will be provided to the City and will include budgeted amounts (hours and dollars) versus actual amounts so staff can track overtime usage in relation to the budget.

### Vacancy Credits

Also, beginning in 2016/2017, vacancy credits will be monitored monthly and reported to the City and include the budgeted estimated vacancy credit and actual amounts reported so that staff can track vacancy credits. In prior years, there were no estimated vacancy credits in the contract budget; they were used to off-set overtime costs. The 2016/2017 contract includes an estimated vacancy credit of \$126,827. This is a conservative estimate based on a three-year historic average multiplied by 25%.

### Revenue

For 2016/2017, revenue is estimated at 16,983 compared to \$111,692 in 2015/2016.

|                               | <b>2015-16</b> | <b>2016-17</b> |
|-------------------------------|----------------|----------------|
| BSCC Local Assistance Funding | \$ 36,308      | \$ 2,265       |
| False Alarms                  | \$ 16,830      | \$ 10,200      |
| Training Reimbursement        | \$ 58,554      | \$ 4,518       |
| Total Revenue                 | \$ 111,692     | \$ 16,983      |

The revenue for Board of State Community Corrections (BSCC) Local Assistance Funding for 2016/2017 represents amounts received during this current fiscal year, 2015/2016.

The amounts in 2015/2016 represent amounts received for three fiscal years (2012/2013 through 2014/2015). False Alarm revenue is based on actual cash receipts from prior year activity. The revenue for training reimbursements are based on actual revenue received from the Peace Officer Standards and Training (POST) Commission. The 2015/2016 contract includes three years (2012, 2013, and 2014) of one-time revenue reimbursements for overtime backfill as authorized by POST. POST has eliminated the reimbursement for overtime backfill effective January 2015.

**FISCAL IMPACT:**

The 2015/2016 budget for police services is \$6,911,770 and the year-end estimated actual is \$6,550,000. This \$361,770 positive variance is directly related to vacancy and overtime credits of \$480,953. The 2016/2017 budget allocates \$7,199,990 for police services. This is \$288,061 below the final contract amount of \$7,488,051. To cover this shortfall, the City Manager will use his budgetary authority to carryover \$288,061 from unexpended appropriations for police services in the current fiscal year.

**ATTACHMENTS:**

- Third Estimate Contract Detail
- Law Enforcement Services Agreement





## CITY OF LAGUNA HILLS

FISCAL YEAR 2016-17

FINAL

(May 10, 2016)

Remove: Services-Ins/ Services-Outs (AV/LH/LW)

Share: Four (4) Sergeants with AV, LW ( 1/3 AV, 1/3 LH, 1/3 LW)

Add: \*FY 2016-17 Vacancy Credits (estimate)

OT Basis = 3 Year Average

| DIRECT PURCHASE POSITIONS |                                      | SALARIES & EMPLOYEE BENEFITS |             |          |             |           | INDIRECT COSTS      |         |           |           |          |           |       |         |             |
|---------------------------|--------------------------------------|------------------------------|-------------|----------|-------------|-----------|---------------------|---------|-----------|-----------|----------|-----------|-------|---------|-------------|
| NO                        |                                      | SALARY                       | RELIEF TIME | OVERTIME | BENEFITS    | POST PAY  | SERVICES & SUPPLIES | TRANSP. | DEPT. OH  | DIV. OH   | TRAINING | COUNTY OH | OTHER | REVENUE | TOTAL       |
| 1                         | Lieutenant                           | 156,537                      | 0           | 0        | 139,807     | 0         | 5,290               | 0       | 5,740     | 21,457    | 2,555    | 3,569     | 0     | 0       | 334,955     |
| 1                         | Administrative Sergeant              | 123,484                      | 0           | 0        | 117,585     | 11,446    | 5,290               | 0       | 5,740     | 23,976    | 2,555    | 3,076     | 0     | 0       | 283,152     |
| 1.33                      | Patrol Sergeant                      | 164,234                      | 0           | 0        | 156,388     | 15,223    | 7,036               | 0       | 7,634     | 31,888    | 3,398    | 4,091     | 0     | 0       | 389,992     |
| 2                         | Investigator                         | 217,320                      | 0           | 0        | 209,588     | 18,496    | 10,580              | 0       | 11,480    | 97,912    | 5,110    | 5,376     | 0     | 0       | 575,962     |
| 14                        | DS II Patrol                         | 1,393,764                    | 0           | 0        | 1,347,164   | 94,920    | 74,060              | 0       | 80,360    | 335,664   | 35,770   | 33,936    | 0     | 0       | 3,395,962   |
| 2                         | DS II Motorcycle                     | 205,112                      | 0           | 0        | 196,754     | 13,560    | 10,580              | 0       | 11,480    | 47,952    | 5,110    | 4,986     | 0     | 0       | 495,634     |
| 1                         | DS II - School Resource Officer      | 99,556                       | 0           | 0        | 96,226      | 6,780     | 5,290               | 0       | 5,740     | 23,976    | 2,555    | 2,424     | 0     | 0       | 242,547     |
| 22.33                     | Subtotal Safety                      | \$2,390,027                  | \$0         | \$0      | \$2,263,512 | \$160,425 | \$118,126           | \$0     | \$128,174 | \$382,825 | \$37,953 | \$57,456  | \$0   | \$0     | \$5,127,000 |
| 2                         | Community Services Officer           | 103,524                      | 0           | 0        | 64,848      | 0         | 10,580              | 0       | 11,480    | 47,952    | 0        | 2,360     | 0     | 0       | 240,744     |
| 1                         | Crime Prevention Specialist          | 53,035                       | 0           | 0        | 30,708      | 0         | 5,290               | 0       | 5,740     | 1,668     | 0        | 1,209     | 0     | 0       | 97,650      |
| 3                         | Subtotal Professional                | \$156,559                    | \$0         | \$0      | \$85,556    | \$0       | \$15,870            | \$0     | \$17,220  | \$49,620  | \$0      | \$3,569   | \$0   | \$0     | \$338,394   |
| 25.33                     | TOTAL STAFF                          |                              |             |          |             |           |                     |         |           |           |          |           |       |         | \$6,095,994 |
| REGIONAL / SHARED STAFF   |                                      |                              |             |          |             |           |                     |         |           |           |          |           |       |         |             |
| 0.6                       | Traffic - Sergeant                   | 4,773                        | 0           | 619      | 4,396       | 430       | 199                 | 289     | 216       | 462       | 96       | 133       | 0     | 0       | 11,613      |
| 4                         | Traffic - Deputy Sheriff II          | 25,670                       | 0           | 1,369    | 23,548      | 1,699     | 1,326               | 958     | 1,438     | 3,080     | 640      | 655       | 0     | 0       | 60,983      |
| 2                         | Traffic - Investigative Assistant    | 7,557                        | 0           | 53       | 4,915       | 0         | 663                 | 0       | 719       | 1,206     | 0        | 174       | 0     | 0       | 15,287      |
| 1                         | Traffic - Office Specialist          | 3,023                        | 0           | 175      | 1,682       | 0         | 331                 | 0       | 360       | 606       | 0        | 73        | 0     | 0       | 6,250       |
| 0.3                       | Auto Theft - Sergeant                | 1,767                        | 0           | 229      | 1,627       | 159       | 74                  | 107     | 80        | 158       | 36       | 49        | 0     | 0       | 4,286       |
| 2                         | Auto Theft - Investigator            | 10,187                       | 0           | 580      | 9,449       | 858       | 492                 | 674     | 532       | 1,054     | 237      | 265       | 0     | 0       | 24,328      |
| 1                         | Auto Theft - Investigative Assistant | 2,784                        | 0           | 51       | 1,814       | 0         | 246                 | 0       | 266       | 404       | 0        | 65        | 0     | 0       | 5,630       |
| 1                         | Auto Theft - Office Specialist       | 2,285                        | 0           | 83       | 1,258       | 0         | 246                 | 0       | 266       | 404       | 0        | 54        | 0     | 0       | 4,596       |
| 1                         | DET Sergeant                         | 5,436                        | 0           | 3,522    | 5,191       | 487       | 225                 | 0       | 244       | 1,472     | 109      | 215       | 0     | 0       | 16,901      |
| 1                         | DET Investigator                     | 4,841                        | 0           | 2,184    | 4,321       | 393       | 225                 | 0       | 244       | 1,472     | 109      | 169       | 0     | 0       | 14,158      |
| 1                         | Subpoena - Office Specialist         | 3,350                        | 0           | 98       | 1,871       | 0         | 369                 | 0       | 400       | 116       | 0        | 81        | 0     | 0       | 6,285       |
| 2                         | Courts - Investigative Assistant     | 10,573                       | 0           | 388      | 6,917       | 0         | 917                 | 192     | 995       | 289       | 0        | 250       | 0     | 0       | 20,521      |
| 0.5                       | Motorcycle Sergeant (Shared with MV) | 4,080                        | 0           | 800      | 3,917       | 369       | 171                 | 0       | 185       | 760       | 82       | 120       | 0     | 0       | 10,484      |
| 77.40                     | Subtotal                             | \$56,326                     | \$0         | \$10,151 | \$71,106    | \$4,395   | \$5,484             | \$2,220 | \$5,845   | \$11,483  | \$1,309  | \$2,303   | \$0   | \$0     | \$200,722   |

CITY OF LAGUNA HILLS

FISCAL YEAR 2016-17

**FINAL**

(May 10, 2016)

Remove: Services-Ins/ Services-Outs (AV/LH/LW)

Share: Four (4) Sergeants with AV, LW ( 1/3 AV, 1/3 LH, 1/3 LW)

Add: \*FY 2016-17 Vacancy Credits (estimate)

OT Basis = 3 Year Average

| SALARIES & EMPLOYEE BENEFITS |                                                                  |             |             |           |             |           |                     |           |           |           |            |           |             |             | INDIRECT COSTS |  |  |  |  |
|------------------------------|------------------------------------------------------------------|-------------|-------------|-----------|-------------|-----------|---------------------|-----------|-----------|-----------|------------|-----------|-------------|-------------|----------------|--|--|--|--|
| NO                           | ADDITIONAL COSTS/REVENUE                                         | SALARY      | RELIEF TIME | OVERTIME  | BENEFITS    | POST PAY  | SERVICES & SUPPLIES | TRANSP.   | DEPT. OH  | DIV. OH   | TRAINING   | COUNTY OH | OTHER       | REVENUE     | TOTAL          |  |  |  |  |
| 1                            | Overtime                                                         |             |             | 593,692   | 40,113      |           |                     |           |           |           |            | 13,536    | (126,827)   |             | 647,331        |  |  |  |  |
|                              | Estimate: Vacancy Credit (FY 2016-17)                            |             |             |           |             |           |                     |           |           |           |            |           |             |             | (126,827)      |  |  |  |  |
|                              | CY 2015 Vacancy Credit (one-time)                                |             |             |           |             |           |                     |           |           |           |            |           |             |             | 0              |  |  |  |  |
|                              | Annual Leave (Pay Downs & Termination Pay)                       |             |             |           |             |           |                     |           |           |           |            |           |             |             | 32,583         |  |  |  |  |
|                              | Bilingual Pay                                                    |             |             |           |             |           |                     |           |           |           |            |           | 24,122      |             | 24,122         |  |  |  |  |
|                              | BSCC Local Assistance Funding                                    |             |             |           |             |           |                     |           |           |           |            |           |             | (2,265)     | (2,265)        |  |  |  |  |
|                              | Contract Administration                                          |             |             |           |             |           |                     |           |           |           |            |           | 23,079      |             | 23,079         |  |  |  |  |
|                              | Data Line                                                        |             |             |           |             |           | 2,678               |           |           |           |            |           |             |             | 2,678          |  |  |  |  |
|                              | Direct S & S                                                     |             |             |           |             |           | 12,605              |           |           |           |            |           |             |             | 12,605         |  |  |  |  |
|                              | E-Citation                                                       |             |             |           |             |           |                     |           |           |           |            |           |             | 8,563       | 8,563          |  |  |  |  |
| 8                            | Enhanced Helicopter Response Services                            |             |             |           |             |           |                     | 18,560    |           |           |            |           |             |             | 18,560         |  |  |  |  |
|                              | Facility Lease                                                   |             |             |           |             |           | 35,671              |           |           |           |            |           |             |             | 35,671         |  |  |  |  |
|                              | Holiday Pay: Comp & Straight Time                                |             |             |           |             |           |                     |           |           |           |            |           | 111,442     |             | 111,442        |  |  |  |  |
|                              | Integrated Law & Justice Agency of Orange County                 |             |             |           |             |           |                     |           |           |           |            |           | 2,593       |             | 2,593          |  |  |  |  |
|                              | MDC - Acquisition                                                |             |             |           |             |           |                     |           |           |           |            |           |             |             | 0              |  |  |  |  |
|                              | MDC - Recurring Cost                                             |             |             |           |             |           |                     |           |           |           |            |           | 66,608      |             | 66,608         |  |  |  |  |
|                              | On-Call Pay                                                      |             |             |           |             |           |                     |           |           |           |            |           | 11,326      |             | 11,326         |  |  |  |  |
|                              | Patrol Video System (PVS) - Acquisition                          |             |             |           |             |           |                     |           |           |           |            |           |             | 27,998      | 27,998         |  |  |  |  |
|                              | Patrol Video System (PVS) - Recurring Costs                      |             |             |           |             |           |                     |           |           |           | 135,162    |           |             |             | 135,162        |  |  |  |  |
|                              | Patrol Training Cost Allocation (FTB)                            |             |             |           |             | (82,765)  |                     |           |           |           |            |           |             |             | (82,765)       |  |  |  |  |
| 11.5                         | Retirement Rate Discount, FY 2016-17 (Gross)                     |             |             |           | 9,960       |           |                     |           |           |           |            |           |             |             | 9,960          |  |  |  |  |
|                              | Retirement Rate Discount (Expenses for Interest and Issuance)    |             |             |           |             |           |                     |           |           |           |            |           |             | (10,200)    | (10,200)       |  |  |  |  |
|                              | Revenue/False Alarms                                             |             |             |           |             |           |                     |           |           |           |            |           | (4,518)     |             | (4,518)        |  |  |  |  |
|                              | Revenue/Training Reimbursement                                   |             |             |           |             |           |                     |           |           |           |            |           |             |             | 277,630        |  |  |  |  |
|                              | Transportation - Vehicle Fuel, Mileage Interest and Maint., etc. |             |             |           |             |           |                     | 277,630   |           |           |            |           |             |             | 277,630        |  |  |  |  |
|                              | Subtotal                                                         | \$0         | \$0         | \$593,692 | (\$32,692)  | \$0       | \$50,864            | \$298,190 | \$0       | \$0       | \$135,162  | \$13,536  | \$161,487   | (\$16,983)  | \$1,221,335    |  |  |  |  |
|                              | FY 2016-17 - FINAL CONTRACT TOTAL                                | \$2,602,912 | \$0         | \$603,633 | \$2,367,482 | \$164,820 | \$190,434           | \$298,410 | \$151,339 | \$643,928 | \$193,524  | \$76,866  | \$161,487   | (\$16,983)  | \$7,488,051    |  |  |  |  |
|                              | FY 2015-16 - FINAL ADJUSTED CONTRACT TOTAL                       | \$2,543,891 | (\$22,110)  | \$296,426 | \$2,254,000 | \$169,082 | \$225,023           | \$289,861 | \$156,417 | \$628,351 | \$210,624  | \$73,509  | \$317,153   | (\$111,692) | \$7,030,533    |  |  |  |  |
|                              |                                                                  | 2.32%       | -100.00%    | 103.70%   | 6.37%       | -2.52%    | -15.37%             | 2.95%     | -3.25%    | 2.48%     | -8.12%     | 4.57%     | -42.78%     | -84.79%     | 6.51%          |  |  |  |  |
|                              |                                                                  | \$59,021    | \$22,110    | \$307,407 | \$143,462   | (\$4,262) | (\$34,589)          | \$8,549   | (\$5,078) | \$15,577  | (\$17,100) | \$3,357   | (\$135,666) | \$94,709    | \$457,518      |  |  |  |  |

1                                   **AGREEMENT**  
2                                   **BETWEEN THE**  
3                                   **CITY OF LAGUNA HILLS**  
4                                   **AND THE**  
5                                   **COUNTY OF ORANGE**  
6

7                   **THIS AGREEMENT** is entered into this First day of May 2016, which  
8 date is enumerated for purposes of reference only, by and between the CITY OF  
9 LAGUNA HILLS, hereinafter referred to as "CITY", and the COUNTY OF ORANGE, a  
10 political subdivision of the State of California, hereinafter referred to as "COUNTY".

11                                   **WITNESSETH:**

12                   **WHEREAS**, CITY wishes to contract with COUNTY for law enforcement  
13 services; and

14                   **WHEREAS**, COUNTY is agreeable to the rendering of such services, as  
15 authorized in Government Code Sections 51301 and 55632, on the terms and  
16 conditions hereinafter set forth,

17                   **NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:**

18    //  
19    //  
20    //  
21    //  
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| //                                                    |                                   |
| //                                                    |                                   |
| //                                                    |                                   |

1 **A. TERM:**

2 The term of this Agreement shall commence July 1, 2016 and terminate  
3 June 30, 2017 unless earlier terminated by either party or extended in the  
4 manner set forth herein.

5 **B. OPTIONAL TERMINATION OR EXTENSION:**

- 6 1. COUNTY or CITY may terminate this Agreement, without cause, upon one-  
7 hundred and eighty (180) days written notice to the other party.
- 8 2. If COUNTY and CITY have not entered into a written agreement by  
9 June 30, 2017 for COUNTY to provide to CITY, during all or part of the  
10 period between July 1, 2017 and June 30, 2018, law enforcement services  
11 similar to those specified herein, then SHERIFF, on behalf of COUNTY, and  
12 CITY's Manager, on behalf of CITY, are authorized to execute a written  
13 amendment to this Agreement that provides as follows and does not  
14 materially alter other terms of the Agreement: SHERIFF shall continue to  
15 provide to CITY all or a designated part of the law enforcement services  
16 specified herein, for a specified time period between July 1, 2017 and  
17 August 31, 2017 and CITY shall pay COUNTY the full costs of providing  
18 such services. Such full costs may be greater than those listed herein for  
19 the period July 1, 2016 through June 30, 2017. SHERIFF and CITY  
20 Manager shall file copies of any such amendments to this Agreement with  
21 the Clerk of COUNTY's Board of Supervisors and CITY's Clerk.

22 **C. REGULAR SERVICES BY COUNTY:**

- 23 1. COUNTY, through its Sheriff-Coroner and deputies, officers and employees,  
24 hereinafter referred to as "SHERIFF", shall render to CITY law enforcement  
25 services as hereinafter provided. Such services shall include the  
26 enforcement of lawful State statutes and lawful municipal ordinances of  
27 CITY other than licensing ordinances.

28 //

1 **C. REGULAR SERVICES BY COUNTY: (Continued)**

- 2 2. The night, day and evening patrol and supervisory shifts will be established  
3 by SHERIFF. Personnel of each shift may work varying and different times  
4 and may be deployed to other shifts when, in the opinion of SHERIFF and  
5 CITY Manager, the need arises. Any long-term shift deployment change will  
6 be reported to CITY's Council.
- 7 3. The level of service, other than for licensing, to be provided by the COUNTY  
8 for the period July 1, 2016 through June 30, 2017, is set forth in Attachment  
9 A and incorporated herein by this reference.
- 10 4. For any service listed in Attachment A of this Agreement that is provided to  
11 CITY at less than 100% of a full-time SHERIFF position, COUNTY retains  
12 the option to terminate such service in the event the other city or cities that  
13 contract for the balance of the time of the employee providing the service no  
14 longer pay(s) for such service and CITY does not request the Agreement be  
15 amended to pay 100% of the cost of the employee providing such service.  
16 The Maximum Obligation of CITY set forth in Subsection G-2 will be  
17 adjusted accordingly.
- 18 5. All services contracted for in this Agreement may not be operational on the  
19 precise date specified in this Agreement. In those instances, SHERIFF  
20 shall notify CITY Manager of the date or dates such service or services are  
21 to be implemented. COUNTY shall reduce the monthly charges to CITY,  
22 based on the actual date of implementation of the service or services.  
23 Charges shall be reduced on the next monthly billing tendered in  
24 accordance with Subsection G-3 of this Agreement.
- 25 6. During emergencies, such as mutual aid situations, SHERIFF will attempt to  
26 leave in CITY the Lieutenant in charge of CITY Police Services. If SHERIFF  
27 determines that the Lieutenant is needed elsewhere, SHERIFF will notify  
28 CITY's Manager within four (4) hours. SHERIFF will return Lieutenant to

1 **C. REGULAR SERVICES BY COUNTY: (Continued)**

2 CITY as soon as possible once the emergency situation is under control.

3 7. With respect to the licensing ordinances of CITY listed in Attachment B  
4 hereto, which is incorporated herein by this reference, SHERIFF shall  
5 receive applications for CITY licenses pursuant to said ordinances and  
6 complete investigations relating to such applications. Said investigations  
7 shall be forwarded to CITY Manager. COUNTY shall not provide any  
8 advisory, administrative, hearing or litigation attorney support or services  
9 related to licensing. COUNTY shall not provide any administrative or  
10 investigatory services related to the licensing ordinances listed in  
11 Attachment B hereto, except the investigations relating to initial applications  
12 for which this subsection provides.

13 8. With the limitations set forth below, SHERIFF, on behalf of COUNTY, and  
14 CITY Manager, on behalf of CITY, are authorized to execute written  
15 amendments to this Agreement to increase or decrease the level of service  
16 set forth in Attachment A, when SHERIFF and CITY Manager mutually  
17 agree that such increase or decrease in the level of service is appropriate.  
18 Any such amendment to the Agreement shall concomitantly increase or  
19 decrease the cost of services payable by CITY set forth in Attachment C  
20 and incorporated herein by this reference and the Maximum Obligation of  
21 CITY set forth in Subsection G-2, in accordance with the current year's  
22 COUNTY law enforcement cost study. SHERIFF and CITY Manager shall  
23 file copies of any such amendments to this Agreement with the Clerk of  
24 COUNTY's Board of Supervisors and CITY's Clerk. Amendments to this  
25 Agreement executed by SHERIFF and CITY Manager may not, in the  
26 aggregate, increase or decrease the cost of services payable by CITY by  
27 more than one percent (1%) of the total cost originally set forth in  
28 Attachment C and the Maximum Obligation originally set forth in



1 **C. REGULAR SERVICES BY COUNTY: (Continued)**

2 Subsection G-2. Prior approval by COUNTY's Board of Supervisors and  
3 CITY's Council is required before execution of any amendment that brings  
4 the aggregate total of changes in costs payable by CITY to more than one  
5 percent (1%) of the total cost originally set forth in Attachment C and the  
6 Maximum Obligation originally set forth in Subsection G-2 of this  
7 Agreement.

8 **D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY:**

- 9 1. Enhanced services for events on CITY property. At the request of CITY,  
10 through its City Manager, SHERIFF may provide enhanced law  
11 enforcement services for functions, such as community events, conducted  
12 on property that is owned, leased or operated by CITY. SHERIFF shall  
13 determine personnel and equipment needed for such enhanced services.  
14 To the extent the services provided at such events are at a level greater  
15 than that specified in Attachment A of this Agreement, CITY shall reimburse  
16 COUNTY for such additional services, at an amount computed by  
17 SHERIFF, based on the current year's COUNTY law enforcement cost  
18 study. The cost of these enhanced services shall be in addition to the  
19 Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement.  
20 SHERIFF shall bill CITY immediately after each such event.
- 21 2. Supplemental services for occasional events operated by private individuals  
22 and entities on non-CITY property. At the request of CITY, through its City  
23 Manager, and within the limitations set forth in this Subsection D-2,  
24 SHERIFF may provide supplemental law enforcement services to preserve  
25 the peace at special events or occurrences that occur on an occasional  
26 basis and are operated by private individuals or private entities on non-CITY  
27 property. SHERIFF shall determine personnel and equipment needed for  
28 such supplemental services, and will provide such supplemental services



1 **D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)**

2 only if SHERIFF is able to do so without reducing the normal and regular  
3 ongoing services that SHERIFF otherwise would provide to CITY pursuant  
4 to this Agreement. Such supplemental services shall be provided only by  
5 regularly appointed full-time peace officers, at rates of pay governed by a  
6 Memorandum of Understanding between COUNTY and the bargaining  
7 unit(s) representing the peace officers providing the services. Such  
8 supplemental services shall include only law enforcement duties and shall  
9 not include services authorized to be provided by a private patrol operator,  
10 as defined in Section 7582.1 of the Business and Professions Code. Law  
11 enforcement support functions, including, but not limited to, clerical  
12 functions and forensic science services, may be performed by non-peace  
13 officer personnel if the services do not involve patrol or keeping the peace  
14 and are incidental to the provision of law enforcement services. CITY shall  
15 reimburse COUNTY its full, actual costs of providing such supplemental  
16 services at an amount computed by SHERIFF, based on the current year's  
17 COUNTY law enforcement cost study. The cost of these supplemental  
18 services shall be in addition to the Maximum Obligation of CITY set forth in  
19 Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately  
20 after each such event.

- 21 3. Supplemental services for events operated by public entities on non-CITY  
22 property. At the request of CITY, through its City Manager, and within the  
23 limitations set forth in this Subsection D-3, SHERIFF may provide  
24 supplemental law enforcement services to preserve the peace at special  
25 events or occurrences that occur on an occasional basis and are operated  
26 by public entities on non-CITY property. SHERIFF shall determine  
27 personnel and equipment needed for such supplemental services, and will  
28 provide such supplemental services only if SHERIFF is able to do so without

**D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY: (Continued)**

reducing services that SHERIFF otherwise would provide to CITY pursuant to this Agreement. CITY shall reimburse COUNTY its full, actual costs of providing such supplemental services at an amount computed by SHERIFF, based on the current year's COUNTY law enforcement cost study. The cost of these supplemental services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. SHERIFF shall bill CITY immediately after each such event.

4. Notwithstanding the foregoing, CITY, through its permit process, may utilize the services of the Sheriff at events, for which CITY issues permits, that are operated by private individuals or entities or public entities. SHERIFF shall determine personnel and equipment needed for said events. If said events are in addition to the level of services listed in Attachment A of this Agreement, CITY shall reimburse COUNTY for such additional services at an amount computed by SHERIFF, based upon the current year's COUNTY law enforcement cost study. The cost of these services shall be in addition to the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. Sheriff shall bill City immediately after said services are rendered.

5. In accordance with Government Code Section 51350, COUNTY has adopted Board Resolution 89-1160 which identifies Countywide services, including but not limited to helicopter response. SHERIFF through this contract provides enhanced helicopter response services. The cost of enhanced helicopter response services is included in the cost of services set forth in Attachment C and in the Maximum Obligation of CITY set forth in Subsection G-2. COUNTY shall not charge any additional amounts for enhanced helicopter services after the cost of services set forth in Attachment C and in the Maximum Obligation set forth in Subsection G-2

**D. ENHANCED AND SUPPLEMENTAL SERVICES BY COUNTY:** (Continued)

has been established without written notification to the CITY.

**E. PATROL VIDEO SYSTEMS:**

1. As part of the law enforcement services to be provided to CITY, COUNTY has provided, or will provide, patrol video systems (hereinafter called "PVS") that are or will be mounted in patrol vehicles designated by COUNTY for use within CITY service area.
2. SHERIFF has the exclusive right to use said PVS for law enforcement services related to this Agreement.
3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and installation of Patrol Video Systems that are or will be mounted in patrol vehicles assigned to CITY, and b) recurring costs, as deemed necessary by COUNTY, including the costs of maintenance and contributions to a fund for replacement and upgrade of such PVS when they become functionally or technologically obsolete.

The costs to be paid by CITY for recurring costs, including maintenance and replacement/upgrade of PVS, are included in the costs set forth in Attachment C and the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement unless CITY has already paid such costs. CITY shall not be charged additional amounts for maintenance or replacement/upgrade of said PVS during the period July 1, 2016 through June 30, 2017.

4. If, following the initial acquisition of PVS referenced above, CITY requires PVS for additional patrol cars designated for use in the CITY service area, COUNTY will purchase said additional PVS. Upon demand by COUNTY, CITY will pay to COUNTY a) the full costs of acquisition and installation of said additional PVS, and b) the full recurring costs for said PVS, as deemed necessary by COUNTY, including the costs of maintenance, and contributions to a fund for replacement and upgrade of such PVS when they

1 **E. PATROL VIDEO SYSTEMS: (Continued)**

2 become functionally or technologically obsolete. Said costs related to  
3 additional PVS are not included in, and are in addition to, the costs set forth  
4 in Attachment C and the Maximum Obligation of CITY set forth in  
5 Subsection G-2 of this Agreement.

- 6 5. County will replace and/or upgrade PVS as needed. The costs of  
7 replacing/upgrading PVS shall be paid by COUNTY from the  
8 replacement/upgrade funds to be paid by CITY in accordance with the  
9 foregoing. CITY shall not be charged any additional charge to replace or  
10 upgrade PVS.

11 **F. LICENSING SERVICES BY CITY:**

12 Upon receipt from COUNTY of investigations of applications for licenses  
13 referred to in Subsection C-7 of this Agreement, CITY Manager shall determine  
14 whether to grant or deny the licenses and will issue the licenses or notify the  
15 applicants of denial. CITY shall provide all attorney services related to the  
16 granting, denial, revocation and administration of said licenses and the  
17 enforcement of CITY ordinances pertaining to said licenses.

18 **G. PAYMENT:**

- 19 1. Pursuant to Government Code Section 51350, CITY agrees to pay to  
20 COUNTY the full costs of performing the services mutually agreed upon in  
21 this Agreement. The costs of services include salaries, wages, benefits,  
22 mileage, services, supplies, equipment, and divisional, departmental and  
23 COUNTY General overhead.
- 24 2. Unless the level of service set forth in Attachment A is increased or  
25 decreased by mutual agreement of the parties, or CITY is required to pay  
26 for increases as set forth in Subsection G-4, the Maximum Obligation of  
27 CITY for services, other than Licensing Services, set forth in Attachment A  
28 of this Agreement, to be provided by the COUNTY for the period

**G. PAYMENT: (Continued)**

July 1, 2016 through June 30, 2017, shall be \$7,488,051 as set forth in Attachment C.

The overtime costs included in the Agreement are only an estimate. SHERIFF shall notify CITY of actual overtime worked during each fiscal year. If actual overtime worked is above or below budgeted amounts, billings will be adjusted accordingly at the end of the fiscal year. Actual overtime costs may exceed CITY's Maximum Obligation.

3. COUNTY shall invoice CITY monthly. During the period July 1, 2016 through June 30, 2017, said invoices will require payment by CITY of one-twelfth (1/12) of the Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement, as said Maximum Obligation may have been increased or decreased pursuant to mutual agreement of the parties. In addition, if a determination is made that increases described in Subsection G-4 must be paid, COUNTY thereafter shall include the pro-rata charges for such increases in its monthly invoices to CITY for the balance of the period between July 1, 2016 and June 30, 2017.

4-a. At the time this Agreement is executed, there are unresolved issues pertaining to potential changes in salaries and benefits for COUNTY employees. The costs of such potential changes are not included in the Fiscal Year 2016-17 cost set forth in Attachment C nor in the Fiscal Year 2016-17 Maximum Obligation of CITY set forth in Subsection G-2 of this Agreement. If the changes result in the COUNTY incurring or becoming obligated to pay for increased costs for or on account of personnel whose costs are included in the calculations of costs charged to CITY hereunder, CITY shall pay COUNTY, in addition to the Maximum Obligation set forth in Subsection G-2 of this Agreement, the full costs of said increases to the extent such increases are attributable to work performed by such personnel

1 **G. PAYMENT: (Continued)**

2 after July 1, 2016, and CITY's Maximum Obligation hereunder shall be  
3 deemed to have increased accordingly. CITY shall pay COUNTY in full for  
4 such increases on a pro-rata basis over the portion of the period between  
5 July 1, 2016 and June 30, 2017 remaining after COUNTY notifies CITY that  
6 increases are payable. If the changes result in the COUNTY incurring or  
7 becoming obligated to pay for decreased costs for or on account of  
8 personnel whose costs are included in the calculations of costs charged to  
9 CITY hereunder, COUNTY shall reduce the amount owed by the CITY to  
10 the extent such decreases are attributable to work performed by such  
11 personnel during the period July 1, 2016 through June 30, 2017, and CITY's  
12 Maximum Obligation hereunder shall be deemed to have decreased  
13 accordingly. COUNTY shall reduce required payment by CITY in full for  
14 such decreases on a pro-rata basis over the portion of the period between  
15 July 1, 2016 and June 30, 2017 remaining after COUNTY notifies CITY that  
16 the Maximum Obligation has decreased.

17 4-b. If CITY is required to pay for increases as set forth in Subsection G-4a  
18 above, COUNTY, at the request of CITY, will thereafter reduce the level of  
19 service to be provided to CITY as set forth in Attachment A of this  
20 Agreement to a level that will make the Maximum Obligation of CITY  
21 hereunder for the period July 1, 2016 through June 30, 2017 an amount  
22 specified by CITY that is equivalent to or higher or lower than the Maximum  
23 Obligation set forth in Subsection G-2 for said period at the time this  
24 Agreement originally was executed. The purpose of such adjustment of  
25 service levels will be to give CITY the option of keeping its Maximum  
26 Obligation hereunder at the pre-increase level or at any other higher or  
27 lower level specified by CITY. In the event of such reduction in level of  
28 service and adjustment of costs, the parties shall execute an amendment to

1 **G. PAYMENT: (Continued)**

2 this Agreement so providing. Decisions about how to reduce the level of  
3 service provided to CITY shall be made by SHERIFF with the approval of  
4 CITY.

- 5 5. CITY shall pay COUNTY in accordance with COUNTY Board of  
6 Supervisors' approved County Billing Policy, which is attached hereto as  
7 Attachment D and incorporated herein by this reference.
- 8 6. COUNTY shall charge CITY late payment penalties in accordance with  
9 County Billing Policy.
- 10 7. As payment for the Licensing Services described in Subsection C-7 of this  
11 Agreement, COUNTY shall retain all fees paid by applicants for licenses  
12 pursuant to CITY ordinances listed in Attachment B hereto. Retention of  
13 said fees by COUNTY shall constitute payment in full to COUNTY for costs  
14 incurred by COUNTY in performing the functions related to licensing  
15 described in Subsection C-7; provided, however, that if any of said fees are  
16 waived or reduced by CITY, CITY shall pay to COUNTY the difference  
17 between the amount of fees retained by COUNTY and the fees that were  
18 set forth in the ordinances listed in Attachment B at the time this Agreement  
19 was executed. If CITY increases the fee schedule for the licensing  
20 ordinances set forth in Attachment B, either party shall have the right to  
21 seek amendment of this Agreement with respect to the division of the  
22 increased fees between CITY and COUNTY.
- 23 8. Fees generated or collected by SHERIFF contract personnel for copying of  
24 documents related to the services provided in this Agreement will be at  
25 COUNTY-established rates and will be credited to CITY on an annual basis.
- 26 9. Narcotic asset forfeitures will be handled pursuant to Attachment E hereto,  
27 which is incorporated herein by this reference.

28 //

1 **H. NOTICES:**

2 1. Except for the notices provided for in Subsection 2 of this Section, all  
3 notices authorized or required by this Agreement shall be effective when  
4 written and deposited in the United States mail, first class postage prepaid  
5 and addressed as follows:

6 **CITY:** ATTN: CITY MANAGER

7 24035 EL TORO ROAD

8 LAGUNA HILLS, CA 92653

9 **COUNTY:** ATTN: LAW ENFORCEMENT CONTRACT MANAGER

10 SHERIFF-CORONER DEPARTMENT

11 320 NORTH FLOWER STREET, SUITE 108

12 SANTA ANA, CA 92703

13 2. Termination notices shall be effective when written and deposited in the  
14 United States mail, certified, return receipt requested and addressed as  
15 above.

16 **I. STATUS OF COUNTY:**

17 COUNTY is, and at all times shall be deemed to be, an independent contractor.  
18 Nothing herein contained shall be construed as creating the relationship of  
19 employer and employee, or principal and agent, between CITY and COUNTY  
20 or any of COUNTY's agents or employees. COUNTY and its SHERIFF shall  
21 retain all authority for rendition of services, standards of performance, control of  
22 personnel, and other matters incident to the performance of services by  
23 COUNTY pursuant to this Agreement. COUNTY, its agents and employees  
24 shall not be entitled to any rights or privileges of CITY employees and shall not  
25 be considered in any manner to be CITY employees.

26 **J. STATE AUDIT:**

27 Pursuant to Government Code Section 8546.7, CITY and COUNTY shall be  
28 subject to examination and audit by the State Auditor for a period of three (3)



1 **J. STATE AUDIT: (Continued)**

2 years after final payment by CITY to COUNTY under this Agreement. CITY  
3 and COUNTY shall retain all records relating to the performance of this  
4 Agreement for said three-year period, except that those records pertaining to  
5 any audit then in progress, or to any claims or litigation, shall be retained  
6 beyond said three-year period, until final resolution of said audit, claim or  
7 litigation.

8 **K. ALTERATION OF TERMS:**

9 This Agreement fully expresses all understanding of CITY and COUNTY with  
10 respect to the subject matter of this Agreement and shall constitute the total  
11 Agreement between the parties for these purposes. No addition to, or  
12 alteration of, the terms of this Agreement shall be valid unless made in writing,  
13 formally approved and executed by duly authorized agents of both parties.

14 **L. INDEMNIFICATION:**

15 1. COUNTY, its officers, agents, employees, subcontractors and independent  
16 contractors shall not be deemed to have assumed any liability for the  
17 negligence or any other act or omission of CITY or any of its officers,  
18 agents, employees, subcontractors or independent contractors, or for any  
19 dangerous or defective condition of any public street or work or property of  
20 CITY, or for any illegality or unconstitutionality of CITY's municipal  
21 ordinances. CITY shall indemnify and hold harmless COUNTY and its  
22 elected and appointed officials, officers, agents, employees, subcontractors  
23 and independent contractors from any claim, demand or liability whatsoever  
24 based or asserted upon the condition of any public street or work or  
25 property of CITY, or upon the illegality or unconstitutionality of any municipal  
26 ordinance of CITY that SHERIFF has enforced, or upon any act or omission  
27 of CITY, or its elected and appointed officials, officers, agents, employees,  
28 subcontractors or independent contractors related to this Agreement,

1 **L. INDEMNIFICATION: (Continued)**

2 including, but not limited to, any act or omission related to the maintenance  
3 or condition of any vehicle or motorcycle that is owned or possessed by  
4 CITY and used by COUNTY personnel in the performance of this  
5 Agreement, for property damage, bodily injury or death or any other element  
6 of damage of any kind or nature, and CITY shall defend, at its expense  
7 including attorney fees, and with counsel approved in writing by COUNTY,  
8 COUNTY and its elected and appointed officials, officers, agents,  
9 employees, subcontractors and independent contractors in any legal action  
10 or claim of any kind based or asserted upon such condition of public street  
11 or work or property, or illegality or unconstitutionality of a municipal  
12 ordinance, or alleged acts or omissions. If judgment is entered against  
13 CITY and COUNTY by a court of competent jurisdiction because of the  
14 concurrent active negligence of either party, CITY and COUNTY agree that  
15 liability will be apportioned as determined by the court. Neither party shall  
16 request a jury apportionment.

- 17 2. COUNTY shall indemnify and hold harmless CITY and its elected and  
18 appointed officials, officers, agents, employees, subcontractors and  
19 independent contractors from any claim, demand or liability whatsoever  
20 based or asserted upon any act or omission of COUNTY or its elected and  
21 appointed officials, officers, agents, employees, subcontractors or  
22 independent contractors related to this Agreement, for property damage,  
23 bodily injury or death or any other element of damage of any kind or nature,  
24 and COUNTY shall defend, at its expense, including attorney fees, and with  
25 counsel approved in writing by CITY, CITY and its elected and appointed  
26 officials, officers, agents, employees, subcontractors and independent  
27 contractors in any legal action or claim of any kind based or asserted upon  
28 such alleged acts or omissions.

1 **M. TRAFFIC VIOLATOR APPREHENSION PROGRAM:**

2 1. COUNTY has established a Traffic Violator Apprehension Program [“the  
3 Program”], which is operated by SHERIFF, and is designed to reduce  
4 vehicle accidents caused by unlicensed drivers and drivers whose licenses  
5 are suspended and to educate the public about the requirements of the  
6 Vehicle Code and related safety issues with regard to driver licensing,  
7 vehicle registration, vehicle operation, and vehicle parking. The Program  
8 operates throughout the unincorporated areas of the COUNTY and in the  
9 cities that contract with COUNTY for SHERIFF’s law enforcement services,  
10 without regard to jurisdictional boundaries, because an area-wide approach  
11 to reduction of traffic accidents and driver education is most effective in  
12 preventing traffic accidents. In order for CITY to participate in the Program,  
13 CITY has adopted a fee pursuant to Vehicle Code Section 22850.5, in the  
14 amount and under the terms and conditions set forth in the resolution that is  
15 attached hereto as Attachment F and incorporated into this Agreement by  
16 reference [hereinafter referred to as a “TVAP resolution”], and has directed  
17 that the revenue from such fee be used for the Program. CITY’s  
18 participation in the Program may be terminated at any time by rescission or  
19 amendment of the TVAP resolution that is attached hereto as Attachment F.  
20 In the event CITY 1) amends said TVAP resolution, or rescinds said TVAP  
21 resolution and adopts a new TVAP resolution pertaining to the above-  
22 referenced fee and the Program, and 2) remains a participant in the  
23 Program thereafter, CITY’s Manager, on behalf of CITY, and SHERIFF, on  
24 behalf of COUNTY, have authority to execute an amendment of this  
25 Agreement to substitute CITY’s amended or new TVAP resolution for  
26 Attachment F hereto, as long as said amendment to this Agreement does  
27 not materially change any other provision of this Agreement.

28 //

1 **M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)**

2 2. COUNTY will make available for review, at the request of CITY, all financial  
3 data related to the Program as may be requested by CITY.

4 3. Fee revenue generated by COUNTY and participating cities will be used to  
5 fund the following positions, which will be assigned to the Program:

- 6 • Fifteen one hundredths of one (0.15) Sergeant  
7 (12 hours per two-week pay period)
- 8 • One (1) Staff Specialist  
9 (80 hours per two-week pay period)
- 10 • One (1) Office Specialist  
11 (80 hours per two-week pay period)

12 4. Fee revenue generated by CITY may be used to reimburse CITY for  
13 expenditures for equipment and/or supplies directly in support of the  
14 Program. In order for an expenditure for equipment and/or supplies to be  
15 eligible for reimbursement, CITY shall submit a request for and obtain pre-  
16 approval of the expenditure by using the form as shown in Attachment G.  
17 The request shall be submitted within the budget schedule established by  
18 SHERIFF. SHERIFF shall approve the expenditure only if both of the  
19 following conditions are satisfied: 1) there are sufficient Program funds,  
20 attributable to revenue generated by CITY's fee, to pay for the requested  
21 purchase, and 2) CITY will use the equipment and/or supplies, during their  
22 entire useful life, only for purposes authorized by its TVAP resolution in  
23 effect at the time of purchase.

24 In the event that CITY terminates its participation in the Program, CITY  
25 agrees that the equipment purchased by CITY and reimbursed by Program  
26 funds will continue to be used, during the remainder of its useful life,  
27 exclusively for the purposes authorized by CITY's TVAP resolution in effect  
28 at the time of purchase.

1 **M. TRAFFIC VIOLATOR APPREHENSION PROGRAM: (Continued)**

2 5. In the event the fees adopted by COUNTY, CITY and other participating  
3 jurisdictions are not adequate to continue operation of the Program at the  
4 level at which it operated previously, COUNTY, at the option of CITY, will  
5 reduce the level of Program service to be provided to CITY or will continue  
6 to provide the existing level of Program services. COUNTY will charge CITY  
7 the cost of any Program operations that exceed the revenue generated by  
8 fees. Such charges shall be in addition to the Maximum Obligation of CITY  
9 set forth in Subsection G-2 of this Agreement. The amount of any revenue  
10 shortfall charged to CITY will be determined, at the time the revenue  
11 shortfall is experienced, according to CITY's share of Program services  
12 rendered. In the event of a reduction in level of Program service,  
13 termination of Program service or adjustment of costs, the parties shall  
14 execute an amendment to this Agreement so providing. Decisions about  
15 how to reduce the level of Program service provided to CITY shall be made  
16 by SHERIFF with the approval of CITY.

17 **N. MOBILE DATA COMPUTERS:**

- 18 1. As part of the law enforcement services to be provided to CITY, COUNTY  
19 has provided, or will provide, mobile data computers (hereinafter called  
20 "MDCs") that are or will be mounted in patrol vehicles and motorcycles,  
21 designated by COUNTY for use within CITY limits.
- 22 2. SHERIFF has the exclusive right to use said MDCs for law enforcement  
23 services related to this Agreement.
- 24 3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition and  
25 installation of MDCs that are or will be mounted in patrol vehicles and  
26 motorcycles assigned to CITY, and b) recurring costs, as deemed  
27 necessary by COUNTY, including the costs of maintenance and  
28 contributions to a fund for replacement and upgrade of such MDCs when

1 **N. MOBILE DATA COMPUTERS (Continued)**

2 they become functionally or technologically obsolete.

3 The costs to be paid by CITY for recurring costs, including maintenance and  
4 replacement/upgrade of MDCs, are included in the costs set forth in  
5 Attachment C and the Maximum Obligation of CITY set forth in Subsection  
6 G-2 of this Agreement unless CITY has already paid such costs. CITY shall  
7 not be charged additional amounts for maintenance or replacement/upgrade  
8 of said MDCs during the period July 1, 2016 through June 30, 2017.

9 4. If, following the initial acquisition of MDCs referenced above, CITY requires  
10 MDCs for additional patrol cars or motorcycles designated for use in the  
11 CITY, or for CITY Emergency Operations Center, COUNTY will purchase  
12 said additional MDCs. Upon demand by COUNTY, CITY will pay to  
13 COUNTY a) the full costs of acquisition and installation of said additional  
14 MDCs, and b) the full recurring costs for said MDCs, as deemed necessary  
15 by COUNTY, including the costs of maintenance, and contributions to a  
16 fund for replacement and upgrade of such MDCs when they become  
17 functionally or technologically obsolete. Said costs related to additional  
18 MDCs are not included in, and are in addition to, the costs set forth in  
19 Attachment C and the Maximum Obligation of CITY set forth in Subsection  
20 G-2 of this Agreement.

21 5. COUNTY will replace and/or upgrade MDCs as needed. The costs of  
22 replacing/upgrading MDCs shall be paid by COUNTY from the replacement/  
23 upgrade funds to be paid by CITY in accordance with the foregoing. CITY  
24 shall not be charged any additional charge to replace or upgrade MDCs.

25 **O. E-CITATION UNITS:**

26 1. As part of the law enforcement services to be provided to CITY, COUNTY  
27 has provided, or will provide, E-Citation units designated by COUNTY for  
28 use within CITY limits.

1 **O. E-CITATION UNITS: (Continued)**

2 2. SHERIFF has the exclusive right to use said E-Citation units for law  
3 enforcement services related to this Agreement.

4 3. CITY shall pay COUNTY the full costs to COUNTY of a) the acquisition of  
5 E-Citation units that are assigned to CITY, and b) recurring costs, as  
6 deemed necessary by COUNTY, including the costs of maintenance and  
7 contributions to a fund for replacement and upgrade of such E-Citation units  
8 when they become functionally or technologically obsolete.

9 The costs to be paid by CITY for recurring costs, including maintenance and  
10 replacement/upgrade of E-Citation units, are included in the costs set forth  
11 in Attachment C and the Maximum Obligation of CITY set forth in  
12 Subsection G-2 of this Agreement unless CITY has already paid such costs.  
13 CITY shall not be charged additional amounts for maintenance or  
14 replacement/upgrade of said E-Citation units during the period July 1, 2016  
15 through June 30, 2017.

16 4. If, following the initial acquisition of E-Citation units referenced above, CITY  
17 requires E-Citation units designated for use in CITY, COUNTY will purchase  
18 said additional E-Citation units. Upon demand by COUNTY, CITY will pay  
19 to COUNTY a) the full costs of acquisition of said additional E-Citation units,  
20 and b) the full recurring costs for said E-Citation units, as deemed  
21 necessary by COUNTY, including the costs of maintenance, and  
22 contributions to a fund for replacement and upgrade of such E-Citation units  
23 when they become functionally or technologically obsolete. Said costs  
24 related to additional E-Citation units are not included in, and are in addition  
25 to, the costs set forth in Attachment C and the Maximum Obligation of CITY  
26 set forth in Subsection G-2 of this Agreement.

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28 //

1 **O. E-CITATION UNITS: (Continued)**  
2 5. COUNTY will replace and/or upgrade E-Citation units as needed. The costs  
3 of replacing/upgrading E-Citation units shall be paid by COUNTY from the  
4 replacement/ upgrade funds to be paid by CITY in accordance with the  
5 foregoing. CITY shall not be charged any additional charge to replace or  
6 upgrade E-Citation units.  
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**ORANGE COUNTY SHERIFF-CORONER  
FY 2016-17 LAW ENFORCEMENT CONTRACT  
CITY OF LAGUNA HILLS  
"REGULAR SERVICES BY COUNTY"  
(Subsection C-3)**

**LEVEL OF SERVICE PROVIDED BY SHERIFF:**

| Title                                | Detail                  | Quantity     | Frequency                             |
|--------------------------------------|-------------------------|--------------|---------------------------------------|
| <b>MANAGEMENT:</b>                   |                         |              |                                       |
| Lieutenant                           |                         | 1.00         |                                       |
| <b>SUPERVISION:</b>                  |                         |              |                                       |
| Sergeant                             | Patrol                  | 1.00         | 80 hrs./ per two wk. pay period       |
| Sergeant                             | Patrol                  | 0.33         | 26.40 hrs./per two wk. pay period     |
| Sergeant                             | Administrative          | 1.00         | 80 hrs./ per two wk. pay period       |
| <b>INVESTIGATION SERVICES:</b>       |                         |              |                                       |
| Investigator                         |                         | 2.00         | each, 80 hrs./ per two wk. pay period |
| <b>PATROL AND TRAFFIC SERVICES*:</b> |                         |              |                                       |
| Deputy Sheriff II -Patrol            | Patrol                  | 14.00        | each, 80 hrs./ per two wk. pay period |
| Deputy Sheriff II -Motor             | Traffic                 | 2.00         | each, 80 hrs./ per two wk. pay period |
| <b>ADDITIONAL SERVICES*:</b>         |                         |              |                                       |
| Crime Prevention Specialist          | Crime Prevention        | 1.00         | 80 hrs./ per two wk. pay period       |
| Community Services Officer           | Parking Control         | 2.00         | each, 80 hrs./ per two wk. pay period |
| Deputy Sheriff II                    | School Resource Officer | 1.00         | 80 hrs./ per two wk. pay period       |
| <b>TOTAL</b>                         |                         | <b>25.33</b> |                                       |

\* Deployment to be determined by SHERIFF in cooperation with CITY Manager

**REGIONAL / SHARED STAFF:**

| Title                                   | Regional Team          | Quantity     | % Allocation |
|-----------------------------------------|------------------------|--------------|--------------|
| <b>TRAFFIC:</b>                         |                        |              |              |
| Sergeant                                | Traffic                | 0.60         | 6.27%        |
| Deputy Sheriff II                       | Traffic                | 4.00         | 6.27%        |
| Investigative Assistant                 | Traffic                | 2.00         | 6.27%        |
| Office Specialist                       | Traffic                | 1.00         | 6.27%        |
| <b>AUTO THEFT:</b>                      |                        |              |              |
| Sergeant                                | Auto Theft             | 0.30         | 4.64%        |
| Investigator                            | Auto Theft             | 2.00         | 4.64%        |
| Investigative Assistant                 | Auto Theft             | 1.00         | 4.64%        |
| Office Specialist                       | Auto Theft             | 1.00         | 4.64%        |
| <b>DET:</b>                             |                        |              |              |
| Sergeant                                | DET                    | 1.00         | 4.25%        |
| Investigator                            | DET                    | 1.00         | 4.25%        |
| <b>SUBPOENA:</b>                        |                        |              |              |
| Office Specialist                       | Subpoena               | 1.00         | 6.97%        |
| <b>COURTS:</b>                          |                        |              |              |
| Investigative Assistant                 | Courts                 | 2.00         | 8.67%        |
| <b>MOTORCYCLE (shared Supervision):</b> |                        |              |              |
| Sergeant                                | Motorcycle Supervision | 0.50         | 6.45%        |
| <b>TOTAL</b>                            |                        | <b>17.40</b> |              |

**CITY OF LAGUNA HILLS**

**ORDINANCE NO. 92-6**

**LICENSING**

BINGO GAME

BINGO OFFICIAL

DANCE INSTRUCTOR (NUDE)

DANCE STUDIO (NUDE)

ESCORT

ESCORT BUREAU

FIGURE MODEL (NUDE)

FIGURE MODEL STUDIO (NUDE)

GUN DEALER

INTERLOCUTRIX (NUDE)

INTRODUCTORY SERVICE

JUNK COLLECTOR

JUNK DEALER

MASSAGE PARLOR (Includes FBI Fees)

MASSAGIST (Includes FBI Fees)

PEDDLER

POOL ROOM

PUBLIC DANCE

RAP SESSION (NUDE)

SECONDHAND DEALER (Pawnbroker)

TAXICAB STAND

**ORANGE COUNTY SHERIFF-CORONER  
FY 2016-17 LAW ENFORCEMENT CONTRACT  
CITY OF LAGUNA HILLS**

**"PAYMENT"  
(Subsection G-2)**

**COST OF SERVICES PROVIDED BY SHERIFF (Subsection G-2):**

| Title                               | Detail                  | Quantity     | Cost of Service (each) | Cost of Service Total |
|-------------------------------------|-------------------------|--------------|------------------------|-----------------------|
| <b>MANAGEMENT:</b>                  |                         |              |                        |                       |
| Lieutenant                          |                         | 1.00         | \$ 334,955             | \$ 334,955            |
| <b>SUPERVISION:</b>                 |                         |              |                        |                       |
| Sergeant                            | Patrol                  | 1.00         | \$ 293,152             | \$ 293,152            |
| Sergeant                            | Patrol                  | 0.33         | \$ 293,152             | \$ 96,740             |
| Sergeant                            | Administrative          | 1.00         | \$ 293,152             | \$ 293,152            |
| <b>INVESTIGATION SERVICES:</b>      |                         |              |                        |                       |
| Investigator                        |                         | 2.00         | \$ 287,931             | \$ 575,862            |
| <b>PATROL AND TRAFFIC SERVICES:</b> |                         |              |                        |                       |
| Deputy Sheriff II -Patrol           | Patrol                  | 14.00        | \$ 242,547             | \$ 3,395,658          |
| Deputy Sheriff II -Motor            | Traffic                 | 2.00         | \$ 247,767             | \$ 495,534            |
| <b>ADDITIONAL SERVICES:</b>         |                         |              |                        |                       |
| Crime Prevention Specialist         | Crime Prevention        | 1.00         | \$ 97,650              | \$ 97,650             |
| Community Services Officer          | Parking Control         | 2.00         | \$ 120,372             | \$ 240,744            |
| Deputy Sheriff II                   | School Resource Officer | 1.00         | \$ 242,547             | \$ 242,547            |
| <b>TOTAL POSITIONS</b>              |                         | <b>25.33</b> |                        | <b>\$ 6,065,994</b>   |

**REGIONAL / SHARED STAFF:**

| Title                                   | Regional Team          | Quantity     | % Allocation | Cost \$           |
|-----------------------------------------|------------------------|--------------|--------------|-------------------|
| <b>TRAFFIC:</b>                         |                        |              |              |                   |
| Sergeant                                | Traffic                | 0.60         | 6.27%        | \$ 11,613         |
| Deputy Sheriff II                       | Traffic                | 4.00         | 6.27%        | \$ 60,383         |
| Investigative Assistant                 | Traffic                | 2.00         | 6.27%        | \$ 15,287         |
| Office Specialist                       | Traffic                | 1.00         | 6.27%        | \$ 6,250          |
| <b>AUTO THEFT:</b>                      |                        |              |              |                   |
| Sergeant                                | Auto Theft             | 0.30         | 4.64%        | \$ 4,286          |
| Investigator                            | Auto Theft             | 2.00         | 4.64%        | \$ 24,328         |
| Investigative Assistant                 | Auto Theft             | 1.00         | 4.64%        | \$ 5,630          |
| Office Specialist                       | Auto Theft             | 1.00         | 4.64%        | \$ 4,596          |
| <b>DET:</b>                             |                        |              |              |                   |
| Sergeant                                | DET                    | 1.00         | 4.25%        | \$ 16,901         |
| Investigator                            | DET                    | 1.00         | 4.25%        | \$ 14,158         |
| <b>SUBPOENA:</b>                        |                        |              |              |                   |
| Office Specialist                       | Subpoena               | 1.00         | 6.97%        | \$ 6,285          |
| <b>COURTS:</b>                          |                        |              |              |                   |
| Investigative Assistant                 | Courts                 | 2.00         | 8.67%        | \$ 20,521         |
| <b>MOTORCYCLE (shared Supervision):</b> |                        |              |              |                   |
| Sergeant                                | Motorcycle Supervision | 0.50         | 6.45%        | \$ 10,484         |
| <b>TOTAL REGIONAL/SHARED</b>            |                        | <b>17.40</b> |              | <b>\$ 200,722</b> |

**OTHER CHARGES AND CREDITS (Subsection G-2):**

**OTHER CHARGES:**

Other Charges include: Annual leave paydowns and apportionment of cost of leave balances paid at end of employment; premium pay for bilingual staff; contract administration; data line charges; direct services and supplies; enhanced helicopter response services; E-Citation recurring costs for eight (8) units; facility lease; holiday pay; Integrated Law & Justice of Orange County fees; Mobile Data Computer (MDC) recurring cost for sixteen and a half (16.5) units; on-call pay; overtime; patrol training cost allocation; Patrol Video System (PVS) recurring cost for eleven and a half (11.5) units; and transportation charges.

**CREDITS:**

Credits include: Board of State and Community Corrections Local Assistance funding; estimated vacancy credits; false alarm fees; reimbursement for training and miscellaneous programs; and retirement rate discount for FY 2016-17.

|                                                |                     |
|------------------------------------------------|---------------------|
| <b>TOTAL OTHER CHARGES AND CREDITS</b>         | <b>\$ 1,221,335</b> |
| <b>TOTAL COST OF SERVICES (Subsection G-2)</b> | <b>\$ 7,488,051</b> |

**COUNTY BILLING POLICY**  
**APPROVED BY BOARD MINUTE ORDER DATED OCTOBER 27, 1992**

I. POLICY

All County agencies/departments/districts (County) governed by the Board of Supervisors shall bill contracting entities for materials and/or services provided under contract in accordance with the following standardized billing and collection policy. Billing frequency is dependent on whether the contract is a fixed price or actual cost contract. Payment due date is designed to be both responsive to the County's cash flow needs and reasonable enough as to not require special processing by the contracting entity. If payments are not received by the required due dates, a late payment fee shall be computed and billed to the contracting entity in accordance with the requirements of this procedure.

Nothing herein shall affect the liability, including pre-judgment interest, of the contracting party for services or materials in as much as this is a policy to enact standard billing practices.

II. DEFINITIONS

- A. Contract for the purposes of this policy - A contract is a formal written agreement, a purchase order from the contracting entity, or any other acceptable mutual understanding between the contracting parties.
- B. Received by the County - The phrase "received by the County", as used in Section VI of this policy, refers to the date a payment is received by the County. It is defined as the date the payment is in the County's possession. It is not the date the payment is posted or deposited by the County.

III. FIXED PRICE CONTRACTS

- A. Fixed Price (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued no later than five (5) working days after delivery by the County of the materials and/or services. Examples of such one-time, non-recurring provision of materials and/or services might be a city contracting with the Sheriff for security service at a parade or sporting event; or, a city purchasing a computer listing containing certain city-requested data. Payment due date shall be invoice date plus 30 days.
- B. Fixed Price (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued according to the following frequency:
  - 1. Annual Billings that total \$10,000 or less per 12-month period shall be billed via one (1) annual invoice. Annual invoices will be issued for each 12-month period of the contract, or portions thereof. Invoices shall be issued no later than five working days after the beginning of each 12-month period. Payment due date shall be invoice date plus 30 days.

2. Quarterly Billings that are greater than \$10,000 but not more than \$200,000 per 12-month period, shall be billed in quarterly installments. Quarterly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into four (4) installments. Invoices shall be issued no later than 30 days after the beginning of each quarter. Payment due date shall be 60 days after the beginning of each calendar quarter.
3. Monthly Billings that are greater than \$200,000 per 12-month period shall be billed in monthly installments. Monthly invoices will be issued representing the contract amount for each 12-month period of the contract, or portions thereof, prorated into 12 installments. Invoices shall be issued on or before the first day of each service month. Payment due date shall be 30 days after the beginning of each service month.

An example of a fixed price contract for ongoing, recurring provision of materials and/or services might be a city contracting with the Sheriff for law enforcement services.

#### IV. ACTUAL COST CONTRACTS

- A. Actual Cost (One-Time/Non-Recurring Contracts) - Invoices that represent a billing for a one-time, non-recurring provision of materials and/or services shall be issued after delivery by the County of the materials and/or services and no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.
- B. Actual Cost (Ongoing/Recurring Contracts) - Invoices that represent a billing for an ongoing, recurring provision of materials and/or services shall be issued on a monthly basis and shall represent the cost of materials and/or services provided to the contracting entity during the previous calendar month. Such invoices shall be issued no later than 15 days after the close of the monthly billing period. If the County agency/department/district does not utilize a monthly billing cycle, the invoice shall be issued no later than 15 days after actual cost data is available. Payment due date shall be invoice date plus 30 days.

Examples of actual cost contracts for the ongoing, recurring provision of materials and/or services might be a city contracting with the County for communications equipment repair or waste disposal at a County landfill.

#### V. PAYMENT DUE DATES

Notwithstanding the provisions of Sections II and III above, payment due date shall be at least invoice date plus 30 days. If the County is late in issuing an invoice, the contracting entity would always have at least invoice date plus 30 days to pay. If the County is early in issuing an invoice, the contracting entity would still have a payment due date of either 60 days after the beginning of the quarter (quarterly invoices) or 30 days after the beginning of the service month (monthly invoices).

(EXAMPLES: An invoice for October service, dated and issued October 8 (late) would have a payment due date of November 7. An invoice for August service, dated and issued July 20 (early) would have a payment due date of August 30.)

## VI. LATE CHARGES

The late payment of any invoiced amount by a contracting entity will cause the County to incur costs not contemplated by the County/contracting entity agreement, the exact amount of such cost will be extremely difficult to ascertain. Such costs include, but are not limited to, costs such as administrative follow-up and processing of delinquent notices, increased accounting costs, etc.

Late charges will be assessed in the following situations:

- Over-the-counter payments will be assessed a late charge if any payment is not received by the County by the payment due date.
- Payments transmitted to the County via the U.S. Mail that have the payer's postage meter mark will be assessed a late charge if any payment is not received by the County by the payment due date plus one day.
- Payments transmitted to the County via the U.S. Mail that have a U.S. Post Office postmark dated after the payment due date will be assessed a late charge.

The late charge assessed in each of these situations shall be three-quarters of one percent (0.75%) of the payment due and unpaid plus \$100.00 for late payments made within 30 days of the payment due date. An additional charge of three-quarters of one percent (0.75%) of said payment shall be added for each additional 30-day period that the payment remains unpaid. Late charges shall be added to the payment and invoiced to the contracting entity in accordance with this policy.

## VII. COLLECTIONS

Any invoice remaining unpaid 90 days after the invoice date shall be referred to the Auditor-Controller for subsequent collection action, such as deduction from contracting entity moneys on deposit with the County Treasurer in accordance with Government Code Section 907 and any other applicable provision of law. Non-payment of invoices and applicable late charges will constitute a breach of contract for which the County retains all legal remedies including termination of the contract.

## VIII. DISCOUNT FOR EARLY PAYMENT

Any payment received by the County from a contracting entity 20 days or more before the payment due date shall be entitled to a discount of one-quarter of one percent (0.25%). If the contracting entity takes a discount, and the payment is received by the County less than 20 days before the payment due date, County staff shall immediately notify the contracting entity by telephone that the discount should not have been taken and that the balance is due by the original payment due date.

If the balance is not received by the County in accordance with the dates as specified in Section VII, applicable late charges shall be calculated on the balance due.

**IX. DEFERRED REVENUE**

At fiscal year end, any portion of revenue invoiced (not necessarily received) during the fiscal year being closed out that represents charges or prepayment for materials and/or services for the upcoming fiscal year shall be reclassified from a revenue account to a deferred revenue account (liability). In the new fiscal year the deferred revenue shall be reclassified to a revenue account. (EXAMPLE: On June 1, 19X1, a city is invoiced \$48,000 which represents charges for the 12-month period June 1, 19X1 to May 31, 19X2. The amount to be reclassified to deferred revenue would be \$44,000, representing 11/12ths of the total amount. In July 19X1, the \$44,000 would be reclassified to revenue.) Reclassification entries shall be made by Auditor-Controller Agency Accounting units, or for those agencies/departments/districts without such a unit, the agency/department/district shall notify the Auditor-Controller of the amounts to be reclassified.

**X. COST RECOVERY**

All County agencies/department/districts shall include all costs of providing contracted services in contract rates. Including all direct costs, allocated indirect costs such as departmental and County (CWCAP) overhead, and cost of capital financing.

**XI. EXISTING CONTRACTS**

Billing terms and provisions contained in existing contracting entity agreements (existing as of the date this policy is approved by the Board of Supervisors) shall remain in effect for the life of the contract. However, when these existing contracts are renegotiated, they shall contain the billing provisions as set forth in this policy.

**XII. DEVIATIONS FROM POLICY**

Deviations from this policy shall be approved by the Board of Supervisors. Proposed deviations by agencies/departments/districts shall be submitted to the CEO for concurrence in advance of filing an Agenda Item Transmittal (AIT) with the Clerk of the Board. The CEO, or his/her designee, shall advise the agency/department/district of approval or disapproval of the proposed deviations. If a County agency/department/district submits a contract to the Board of Supervisors for approval, and the billing provisions in the contract deviate from this policy, the agency/department/district shall specifically advise the Board of Supervisors in the AIT of the deviation, the reason for the deviation, and of the CEO's recommendation relative thereto.



**POLICY FOR DISTRIBUTION OF FORFEITED AND SEIZED ASSETS**

**BACKGROUND**

The Orange County Sheriff's Department provides contract law enforcement services to cities in Orange County. Because of the increased likelihood that contracted patrol or investigation personnel may become involved in significant narcotic seizures, which could affect law enforcement services provided by the Sheriff's Department to contract cities, the following policy is in effect.

**1. NON-RNSP CONTRACTED PATROL AND INVESTIGATION OFFICERS**

When assets (cash or property) are seized in CITY by contracted patrol or investigation personnel other than RNSP personnel, and subsequently forfeited to COUNTY, the forfeited assets shall be shared with CITY as set forth below, for the purpose of augmenting law enforcement services in CITY, subject to approval by the forfeiting agency (U.S. Attorney or State) of such sharing and use of forfeited assets. A portion of forfeited assets may be retained by COUNTY's Sheriff Department, hereinafter referred to as "SHERIFF", to pay for departmental expenses not recovered through law enforcement contracts.

In such cases, SHERIFF shall apply to the forfeiting agency for the return of a share of the assets to COUNTY. In his application, SHERIFF shall specify the percentage of shared assets returned to COUNTY that will be used to augment law enforcement services in CITY and the use of said assets by CITY.

In those cases in which assets are seized within CITY by non-RNSP personnel assigned to CITY pursuant to this Agreement, without the involvement of other law enforcement personnel, and in which the seizure is a result solely of activities self-initiated by non-RNSP SHERIFF personnel assigned to CITY or initiated by said personnel in response to calls for service within CITY, SHERIFF shall apply to have all of the assets used to augment CITY law enforcement services.

In those cases in which non-RNSP SHERIFF personnel assigned to CITY pursuant to this Agreement play an ancillary role in a seizure or in which other law enforcement personnel are involved in a seizure, SHERIFF shall determine the percentage of the total forfeited assets for which he will apply to augment CITY's law enforcement services. This determination will be based on the circumstances of the seizure, including the pro-rata involvement of all personnel, including those assigned to CITY.

Each seizure will be evaluated on an individual and independent basis, and said evaluations will be available for review to CITY's manager. Examples of those incidents which would be evaluated as set forth in this section include situations in which a contract patrol deputy provides uniformed backup at a SHERIFF's Narcotic Bureau search warrant location or in which contract investigators participate in the service of a search warrant that was initiated by non-contract law enforcement personnel.

## NON-RNSP CONTRACTED PATROL AND INVESTIGATION OFFICERS (Continued)

Assets (cash or property) that are returned to COUNTY by the forfeiting agency with the understanding that they will be used to augment CITY law enforcement services shall be used by CITY and COUNTY only for such purposes. If the forfeiting agency attaches additional or more specific conditions to the use of said assets, CITY and COUNTY shall also abide by those conditions. SHERIFF and CITY's manager shall determine the specific use of said assets within the conditions imposed by the forfeiting agency.

Subject to conditions imposed by the forfeiting agency and to the requirement that forfeited assets be used to augment law enforcement services, COUNTY shall place forfeited cash, or cash from the sale of forfeited assets in an interest-bearing account for use in CITY in compliance with the forfeiting agency's regulations.

### 2. CONTRACTED REGIONAL NARCOTICS SUPPRESSION PROGRAM (RNSP) OFFICERS

Assets forfeited as a result of activities conducted by contracted RNSP officers will be used to augment CITY's law enforcement services. Because activities of this type result from the efforts of both contracted officers and other RNSP officers, the percentage of sharing will be determined pursuant to the RNSP Memorandum of Understanding in effect at the time of the seizure. Said Memorandum of Understanding provides that assets are distributed according to percentage amounts based on the number of sworn personnel participating in the RNSP at the time of the seizure. The number of personnel in RNSP, as well as the number of participating agencies in RNSP, may fluctuate during the course of a contract year, thereby affecting the percentage amounts distributed to participating agencies. The percentage amounts distributed to participating agencies may also be affected by action taken by the RNSP Executive Board.

CITY will use RNSP forfeited assets only to augment CITY's law enforcement services. If the forfeiting agency or applicable RNSP Memorandum of Understanding attaches any additional or more specific conditions on the use of said assets, CITY shall abide by those conditions. SHERIFF and CITY's manager shall determine the specific use of said assets within the conditions imposed by the forfeiting agency and the RNSP Memorandum of Understanding.

Subject to conditions imposed by the forfeiting agency and the RNSP Memorandum of Understanding and to the requirement that RNSP forfeited assets be used to augment law enforcement services, COUNTY shall place forfeited cash or cash from the sale of forfeited assets in an interest-bearing account for use in CITY in compliance with the forfeiting agency's regulations and the RNSP Memorandum of Understanding.

## RESOLUTION NO. 2000-06-13-1

A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF LAGUNA HILLS, CALIFORNIA,  
ESTABLISHING A COST RECOVERY FEE  
RELATED TO VEHICLE IMPOUNDS

WHEREAS, the Orange County Sheriff-Coroner (hereinafter "the Sheriff") has instituted a Traffic Violator Apprehension Program designed to reduce vehicle accidents caused by unlicensed drivers and drivers whose licenses are suspended and to educate the public about the requirements of the Vehicle Code and related safety issues with regard to driver licensing, vehicle registration, vehicle operation, and vehicle parking; and

WHEREAS, the Sheriff operates said Traffic Violator Apprehension Program in the unincorporated areas of Orange County and in the Cities in Orange County that contract for the Sheriff's law enforcement services, including this City; and

WHEREAS, the operation of the Traffic Violator Apprehension Program on an area-wide basis, without regard to jurisdictional boundaries between the County and the cities, serves the public purposes of the City of Laguna Hills because drivers routinely cross jurisdictional boundaries, making an area-wide approach to reduction of traffic accidents and driver education most effective in preventing traffic accidents in all participating jurisdictions; and

WHEREAS, the Orange County Board of Supervisors already has adopted fees for the unincorporated areas of the County that are identical to those described herein; and

WHEREAS, the Orange County Board of Supervisors has directed the establishment in the County Treasury of an interest-earning, budgeted special revenue fund, called "the Traffic Violator Fund" and designated as Fund No. 13B, to be controlled by the Sheriff; and

WHEREAS, the Orange County Board of Supervisors has directed that the proceeds of the County fees that are identical to the fees described herein be deposited in the Traffic Violator Fund; and

WHEREAS, the Orange County Board of Supervisors has directed that the Traffic Violator Fund be used exclusively for the Traffic Violator Apprehension Program operated by the Sheriff in the unincorporated areas of Orange County and the cities that contract for the Sheriff's law enforcement services; and

WHEREAS, the Orange County Board of Supervisors has directed that permissible expenditures from the Traffic Violator Fund include, but are not limited to,

the costs of personnel who perform duties for the Traffic Violator Apprehension Program and the purchase and maintenance of equipment, materials, and supplies utilized in the Traffic Violator Apprehension Program; and

WHEREAS, the Orange County Board of Supervisors has directed that until further order of that Board, the balance remaining in the Traffic Violator Fund at the close of any fiscal year shall be carried forward and accumulated in said Fund for the above-described purposes: and

WHEREAS, the Sheriff has advised this Council of his plans to seek adoption, by the City Councils of each of the other cities that contract for the Sheriff's law enforcement services, of fees identical to those described herein, to be used for the Traffic Violator Apprehension Program; and

WHEREAS, the Sheriff impounds numerous and various vehicles removed from highways, public property, or private property in this city during the normal course of duty; and

WHEREAS, the Sheriff impounds said vehicles pursuant to his authority under the California Vehicle Code as follows:

Vehicle Code Section and Impound Ground

14602.6 Suspended, revoked or unlicensed driver/ 30-day hold  
22661 (a) Unattended vehicle on bridge  
22651 (d) Vehicle blocking driveway  
22651 (e) Vehicle blocking fire hydrant  
22651 (f) Vehicle blocking freeway  
22651 (h) ( 1 ) Driver arrested  
22651 (h) (2) Order of suspension or revocation pursuant to section 13388  
22651 (i) (1) Multiple parking citations  
22661 (j) Lack of vehicle registration  
22651 (k) Parking over seventy-two hours  
22651 (l) Parking in a construction zone  
22651 (m) Violation of special events restriction  
22651 (n) No parking zone  
22651 (o) (1) Delinquent vehicle registration  
22651 (p) Driver unlicensed or license suspended  
22651 (r) Vehicle blocking another vehicle  
22651 (t) Notice to appear/illegal amber lights  
22655.3 Removal for investigation  
(fleeing in violation of Section 2800.1 or 2800.2)  
22655.5 (b) Vehicle is evidence of crime  
22669 Abandoned vehicle:

WHEREAS, Vehicle Code section 22850.5 authorizes this Council, by resolution, to establish a fee equal to the administrative costs relating to the removal, impound, storage, or release of properly impounded vehicles; and

WHEREAS, the Sheriff is proposing adoption of the following fees pursuant to Vehicle Code section 22850.5:

(a) \$152.00 when a vehicle is impounded pursuant to or on account of violation of Vehicle Code section 14602.6, which relates to the licensing status of the driver, and

(b) \$50.00 when a vehicle is impounded pursuant to or on account of violation of any of the other Vehicle Code provisions listed above;

WHEREAS, a cost study conducted by the Sheriff shows that the administrative costs relating to the removal, impound, storage, or release of vehicles properly impounded pursuant to or on account of violation of Vehicle Code Section exceed \$152.00 per impound; and

WHEREAS, a cost study conducted by the Sheriff shows that the administrative costs relating to the removal, impound, storage or release of vehicles properly impounded pursuant to or on account of violations of the other Vehicle Code provisions listed above exceed \$50.00 per impound; and

WHEREAS, the above-described difference in costs is attributable to the additional costs of ascertaining the licensing status of the driver and complying with the complex requirements of Vehicle Code section 14602.6; and

WHEREAS, persons whose vehicles are impounded, rather than the public as a whole, should bear the administrative costs of processing such impounds; and

WHEREAS, Vehicle Code section 22850.5 imposes the following restrictions on the imposition of an administrative fee:

(a) The fee may only be imposed on the registered owner or the agents of that owner and may not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lien holder's total charges and proper administrative costs; and

(b) The fee may not be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner, and the fee may be imposed only upon the person requesting that hearing or appeal; and

WHEREAS, it also is unfair to impose the administrative fee authorized by Vehicle Code Section 22850.6 in the following circumstances: (1) when the vehicle was left because it became inoperable while being driven, if the owner makes good faith attempts promptly to remove the vehicle from a location where it is not permitted, (2) when the vehicle was stolen, (3) when the vehicle was left by an ill or injured driver, and (4) when it is demonstrated to the satisfaction of the Sheriff or his designee that neither the registered owner of the vehicle nor his agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle; and

WHEREAS, a public hearing pertaining to said proposed new fees was held by the Orange County Board of Supervisors on March 28, 2000.

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

SECTION 1. That this Council finds, in accordance with California Public Resources Code Section 21080 (b) (8), that the charges listed herein below are only for the purposes of meeting operating expenses and are, therefore, exempt from compliance with the Californian Environmental Quality Act.

SECTION 2. That on July 1, 2000, the administrative fees indicated below shall become effective for the removal, impound, storage or release of vehicles properly impounded after removal from locations in this city in accordance with or on account of violation of the provisions of the Vehicle Code listed below.

(a) A fee of \$152.00 for each impound of a vehicle in accordance with or on account of violation of Vehicle Code section 14602.6, and

(b) A fee of \$50.00 for each impound of a vehicle in accordance with or on account of violation of Vehicle Code section

22651 (a),  
22651 (d),  
22651 (e),  
22651 (f),  
22651 (h) (1),  
22651 (h) (2),  
22651 (i) (1),  
22651 (j),  
22651 (k),  
22651 (1),  
22651 (m),  
22651 (n),  
22651 (o) (1),  
22651 (p),

22651 (r),  
22651 (t),  
22655.3,  
22655.5 (b), or  
22669.

SECTION 3. That the Sheriff is authorized to collect said fees, on behalf of this city, at the time of release of vehicles that are subject to the fees.

SECTION 4. That said fees shall only be imposed on the registered owner or the agent of the owner of the impounded vehicle and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lien holder's total charges and proper administrative costs.

SECTION 5. That said fees shall not be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner, and such fees, if otherwise applicable, shall be imposed only upon the person requesting that hearing or appeal.

SECTION 6. That said fees shall not be imposed in any of the following circumstances: (a) when the vehicle was left because it become inoperable while being driven, if the owner made good faith attempts promptly to remove the vehicle from a location where it was not permitted; (b) when the vehicle was stolen; (c) when the vehicle was left by an ill or injured driver; or (d) when it is demonstrated to the satisfaction of the Sheriff or his designee that neither the registered owner of the vehicle nor his agent, if any, was at fault in creating the circumstances leading to the impounding of the vehicle.

SECTION 7. That at Sheriff headquarters or at any Sheriff substation, a registered owner or an agent of a registered owner who believes he/she/it is exempt from either of said fees in accordance with any of the above-listed criteria may apply in writing for a waiver of the fee and shall present such supporting information or documentation as the Sheriff may request.

SECTION 8. That upon presentation of a written application for waiver of either of said fees, together with such supporting documentation as the Sheriff may request, the Sheriff shall determine promptly whether the applicant meets the above-listed criteria for waiver of the fee, and if so, shall waive the fee.

SECTION 9. That until further order of this Council, the Sheriff is directed to deposit the proceeds of the fees established by this Resolution in the above-described Traffic Violator Fund in the County Treasury, to be used exclusively for the Traffic Violator Apprehension operated by the Sheriff in the unincorporated

areas of Orange County and the cities in Orange County that contract for the Sheriff's law enforcement services.

SECTION 10. That expenditures of said fee proceeds from the Traffic Violator Fund may include, but are not limited to, the costs of personnel who perform duties for the Traffic Violator Apprehension Program, and the purchase and maintenance of equipment, materials and supplies utilized in the Traffic Violator Apprehension Program.

SECTION 11. That until further order of this Council, the Orange County Board of Supervisors is authorized to carry forward in the Traffic Violator Fund and accumulate any balance of proceeds of fees imposed by this Resolution that is remaining at the end of a fiscal year, as long as such fee proceeds will be used for the purposes recited herein.

PASSED, APPROVED, AND ADOPTED this 13'h day of June 2000.

  
\_\_\_\_\_  
RANDAL J. BRESSETTE, MAYOR PRO TEMPORE

ATTEST:

  
\_\_\_\_\_  
MARY A. CARLSON, CITY CLERK



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

I, Mary A. Carlson, City Clerk of the City of Laguna Hills, California, DO  
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No.2000-  
06-13-1 adopted by the City Council of the City of Laguna Hills, California, at a Regular  
Meeting thereof held on the 13th day of June 2000, by the following vote:

AYES:           Council Members Greengold, Scott, Songstad,  
                  And Mayor Pro Tempore Bressette

NOES:           None

ABSENT:        Mayor Lautenschlager

ABSTAIN:       None

(SEAL)

  
\_\_\_\_\_  
MARY A. CARLSON, CITY CLERK

**ORANGE COUNTY SHERIFF-CORONER  
TRAFFIC VIOLATOR APPREHENSION PROGRAM**

|                      |                                                                                                                                                                                                                                                                                                                      |                                |                                                |
|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------------|
| <b>REQUEST</b>       | <b>CONTRACT CITY</b>                                                                                                                                                                                                                                                                                                 |                                |                                                |
|                      | Participating City Request to Purchase From the TVA in FY _____                                                                                                                                                                                                                                                      | Date                           |                                                |
|                      | <u><b>QUANTITY</b></u>                                                                                                                                                                                                                                                                                               | <u><b>ITEM DESCRIPTION</b></u> | <u><b>APPLICABILITY<br/>TO TVA PROGRAM</b></u> |
|                      |                                                                                                                                                                                                                                                                                                                      |                                | <u><b>ESTIMATED COST</b></u>                   |
|                      |                                                                                                                                                                                                                                                                                                                      |                                |                                                |
| <b>CERTIFICATION</b> | <p>THE CITY CERTIFIES THAT THE EQUIPMENT PURCHASED BY CITY AND TO BE REIMBURSED BY PROGRAM FUNDS<br/>WILL BE USED FOR ITS ENTIRE USEFUL LIFE EXCLUSIVELY FOR THE PURPOSES OF THE TRAFFIC VIOLATOR<br/>APPREHENSION PROGRAM</p> <p>CITY MANAGER REQUEST:<br/> Printed Name _____ DATE _____<br/> Signature: _____</p> |                                |                                                |
|                      | <b>ORANGE COUNTY SHERIFF-CORONER DEPARTMENT</b>                                                                                                                                                                                                                                                                      |                                |                                                |
| <b>APPROVALS</b>     | <p align="center"><u><b>Recommended For Approval</b></u></p> <p>CITY POLICE SERVICES CHIEF _____</p>                                                                                                                                                                                                                 |                                |                                                |
|                      | <p align="center">MANAGER – TVA PROGRAM _____</p>                                                                                                                                                                                                                                                                    |                                |                                                |

OCSD  
BUDGET  
USE ONLY